



# Nebraska Economic Update

August 21, 2015

## Summary

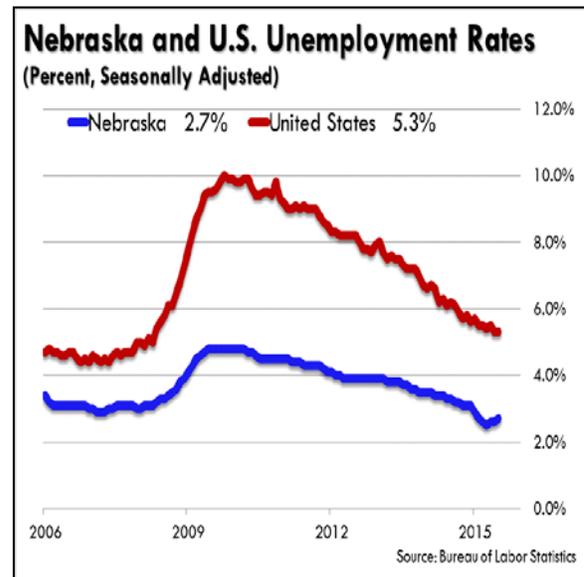
Nonfarm payroll employment in Nebraska declined by 1,200 jobs and the unemployment rate rose to 2.7 percent in July according to data released by the Bureau of Labor Statistics (BLS).

## Nebraska Unemployment Rate

During July, the unemployment rate in Nebraska increased by 0.1 percentage point to 2.7 percent. The number of people counted as unemployed rose by 989 in July to 27,632, while the labor force fell by 2,442 to 1,006,883. Nebraska posted the lowest unemployment rate in the nation. A year earlier, the unemployment rate in Nebraska stood at 3.3 percent.

The 10 year peak for the unemployment rate in Nebraska was 4.8 percent in March 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 5.3 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.



## Nebraska Payroll Employment

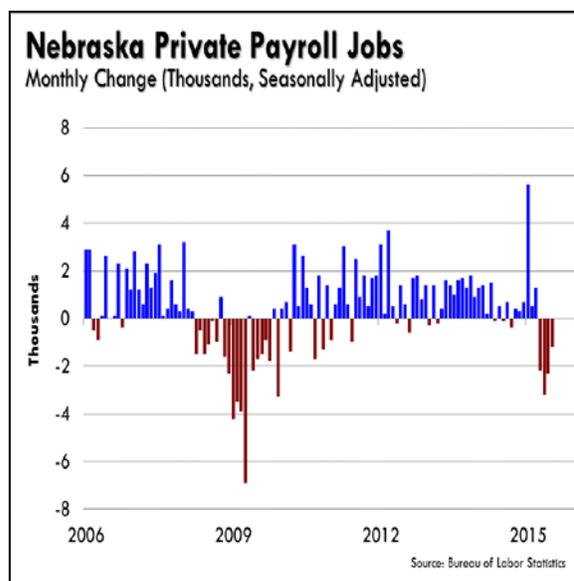
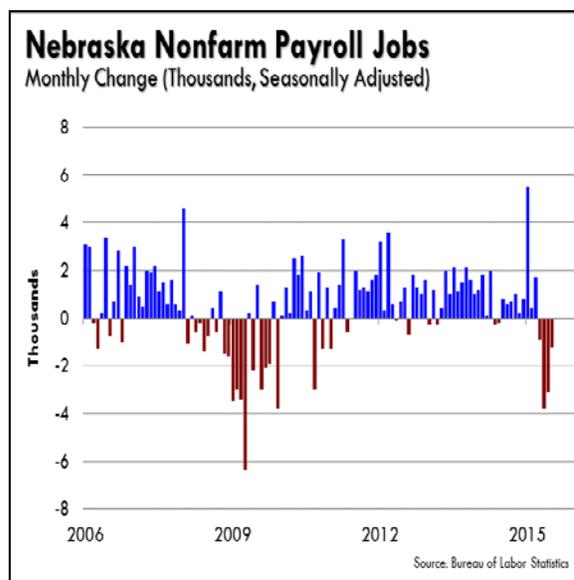
Nebraska nonfarm payrolls declined by 1,200 jobs, or 0.12 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls declined by 3,100. Over the past 12 months nonfarm payrolls in Nebraska increased by 1,900, or 0.19 percent. Nebraska nonfarm payroll employment has increased in 8 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. Nebraska ranks 48th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Nebraska private sector payrolls declined by 1,200, or 0.15 percent. Private sector payrolls declined by 2,300 jobs in the prior month. Over the past 12 months, private sector payrolls in Nebraska increased by 200, or 0.02 percent. Nebraska private sector payroll employment has increased in 7 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. Nebraska ranks 48th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

