



Pennsylvania Economic Update

August 19, 2016

Summary

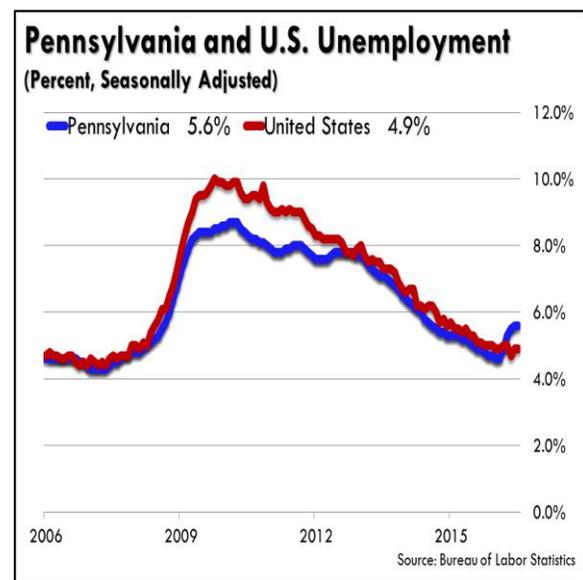
Nonfarm payroll employment in Pennsylvania increased by 7,900 jobs and the unemployment rate was unchanged at 5.6 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Pennsylvania Unemployment Rate

During July, the unemployment rate in Pennsylvania was unchanged at 5.6 percent. The number of people counted as unemployed rose by 2,713 in July to 366,879, while the labor force fell by 15,122 to 6,520,616. Among the 50 states and the District of Columbia, 37 posted lower unemployment rates for the month than Pennsylvania. A year earlier, the unemployment rate in Pennsylvania stood at 5.0 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 4.9 percent in July. July'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 increased by 7,900 jobs, or 0.13 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 9,800. Over the past 12 months nonfarm payrolls in Pennsylvania increased by 58,000, or 0.99 percent. Pennsylvania nonfarm payroll employment has increased in 7 of the past 12 months.

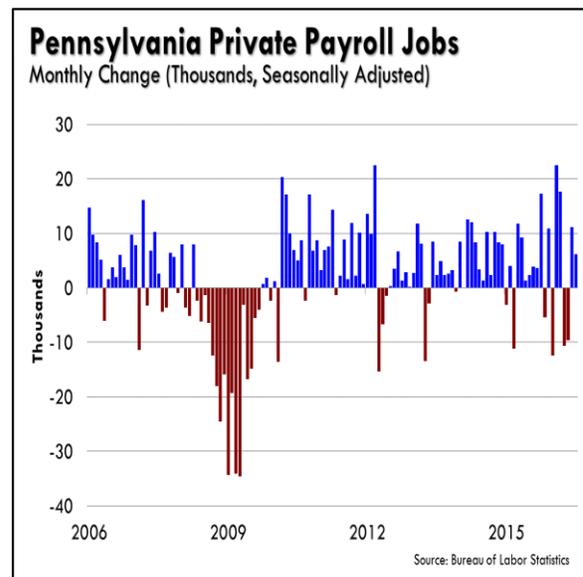
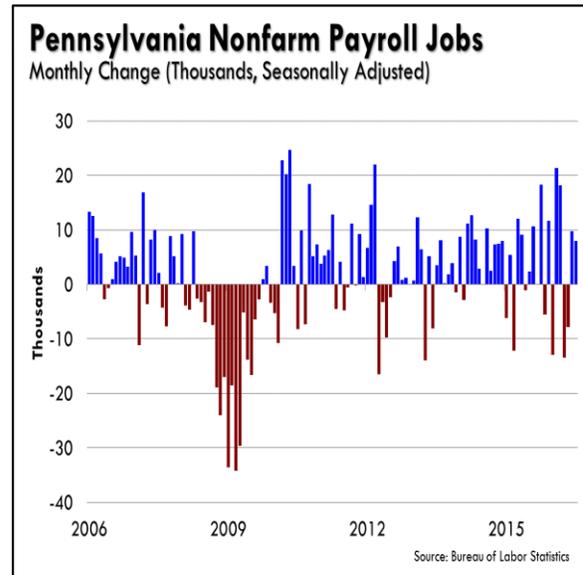
Nationally, nonfarm payrolls increased by 255,000 jobs in July, or 0.18 percent. Over the 12-month period ending July 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Pennsylvania ranks 35th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Pennsylvania private sector payrolls increased by 6,200, or 0.12 percent. Private sector payrolls increased by 11,200 jobs in the prior month. Over the past 12 months, private sector payrolls in Pennsylvania increased by 55,100, or 1.07 percent. Pennsylvania private sector payroll employment has increased in 8 of the past 12 months.

Nationally private-sector payroll jobs increased by 217,000 jobs in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,293,000 jobs in the private sector, an increase of 1.91 percent.

Pennsylvania ranks 38th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During July, total government payroll employment in Pennsylvania increased by 1,700, or 0.24 percent. Federal government payroll employment increased by 100, or 0.10 percent. State government payroll employment declined by 300, or 0.18 percent, while local government payroll employment increased by 1,900, or 0.43 percent.



Over the past year, total government payroll employment increased by 2,900, or 0.41 percent. State government payroll employment increased by 7,300, or 4.66 percent. Local government payroll employment declined by 5,300, or 1.18 percent.

The best performing sectors on a seasonally adjusted basis during July were Construction (+3,900) and Educational & Health Services (+3,100). The poorest performing sectors during the month were Financial Activities (-1,600) and Professional & Business Services (-1,600).



The best performing sectors during the last twelve months were Educational & Health Services (+28,000) and Leisure & Hospitality (+11,400). The poorest performing sectors during the last twelve months were Mining & Logging (-9,300) and Financial Activities (-1,900).

Other Pennsylvania Labor Force Statistics

The labor force participation rate in Pennsylvania declined to 63.5 percent in July from 63.6 percent the prior month. Among the 50 states and the District of Columbia, 25 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 rose by 0.1 percentage point to 62.8 percent in July, 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 59.9 percent in July from 60.1 percent the prior month. Among the 50 states and the District of Columbia, 30 have higher employment-to-population ratios than Pennsylvania. The employment-to-population ratio in Pennsylvania is 0.3 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 rose by 0.1 percentage point to 59.7 percent in July. 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 August is scheduled for release on September 20, 2016. The national employment situation report for August will be released on Friday, September 2, 2016.

