



Arkansas Economic Update

August 21, 2015

Summary

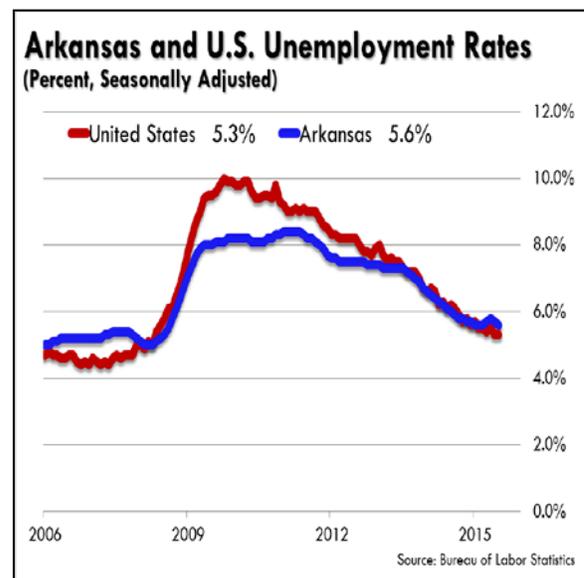
Nonfarm payroll employment in Arkansas increased by 1,200 jobs and the unemployment rate fell to 5.6 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Arkansas Unemployment Rate

During July, the unemployment rate in Arkansas declined by 0.1 percentage point to 5.6 percent. The number of people counted as unemployed fell by 1,317 in July to 74,461, while the labor force fell by 352 to 1,336,911. Among the 50 states and the District of Columbia, 31 posted lower unemployment rates for the month than Arkansas. A year earlier, the unemployment rate in Arkansas stood at 6.0 percent.

The 10 year peak for the unemployment rate in Arkansas was 8.4 percent in May 2011. The series high for the unemployment rate in Arkansas occurred in February 1983 when the unemployment rate reached 10.3 percent. The 10 year low for the unemployment rate in Arkansas was 5.0 percent in April 2008. The series low for the unemployment rate in Arkansas occurred in September 2000 when the unemployment rate reached 4.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.3 percent in July. July's unemployment rate was 0.9 percentage point lower than a year earlier when the rate stood at 6.2 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.



Arkansas Payroll Employment

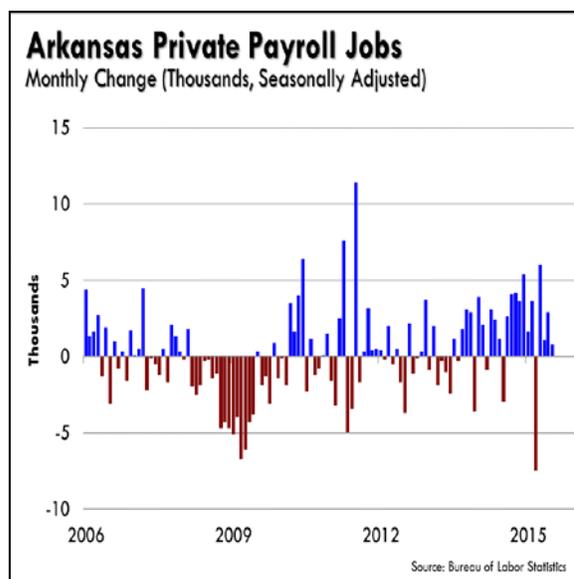
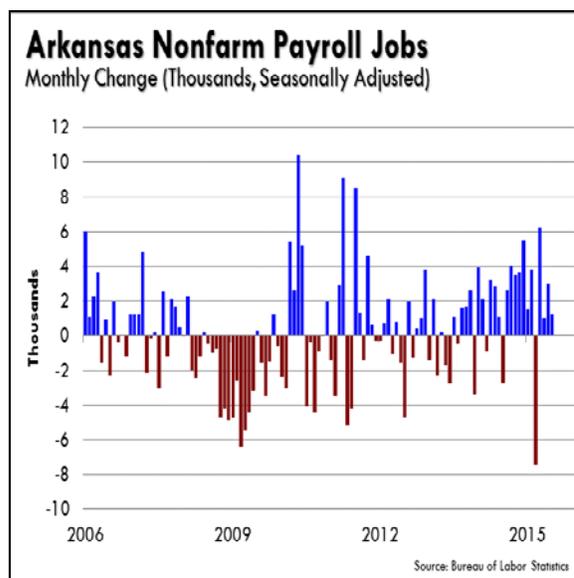
Arkansas nonfarm payrolls increased by 1,200 jobs, or 0.10 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 3,000. Over the past 12 months nonfarm payrolls in Arkansas increased by 28,400, or 2.40 percent. Arkansas nonfarm payroll employment has increased in 11 of the past 12 months.

