North Carolina's February Employment Figures Released

RALEIGH — The state's seasonally adjusted February unemployment rate was 3.6 percent, remaining unchanged from January's revised rate. The national rate decreased 0.1 of a percentage point to 3.5 percent.

North Carolina's February 2020 unemployment rate decreased 0.5 of a percentage point from a year ago. The number of people employed increased 6,250 over the month to 4,931,991 and increased 84,031 over the year. The number of people unemployed decreased 2,293 over the month to 182,598 and decreased 22,068 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 5,900 to 4,614,600 in February. The major industries with the largest over-the-month increases were Professional & Business Services, 2,100; Leisure & Hospitality Services, 1,900; Government, 1,700; Financial Activities, 1,500; Construction, 400; and Information, 200. Major industries experiencing decreases were Manufacturing, 600; Other Services, 600; Education & Health Services, 500; and Trade, Transportation & Utilities, 200. Mining & Logging employment remained unchanged over the month.

Seasonally Adjusted Unemployment Rates since February 2019

	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
N.C.	4.1	4.1	4.1	4.0	4.0	3.9	3.8	3.7	3.7	3.6	3.6	3.6	3.6
U.S.	3.8	3.8	3.6	3.6	3.7	3.7	3.7	3.5	3.6	3.5	3.5	3.6	3.5

Please note: 2019 numbers have undergone annual revision

Since February 2019, Total Nonfarm jobs increased 58,600 with the Total Private sector increasing by 50,500 and Government increasing by 8,100. The largest over-the-year increases among major industries were Leisure & Hospitality Services, 23,800; Financial Activities, 11,300; Government, 8,100; Trade, Transportation & Utilities, 6,600; Other Services, 4,100; Information, 2,800; Education & Health Services, 1,500; Manufacturing, 500; and Construction, 400. The only major industry experiencing a decrease was Professional & Business Services, 500. Mining & Logging employment remained unchanged over the year.

The next unemployment update is scheduled for Wednesday, April 8, 2020 when the county unemployment rates for February 2020 will be released.

NOTE TO EDITORS: the statistics reported in this release do not reflect the impact of the current COVID-19 situation in North Carolina.

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, March 27, 2020

	February 2020	January 2020	February 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	5,114,589	5,110,632	5,052,626	3,957	0.1	61,963	1.2
Employed	4,931,991	4,925,741	4,847,960	6,250	0.1	84,031	1.7
Unemployed	182,598	184,891	204,666	-2,293	-1.2	-22,068	-10.8
Unemployment Rate	3.6	3.6	4.1	0.0	xxx	-0.5	xxx
Not Seasonally Adjusted							
Labor Force	5,122,976	5,085,420	5,059,666	37,556	0.7	63,310	1.3
Employed	4,933,849	4,878,692	4,847,920	55,157	1.1	85,929	1.8
Unemployed	189,127	206,728	211,746	-17,601	-8.5	-22,619	-10.7
Unemployment Rate	3.7	4.1	4.2	-0.4	xxx	-0.5	xxx
United States *(Current Population Survey)*							
Seasonally Adjusted							
Labor Force	164,546,000	164,606,000	163,047,000	-60,000	> -0.1	xxx	xxx
Employed	158,759,000	158,714,000	156,866,000	45,000	< 0.1	xxx	xxx
Unemployed	5,787,000	5,892,000	6,181,000	-105,000	-1.8	xxx	xxx
Unemployment Rate	3.5	3.6	3.8	-0.1	xxx	xxx	xxx
Not Seasonally Adjusted							
Labor Force	164,235,000	163,497,000	162,793,000	738,000	0.5	xxx	xxx
Employed	158,017,000	156,994,000	156,167,000	1,023,000	0.7	xxx	xxx
Unemployed	6,218,000	6,504,000	6,625,000	-286,000	-4.4	xxx	xxx
Unemployment Rate	3.8	4.0	4.1	-0.2	xxx	xxx	xxx

*Effective January 2019, 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, March 27, 2020

