What's up with the labor market?

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What *is* the BLS?

- Part of U.S. Department of Labor <u>and</u> an independent statistical agency

- Principal Federal agency responsible for measuring
  - Labor market activity
  - Working conditions
  - Price changes in the economy

- Mission: **Collect**, **analyze**, and **disseminate** essential economic **information** to support public and private decision-making

- Serve diverse user communities by providing **products** and **services** that are accurate, objective, relevant, timely and accessible

BLS values in action

Half full?

Half empty?

▶ It is an 8 oz. glass with 4 oz. of liquid

The Employment Situation's two headline indicators

- **Two independent perspectives**

  ▶ Current Population Survey (household data)

  ▶ Current Employment Statistics (establishment data)

- **Why two?**

  ▶ More complete picture—employers <u>and</u> employees

  ▶ Compensating advantages

The Employment Situation's two headline indicators

- **Unemployment rate**
  - ▶ From household survey
  - ▶ Share of <u>people</u> in labor force that are unemployed (by official definition)
  - ▶ Detail by demographics, occupation, duration of unemployment, etc.
- **Payroll growth**
  - ▶ From establishment survey
  - ▶ Change in <u>jobs</u> during period, not people
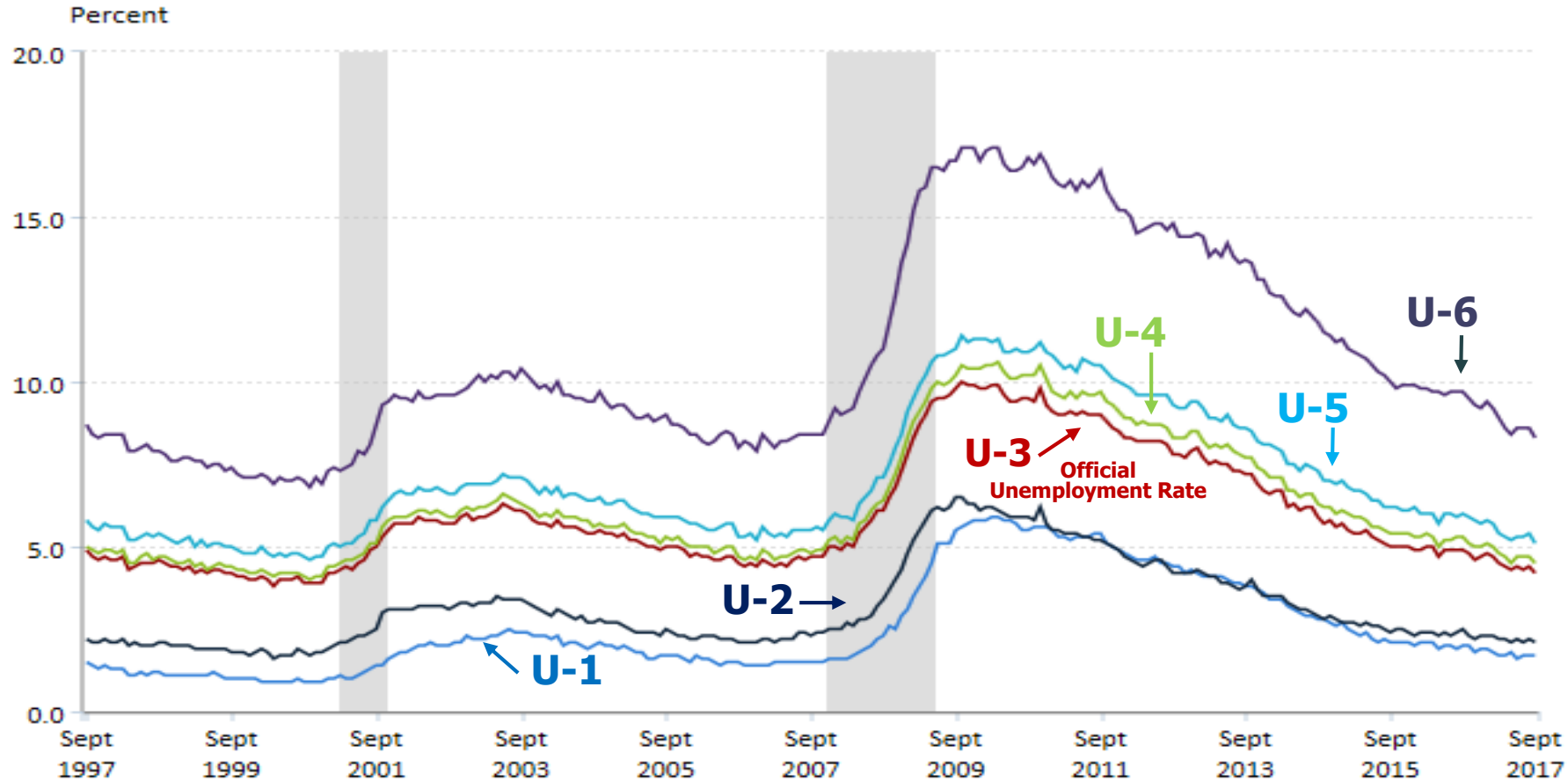 - ▶ Detail by industry

Household View

What is the current unemployment rate?

a) 1.7 %

b) 4.2 %

c) 5.1 %

d) 8.3 %

Alternative labor underutilization measures tell similar story about the recession and recovery

U-6: Total unemployed plus marginally attached workers and persons employed part time for economic reasons, as a percent of labor force plus marginally attached workers.
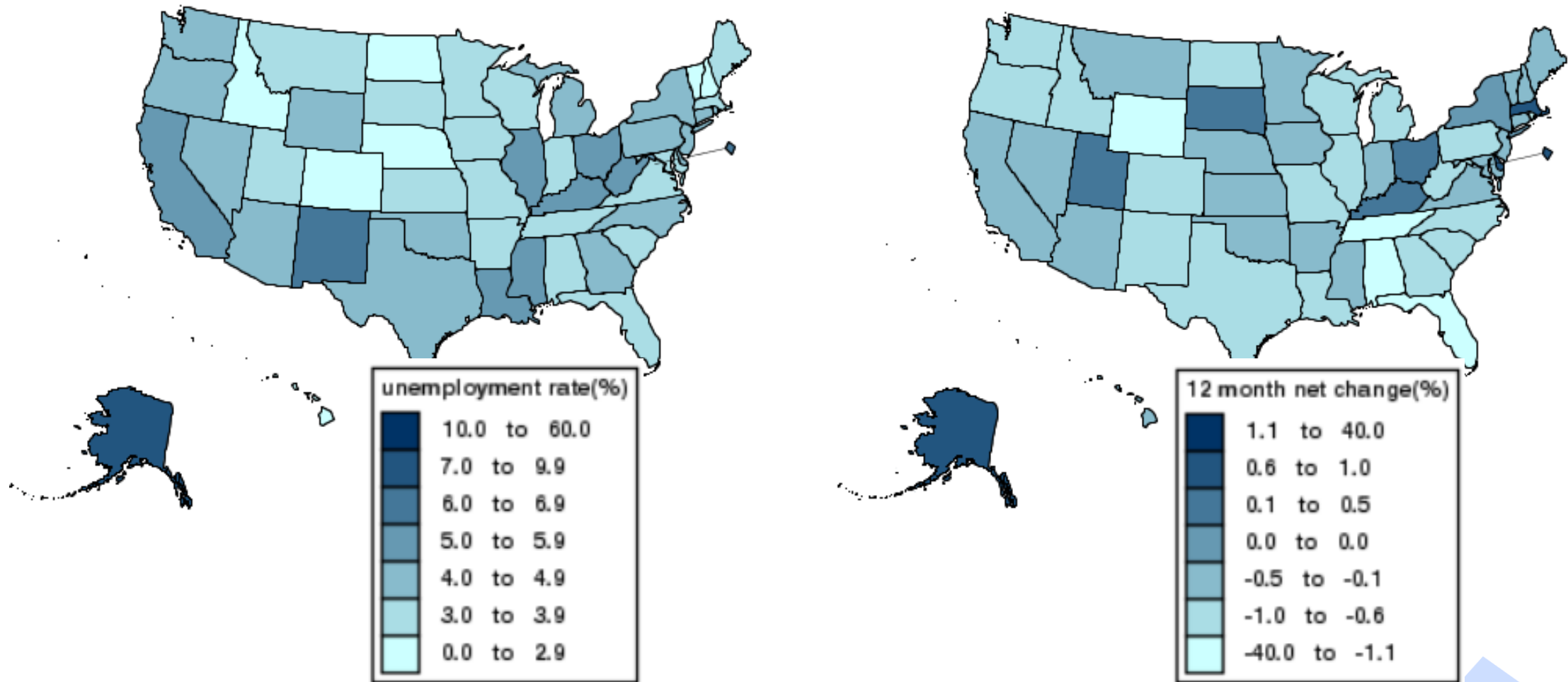

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
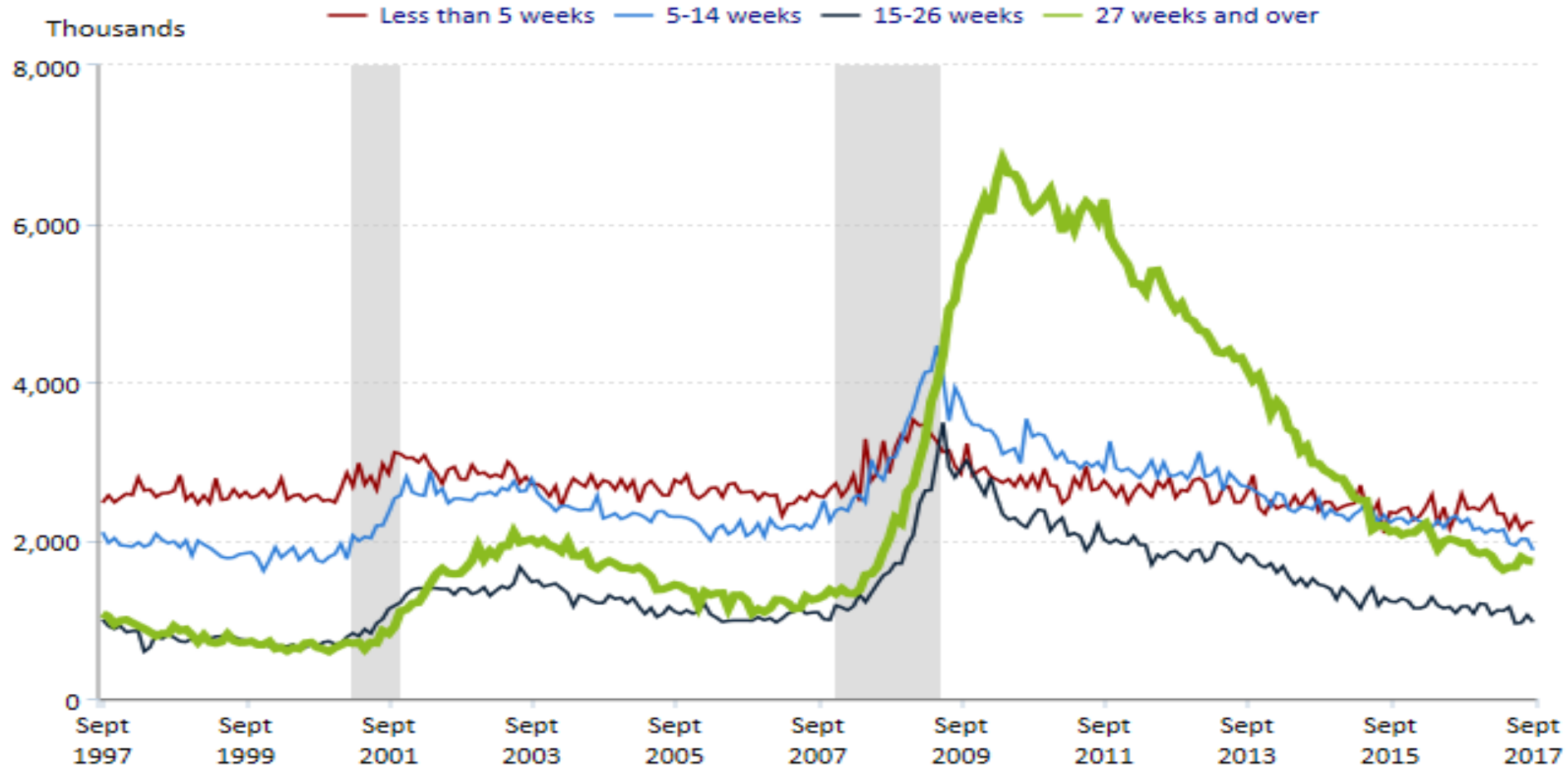Source: Bureau of Labor Statistics.

