

# NC Economy Watch

May 2026

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Labor & Economic Analysis Division (LEAD)

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# This month's data release

## April 2026

North Carolina's **unemployment rate was 3.7%** (unchanged from previous month)

- For comparison, the national unemployment rate was 4.3%
- NC's unemployment rate has been below 4.0% for the past several years

**Total nonfarm employment increased by 16,000 jobs** in March (+0.3% over the month)

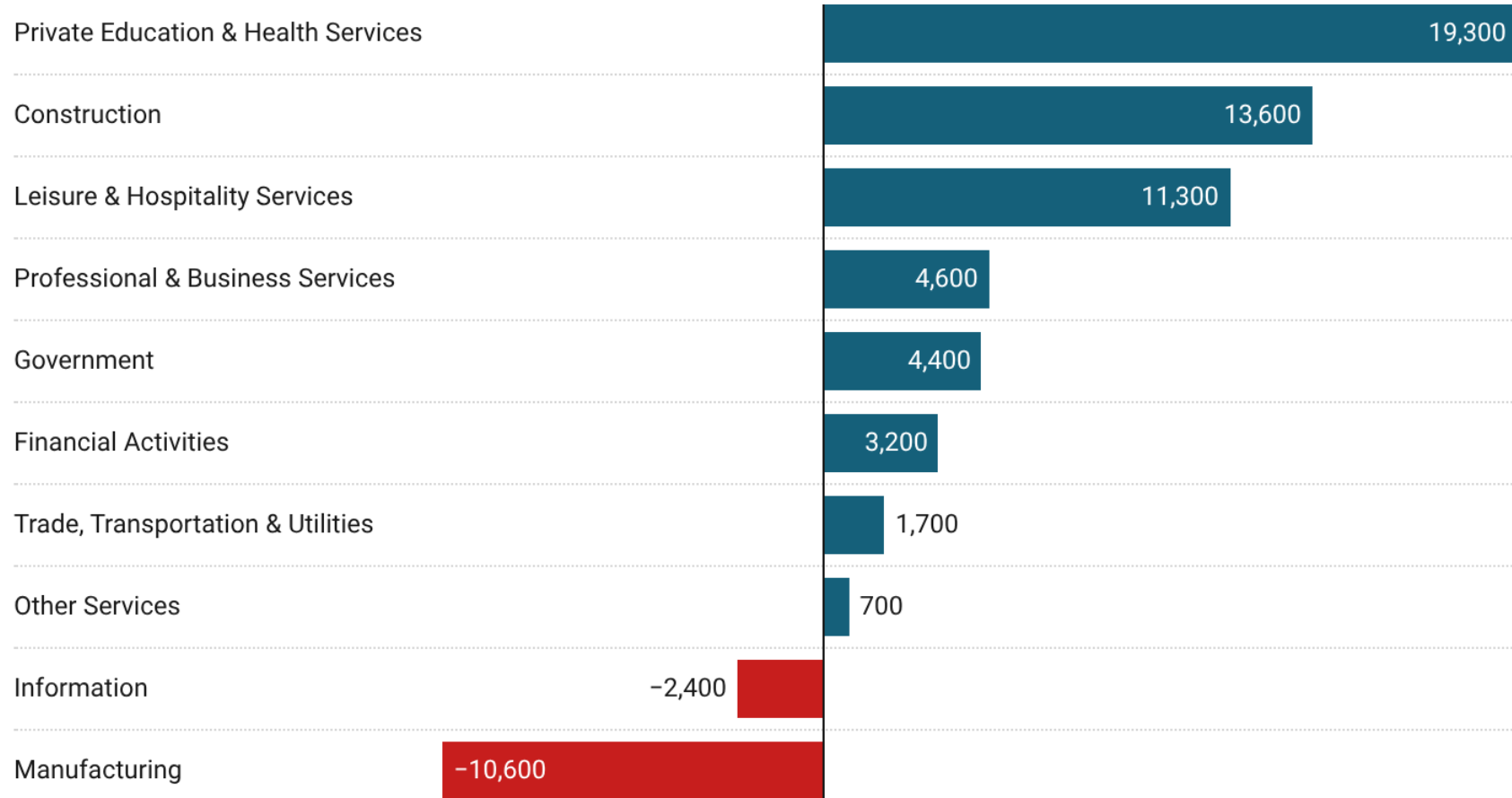
Since April 2025, **total nonfarm jobs increased by 45,800** (+0.9% over the year)

- Healthcare led over-the-year job gains, while manufacturing led over-the-year job losses

*\*Estimates are subject to monthly and annual revisions\**

# Private Education & Health Services Has Led Job Growth in North Carolina Over the Last Year

Net employment change (Apr. 2025 - Apr. 2026), by industry sector



NC Department of Commerce, Labor & Economic Analysis Division (LEAD)

Source: LEAD / Bureau of Labor Statistics (BLS) Current Employment Statistics (CES); seasonally adjusted • Created with Datawrapper

