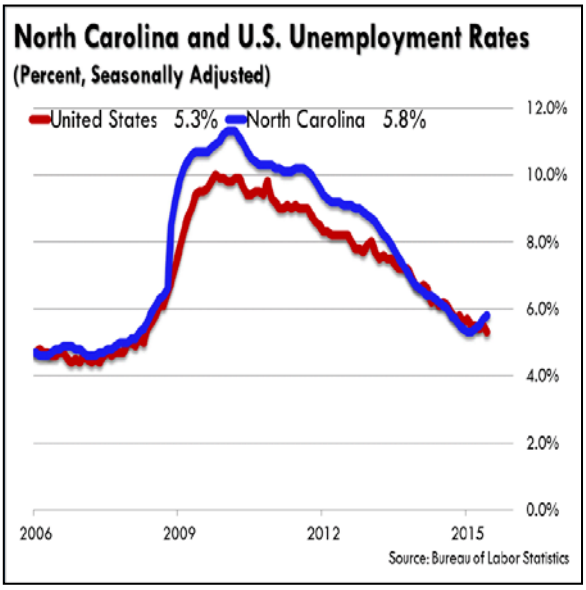
North Carolina Economic Update

July 21, 2015

Summary

Nonfarm payroll employment in North Carolina declined by 3,100 jobs and the unemployment rate rose to 5.8 percent in June according to data released by the Bureau of Labor Statistics (BLS).

North Carolina Unemployment Rate



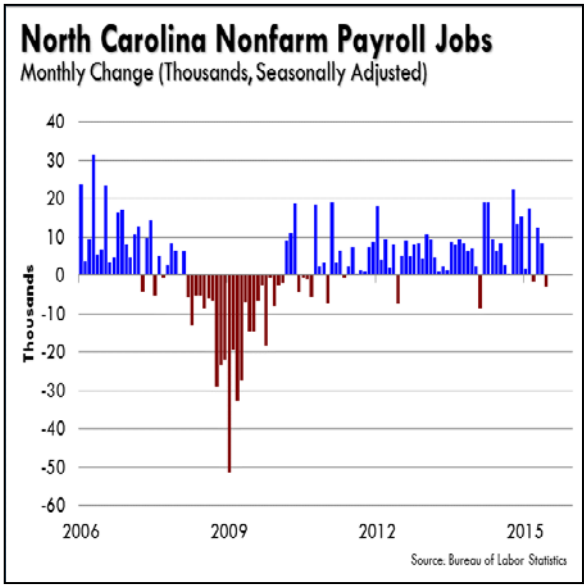
During June, the unemployment rate in North Carolina increased by 0.1 percentage point to 5.8 percent. The number of people counted as unemployed rose by 4,810 in June to 277,151, while the labor force grew by 713 to 4,770,833. Among the 50 states and the District of Columbia, 34 posted lower unemployment rates for the month than North Carolina. A year earlier, the unemployment rate in North Carolina stood at 6.2 percent.

The 10 year peak for the unemployment rate in North Carolina was 11.3 percent in March 2010. This also represents the series high for the unemployment rate in North Carolina. The 10 year low for the unemployment rate in North Carolina was 4.6 percent in April 2007. The series low for the unemployment rate in North Carolina occurred in April 1999 when the unemployment rate reached 3.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined to 5.3 percent in June. June's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.1 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.

