



News Release

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For Immediate Release
January 27, 2015

North Carolina’s December Employment Figures Released

RALEIGH — The state’s seasonally adjusted December unemployment rate was 5.5 percent, decreasing 0.4 of a percentage point from November’s revised rate of 5.9 percent. After the monthly revision, November’s preliminary rate of 5.8 percent increased to 5.9 percent. The national rate is at 5.6 percent.

North Carolina’s December 2014 unemployment rate was 1.4 percentage points lower than a year ago. The number of people employed increased 1,283 over the month to 4,364,022, and increased 25,339 over the year. The number of people unemployed decreased 15,843 over the month to 255,510, and declined 67,584 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 15,100 to 4,218,700 in December. Leisure & Hospitality Services, Professional & Business Services, and Trade, Transportation & Utilities are three major industries that had an over-the-month increase of 3,600, followed by Construction, 4,100; Financial Activities, 1,200; Information, 200; and Mining & Logging, 100. Major industries experiencing decreases were Government, 900; Education & Health Services, 200; Manufacturing, and Other Services both decreased by 100 jobs.

Seasonally Adjusted Unemployment Rates Since December 2013

	Dec. 2013	Jan. 2014	Feb. 2014	Mar. 2014	Apr. 2014	May 2014	June 2014	July 2014	Aug. 2014	Sept. 2014	Oct. 2014	Nov. 2014	Dec. 2014
N.C.	6.9	6.7	6.4	6.3	6.2	6.4	6.4	6.5	6.8	6.7	6.3	5.9	5.5
U.S.	6.7	6.6	6.7	6.7	6.3	6.3	6.1	6.2	6.1	5.9	5.8	5.8	5.6

2013 Numbers Have Been Annually Revised

Since December 2013, Total Nonfarm jobs gained 114,500 with the Total Private sector growing by 119,900 and Government decreasing by 5,400. The largest over-the-year increase of major industries was Professional & Business Services at 40,200, followed by Trade, Transportation & Utilities, 17,600; Construction, 12,500; Leisure & Hospitality Services, 11,800; Education & Health Services, 10,400; Manufacturing, 9,500; Financial Activities, 8,100; Other Services, 4,700; Information, 5,000; and Mining & Logging, 100. The only major industry experiencing a decrease over the year was Government, 5,400.

The next unemployment update is scheduled for **Wednesday, February 4, 2015** when the county unemployment rates for **December 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., Tuesday, January 27, 2015

	December 2014	November 2014	December 2013	Month Ago		Year Ago	
				Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina <i>(Local Area Unemployment Statistics)</i>							
<i>Smoothed Seasonally Adjusted</i>							
Labor Force	4,619,532	4,634,092	4,661,777	-14,560	-0.3	-42,245	-0.9
Employed	4,364,022	4,362,739	4,338,683	1,283	< 0.1	25,339	0.6
Unemployed	255,510	271,353	323,094	-15,843	-5.8	-67,584	-20.9
Unemployment Rate	5.5	5.9	6.9	-0.4	xxx	-1.4	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	4,560,669	4,625,887	4,621,650	-65,218	-1.4	-60,981	-1.3
Employed	4,321,765	4,377,961	4,315,823	-56,196	-1.3	5,942	0.1
Unemployed	238,904	247,926	305,827	-9,022	-3.6	-66,923	-21.9
Unemployment Rate	5.2	5.4	6.6	-0.2	xxx	-1.4	xxx
United States <i>(Current Population Survey)</i>							
<i>Seasonally Adjusted</i>							
Labor Force	156,129,000	156,402,000	155,047,000	-273,000	-0.2	xxx	xxx
Employed	147,442,000	147,331,000	144,671,000	111,000	0.1	xxx	xxx
Unemployed	8,688,000	9,071,000	10,376,000	-383,000	-4.2	xxx	xxx
Unemployment Rate	5.6	5.8	6.7	-0.2	xxx	xxx	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	155,521,000	156,297,000	154,408,000	-776,000	-0.5	xxx	xxx
Employed	147,190,000	147,666,000	144,423,000	-476,000	-0.3	xxx	xxx
Unemployed	8,331,000	8,630,000	9,984,000	-299,000	-3.5	xxx	xxx
Unemployment Rate	5.4	5.5	6.5	-0.1	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. Estimates for the previous month have undergone monthly revision. 2013 estimates have undergone annual revision.

