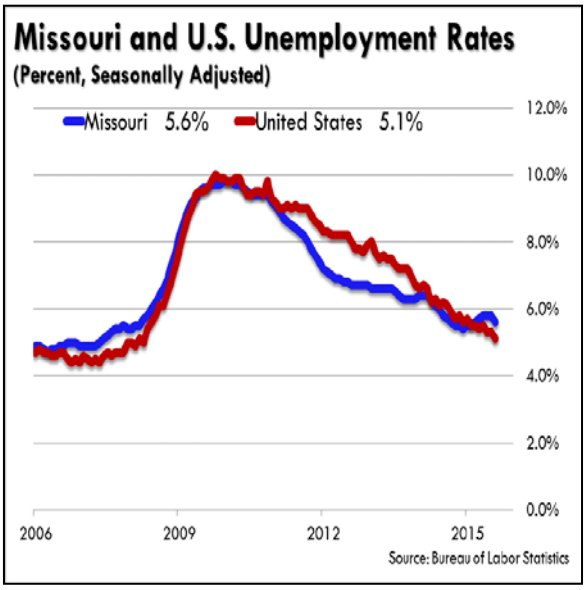
Missouri Economic Update

September 18, 2015

Summary

Nonfarm payroll employment in Missouri declined by 400 jobs and the unemployment rate fell to 5.6 percent in August according to data released by the Bureau of Labor Statistics (BLS).

Missouri Unemployment Rate



During August, the unemployment rate in Missouri declined by 0.2 percentage point to 5.6 percent. The number of people counted as unemployed fell by 7,573 in August to 171,463, while the labor force fell by 15,204 to 3,057,193. Among the 50 states and the District of Columbia, 32 posted lower unemployment rates for the month than Missouri. A year earlier, the unemployment rate in Missouri stood at 5.7 percent.

The 10 year peak for the unemployment rate in Missouri was 9.8 percent in February 2010. The series high for the unemployment rate in Missouri occurred in April 1983 when the unemployment rate reached 10.6 percent. The 10 year low for the unemployment rate in Missouri was 4.7 percent in April 2006. The series low for the unemployment rate in Missouri occurred in January 2000 when the unemployment rate reached 3.1 percent. BLS began publishing the state unemployment rate series in 1976.

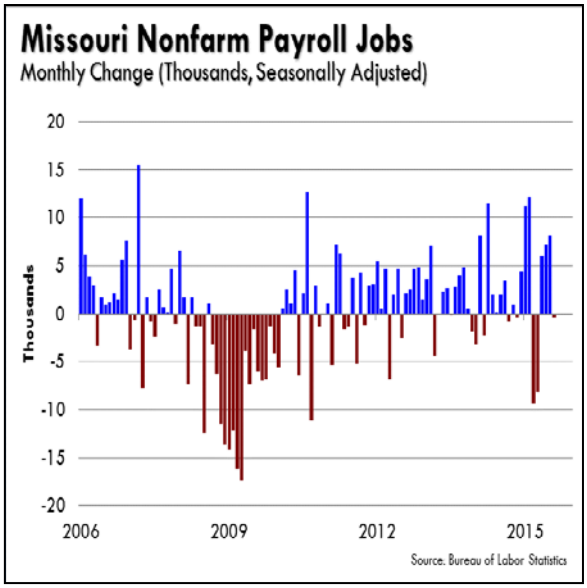
The national unemployment rate declined by 0.2 percentage point to 5.1 percent in August. August's unemployment rate was 1.0 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.

Prepared by the Joint Economic Committee

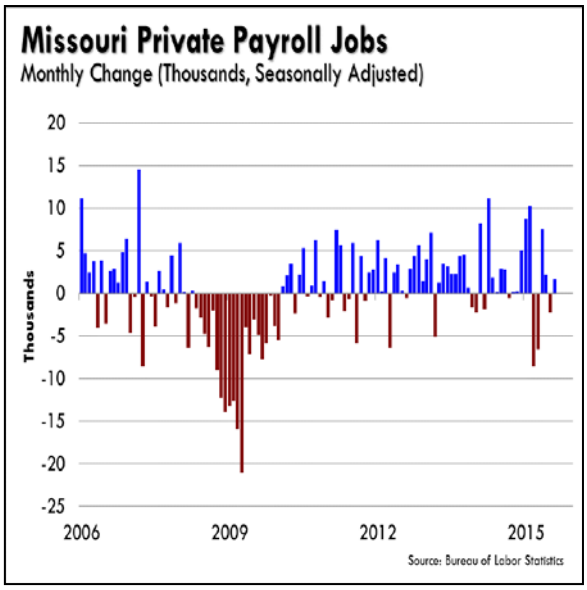
Senator Dan Coats, Chairman Rep. Kevin Brady, Vice Chairman

Missouri Payroll Employment

Missouri nonfarm payrolls declined by 400 jobs, or 0.01 percent, on a seasonally adjusted basis during August. In the prior month, nonfarm payrolls increased by 8,100. Over the past 12 months nonfarm payrolls in Missouri increased by 30,800, or 1.12 percent. Missouri nonfarm payroll employment has increased in 7 of the past 12 months.