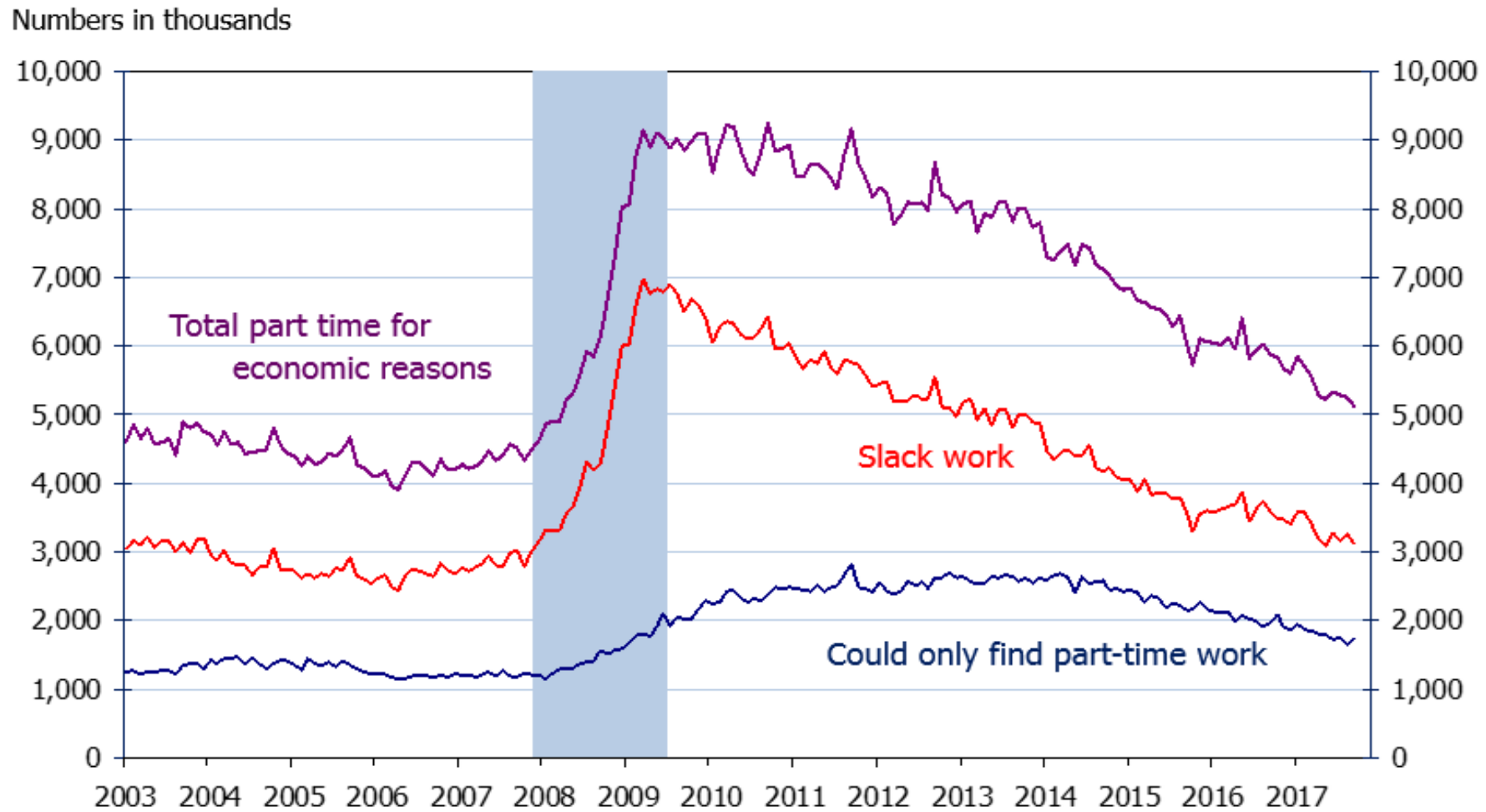# Unemployment rates fall in most states over the year (September 2017)

unemployment rate(%)

10.0	to 60.0
7.0	to 9.9
6.0	to 6.9
5.0	to 5.9
4.0	to 4.9
3.0	to 3.9
0.0	to 2.9

12 month net change(%)

1.1	to 40.0
0.6	to 1.0
0.1	to 0.5
0.0	to 0.0
-0.5	to -0.1
-1.0	to -0.6
-40.0	to -1.1

Long-term unemployment declining

Seasonally adjusted

Legend: Less than 5 weeks — 5-14 weeks — 15-26 weeks — 27 weeks and over

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
Source: Bureau of Labor Statistics.

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Involuntary part time work declining, but still high

Numbers in thousands

Total part time for economic reasons

Slack work

Could only find part-time work

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
Source: Bureau of Labor Statistics.
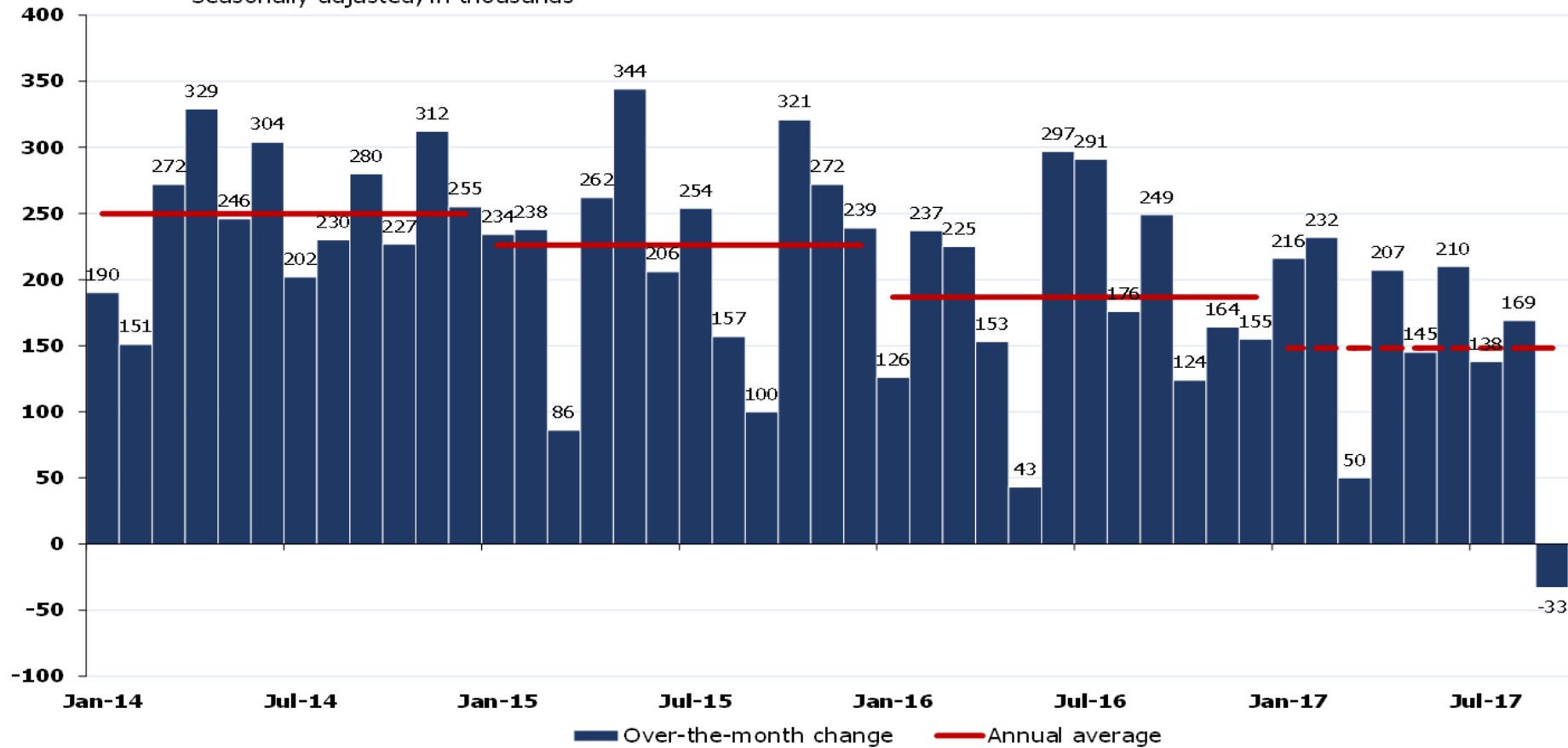
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Establishment View

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Job growth has averaged around 150,000 per month in 2017
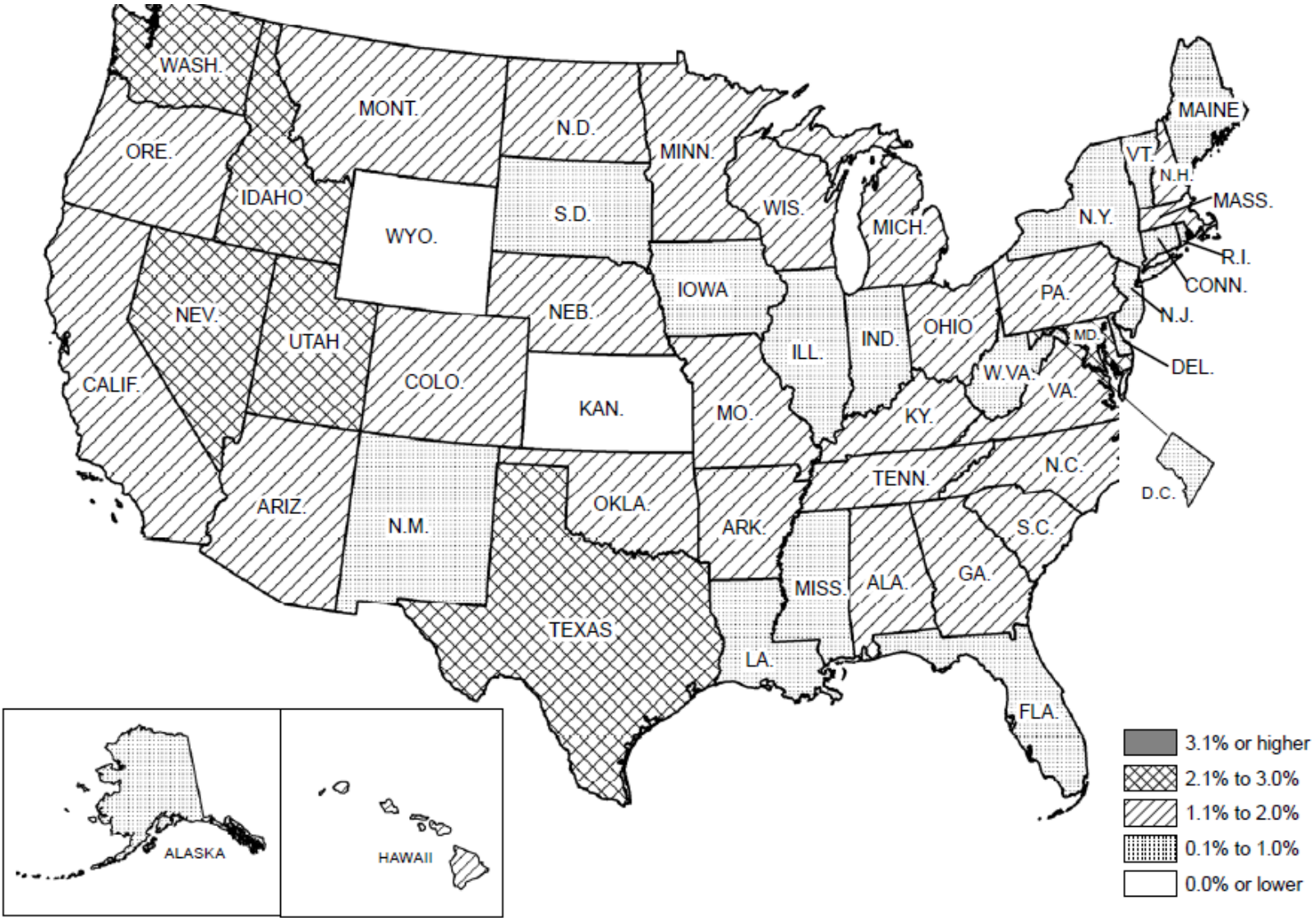