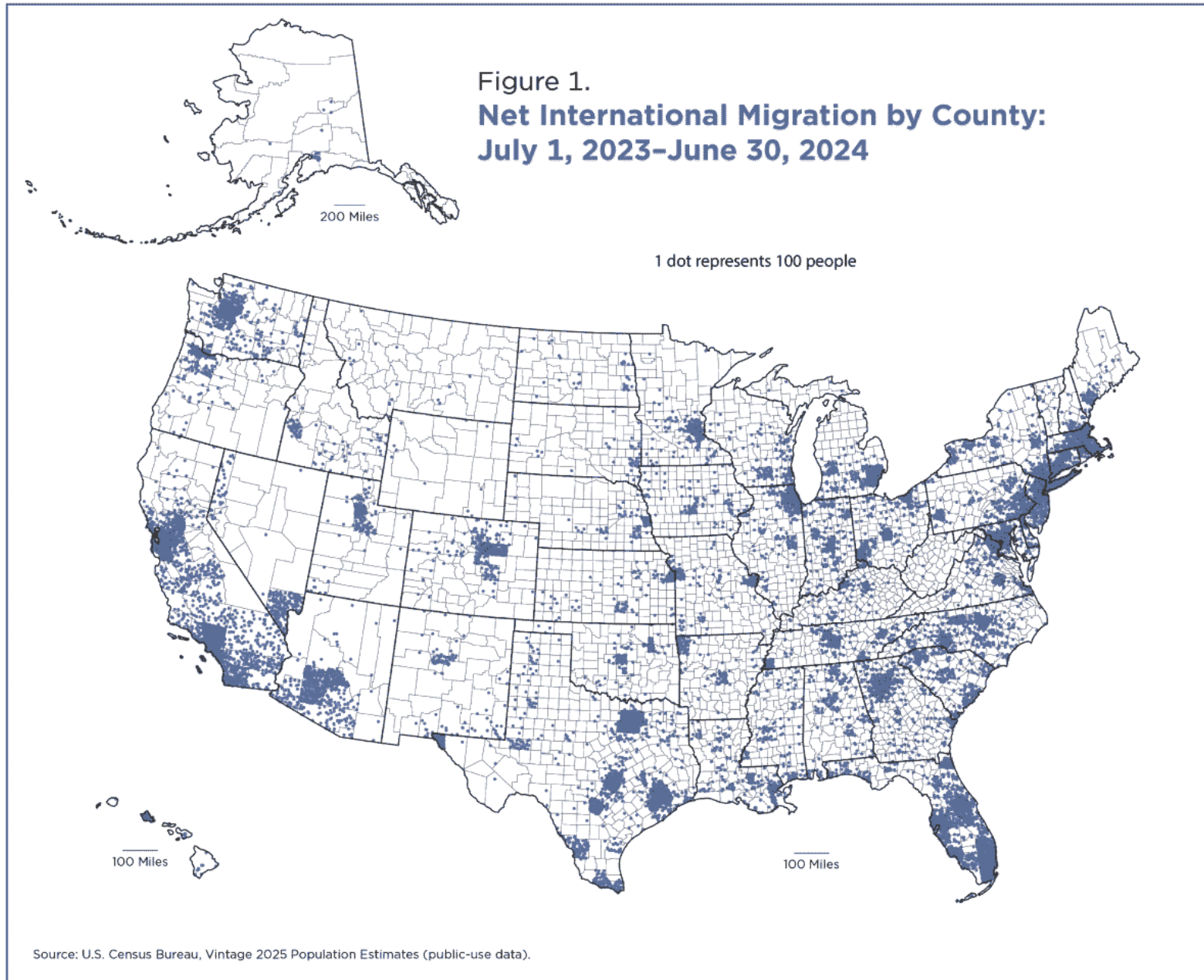
# Immigration Trends and the Labor Market

The United States experienced a historic **surge** in immigration (2022 - early 2024) followed by a sharp **slowdown** in immigration (late 2024 - present).

In recent years, increased immigration contributed to **population, labor force, and employment growth** across the country and in North Carolina