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

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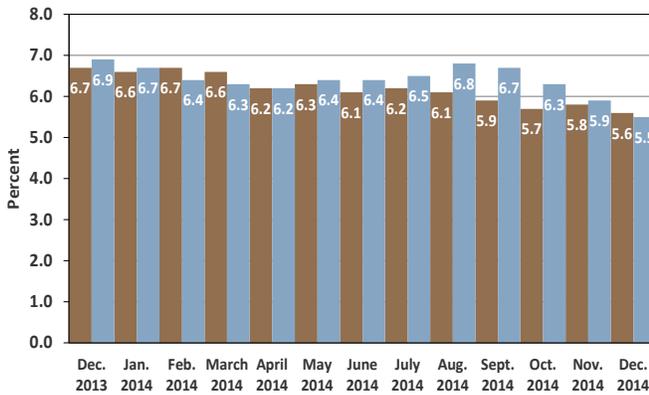
				<i>Month Ago</i>		<i>Year Ago</i>	
	<i>December 2014</i>	<i>November 2014</i>	<i>December 2013</i>	<i>Numeric Change</i>	<i>Percent Change</i>	<i>Numeric Change</i>	<i>Percent Change</i>
North Carolina <i>(Current Employment Statistics)</i>							
<i>Seasonally Adjusted</i>							
Total Nonfarm	4,218,700	4,203,600	4,104,200	15,100	0.4	114,500	2.8
Total Private	3,504,400	3,488,400	3,384,500	16,000	0.5	119,900	3.5
Mining & Logging	5,700	5,600	5,600	100	1.8	100	1.8
Construction	185,700	181,600	173,200	4,100	2.3	12,500	7.2
Manufacturing	451,600	451,700	442,100	-100	<-0.1	9,500	2.1
Trade, Transportation & Utilities	784,200	780,600	766,600	3,600	0.5	17,600	2.3
Information	75,200	75,000	70,200	200	0.3	5,000	7.1
Financial Activities	215,200	214,000	207,100	1,200	0.6	8,100	3.9
Professional & Business Services	605,300	601,700	565,100	3,600	0.6	40,200	7.1
Education & Health Services	576,100	576,300	565,700	-200	<-0.1	10,400	1.8
Leisure & Hospitality Services	449,100	445,500	437,300	3,600	0.8	11,800	2.7
Other Services	156,300	156,400	151,600	-100	-0.1	4,700	3.1
Government	714,300	715,200	719,700	-900	-0.1	-5,400	-0.8
North Carolina <i>(Current Employment Statistics)</i>							
<i>Not Seasonally Adjusted</i>							
Total Nonfarm	4,241,000	4,237,700	4,125,600	3,300	0.1	115,400	2.8
Total Private	3,510,800	3,502,100	3,390,100	8,700	0.2	120,700	3.6
Mining & Logging	5,600	5,600	5,500	0	0.0	100	1.8
Construction	186,900	186,000	174,200	900	0.5	12,700	7.3
Manufacturing	453,100	451,800	443,600	1,300	0.3	9,500	2.1
Trade, Transportation & Utilities	800,900	791,600	782,800	9,300	1.2	18,100	2.3
Information	75,600	75,100	70,600	500	0.7	5,000	7.1
Financial Activities	212,900	212,300	205,100	600	0.3	7,800	3.8
Professional & Business Services	603,300	603,600	563,000	-300	-0.1	40,300	7.2
Education & Health Services	581,000	582,100	570,200	-1,100	-0.2	10,800	1.9
Leisure & Hospitality Services	435,600	438,200	423,900	-2,600	-0.6	11,700	2.8
Other Services	155,900	155,800	151,200	100	0.1	4,700	3.1
Government	730,200	735,600	735,500	-5,400	-0.7	-5,300	-0.7
Mfg. Production Workers (PW) Not Seasonally Adjusted							
<i>Mfg. PW Average Hourly Earnings</i>	\$16.73	\$16.76	\$17.01				
<i>Mfg. PW Hours Worked</i>	43.4	43.5	42.8				

