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North Carolina's December Employment Figures Released

RALEIGH — The state's seasonally adjusted December unemployment rate was 4.5 percent, increasing 0.2 of a percentage point from November's revised rate. The national rate remained unchanged at 4.1 percent.

North Carolina's December 2017 unemployment rate decreased 0.7 of a percentage point from a year ago. The number of people employed decreased 12,081 over the month to 4,727,107 and increased 63,522 over the year. The number of people unemployed increased 8,755 over the month to 222,116 and decreased 34,736 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 12,500 to 4,457,700 in December. The major industries with the largest over-the-month increases were Professional & Business Services at 3,600, followed by Financial Activities, 2,800; Leisure & Hospitality Services, 2,600; Trade, Transportation & Utilities, 1,600; Construction, 1,300; Other Services, 900; and Manufacturing, 700. Major industries experiencing decreases were Education & Health Services, 700; and Government, 300. Information and Mining & Logging industry employment remained unchanged over the month.

Seasonally Adjusted Unemployment Rates since December 2016

| | Dec 2016 | Jan 2017 | Feb 2017 | Mar 2017 | Apr 2017 | May 2017 | Jun 2017 | Jul 2017 | Aug 2017 | Sep 2017 | Oct 2017 | Nov 2017 | Dec 2017 |
|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| N.C. | 5.2 | 5.3 | 5.1 | 4.9 | 4.7 | 4.5 | 4.2 | 4.1 | 4.1 | 4.1 | 4.1 | 4.3 | 4.5 |
| U.S. | 4.7 | 4.8 | 4.7 | 4.5 | 4.4 | 4.3 | 4.3 | 4.3 | 4.4 | 4.2 | 4.1 | 4.1 | 4.1 |

Please note: 2016 numbers have been annually revised

Since December 2016, Total Nonfarm jobs gained 75,000 with the Total Private sector growing by 67,700 and Government increasing by 7,300. The largest over-the-year increase among major industries was Professional & Business Services at 36,200, followed by Education & Health Services, 16,400; Trade, Transportation & Utilities, 8,100; Government, 7,300; Leisure & Hospitality Services, 7,200; Other Services, 3,500; Financial Activities, 1,700; Manufacturing, 700; and Mining & Logging, 200. Major industries experiencing decreases were Information, 4,200; and Construction, 2,100.

The next unemployment update is scheduled for Thursday, February 1, 2018 when the county unemployment rates for December 2017 will be released. The state unemployment rate for January 2018 will be released Monday, March 12, 2018.

This information can be accessed on the Commerce website at <http://www.nccommerce.com/lead>

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 23, 2018

| | | | | <i>Month Ago</i> | | <i>Year Ago</i> | |
|--|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | <i>December 2017</i> | <i>November 2017</i> | <i>December 2016</i> | <i>Numeric Change</i> | <i>Percent Change</i> | <i>Numeric Change</i> | <i>Percent Change</i> |
| North Carolina <i>(Local Area Unemployment Statistics)</i> | | | | | | | |
| <i>Smoothed Seasonally Adjusted</i> | | | | | | | |
| Labor Force | 4,949,223 | 4,952,549 | 4,920,437 | -3,326 | -0.1 | 28,786 | 0.6 |
| Employed | 4,727,107 | 4,739,188 | 4,663,585 | -12,081 | -0.3 | 63,522 | 1.4 |
| Unemployed | 222,116 | 213,361 | 256,852 | 8,755 | 4.1 | -34,736 | -13.5 |
| Unemployment Rate | 4.5 | 4.3 | 5.2 | 0.2 | xxx | -0.7 | xxx |
| <i>Not Seasonally Adjusted</i> | | | | | | | |
| Labor Force | 4,900,294 | 4,943,636 | 4,888,173 | -43,342 | -0.9 | 12,121 | 0.2 |
| Employed | 4,684,502 | 4,721,797 | 4,649,833 | -37,295 | -0.8 | 34,669 | 0.7 |
| Unemployed | 215,792 | 221,839 | 238,340 | -6,047 | -2.7 | -22,548 | -9.5 |
| Unemployment Rate | 4.4 | 4.5 | 4.9 | -0.1 | xxx | -0.5 | xxx |
| United States <i>(Current Population Survey)</i> | | | | | | | |
| <i>Seasonally Adjusted</i> | | | | | | | |
| Labor Force | 160,597,000 | 160,533,000 | 159,736,000 | 64,000 | < 0.1 | xxx | xxx |
| Employed | 154,021,000 | 153,917,000 | 152,233,000 | 104,000 | 0.1 | xxx | xxx |
| Unemployed | 6,576,000 | 6,616,000 | 7,502,000 | -40,000 | -0.6 | xxx | xxx |
| Unemployment Rate | 4.1 | 4.1 | 4.7 | 0.0 | xxx | xxx | xxx |
| <i>Not Seasonally Adjusted</i> | | | | | | | |
| Labor Force | 159,880,000 | 160,466,000 | 158,968,000 | -586,000 | -0.4 | xxx | xxx |
| Employed | 153,602,000 | 154,180,000 | 151,798,000 | -578,000 | -0.4 | xxx | xxx |
| Unemployed | 6,278,000 | 6,286,000 | 7,170,000 | -8,000 | -0.1 | xxx | xxx |
| Unemployment Rate | 3.9 | 3.9 | 4.5 | 0.0 | xxx | xxx | xxx |