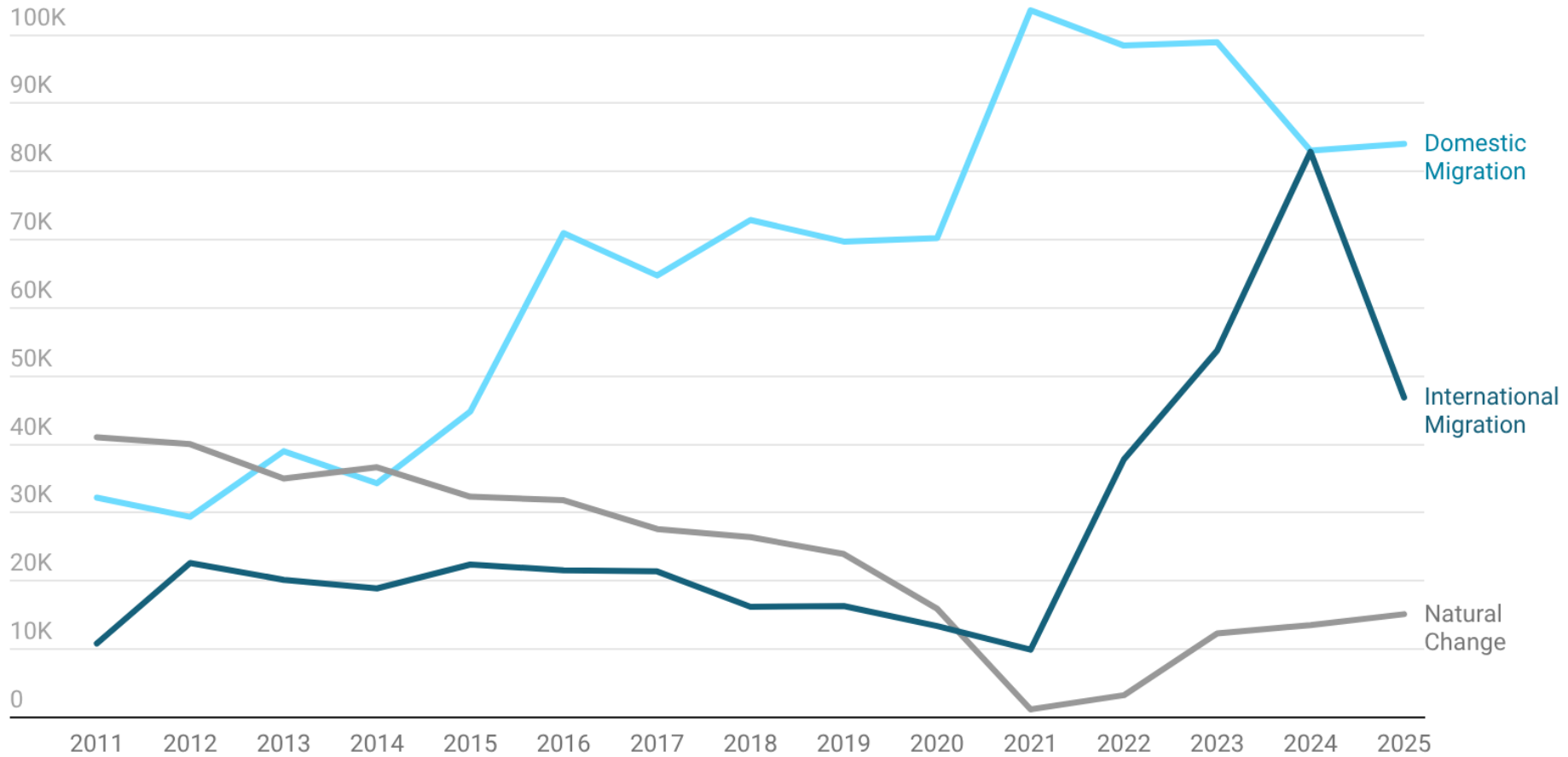
Now, a slowdown in immigration raises questions about the **health of the labor market**, especially as employer hiring remains weak and the U.S. population continues to age

Figure 1.  
**Net International Migration by County:  
July 1, 2023–June 30, 2024**



# International Migration into North Carolina Rose Sharply in 2024

Estimated components of population change in North Carolina (July 1, 2011 - July 1, 2025)

