North Carolina's August Employment Figures Released

RALEIGH — The state's seasonally adjusted August unemployment rate was 6.5 percent, decreasing 2.0 percentage points from July's revised rate. The national rate decreased 1.8 percentage points to 8.4 percent.

North Carolina's August 2020 unemployment rate increased 2.7 percentage points from a year ago. The number of people employed increased 28,419 over the month to 4,510,574 and decreased 387,558 over the year. The number of people unemployed decreased 100,105 over the month to 315,347 and increased 120,255 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 17,000 to 4,263,100 in August. Major industries experiencing increases were Trade, Transportation & Utilities, 7,300; Professional & Business Services, 4,400; Government, 4,300; Education & Health Services, 2,200; Financial Activities, 1,300; Other Services, 1,000; Manufacturing, 500; and Mining & Logging, 100. Major industries experiencing decreases were Construction, 1,800; Leisure & Hospitality Services, 1,300, and Information, 1,000.

Seasonally Adjusted Unemployment Rates since August 2019

	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020
N.C.	3.8	3.7	3.7	3.6	3.6	3.6	3.6	4.3	12.9	12.8	7.5	8.5	6.5
U.S.	3.7	3.5	3.6	3.5	3.5	3.6	3.5	4.4	14.7	13.3	11.1	10.2	8.4

Please note: 2019 numbers have undergone annual revision

Since August 2019, Total Nonfarm jobs decreased 320,100 with the Total Private sector decreasing by 285,000 and Government decreasing by 35,100. No major industry experienced an over-the-year increase. Major industries experiencing decreases were Leisure & Hospitality Services, 129,000; Education & Health Services, 42,400; Manufacturing, 39,800; Government, 35,100; Professional & Business Services, 27,000; Trade, Transportation & Utilities, 23,400; Construction, 11,600; Information, 6,200; Other Services, 4,400; Financial Activities, 900; and Mining & Logging, 300.

The next unemployment update is scheduled for Wednesday, September 30, 2020 when the county unemployment rates for August 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. Friday, Septmeber 18, 2020

	August 2020	July 2020	August 2019	Month Ago Numeric Change	Month Ago Percent Change	Year Ago Numeric Change	Year Ago Percent Change
North Carolina (Local Area Unemployment Statistics)							
Smoothed Seasonally Adjusted							
Labor Force	4,825,921	4,897,607	5,093,224	-71,686	-1.5	-267,303	-5.2
Employed	4,510,574	4,482,155	4,898,132	28,419	0.6	-387,558	-7.9
Unemployed	315,347	415,452	195,092	-100,105	-24.1	120,255	61.6
Unemployment Rate	6.5	8.5	3.8	-2.0	xxx	2.7	xxx
Not Seasonally Adjusted							
Labor Force	4,813,107	4,944,753	5,074,829	-131,646	-2.7	-261,722	-5.2
Employed	4,485,131	4,507,979	4,864,622	-22,848	-0.5	-379,491	-7.8
Unemployed	327,976	436,774	210,207	-108,798	-24.9	117,769	56.0
Unemployment Rate	6.8	8.8	4.1	-2.0	xxx	2.7	xxx
United States (Current Population Survey)							
Seasonally Adjusted							
Labor Force	160,838,000	159,870,000	163,894,000	968,000	0.6	xxx	xxx
Employed	147,288,000	143,532,000	157,895,000	3,756,000	2.6	xxx	xxx
Unemployed	13,550,000	16,338,000	5,999,000	-2,788,000	-17.1	xxx	xxx
Unemployment Rate	8.4	10.2	3.7	-1.8	xxx	xxx	xxx
Not Seasonally Adjusted							
Labor Force	160,966,000	161,374,000	164,019,000	-408,000	-0.3	xxx	xxx
Employed	147,224,000	144,492,000	157,816,000	2,732,000	1.9	xxx	xxx
Unemployed	13,742,000	16,882,000	6,203,000	-3,140,000	-18.6	xxx	xxx
Unemployment Rate	8.5	10.5	3.8	-2.0	xxx	xxx	xxx

