

Tennessee Employment Report

Joint Economic Committee

Senator Mike Lee, Chairman

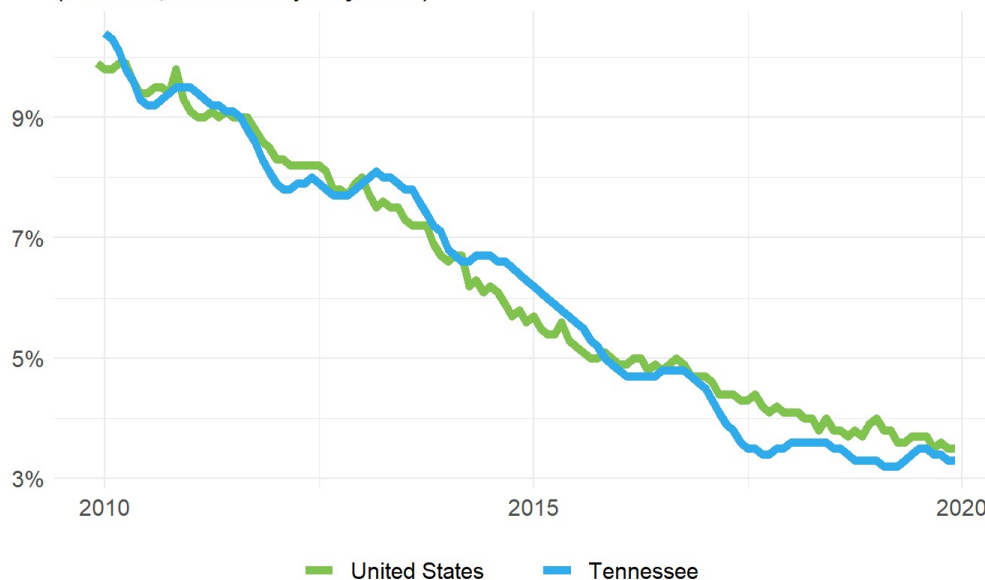
January 24, 2020

Summary

- **Tennessee added 2,000 net payroll jobs and the unemployment rate remained unchanged at 3.3 percent in December**, according to Bureau of Labor Statistics (BLS) data released at 10:00am on January 24, 2020.
- **Over the past twelve months, Tennessee added 49,200 payroll jobs** and the unemployment rate remained unchanged.
- **In December, Tennessee's private sector added 2,500 net private payroll jobs** and over the past twelve months it added 44,900 private payroll jobs in the establishment survey.
- In the household survey, the number of **unemployed fell by 882 on net in December**, and over the past year employment rose by 108,869.
- Tennessee's **labor force participation rate remained steady at 62.2 percent** in December. Since last year, the labor force participation rate rose by 1.4 percentage points.
- The national unemployment rate **remained unchanged in December**. State employment and unemployment data for January is scheduled for release March 16, 2020. The national employment situation report for January will be released February 07, 2020.