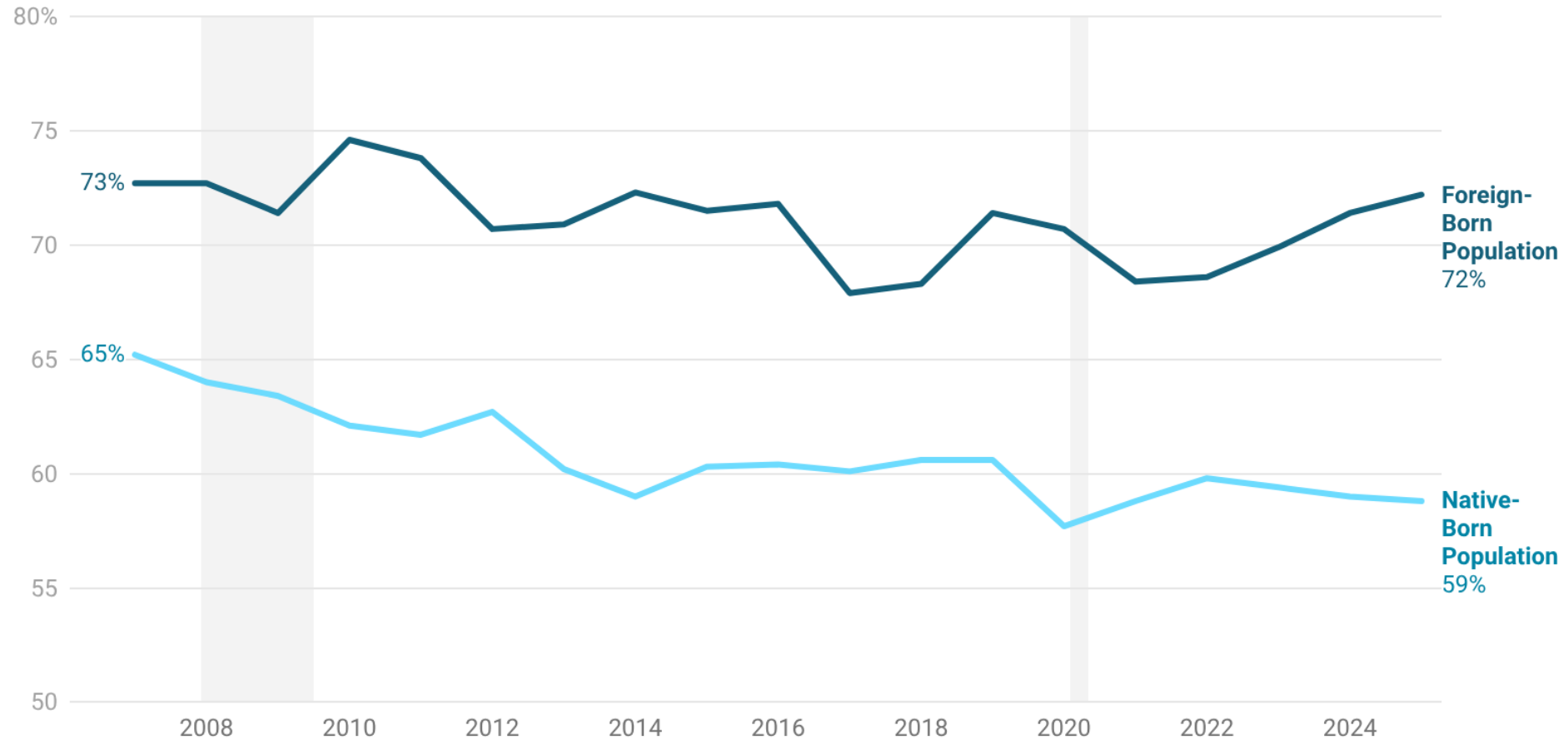


*Note: Components of population change are measured in net terms. For example, natural change is a net measure that calculates births minus deaths. International migration is calculated by taking the number of immigrants and subtracting the number of emigrants (ins minus outs).*

Source: NC Commerce, Labor & Economic Analysis Division (LEAD); data from the U.S. Census Bureau, Vintage 2025 and Vintage 2020 Population Estimates • Created with Datawrapper

# Immigrant Labor Force Participation Has Increased in Recent Years and Continues to Outpace Native-Born Participation

Percent of civilian noninstitutionalized population (16+) in the labor force in North Carolina, by nativity status

