

ROY COOPER Governor

ANTHONY M. COPELAND Secretary

For Immediate Release: October 20, 2020 For More Information, Contact: David Rhoades/919.814.4611

### North Carolina's September Employment Figures Released

**RALEIGH** — The state's seasonally adjusted September unemployment rate was 7.3 percent, increasing 0.8 of a percentage point from August's revised rate. The national rate decreased 0.5 of a percentage point to 7.9 percent.

North Carolina's September 2020 unemployment rate increased 3.6 percentage points from a year ago. The number of people employed increased 38,683 over the month to 4,558,033 and decreased 352,111 over the year. The number of people unemployed increased 44,278 over the month to 356,952 and increased 166,666 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 48,100 to 4,316,200 in September. Major industries experiencing increases were Government, 13,100; Leisure & Hospitality Services, 12,100; Trade, Transportation & Utilities, 8,500; Professional & Business Services, 4,700; Other Services, 2,400; Financial Activities, 2,200; Construction, 2,000; Manufacturing, 2,000; Information, 700; and Education & Health Services, 400. Mining & Logging employment remained unchanged.

	Sept 2019		Nov 2019						-				-
N.C.	3.7	3.7	3.6	3.6	3.6	3.6	4.3	12.9	12.8	7.5	8.5	6.5	7.3
U.S.	3.5	3.6	3.5	3.5	3.6	3.5	4.4	14.7	13.3	11.1	10.2	8.4	7.9

### Seasonally Adjusted Unemployment Rates since September 2019

Please note: 2019 numbers have undergone annual revision

Since September 2019, Total Nonfarm jobs decreased 267,400 with the Total Private sector decreasing by 246,700 and Government decreasing by 20,700. The only major industry experiencing an over-theyear increase was Financial Activities, 1,400. Major industries experiencing decreases were Leisure & Hospitality Services, 115,000; Education & Health Services, 42,500; Manufacturing, 37,800; Government, 20,700; Professional & Business Services, 20,200; Trade, Transportation & Utilities, 14,400; Construction, 10,400; Information, 5,800; Other Services, 1,800; and Mining & Logging, 200.

The next unemployment update is scheduled for Wednesday, October 28, 2020 when the county unemployment rates for September 2020 will be released.

These data can be accessed on the Commerce website at https://d4.nccommerce.com/

## North Carolina Department of Commerce Labor and Economic Analysis Division

NORTH CAROLINA and U.S. LABOR FORCE DATA

North Carolina data is embargoed until 10:00 A.M. Tuesday, October 20, 2020

				Month	Month Ago		Year Ago	
				Numeric	Percent	Numeric	Percent	
North Carolina	September 2020	August 2020	September 2019	Change	Change	Change	Change	
(Local Area Unemployment S	tatistics)							
Smoothed Seasonally Adjusted								
Labor Force	4,914,985	4,832,024	5,100,430	82,961	1.7	-185,445	-3.6	
	4,558,033	4,519,350	4,910,144	38,683	0.9	-352,111	-7.2	
Employed	356,952		190,286					
Unemployed								
<b>Unemployment Rate</b>	7.3	6.5	3.7	0.8	XXX	3.6	XX	
Not Seasonally Adjusted								
Labor Force	4,918,620	4,815,116	5,094,495	103,504	2.1	-175,875	-3.5	
Employed	4,575,430	4,489,293	4,919,877	86,137	1.9	-344,447	-7.0	
Unemployed	343,190	325,823	174,618	17,367	5.3	168,572	96.5	
<b>Unemployment Rate</b>	7.0	6.8	3.4	0.2	XXX	3.6	xx	
United States								
(Current Population Survey)								
Seasonally Adjusted								
Labor Force	160,143,000	160,838,000	164,051,000	-695,000	-0.4	ХХХ	XX	
Employed	147,563,000	147,288,000	158,298,000	275,000	0.2	ХХХ	xx	
Unemployed	12,580,000	13,550,000	5,753,000	-970,000	-7.2	ххх	xx	
Unemployment Rate	7.9	8.4	3.5	-0.5	XXX	xxx	xx	
Not Seasonally Adjusted								
Labor Force	160,073,000	160,966,000	163,943,000	-893,000	-0.6	ххх	xx	
Employed	147,796,000	147,224,000	158,478,000	572,000	0.4	ххх	xx	
Unemployed	12,277,000	13,742,000	5,465,000	-1,465,000	-10.7	ххх	xx	
Unemployment Rate	7.7	8.5	3.3	-0.8	xxx	ххх	xx	

\*Effective January 2020, updated US population estimates are used in the national labor force estimates.

