



Tennessee Economic Update

April 21, 2015

Summary

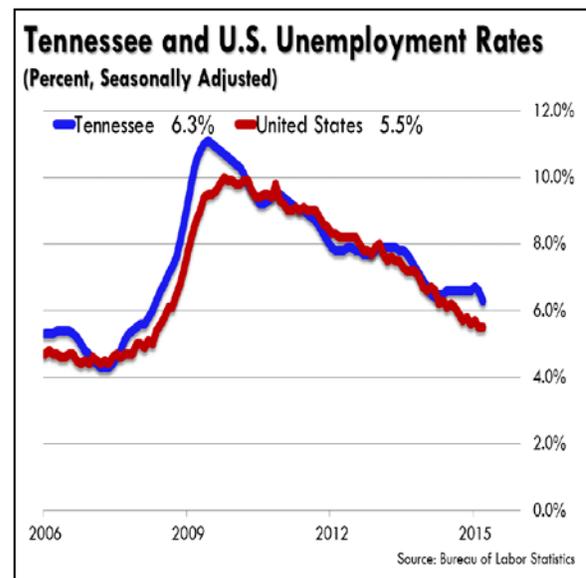
Nonfarm payroll employment in Tennessee declined by 4,400 jobs and the unemployment rate fell to 6.3 percent in March according to data released by the Bureau of Labor Statistics (BLS).

Tennessee Unemployment Rate

During March, the unemployment rate in Tennessee declined by 0.3 percentage point to 6.3 percent. The number of people counted as unemployed fell by 6,708 in March to 192,847, while the labor force grew by 23,338 to 3,061,738. Among the 50 states and the District of Columbia, 38 posted lower unemployment rates for the month than Tennessee. A year earlier, the unemployment rate in Tennessee stood at 6.4 percent.

The 10 year peak for the unemployment rate in Tennessee was 11.1 percent in June 2009. The series high for the unemployment rate in Tennessee occurred in January 1983 when the unemployment rate reached 12.9 percent. The 10 year low for the unemployment rate in Tennessee was 4.3 percent in May 2007. The series low for the unemployment rate in Tennessee occurred in March 2000 when the unemployment rate reached 3.7 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.5 percent in March. March's unemployment rate was 1.1 percentage points lower than a year earlier when the rate stood at 6.6 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.



Tennessee Payroll Employment

Tennessee nonfarm payrolls declined by 4,400 jobs, or 0.15 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls declined by 800. Over the past 12 months nonfarm payrolls in Tennessee increased by 49,300, or 1.76 percent. Tennessee nonfarm payroll employment has increased in 8 of the past 12 months.

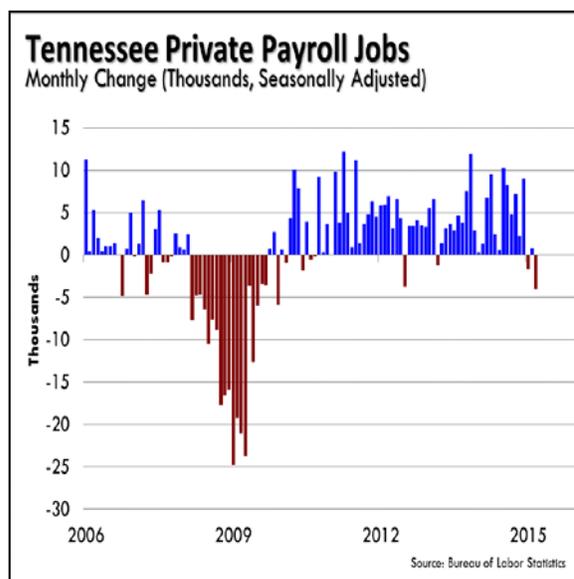
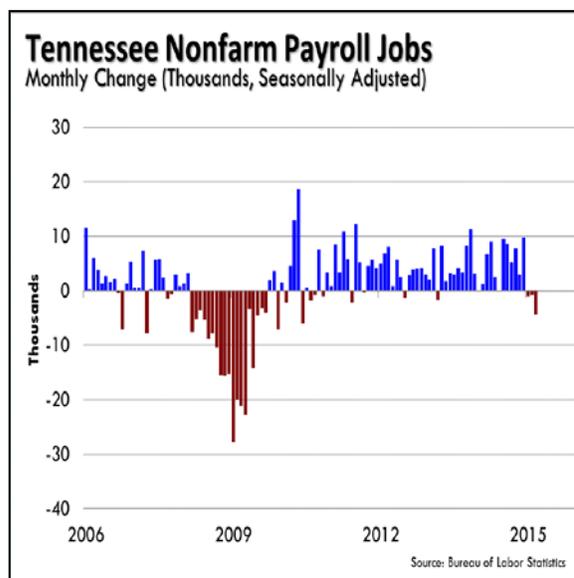
Nationally nonfarm payrolls increased by 126,000 jobs in March, or 0.09 percent. Over the 12 month period ending in March 2015, nonfarm payrolls grew by 3,128,000 jobs, or 2.27 percent. Tennessee ranks 22nd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, Tennessee private sector payrolls declined by 4,000, or 0.17 percent. Private sector payrolls increased by 800 jobs in the prior month. Over the past 12 months, private sector payrolls in Tennessee increased by 49,200, or 2.08 percent. Tennessee private sector payroll employment has increased in 10 of the past 12 months.