*Effective January 2017, 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.

2017 estimates for the current month are preliminary. Estimates for the previous month have undergone monthly revision.

2016 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., Tuesday, January 23, 2018

| | | | | <i>Month Ago</i> | | <i>Year Ago</i> | |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | <i>December 2017</i> | <i>November 2017</i> | <i>December 2016</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 | 4,457,700 | 4,445,200 | 4,382,700 | 12,500 | 0.3 | 75,000 | 1.7 |
| Total Private | 3,718,000 | 3,705,200 | 3,650,300 | 12,800 | 0.3 | 67,700 | 1.9 |
| Mining & Logging | 5,900 | 5,900 | 5,700 | 0 | 0.0 | 200 | 3.5 |
| Construction | 201,900 | 200,600 | 204,000 | 1,300 | 0.6 | -2,100 | -1.0 |
| Manufacturing | 467,500 | 466,800 | 466,800 | 700 | 0.1 | 700 | 0.1 |
| Trade, Transportation & Utilities | 829,000 | 827,400 | 820,900 | 1,600 | 0.2 | 8,100 | 1.0 |
| Information | 74,100 | 74,100 | 78,300 | 0 | 0.0 | -4,200 | -5.4 |
| Financial Activities | 230,900 | 228,100 | 229,200 | 2,800 | 1.2 | 1,700 | 0.7 |
| Professional & Business Services | 655,200 | 651,600 | 619,000 | 3,600 | 0.6 | 36,200 | 5.8 |
| Education & Health Services | 605,400 | 606,100 | 589,000 | -700 | -0.1 | 16,400 | 2.8 |
| Leisure & Hospitality Services | 492,800 | 490,200 | 485,600 | 2,600 | 0.5 | 7,200 | 1.5 |
| Other Services | 155,300 | 154,400 | 151,800 | 900 | 0.6 | 3,500 | 2.3 |
| Government | 739,700 | 740,000 | 732,400 | -300 | >-0.1 | 7,300 | 1.0 |
| North Carolina <i>(Current Employment Statistics)</i> | | | | | | | |
| <i>Not Seasonally Adjusted</i> | | | | | | | |
| Total Nonfarm | 4,493,300 | 4,486,500 | 4,410,800 | 6,800 | 0.2 | 82,500 | 1.9 |
| Total Private | 3,735,000 | 3,726,500 | 3,659,800 | 8,500 | 0.2 | 75,200 | 2.1 |
| Mining & Logging | 5,900 | 5,900 | 5,700 | 0 | 0.0 | 200 | 3.5 |
| Construction | 202,800 | 202,800 | 203,200 | 0 | 0.0 | -400 | -0.2 |
| Manufacturing | 469,100 | 469,700 | 467,600 | -600 | -0.1 | 1,500 | 0.3 |
| Trade, Transportation & Utilities | 849,000 | 840,100 | 840,100 | 8,900 | 1.1 | 8,900 | 1.1 |
| Information | 74,500 | 74,300 | 78,500 | 200 | 0.3 | -4,000 | -5.1 |
| Financial Activities | 230,000 | 228,500 | 228,200 | 1,500 | 0.7 | 1,800 | 0.8 |
| Professional & Business Services | 656,400 | 655,400 | 618,900 | 1,000 | 0.2 | 37,500 | 6.1 |
| Education & Health Services | 611,100 | 611,500 | 594,300 | -400 | -0.1 | 16,800 | 2.8 |
| Leisure & Hospitality Services | 481,000 | 483,400 | 472,100 | -2,400 | -0.5 | 8,900 | 1.9 |
| Other Services | 155,200 | 154,900 | 151,200 | 300 | 0.2 | 4,000 | 2.6 |
| Government | 758,300 | 760,000 | 751,000 | -1,700 | -0.2 | 7,300 | 1.0 |

All 2017 Labor Force and CES data for the current month are preliminary.
 All 2016 Labor Force and CES estimates have been benchmarked.
 Estimates may not add to totals due to rounding.