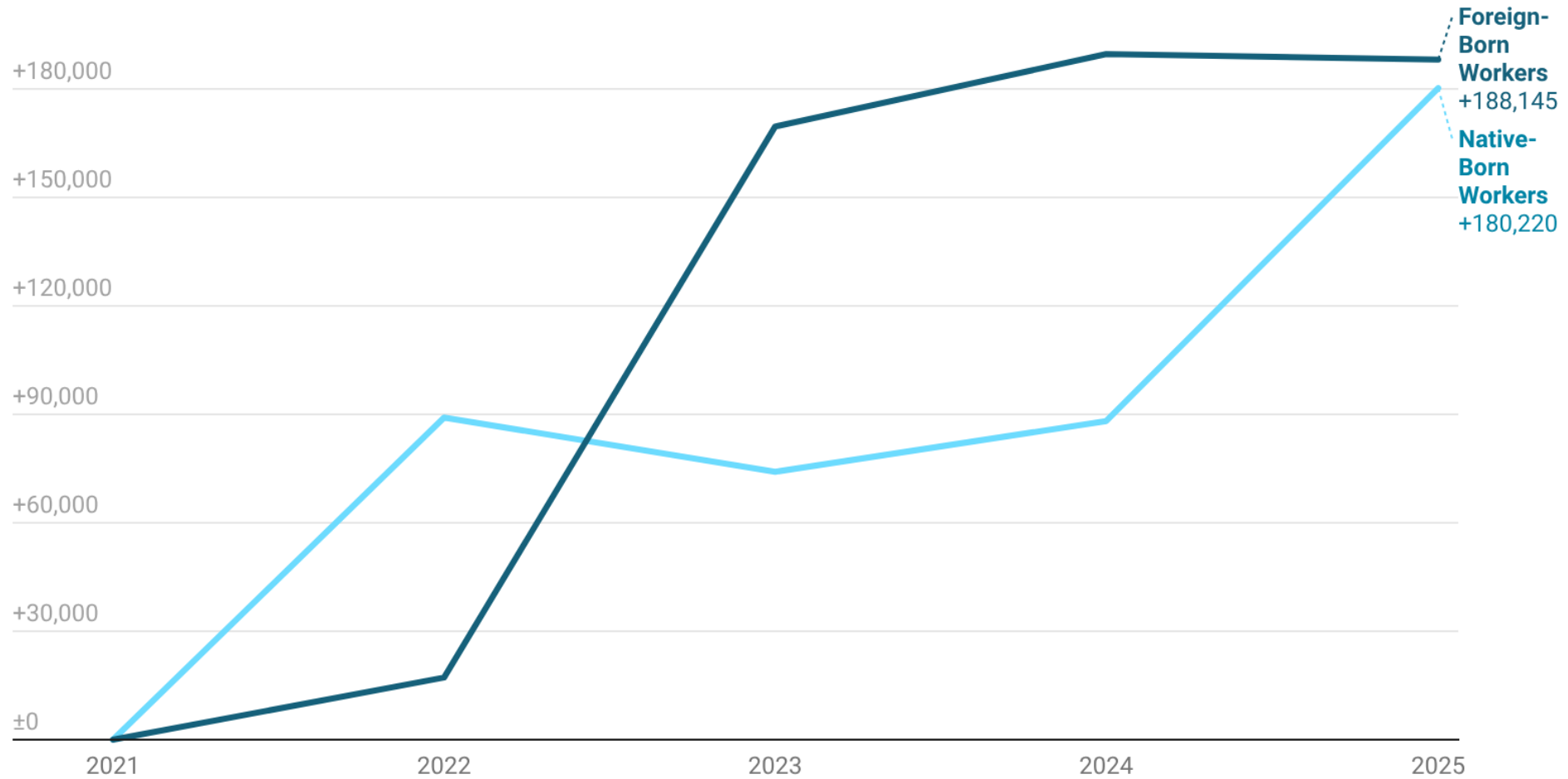


Note: Shaded areas represent recession periods.

Source: NC Commerce, Labor & Economic Analysis Division (LEAD); analysis of data from the Current Population Survey (CPS) • Created with Datawrapper

# Immigration Accounts for Most of North Carolina's Employment Growth Since 2021

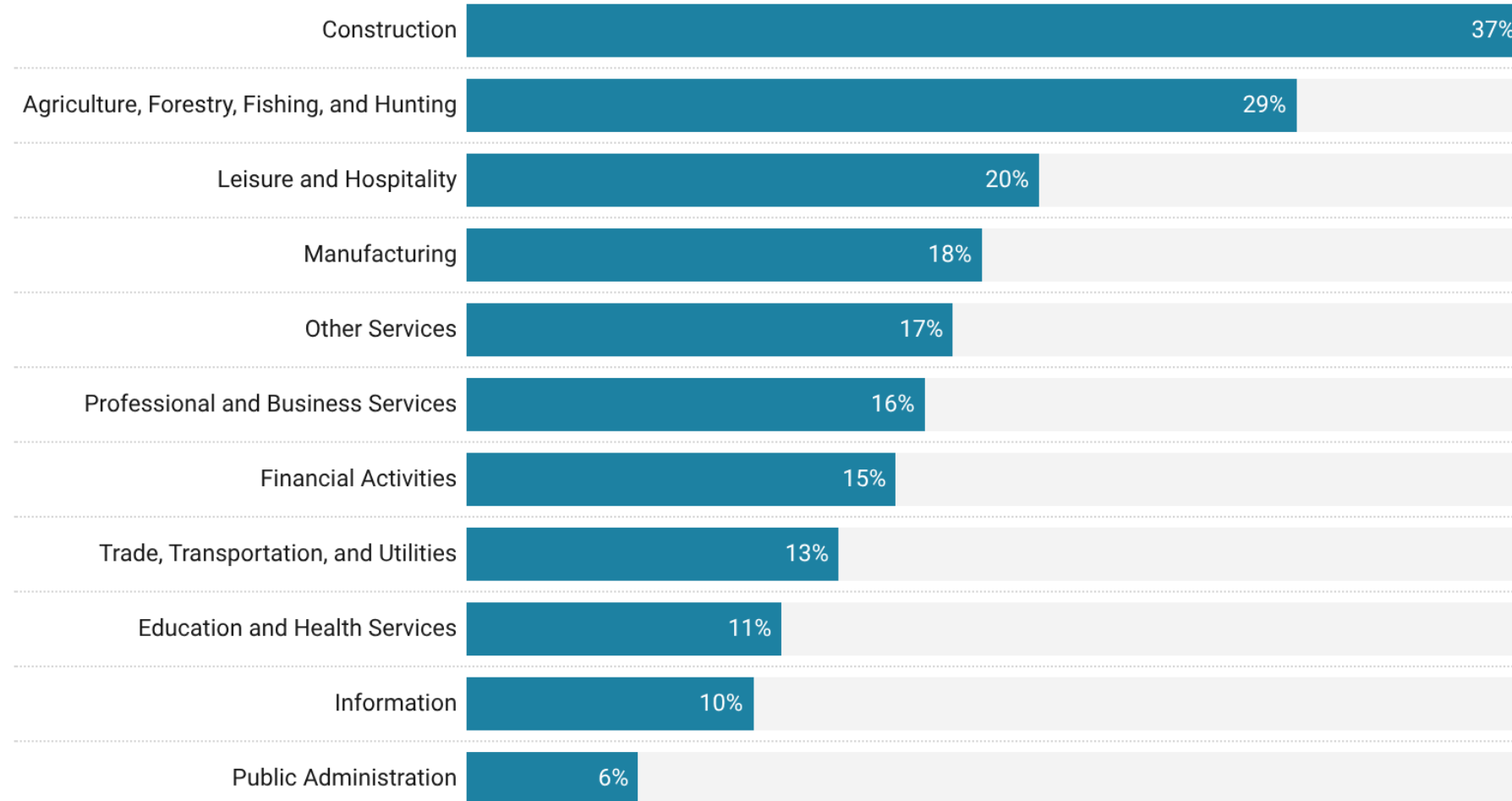
Employed workers in North Carolina, by nativity status (change since 2021)