Nationally, private sector payroll jobs increased by 129,000 in March, or 0.11 percent. Over past 12 months, the nation's economy has added 3,056,000 private sector payroll jobs, an increase of 2.63 percent.

Tennessee ranks 19th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in Tennessee declined by 400, or 0.09 percent. Federal government payroll employment was unchanged. State government payroll employment declined by 200, or 0.20 percent, while local government payroll employment increased by 100, or 0.04 percent.



Over the past year, total government payroll employment increased by 100, or 0.02 percent. State government payroll employment increased by 2,200, or 2.30 percent. Local government payroll employment increased by 400, or 0.14 percent.

The best performing sectors on a seasonally adjusted basis during March were Educational & Health Services (+1,800) and Professional & Business Services (+1,000). The poorest performing sectors during the month were Trade, Transportation & Utilities (-2,200) and Logging, Mining & Construction (-2,000).

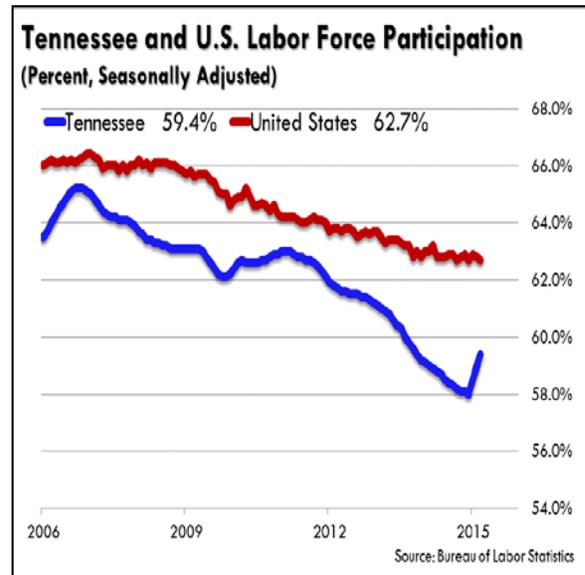
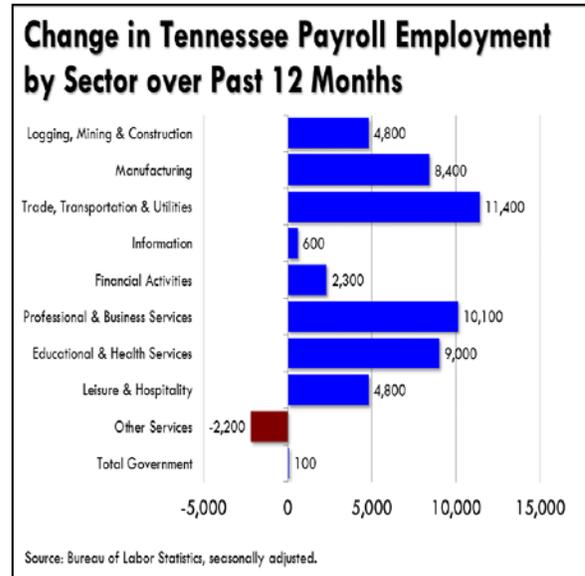
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+11,400) and Professional & Business Services (+10,100). The poorest performing sectors for the year were Other Services (-2,200) and Total Government (+100).

Other Tennessee Labor Force Statistics

The labor force participation rate in Tennessee rose to 59.4 percent in March from 59.0 percent the prior month. Among the 50 states and the District of Columbia, 43 have a higher labor force participation rate than Tennessee. The labor force participation rate in Tennessee 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 Tennessee was 65.2 percent in November 2006. The series high for the labor force participation rate in Tennessee occurred in January 1995 when the labor force participation rate hit 67.4 percent. The 10 year low for the labor force participation rate was 58.0 percent in December 2014. This also represents the series low for the labor force participation rate in Tennessee.

The national labor force participation rate declined by 0.1 percentage point to 62.7 percent in March, equaling the ten year low last reached in December 2014. That rate is 0.5 percentage point below the March 2014 level of 63.2 percent.



The employment-to-population ratio, or the percentage of the Tennessee civilian noninstitutionalized population 16 years and older counted as employed, rose to 55.7 percent in March from 55.1 percent the prior month. Among the 50 states and the District of Columbia, 43 have higher employment-to-population ratios than Tennessee. The employment-to-population ratio in Tennessee is 0.6 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Tennessee was 62.1 percent in December 2006. The series high for the employment-to-population ratio in Tennessee occurred in January 1995 when the employment-to-population ratio hit 64.3 percent. The 10 year low for the employment-to-population ratio was 54.2 percent in December 2014. The series low for the employment-to-population ratio occurred in March 1983 when the employment-to-population ratio hit 53.8 percent.

The national employment-to-population ratio was unchanged at 59.3 percent in March. At 59.3 percent, the national employment-to-population ratio is still below the 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 April 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 April is scheduled for release on Wednesday, May 27. The national employment situation report for April is scheduled for release on Friday, May 8.