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 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 delineations that were issued by the U.S. Office of Management and Budget on July 15, 2015. 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. Information on recent benchmark revisions is available online at www.bls.gov/sae/benchmark2017.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.

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.

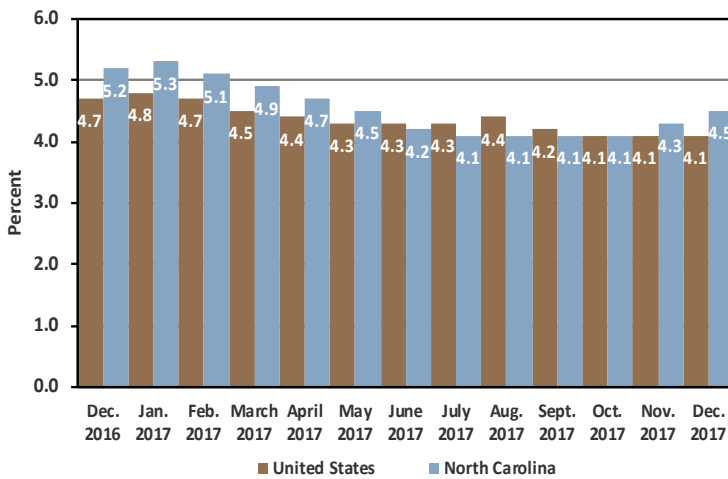
Release Dates

The next unemployment update is scheduled for Thursday, February 1, 2018 when the county unemployment rates for December 2017 will be released.

The complete 2017 data release schedule can be accessed at:

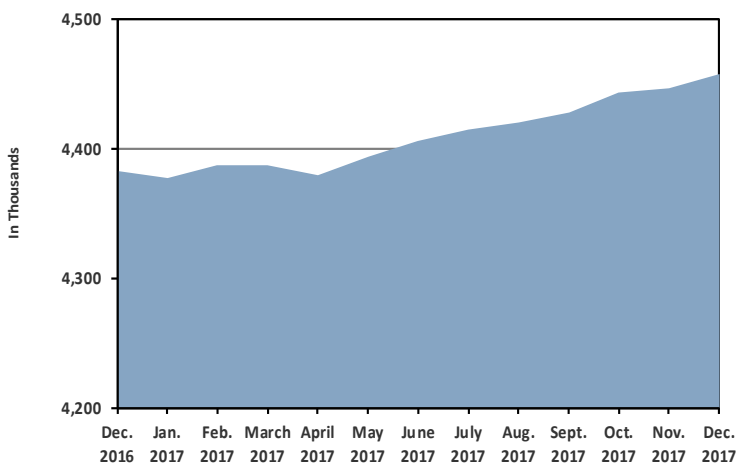
<http://www.nccommerce.com/lead/research-publications/schedule-of-release-dates>

United States/North Carolina Unemployment Rates
December 2016–December 2017
(Smoothed Seasonally Adjusted**)

