



Pennsylvania Economic Update

June 19, 2015

Summary

Nonfarm payroll employment in Pennsylvania increased by 18,200 jobs and the unemployment rate rose to 5.4 percent in May according to data released by the Bureau of Labor Statistics (BLS).

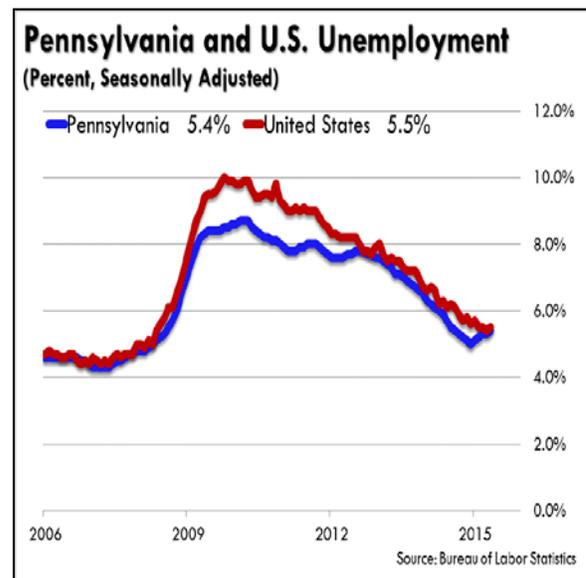
Pennsylvania Unemployment Rate

During May, the unemployment rate in Pennsylvania increased by 0.1 percentage point to 5.4 percent. The number of people counted as unemployed rose by 7,895 in May to 347,566, while the labor force grew by 25,612 to 6,417,207. Among the 50 states and the District of Columbia, 26 posted lower unemployment rates for the month than Pennsylvania. A year earlier, the unemployment rate in Pennsylvania stood at 5.9 percent.

The 10 year peak for the unemployment rate in Pennsylvania was 8.7 percent in April 2010.

The series high for the unemployment rate in Pennsylvania occurred in February 1983 when the unemployment rate reached 12.7 percent. The 10 year low for the unemployment rate in Pennsylvania was 4.3 percent in May 2007. The series low for the unemployment rate in Pennsylvania occurred in May 2000 when the unemployment rate reached 4.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was inched up to 5.5 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.3 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.



Pennsylvania Payroll Employment

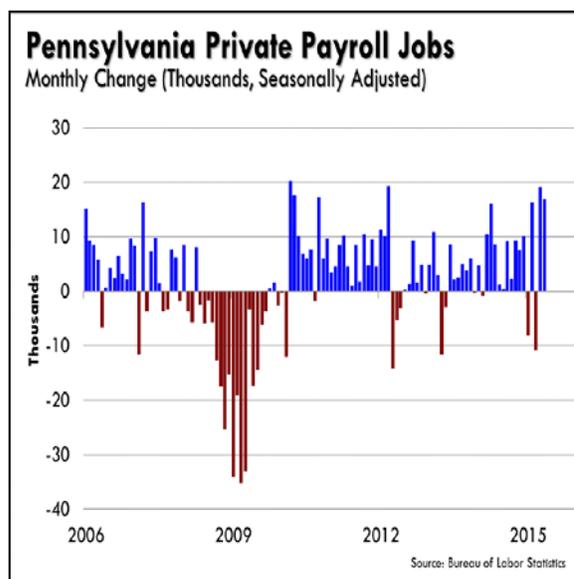
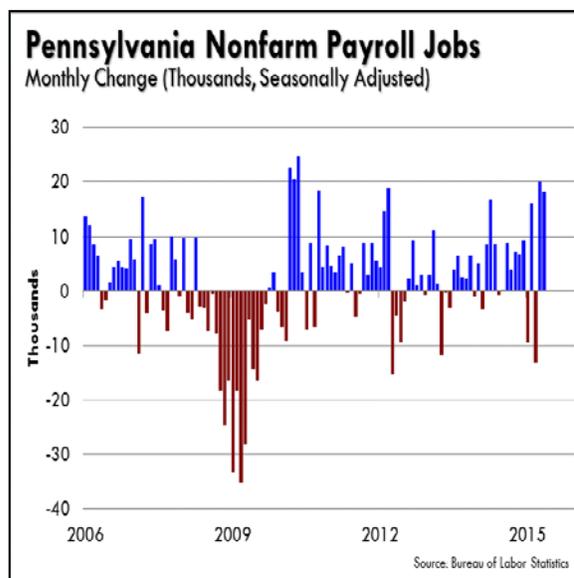
Pennsylvania nonfarm payrolls increased by 18,200 jobs, or 0.31 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls increased by 19,900. Over the past 12 months nonfarm payrolls in Pennsylvania increased by 66,800, or 1.15 percent. Pennsylvania nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally nonfarm payrolls increased by 280,000 jobs in May, or 0.20 percent. Over the 12 month period ending in May 2015, nonfarm payrolls grew by 3,058,000 jobs, or 2.21 percent. Pennsylvania ranks 36th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Pennsylvania private sector payrolls increased by 16,900, or 0.33 percent. Private sector payrolls increased by 19,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Pennsylvania increased by 73,100, or 1.44 percent. Pennsylvania private sector payroll employment has increased in 10 of the past 12 months.

