



# Pennsylvania Economic Update

May 20, 2016

## Summary

Nonfarm payroll employment in Pennsylvania declined by 16,900 jobs and the unemployment rate rose to 5.3 percent in April according to data released by the Bureau of Labor Statistics (BLS).

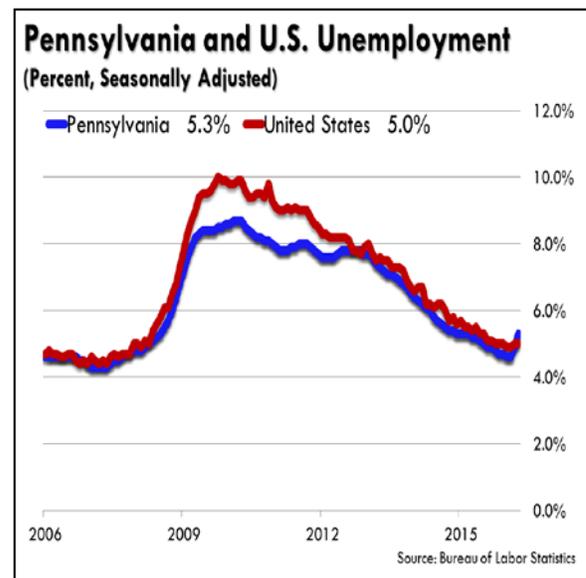
## Pennsylvania Unemployment Rate

During April, the unemployment rate in Pennsylvania increased by 0.4 percentage point to 5.3 percent. The number of people counted as unemployed rose by 26,938 in April to 343,616, while the labor force grew by 23,844 to 6,525,530. Among the 50 states and the District of Columbia, 31 posted lower unemployment rates for the month than Pennsylvania. A year earlier, the unemployment rate in Pennsylvania stood at 5.2 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 unchanged at 5.0 percent in April. April's unemployment rate was 0.4 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.



## Pennsylvania Payroll Employment

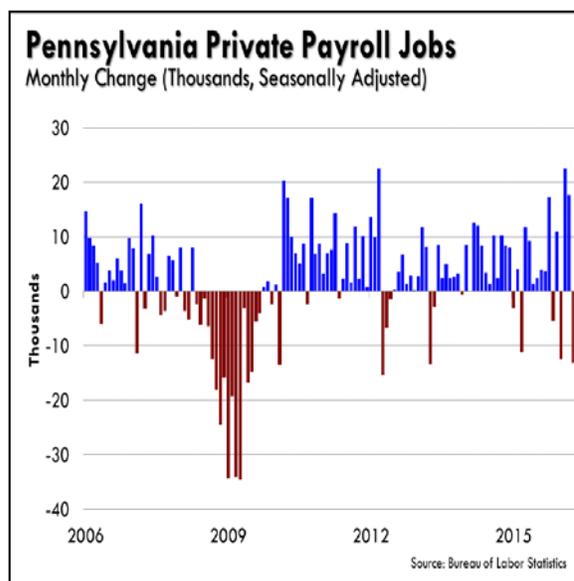
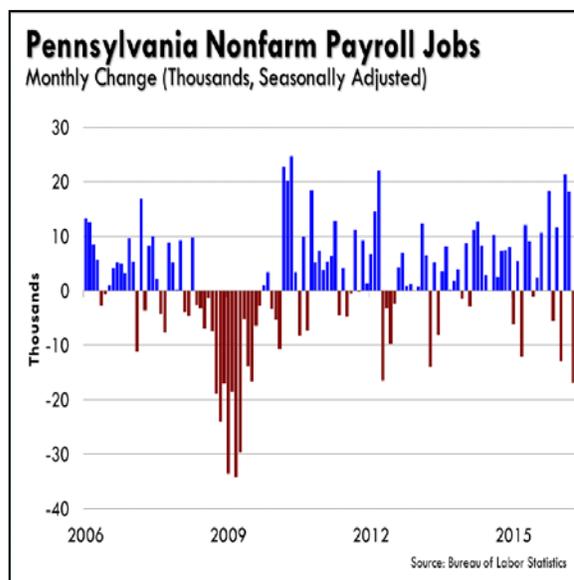
Pennsylvania nonfarm payrolls declined by 16,900 jobs, or 0.29 percent, on a seasonally adjusted basis during April. In the prior month, nonfarm payrolls increased by 18,200. Over the past 12 months nonfarm payrolls in Pennsylvania increased by 55,000, or 0.94 percent. Pennsylvania nonfarm payroll employment has increased in 7 of the past 12 months.

