U.S. Congress Joint Economic Committee

Understanding the Economy: State-by-State Snapshots

EXECUTIVE SUMMARY

This is the third edition of state-by-state snapshots issued by the Chairman-designate of the Joint Economic Committee during the 112th Congress and includes data through February 2011.

In recent months, the economy has gained strength and this is reflected in a broad range of economic data, including six straight quarters of growth in gross domestic product, private sector job gains for 12 consecutive months, and expanding economic activity in the manufacturing sector for the past 19 months.

This month's state-by-state report looks at how the economic progress nationally is translating to individual states. The report highlights progress in creating private sector jobs and reducing unemployment and tracks the employment gains in key sectors, including manufacturing and professional and business services.

- Thirty-four states added private sector jobs in February. South Carolina, which was hit hard by the recession and continues to face double-digit unemployment, recorded the largest expansion of private sector payrolls in percent terms (1.2 percent), followed by Delaware (1.0 percent) and Alaska (0.9 percent). The largest states achieved the largest gains in the number of jobs, with California adding 97,700 private sector positions, Florida gaining 23,900, and Texas adding 22,600. Rounding out the top private sector job gainers were Pennsylvania (21,200) and Georgia (21,000).

- In the past 12 months, all but four states (Kansas, Missouri, New Mexico and Nevada) have added private sector jobs, as the nascent recovery in the labor market has reached each region of the country. During this period, California (258,400), Texas (228,400) and Pennsylvania (110,800) achieved the largest gains in private sector employment.

- Twenty-seven states and the District of Columbia saw their unemployment rates decline in February. For the second month in a row, Nevada had the largest decline (-0.6 percentage point). Florida was next, with a 0.4 percentage point decline in its unemployment rate. Indiana, Pennsylvania and South Carolina each recorded a decline of 0.3 percentage point. California (-0.2 percentage point) and Maryland (-0.1 percentage point) also had statistically significant decreases. Even after falling by 1.3 percentage points during the last two months, Nevada had the highest unemployment rate (13.6 percent), followed by California (12.2 percent) and Florida (11.5 percent). Overall, the unemployment rate in the United States in February was 8.9 percent.

Prepared by JEC Chairman-designate's Staff

- Twenty-six states recorded job gains in the manufacturing sector, with the less-populated states of Alaska (9.2 percent increase), North Dakota (2.5 percent increase) and Idaho (1.7 percent increase) recording the largest percent gains. Wisconsin added the most manufacturing jobs (4,300) during February, followed by California (3,600) and Virginia (2,600). Over the past twelve months, industrial Midwestern states have achieved the largest gains in manufacturing employment, with Michigan adding 28,400 manufacturing jobs, Wisconsin adding 17,300, and Indiana gaining 12,400.

- Thirty states added jobs in the professional and business services sector during February. New Hampshire (5.9 percent increase), Michigan (2.6 percent), and Vermont (2.5 percent) enjoyed the largest percent gains. California added the most professional and business services sector jobs (39,700), followed by Texas (14,500), and Florida (13,800). In the past twelve months, California added 100,000 professional and business services sector jobs, Texas gained 51,200, and Michigan added 33,500. Forty-four states and the District of Columbia have added jobs in this sector during at least 7 of the last 14 months.

The attached state pages highlight the following key economic statistics for each state:

- Jobs created or lost since the start of the recession;
- Unemployment rates;
- Per capita earnings; and,
- The condition of the housing sector.