	February 2020	January 2020	February 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	4,614,600	4,608,700	4,556,000	5,900	0.1	58,600	1.3
Total Private	3,877,000	3,872,800	3,826,500	4,200	0.1	50,500	1.3
Mining & Logging	5,700	5,700	5,700	0	0.0	0	0.0
Construction	231,300	230,900	230,900	400	0.2	400	0.2
Manufacturing	478,500	479,100	478,000	-600	-0.1	500	0.1
Trade, Transportation & Utilities	851,300	851,500	844,700	-200	>-0.1	6,600	0.8
Information	78,700	78,500	75,900	200	0.3	2,800	3.7
Financial Activities	259,400	257,900	248,100	1,500	0.6	11,300	4.6
Professional & Business Services	648,100	646,000	648,600	2,100	0.3	-500	-0.1
Education & Health Services	625,000	625,500	623,500	-500	-0.1	1,500	0.2
Leisure & Hospitality Services	536,400	534,500	512,600	1,900	0.4	23,800	4.6
Other Services	162,600	163,200	158,500	-600	-0.4	4,100	2.6
Government	737,600	735,900	729,500	1,700	0.2	8,100	1.1
North Carolina (Current Employment Statistics)							
Not Seasonally Adjusted							
Total Nonfarm	4,569,000	4,551,800	4,528,100	17,200	0.4	40,900	0.9
Total Private	3,817,900	3,809,400	3,781,300	8,500	0.2	36,600	1.0
Mining & Logging	5,600	5,600	5,700	0	0.0	-100	-1.8
Construction	227,000	224,700	226,700	2,300	1.0	300	0.1
Manufacturing	476,700	477,400	477,300	-700	-0.1	-600	-0.1
Trade, Transportation & Utilities	836,600	841,400	834,400	-4,800	-0.6	2,200	0.3
Information	78,800	78,500	76,100	300	0.4	2,700	3.5
Financial Activities	257,000	255,000	245,600	2,000	0.8	11,400	4.6
Professional & Business Services	640,200	638,400	641,500	1,800	0.3	-1,300	-0.2
Education & Health Services	624,400	621,100	625,700	3,300	0.5	-1,300	-0.2
Leisure & Hospitality Services	510,400	506,600	491,400	3,800	0.8	19,000	3.9
Other Services	161,200	160,700	156,900	500	0.3	4,300	2.7
Government	751,100	742,400	746,800	8,700	1.2	4,300	0.6

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 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.
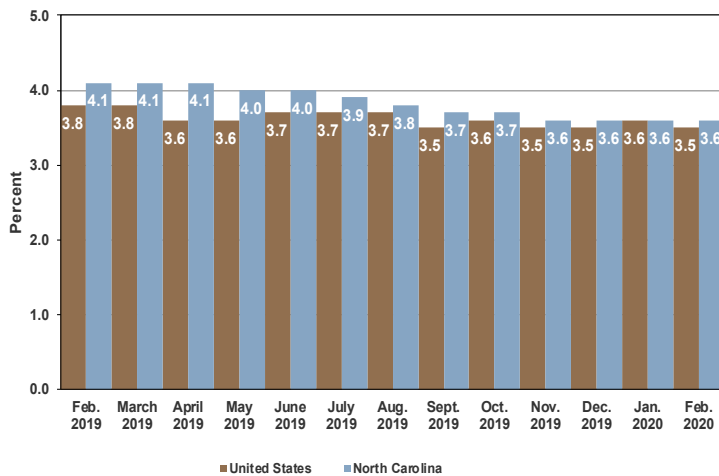
<u>Release Dates</u>

The next unemployment update is scheduled for Wednesday, April 8, 2020 when the county unemployment rates for February 2020 will be released.

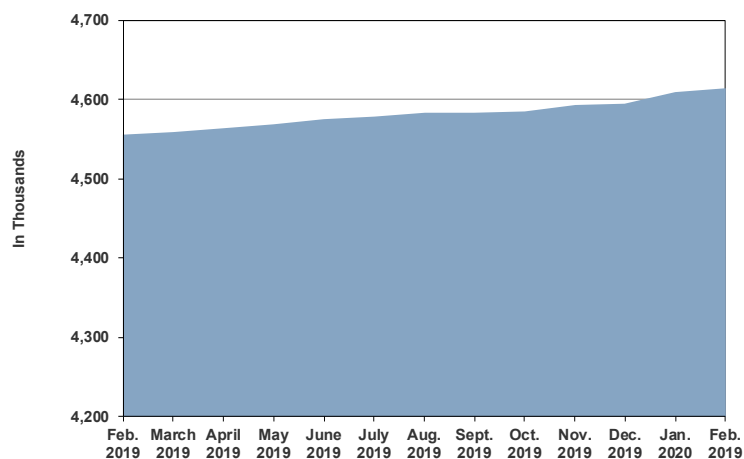The complete data release schedule for 2020 can be accessed here:

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

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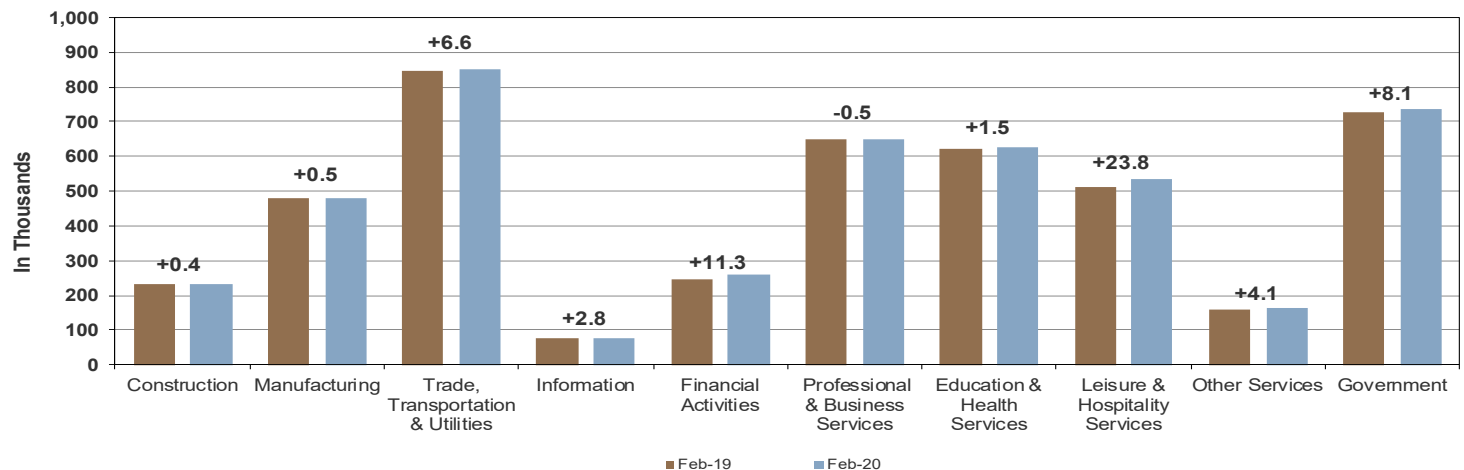(Smoothed Seasonally Adjusted**)

**US data are not smoothed.

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

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

The North Carolina smoothed seasonally adjusted unemployment rate was 3.6 percent in February, remaining unchanged from the previous month and decreasing 0.5 of a percentage from February 2019. Over the month, the number of persons unemployed decreased by 2,293 (1.2%). The civilian labor force grew by 3,957 (0.1%) to 5,114,589.

Nationally, February's unemployment rate was 3.5 percent. The number of persons unemployed was 5,787,000, while the civilian labor force was 164,546,000.

Seasonally adjusted Total Nonfarm industry employment (4,614,600) increased 5,900 (0.1%) since January 2020 and increased 58,600 (1.3%) since February 2019.[1] Private sector employment grew 4,200 (0.1%) over the month and increased 50,500 (1.3%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Professional & Business Services (2,100; 0.3%) had the largest over-the-month gain in jobs, followed by Leisure & Hospitality Services (1,900; 0.4%), Government (1,700; 0.2%), Financial Activities (1,500; 0.6%), Construction (400; 0.2%), and Information (200; 0.3%). Manufacturing (600; 0.1%) and Other Services (600; 0.4%) reported the largest over-the-month decrease, followed by Education & Health Services (500; 0.1%), and Trade, Transportation & Utilities (200; <0.1%). Mining & Logging remained unchanged.

Since February 2019, Leisure & Hospitality Services added the largest number of jobs (23,800; 4.6%), followed by Financial Activities (11,300; 4.6%), Government (8,100; 1.1%), Trade, Transportation & Utilities (6,600; 0.8%), Other Services (4,100; 2.6%), Information (2,800; 3.7%), Education & Health Services, 1,500; 0.2%), Manufacturing (500; 0.1%), and Construction (400; 0.2%). Professional & Business Services (500; 0.1%) reported the only over-the-year decrease. Mining & Logging remained unchanged.

[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.

*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 February 2020 not seasonally adjusted Total Nonfarm employment level of 4,569,000 was 17,200 (0.4%) higher than the January 2020 not seasonally adjusted employment level of 4,551,800. Among the major industries in North Carolina, Government had the largest over-the-month increase in employment at 8,700 (1.2%), followed by Leisure & Hospitality Services (3,800; 0.8%), Education & Health Services (3,300; 0.5%), Construction (2,300; 1.0%), Financial Activities (2,000; 0.8%), Professional & Business Services (1,800; 0.3%), Other Services (500; 0.3%), and Information (300; 0.4%). Trade, Transportation & Utilities (4,800; 0.6%) reported the largest over-the-month decrease, followed by Manufacturing (700; 0.2%). Mining & Logging remained unchanged.