*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., Friday, September 18, 2020

	August 2020	July 2020	August 2019	Month Ago Numeric Change	Month Ago Percent Change	Year Ago Numeric Change	Year Ago Percent Change
North Carolina (Current Employment Statistics)							
Seasonally Adjusted							
Total Nonfarm	4,263,100	4,246,100	4,583,200	17,000	0.4	-320,100	-7.0
Total Private	3,561,500	3,548,800	3,846,500	12,700	0.4	-285,000	-7.4
Mining & Logging	5,500	5,400	5,800	100	1.9	-300	-5.2
Construction	219,900	221,700	231,500	-1,800	-0.8	-11,600	-5.0
Manufacturing	437,600	437,100	477,400	500	0.1	-39,800	-8.3
Trade, Transportation & Utilities	824,700	817,400	848,100	7,300	0.9	-23,400	-2.8
Information	69,800	70,800	76,000	-1,000	-1.4	-6,200	-8.2
Financial Activities	253,700	252,400	254,600	1,300	0.5	-900	-0.4
Professional & Business Services	623,300	618,900	650,300	4,400	0.7	-27,000	-4.2
Education & Health Services	586,700	584,500	629,100	2,200	0.4	-42,400	-6.7
Leisure & Hospitality Services	385,300	386,600	514,300	-1,300	-0.3	-129,000	-25.1
Other Services	155,000	154,000	159,400	1,000	0.6	-4,400	-2.8
Government	701,600	697,300	736,700	4,300	0.6	-35,100	-4.8
North Carolina (Current Employment Statistics)							
Not Seasonally Adjusted							
Total Nonfarm	4,263,300	4,187,900	4,579,100	75,400	1.8	-315,800	-6.9
Total Private	3,591,000	3,577,500	3,881,300	13,500	0.4	-290,300	-7.5
Mining & Logging	228,700	228,800	240,100	-100	> -0.1	-11,400	-4.7
Construction	223,100	223,300	234,200	-200	-0.1	-11,100	-4.7
Manufacturing	438,700	438,000	478,700	700	0.2	-40,000	-8.4
Trade, Transportation & Utilities	826,400	819,000	847,400	7,400	0.9	-21,000	-2.5
Information	70,400	71,300	75,900	-900	-1.3	-5,500	-7.2
Financial Activities	256,800	256,300	257,600	500	0.2	-800	-0.3
Professional & Business Services	628,700	621,800	658,000	6,900	1.1	-29,300	-4.5
Education & Health Services	581,900	578,000	627,600	3,900	0.7	-45,700	-7.3
Leisure & Hospitality Services	402,700	405,300	535,300	-2,600	-0.6	-132,600	-24.8
Other Services	156,700	159,000	160,700	-2,300	-1.4	-4,000	-2.5
Government	672,300	610,400	697,800	61,900	10.1	-25,500	-3.7

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:
https://d4.nccommerce.com/LausSelection.aspx
https://d4.nccommerce.com/CesSelection.aspx

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.

Method of estimation. 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 https://www.bls.gov/opub/hom/lau/calculation.htm

Revisions. 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 long-run 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 https://www.bls.gov/lau/lauseas.htm.

Area definitions. 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 www.bls.gov/lau/lausmsa.htm.

Employment--from the CES program

Definitions. 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.

Method of estimation. 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 link-relative 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.

Annual revisions. 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.

Seasonal adjustment. 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.

