



Alabama Economic Update

November 18, 2016

Summary

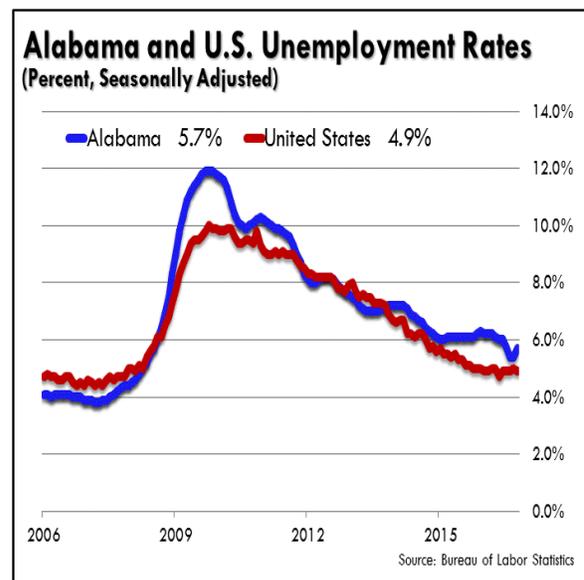
Nonfarm payroll employment in Alabama increased by 6,600 jobs, and the unemployment rate rose to 5.7 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Alabama Unemployment Rate

During October, the unemployment rate in Alabama increased by 0.3 percentage point to 5.7 percent. The number of people counted as unemployed rose by 6,792 in October to 123,892, while the labor force grew by 16,755 to 2,182,384. Among the 50 states and the District of Columbia, 43 posted lower unemployment rates for the month than Alabama. A year earlier, the unemployment rate in Alabama stood at 6.1 percent.

The 10-year peak for the unemployment rate in Alabama was 11.9 percent in November 2009. The series high for the unemployment rate in Alabama occurred in December 1982 when the unemployment rate reached 15.5 percent. The 10-year low for the unemployment rate was 3.8 percent in April 2007. This also represents the series low for the unemployment rate in Alabama. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Alabama Payroll Employment

Alabama nonfarm payrolls increased by 6,600 jobs, or 0.34 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls declined by 6,000. Over the past 12 months, nonfarm payrolls in Alabama increased by 23,200, or 1.19 percent. Alabama nonfarm payroll employment has increased in 8 of the past 12 months.

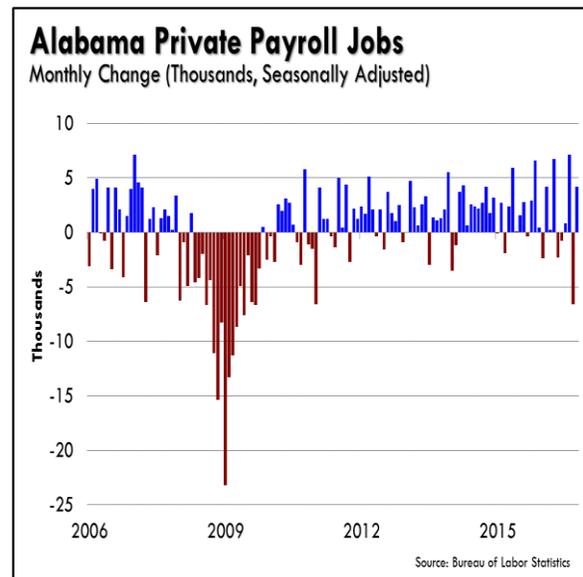
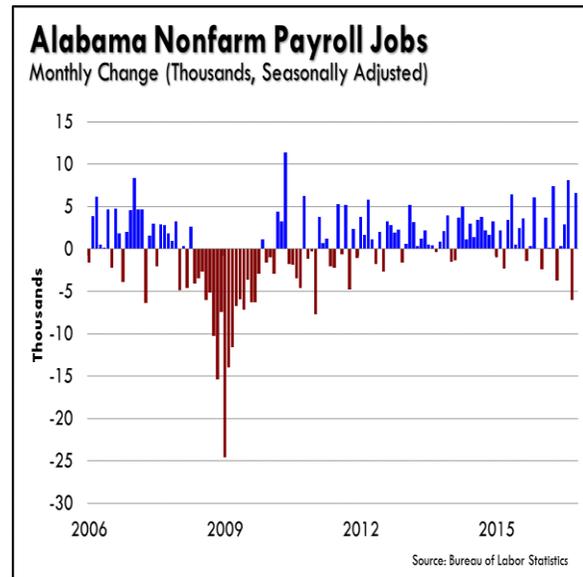
Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Alabama ranks 26th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Alabama private-sector payrolls increased by 4,200, or 0.26 percent. Private-sector payrolls declined by 6,600 jobs in the prior month. Over the past 12 months, private-sector payrolls in Alabama increased by 18,100, or 1.15 percent. Alabama private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Alabama ranks 30th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

