U.S. Congress Joint Economic Committee

Understanding the Economy: State-by-State Snapshots

Executive Summary

This is the 1st edition of state-by-state snapshots issued by the Joint Economic Committee Democratic staff during the 113th Congress and includes state-level data through December 2012.

This month's report shows that one-half of the states and the District of Columbia gained private-sector jobs in December. Nationally, private-sector job gains totaled 168,000 during the month. Retail sales increased by 0.5 percent during December, following a 0.4 percent gain in November. Manufacturing activity, as measured by the ISM Manufacturing Index, expanded in December after contracting in November. According to the Federal Reserve, manufacturing output increased by 0.8 percent during the month, following a 1.3 percent increase in November.

Against this backdrop, this report highlights progress at the state level in creating private-sector jobs and reducing unemployment and tracks the employment changes in key sectors, including manufacturing and professional and business services.

Report highlights include:

- Twenty-five states and the District of Columbia added private-sector jobs in December. New York (34,300) and New Jersey (30,900) had the largest private-sector gains, as the two states rebounded from superstorm Sandy, which hit in late October. In the past 12 months, 47 states and the District of Columbia gained private-sector jobs, with California and Texas recording the largest gains, each adding 257,400 positions. New York recorded the next largest gain – 123,200 private-sector jobs. Only Maine, West Virginia and Wyoming lost private-sector positions during the last year. From December 2011 to December 2012, North Dakota (4.8 percent), Utah (3.7 percent) and Texas (2.9 percent) had the largest percentage gains in private-sector employment. During this period, just over 1.9 million private-sector positions were added nationally.

- Five states had statistically significant decreases in their unemployment rate during December. Nevada (-0.6 percentage point) had the largest decline, followed by Alabama (-0.4 percentage point), Connecticut (-0.3 percentage point), Idaho (-0.2 percentage point) and Vermont (-0.1 percentage point). In the past 12 months, 19 states and the District of Columbia reported statistically significant decreases in the unemployment rate, with Nevada (-2.8 percentage points), Florida (-1.9 percentage points) and Mississippi (-1.8 percentage point) recording the largest declines. Nevada and Rhode Island (10.2 percent each) had the highest unemployment rate in December. North Dakota again had the lowest unemployment rate (3.2 percent). The national unemployment rate during the month was 7.8 percent, down from 8.5 percent a year earlier.

- Manufacturing employment expanded in 26 states in December. Missouri added 3,900 manufacturing jobs, and New Jersey and Texas each saw a gain of 3,000 positions. In the past 12 months, 31 states added manufacturing positions, with the largest gains in the Midwest. Indiana (17,500), Michigan (17,000), Illinois (16,500) and Ohio (15,300) recorded the biggest gains in the past year. Overall, 180,000 manufacturing positions have been added across the country in the last 12 months.

- Twenty-five states and the District of Columbia added jobs in the professional and business services sector in December. Texas (13,300), Georgia (6,100) and New York (5,600) posted the largest increases. In the past year, 39 states have added professional and business services jobs, with New York, California and Texas recording the largest gains. During this period, 472,000 jobs were added in the professional and business services sector.

- Twenty-nine states added jobs in the leisure and hospitality sector during December. New York (9,200), Georgia (5,900) and Virginia (5,200) saw the largest gains. In the past 12 months, 46 states added leisure and hospitality jobs. During this time, leisure and hospitality employment increased by 320,000 positions.

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