The annual population adjustments affect the comparability of national labor force estimates over time.

2020 estimates for the current month are preliminary. Estimates for the previous month have undergone monthly revision. 2019 estimates have undergone annual revision.

### North Carolina Department of Commerce Labor and Economic Analysis Division NORTH CAROLINA EMPLOYMENT DATA

North Carolina data is embargoed until 10:00 A.M., Tuesday, October 20, 2020

				Month	Ago	Year Ago	
	September 2020	August 2020	September 2019	Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina							
(Current Employment Statisti	ics)						
Seasonally Adjusted							
<b>Fotal Nonfarm</b>	4,316,200	4,268,100	4,583,600	48,100	1.1	-267,400	-4
<b>Fotal Private</b>	3,601,200	3,566,200	3,847,900	35,000	1.0	-246,700	-(
Aining & Logging	5,500	5,500	5,700	0	0.0	-200	-
Construction	222,000	220,000	232,400	2,000	0.9	-10,400	
<b>Manufacturing</b>	439,300	437,300	477,100	2,000	0.5	-37,800	-
Frade, Transportation & Utilities	833,300	824,800	847,700	8,500	1.0	-14,400	-
nformation	70,700	70,000	76,500	700	1.0	-5,800	-
Financial Activities	256,400	254,200	255,000	2,200	0.9	1,400	
Professional & Business Services	629,300	624,600	649,500	4,700	0.8	-20,200	-
Education & Health Services	587,200	586,800	629,700	400	0.1	-42,500	-
eisure & Hospitality Services	399,900	387,800	514,900	12,100	3.1	-115,000	-2
Other Services	157,600	155,200	159,400	2,400	1.5	-1,800	-
Government	715,000	701,900	735,700	13,100	1.9	-20,700	-
North Carolina (Current Employment Statisti	ics)	<u> </u>	<u> </u>		<u> </u>		I
Not Seasonally Adjusted							
Fotal Nonfarm	4,321,300	4,267,700	4,585,500	53,600	1.3	-264,200	-
Fotal Private	3,601,400	3,595,400	3,843,500	6,000	0.2	-242,100	-
Aining & Logging	5,500	5,600	5,700	-100	-1.8	-200	-
Construction	223,400	223,200	233,500	200	0.1	-10,100	-
Manufacturing	440,100	438,400	477,300	1,700	0.4	-37,200	-
Frade, Transportation & Utilities	829,200	826,400	842,100	2,800	0.3	-12,900	-
nformation	70,200	70,600	75,700	-400	-0.6	-5,500	-
Financial Activities	257,300	257,200	255,400	100	< 0.1		
Professional & Business Services	632,000	629,900	651,200	2,100	0.3		
Education & Health Services	587,100	582,000	626,500	5,100			
Leisure & Hospitality Services	400,200	405,200	516,600	-5,000			
cisure & mospitality services							
Other Services	156,400	156,900	159,500	-500	-0.3	-3,100	-

All 2020 Labor Force and CES data for the current month are preliminary.

All 2019 Labor Force and CES estimates have been benchmarked. Estimates may not add to totals due to rounding.

#### **Accessing Data**

The data presented in this press release, as well as historical data, can be accessed from NC Commerce's Demand Driven Data Delivery ("D4") system: <u>https://d4.nccommerce.com/LausSelection.aspx</u> <u>https://d4.nccommerce.com/CesSelection.aspx</u>

#### **Technical Notes**

This release presents labor force and unemployment estimates from the Local Area Unemployment Statistics (LAUS) program. Also presented are nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The LAUS and CES programs are both federal-state cooperative endeavors.

