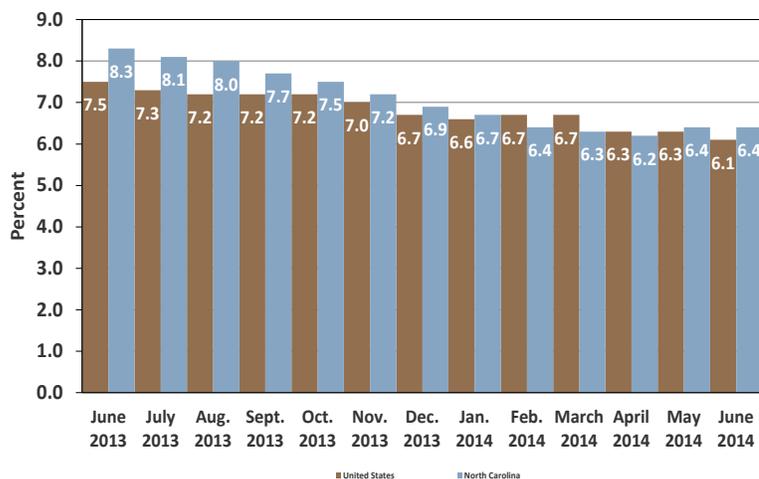


North Carolina Labor Market Conditions

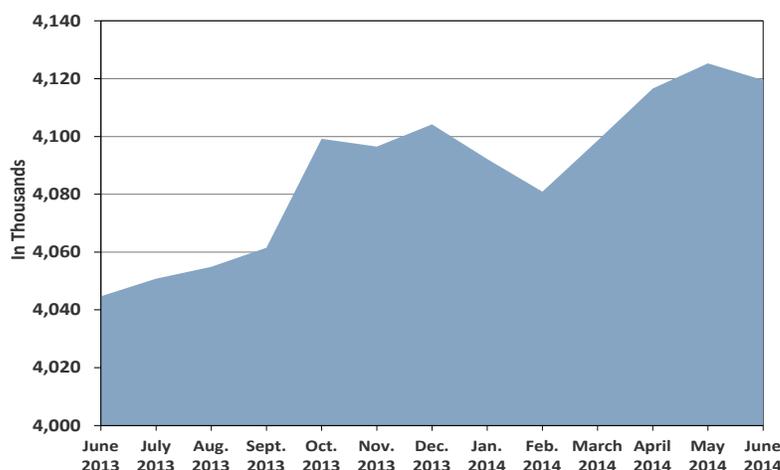
June
2014*

United States/North Carolina Unemployment Rates
June 2013-June 2014
(Smoothed Seasonally Adjusted**)