Employment in total nonfarm
Over-the-month change, January 2014 - September 2017
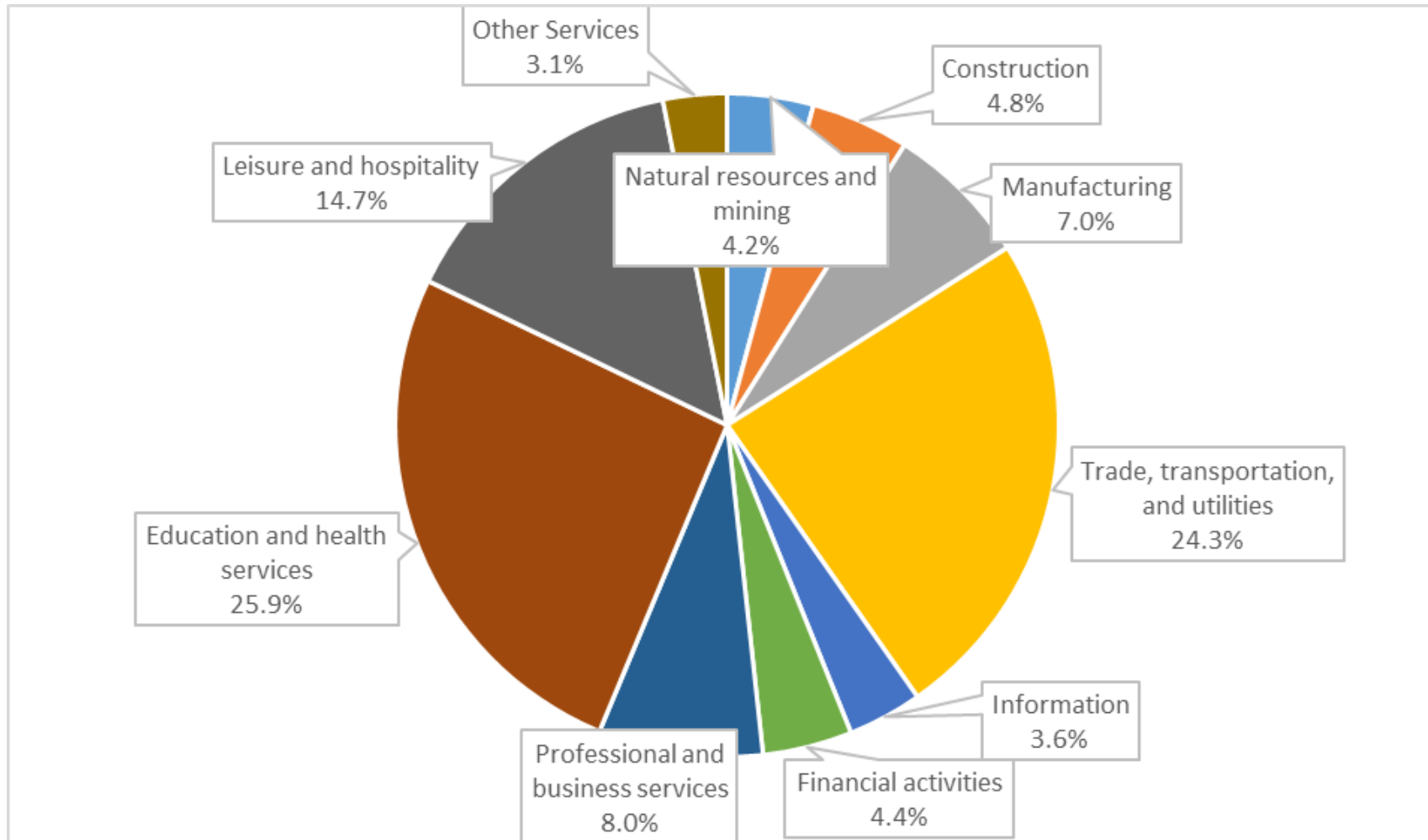Seasonally adjusted, in thousands

Bureau of Labor Statistics, Current Employment Statistics, October 06, 2017.
Most recent 2 months of data are preliminary.

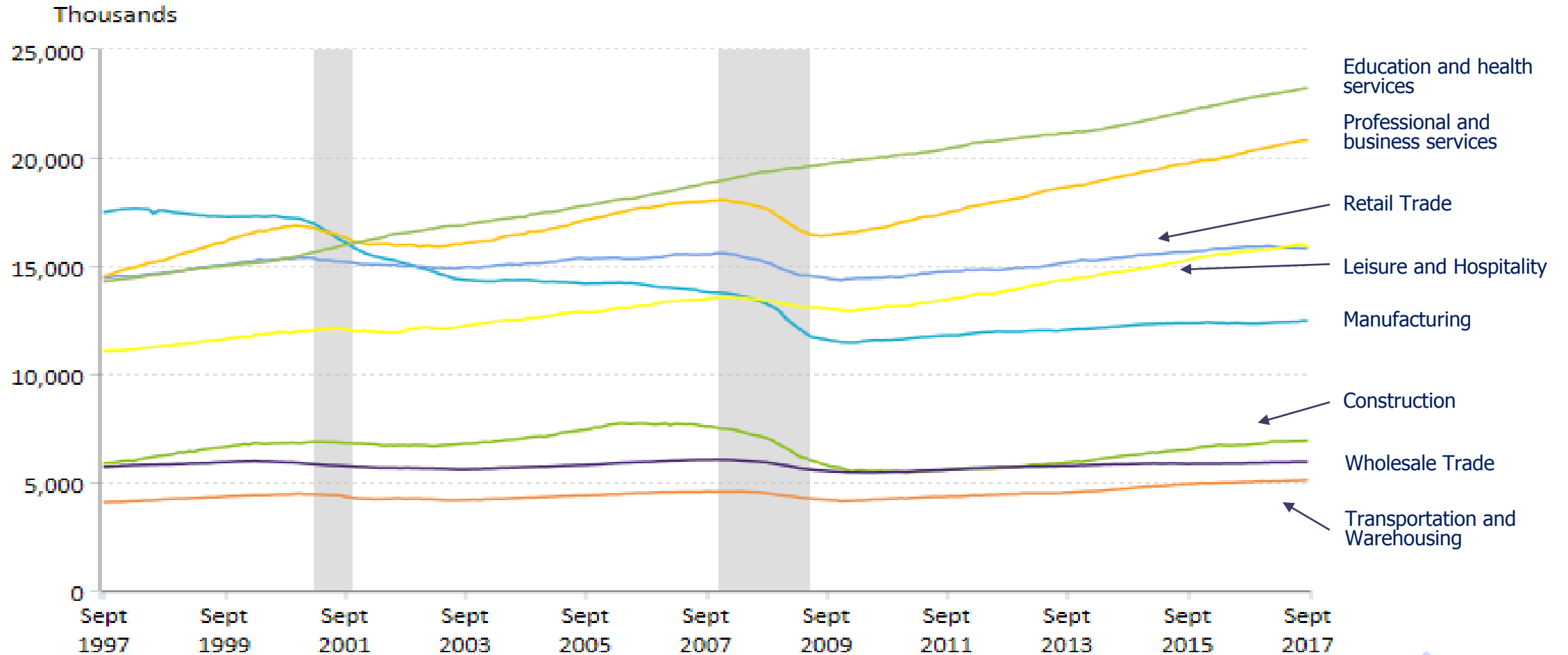# Employment growth by state, Sept 2016 – Sept 2017

Legend:
- 3.1% or higher
- 2.1% to 3.0%
- 1.1% to 2.0%
- 0.1% to 1.0%
- 0.0% or lower

Half of Ellis County private industry employment is concentrated in two supersectors

Other Services
3.1%

Construction
4.8%

Leisure and hospitality
14.7%

Natural resources and mining
4.2%

Manufacturing
7.0%

Trade, transportation, and utilities
24.3%

Education and health services
25.9%

Information
3.6%

Professional and business services
8.0%

Financial activities
4.4%

Some industries still recovering

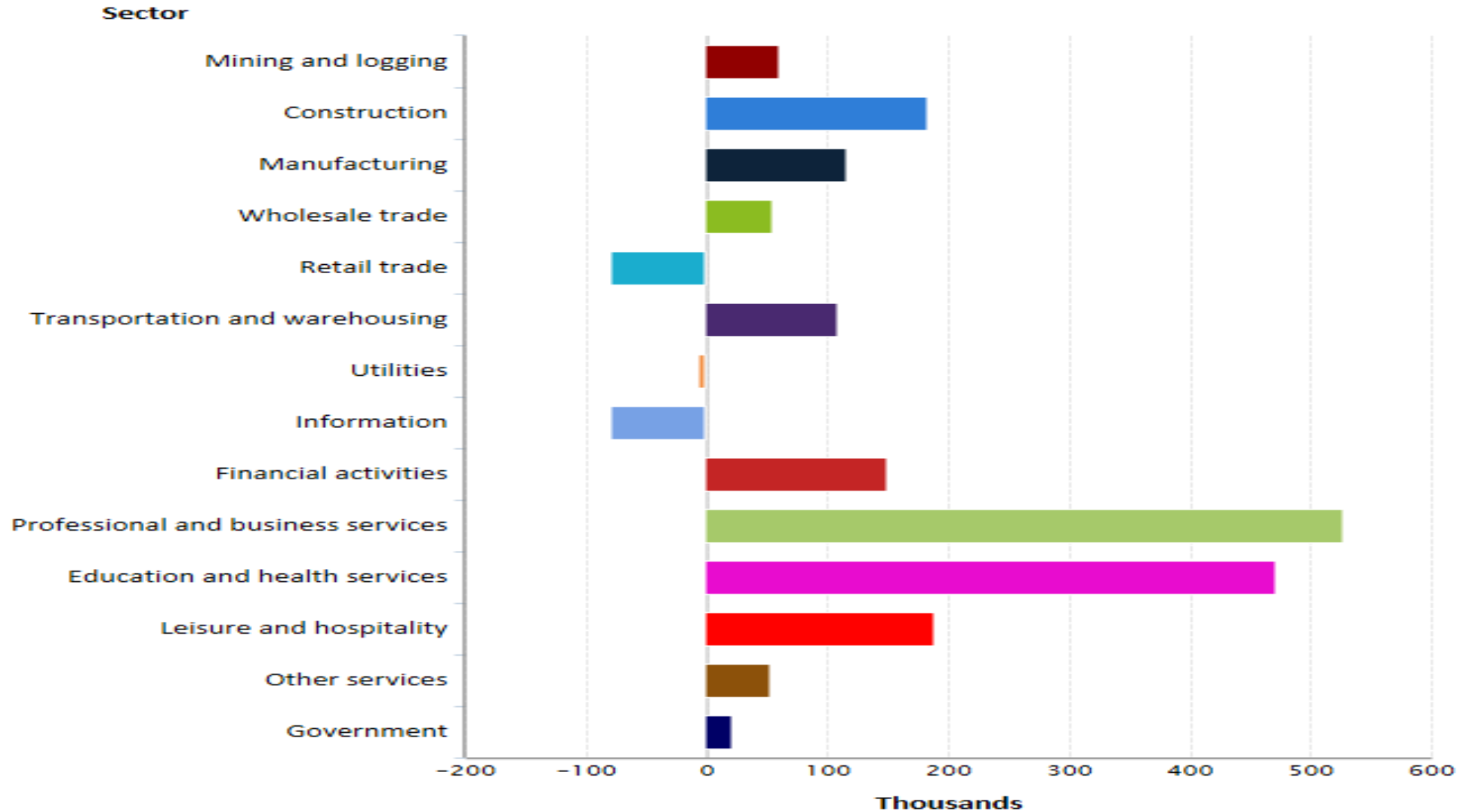Employment level by U.S. industry, seasonally adjusted

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
Source: Bureau of Labor Statistics.