<u>Reliability of the estimates</u>

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 www.bls.gov/lau/lastderr.htm. Measures of sampling error for state CES data at the total nonfarm and supersector levels are available online at www.bls.gov/sae/790stderr.htm.
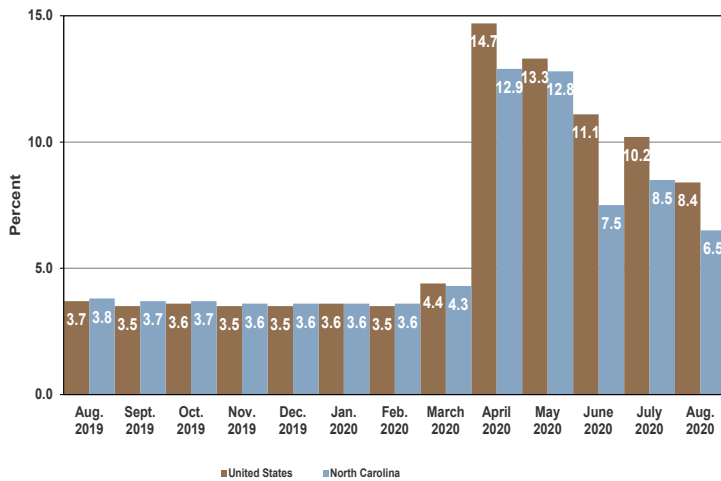
Release Dates

The next unemployment update is scheduled for Wednesday, September 30, 2020 when the county unemployment rates for August 2020 will be released.

The complete data release schedule for 2020 can be accessed here:
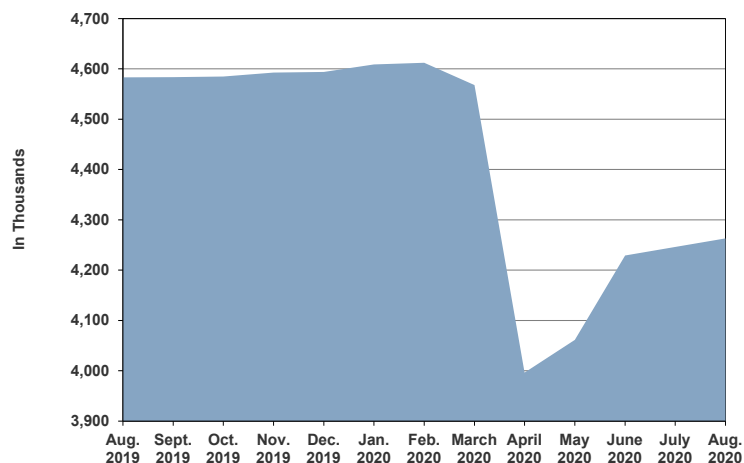
https://www.nccommerce.com/documents/release-dates-unemployment-rates

United States/North Carolina Unemployment Rates
August 2019–August 2020
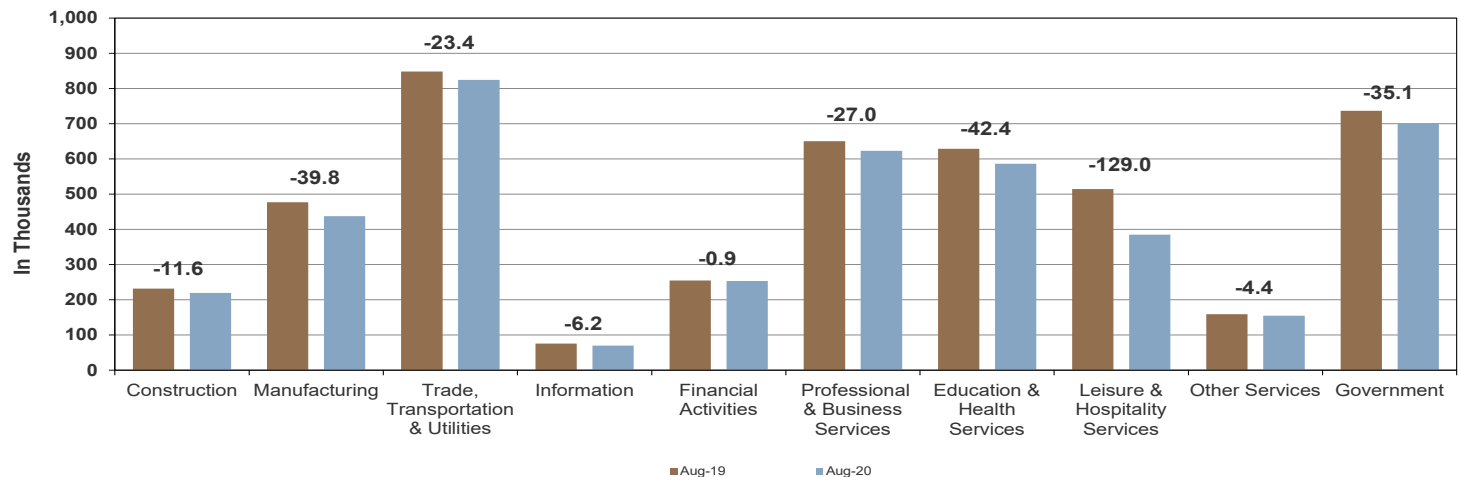(Smoothed Seasonally Adjusted**)