Source: NC Commerce, Labor & Economic Analysis Division (LEAD); analysis of data from the Current Population Survey (CPS) • Created with Datawrapper

# Immigrants Represent a Large Share of Workers in the Construction Sector and the Agriculture Sector

Percent of total workers in North Carolina who are foreign-born, by industry (2024)



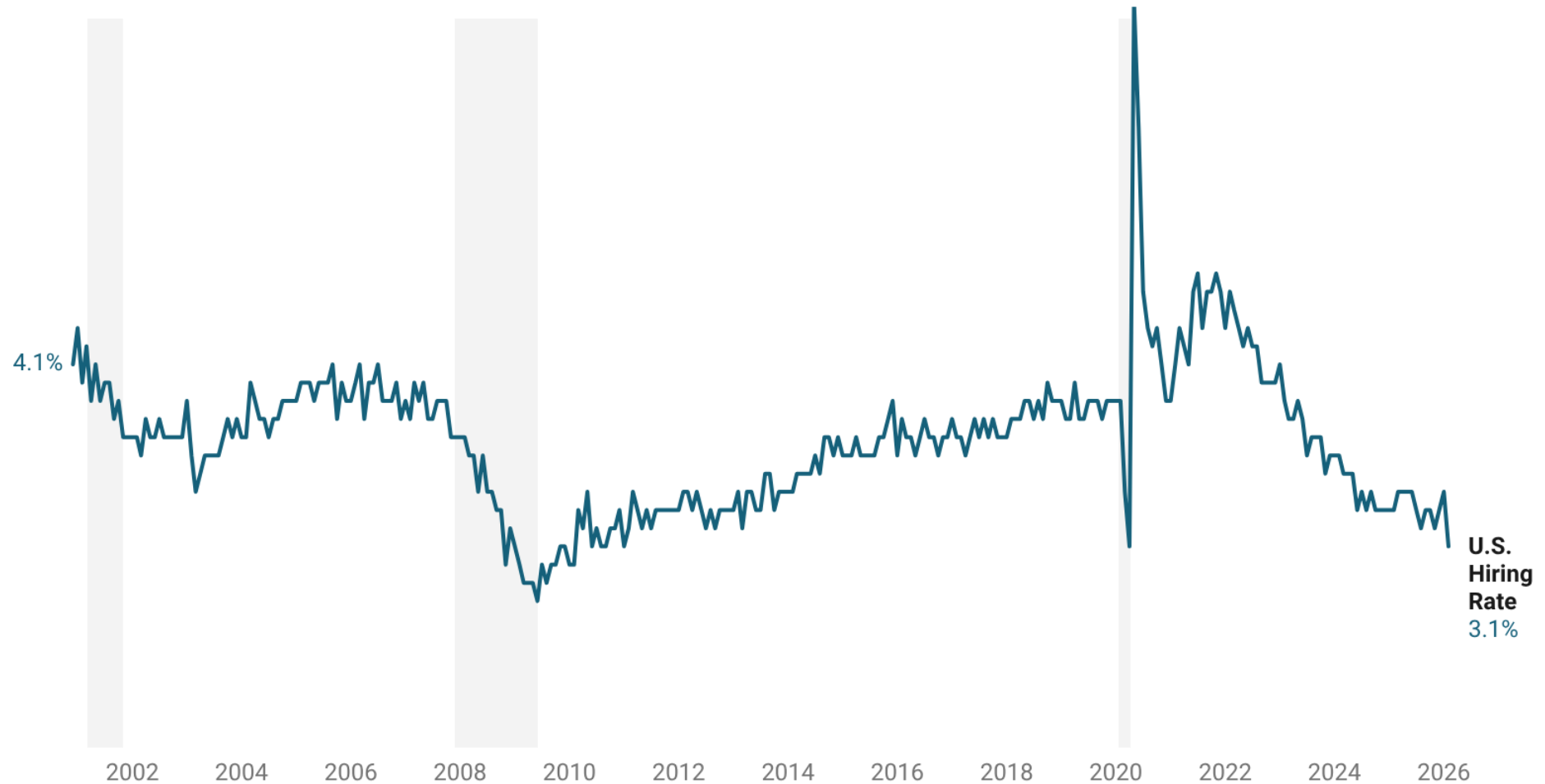
Source: NC Commerce, Labor & Economic Analysis Division (LEAD); analysis of data from the Current Population Survey (CPS) • Created with Datawrapper

