

Job Market Update: September 2016

In August, we added 151,000 non-farm jobs. Employment opportunities continued to rise significantly for the third month in a row. In addition, the unemployment rate remains low and unchanged at 4.9%.

Once more, employment continues to rise in The United States. However, it lags behind July's numbers. A total of 151,000 jobs were added in August. The unemployment rate remained steady at 4.9%. This number is relatively low compared to recession periods. A number of industries including healthcare, business, technical services, food services, drinking places and finance trended upward.

Significant revisions were made to both June and July's employment numbers, resulting in a net decrease of -1,000 jobs. June was revised from +292,000 to +271,000 while July rose from +255,000 to 275,000. Average growth is strong and rising; over the past three months job gains average 232,000.

The unemployment rate (4.9 percent) and the number of unemployed persons (7.8 million) haven't changed much over the year.

- Long-term unemployed (those jobless for 27+ weeks) – remained steady and accounts for 26.1% of unemployed persons.
- Civilian labor force participation rate – stayed at 62.8 percent.
- Employment-population ratio – is 59.7 percent.

The number of persons employed part-time for economic reasons (involuntary part-time workers) remained at 6.1 million. Year over year, the number of persons marginally attached to the labor force (jobless people who wanted and had looked for a job in the past 12 months) is essentially the same.

In August, the number of discouraged workers (persons not currently looking for work as they think there are no jobs available) decreased from 591,000 to 576,000. This change represents a month-over-month fall.

The average hourly earnings kept trending up in August, increasing by 3 cents to \$25.73. This year's rate of growth has hovered around 2.4% per month. The average hourly

wage for private-sector production and nonsupervisory employees rose by 7 cents at \$21.64.

Sectors most responsible for the increased jobs gains are: healthcare, business, technical services, food services, drinking places and finance. See below for numbers:

- Health care added 14,000 jobs.
- Professional and business services gained 20,000 jobs.
- Food services and drinking services added 34,000 jobs.
- Finance is up by 15,000 jobs.
- Mining jobs declined by 4,000 jobs in August.



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In Your Industry

Below are some key sector highlights from the BLS “The Employment Situation – August 2016” report:



Professional and Business Services

In August, the sector experienced moderate growth, adding 22,000 new positions. Year-over-year, business and professional services has contributed 401,000 employment opportunities to the country. Professional and technical services gained 20,100 new jobs, led by computer systems design, architecture and engineering. Only few subsectors trend negatively in August, advertising and related services (-3,500), administrative and support services (-2,500), employment services (-11,900) and investigation and security services (-100).



Retail

Retail experienced steady growth, adding 15,100 jobs in August. Summer brought an impressive job increase in the Building material/ garden supplying stores adding 7,600 new jobs. Nearly every subsector experienced gains as well. Food and beverage stores (4,800), motor vehicle and parts dealers (4,100), furniture and home furnishing stores (2,800) and general merchandise stores (1,800). A number of other subsectors downsized.



Health Care

This sector gained 14,400 new jobs in August. Hospitals were responsible for 10,700 positions and ambulatory care accounted for 12,900. Year-over-year, the industry is responsible for 449,400 jobs.



Leisure and Hospitality

Leisure and hospitality added 29,000 new positions in August. Despite last month's gains, when compared to 2015, overall growth in this industry has lagged behind by 226,000 jobs.



Manufacturing

A job loss in the manufacturing sector (-14,000) offset a gain in August. The largest percentage of that decrease occurred in durable goods (-16,000). Not a single subsector in the industry added more than 500 new positions over the month.



Temporary Help Services

Temp help services went down, losing 3,100 jobs.

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In Your Region

Regional and state unemployment rates remained steady in July when compared to June. Unemployment rates increased notably in 7 states, trended down in 3 and remained the unchanged in 40 and the District of Columbia. Year-over-year, 10 states and the District of Columbia have seen a rise in employment.

The following states have the most noteworthy employment gains from June to July: North Dakota (+4,200), Vermont (+3,000), Maine (+4,000) and Idaho (+3,900). Idaho, Florida, Oregon, and Utah all experienced significant year-over-year gains in their employment rates, each increasing by 3% or more.

South Dakota at 2.8% and New Hampshire with 2.9% have the lowest unemployment rates. Ten states and the District had significant unemployment rate decreases over the past year. The largest occurred in Arkansas and Tennessee.

