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Susan Price, Arkansas BLS Programs Manager Arkansas Division of Workforce Services Susan.Price@arkansas.gov www.discover.arkansas.gov

Arkansas' Unemployment Rate Declines to 4.6 Percent in January

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 declined three-tenths of a percentage point from 4.9 percent in December 2020 to 4.6 percent in January 2021. The December 2020 unemployment rate was revised up from 4.2 percent to 4.9 percent (see Changes Affecting Data note on page 3). Arkansas' civilian labor force declined 3,360, a result of 3,635 fewer unemployed and 275 more employed Arkansans. The United States' jobless rate declined four-tenths of a percentage point, from 6.7 percent in December 2020 to 6.3 percent in January 2021.

BLS Program Operations Manager Susan Price said, "The annual revision of Arkansas' civilian labor force data shows that the impact of COVID on employment was not as large as originally estimated. Employment was revised up for every month of 2020. Based on updated information, Arkansas' unemployment rate peaked at 10.0 percent in April 2020 instead of the 10.8 percent originally calculated. All updated statewide data are available here."

Arkansas Nonfarm Payroll Job Summary:

Nonfarm payroll jobs in Arkansas decreased 18,000 in January to total 1,245,800. Eight major industry sectors posted declines, with losses in some sectors related to seasonal factors. Jobs in **trade**, **transportation**, **and utilities** are down 7,100. Most of the contraction occurred in retail trade (-5,500), due in large part to the end of temporary holiday hiring. **Government** employment decreased 3,500. Job losses in state government, educational services (-1,800) accounted for much of the decline and was related in part to winter break at public colleges and universities. Jobs in **leisure and hospitality** are down 2,700. All losses were reported in accommodation and food services (-2,700). Notable reductions were also reported in **professional and business services** (-2,100) and in **educational and health services** (-2,100).

Compared to January 2020, Arkansas' nonfarm payroll employment is down 36,200. Declines were posted in nine major industry sectors. Jobs in **leisure and hospitality** decreased 12,600, mostly in accommodation and food services (-11,700). **Government** employment is down 8,300. Losses occurred in all subsectors, with local government reporting most of the reduction (-5,900). Jobs in **educational and health services** declined 7,900. Health care and social assistance posted most of the loss (-7,000). Employment in **manufacturing** decreased 3,700, largely in nondurable goods manufacturing (-3,300). Smaller contractions occurred in **professional and business services** (-2,800), **other services** (-1,300), and in **information** (-1,100).

ARKANSAS CIVILIAN LABOR FORCE SUMMARY, Seasonally Adjusted

	January 2021	December 2020	January 2020	Chg From Dec 2020	Chg From Jan 2020
Civilian Labor Force	1,375,953	1,379,313	1,372,291	-3,360	3,662
Employment	1,312,417	1,312,142	1,322,159	275	-9,742
Unemployment	63,536	67,171	50,132	-3,635	13,404
Unemployment Rate	4.6	4.9	3.7	-0.3	0.9
U.S. Unemployment Rate	6.3	6.7	3.5	-0.4	2.8

