



# North Dakota Economic Update

June 17, 2016

## Summary

Nonfarm payroll employment in North Dakota increased by 300 jobs and the unemployment rate was unchanged at 3.2 percent in May according to data released by the Bureau of Labor Statistics (BLS).

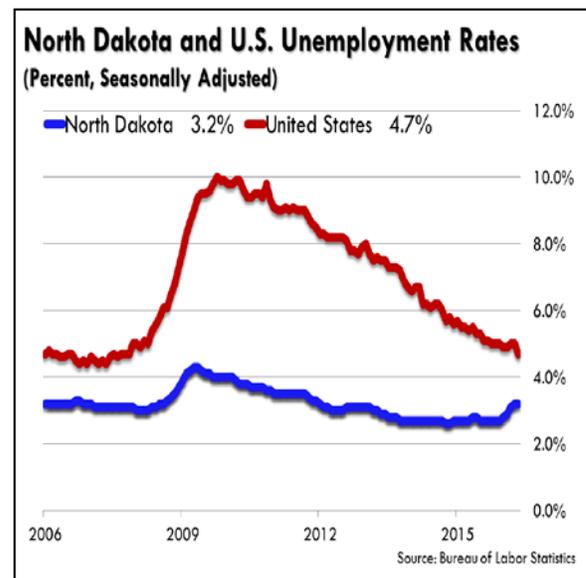
## North Dakota Unemployment Rate

During May, the unemployment rate in North Dakota was unchanged at 3.2 percent. The number of people counted as unemployed rose by 43 in May to 13,403, while the labor force grew by 632 to 418,506. Among the 50 states and the District of Columbia, only 4 posted lower unemployment rates. A year earlier, the unemployment rate in North Dakota stood at 2.8 percent.

The 10 year peak for the unemployment rate in North Dakota was 4.3 percent in May 2009. The series high for the unemployment rate in North Dakota occurred in March 1983 when the unemployment rate reached 6.2 percent.

The 10 year low for the unemployment rate in North Dakota was 2.6 percent in November 2014. The series low for the unemployment rate in North Dakota occurred in January 1998 when the unemployment rate reached 2.5 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.3 percentage point to 4.7 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## North Dakota Payroll Employment

North Dakota nonfarm payrolls increased by 300 jobs, or 0.07 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls declined by 1,000. Over the past 12 months nonfarm payrolls in North Dakota declined by 15,600, or 3.43 percent. North Dakota nonfarm payroll employment has increased in 3 of the past 12 months.

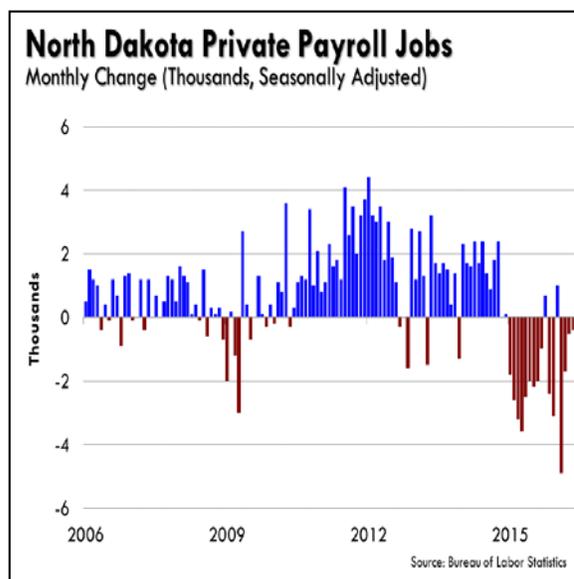
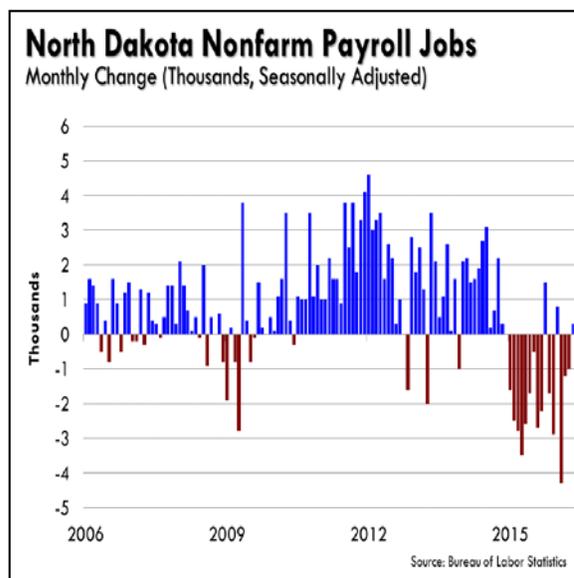
Nationally, nonfarm payrolls increased by 38,000 jobs in May, or 0.03 percent. Over the 12-month period ending May 2016 nonfarm payrolls grew by 2,398,000 jobs, or 1.69 percent. North Dakota ranks 51st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, North Dakota private sector payrolls declined by 400, or 0.11 percent. Private sector payrolls declined by 500 jobs in the prior month. Over the past 12 months, private sector payrolls in North Dakota declined by 18,500, or 4.94 percent. North Dakota private sector payroll employment has increased in 2 of the past 12 months.

Nationally private-sector payroll jobs increased by 25,000 jobs in 1.69, or 0.02 percent. Over the past 12 months, the nation's economy has added 2,297,000 jobs in the private sector, an increase of 1.92 percent.