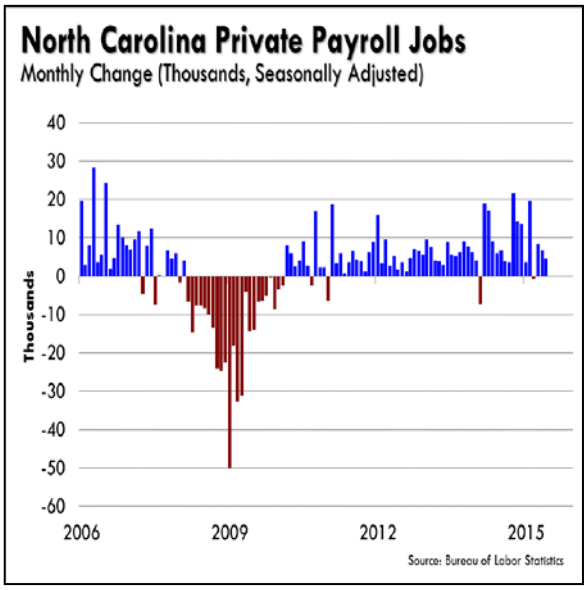
Prepared by the Joint Economic Committee
Senator Dan Coats, Chairman Rep. Kevin Brady, Vice Chairman

North Carolina Payroll Employment



North Carolina nonfarm payrolls declined by 3,100 jobs, or 0.07 percent, on a seasonally adjusted basis during June. In the prior month, nonfarm payrolls increased by 8,300. Over the past 12 months nonfarm payrolls in North Carolina increased by 97,500, or 2.35 percent. North Carolina nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally nonfarm payrolls increased by 223,000 jobs in June, or 0.16 percent. Over the 12 month period ending in June 2015, nonfarm payrolls grew by 2,935,000 jobs, or 2.11 percent. North Carolina ranks 11st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

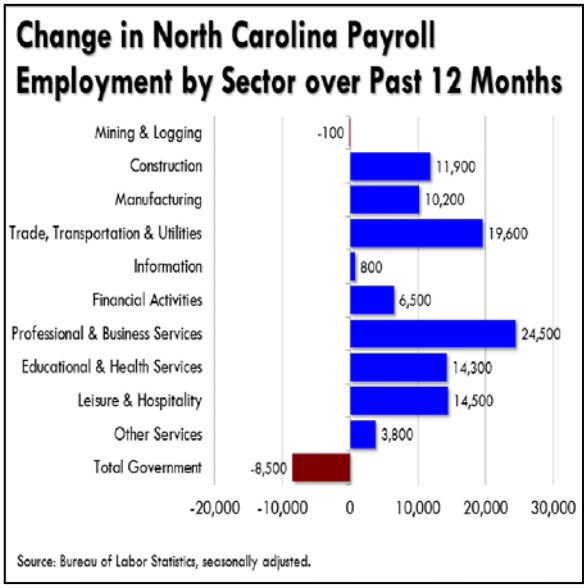


During June, North Carolina private sector payrolls increased by 4,700, or 0.13 percent. Private sector payrolls increased by 6,800 jobs in the prior month. Over the past 12 months, private sector payrolls in North Carolina increased by 106,000, or 3.10 percent. North Carolina private sector payroll employment has increased in 11 of the past 12 months.

Nationally, private sector payroll jobs increased by 223,000 in June, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,880,000 private sector payroll jobs, an increase of 2.46 percent. North Carolina ranks 9th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During June, total government payroll employment in North Carolina declined by 7,800, or 1.09 percent. Federal government payroll employment was unchanged. State government payroll employment was unchanged, while local government payroll employment declined by 7,800, or 1.77 percent.

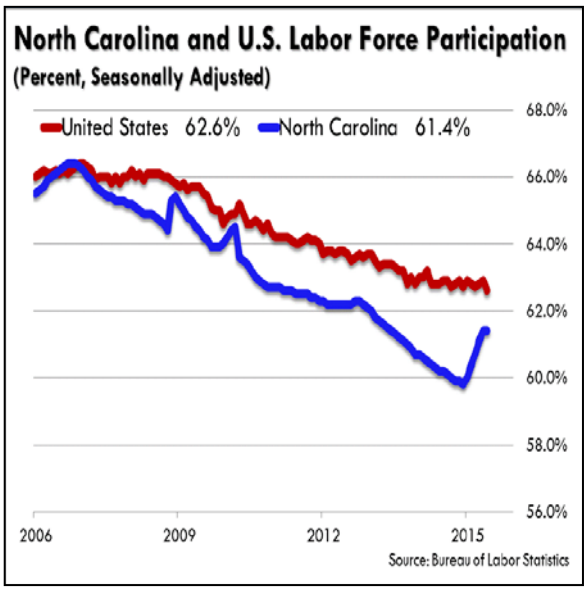
Over the past year, total government payroll employment declined by 8,500, or 1.19 percent. State government payroll employment declined by 2,400, or 1.15 percent. Local government payroll employment declined by 7,200, or 1.64 percent.