Employment change over the year by industry

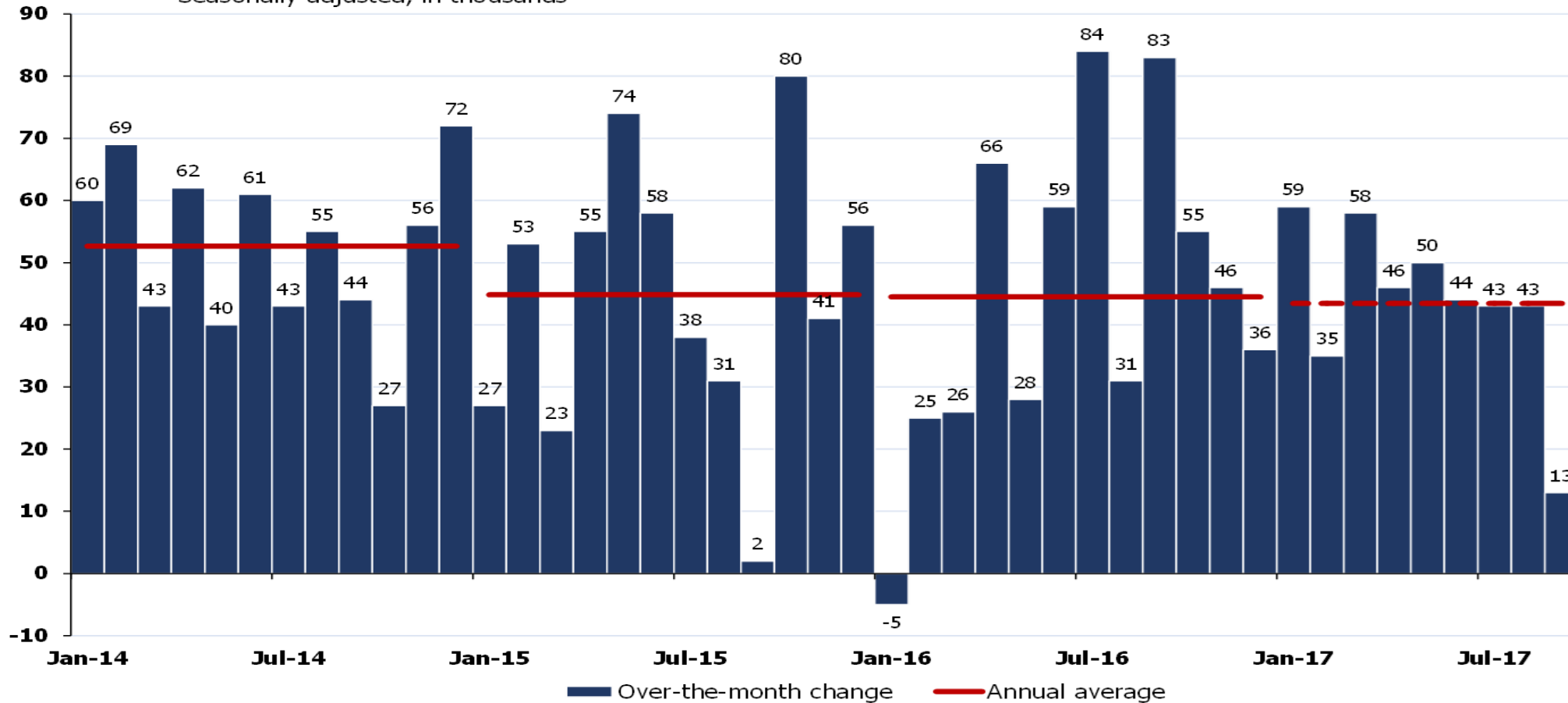Seasonally adjusted, 12-month net change, September 2017

Strong professional and business services growth

Employment in professional and business services
Over-the-month change, January 2014 - September 2017
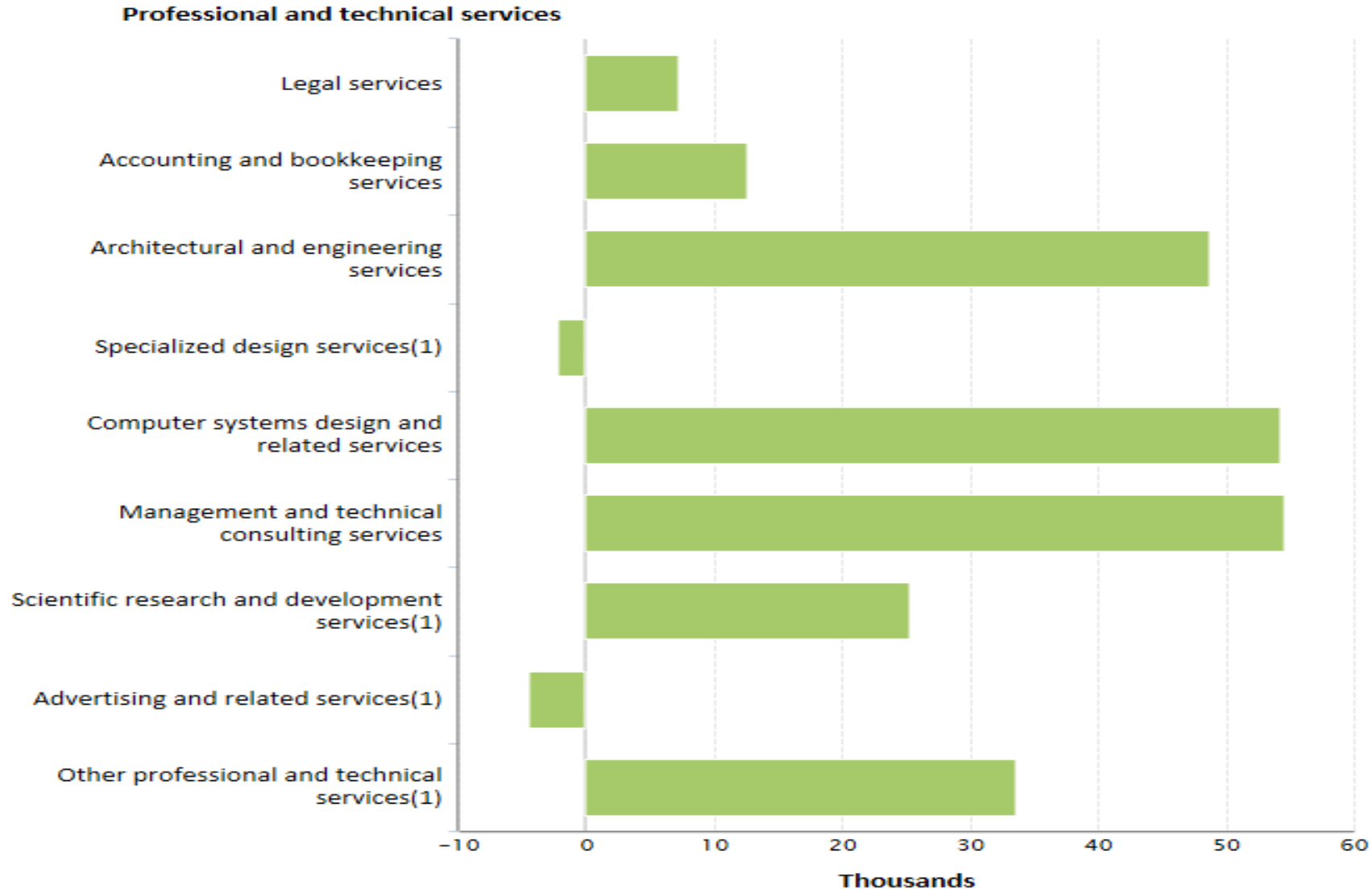Seasonally adjusted, in thousands

Bureau of Labor Statistics, Current Employment Statistics, October 06, 2017.
Most recent 2 months of data are preliminary.

Employment change - professional and technical services industries

Seasonally adjusted, 12-month net change, September 2017

Professional and technical services

- Legal services
- Accounting and bookkeeping services
- Architectural and engineering services
- Specialized design services(1)
- Computer systems design and related services
- Management and technical consulting services
- Scientific research and development services(1)
- Advertising and related services(1)
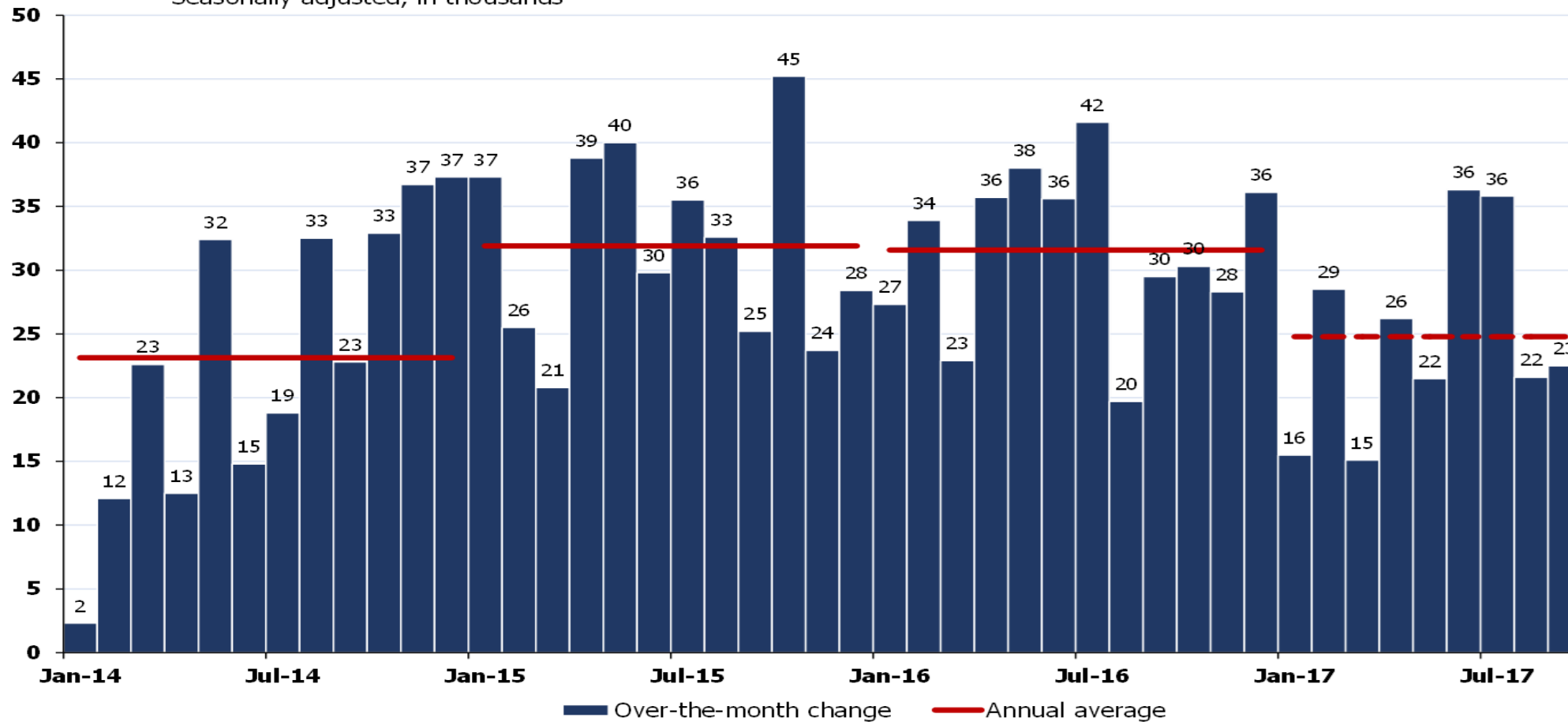- Other professional and technical services(1)

