North Carolina Department of Commerce - Labor and Economic Analysis Division



News Release

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For Immediate Release May 17, 2013

North Carolina's April Employment Figures Released

RALEIGH — The state's seasonally adjusted April unemployment rate decreased to 8.9 percent from March's revised rate of 9.2 percent. The national rate fell to 7.5 percent from March's 7.6 percent.

North Carolina's April 2013 unemployment rate was 0.5 of a percentage point lower than a year ago. The number of people employed decreased 4,188 over the month to 4,303,113, and increased 35,026 over the year. The number of people unemployed fell 15,259 over the month to 419,287, and declined 21,843 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 6,100 to 4,054,600 in April. The major industry with the largest over-the-month increase was Leisure & Hospitality Services at 6,100, followed by Financial Activities, 2,000; Government, 1,300; Professional & Business Services, 1,300; Trade, Transportation & Utilities, 900; and Construction, 500. Major industries to experience decreases were Education & Health Services, 2,100; Other Services, 2,000; and Manufacturing, 1,900. Information and Mining & Logging employment remained flat over the month.

	Apr. 2012	May 2012	June 2012	July 2012	Aug. 2012	Sept. 2012	Oct. 2012	Nov. 2012	Dec. 2012	Jan. 2013	Feb. 2013	Mar. 2013	Apr. 2013
<i>N.C.</i>	9.4	9.5	9.6	9.6	9.6	9.5	9.4	9.4	9.4	9.5	9.4	9.2	8.9
U.S.	8.1	8.2	8.2	8.2	8.1	7.8	7.9	7.8	7.8	7.9	7.7	7.6	7.5

Seasonally Adjusted Unemployment Rates Since April 2012

2012 Numbers Have Been Annually Revised

Since April 2012, Total Nonfarm jobs gained 73,300 with the Total Private sector growing by 68,600, and Government, 4,700. The largest over-the-year increase of major industries was in Leisure & Hospitality Services, 23,700, followed by Professional & Business Services, 15,900; Trade, Transportation & Utilities, 14,600; Education & Health Services, 9,900; Government, 4,700; Financial Activities, 4,400; Information, 2,400; and Manufacturing, 1,900. Major industries to experience decreases over the year were Construction, 4,000; and Mining & Logging, 200. Other Services employment remained flat over the year.

The next unemployment update is scheduled for *Wednesday, May 29, 2013* when the county unemployment rates for *April 2013* will be released.

— More —

This information may be accessed on the DES World Wide Web page, at http://www.ncesc.com

— 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 2005, 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 www.bls.gov/lau/laumthd.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.

<u>Seasonal adjustment.</u> 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 www.bls.gov/lau/lassaqa.htm.

<u>Area definitions.</u> The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget on December 1, 2009. 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 2012 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.

<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.

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.

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 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, May 29, 2013 when the county unemployment rates for April 2013 will be released.

The 2013 Release Schedule is available online at: *http://www.ncesc1.com/pmi/rates/PressReleases/NC_Release_Dates_2013.pdf*

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 May 17, 2013

				Month	Ago	Year Ago		
	April 2013	March 2013	April 2012	Numeric Change	Percent Change	Numeric Change	Percent Change	
North Carolina	Арті 2019	IVLATUD 2013	Apni 2012	Change	Change	Change	Change	
(Local Area Unemployment St	tatistics)							
Smoothed Seasonally Adjusted								
Labor Force	4,722,400	4,741,847	4,709,217	-19,447	-0.4	13,183	0	
Employed	4,303,113	4,307,301	4,268,087	-4,188	-0.1	35,026	0	
Unemployed	419,287	434,546	441,130	-15,259	-3.5	-21,843	-5	
Unemployment Rate	8.9	9.2	9.4	-0.3	ххх	-0.5	x	
Not Seasonally Adjusted								
Labor Force	4,689,512	4,692,182	4,683,116	-2,670	-0.1	6,396	0	
Employed	4,291,469	4,274,218	4,264,902	17,251	0.4	26,567	0	
Unemployed	398,043	417,964	418,214	-19,921	-4.8	-20,171	-4	
Unemployment Rate	8.5	8.9	8.9	-0.4	ххх	-0.4	x	
1.7								
United States (Current Population Survey)								
Seasonally Adjusted								
Labor Force	155,238,000	155,028,000	154,451,000	210,000	0.1	ххх	x	
Employed	143,579,000	143,286,000	141,934,000	293,000	0.2	ххх	x	
Unemployed	11,659,000	11,742,000	12,518,000	-83,000	-0.7	xxx	x	
Unemployment Rate	7.5	7.6	8.1	-0.1	xxx	ХХХ	x	
Not Seasonally Adjusted								
Labor Force	154,739,000	154,512,000	153,905,000	227,000	0.1	ххх	x	
Employed	143,724,000	142,698,000	141,995,000	1,026,000	0.7	xxx	x	
Unemployed	11,014,000	11,815,000	11,910,000	-801,000	-6.8	ххх	x	
Chemployeu								

*Effective January 2013, 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.

