



# Nebraska Economic Update

January 27, 2016

## Summary

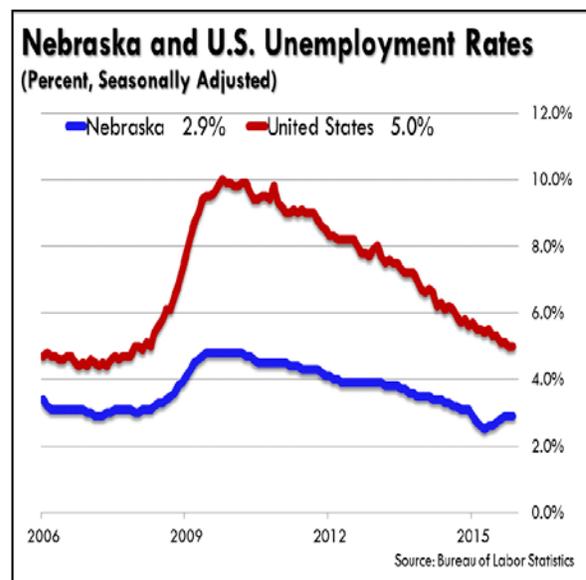
Nonfarm payroll employment in Nebraska decreased by 200 jobs and the unemployment rate remained unchanged at 2.9 percent in December according to data released by the Bureau of Labor Statistics (BLS).

## Nebraska Unemployment Rate

During December, the unemployment rate in Nebraska remained unchanged at 2.9 percent. The number of people counted as unemployed increased by 100 in December to 29,800, while the labor force increased by 2,400 to 1,015,200. A year earlier, the unemployment rate in Nebraska stood at 3.1 percent.

The 10-year peak for the unemployment rate in Nebraska was 4.8 percent in January 2010. The series high for the unemployment rate in Nebraska occurred in February 1983 when the unemployment rate reached 6.3 percent. The 10-year low for the unemployment rate in Nebraska was 2.5 percent in April 2015. The series low for the unemployment rate in Nebraska occurred in October 1990 when the unemployment rate reached 2.3 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 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 2006.



## Nebraska Payroll Employment

Nebraska nonfarm payrolls decreased by 200 jobs, or 0.02 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 3,300. Over the past 12 months nonfarm payrolls in Nebraska increased by 14,200, or 1.42 percent. Indiana nonfarm payroll employment has increased in 6 of the past 12 months.

Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

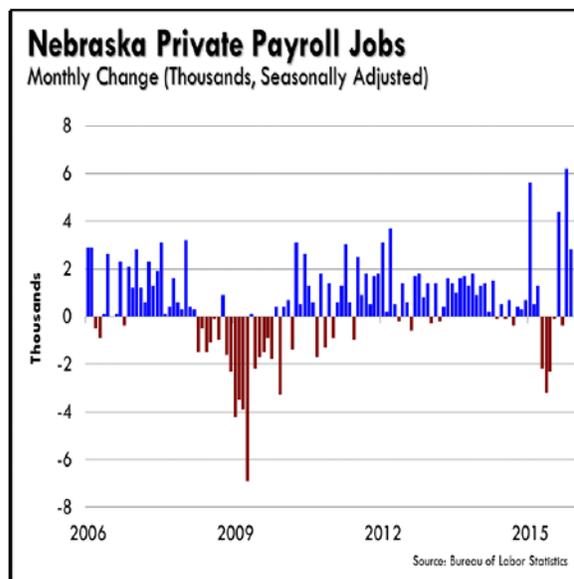
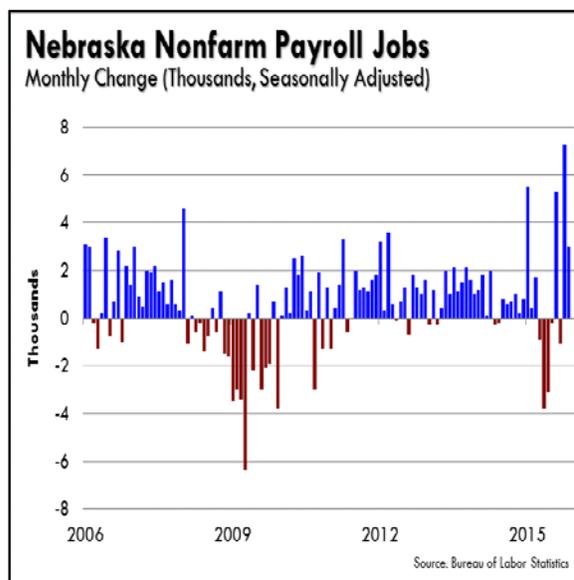
During December, Nebraska private sector payrolls decreased by 800, or 0.1 percent. Private sector payrolls increased by 3,400 jobs in the prior month. Over the past 12 months, private sector payrolls in Nebraska increased by 12,400, or 1.5 percent. Nebraska private sector payroll employment has increased in 6 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Nebraska increased by 600, or 0.35 percent. Federal government payroll employment increased by 100, or 0.59 percent. State government payroll employment remained unchanged, while local government payroll employment increased by 500, or 0.44 percent.