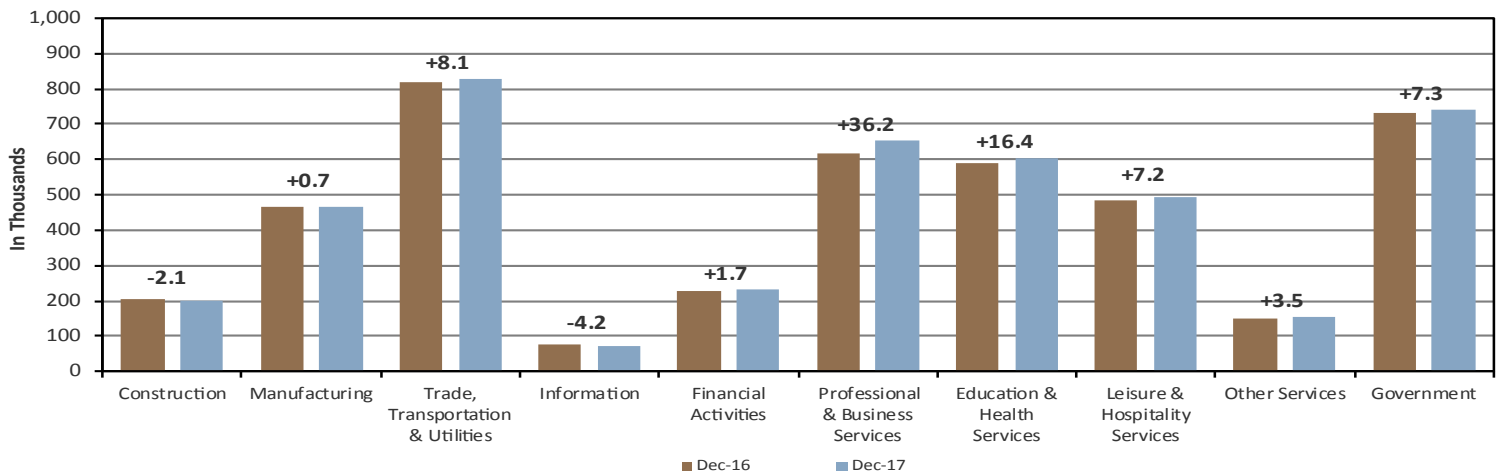


**US data are not smoothed.

North Carolina Total Nonfarm Employment
December 2016–December 2017
(Seasonally Adjusted)



Changes in Employment by NAICS Industries
December 2016 Compared to December 2017
(Seasonally Adjusted)



*N.C. current month data are preliminary, while all other 2017 data are revised and 2016 data have undergone annual revision. U.S. data have undergone annual revision.

The North Carolina smoothed seasonally adjusted unemployment rate was 4.5 percent in December, increasing 0.2 of a percentage point from the previous month and falling 0.7 of a percentage point from December 2016. Over the month, the number of persons unemployed grew by 8,755 (4.1%). The civilian labor force decreased by 3,326 (0.1%) to 4,949,223.

Nationally, December's unemployment rate was 4.1 percent. The number of persons unemployed was 6,576,000, while the civilian labor force was 160,597,000.

Seasonally adjusted Total Nonfarm industry employment (4,457,700) increased 12,500 (0.3%) since November 2017 and 75,000 (1.7%) since December 2016.¹ Private sector employment grew over the month by 12,800 (0.3%) and 67,700 (1.9%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Professional & Business Services (3,600; 0.6%) had the largest over-the-month gain in jobs, followed by Financial Services (2,800; 1.2%), Leisure & Hospitality Services (2,600; 0.5%), Trade, Transportation & Utilities (1,600; 0.2%), Construction (1,300; 0.6%), Other Services (900; 0.6%), and Manufacturing (700; 0.1%). Education & Health Services (700; 0.1%) reported the largest over-the-month decrease, followed by Government (300; >-0.1%). Information and Mining & Logging remained unchanged.

Since December 2016, Professional & Business Services added the largest number of jobs (36,200; 5.8%), followed by Education & Health Services (16,400; 2.8%), Trade, Transportation & Utilities (8,100; 1.0%), Government (7,300; 1.0%), Leisure & Hospitality Services (7,200; 1.5%), Other Services (3,500; 2.3%), Financial Activities (1,700; 0.7%), Manufacturing (700; 0.1%), and Mining & Logging (200, 3.5%). Information (4,200; 5.4%) reported the largest over-the-year decrease, followed by Construction (2,100; 1.0%).

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 2017 not seasonally adjusted Total Nonfarm employment level of 4,493,300 was 6,800 (0.2%) more than the November 2017 revised employment level of 4,486,500. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-the-month increase in employment at 8,900 (1.1%), followed by Financial Activities (1,500; 0.7%), Professional & Business Services (1,000; 0.2%), Other Services (300; 0.2%), and Information (200; 0.3%). Leisure & Hospitality (2,400; 0.5%) reported the largest over-the-month decrease, followed by Government (1,700; 0.2%), Manufacturing (600; 0.1%) and Education & Health Services (400; 0.1%). Construction and Mining & Logging remained unchanged.

