

NEWS RELEASE

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Arkansas' Unemployment Rate Up to 4.8 Percent in March

Arkansas Civilian Labor Force Summary:

Labor force data, produced by the U.S. Department of Labor, Bureau of Labor Statistics and released today by the Arkansas Division of Workforce Services, show Arkansas' seasonally adjusted unemployment rate rose one and three-tenths of a percentage point, from 3.5 percent in February to 4.8 percent in March. Arkansas' civilian labor force increased 19,039, a result of 18,526 more unemployed and 513 more employed Arkansans. The United States' jobless rate rose nine-tenths of a percentage point, going from 3.5 percent in February to 4.4 percent in March.

BLS Program Operations Manager Susan Price said, "Due to the unprecedented nature of the COVID 19 outbreak, changes were made to the models that calculate employment and unemployment across the country. The increase in the number of unemployed Arkansans is, in large part, a reflection of the number of Unemployment Insurance claims filed during the week of March 12th. The small gain in employment is based largely on a monthly survey of Arkansas households, which was significantly impacted by the outbreak. Please see the note below for more detailed information on the data collection and how the Bureau of Labor Statistics is making changes to fully capture the impact of the pandemic on the workforce."

The Impact of COVID-19 on the March Estimates

The labor market data from the establishment and household surveys for March broadly reflect the impact of the coronavirus (COVID-19) pandemic. BLS cannot precisely quantify the effects of the pandemic on the job market in March. However, it is clear that the changes in employment and unemployment can be ascribed to the effects of the illness and efforts to contain the virus.

It is important to keep in mind that the March survey reference periods for both surveys predated many coronavirus-related business and school closures in the second half of the month. *In the establishment survey, workers who are paid by their employer for all or any part of the pay period including the 12th of the month are counted as employed, even if they were not actually at their jobs. Workers who are temporarily or permanently absent from their jobs and who are not being paid are not counted as employed, even if they continue to receive benefits.* The establishment survey depends on the availability of survey respondents. Collection was adversely impacted due to the inability to reach some respondents. The collection rate for the establishment survey, at 66 percent, was about 9 percentage points lower than average. Although the collection rate was adversely affected by pandemic-related issues, BLS was still able to obtain estimates that met our standards for accuracy and reliability.

After careful evaluation, BLS staff determined that an unusually large number of household survey data series had outliers in March. Outlier detection is a usual part of the seasonal adjustment process. After manually designating these March estimates as outliers, BLS reran the seasonal adjustment models. For some data series, this had a substantive effect on March estimates. The full notes concerning the March estimates are available <u>here</u> on the BLS website.

ARKANSAS CIVILIAN LABOR FORCE SUMMARY, Seasonally Adjusted

	March 2020	February 2020	March 2019	Chg From Feb 2020	Chg From Mar 2019
Civilian Labor Force	1,386,748	1,367,709	1,361,942	19,039	24,806
Employment	1,320,420	1,319,907	1,313,673	513	6,747
Unemployment	66,328	47,802	48,269	18,526	18,059
Unemployment Rate	4.8	3.5	3.5	1.3	1.3
U.S. Unemployment Rate	4.4	3.5	3.8	0.9	0.6

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

ARKANSAS NONFARM PAYROLL JOBS, Not Seasonally Adjusted (In Thousands)