#### Labor force and unemployment--from the LAUS program

Definitions. The labor force and unemployment estimates are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the Bureau of Labor Statistics (BLS) by the U.S. Census Bureau. The LAUS program measures employment and unemployment on a place-of-residence basis. The universe for each is the civilian noninstitutional population 16 years of age and over. Employed persons are those who did any work at all for pay or profit in the reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who had a job from which they were temporarily absent, whether or not paid, for such reasons as bad weather, labor-management dispute, illness, or vacation. Unemployed persons are those who were not employed during the reference week (based on the definition above), had actively looked for a job sometime in the 4-week period ending with the reference week, and were currently available for work; persons on lay-off expecting recall need not be looking for work to be counted as unemployed. The labor force is the sum of employed and unemployed persons. The unemployment rate is the number of unemployed as a percent of the labor force.

<u>Method of estimation</u>. Statewide estimates are produced using an estimation algorithm administered by the BLS. This method, which underwent substantial enhancement at the beginning of 2015, utilizes data from several sources, including the CPS, the CES, and state unemployment insurance (UI) programs. Each month, census division estimates are controlled to national totals, and state estimates are then controlled to their respective division totals. Substate estimates are controlled to their respective state totals. For more information about LAUS estimation procedures, see the BLS website at <u>https://www.bls.gov/opub/hom/lau/calculation.htm</u>

<u>Revisions</u>. Labor force and unemployment data for the previous month reflect adjustments made in each subsequent month, while data for prior years reflect adjustments made at the end of each year. The monthly revisions incorporate updated model inputs, while the annually revised estimates reflect updated population data from the U.S. Census Bureau, any revisions in the other data sources, and model reestimation. In most years, historical data for the most recent five years (both seasonally adjusted and not seasonally adjusted) are revised near the beginning of each calendar year, prior to the release of January estimates.

Seasonal adjustment. The LAUS program introduced smoothed seasonally adjusted (SSA) estimates in January 2010. These are seasonally-adjusted data that have incorporated a longrun trend smoothing procedure, resulting in estimates that are less volatile than those previously produced. The estimates are smoothed using a filtering procedure, based on moving averages, to remove the irregular fluctuations from the seasonally-adjusted series, leaving the trend. The same process is used on both historical and current year estimates. For more information about the smoothing technique, see the BLS website at <a href="https://www.bls.gov/lau/lauseas.htm">https://www.bls.gov/lau/lauseas.htm</a>.

<u>Area definitions.</u> The substate area data published in this release reflect the delineations that were issued by the U.S. Office of Management and Budget on April 10, 2018. A detailed list of the geographic definitions is available online at <u>www.bls.gov/lau/lausmsa.htm</u>.

#### Employment--from the CES program

<u>Definitions.</u> Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2017 version of the North American Industry Classification System.

<u>Method of estimation.</u> CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, relatively small sample sizes limit the reliability of the weighted linkrelative estimates. In these cases, BLS uses the CES small domain model (SDM) to generate employment estimates. The SDM combines the direct sample estimates (described above) and forecasts of historical (benchmarked) data to decrease the volatility of the estimates. For more detailed information about the CES small domain model, refer to the BLS Handbook of Methods.

<u>Annual revisions.</u> Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months. Information on recent benchmark revisions is available online at www.bls.gov/web/laus/benchmark.pdf.

<u>Seasonal adjustment.</u> Payroll employment data are seasonally adjusted at the statewide supersector level. In some states, the seasonally adjusted payroll employment total is computed by aggregating the independently adjusted supersector series. In other states, the seasonally adjusted payroll employment total is independently adjusted. Revisions of historical data for the most recent 5 years are made once a year, coincident with annual benchmark adjustments.

#### Reliability of the estimates

The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability—that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. Model-based error measures for seasonally adjusted and not seasonally adjusted data and for over-the-month and over-the-year changes to LAUS estimates are available online at <a href="https://www.bls.gov/lau/lastderr.htm">www.bls.gov/lau/lastderr.htm</a>. Measures of sampling error for state CES data at the total nonfarm and supersector levels are available online at <a href="https://www.bls.gov/sae/790stderr.htm">www.bls.gov/sae/790stderr.htm</a>.