2013 estimates for the current month are preliminary. Estimates for the previous month have undergone monthly revision.

2012 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 May 17, 2013

				Month Ago		Year Ago	
	April 2013	March 2013	April 2012	Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina					8	6'	8
(Current Employment Statistics)							
Seasonally Adjusted							
Total Nonfarm	4,054,600	4,048,500	3,981,300	6,100	0.2	73,300	1.8
Total Private	3,337,500	3,332,700	3,268,900	4,800	0.1	68,600	2.1
Mining & Logging	5,400	5,400	5,600	0.0	0.0	-200	-3.6
Construction	169,900	169,400	173,900	500	0.3	-4,000	-2.3
Manufacturing	441,700	443,600	439,800	-1,900	-0.4	1,900	0.4
Trade, Transportation & Utilities	757,300	756,400	742,700	900	0.1	14,600	2.0
Information	72,000	72,000	69,600	0.0	0.0	2,400	3.4
Financial Activities	207,100	205,100	202,700	2,000	1.0	4,400	2.2
Professional & Business Services	548,900	547,600	533,000	1,300	0.2	15,900	3.0
Education & Health Services	556,600	558,700	546,700	-2,100	-0.4	9,900	1.8
Leisure & Hospitality Services	437,100	431,000	413,400	6,100	1.4	23,700	5.7
Other Services	141,500	143,500	141,500	-2,000	-1.4	0.0	0.0
Government	717,100	715,800	712,400	1,300	0.2	4,700	0.7
North Carolina							
(Current Employment Statistics)							
Not Seasonally Adjusted							
Total Nonfarm	4,066,700	4,037,300	3,986,200	29,400	0.7	80,500	2.0
Total Private	3,327,200	3,300,200	3,254,100	27,000	0.8	73,100	2.2
Mining & Logging	5,400	5,400	5,500	0.0	0.0	-100	-1.8
Construction	168,600	166,000	172,300	2,600	1.6	-3,700	-2.1
Manufacturing	440,100	441,600	437,000	-1,500	-0.3	3,100	0.7
Trade, Transportation & Utilities	753,700	749,400	735,800	4,300	0.6	17,900	2.4
Information	71,200	71,700	69,200	-500	-0.7	2,000	2.9
Financial Activities	206,400	203,900	201,900	2,500	1.2	4,500	2.2
Professional & Business Services	548,500	541,400	531,900	7,100	1.3	16,600	3.1
Education & Health Services	558,800	559,600	547,700	-800	-0.1	11,100	2.0
Leisure & Hospitality Services	433,700	418,300	411,900	15,400	3.7	21,800	5.3
Other Services	140,800	142,900	140,900	-2,100	-1.5	-100	-0.1
Government	739,500	737,100	732,100	2,400	0.3	7,400	1.0
Mfg. Production Workers (PW) Not Seasonally Ad	djusted						
Mfg. PW Average Hourly Earnings	\$16.77	\$16.73	\$16.60				
Mfg. PW Hours Worked	41.0	40.8	41.4				

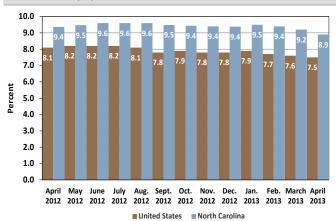
All 2013 Labor Force and CES data for the current month are preliminary. All 2012 Labor Force and CES estimates have been benchmarked.

Estimates may not add to totals due to rounding.

North Carolina Labor Market Conditions

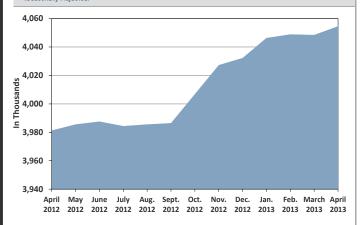
April 2013*

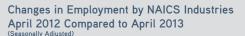
United States/North Carolina Unemployment Rates April 2012-April 2013



^{**}US data are not smoothed.

North Carolina Total Nonfarm Employment April 2012-April 2013 (Seasonally Adjusted)





The North Carolina smoothed seasonally adjusted unemployment rate was 8.9 percent in April, decreasing 0.3 of a percentage point from the previous month, and 0.5 of a percentage point from April 2012. Over the month, the number of persons unemployed fell by 15,259 (3.5%). The civilian labor force declined by 19,447 (0.4%) to 4,722,400.

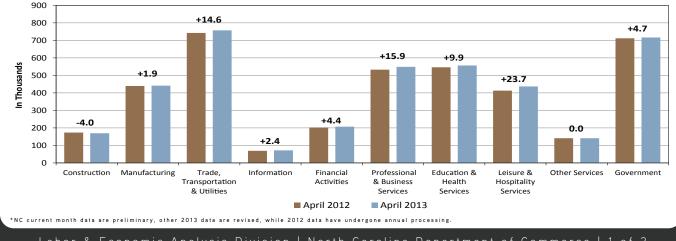
Nationally, April's unemployment rate was 7.5 percent. The number of persons unemployed was 11,659,000, while the civilian labor force was 155,238,000.

Seasonally adjusted Total Nonfarm industry employment (4,054,600) has increased 6,100 (0.2%) since March 2013, and 73,300 (1.8%) since April 2012. Private sector employment rose over the month by 4,800 (0.1%) and over the year by 68,600 (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.

Of the major industries for which payroll data are seasonally adjusted, Leisure & Hospitality Services had the largest overthe-month gain in jobs (6,100; 1.4%), followed by Financial Activities (2,000; 1.0%), Government (1,300; 0.2%), Professional & Business Services (1,300; 0.2%), Trade, Transportation & Utilities (900; 0.1%), and Construction (500; 0.3%). Education & Health Services (2,100; 0.4%) had the largest over-the-month decrease, followed by Other Services (2,000; 1.4%), and Manufacturing (1,900; 0.4%). Information and Mining & Logging reported no change over the month.

Since April 2012, Leisure & Hospitality Services added the largest number of jobs (23,700; 5.7%), followed by Professional & Business Services (15,900; 3.0%), Trade, Transportation & Utilities (14,600; 2.0%), Education & Health Services (9,900; 1.8%) and Government (4,700; 0.7%).



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North Carolina Labor Market Conditions

The April 2013 not seasonally adjusted Total Nonfarm employment level of 4,066,700 was 29,400 (0.7%) higher than the March 2013 revised employment level of 4,037,300. Among the major industries in North Carolina, Leisure & Hospitality had the largest over-the-month increase in employment at 15,400 (3.7%), followed by Professional & Business Services (7,100; 1.3%), Trade, Transportation & Utilities (4,300; 0.6%), Construction (2,600; 1.6%), Financial Activities (2,500; 1.2%), and Government (2,400; 0.3%). Other Services (2,100; 1.5%) had the largest over-themonth decrease, followed by Manufacturing (1,500; 0.3%), Education & Health Services (800; 0.1%), and Information (500; 0.7%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 81,200 (2.4%) jobs. Leisure & Hospitality experienced the largest employment increase with 21,800 (5.3%), followed by Trade, Transportation & Utilities (17,900; 2.4%), Professional & Business Services (16,600; 3.1%), Education & Health Services (11,100; 2.0%), Government (7,400; 1.0%), Financial Activities (4,500; 2.2%), and Information (2,000; 2.9%). Other Services (100; 0.1%) reported the only decrease.

The Goods Producing sector decreased by 700 (0.1%) jobs over the year. Construction declined by 3,700 (2.1%), followed by Mining & Logging (100; 1.8%), while Manufacturing grew by 3,100 (0.7%).

Food had the largest amount of manufacturing employment with 51,500 in April 2013. Chemical had the largest net overthe-year increase at 1,600. Other manufacturing industries with over-the-year gains were: Food, 1,500; Machinery, 1,300; Fabricated Metal Product, 1,100; Computer & Electronic Product, 900; Transportation Equipment, 500; Plastics & Rubber Products, 400; and Wood Product, 100.

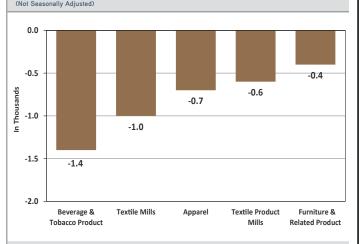
Average Weekly Hours for manufacturing production workers in April increased by 12 minutes from March's revised rate of 40.8. Average Hourly Earnings increased by \$0.04 to \$16.77, as Average Weekly Earnings grew by \$4.99 to \$687.57.

Regular Initial Claims for Unemployment Insurance (UI) totaled 50,326 in April, increasing 6,171 from March. Forty-two percent of Initial Claims for April 2013 were "attached" to a payroll, meaning that employees expect to be recalled to their jobs.

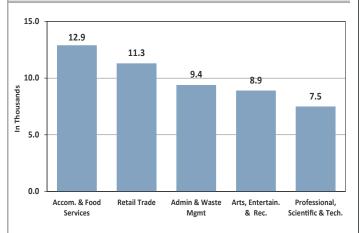
A total of \$99,243,771 in regular UI benefits was paid in April to 97,642 claimants statewide — a decrease of 5,396 claimants since March 2013.

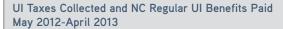
For the 12-month period ending April 2013, \$2,609,416,592 was paid from all programs, both state and federal. The UI Trust Fund balance at the end of April was in the red (\$2,515,434,963). The State Reserve Fund balance was \$61,216,100.

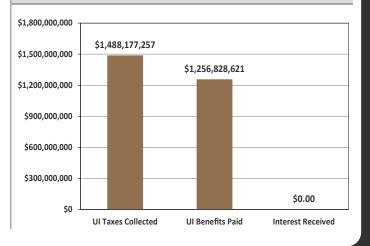
Selected Manufacturing Industries With Job Losses April 2012-April 2013











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