Tennessee and U.S. Unemployment Rates

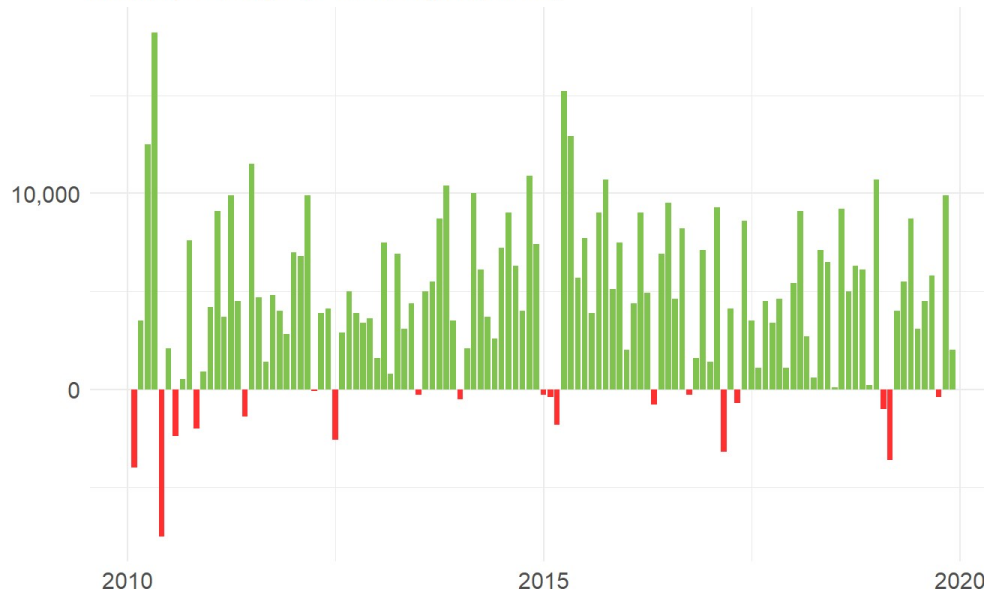
(Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Tennessee Payroll Employment

Tennessee Nonfarm Payroll Jobs Monthly Change (Seasonally Adjusted)



Source: Bureau of Labor Statistics

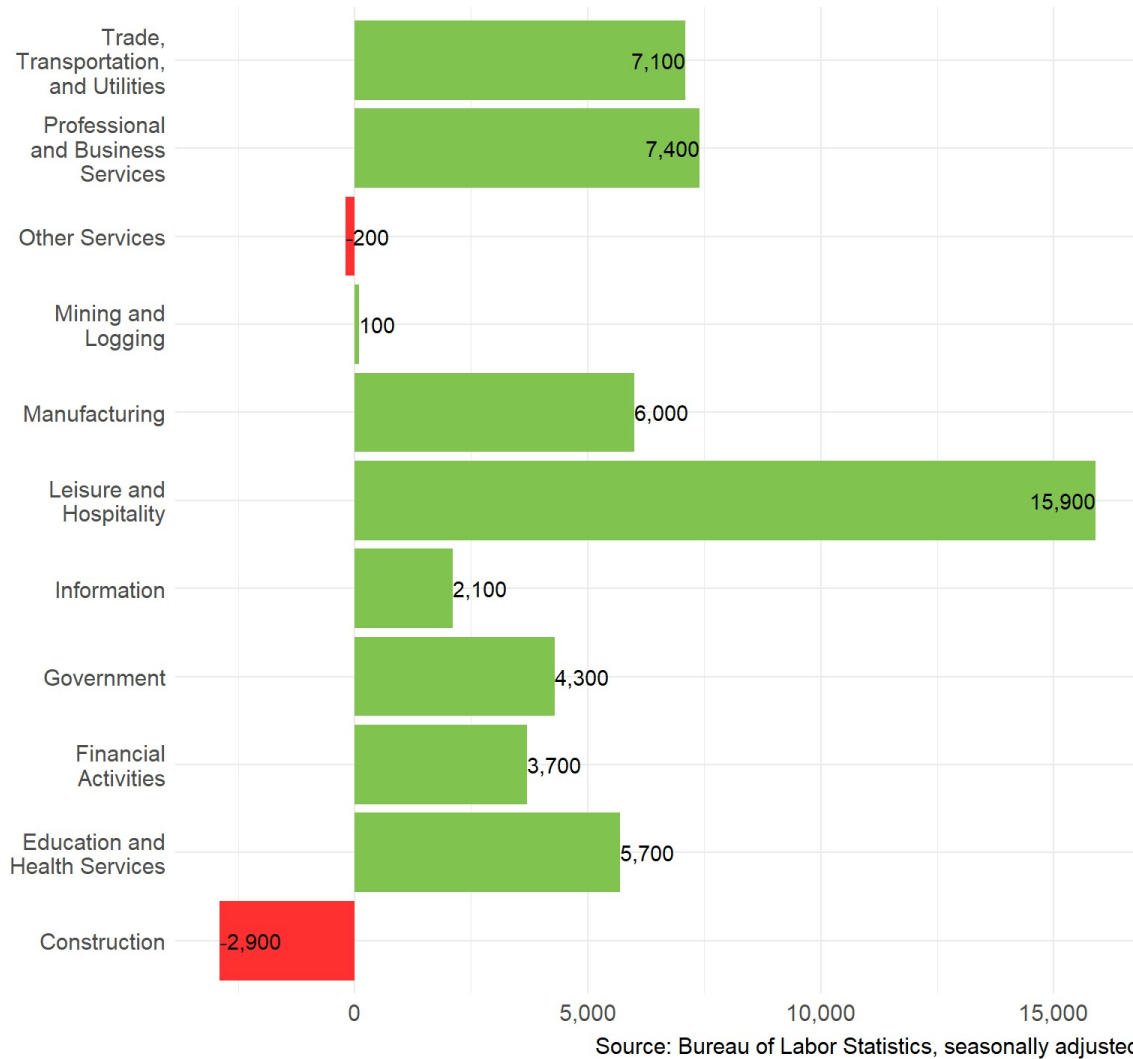
Tennessee added 2,000 net payroll jobs, or 0.1 percent, on a seasonally adjusted basis during December. In the prior month, Tennessee added 9,900 jobs. Over the past twelve months, Tennessee added 49,200 payroll jobs, or 1.6 percent. Tennessee nonfarm payroll employment had increased in 9 of the past 12 months.