**US data are not smoothed.

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

Changes in Employment by NAICS Industries
August 2019 Compared to August 2020
(Seasonally Adjusted)

*N.C. current month data are preliminary, while all other seasonally adjusted data have undergone annual revision. U.S. data have undergone annual revision.

The North Carolina smoothed seasonally adjusted unemployment rate was 6.5 percent in August, decreasing 2.0 percentage points from July's revised rate and growing 2.7 percentage points from August 2019. Over the month, the number of persons unemployed decreased by 100,105 (24.1%). The civilian labor force fell by 71,686 (1.5%) to 4,825,921.

Nationally, August's unemployment rate was 8.4 percent. The number of persons unemployed was 13,550,000, while the civilian labor force was 160,838,000.

Seasonally adjusted Total Nonfarm industry employment (4,263,100) increased 17,000 (0.4%) since July 2020 and fell 320,100 (7.0%) since August 2019.[1] Private sector employment increased 12,700 (0.4%) over the month and decreased 285,000 (7.4%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Trade, Transportation & Utilities (7,300; 0.9%) had the largest over-the-month increase in jobs, followed by Professional & Business Services (4,400; 0.7%), Government (4,300; 0.6%), Education & Health Services (2,200; 0.4%), Financial Activities (1,300; 0.5%), Other Services (1,000; 0.6%), Manufacturing (500; 0.1%), and Mining & Logging (100; 1.9%). Construction (1,800; 0.8%) reported the largest decrease, followed by Leisure & Hospitality Services (1,300; 0.3%), and Information (1,000; 1.4%).

Since August 2019, Leisure & Hospitality Services (129,000; 25.1%) reported the largest jobs decrease over the year, followed by Education & Health Services (42,400; 6.7%), Manufacturing (39,800; 8.3%), Government (35,100; 4.8%), Professional & Business Services (27,000; 4.2%), Trade, Transportation & Utilities (23,400; 2.8%), Construction (11,600; 5.0%), Information (6,200; 8.2%), Other Services (4,400; 2.8%), Financial Activities (900; 0.4%), and Mining & Logging (300; 5.2%).

[1]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 over-the-year changes in both the seasonally adjusted and not seasonally adjusted series.