Check out these key regional highlights from the BLS "Regional and State Employment and Unemployment – July 2016" report:

NorthEast

For the fourth consecutive month, the Northeast's unemployment rate remained unchanged, at 4.8%. In July, the Mid-Atlantic region's unemployment rate held steady at 5%. New York's unemployment is also holding steady month-over-month at 4.7%. New Jersey's increased by a percentage point from 5.1% to 5.2%. Once more, Pennsylvania has the highest rate with 5.6% percent.

Vermont (3.2%), New Hampshire (2.9%), Maine (3.9%) and Massachusetts (4.1%) have extremely low unemployment rates. To counter low unemployment in most of the region, Connecticut (5.7%) and Rhode Island (5.5%) both have unemployment rates well above the national average.

MidWest

The Midwest's joblessness rate went down from 4.7% to 4.5% and was significantly below July's national average.

- East North Central (4.8 percent) and
- West North Central (3.9 percent).

The West North Central has some states with unemployment rate below 4.0 percent, including: North Dakota (3.1), South Dakota (2.8), Nebraska (3.1) and Minnesota (3.9). In fact, South Dakota had one of the lowest unemployment rates in the nation at just 2.8 percent.

Most states in the East North Central region are right below the national average: Wisconsin (4.2), Michigan (4.5%), Indiana (4.6%) and Ohio (4.8%). Illinois's unemployment rate fell significantly, moving from 6.2 to 5.8% over the month. However, it still has the highest rate in the region. Michigan's Detroit-Warren-Dearborn area's unemployment rate continues a downward trend at 4.9 percent.



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In Your Region

South

The South's unemployment rate held steady at 4.7% month-over-month. In July, the West South Central (4.6%) and South Atlantic region's (4.6%) both had unemployment rates lower than the national average at 4.9%. The East South Central region's (5.0%) is slightly higher. Texas (4.3%), Arkansas (3.9%), Virginia (3.7%) and Tennessee (4.3 %) have the lowest unemployment rates of the region. Most of these states remained unchanged. Below are the states with the lowest and highest unemployment rates in each of this division's regions:

- West South Central: Arkansas (3.9 percent) / Louisiana (6.3 percent)
- East South Central: Tennessee (4.3 percent) / Alabama (5.7 percent)
- South Atlantic: Virginia (3.7 percent) / West Virginia (7.7)

West

The West continues to have the highest unemployment rate of any region in the country at 5.3%. When compared to the previous year, the unemployment rate is lower. It has dropped by .4%. Below are the states with the lowest and highest unemployment rates in each of this division's regions:

- Pacific: Hawaii (3.5 percent) / Alaska (6.7 percent)
- Mountain: Idaho & Colorado (3.8 percent) / Nevada (6.5 percent)

Los Angeles-Long Beach-Glendale's unemployment rate continues to drop month-over-month from 4.9 to 4.8 percent.

State Unemployment Rates

The list below shows each state's unemployment rate:

| | |
|----------------------------|----------------------|
| Alabama – 5.7 | North Carolina – 4.7 |
| Alaska – 6.7 | North Dakota – 3.1 |
| Arizona – 6.0 | Ohio – 4.8 |
| Arkansas – 3.9 | Oklahoma – 5.0 |
| California – 5.5 | Oregon – 5.2 |
| Colorado – 3.8 | Pennsylvania – 5.6 |
| Connecticut – 5.7 | Rhode Island – 5.5 |
| Delaware – 4.3 | South Carolina – 5.2 |
| District of Columbia – 5.9 | South Dakota – 2.8 |
| Florida – 4.7 | Tennessee – 4.3 |
| Georgia – 5.0 | Texas – 4.6 |
| Hawaii – 3.5 | Utah – 3.9 |
| Idaho – 3.8 | Vermont – 3.2 |
| Illinois – 5.8 | Virginia – 3.7 |
| Indiana – 4.6 | Washington – 5.8 |
| Iowa – 4.1 | West Virginia – 5.7 |
| Kansas – 4.1 | Wisconsin – 4.2 |
| Kentucky – 4.9 | Wyoming – 5.7 |
| Louisiana – 6.3 | |
| Maine – 3.9 | |
| Maryland – 4.3 | |
| Massachusetts – 4.1 | |
| Michigan – 4.5 | |
| Minnesota – 3.9 | |
| Mississippi – 6.0 | |
| Missouri – 4.7 | |
| Montana – 4.2 | |
| Nebraska – 3.1 | |
| Nevada – 6.5 | |
| New Hampshire – 2.9 | |
| New Jersey – 5.2 | |
| New Mexico – 6.4 | |
| New York – 4.7 | |