#### **Release Dates**

The next unemployment update is scheduled for Wednesday, October 28, 2020 when the county unemployment rates for September 2020 will be released.

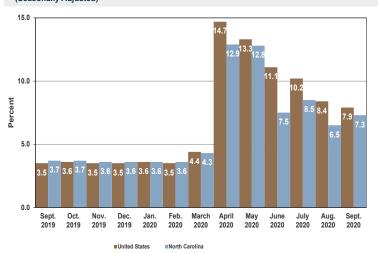
The complete data release schedule for 2020 can be accessed here:

https://www.nccommerce.com/documents/release-dates-unemployment-rates

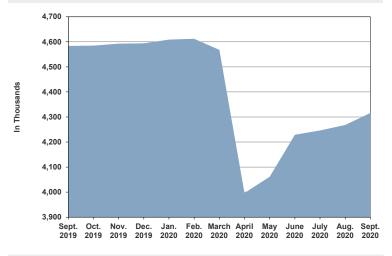
# North Carolina Labor Market Conditions

# September 2020

#### United States/North Carolina Unemployment Rates September 2019–September 2020 (Seasonally Adjusted)



North Carolina Total Nonfarm Employment September 2019–September 2020 (Seasonally Adjusted)





The North Carolina seasonally adjusted unemployment rate was 7.3 percent in September, increasing 0.8 of a percentage point from August's revised rate and growing 3.6 percentage points from September 2019. Over the month, the number of persons unemployed increased by 44,278 (14.2%). The civilian labor force grew by 82,961 (1.7%) to 4,914,985.

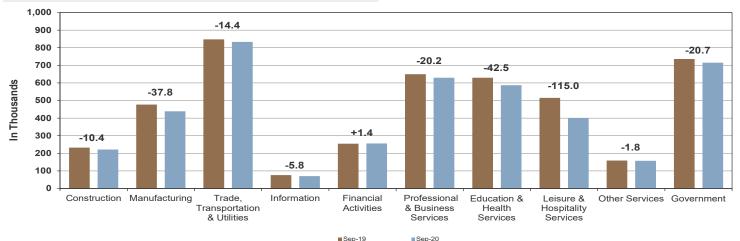
Nationally, September's unemployment rate was 7.9 percent. The number of persons unemployed was 12,580,000, while the civilian labor force was 160,143,000.

Seasonally adjusted Total Nonfarm industry employment (4,316,200) increased 48,100 (1.1%) since August 2020 and fell 267,400 (5.8%) since September 2019. Private sector employment increased 35,000 (1.0%) over the month and decreased 246,700 (6.4%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Government (13,100; 1.9%) had the largest over-the-month increase in jobs, followed by Leisure & Hospitality Services (12,100; 3.1%), Trade, Transportation & Utilities (8,500; 1.0%), Professional & Business Services (4,700; 0.8%), Other Services (2,400; 1.5%), Financial Activities (2,200; 0.9%), Manufacturing (2,000; 0.5%), Construction (2,000; 0.9%), Information (700; 1.0%), and Education & Health Services (400; 0.1%). Mining & Logging remained unchanged over the month.

Since September 2019, Financial Activities (1,400; 0.5%) reported the only jobs increase over the year. Leisure & Hospitality Services (115,000; 22.3%) reported the largest over-the-year decrease, followed by Education & Health Services (42,500; 6.7%), Manufacturing (37,800; 7.9%), Government (20,700; 2.8%), Professional & Business Services (20,200; 3.1%), Trade, Transportation & Utilities (14,400; 1.7%), Construction (10,400; 4.5%), Information (5,800; 7.6%), Other Services (1,800; 1.1%), and Mining & Logging (200; 3.5%).

Note: It is important to note that industry employment estimates are subject to large seasonal patterns. Seasonal adjustment factors are applied to the data. However, these factors may not be fully capturing the seasonal trend. Therefore, when interpreting the changes in industry employment, it is advisable to focus on overthe-year changes in both the seasonally adjusted and not seasonally adjusted series.