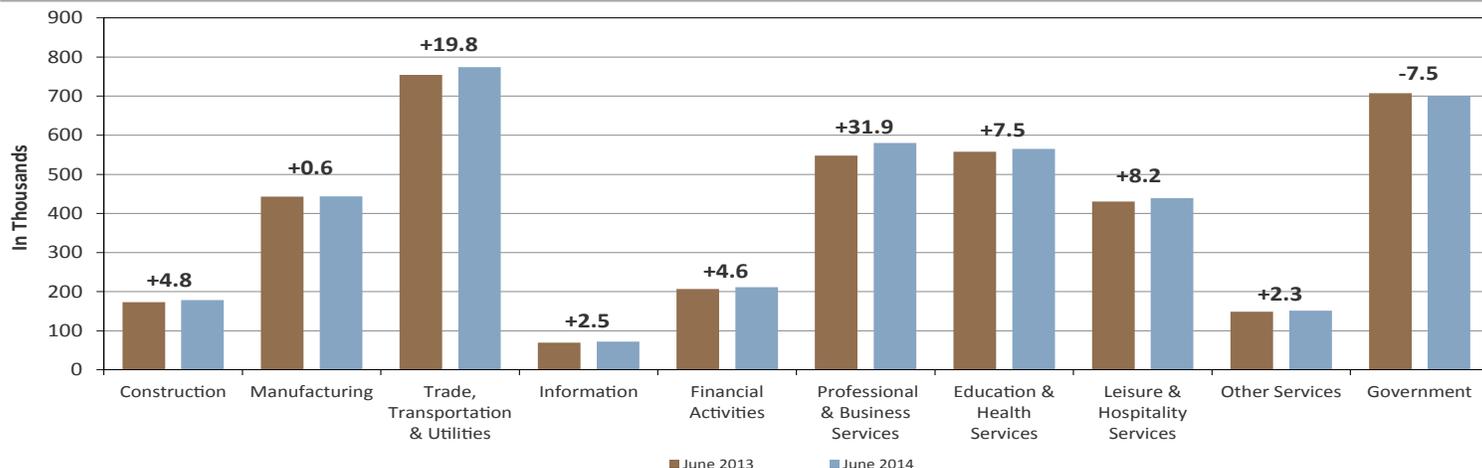


**US data are not smoothed.

North Carolina Total Nonfarm Employment
June 2013-June 2014
(Seasonally Adjusted)



Changes in Employment by NAICS Industries
June 2013 Compared to June 2014
(Seasonally Adjusted)



*NC current month data are preliminary, while other 2014 data are revised and 2013 data have undergone annual revision. US 2014 data reflect new population estimates, while previous years' data have undergone annual revision.

The North Carolina smoothed seasonally adjusted unemployment rate was 6.4 percent in June, remaining unchanged from the previous month, and falling 1.9 percentage points from June 2013. Over the month, the number of persons unemployed fell by 2,142 (0.7%). The civilian labor force decreased by 10,719 (0.2%) to 4,688,480.

Nationally, June's unemployment rate was 6.1 percent. The number of persons unemployed was 9,474,000, while the civilian labor force was 155,694,000.

Seasonally adjusted Total Nonfarm industry employment (4,119,500) has decreased 5,800 (0.1%) since May 2014, and increased 74,800 (1.8%) since June 2013.¹ Private sector employment grew over the month by 7,500 (0.2%) and 82,300 (2.5%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Professional & Business Services had the largest over-the-month gain in jobs (3,700; 0.6%), followed by Financial Activities (3,400; 1.6%), Trade, Transportation & Utilities (1,000; 0.1%), Construction (600; 0.3%), Education & Health Services (600; 0.1%), Manufacturing (300; 0.1%) and Mining & Logging (100; 1.8%). Government (13,300; 1.9%) had the largest over-the-month decrease, followed by Other Services (1,500; 1.0%), Information (500; 0.7%), and Leisure & Hospitality Services (200; >-0.1%).

Since June 2013, Professional & Business Services added the largest number of jobs (31,900; 5.8%), followed by Trade, Transportation & Utilities (19,800; 2.6%), Leisure & Hospitality Services (8,200; 1.9%), Education & Health Services (7,500; 1.3%), Construction (4,800; 2.8%), Financial Activities (4,600; 2.2%), Information (2,500; 3.6%), Other Services (2,300; 1.5%), Manufacturing (600; 0.1%) and Mining & Logging (100; 1.8%). Government was the only industry to report a loss over the year at 7,500 (1.1%).

¹It is important to note that industry employment estimates are subject to large seasonal patterns. Seasonal adjustment factors are applied to the data. However, these factors may not be fully capturing the seasonal trend. Therefore, when interpreting the changes in industry employment, it is advisable to focus on over-the-year changes in both the seasonally adjusted and not seasonally adjusted series.

