



# News Release

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**For Immediate Release**  
March 17, 2014

## North Carolina's January Employment Figures Released

**RALEIGH** — The state's seasonally adjusted January unemployment rate was 6.7 percent, decreasing 0.2 of a percentage point from December's revised rate of 6.9 percent. The national rate decreased to 6.6 percent from December's 6.7 percent.

North Carolina's January 2014 unemployment rate was 2.1 percentage points lower than a year ago. The number of people employed increased 17,407 over the month to 4,356,090, and increased 45,283 over the year. The number of people unemployed decreased 11,354 over the month to 311,740, and declined 105,656 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, decreased 7,200 to 4,097,000 in January. The major industry with the largest over-the-month increase was Construction at 6,400, followed by Other Services, 1,900; Education & Health Services, 1,700; and Information, 400. Major industries to experience decreases were Leisure & Hospitality Services, 5,600; Trade, Transportation & Utilities, 5,300; Government, 3,500; and Professional & Business Services, 3,200. Mining & Logging, Manufacturing, and Financial Activities employment remained flat over the month.

*Seasonally Adjusted Unemployment Rates Since January 2013*

	Jan. 2013	Feb. 2013	Mar. 2013	Apr. 2013	May 2013	June 2013	July 2013	Aug. 2013	Sept. 2013	Oct. 2013	Nov. 2013	Dec. 2013	Jan. 2014
<b>N.C.</b>	8.8	8.6	8.5	8.4	8.3	8.3	8.1	8.0	7.7	7.5	7.2	6.9	6.7
<b>U.S.</b>	7.9	7.7	7.5	7.5	7.5	7.5	7.3	7.2	7.2	7.2	7.0	6.7	6.6

*\*2013 Numbers Have Been Annually Revised\**

Since January 2013, Total Nonfarm jobs gained 70,100 with the Total Private sector growing by 72,200 and Government declining by 2,100. The largest over-the-year increase of major industries was in Professional & Business Services at 24,000, followed by Education & Health Services, 12,500; Trade, Transportation & Utilities, 10,900; Leisure & Hospitality Services, 7,600; Construction, 7,100; Other Services, 6,400; Financial Activities, 2,600; Information, 1,200; and Mining & Logging, 100. Major industries to experience decreases over the year were Government, 2,100; and Manufacturing, 200.

The next unemployment update is scheduled for **Friday, March 21, 2014** when the county unemployment rates for **January 2014** will be released.

— More —

# 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., Monday March 17, 2014*

	January 2014	December 2013	January 2013	Month Ago		Year Ago	
				Numeric Change	Percent Change	Numeric Change	Percent Change
<b>North Carolina</b> <i>(Local Area Unemployment Statistics)</i>							
<i>Smoothed Seasonally Adjusted</i>							
Labor Force	4,667,830	4,661,777	4,728,203	6,053	0.1	-60,373	-1.3
Employed	4,356,090	4,338,683	4,310,807	17,407	0.4	45,283	1.1
Unemployed	311,740	323,094	417,396	-11,354	-3.5	-105,656	-25.3
Unemployment Rate	6.7	6.9	8.8	-0.2	xxx	-2.1	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	4,644,195	4,621,650	4,697,336	22,545	0.5	-53,141	-1.1
Employed	4,318,640	4,315,823	4,249,527	2,817	0.1	69,113	1.6
Unemployed	325,555	305,827	447,809	19,728	6.5	-122,254	-27.3
Unemployment Rate	7.0	6.6	9.5	0.4	xxx	-2.5	xxx
<b>United States</b> <i>(Current Population Survey)</i>							
<i>Seasonally Adjusted</i>							
Labor Force	155,460,000	154,937,000	155,699,000	523,000	0.3	xxx	xxx
Employed	145,224,000	144,586,000	143,384,000	638,000	0.4	xxx	xxx
Unemployed	10,236,000	10,351,000	12,315,000	-115,000	-1.1	xxx	xxx
Unemployment Rate	6.6	6.7	7.9	-0.1	xxx	xxx	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	154,381,000	154,408,000	154,794,000	-27,000	> -0.1	xxx	xxx
Employed	143,526,000	144,423,000	141,614,000	-897,000	-0.6	xxx	xxx
Unemployed	10,855,000	9,984,000	13,181,000	871,000	8.7	xxx	xxx
Unemployment Rate	7.0	6.5	8.5	0.5	xxx	xxx	xxx

\*Effective January 2014, 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.