Nationally, nonfarm payrolls rose by 145,000 in December, or rose by 0.1 percent. Over the 12-month period ending with December, nonfarm payrolls rose by 2,108,000 jobs, or 1.4 percent. Tennessee ranks 15th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During December, Tennessee's private-sector added 2,500 jobs, or approximately 0.1 percent. The private-sector in Tennessee added 10,100 jobs in the prior month. Over the past twelve months, private-sector payrolls in Tennessee added 44,900, or 1.7 percent. Tennessee private-sector payroll employment has increased in 10 of the past 12 months.

Nationally, private-sector payroll jobs rose by 139,000 jobs in December, or 0.1 percent. Over the past 12 months, the national payroll rose by 1,947,000 jobs in the private sector, or rose by 1.5 percent. Tennessee is tied for 16th among the 50 states and the District of Columbia for a percentage gain in private-sector payroll employment over the past 12 months.

Change in Tennessee Payroll Employment by Sector over Past 12 Months



The best performing sectors on a seasonally adjusted basis during December were Manufacturing (2,300) and Trade, Transportation, and Utilities (1,900). The poorest performing sectors during the month were Professional and Business Services (-700) and Information (-900).

The best performing sectors during the last twelve months were Leisure and Hospitality (15,900) and Professional and Business Services (7,400). The poorest performing sectors during the last twelve months were Other Services (-200) and Construction (-2,900).

Tennessee Labor Force Statistics

Labor Force Participation

The labor force participation rate in Tennessee remained unchanged at 62.2 percent in December. At a labor force participation rate of 62.2 percent, Tennessee is tied for 35th in the nation. The labor force participation rate in Tennessee rose by 1.4 percentage points 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 Tennessee was 63.1 percent last occurring in February 2011. The series high for the labor force participation rate in Tennessee occurred in February 1995 when the labor force participation rate hit 67.3 percent. The 10-year low for the labor force participation rate was 59.1 percent, last occurring in September 2014. The series low for the labor force participation rate in Tennessee last occurred in March 1976 when the labor force participation rate hit 58.8 percent.