Over the past year, total government payroll employment increased by 1,800, or 1.05 percent. State government payroll employment increased by 500, or 1.16 percent. Local government payroll employment increased by 1,200, or 1.07 percent.

The best performing sectors on a seasonally adjusted basis during December were Education and Health Services (+1,400) and Leisure and Hospitality (+1,300). The poorest



performing sectors during the month were Trade, Transportation, and Utilities (-1,200) and Professional and Business Services (-1,000).

The best performing sectors during the last twelve months were Education and Health Services (+6,900) and Trade, Transportation, and Utilities (+3,300). The poorest performing sectors for the year were Manufacturing (-2,300) and Leisure and Hospitality (-1,200).

### Other Nebraska Labor Force Statistics

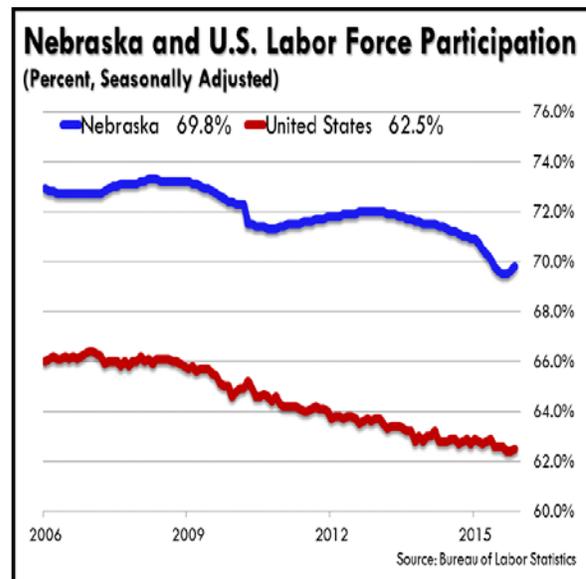
The labor force participation rate in Nebraska increased to 69.9 percent in December. The labor force participation rate in Nebraska is lower than a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Nebraska was 73.7 percent in March 2005. The series high for the labor force participation rate in Nebraska occurred in March 2003, when the labor force participation rate hit 73.9 percent. The 10-year low for the labor force participation rate was 69.5 percent in September 2015.

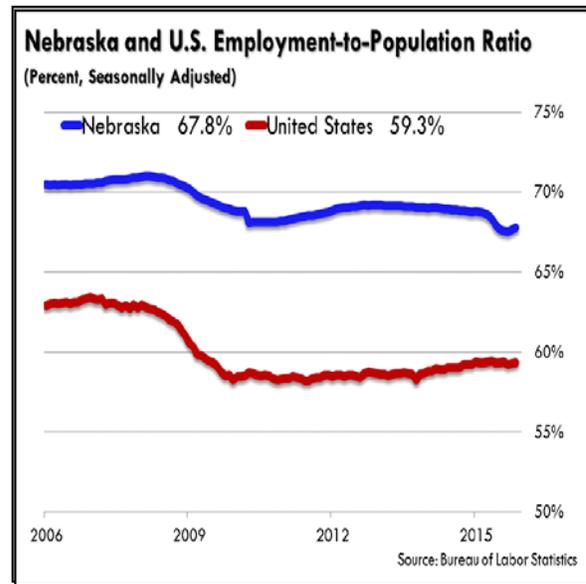
The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Nebraska civilian noninstitutionalized population 16 years and older counted as employed, increased to 67.9 percent in December. The employment-to-population ratio in Nebraska is 0.9 percentage point lower than a year earlier.

The 10-year high for the employment-to-population ratio in Nebraska was 71.0 percent in February 2008. The series high for the employment-to-population ratio in Nebraska occurred in December 1998 when the employment-to-population ratio hit 71.7 percent. The 10-year low for the employment-to-population ratio was 67.5 percent in September 2015. The series low for the employment-to-population ratio occurred in January 1976 when the employment-to-population ratio hit 63.0 percent.



The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was 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 ratio posted a reading lower than 58.2 percent was July 1983.



State employment and unemployment data for January is scheduled for release on March 14<sup>th</sup>. The national employment situation report for January will be released on Friday, February 5<sup>th</sup>.