2014 estimates for the current month are preliminary.  
2013 estimates have undergone annual revision.

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

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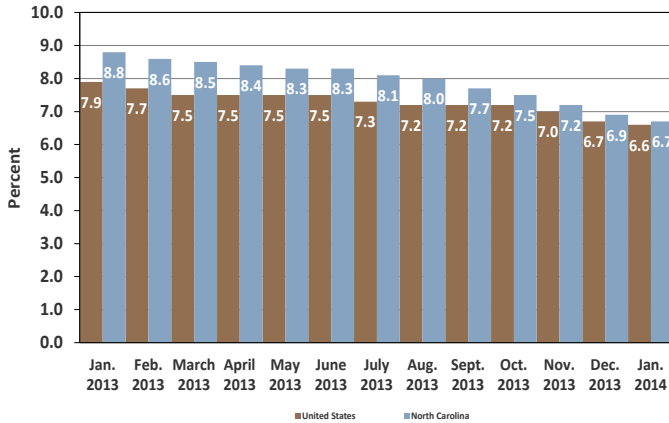
				<i>Month Ago</i>		<i>Year Ago</i>	
	<i>January 2014</i>	<i>December 2013</i>	<i>January 2013</i>	<i>Numeric Change</i>	<i>Percent Change</i>	<i>Numeric Change</i>	<i>Percent Change</i>
<b><i>North Carolina</i></b> <b><i>(Current Employment Statistics)</i></b>							
<b><i>Seasonally Adjusted</i></b>							
Total Nonfarm	4,097,000	4,104,200	4,026,900	-7,200	-0.2	70,100	1.7
Total Private	3,380,800	3,384,500	3,308,600	-3,700	-0.1	72,200	2.2
Mining & Logging	5,600	5,600	5,500	0	0.0	100	1.8
Construction	179,600	173,200	172,500	6,400	3.7	7,100	4.1
Manufacturing	442,100	442,100	442,300	0	0.0	-200	<0.1
Trade, Transportation & Utilities	761,300	766,600	750,400	-5,300	-0.7	10,900	1.5
Information	70,600	70,200	69,400	400	0.6	1,200	1.7
Financial Activities	207,100	207,100	204,500	0	0.0	2,600	1.3
Professional & Business Services	561,900	565,100	537,900	-3,200	-0.6	24,000	4.5
Education & Health Services	567,400	565,700	554,900	1,700	0.3	12,500	2.3
Leisure & Hospitality Services	431,700	437,300	424,100	-5,600	-1.3	7,600	1.8
Other Services	153,500	151,600	147,100	1,900.0	1.3	6,400	4.4
Government	716,200	719,700	718,300	-3,500	-0.5	-2,100	-0.3
<b><i>North Carolina</i></b> <b><i>(Current Employment Statistics)</i></b>							
<b><i>Not Seasonally Adjusted</i></b>							
Total Nonfarm	4,047,900	4,125,600	3,964,800	-77,700	-1.9	83,100	2.1
Total Private	3,322,400	3,390,100	3,239,900	-67,700	-2.0	82,500	2.5
Mining & Logging	5,500	5,500	5,400	0	0.0	100	1.9
Construction	170,700	174,200	165,600	-3,500	-2.0	5,100	3.1
Manufacturing	440,400	443,600	438,800	-3,200	-0.7	1,600	0.4
Trade, Transportation & Utilities	758,000	782,800	738,700	-24,800	-3.2	19,300	2.6
Information	70,500	70,600	69,200	-100	-0.1	1,300	1.9
Financial Activities	204,100	205,100	201,800	-1,000	-0.5	2,300	1.1
Professional & Business Services	553,500	563,000	526,000	-9,500	-1.7	27,500	5.2
Education & Health Services	562,400	570,200	550,600	-7,800	-1.4	11,800	2.1
Leisure & Hospitality Services	407,400	423,900	399,100	-16,500	-3.9	8,300	2.1
Other Services	149,900	151,200	144,700	-1,300	-0.9	5,200	3.6
Government	725,500	735,500	724,900	-10,000	-1.4	600	0.1
<b><i>Mfg. Production Workers (PW) Not Seasonally Adjusted</i></b>							
<i>Mfg. PW Average Hourly Earnings</i>	\$16.75	\$17.01	\$16.76				
<i>Mfg. PW Hours Worked</i>	41.5	42.8	40.9				

All 2014 Labor Force and CES data for the current month are preliminary.  
 All 2013 Labor Force and CES estimates have been benchmarked.  
 Estimates may not add to totals due to rounding.