Nationally, private sector payroll jobs increased by 262,000 in May, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,958,000 private sector payroll jobs, an increase of 2.53 percent. Pennsylvania ranks 35th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in Pennsylvania increased by 1,300, or 0.18 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 1,700, or 1.09 percent, while local government payroll employment declined by 400, or 0.09 percent.



Over the past year, total government payroll employment declined by 6,300, or 0.88 percent. State government payroll employment increased by 100, or 0.06 percent. Local government payroll employment declined by 5,800, or 1.26 percent.

The best performing sectors on a seasonally adjusted basis during May were Educational & Health Services (+8,900) and Construction (+3,100). The poorest performing sectors during the month were Mining & Logging (-1,000) and Manufacturing (-300).

The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+18,100) and Educational & Health Services (+17,100). The poorest performing sectors for the year were Total Government (-6,300) and Mining & Logging (-700).



Other Pennsylvania Labor Force Statistics

The labor force participation rate in Pennsylvania rose to 62.7 percent in May from 62.4 percent the prior month. Among the 50 states and the District of Columbia, 31 have a higher labor force participation rate than Pennsylvania. The labor force participation rate in Pennsylvania 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 Pennsylvania was 65.3 percent in December 2008. This also represents the series high for the labor force participation rate in Pennsylvania. The 10 year low for the labor force participation rate was 62.1 percent in December 2014. The series low for the labor force participation rate occurred in February 1976 when the labor force participation rate hit 58.1 percent.

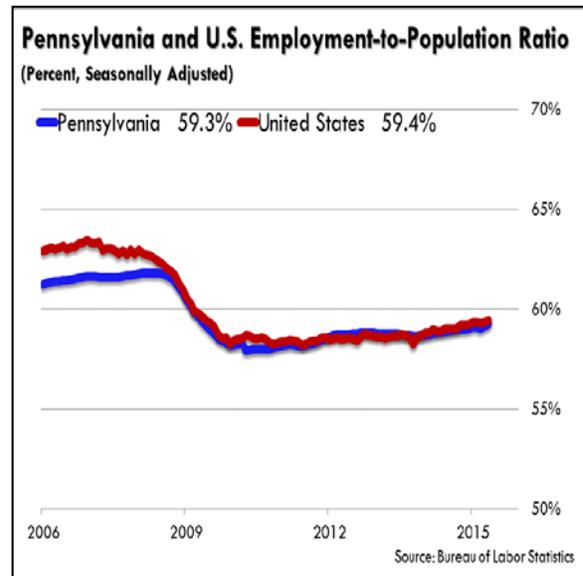
The national labor force participation rate rose by 0.1 percentage point to 62.9 percent in May. That rate is 0.1 percentage point higher than a year earlier.

The employment-to-population ratio, or the percentage of the Pennsylvania civilian noninstitutionalized population 16 years and older counted as employed, rose to 59.3



percent in May from 59.1 percent the prior month. Among the 50 states and the District of Columbia, 31 have higher employment-to-population ratios than Pennsylvania. The employment-to-population ratio in Pennsylvania is 0.5 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Pennsylvania was 61.8 percent in June 2008. The series high for the employment-to-population ratio in Pennsylvania occurred in March 2001 when the employment-to-population ratio hit 62.1 percent. The 10 year low for the employment-to-population ratio was 57.9 percent in April 2010. The series low for the employment-to-population ratio occurred in April 1983 when the employment-to-population ratio hit 52.2 percent.



The national employment-to-population ratio ticked up to 59.4 percent in May. At 59.4 percent, the national employment-to-population ratio has finally risen back to the level it was at when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in May 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 May is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Thursday, July 2. The national employment report is being released on Thursday instead of Friday due to the Independence Day holiday.