Thousands

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Job growth in health care

Employment in health care
Over-the-month change, January 2014 - September 2017
Seasonally adjusted, in thousands
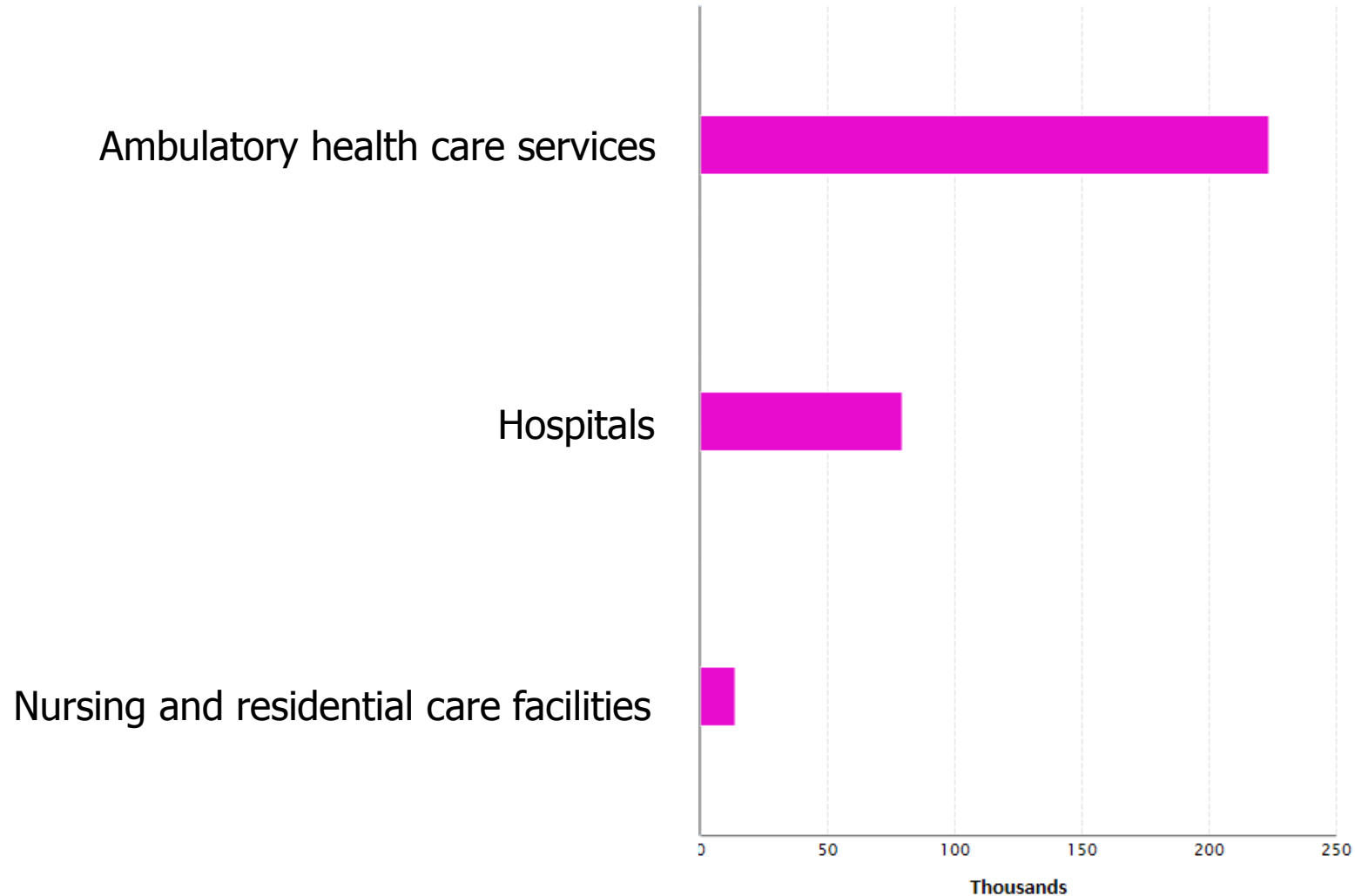
Health care added over 300,000 jobs over the year

Seasonally adjusted, 12-month net change, September 2017

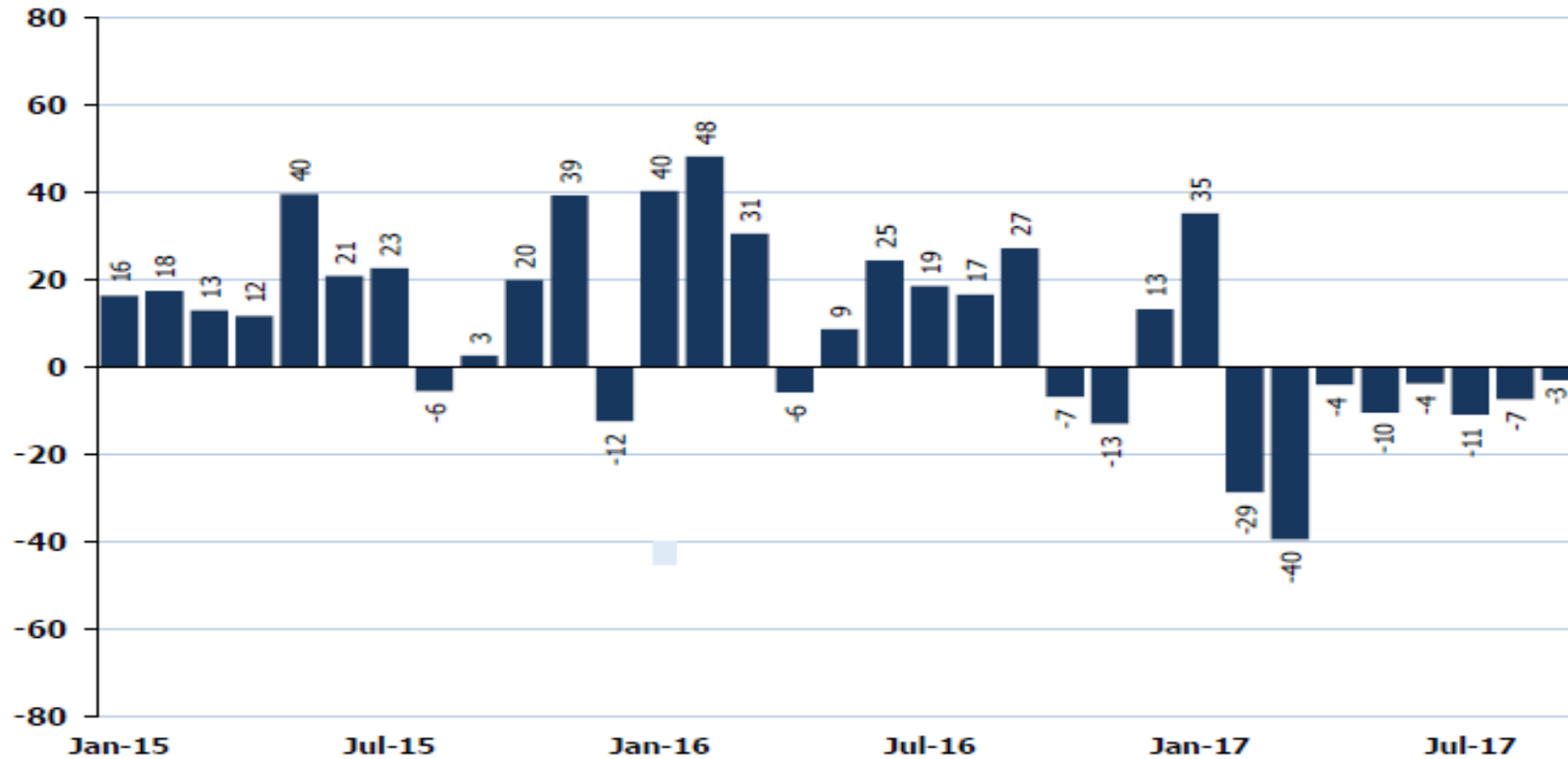# Retail trade has lost 107,000 jobs since January

Employment in retail trade

Over-the-month change, January 2015–September 2017
Seasonally adjusted, in thousands

Bureau of Labor Statistics, Current Employment Statistics survey, October 06, 2017.
Most recent 2 months of data are preliminary.

Employment change – retail trade industries

Seasonally adjusted, 12-month net change, September 2017

Construction growth has slowed

Employment in construction

Over-the-month change, January 2014–September 2017
Seasonally adjusted, in thousands
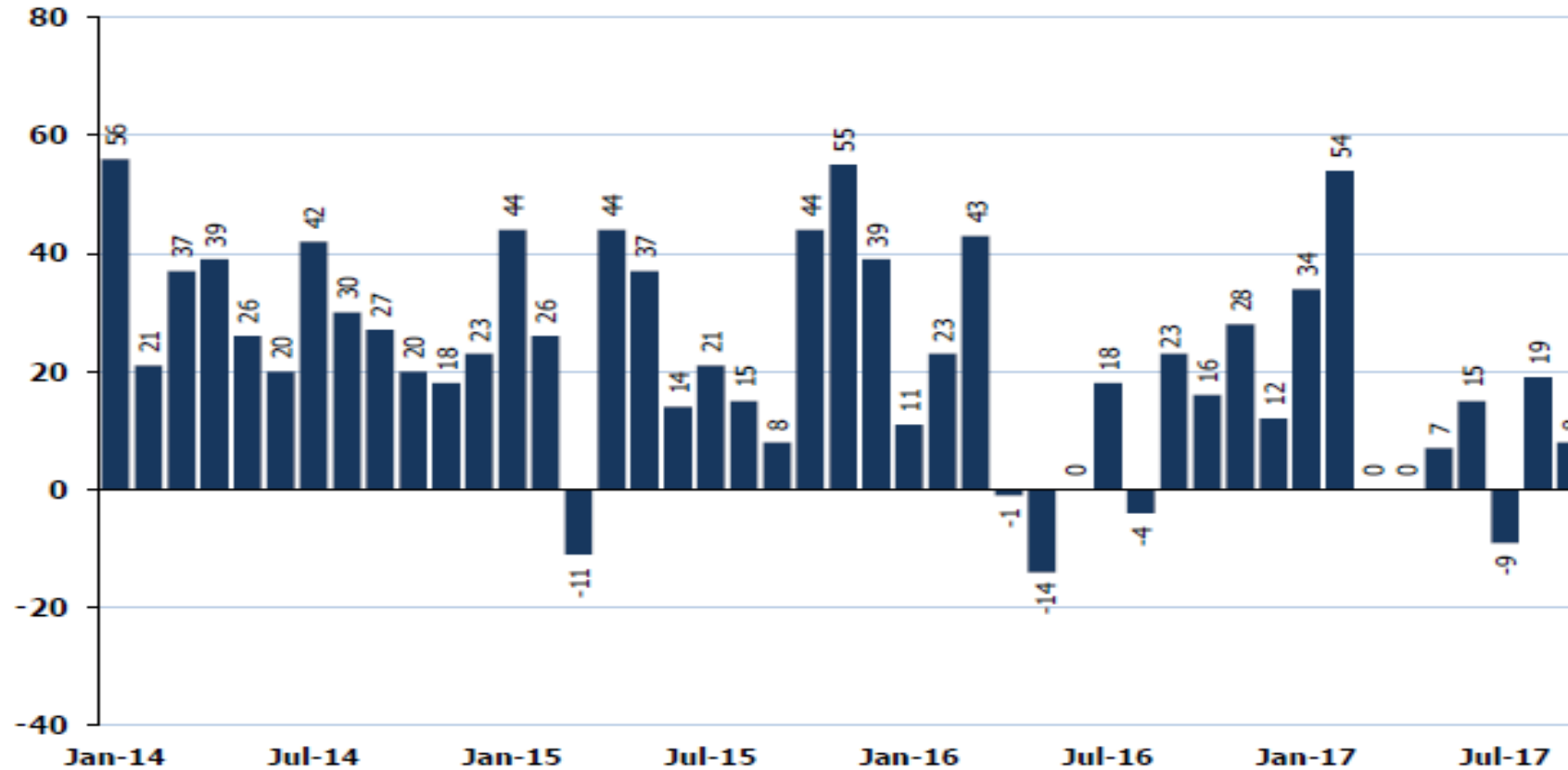
Bureau of Labor Statistics, Current Employment Statistics survey, October 06, 2017.
Most recent 2 months of data are preliminary.