# North Carolina Labor Market Conditions

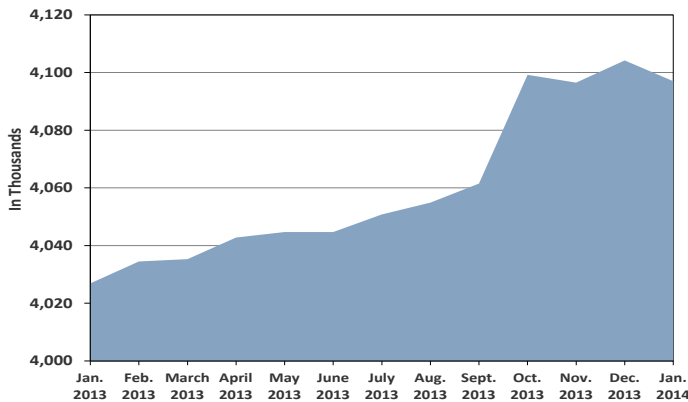
January  
2014\*

United States/North Carolina Unemployment Rates  
January 2013-January 2014  
(Smoothed Seasonally Adjusted\*\*)

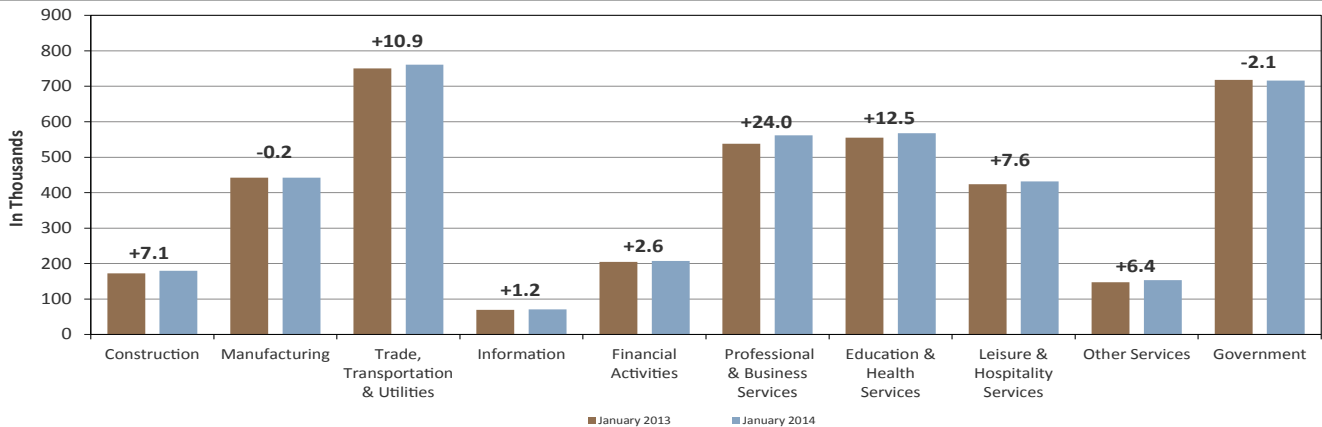


\*\*US data are not smoothed.

North Carolina Total Nonfarm Employment  
January 2013-January 2014  
(Seasonally Adjusted)



Changes in Employment by NAICS Industries  
January 2013 Compared to January 2014  
(Seasonally Adjusted)



\*NC current month data are preliminary. 2013 data have undergone annual processing.

The North Carolina smoothed seasonally adjusted unemployment rate was 6.7 percent in January, decreasing 0.2 of a percentage point from the previous month, and falling 2.1 percentage points from January 2013. Over the month, the number of persons unemployed fell by 11,354 (3.5%). The civilian labor force grew by 6,053 (0.1%) to 4,667,830.

Nationally, January's unemployment rate was 6.6 percent. The number of persons unemployed was 10,236,000, while the civilian labor force was 155,460,000.