The national labor force participation rate remained steady at 63.2 percent in December. That rate rose by 0.2 percentage point from a year earlier. The all-time high for the national labor force participation rate was 67.3 percent in April 2000. The 10-year

high for the national labor force participation rate was 65.2 percent in April 2010. The recent 10-year low occurred in September 2015 at a level of 62.4 percent. The series low for the national labor force participation rate was 58.1 percent in December 1954.

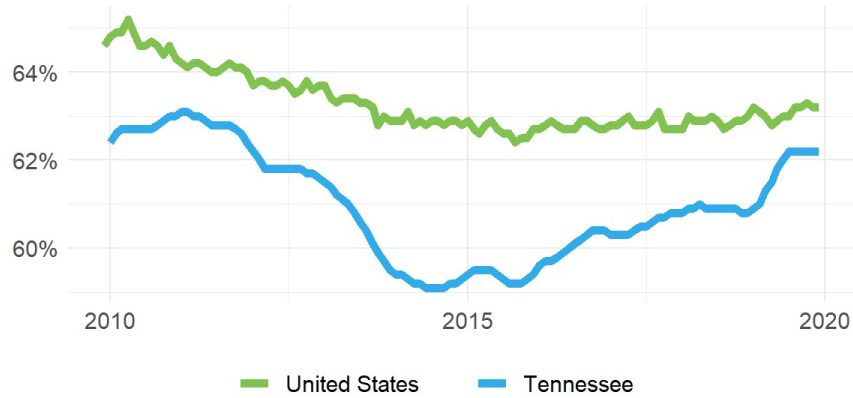
Employment-to-Population Ratio

The employment-to-population ratio, or the percentage of the Tennessee civilian noninstitutionalized population 16 years and older counted as employed, in December remained unchanged. At 60.1 percent, Tennessee is tied for 32nd among state employment-to-population ratios in the nation. The employment-to-population ratio in Tennessee rose by 1.3 percentage points from a year earlier.

The 10-year high for the employment-to-population ratio in Tennessee was 60.1 percent last occurring in December 2019. The series high for the employment-to-population ratio in Tennessee last occurred in January 1995 when the employment-to-population ratio hit 64.2 percent. The 10-year low for the employment-to-population ratio was 55.2 percent last occurring in September 2014. The series low for the employment-to-population ratio in Tennessee last occurred in February 1983 when the employment-to-population ratio hit 53.9 percent.

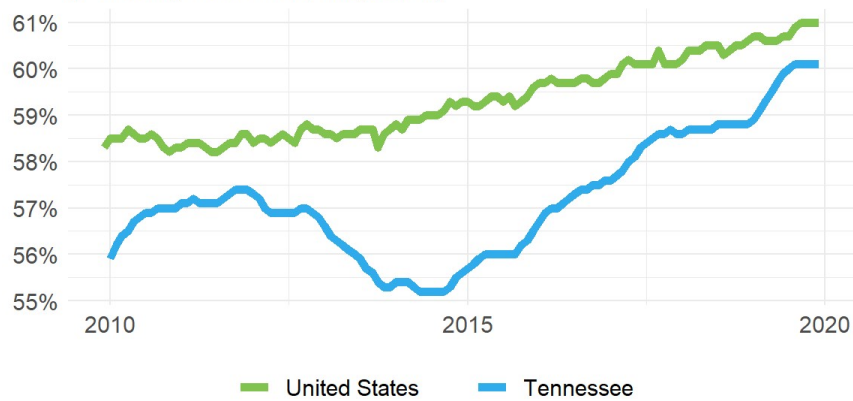
The national employment-to-population ratio remained steady at 61 percent in December. That rate rose by 0.4 percentage point from a year earlier. The all-time high for the national employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the national employment-to-population ratio was 61 percent in December 2019. The recent 10-year low occurred in July 2011 at a level of 58.2 percent. The series low for the employment-to-population ratio was 54.9 percent in October 1949.

Tennessee and U.S. Labor Force Participation Rates (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Tennessee and U.S. Employment-to-Population Ratios (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics