



Kentucky Economic Update

May 27, 2015

Summary

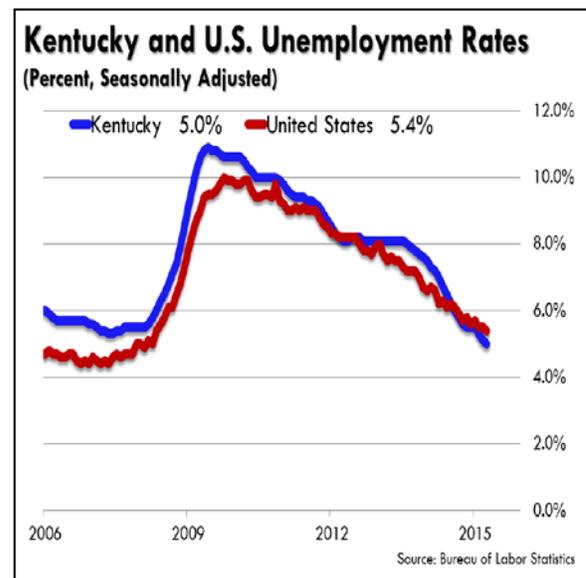
Nonfarm payroll employment in Kentucky increased by 7,000 jobs and the unemployment rate fell to 5.0 percent in April according to data released by the Bureau of Labor Statistics (BLS).

Kentucky Unemployment Rate

During April, the unemployment rate in Kentucky declined by 0.1 percentage point to 5.0 percent. The number of people counted as unemployed fell by 1,394 in April to 100,790, while the labor force grew by 3,590 to 1,996,657. Among the 50 states and the District of Columbia, 21 posted lower unemployment rates for the month than Kentucky. A year earlier, the unemployment rate in Kentucky stood at 7.0 percent.

The 10 year peak for the unemployment rate in Kentucky was 10.9 percent in June 2009. The series high for the unemployment rate in Kentucky occurred in February 1983 when the unemployment rate reached 12.1 percent. The 10 year low for the unemployment rate in Kentucky was 5.0 percent in April 2015. The series low for the unemployment rate in Kentucky occurred in May 2000 when the unemployment rate reached 4.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.4 percent in April. April's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.2 percent. 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.



Kentucky Payroll Employment

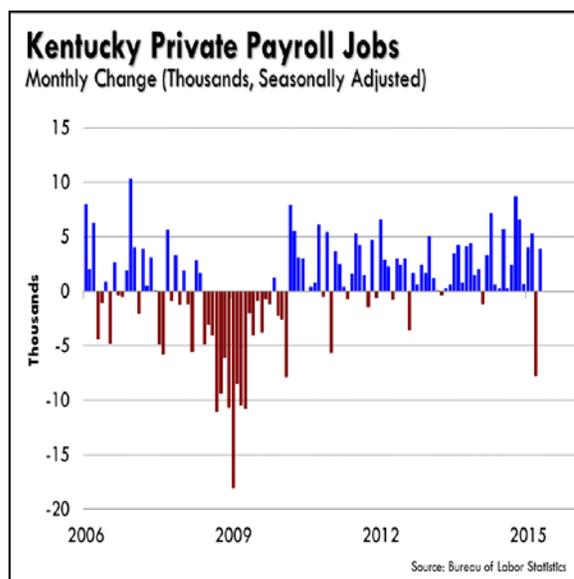
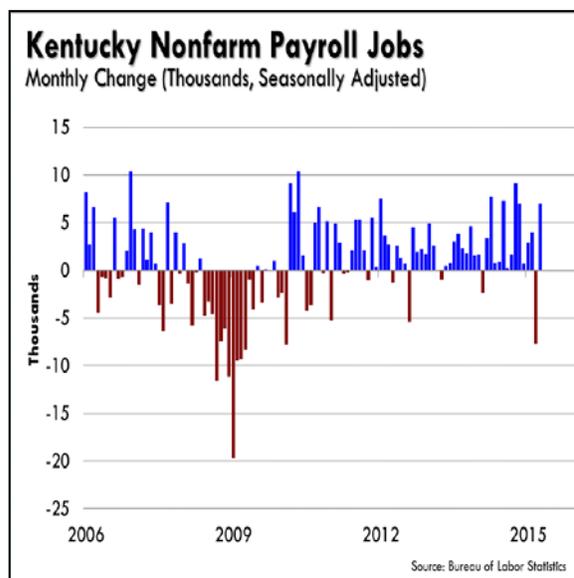
Kentucky nonfarm payrolls increased by 7,000 jobs, or 0.37 percent, on a seasonally adjusted basis during April. In the prior month, nonfarm payrolls declined by 7,700. Over the past 12 months nonfarm payrolls in Kentucky increased by 33,800, or 1.82 percent. Kentucky nonfarm payroll employment has increased in 11 of the past 12 months.

Nationally nonfarm payrolls increased by 223,000 jobs in April, or 0.16 percent. Over the 12 month period ending in April 2015, nonfarm payrolls grew by 2,982,000 jobs, or 2.15 percent. Kentucky ranks 20th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During April, Kentucky private sector payrolls increased by 3,900, or 0.25 percent. Private sector payrolls declined by 7,800 jobs in the prior month. Over the past 12 months, private sector payrolls in Kentucky increased by 30,700, or 2.01 percent. Kentucky private sector payroll employment has increased in 11 of the past 12 months.

Nationally, private sector payroll jobs increased by 213,000 in April, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,918,000 private sector payroll jobs, an increase of 2.50 percent. Kentucky ranks 20th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During April, total government payroll employment in Kentucky increased by 3,100, or 0.96 percent. Federal government payroll employment declined by 200, or 0.53 percent. State government payroll employment increased by 1,800, or 1.75 percent, while local government payroll employment increased by 1,500, or 0.83 percent.



Over the past year, total government payroll employment increased by 3,100, or 0.96 percent. State government payroll employment increased by 2,900, or 2.85 percent. Local government payroll employment increased by 400, or 0.22 percent.

The best performing sectors on a seasonally adjusted basis during April were Total Government (+3,100) and Construction (+1,900). The poorest performing sectors during the month were Professional & Business Services (-1,600) and Financial Activities (-700).

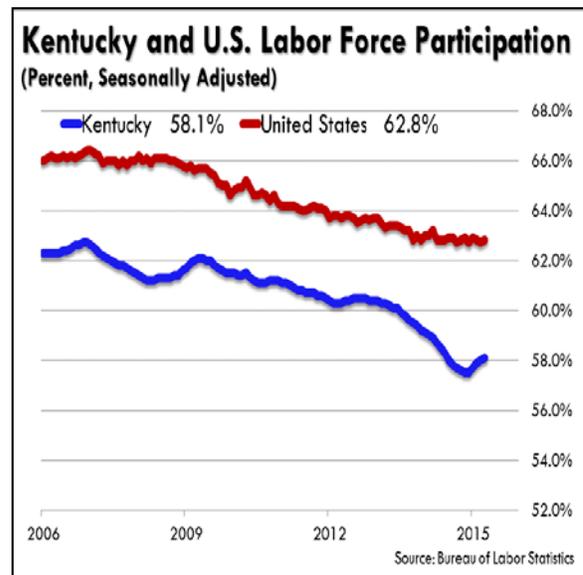
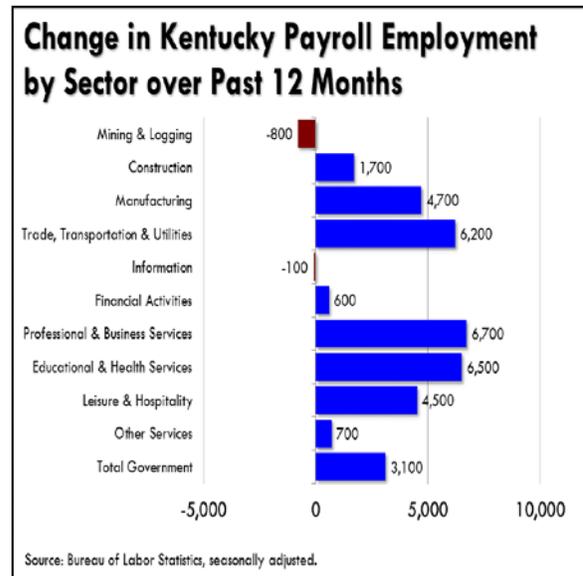
The best performing sectors during the last twelve months were Professional & Business Services (+6,700) and Educational & Health Services (+6,500). The poorest performing sectors for the year were Mining & Logging (-800) and Information (-100).

Other Kentucky Labor Force Statistics

The labor force participation rate in Kentucky rose to 58.1 percent in April from 58.0 percent the prior month. At 58.1 percent, Kentucky has one of the five lowest labor force participation rates in the nation. The labor force participation rate in Kentucky 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 Kentucky was 62.7 percent in December 2006. The series high for the labor force participation rate in Kentucky occurred in August 1999 when the labor force participation rate hit 64.1 percent. The 10 year low for the labor force participation rate was 57.5 percent in December 2014. This also represents the series low for the labor force participation rate in Kentucky.

The national labor force participation rate rose by 0.1 percentage point to 62.8 percent in April. That rate is the same as a year earlier.



The employment-to-population ratio, or the percentage of the Kentucky civilian noninstitutionalized population 16 years and older counted as employed, rose to 55.1 percent in April from 55.0 percent the prior month. Among the 50 states and the District of Columbia, 45 have higher employment-to-population ratios than Kentucky. The employment-to-population ratio in Kentucky is 0.5 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Kentucky was 59.1 percent in January 2007. The series high for the employment-to-population ratio in Kentucky occurred in April 2000 when the employment-to-population ratio hit 61.3 percent. The 10 year low for the employment-to-population ratio was 54.3 percent in December 2014. The series low for the employment-to-population ratio occurred in January 2015 when the employment-to-population ratio hit 54.3 percent.

The national employment-to-population ratio was unchanged at 59.3 percent in April. At 59.3 percent, the national employment-to-population ratio is still below the level of 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 May is scheduled for release on Friday, June 19. The national employment situation report for April is scheduled for release on Friday, June 5.