Note: North Carolina 2020 current month estimates are preliminary, while previous month estimates are revised. North Carolina 2019 estimates have undergone annual revision.

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## North Carolina Labor Market Conditions

The September 2020 not seasonally adjusted Total Nonfarm employment level of 4,321,300 was 53,600 (1.3%) higher than the August 2020 not seasonally adjusted employment level of 4,267,700. Among the major industries in North Carolina, Government had the largest over-the-month increase in employment at 47,600 (7.1%), followed by Education & Health Services (5,100; 0.9%), Trade, Transportation & Utilities (2,800; 0.3%), Professional & Business Services (2,100; 0.3%), Manufacturing (1,700; 0.4%), Construction (200; 0.1%), and Financial Activities (100; <0.1%). Leisure & Hospitality Services (5,000; 1.2%) reported the largest overthe-month decrease, followed by Other Services (500; 0.3%), Information (400; 0.6%), and Mining & Logging (100; 1.8%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed a decrease of 216,700 (5.6%) jobs. Financial Activities (1,900; 0.7%) reported the only increase over the year. Leisure & Hospitality Services had the largest over-theyear decrease in employment at 116,400 (22.5%), followed by Education & Health Services (39,400; 6.3%), Government (22,100; 3.0%), Professional & Business Services (19,200; 2.9%), Trade, Transportation & Utilities (12,900; 1.5%), Information (5,500; 7.3%), and Other Services (3,100; 1.9%).

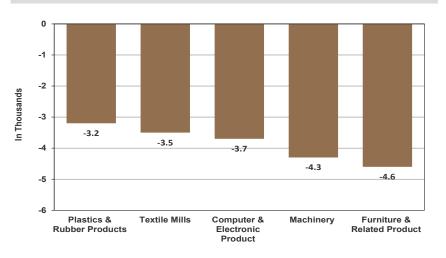
The Goods Producing sector decreased by 47,500 (6.6%) jobs over the year. Manufacturing had the largest decrease with 37,200 (7.8%), followed by Construction (10,100; 4.3%) and Mining & Logging (200; 3.5%).

Amongst manufacturing industries, Furniture & Related Product had the largest net over-theyear decline with the loss of 4,600 jobs. Other manufacturing industries with decreases were: Machinery, 4,300; Computer & Electronic Product, 3,700; Textile Mills, 3,500; Plastics & Rubber Products, 3,200; Electrical Equipment, Appliance & Component, 3,200; Food, 3,100; Fabricated Metal Product, 3,100; Printing & Related Support Activities, 2,300; Chemical, 1,700; Transportation Equipment, 1,700; Wood Product, 1,300; Apparel, 400; and Beverage & Tobacco Product, 200. Textile Product Mills (100; 1.7%) and Pharmaceutical & Medicine Manufacturing (100; 0.5%) reported an increase over the year.

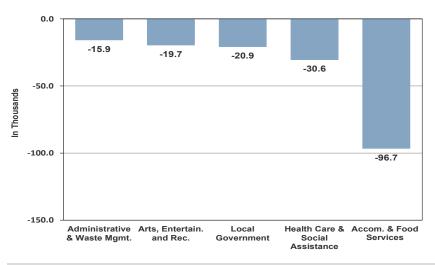
Over the month, Average Weekly Hours for total private workers in September decreased 48 minutes to 34.5 from August's revised rate of 35.3. Average Hourly Earnings fell by \$0.05 to \$26.73, as Average Weekly Earnings decreased by \$23.14 to \$922.19.

Over the year, Average Weekly Hours for total private workers in September decreased 12 minutes from the rate of 34.7 in September 2019. Average Hourly Earnings grew by \$1.18 and Average Weekly Earnings increased \$35.60.

#### Selected Manufacturing Industries With Job Losses September 2019–September 2020 (Not Seasonally Adjusted)







Total Private Average Weekly Wage September 2017–September 2020 (Not Seasonally Adjusted)