Seasonally adjusted Total Nonfarm industry employment (4,097,000) has decreased 7,200 (0.2%) since December 2013, and increased 70,100 (1.7%) since January 2013. Private sector employment declined over the month by 3,700 (0.1%), but grew 72,200 (2.2%) over the year.

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, Construction had the largest over-the-month gain in jobs (6,400; 3.7%), followed by Other Services (1,900; 1.3%), Education & Health Services (1,700; 0.3%) and Information (400; 0.6%). Leisure & Hospitality Services (5,600; 1.3%) had the largest over-the-month decrease, followed by Trade, Transportation & Utilities (5,300; 0.7%); Government (3,500; 0.5%) and Professional & Business Services (3,200; 0.6%). Financial Activities, Manufacturing and Mining & Logging all reported no change over the month.

Since January 2013, Professional & Business Services added the largest number of jobs (24,000; 4.5%), followed by Education & Health Services (12,500; 2.3%), Trade, Transportation & Utilities (10,900; 1.5%), Leisure & Hospitality Services (7,600; 1.8%) and Construction (7,100; 4.1%).

# North Carolina Labor Market Conditions

The January 2014 not seasonally adjusted Total Nonfarm employment level of 4,047,900 was 77,700 (1.9%) lower than the December 2013 benchmarked employment level of 4,125,600. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-the-month decrease in employment at 24,800 (3.2%), followed by Leisure & Hospitality Services (16,500; 3.9%), Government (10,000; 1.4%), Professional & Business Services (9,500; 1.7%), Education & Health Services (7,800; 1.4%), Construction (3,500; 2.0%), Manufacturing (3,200; 0.7%), Other Services (1,300; 0.9%), Financial Activities (1,000; 0.5%) and Information (100; 0.1%). Mining & Logging reported no change over the month.

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 76,300 (2.3%) jobs. Professional & Business Services experienced the largest employment increase with 27,500 (5.2%), followed by Trade, Transportation & Utilities (19,300; 2.6%), Education & Health Services (11,800; 2.1%), Leisure & Hospitality Services (8,300; 2.1%), Other Services (5,200; 3.6%), Financial Activities (2,300; 1.1%), Information (1,300; 1.9%) and Government (600; 0.1%).

The Goods Producing sector increased by 6,800 (1.1%) jobs over the year. Construction grew by 5,100 (3.1%), Manufacturing (1,600; 0.4%) and Mining & Logging (100; 1.9%).

Food had the largest amount of manufacturing employment with 51,000 in January 2014. Furniture & Related Product had the largest net over-the-year increase at 1,100. Other manufacturing industries with over-the-year gains were: Food, 800; Wood Product, 800; Beverage & Tobacco Product, 700; Transportation Equipment, 500; Plastics & Rubber Product, 400; Printing & Related Support Activities, 300, and Machinery, 200.

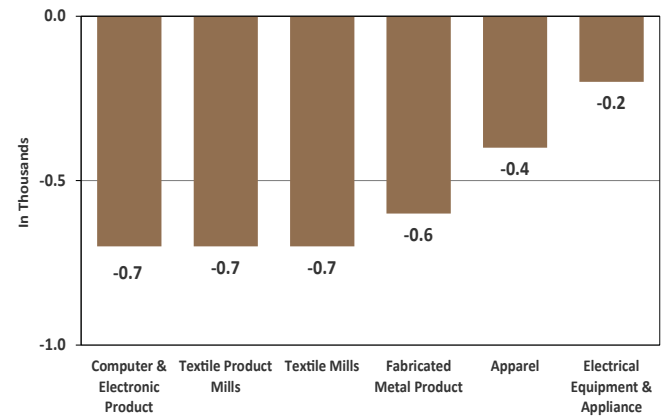
Average Weekly Hours for manufacturing production workers in January decreased 78 minutes from December's revised rate of 42.8. Average Hourly Earnings fell by \$0.26 to \$16.75, as Average Weekly Earnings declined by \$32.90 to \$695.13.

Regular Initial Claims for Unemployment Insurance (UI) totaled 34,229 in January, increasing 1,072 from December. Less than 1 percent of Initial Claims for January 2014 were "attached" to a payroll, meaning that employees expect to be recalled to their jobs.