Nationally nonfarm payrolls increased by 173,000 jobs in August, or 0.12 percent. Over the 12 month period ending in August 2015 nonfarm payrolls grew by 2,919,000 jobs, or 2.09 percent. Missouri ranks 34th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.



During August, Missouri private sector payrolls increased by 1,700, or 0.07 percent. Private sector payrolls declined by 2,300 jobs in the prior month. Over the past 12 months, private sector payrolls in Missouri increased by 17,500, or 0.76 percent. Missouri private sector payroll employment has increased in 8 of the past 12 months.

Nationally private-sector payroll jobs increased by 140,000 jobs in August, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,789,000 jobs in the private sector, an increase of 2.37 percent. Missouri ranks 43rd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During August, total government payroll employment in Missouri declined by 2,100, or 0.47 percent. Federal government payroll employment increased by 300, or 0.56 percent. State government payroll employment was unchanged, while local government payroll employment declined by 2,400, or 0.82 percent.

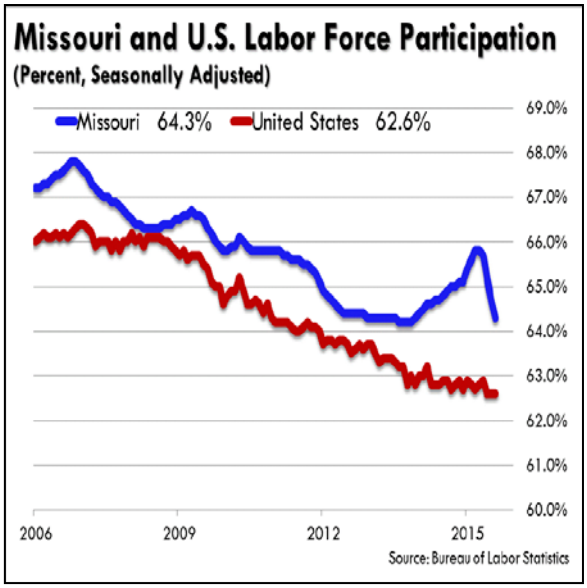
Over the past year, total government payroll employment increased by 13,300, or 3.08 percent. State government payroll employment increased by 2,900, or 2.91 percent. Local government payroll employment increased by 9,600, or 3.44 percent.

The best performing sectors on a seasonally adjusted basis during August were Trade, Transportation & Utilities (+3,500) and Educational & Health Services (+700). The poorest performing sectors during the month were Total Government (-2,100) and Professional & Business Services (-2,000).

The best performing sectors during the last twelve months were Total Government (+13,300) and Educational & Health Services (+6,000). The poorest performing sectors for the year were Other Services (-700) and Mining & Logging (-100).

Other Missouri Labor Force Statistics

The labor force participation rate in Missouri declined to 64.3 percent in August from 64.7 percent the prior month. Among the 50 states and the District of Columbia, 21 have a higher labor force participation rate than Missouri. The labor force participation rate in Missouri 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 Missouri was 67.8 percent in November 2006. The series high for the labor force participation rate in Missouri occurred in September 1996 when the labor force participation rate hit 71.4 percent. The 10 year low for the labor force participation rate was 64.2 percent in November 2013. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 59.8 percent.

The national labor force participation rate was unchanged at 62.6 percent in August. That rate was 0.3 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate is at its lowest level since October 1977.

The employment-to-population ratio, or the percentage of the Missouri civilian noninstitutionalized population 16 years and older counted as employed, declined to 60.7 percent in August from 60.9 percent the prior month. Among the 50 states and the District of Columbia, 23 have higher employment-to-population ratios than Missouri. The employment-to-population ratio in Missouri is 0.5 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in Missouri was 64.4 percent in December 2006. The series high for the employment-to-population ratio in Missouri occurred in September 1996 when the employment-to-population ratio hit 68.0 percent. The 10 year low for the employment-to-population ratio was 59.4 percent in February 2010. The series low for the employment-to-population ratio occurred in April 1983 when the employment-to-population ratio hit 56.1 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.4 percent in August. That rate was 0.4 percentage point higher than a year earlier. The employment-to-population ratio stood at 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 September is scheduled for release on Tuesday, October 20. The national employment situation report for September will be released on Friday, October 2.