Nationally, nonfarm payrolls increased by 160,000 jobs in April, or 0.11 percent. Over the 12-month period ending April 2016 nonfarm payrolls grew by 2,692,000 jobs, or 1.91 percent. Pennsylvania ranks 42nd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During April, Pennsylvania private sector payrolls declined by 13,200, or 0.25 percent. Private sector payrolls increased by 17,600 jobs in the prior month. Over the past 12 months, private sector payrolls in Pennsylvania increased by 57,700, or 1.13 percent. Pennsylvania private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 171,000 jobs in 1.91, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,586,000 jobs in the private sector, an increase of 2.17 percent. Pennsylvania ranks 42nd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During April, total government payroll employment in Pennsylvania declined by 3,700, or 0.52 percent. Federal government payroll employment declined by 2,100, or 2.19 percent. State government payroll employment declined by 300, or 0.19 percent, while local government payroll employment declined by 1,300, or 0.29 percent.



Over the past year, total government payroll employment declined by 2,700, or 0.38 percent. State government payroll employment increased by 4,700, or 3.01 percent. Local government payroll employment declined by 5,400, or 1.19 percent.

The best performing sectors on a seasonally adjusted basis during April were Educational & Health Services (+5,600) and Construction (+500). The poorest performing sectors during the month were Leisure & Hospitality (-5,700) and Total Government (-3,700).

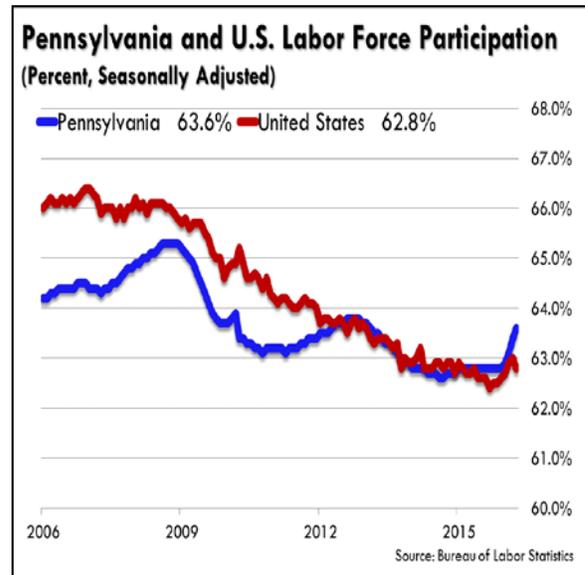
The best performing sectors during the last twelve months were Educational & Health Services (+24,300) and Trade, Transportation & Utilities (+15,400). The poorest performing sectors for the year were Mining & Logging (-9,000) and Manufacturing (-4,200).

#### Other Pennsylvania Labor Force Statistics

The labor force participation rate in Pennsylvania rose to 63.6 percent in April from 63.4 percent the prior month. Among the 50 states and the District of Columbia, 28 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 62.6 percent in September 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 declined by 0.2 percentage point to 62.8 percent in April 2016, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Pennsylvania civilian noninstitutionalized population 16 years and older counted as employed, declined to 60.2 percent in April from 60.3 percent the prior month. Among the 50 states and the District of Columbia, 28 have higher employment-to-population ratios than Pennsylvania. The employment-to-population ratio in Pennsylvania is 0.7 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 declined by 0.2 percentage point to 59.7 percent in April. 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 May is scheduled for release on June 17, 2016. The national employment situation report for May will be released on Friday, June 3, 2016.