Manufacturing job growth

Employment in manufacturing
Over-the-month change, January 2014 - September 2017
Seasonally adjusted, in thousands

Legend: ■ Over-the-month change — Annual average

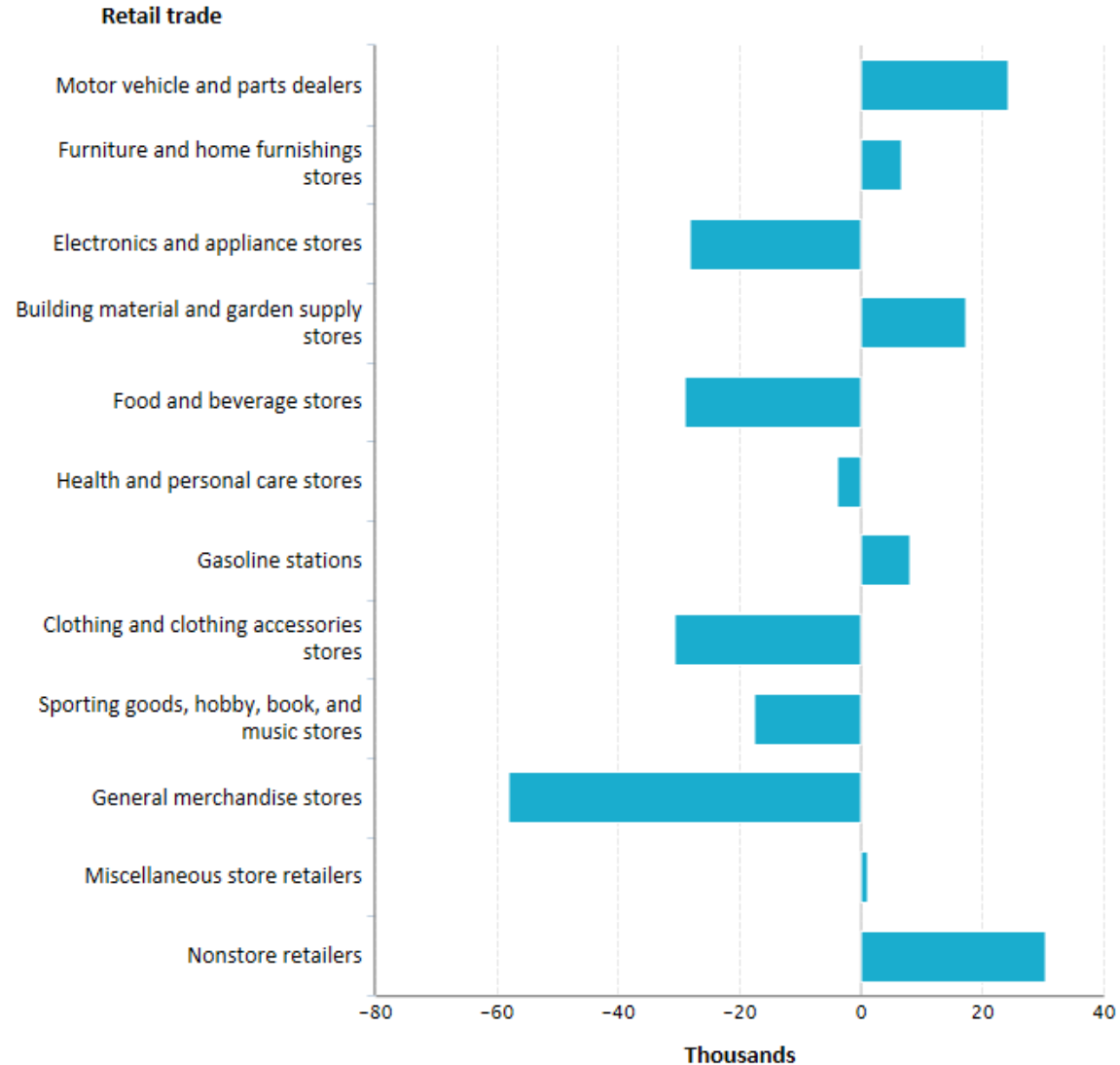Bureau of Labor Statistics, Current Employment Statistics, October 06, 2017.
Most recent 2 months of data are preliminary.

Transportation and warehousing growth similar to 2016

Employment in transportation and warehousing
Over-the-month change, January 2014 - September 2017
Seasonally adjusted, in thousands
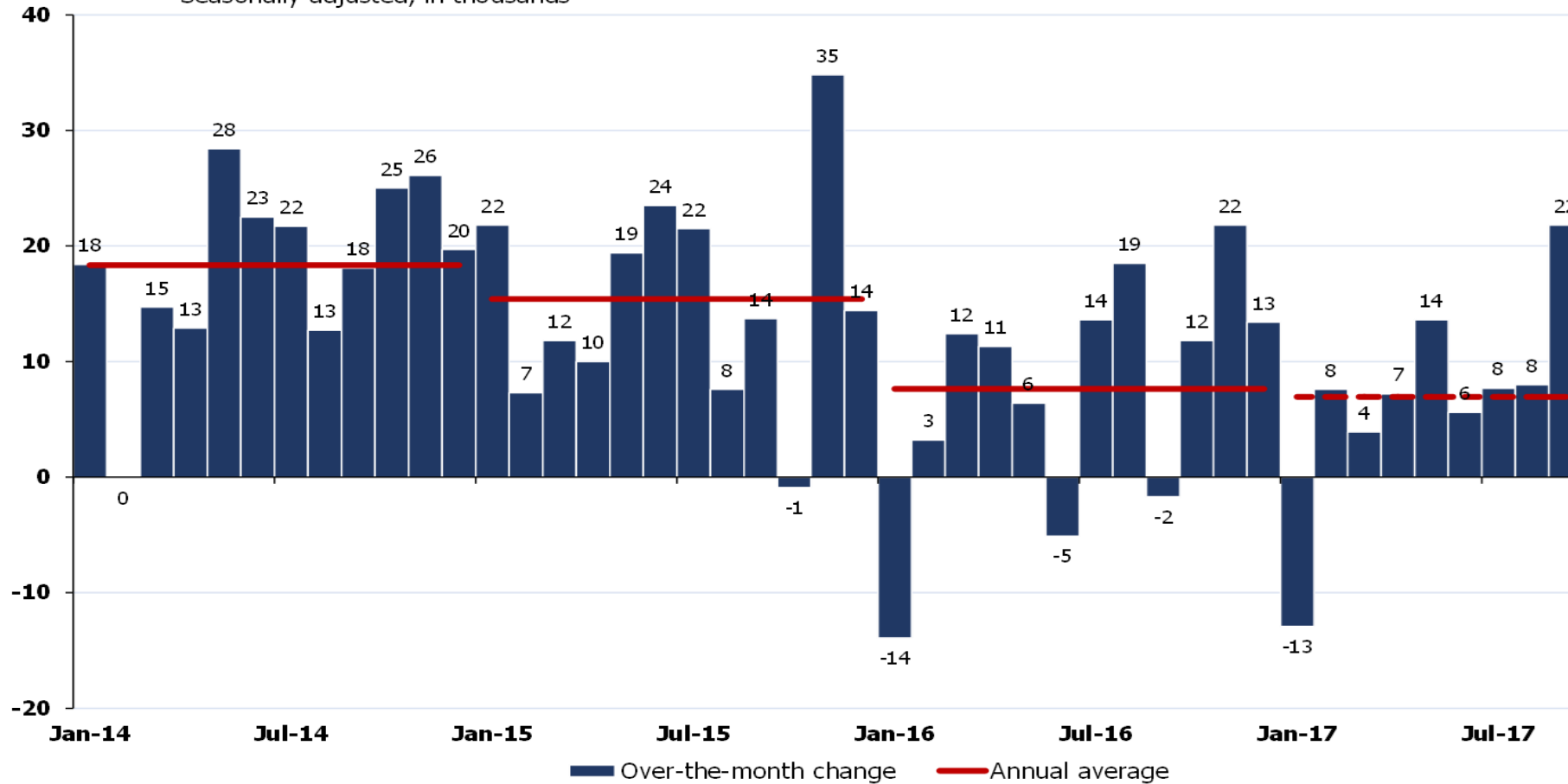
Bureau of Labor Statistics, Current Employment Statistics, October 06, 2017.
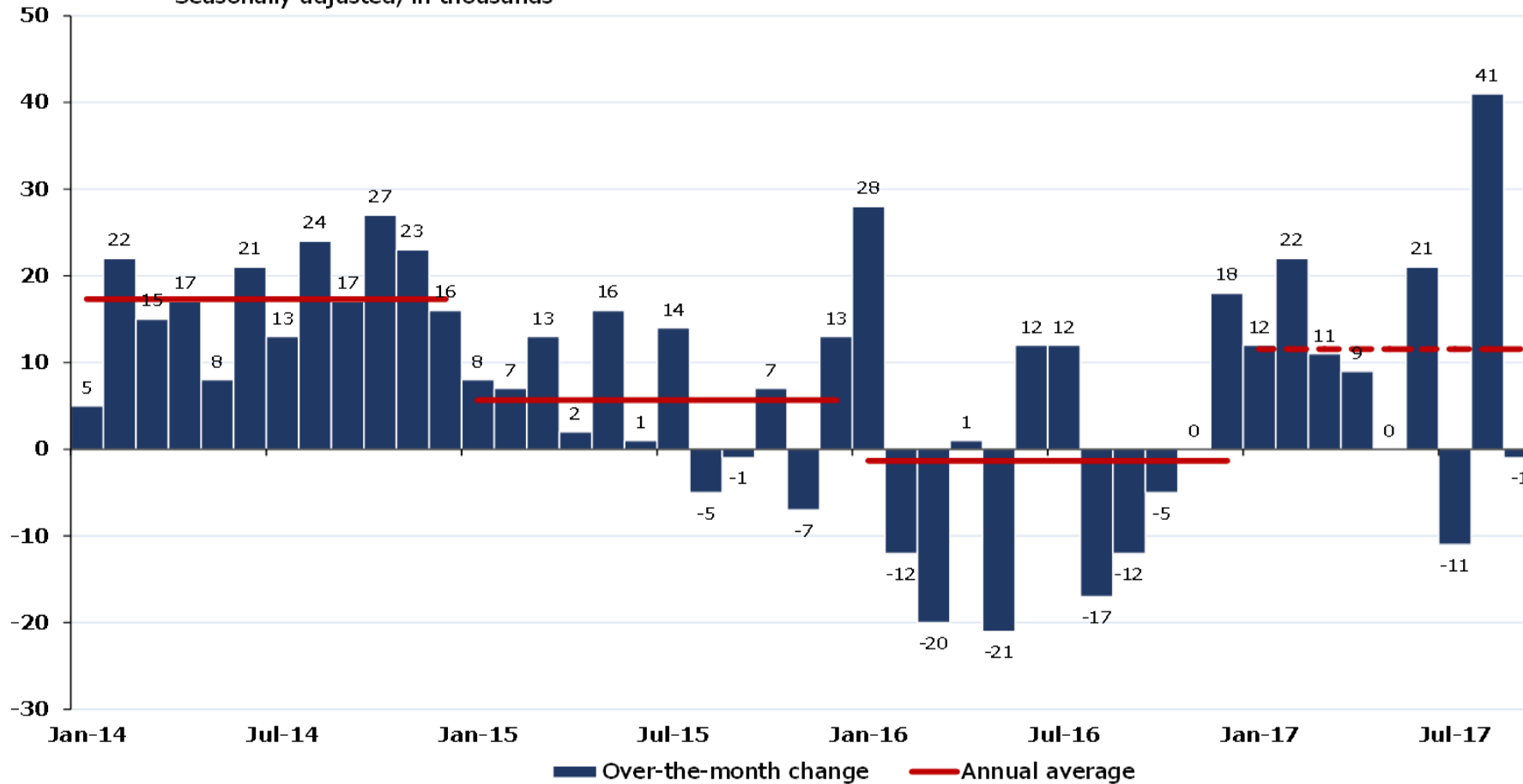Most recent 2 months of data are preliminary.