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

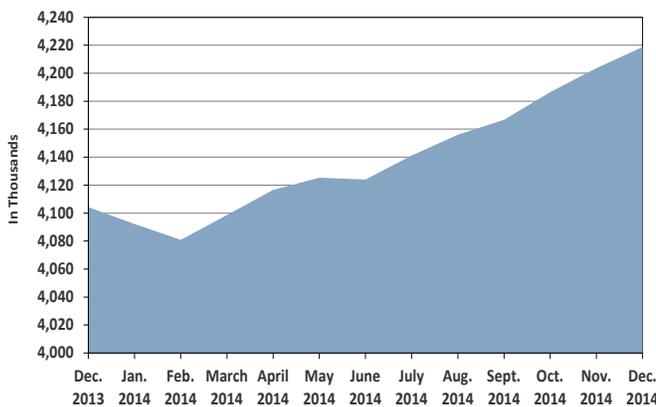
December 2014*

United States/North Carolina Unemployment Rates
December 2013–December 2014
(Smoothed Seasonally Adjusted**)

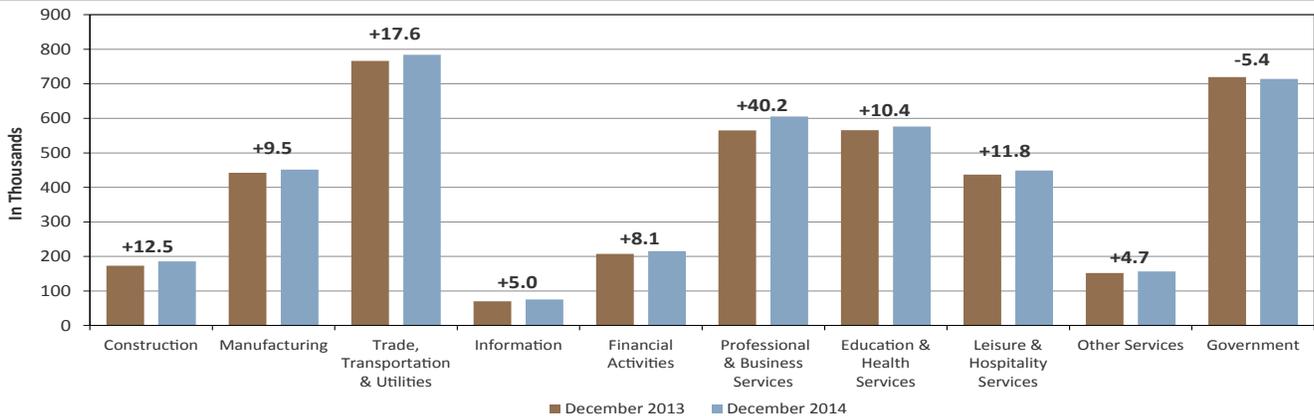


** US data are not smoothed.

North Carolina Total Nonfarm Employment
December 2013–December 2014
(Seasonally Adjusted)



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



*NC current month data are preliminary, while other 2014 data are revised and 2013 data have undergone annual revision. US data have undergone annual revision.