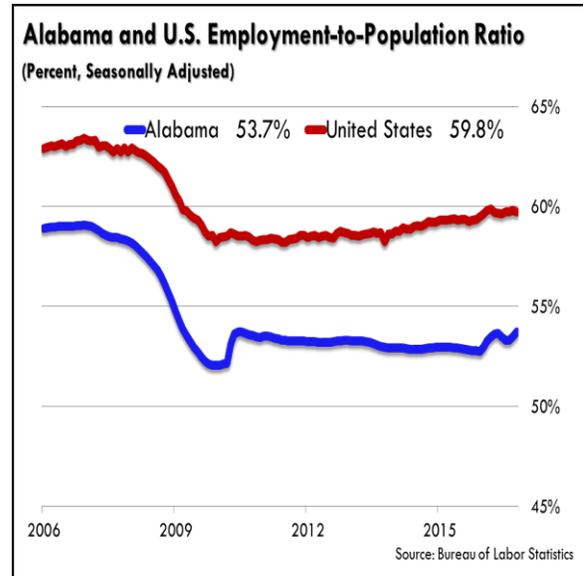
During October, total government payroll employment in Alabama increased by 2,400, or 0.63 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 900, or 0.81 percent, while local government payroll employment increased by 1,500, or 0.70 percent.

Over the past year, total government payroll employment increased by 5,100, or 1.36 percent. State government payroll employment increased by 2,000, or 1.81 percent. Local government payroll employment increased by 2,200, or 1.03 percent.



The best performing sectors on a seasonally adjusted basis during October were Total Government (+2,400) and Trade, Transportation & Utilities (+2,000). The poorest performing sectors during the month were Other Services (-1,200) and Leisure & Hospitality (-500).

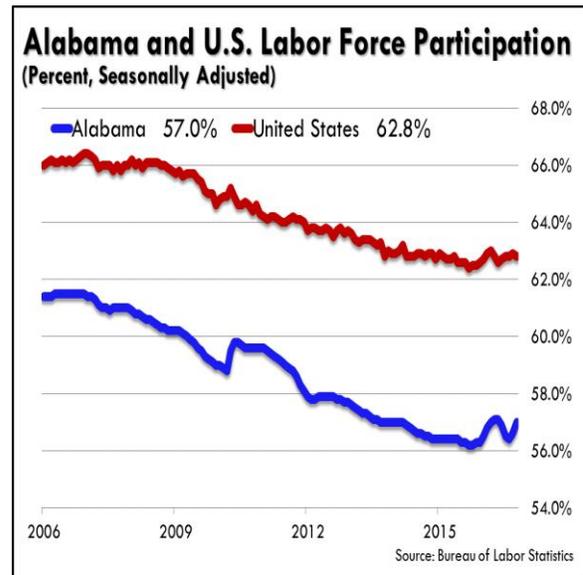
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+7,700) and Finance, Insurance & Real Estate (+5,200). The poorest performing sectors during the last twelve months were Construction (-2,600) and Leisure & Hospitality (-1,500).



Other Alabama Labor Force Statistics

The labor force participation rate in Alabama rose to 57.0 percent in October from 56.6 percent the prior month. At 57.0 percent, Alabama has one of the five lowest labor force participation rates in the nation. The labor force participation rate in Alabama is 0.6 percentage point lower than 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 Alabama was 61.5 percent in December 2006. The series high for the labor force participation rate in Alabama occurred in September 1997 when the labor force participation rate hit 64.6 percent. The 10-year low for the labor force participation rate was 56.2 percent in October 2015. This also represents the series low for the labor force participation rate in Alabama.



The national labor force participation rate declined by 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Alabama civilian noninstitutionalized population 16 years and older counted as employed, rose to 53.7 percent in October from 53.5 percent the prior month. At 53.7 percent, Alabama has one of

the five lowest employment-to-population ratios in the nation. The employment-to-population ratio in Alabama is 0.9 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in Alabama was 59.0 percent in February 2007. The series high for the employment-to-population ratio in Alabama occurred in February 1998 when the employment-to-population ratio hit 61.4 percent. The 10-year low for the employment-to-population ratio was 51.4 percent in March 2010. The series low for the employment-to-population ratio occurred in January 1983 when the employment-to-population ratio was 50.6 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 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 ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.