

# NEWS RELEASE

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## STATE EMPLOYMENT AND UNEMPLOYMENT — SEPTEMBER 2017

Unemployment rates were lower in September in 11 states, higher in 4 states, and stable in 35 states and the District of Columbia, the U.S. Bureau of Labor Statistics reported today. Twenty-two states had jobless rate decreases from a year earlier, 1 state had an increase, and 27 states and the District had little or no change. The national unemployment rate declined by 0.2 percentage point from August to 4.2 percent and was 0.7 point lower than in September 2016.

Nonfarm payroll employment decreased in 6 states in September 2017, increased in 5 states, and was essentially unchanged in 39 states and the District of Columbia. Over the year, 28 states added nonfarm payroll jobs and 22 states and the District were essentially unchanged.

### Unemployment

North Dakota had the lowest unemployment rate in September, 2.4 percent, closely followed by Colorado and Hawaii, 2.5 percent each. The rates in Idaho (2.8 percent) and Tennessee (3.0 percent) set new series lows. (All state series begin in 1976.) Alaska had the highest jobless rate, 7.2 percent. In total, 15 states had unemployment rates lower than the U.S. figure of 4.2 percent, 13 states and the District of Columbia had higher rates, and 22 states had rates that were not appreciably different from that of the nation. (See tables A and 1 and map 1.)

### Hurricanes Harvey, Irma, and Maria

Hurricane Harvey made landfall in Texas prior to the September 2017 reference period for both the establishment and household surveys. Hurricane Irma made landfall in Florida during the reference period for both surveys. However, for both surveys, data collection rates generally were within normal ranges, both nationally and in the affected states. Therefore, no changes were made to the estimation procedures for September.

In the establishment survey, employees who are not paid for the pay period that includes the 12th of the month are not counted as employed. In the household survey, persons with a job are counted as employed even if they miss work for the entire survey reference week (the week including the 12th of

the month), regardless of whether or not they are paid. For a general discussion of how unusually severe weather can affect the estimates, see the Frequently Asked Questions section of the Employment Situation news release at [www.bls.gov/news.release/empsit.faq.htm](http://www.bls.gov/news.release/empsit.faq.htm).

Due to Hurricanes Irma and Maria, Puerto Rico was not able to conduct normal data collection for either its household or establishment surveys for September. Likewise, the U.S. Virgin Islands was not able to administer its establishment survey for September. National estimates do not include Puerto Rico or the U.S. Virgin Islands.

More information on the effects of the recent hurricanes on BLS data collection and reporting can be found at [www.bls.gov/bls/hurricanes-harvey-irma-maria.htm](http://www.bls.gov/bls/hurricanes-harvey-irma-maria.htm).

In September, 11 states had unemployment rate decreases, the largest of which was in Alabama (-0.4 percentage point), closely followed by Arizona, Kentucky, Massachusetts, and Tennessee (-0.3 point each). Four states had notable rate increases, the largest of which were in Michigan (+0.4 percentage point) and Indiana (+0.3 point). The remaining 35 states and the District of Columbia had jobless rates that were not notably different from those of a month earlier, though some had changes that were at least as large numerically as the significant changes. (See table B.)

Twenty-two states had unemployment rate decreases from September 2016. The largest declines occurred in Alabama and Tennessee (-2.2 percentage points and -1.9 points, respectively). The only over-the-year rate increase was in South Dakota (+0.5 percentage point). (See table C.)

## **Nonfarm Payroll Employment**

Six states had over-the-month decreases in nonfarm payroll employment in September 2017. The largest decrease in employment over the month occurred in Florida (-127,400), followed by New York (-34,100) and Missouri (-10,500). In percentage terms, the largest decreases occurred in Florida (-1.5 percent), Wyoming (-0.9 percent), and New Hampshire and Rhode Island (-0.7 percent each). Five states had over-the-month increases in nonfarm payroll employment in September. The largest increase in employment occurred in California (+52,200), followed by Washington (+13,800) and Indiana (+11,400). In percentage terms, the largest increase occurred in Nebraska (+0.5 percent), followed by Arizona, Indiana, and Washington (+0.4 percent each). (See tables D and 3.)