The North Carolina smoothed seasonally adjusted unemployment rate was 5.5 percent in December, decreasing 0.4 of a percentage point from the previous month, and falling 1.4 percentage points from December 2013. Over the month, the number of persons unemployed fell by 15,843 (5.8%). The civilian labor force declined by 14,560 (0.3%) to 4,619,532.

Nationally, December's unemployment rate was 5.6 percent. The number of persons unemployed was 8,688,000, while the civilian labor force was 156,129,000.

Seasonally adjusted Total Nonfarm industry employment (4,218,700) has increased 15,100 (0.4%) since November 2014, and 114,500 (2.8%) since December 2013.¹ Private sector employment grew over the month by 16,000 (0.5%) and 119,900 (3.5%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Construction had the largest over-the-month gain in jobs (4,100; 2.3%), followed by Leisure & Hospitality Services (3,600; 0.8%), Professional & Business Services (3,600; 0.6), Trade, Transportation & Utilities (3,600; 0.5%), Financial Activities (1,200; 0.6%), Information (200; 0.3%) and Mining & Logging (100; 1.8%). Government (900; 0.1%) had the largest over-the-month decrease, followed by Education & Health Services (200; >-0.1%), Other Services (100; 0.1%), and Manufacturing (100; >-0.1%).

Since December 2013, Professional & Business Services added the largest number of jobs (40,200; 7.1%), followed by Trade, Transportation & Utilities (17,600; 2.3%), Construction (12,500; 7.2%), Leisure & Hospitality Services (11,800; 2.7%), Education & Health Services (10,400; 1.8%), Manufacturing (9,500; 2.1%), Financial Activities (8,100; 3.9%), Information (5,000; 7.1%), Other Services (4,700; 3.1%), and Mining & Logging (100; 1.8%). Government was the only industry to report a loss over the year at 5,400 (0.8%).

¹It 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.

North Carolina Labor Market Conditions

The December 2014 not seasonally adjusted Total Nonfarm employment level of 4,241,000 was 3,300 (0.1%) higher than the November 2014 revised employment level of 4,237,700. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-the-month increase in employment at 9,300 (1.2%), followed by Manufacturing (1,300; 0.3%), Construction (900; 0.5%), Financial Activities (600; 0.3%), Information (500; 0.7%), and Other Services (100; 0.1%). Government (5,400; 0.7%) had the largest over-the-month decrease, followed by Leisure & Hospitality (2,600; 0.6%), Education & Health Services (1,100; 0.2%), and Professional & Business Services (300; >-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 93,100 (2.7%) jobs. Professional & Business Services experienced the largest employment increase with 40,300 (7.2%), followed by Trade, Transportation & Utilities (18,100; 2.3%), Leisure & Hospitality (11,700; 2.8%), Education & Health Services (10,800; 1.9%), Financial Activities (7,800; 3.8%), Information (5,000; 7.1%), and Other Services (4,700; 3.1%). Government (5,300; 0.7%) had the only over-the-year decrease.

The Goods Producing sector grew by 22,300 (3.6%) jobs over the year. Construction experienced the largest employment increase with 12,700 (7.3%), followed by Manufacturing (9,500; 2.1%), and Mining & Logging (100; 1.8%).

Food had the largest amount of manufacturing employment with 50,800 in December 2014. Fabricated Metal Product had the largest net over-the-year increase at 2,800. Other manufacturing industries with gains were: Furniture & Related Product, 1,600; Beverage & Tobacco Product, 1,500; Transportation Equipment, 1,100; Wood Product, 1,100; Chemical, 900; and Machinery, 200.