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North American Industry Classification	March	February	March	Chg From	Chg From
System (NAICS) Industry Group 2017	2020	2020	2019	Feb 2020	Mar 201
Total Nonfarm Payroll Jobs	1271.5	1273.5	1277.2	-2.0	-5.
Goods Producing	216.5	217.0	219.7	-0.5	-3.
Mining, Logging, & Construction	58.4	57.4	56.9	1.0	1.
Mining & Logging	5.6	5.6	5.8	0.0	-0.2
Construction	52.8	51.8	51.1	1.0	1.7
Specialty Trade Contractors	33.6	32.9	32.6	0.7	1.
Manufacturing	158.1	159.6	162.8	-1.5	-4.
Durable Goods	74.0	74.9	78.3	-0.9	-4.
Nondurable Goods	84.1	84.7	84.5	-0.6	-0.4
Service Providing	1055.0	1056.5	1057.5	-1.5	-2.
Trade, Transportation, & Utilities	251.3	250.2	250.2	1.1	1.:
Wholesale Trade	48.5	48.6	47.3	-0.1	1.
Retail Trade	134.3	133.3	135.3	1.0	-1.
Transportation, Warehousing, & Utilities	68.5	68.3	67.6	0.2	0.
Information	10.9	10.9	11.4	0.0	-0.
Financial Activities	61.5	61.2	62.2	0.3	-0.
Finance & Insurance	47.7	47.5	48.6	0.2	-0.
Real Estate, Rental, & Leasing	13.8	13.7	13.6	0.1	0.
Professional & Business Services	149.0	146.1	146.3	2.9	2.
Professional, Scientific, & Technical	46.5	46.2	45.4	0.3	1.
Management of Companies	35.3	35.0	33.5	0.3	1.
Administrative & Support Services	67.2	64.9	67.4	2.3	-0.
Educational & Health Services	195.2	198.4	193.9	-3.2	1.
Educational Services	16.6	16.6	16.5	0.0	0.
Health Care & Social Assistance	178.6	181.8	177.4	-3.2	1.
Ambulatory Health Care	60.4	62.1	59.1	-1.7	1.
Social Assistance	39.8	40.5	40.2	-0.7	-0.
Leisure & Hospitality	114.7	116.6	119.0	-1.9	-4.
Arts, Entertainment, & Recreation	11.1	10.6	10.8	0.5	0.
Accommodation & Food Services	103.6	106.0	108.2	-2.4	-4.
Accommodation Services	11.4	11.0	11.1	0.4	0.
Food Services	92.2	95.0	97.1	-2.8	-4.
Other Services	58.7	60.2	59.4	-1.5	-0.
Government	213.7	212.9	215.1	0.8	-1.
Federal Government	20.5	20.3	20.1	0.2	0
State Government	80.2	79.8	79.9	0.4	0.
State Government, Educational Services	32.2	31.9	31.8	0.3	0.
State Government, Excluding Education	48.0	47.9	48.1	0.1	-0.
Local Government	113.0	112.8	115.1	0.2	-2.
Local Government, Education Services	69.2	69.2	71.7	0.0	-2.
Local Government, Excluding Education	43.8	43.6	43.4	0.2	0.4
e: Monthly Survey of Employers, based on 1 st Quarter 2019 benchmark.		ent month's data are			

Source: Monthly Survey of Employers, based on 1st Quarter 2019 benchmark.

Notes: Current month's data are preliminary; previous month's data are revised.



About the Arkansas Department of Commerce:

The Arkansas Department of Commerce is the umbrella department for workforce and economic development drivers. Its divisions and regulatory boards include Division of Aeronautics, Waterways Commission, Wine Producers Council, Division of Workforce Services, Office of Skills Development, State Bank Department, Insurance Department, Securities Department, Economic Development Commission and Development Finance Authority. It was established July 2019 as part of Governor Asa Hutchinson's wide-sweeping efficiency and transformation efforts to reduce 42 cabinet agencies to 15 while maintaining services for all Arkansans.



About the Arkansas Division of Workforce Services

The mission of the Arkansas Division of Workforce Services is to support and secure Arkansas's economic vitality through a highly skilled workforce by administering programs and providing services that empower employers and jobseekers. ADWS is a division of the Arkansas Department of Commerce.



About Bureau of Labor Statistics (BLS)

The Bureau of Labor Statistics measures labor market activity, working conditions, price changes, and productivity In the U.S. economy to support public and private decision making.

About Local Area Unemployment Statistics (LAUS)

The LAUS program produces monthly and annual employment, unemployment, and labor force data for Census regions and divisions, States, counties, metropolitan areas, and many cities, by place of residence.

About Current Employment Statistics (CES)

The CES program produces detailed industry estimates of employment, hours, and earnings of workers on nonfarm payrolls. CES State and Metro Area produces data for all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and about 450 metropolitan areas and divisions.