The August 2020 not seasonally adjusted Total Nonfarm employment level of 4,263,300 was 75,400 (1.8%) higher than the July 2020 not seasonally adjusted employment level of 4,187,900. Among the major industries in North Carolina, Government had the largest over-the-month increase in employment at 61,900 (10.1%), followed by Trade, Transportation & Utilities (7,400; 0.9%), Professional & Business Services (6,900; 1.1%), Education & Health Services (3,900; 0.7%), Manufacturing (700; 0.2%), Financial Activities (500; 0.2%), and Mining & Logging (100; 1.8%). Leisure & Hospitality Services (2,600; 0.6%) reported the largest over-the-month decrease, followed by Other Services (2,300; 1.4%), Information (900; 1.3%), and Construction (200; 0.1%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed a decrease of 264,400 (6.8%) jobs. Leisure & Hospitality Services had the largest over-the-year decrease in employment at 132,600 (24.8%), followed by Education & Health Services (45,700; 7.3%), Professional & Business Services (29,300; 4.5%), Government (25,500; 3.7%), Trade, Transportation & Utilities (21,000; 2.5%), Information (5,500; 7.2%), Other Services (4,000; 2.5%), and Financial Activities (800; 0.3%).
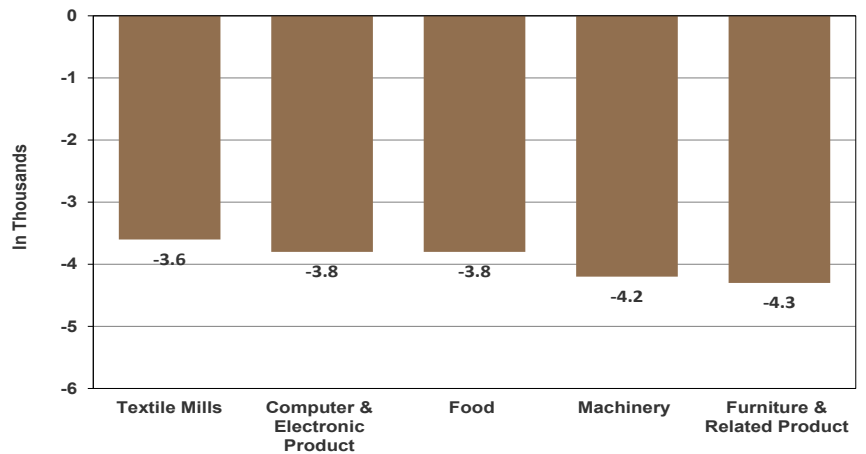
The Goods Producing sector decreased by 51,400 (7.2%) jobs over the year. Manufacturing had the largest decrease with 40,000 (8.4%), followed by Construction (11,100; 4.7%) and Mining & Logging (300; 5.1%).

Amongst manufacturing industries, Furniture & Related Product had the largest net over-the-year decline with the loss of 4,300 jobs. Other manufacturing industries with decreases were: Machinery, 4,200; Food, 3,800; Computer & Electronic Product, 3,800; Textile Mills, 3,600; Fabricated Metal Product, 3,500; Plastics & Rubber Products, 3,300; Electrical Equipment, Appliance & Component, 3,300; Printing & Related Support Activities, 2,600; Transportation Equipment, 2,100; Chemical, 1,900; Wood Product, 1,500; Apparel, 700; Textile Product Mills, 200; and Beverage & Tobacco Product, 100.
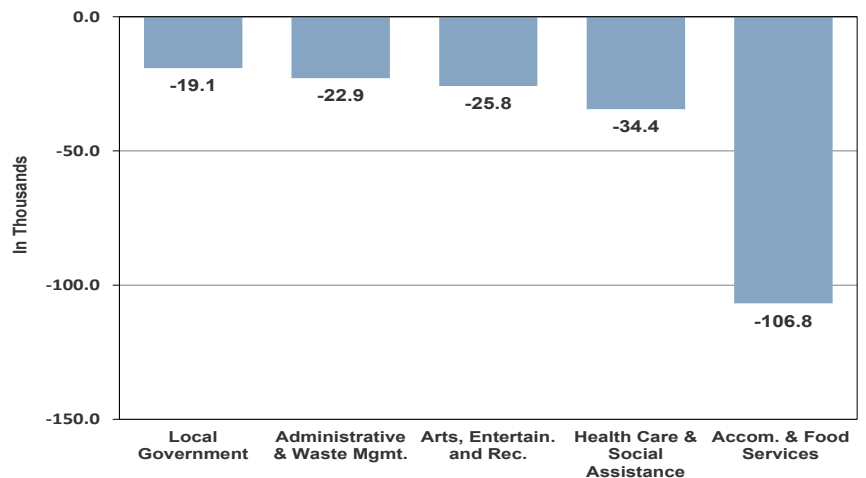
Over the month, Average Weekly Hours for total private workers in August increased 42 minutes from July's revised rate of 34.6. Average Hourly Earnings grew by $0.30 to $26.76, as Average Weekly Earnings increased by $29.11 to $944.63.

Over the year, Average Weekly Hours for total private workers in August increased 54 minutes from the revised rate of 34.4 in August 2019. Average Hourly Earnings grew by $1.35 and Average Weekly Earnings increased $70.53.

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

Selected Service Industries With Job Losses
August 2019–August 2020
(Not Seasonally Adjusted)

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