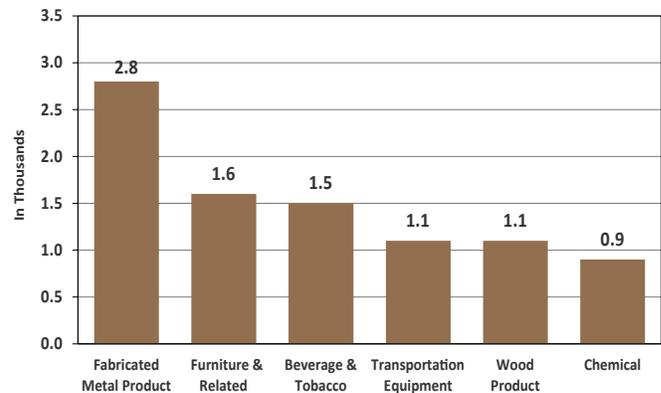
Average Weekly Hours for manufacturing production workers in December decreased 6 minutes from November's revised rate of 43.5. Average Hourly Earnings fell by \$0.03 to \$16.73, as Average Weekly Earnings dropped by \$2.98 to \$726.08.

Regular Initial Claims for Unemployment Insurance (UI) totaled 26,767 in December, increasing 6,756 from November. Less than 1 percent of Initial Claims for December 2014 were "attached" to a payroll, meaning that employees expect to be recalled to their jobs.

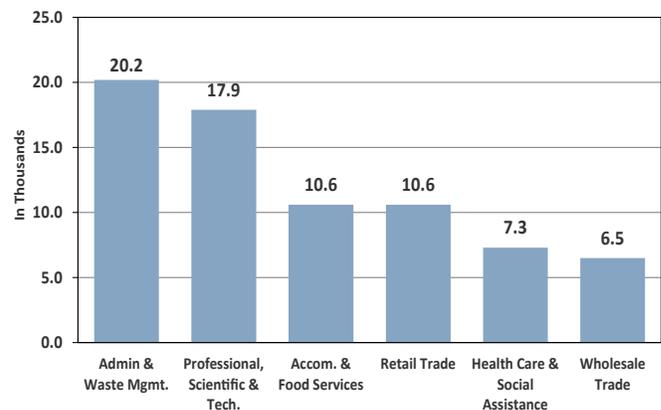
A total of \$27,590,971 in regular UI benefits was paid in December to 31,806 claimants statewide — an increase of 694 claimants since November 2014.

For the 12-month period ending December 2014, \$440,747,018 was paid under the Regular UI Program. The UI Trust Fund balance at the end of December was in the red (\$430,825,846). The State Reserve Fund balance was \$13,496,691.

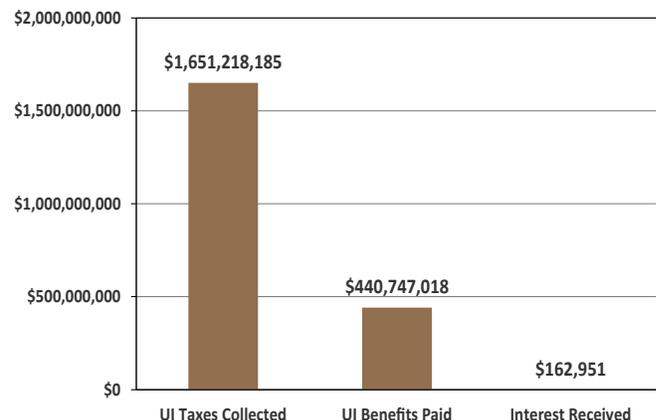
Selected Manufacturing Industries With Job Gains
December 2013–December 2014
(Not Seasonally Adjusted)



Selected Service Industries With Job Gains
December 2013–December 2014
(Not Seasonally Adjusted)



UI Taxes Collected and NC Regular UI Benefits Paid
January 2014–December 2014



Special Note—Geography Changes

On February 28, 2013, OMB announced revised delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas. Bureau of Labor Statistics programs will implement these new delineations effective with the following data releases:

- LAUS: January 2015 substate data (anticipated release date: March 2015)
- CES: 2014 benchmarked data (anticipated release date: March 2015)

At that time, data will be revised back to the series beginnings based on the new delineations.

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.

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.

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.

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. 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, February 4, 2015* when the county unemployment rates for *December 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