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 41,300 (1.1%) jobs. Leisure & Hospitality Services experienced the largest employment increase at 19,000 (3.9%), followed by Financial Activities (11,400; 4.6%), Other Services (4,300; 2.7%), Government (4,300; 0.6%), Information (2,700; 3.6%), and Trade, Transportation & Utilities (2,200; 0.3%). Professional & Business Services (1,300; 0.2%) and Education & Health Services (1,300; 0.2%) reported the only over-the-year decrease.

The Goods Producing sector decreased by 400 (0.1%) jobs over the year. Construction had the only increase with 300 (0.1%). Manufacturing (600; 0.1%) reported the largest decrease, followed by Mining & Logging (100; 1.8%).
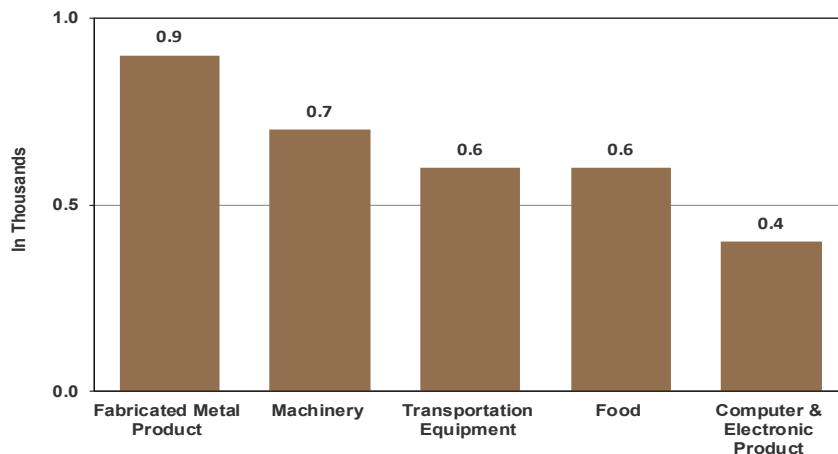
Amongst manufacturing industries, Fabricated Metal Product had the largest net over-the-year increase at 900. Other manufacturing industries with gains were: Machinery, 700; Transportation Equipment, 600; Food, 600; Computer & Electronic Product, 400; and Beverage & Tobacco Product, 400.

Textile Mills had the largest net over-the-year decrease at 1,300 in February 2020. Other industries with decreases were: Furniture & Related Product, 900; Plastics & Rubber Products, 600; Apparel, 500; Electrical Equipment, Appliance & Component, 500; Printing & Related Support Activities, 400; and Textile Product Mills, 200.
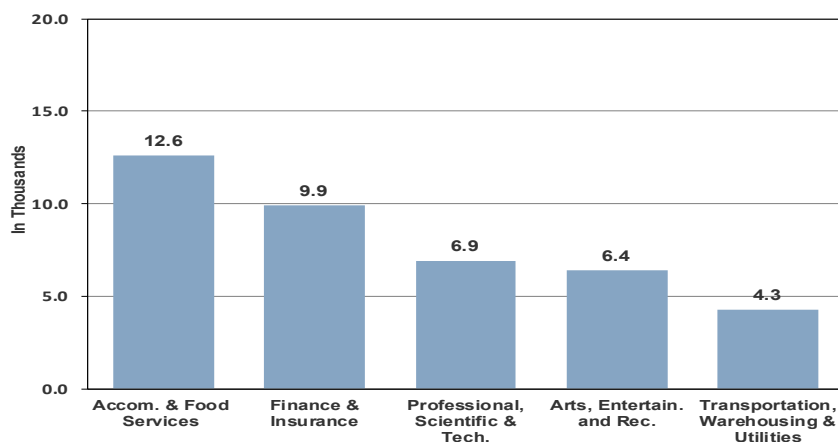
Over the month, Average Weekly Hours for total private workers in February increased 36 minutes from January's revised rate of 33.8. Average Hourly Earnings grew by $0.22 to $26.12, as Average Weekly Earnings increased by $23.11 to $898.53.

Over the year, Average Weekly Hours for total private workers in February remained unchanged from the revised rate of 34.4 in February 2019. Average Hourly Earnings grew by $0.77 and Average Weekly Earnings increased $26.49.

**Selected Manufacturing Industries With Job Gains
February 2019–February 2020**
(Not Seasonally Adjusted)

**Selected Service Industries With Job Gains
February 2019–February 2020**
(Not Seasonally Adjusted)

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