North Dakota ranks 51st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in North Dakota increased by 700, or 0.85 percent. Federal government payroll employment increased by 100, or 0.41 percent. State government payroll employment increased by 500, or 1.02 percent, while local government payroll employment increased by 5,200, or 0.40 percent.



Over the past year, total government payroll employment increased by 2,900, or 3.60 percent. State government payroll employment increased by 1,800, or 3.76 percent. Local government payroll employment increased by 27,500, or 2.13 percent.

The best performing sectors on a seasonally adjusted basis during May were Total Government (+700) and Other Services (+600). The poorest performing sectors during the month were Leisure & Hospitality (-600) and Mining & Logging (-500).

The best performing sectors during the last twelve months were Total Government (+2,900) and Educational & Health Services (+2,100). The poorest performing sectors for the year were Trade, Transportation & Utilities (-7,900) and Mining & Logging (-7,100).

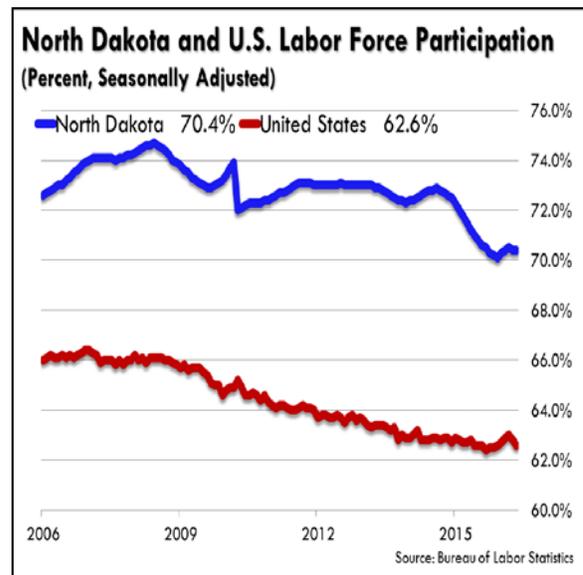
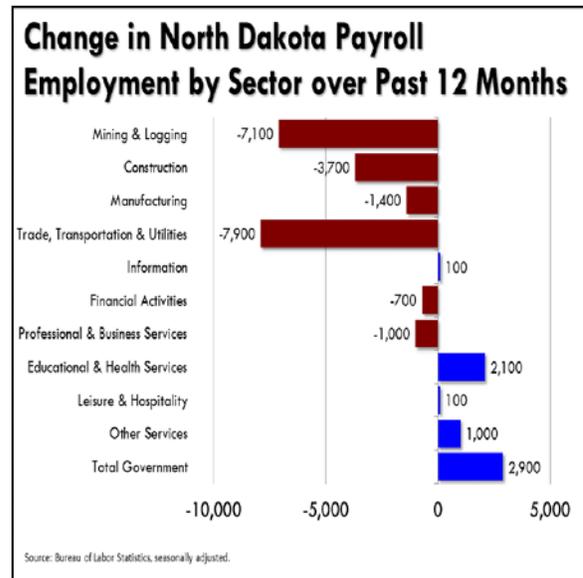
#### Other North Dakota Labor Force Statistics

The labor force participation rate in North Dakota was unchanged at 70.4 percent in May. At 70.4 percent, North Dakota has one of the five highest labor force participation rates in the nation. The labor force participation rate in North Dakota 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 North Dakota was 74.7 percent in June 2008. This also represents the series high for the labor force participation rate in North Dakota. The 10 year low for the labor force participation rate was 70.1 percent in December 2015. The series low for the labor force participation rate occurred in February 1976 when the labor force participation rate hit 62.0 percent.

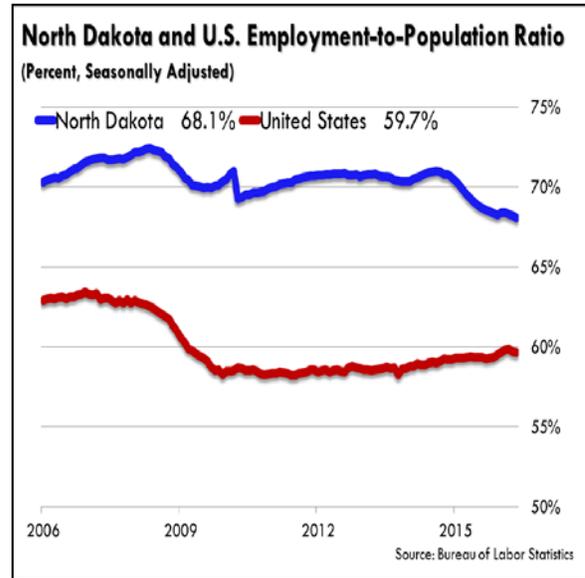
The national labor force participation rate declined by 0.2 percentage point to 62.6 percent in May 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the North Dakota civilian noninstitutionalized population 16 years and older counted as employed, declined to 68.1



percent in May from 68.2 percent the prior month. At 68.1 percent, North Dakota has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in North Dakota is 1.1 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in North Dakota was 72.4 percent in May 2008. This also represents the series high for the employment-to-population ratio in North Dakota. The 10 year low for the employment-to-population ratio was 68.1 percent in May 2016. The series low for the employment-to-population ratio occurred in April 1976 when the employment-to-population ratio hit 60.0 percent.



The national employment-to-population ratio held steady at 59.7 percent in May. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 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 ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on July 22, 2016. The national employment situation report for June will be released on Friday, July 8, 2016.