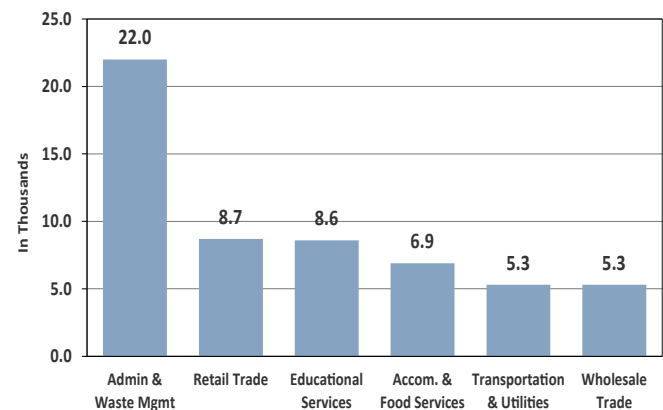
A total of \$49,081,568 in regular UI benefits was paid in January to 59,878 claimants statewide — a decrease of 1,011 claimants since December 2013.

For the 12-month period ending January 2014, \$1,477,456,104 was paid from all programs, both state and federal. The UI Trust Fund balance at the end of January was in the red (\$1,840,057,419). The State Reserve Fund balance was \$13,577,068.

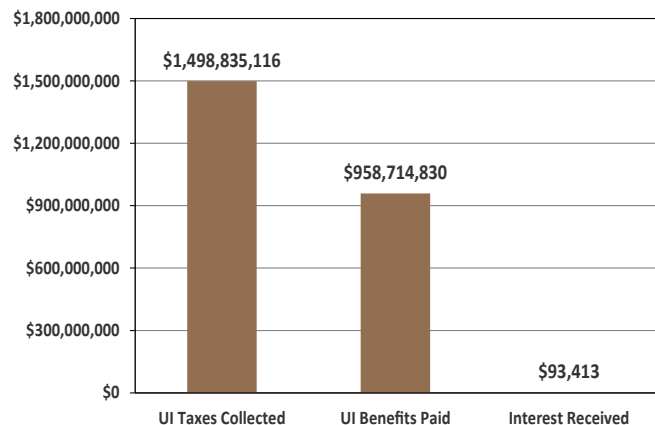
**Selected Manufacturing Industries With Job Losses**  
January 2013-January 2014  
(Not Seasonally Adjusted)



**Selected Service Industries With Job Gains**  
January 2013-January 2014  
(Not Seasonally Adjusted)



**UI Taxes Collected and NC Regular UI Benefits Paid**  
February 2013-January 2014



### **National estimates from the Current Population Survey**

Data from the Current Population Survey (CPS)—including national estimates of labor force, employed, unemployed, and the unemployment rate—have been revised by the Bureau of Labor Statistics (BLS) to reflect updated seasonal factors. These revisions affect seasonally adjusted CPS data from January 2009 – December 2013.

In addition, starting with the January 2014 estimates, the BLS has incorporated CPS population controls that reflect Census population estimates for 2013. However, BLS did not revise historical CPS data based on these new population controls; therefore, CPS data for January 2014 are not directly comparable with the figures for December 2013 or earlier periods.

### **State estimates from the Local Area Unemployment Statistics program**

Data from the Local Area Unemployment Statistics program (LAUS)—including state estimates of labor force, employed, unemployed, and the unemployment rate—have undergone annual revisions. These revisions affect both seasonally adjusted and not seasonally adjusted LAUS data from January 2009 – December 2013. The LAUS annual revisions are described in more detail in the Technical Notes below.

### **State estimates from the Current Employment Statistics program**

Data from the Current Employment Statistics program (CES)—including state estimates of Total Nonfarm employment—have undergone annual revisions. These revisions affect both seasonally adjusted and not seasonally adjusted CES data from January 1990 – December 2013. The CES annual revisions are described in more detail in the Technical Notes below.

### **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](http://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.

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 [www.bls.gov/lau/lassaqa.htm](http://www.bls.gov/lau/lassaqa.htm).

Area definitions. 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](http://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.

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.

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](http://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](http://www.bls.gov/sae/790stderr.htm).

### **Release Dates**

The next unemployment update is scheduled for Friday, March 21, 2014 when the county unemployment rates for January 2014 will be released.

The complete 2014 data release schedule can be accessed at:

[http://www.nccommerce.com/Portals/47/Documents/2014\\_NC\\_Release\\_Dates.pdf](http://www.nccommerce.com/Portals/47/Documents/2014_NC_Release_Dates.pdf)