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 81,200 (2.2%) jobs. Professional & Business Services experienced the largest employment increase at 37,500 (6.1%), followed by Education & Health Services (16,800; 2.8%), Trade, Transportation & Utilities (8,900; 1.1%), Leisure & Hospitality Services (8,900; 1.9%), Government (7,300; 1.0%), Other Services (4,000; 2.7%), and Financial Activities (1,800; 0.8%). Information (4,000; 5.1%) reported the only over-the-year decrease.

The Goods Producing sector grew by 1,300 (0.2%) jobs over the year. Manufacturing had the largest increase with 1,500 (0.3%), followed by Mining & Logging (200; 3.5%). Construction (400; 0.2%) reported a decrease.

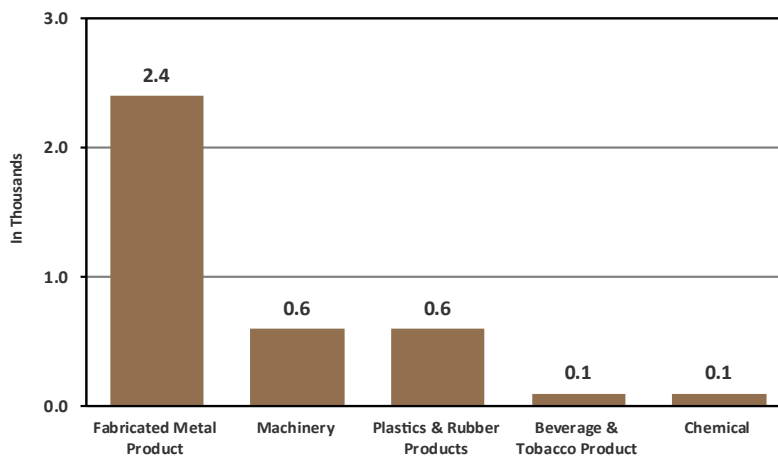
Amongst manufacturing industries, Fabricated Metal Product had the largest net over-the-year increase at 2,400. Other manufacturing industries with gains were: Machinery, 600; Plastics & Rubber Products, 600; Beverage & Tobacco Products, 100; and Chemical, 100.

Computer & Electronic Product had the largest net over-the-year decrease at 1,200 in December 2017. Other industries with decreases were: Food, 700; Transportation Equipment, 600; Apparel, 400; Furniture & Related Product, 300; Textile Product Mills, 200; and Wood Product, 100. Electrical Equipment, Appliance & Component, Printing & Related Services, and Textile Mills remained unchanged.

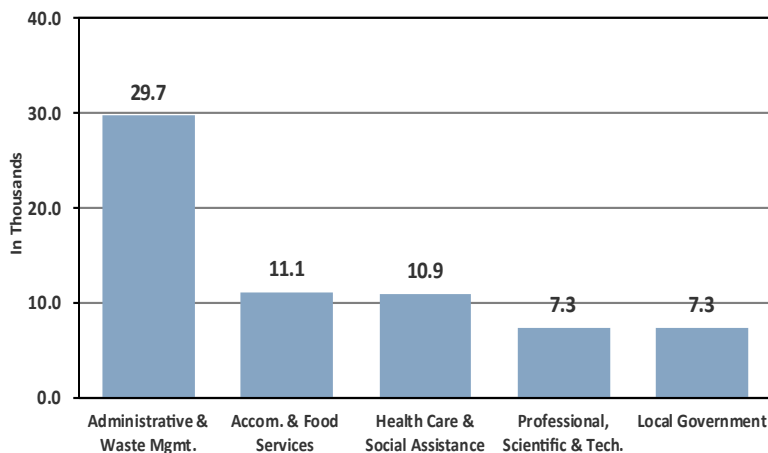
Over the month, Average Weekly Hours for total private workers in December decreased 6 minutes from November's revised rate of 34.5. Average Hourly Earnings grew by \$0.17 to \$24.34, as Average Weekly Earnings increased by \$3.43 to \$837.30.

Over the year, Average Weekly Hours for total private workers in December remained unchanged from the revised rate of 34.4 in December 2016. Average Hourly Earnings grew by \$0.71 and Average Weekly Earnings increased \$24.43.

Selected Manufacturing Industries With Job Gains
December 2016–December 2017
(Not Seasonally Adjusted)



Selected Service Industries With Job Gains
December 2016–December 2017
(Not Seasonally Adjusted)



Total Private Average Weekly Wage
December 2014–December 2017
(Not Seasonally Adjusted)