The best performing sectors on a seasonally adjusted basis during June were Trade, Transportation & Utilities (+4,400) and Professional & Business Services (+2,700). The poorest performing sectors during the month were Total Government (-7,800) and Construction (-2,000).

The best performing sectors during the last twelve months were Professional & Business Services (+24,500) and Trade, Transportation & Utilities (+19,600). The poorest performing sectors for the year were Total Government (-8,500) and Mining & Logging (-100).

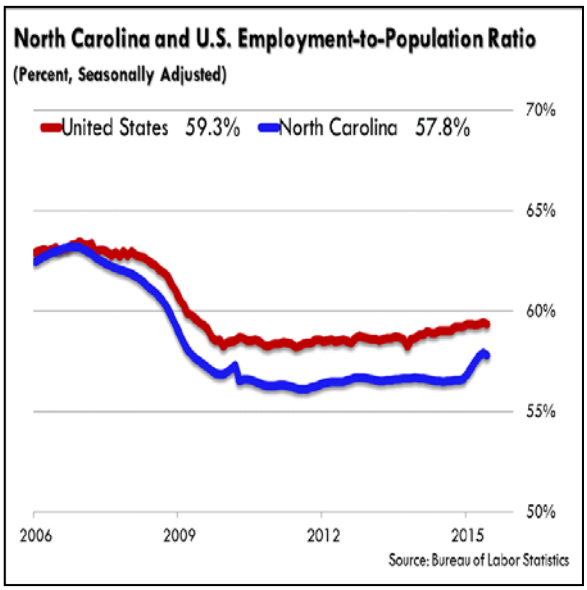
Other North Carolina Labor Force Statistics



The labor force participation rate in North Carolina was unchanged at 61.4 percent in June. Among the 50 states and the District of Columbia, 36 have a higher labor force participation rate than North Carolina. The labor force participation rate in North Carolina is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in North Carolina was 66.4 percent in November 2006. The series high for the labor force participation rate in North Carolina occurred in December 1989 when the labor force participation rate hit 69.0 percent. The 10 year low for the labor force participation rate was 59.8 percent in December 2014. This also represents the series low for the labor force participation rate in North Carolina.

The national labor force participation rate declined by 0.3 percentage point to 62.6 percent in June. That rate is 0.2 percentage point lower than a year earlier and the lowest recorded since October 1977.



The employment-to-population ratio, or the percentage of the North Carolina civilian noninstitutionalized population 16 years and older counted as employed, declined to 57.8 percent in June from 57.9 percent the prior month. Among the 50 states and the District of Columbia, 37 have higher employment-to-population ratios than North Carolina. The employment-to-population ratio in North Carolina is 1.3 percentage points higher than a year earlier.

The 10 year high for the employment-to-population ratio in North Carolina was 63.2 percent in December 2006. The series high for the employment-to-population ratio in North Carolina occurred in December 1989 when the employment-to-population ratio hit 66.7 percent. The 10 year low for the employment-to-population ratio was 56.1 percent in September 2011. The series low for the employment-to-population ratio occurred in October 2011 when the employment-to-population ratio hit 56.1 percent.

The national employment-to-population ratio ticked down to 59.3 percent in June. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in June 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Friday, August 21. The national employment situation for July will be released on Friday, August 7.