Nationally nonfarm payrolls increased by 215,000 jobs in July, or 0.15 percent. Over the 12 month period ending in July 2015, nonfarm payrolls grew by 2,915,000 jobs, or 2.09 percent. Arkansas ranks 10th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Arkansas private sector payrolls increased by 800, or 0.08 percent. Private sector payrolls increased by 2,900 jobs in the prior month. Over the past 12 months, private sector payrolls in Arkansas increased by 28,400, or 2.92 percent. Arkansas private sector payroll employment has increased in 11 of the past 12 months.

Nationally, private sector payroll jobs increased by 210,000 in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,853,000 private sector payroll jobs, an increase of 2.43 percent. Arkansas ranks 10th 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 Arkansas increased by 400, or 0.19 percent. Federal government payroll employment increased by 100, or 0.50 percent. State government payroll employment increased by 100, or 0.13 percent, while local government payroll employment increased by 200, or 0.17 percent.



Over the past year, total government payroll employment was unchanged. State government payroll employment increased by 600, or 0.77 percent. Local government payroll employment declined by 800, or 0.69 percent.

The best performing sectors on a seasonally adjusted basis during July were Construction (+1,800) and Professional & Business Services (+1,000). The poorest performing sectors during the month were Other Services (-800) and Leisure & Hospitality (-700).

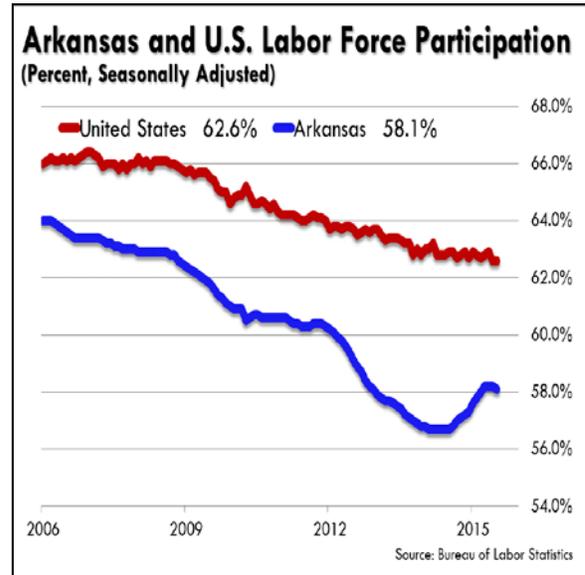
The best performing sectors during the last twelve months were Professional & Business Services (+8,300) and Construction (+6,800). The poorest performing sectors for the year were Manufacturing (-900) and Other Services (-800).



Other Arkansas Labor Force Statistics

The labor force participation rate in Arkansas declined to 58.1 percent in July from 58.2 percent the prior month. Among the 50 states and the District of Columbia, 45 have a higher labor force participation rate than Arkansas. The labor force participation rate in Arkansas 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 Arkansas was 64.0 percent in March 2006. The series high for the labor force participation rate in Arkansas occurred in January 1995 when the labor force participation rate hit 65.1 percent. The 10 year low for the labor force participation rate was 56.7 percent in July 2014. This also represents the series low for the labor force participation rate in Arkansas.



The national labor force participation rate remained at 62.6 percent in July. That rate is 0.2 percentage point lower than a year earlier. The rate for June and July are the lowest recorded since October 1977.

The employment-to-population ratio, or the percentage of the Arkansas civilian noninstitutionalized population 16 years and older counted as employed, was unchanged at 54.9 percent in July. Among the 50 states and the District of Columbia, 45 have higher employment-to-population ratios than Arkansas. The employment-to-population ratio in Arkansas is 1.6 percentage points higher than a year earlier.

The 10 year high for the employment-to-population ratio in Arkansas was 60.8 percent in February 2006. The series high for the employment-to-population ratio in Arkansas occurred in January 1995 when the employment-to-population ratio hit 62.0 percent. The 10 year low for the employment-to-population ratio was 53.0 percent in February 2014. The series low for the employment-to-population ratio occurred in March 2014 when the employment-to-population ratio hit 53.0 percent.

The national employment-to-population ratio held steady at 59.3 percent in July. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent 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 posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for August is scheduled for release on Friday, September 18. The national employment situation report for August will be released on Friday, September 4.