North Carolina Labor Market Conditions

The June 2014 not seasonally adjusted Total Nonfarm employment level of 4,133,000 was 22,800 (0.5%) lower than the May 2014 revised employment level of 4,155,800. Among the major industries in North Carolina, Leisure & Hospitality Services had the largest over-the-month increase in employment at 9,500 (2.1%), followed by Financial Activities (5,400; 2.6%), Professional & Business Services (5,300; 0.9%), Trade, Transportation & Utilities (4,500; 0.6%), Construction (2,700; 1.5%), Manufacturing (2,500; 0.6%), Other Services (800; 0.5%), Information (600; 0.8%) and Mining & Logging (100; 1.8%). Government (49,400; 6.7%) had the largest over-the-month decrease, followed by Education & Health Services (4,800; 0.8%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 71,000 (2.1%) jobs. Professional & Business Services experienced the largest employment increase with 34,500 (6.3%), followed by Trade, Transportation & Utilities (19,400; 2.6%), Leisure & Hospitality Services (9,100; 2.0%), Financial Activities (6,100; 2.9%), Education & Health Services (5,400; 1.0%), Other Services (2,800; 1.9%) and Information (2,600; 3.7%). Government (8,900; 1.3%) had the only over-the-year decrease.

The Goods Producing sector increased by 4,900 (0.8%) jobs over the year. Construction experienced the largest employment increase with 4,100 (2.3%), followed by Manufacturing (700; 0.2%) and Mining & Logging (100; 1.8%).

Food had the largest amount of manufacturing employment with 51,600 in June 2014. Both Chemical and Wood Product had the largest net over-the-year increase at 1,300. Other manufacturing industries with over-the-year gains were: Transportation Equipment, 1,100; Furniture & Related Product, 900; Fabricated Metal Product, 800; Machinery, 500; Plastics & Rubber Products, 100; and Printing, 100.

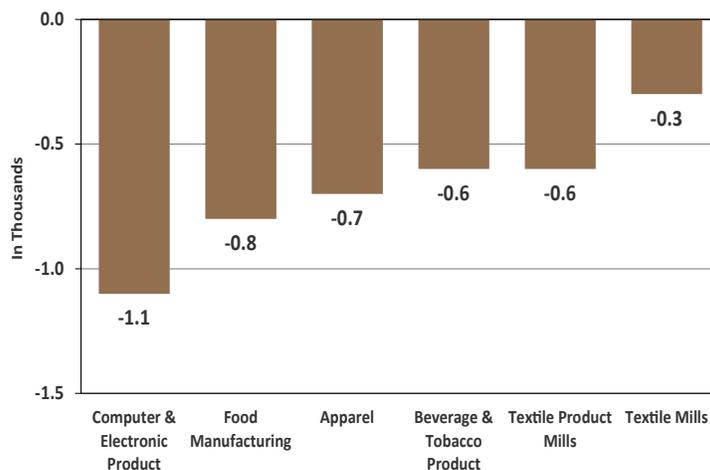
Average Weekly Hours for manufacturing production workers in June increased 42 minutes from May's revised rate of 43.1. Average Hourly Earnings fell by \$0.16 to \$16.65, as Average Weekly Earnings grew by \$4.76 to \$729.27.

Regular Initial Claims for Unemployment Insurance (UI) totaled 24,209 in June, increasing 903 from May. Less than 1 percent of Initial Claims for June 2014 were "attached" to a payroll, meaning that employees expect to be recalled to their jobs.

A total of \$36,846,105 in regular UI benefits was paid in June to 40,347 claimants statewide — a decrease of 2,035 claimants since May 2014.

For the 12-month period ending June 2014, \$717,849,262 was paid from all programs, both state and federal. The UI Trust Fund balance at the end of June was in the red (\$976,599,197). The State Reserve Fund balance was \$52,279,881.

Selected Manufacturing Industries With Job Losses
June 2013-June 2014
(Not Seasonally Adjusted)



Selected Service Industries With Job Gains
June 2013-June 2014
(Not Seasonally Adjusted)



UI Taxes Collected and NC Regular UI Benefits Paid
June 2013-June 2014