Employment Projections

Moderate Growth in Population and Labor Force

Annual rates of change

■ Labor force
■ Civilian non-institutional population aged 16 and over
■ Employment

	1976-86	1986-96	1996-2006	2006-16	Projected 2016-26
Labor force	2.1%	1.3%	1.2%	0.5%	0.6%
Civilian non-institutional population aged 16 and over	1.5%	1.1%	1.3%	1.0%	0.9%
Employment	2.3%	1.9%	1.3%	0.6%	0.7%
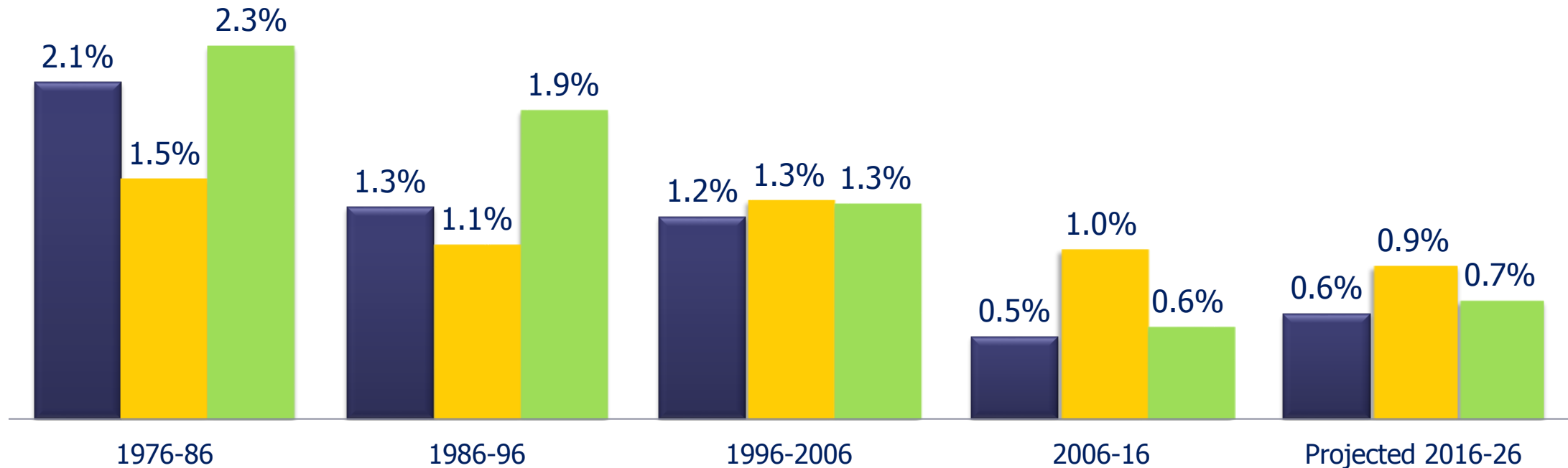
Source: U.S. Census Bureau and Bureau of Labor Statistics

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The Labor Force is Aging

Percent distribution of the labor force

	1996	2006	2016	Projected 2026
55 and older	11.9	16.8	22.5	24.8
45 to 54	19.7	23.2	21.3	19.2
35 to 44	27.3	23.7	20.6	22.2
25 to 34	25.3	21.5	22.3	22.1
16 to 24	15.8	14.8	13.3	11.7
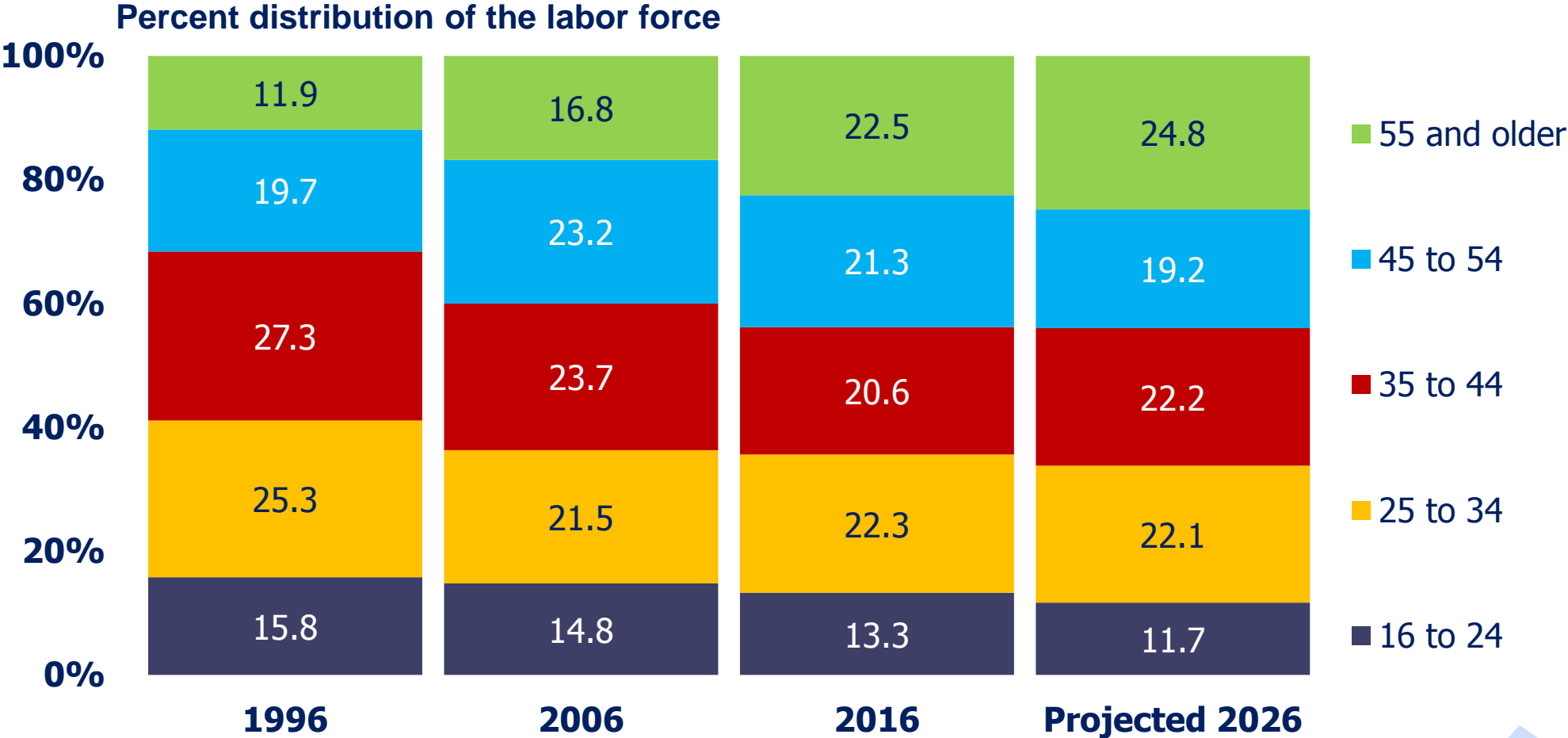
Real GDP Growth Below Historical Levels

10-year compound annual rate of change

Projected 2.0% over 2016-26
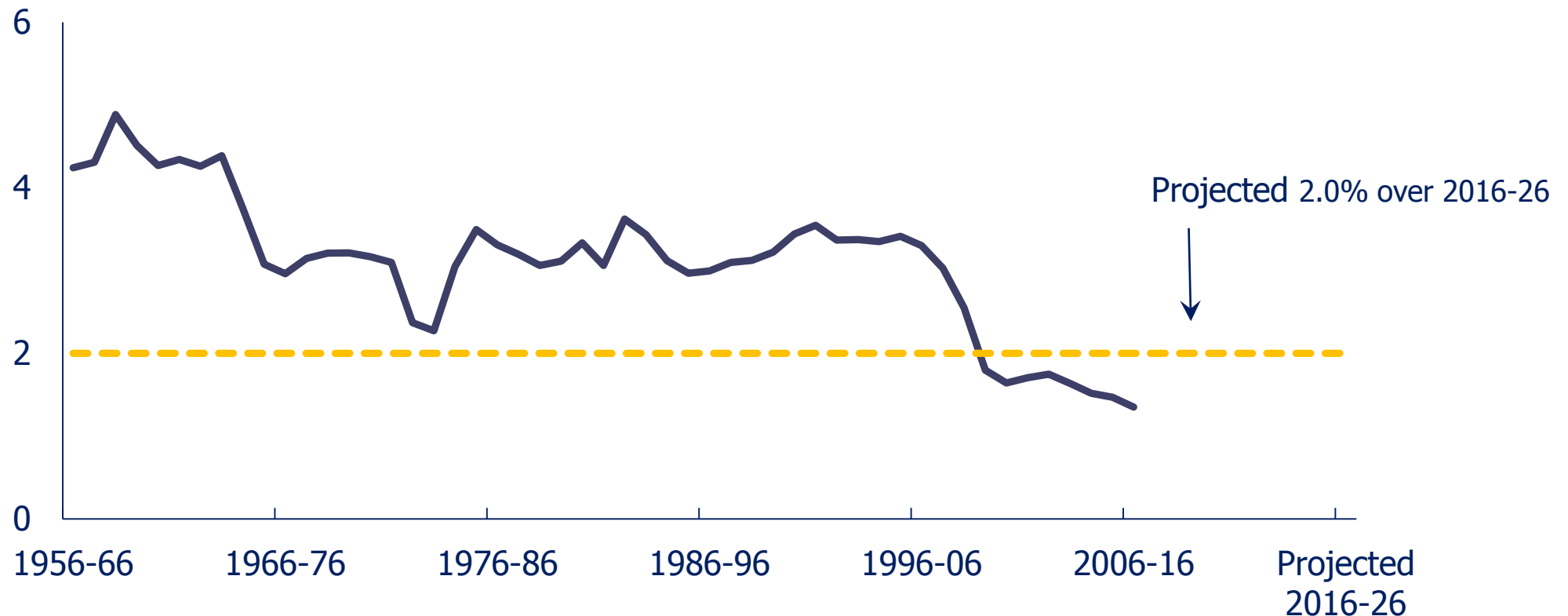
Source: U.S. Bureau of Economic Analysis and Bureau of Labor Statistics

Which industry is expected to add the most jobs between 2016 and 2026?