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

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

North American Industry Classification	January	December	January	Chg From	Chg From
System (NAICS) Industry Group 2017	2021	2020	2020	Dec 2020	Jan 2020
Total Nonfarm Payroll Jobs	1245.8	1263.8	1282.0	-18.0	-36.2
Goods Producing	216.2	216.6	218.6	-0.4	-2.4
Mining, Logging, & Construction	58.9	59.3	57.6	-0.4	1.3
Mining & Logging	5.2	5.3	5.7	-0.1	-0.5
Construction	53.7	54.0	51.9	-0.3	1.8
Specialty Trade Contractors	34.0	34.4	33.0	-0.4	1.0
Manufacturing	157.3	157.3	161.0	0.0	-3.7
Durable Goods	76.1	75.9	76.5	0.2	-0.4
Nondurable Goods	81.2	81.4	84.5	-0.2	-3.3
Service Providing	1029.6	1047.2	1063.4	-17.6	-33.8
Trade, Transportation, & Utilities	251.1	258.2	250.7	-7.1	0.4
Wholesale Trade	46.7	46.0	47.1	0.7	-0.4
Retail Trade	138.2	143.7	135.5	-5.5	2.7
Transportation, Warehousing, & Utilities	66.2	68.5	68.1	-2.3	-1.9
Information	11.6	11.6	12.7	0.0	-1.1
Financial Activities	63.9	63.5	64.1	0.4	-0.2
Finance & Insurance	50.6	50.2	50.3	0.4	0.3
Real Estate, Rental, & Leasing	13.3	13.3	13.8	0.0	-0.5
Professional & Business Services	140.7	142.8	143.5	-2.1	-2.8
Professional, Scientific, & Technical	43.3	43.3	44.1	0.0	-0.8
Management of Companies	33.8	34.0	34.2	-0.2	-0.4
Administrative & Support Services	63.6	65.5	65.2	-1.9	-1.6
Educational & Health Services	187.1	189.2	195.0	-2.1	-7.9
Educational Services	15.6	15.9	16.5	-0.3	-0.9
Health Care & Social Assistance	171.5	173.3	178.5	-1.8	-7.0
Ambulatory Health Care	59.3	59.6	60.2	-0.3	-0.9
Social Assistance	35.9	36.6	39.9	-0.7	-4.0
Leisure & Hospitality	105.1	107.8	117.7	-2.7	-12.6
Arts, Entertainment, & Recreation	10.0	10.0	10.9	0.0	-0.9
Accommodation & Food Services	95.1	97.8	106.8	-2.7	-11.7
Accommodation Services	8.4	8.7	11.2	-0.3	-2.8
Food Services	86.7	89.1	95.6	-2.4	-8.9
Other Services	64.6	65.1	65.9	-0.5	-1.3
Government	205.5	209.0	213.8	-3.5	-8.3
Federal Government	20.3	20.8	20.6	-0.5	-0.3
State Government	75.6	77.4	77.7	-1.8	-2.1
State Government, Educational Services	29.0	30.8	29.8	-1.8	-0.8
State Government, Excluding Education	46.6	46.6	47.9	0.0	-1.3
Local Government	109.6	110.8	115.5	-1.2	-5.9
Local Government, Education Services	67.4	68.0	71.2	-0.6	-3.8
Local Government, Excluding Education	42.2	42.8	44.3	-0.6	-2.1

Source: Monthly Survey of Employers, based on 1st Quarter 2020 benchmark.

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

Changes Affecting Data

Arkansas Civilian Labor Force:

In accordance with guidelines from the U.S. Department of Labor, Bureau of Labor Statistics, Arkansas' Civilian Labor Force (CLF) estimates are undergoing annual processing. The purpose of annual processing is to incorporate more complete and accurate information into the estimation process.

All levels of data—State, counties, Metropolitan Statistical Areas (MSAs), Micropolitan Statistical Areas, Local Workforce Development Areas, and cities—are being revised. In addition to the typical annual revision process, BLS is incorporating a new estimation model into the methodology. Due to these updates, statewide CLF data was revised back to the beginning of series—January 1976. The new data are available at www.discover.arkansas.gov. Updated sub-state CLF estimates are still being produced and are scheduled for publication on April 16, 2021 on the Discover Arkansas website or at www.bls.gov. All sub-state CLF data will be revised back to January 1990.

Arkansas Nonfarm Payroll Jobs:

In accordance with the same guidelines, the Current Employment Statistics program also re-estimated the Nonfarm Payroll Job series to include more comprehensive and precise information into the calculations. Statewide and MSA estimates were revised back 5 quarters, to October 2019. All revised Nonfarm Payroll Jobs data have been updated on the Discover Arkansas website.



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.