U.S. Congress Joint Economic Committee

Understanding the Economy: State-by-State Snapshots

Executive Summary

This is the second edition of state-by-state snapshots issued by the Joint Economic Committee Democratic staff under the leadership of Vice Chair Amy Klobuchar. The report includes state-level data through February 2013.

This month's report shows that nearly four in five states added private-sector jobs in February. Nationally, private-sector job gains totaled 246,000, making February the fourth month in the past five in which private-sector job gains exceeded 200,000. Other economic indicators also showed strength: Retail sales increased by 1.1 percent in February and manufacturing output rose 0.8 percent during the month, after a small dip in January.

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

Report highlights include:

- **Thirty-nine states added private-sector jobs in February.** The states with the largest February gains were Texas (63,900), California (30,000) and Michigan (17,500). Over the last twelve months, Texas has added the most private sector jobs (347,200), followed by California (303,300) and Florida (139,200). In that same period North Dakota posted the largest percentage gains in private sector employment (6.0 percent), followed by Utah (4.9 percent) and Texas (3.9 percent). All told, nearly 2.1 million private-sector positions were added nationally between February 2012 and February 2013.

- **Four states had statistically significant decreases in their unemployment rates during February, while two states experienced a statistically significant increase.** Rhode Island (-0.4 percentage point), Vermont (-0.3 point), California (-0.2 point) and New Jersey (-0.2 point) reported declines, while Illinois (+0.5 percentage point) and Wisconsin (+0.2 point) posted increases. In the past 12 months, eight states reported statistically significant decreases in their unemployment rates. These declines occurred in the West and South, with Nevada (-2.2 percentage points), Florida (-1.3 points), Idaho (-1.3 points), California (-1.2 points), Colorado (-1.0 point), Hawaii (-1.0 point), Washington (-0.9 point) and Texas (-0.7 point) showing decreases. California (9.6 percent), Mississippi (9.6 percent) and Nevada (9.6 percent) had the highest unemployment rates in February. North Dakota again had the lowest unemployment rate (3.3 percent). The national unemployment rate during the month was 7.7 percent, down from 8.3 percent a year earlier.

- **Manufacturing employment expanded in 26 states in February.** The states that posted the largest gains in this sector were Pennsylvania (4,400), Indiana (3,400) and Kentucky (3,100). In the past 12 months, 34 states added manufacturing positions, with the largest gains in the Midwest. Michigan (18,400) and Indiana (15,900) recorded the biggest gains in the past year. Overall, 107,000 manufacturing positions have been added across the country in the last 12 months.

- **Thirty-six states added jobs in the professional and business services sector in February.** Texas (25,400), Ohio (12,200) and California (9,400) posted the largest increases. In the past year, 44 states and the District of Columbia have added professional and business services jobs, with California, Texas and New York recording the largest gains. During this period, 488,000 jobs were added in the professional and business services sector nationwide.

- **Twenty-three states and the District of Columbia added jobs in the leisure and hospitality sector during February.** California (15,700), Texas (8,800) and Florida (8,100) saw the largest gains. In the past 12 months, 46 states and the District of Columbia added leisure and hospitality jobs. During this time, national leisure and hospitality employment increased by 323,000 positions.