a) Health care

b) Professional and technical services

c) Federal government

d) Information

Health Care and Social Assistance remains the job machine

Annual rate of change for wage and salary employment, projected 2016-26

Thousands of wage and salary jobs added, 2016

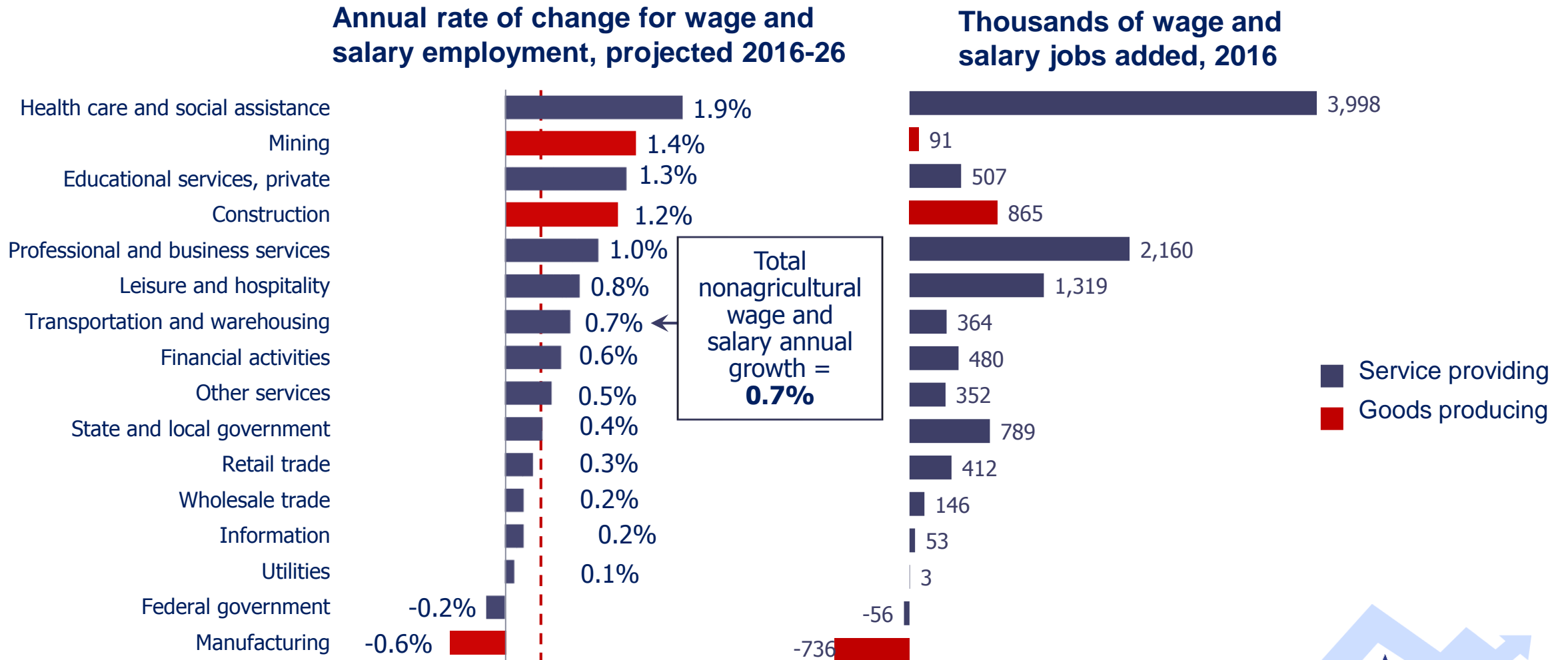| Category	Rate of change	Jobs added
Health care and social assistance	1.9%	3,998
Mining	1.4%	91
Educational services, private	1.3%	507
Construction	1.2%	865
Professional and business services	1.0%	2,160
Leisure and hospitality	0.8%	1,319
Transportation and warehousing	0.7%	364
Financial activities	0.6%	480
Other services	0.5%	352
State and local government	0.4%	789
Retail trade	0.3%	412
Wholesale trade	0.2%	146
Information	0.2%	53
Utilities	0.1%	3
Federal government	-0.2%	-56
Manufacturing	-0.6%	-736

Total nonagricultural wage and salary annual growth = **0.7%**

■ Service providing
■ Goods producing

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5 of the 10 Fastest Growing Occupations are Related to Healthcare

|	Percent change, projected 2016-26	Employment change, projected 2016-26 (in thousands)	Median annual wages, May 2016
Solar photovoltaic installers	105.3%	11.9	$39,240
Wind turbine service technicians	96.1%	5.5	$52,260
Home health aides	46.7%	425.6	$22,600
Personal care aides	37.4%	754.0	$21,920
Physician assistants	37.4%	39.7	$101,480
Nurse practitioners	36.0%	56.0	$100,910
Statisticians	33.4%	12.4	$80,500
Physical therapist assistants	30.8%	27.2	$56,610
Software developers, applications	30.5%	253.4	$100,080
Mathematicians	29.4%	0.9	$105,810

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Other Indicators

Wage increases remain above 2%

Wages and salaries in private industry and state and local government, 12-month percent change, not seasonally adjusted
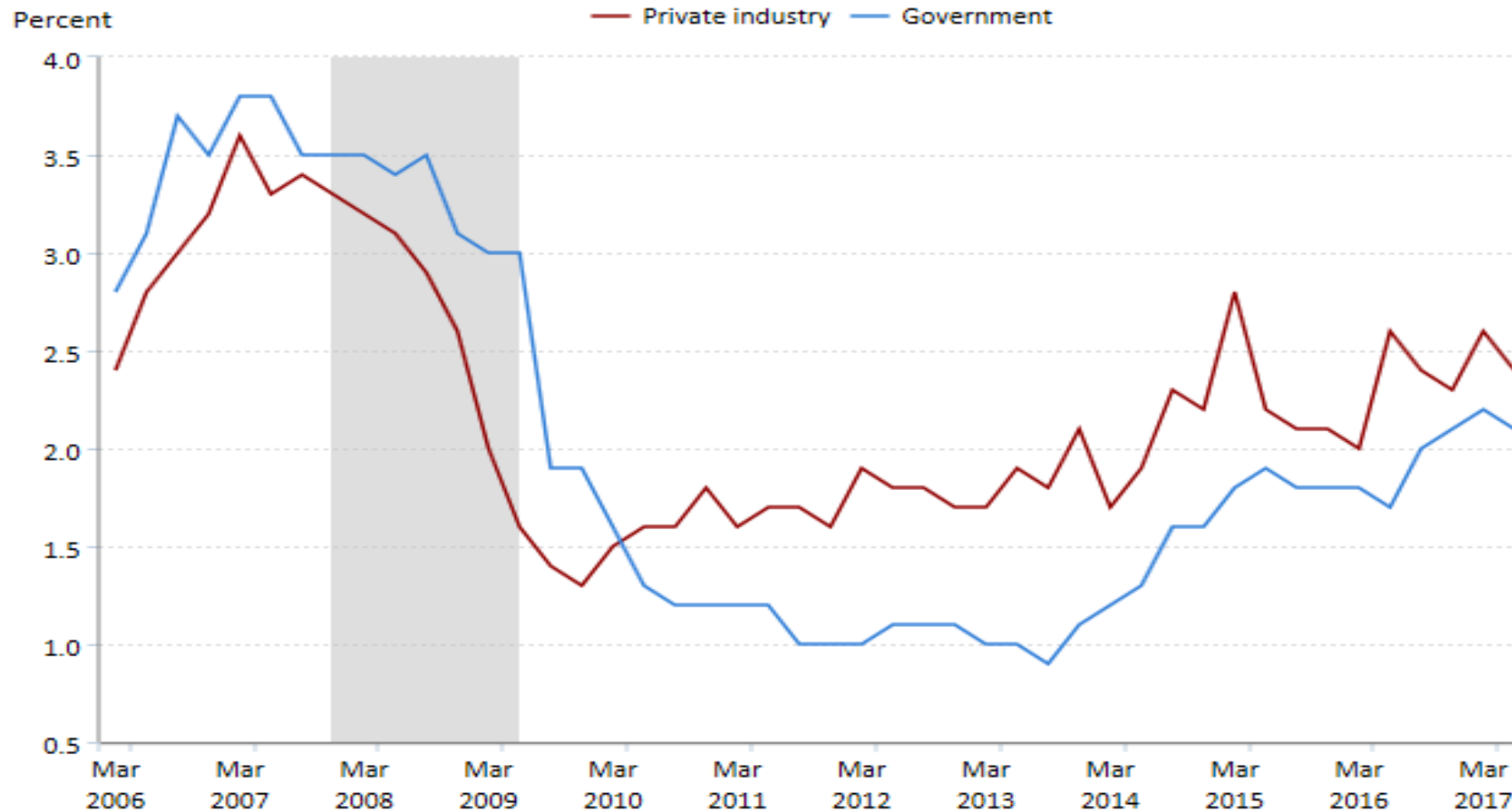
Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
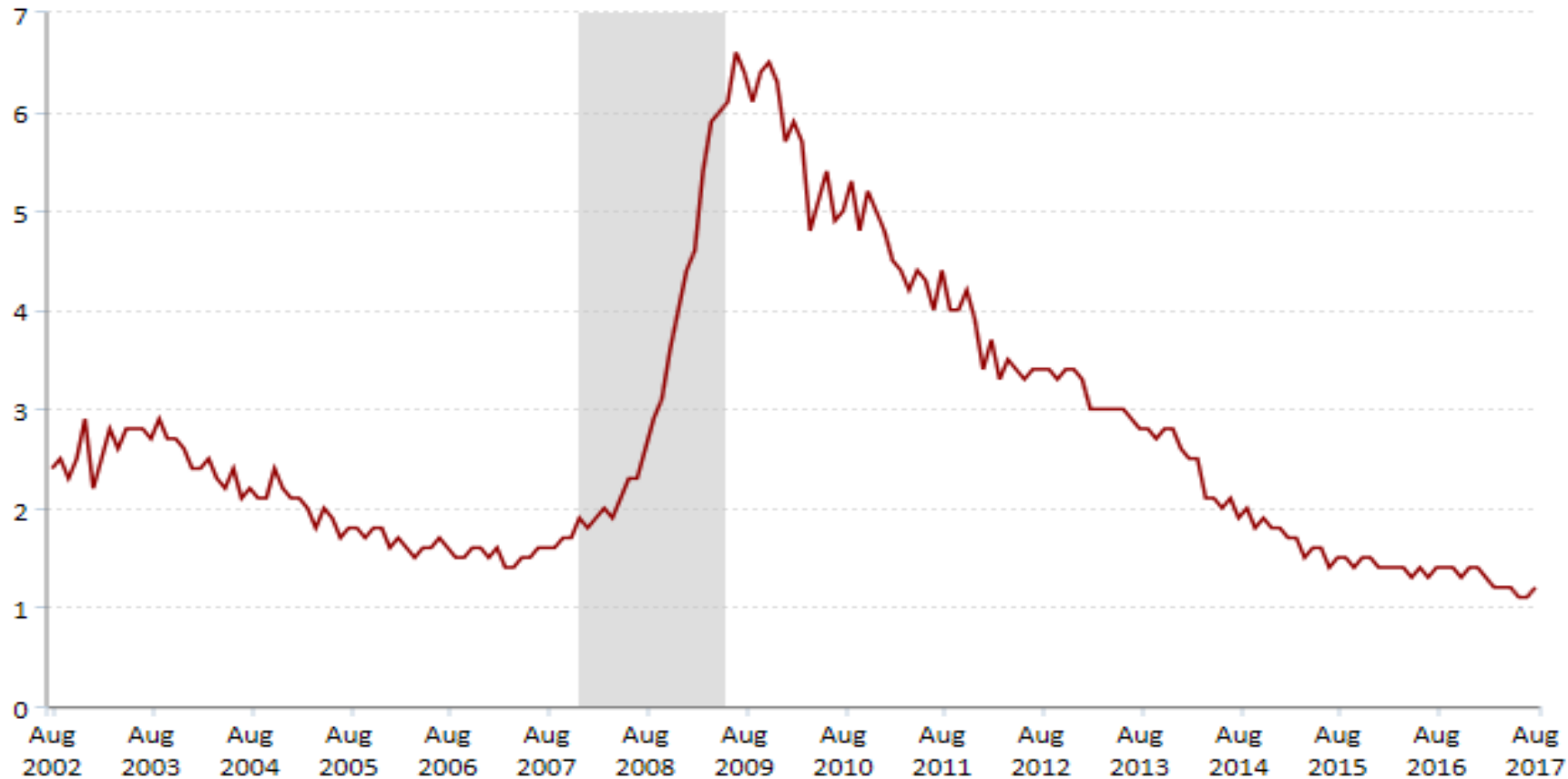Source: Bureau of Labor Statistics.

Number of unemployed persons per job opening declining

Number of unemployed persons per job opening, seasonally adjusted

Click and drag within the chart to zoom in on time periods

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).
Source: Bureau of Labor Statistics.

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- Give us feedback
  - ▶ As respondents—to reduce burden
  - ▶ As users—to improve products and accessibility
- Speak up for national statistics
  - ▶ Trustworthy
  - ▶ Needed

Contact Information

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