# What Lies Ahead Given the Immigration Slowdown in 2025-2026?

First, remember that changes on the supply side of the labor market (i.e., more or fewer people available to work) occur alongside **changes on the demand side** (i.e., employers needing workers)

# U.S. Hiring Has Slowed to Its Lowest Rate in More Than a Decade

Monthly number of hires as a percent of total employment (Dec. 2000 - Feb. 2026)



NC Department of Commerce, Labor & Economic Analysis Division

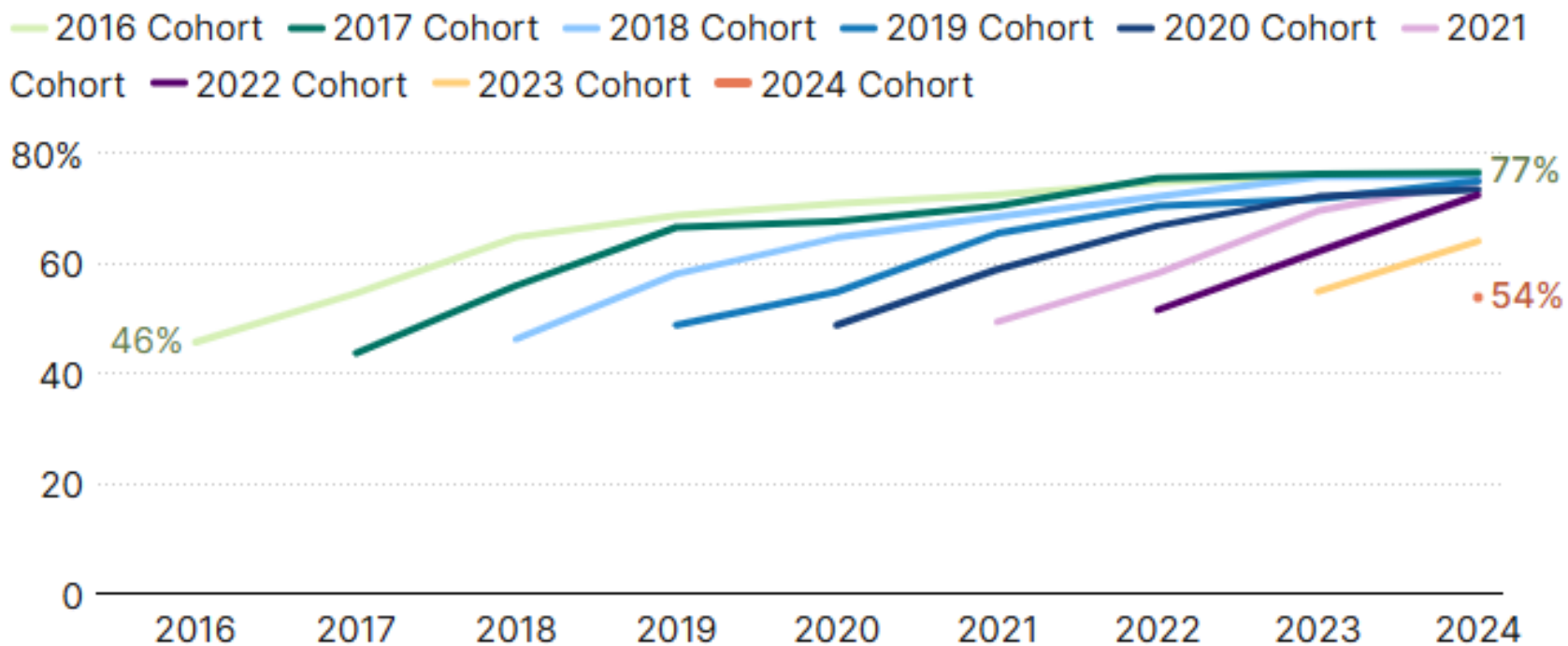
Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS); Note: shaded bars represent recessions • Created with Datawrapper

# What Lies Ahead Given the Immigration Slowdown in 2025-2026?

First, remember that changes on the supply side of the labor market (i.e., more or fewer people available to work) occur alongside **changes on the demand side** (i.e., employers needing workers)

Second, the **effects of immigration** on the labor market **can take time to show up**. In a typical year, many newly arrived immigrants don't enter the labor force immediately.