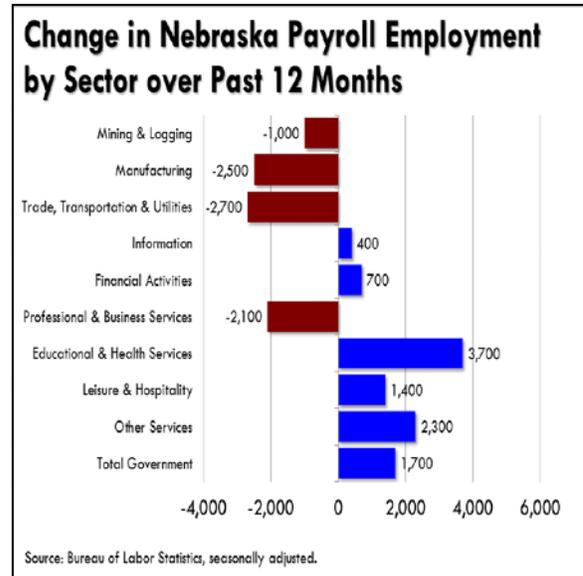
During July, total government payroll employment in Nebraska was unchanged. Federal government payroll employment declined by 200, or 1.18 percent. State government payroll employment declined by 100, or 0.23 percent, while local government payroll employment increased by 300, or 0.27 percent.



Over the past year, total government payroll employment increased by 1,700, or 1.00 percent. State government payroll employment increased by 800, or 1.91 percent. Local government payroll employment increased by 900, or 0.81 percent.

The best performing sectors on a seasonally adjusted basis during July were Leisure & Hospitality (+1,100) and Other Services (+700). The poorest performing sectors during the month were Trade, Transportation & Utilities (-1,800) and Professional & Business Services (-1,300).

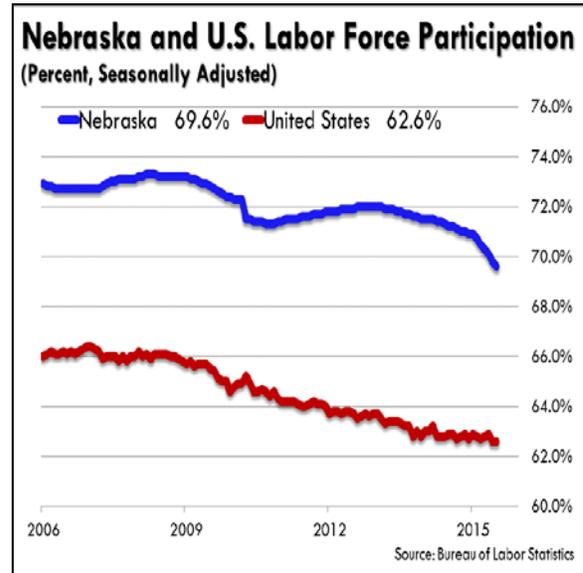
The best performing sectors during the last twelve months were Educational & Health Services (+3,700) and Other Services (+2,300). The poorest performing sectors for the year were Trade, Transportation & Utilities (-2,700) and Manufacturing (-2,500).



#### Other Nebraska Labor Force Statistics

The labor force participation rate in Nebraska declined to 69.6 percent in July from 69.8 percent the prior month. Among the 50 states and the District of Columbia, 5 have a higher labor force participation rate than Nebraska. The labor force participation rate in Nebraska 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 Nebraska was 73.3 percent in May 2008. The series high for the labor force participation rate in Nebraska occurred in April 2003 when the labor force participation rate hit 73.9 percent. The 10 year low for the labor force participation rate was 69.6 percent in July 2015. The series low for the labor force participation rate occurred in May 1976 when the labor force participation rate hit 65.1 percent.



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 Nebraska civilian noninstitutionalized population 16 years and older counted as employed, declined to 67.7 percent in July from 68.0 percent the prior month. At 67.7 percent, Nebraska has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in Nebraska is 1.2 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in Nebraska was 71.0 percent in March 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 67.7 percent in July 2015. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 63.0 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.