**Figure 4: Labor force participation rates, civilian noninstitutionalized immigrants 16+, by immigrant cohort**



**Source:** American Community Survey 2016-24; authors' calculations.

**BROOKINGS**

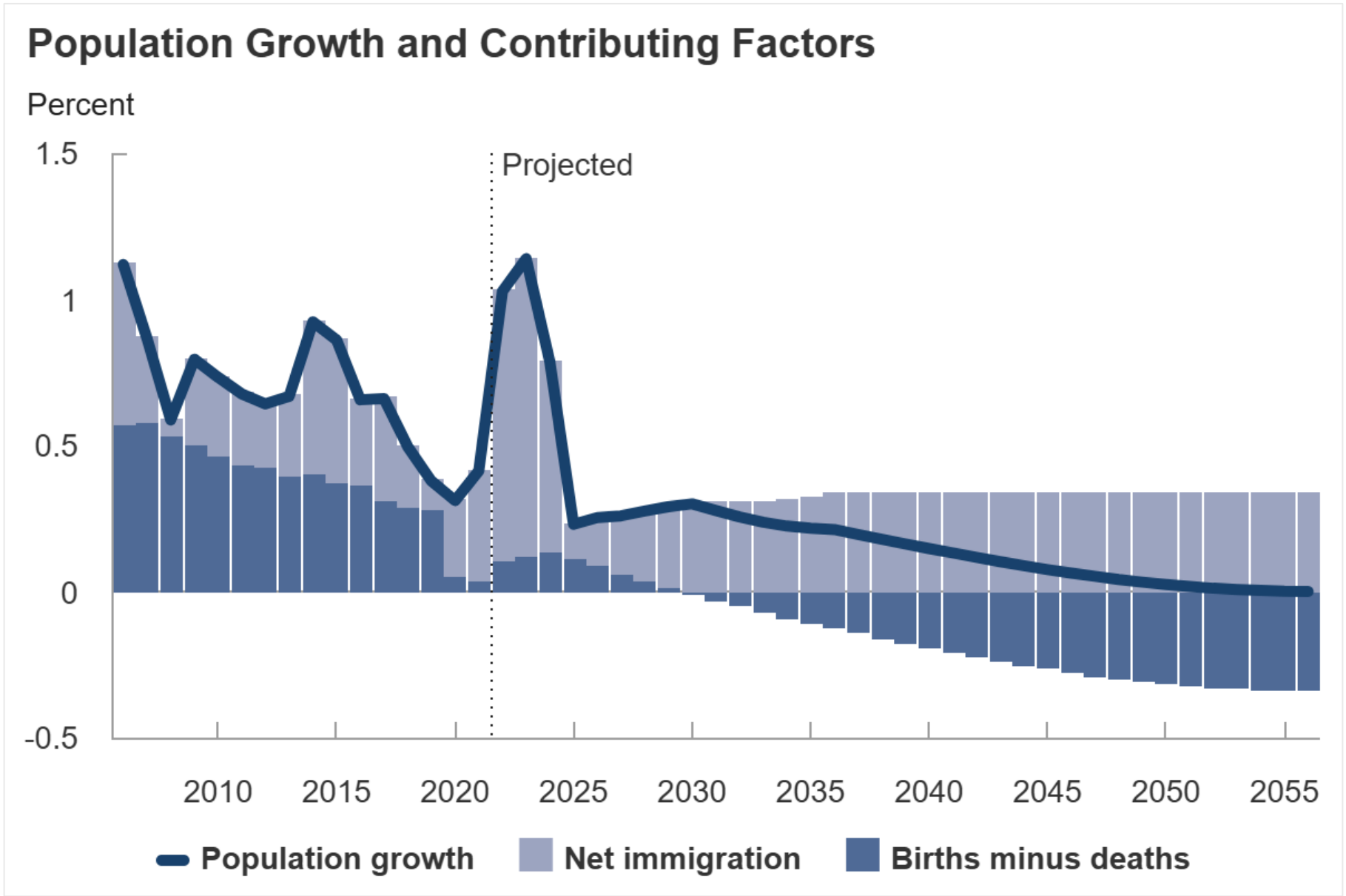
**Note:** Rates reflect labor force participation of foreign-born individuals age 16 and up based on reported cohort year of arrival in the U.S., as observed in different survey years.

# What Lies Ahead Given the Immigration Slowdown in 2025-2026?

First, remember that changes on the supply side of the labor market (i.e., people available to work) occur alongside **changes on the demand side** (i.e., employers needing workers)

Second, the effects of immigration on the labor market **can take time to show up**. In a typical year, many newly arrived immigrants don't enter the labor force immediately.

Third, a prolonged slowdown in immigration would **constrain population growth**. The U.S. population is aging, and birthrates have been in decline for decades.



# Resources of interest

## An Update on Immigration and North Carolina's Labor Market

<https://www.commerce.nc.gov/news/the-lead-feed/update-immigration-and-north-carolinas-labor-market>

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# “Thank you!”

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