Twenty-eight states had over-the-year increases in nonfarm payroll employment in September. The largest job gains occurred in California (+280,300), Texas (+256,100), and New York (+93,100). The largest percentage gains occurred in Nevada and Utah (+2.5 percent each), followed by Maryland (+2.4 percent). (See table E and map 2.)

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**The Metropolitan Area Employment and Unemployment news release for September is scheduled to be released on Wednesday, November 1, 2017, at 10:00 a.m. (EDT). The State Employment and Unemployment news release for October is scheduled to be released on Friday, November 17, 2017, at 10:00 a.m. (EST).**

**Table A. States with unemployment rates significantly different from that of the U.S., September 2017, seasonally adjusted**

| State                            | Rate <sup>P</sup> |
|----------------------------------|-------------------|
| United States <sup>1</sup> ..... | 4.2               |
| Alaska .....                     | 7.2               |
| Arkansas .....                   | 3.5               |
| California .....                 | 5.1               |
| Colorado .....                   | 2.5               |
| Delaware .....                   | 4.9               |
| District of Columbia .....       | 6.5               |
| Hawaii .....                     | 2.5               |
| Idaho .....                      | 2.8               |
| Illinois .....                   | 5.0               |
| Iowa .....                       | 3.2               |
| Kentucky .....                   | 5.2               |
| Louisiana .....                  | 5.1               |
| Minnesota .....                  | 3.7               |
| Mississippi .....                | 5.2               |
| Nebraska .....                   | 2.8               |
| Nevada .....                     | 4.9               |
| New Hampshire .....              | 2.7               |
| New Mexico .....                 | 6.2               |
| New York .....                   | 4.9               |
| North Dakota .....               | 2.4               |
| Ohio .....                       | 5.3               |
| Pennsylvania .....               | 4.8               |
| South Dakota .....               | 3.4               |
| Tennessee .....                  | 3.0               |
| Utah .....                       | 3.4               |
| Vermont .....                    | 2.9               |
| Virginia .....                   | 3.7               |
| West Virginia .....              | 5.1               |
| Wisconsin .....                  | 3.5               |

<sup>1</sup> Data are not preliminary.

<sup>P</sup> = preliminary.

**Table B. States with statistically significant unemployment rate changes from August 2017 to September 2017, seasonally adjusted**

| State               | Rate        |                             | Over-the-month<br>change <sup>p</sup> |
|---------------------|-------------|-----------------------------|---------------------------------------|
|                     | August 2017 | September 2017 <sup>p</sup> |                                       |
| Alabama .....       | 4.2         | 3.8                         | -0.4                                  |
| Arizona .....       | 5.0         | 4.7                         | -.3                                   |
| Connecticut .....   | 4.8         | 4.6                         | -.2                                   |
| Florida .....       | 4.0         | 3.8                         | -.2                                   |
| Georgia .....       | 4.7         | 4.5                         | -.2                                   |
| Hawaii .....        | 2.6         | 2.5                         | -.1                                   |
| Indiana .....       | 3.5         | 3.8                         | .3                                    |
| Kentucky .....      | 5.5         | 5.2                         | -.3                                   |
| Massachusetts ..... | 4.2         | 3.9                         | -.3                                   |
| Michigan .....      | 3.9         | 4.3                         | .4                                    |
| Minnesota .....     | 3.8         | 3.7                         | -.1                                   |
| New Jersey .....    | 4.5         | 4.7                         | .2                                    |
| North Dakota .....  | 2.3         | 2.4                         | .1                                    |
| Tennessee .....     | 3.3         | 3.0                         | -.3                                   |
| Vermont .....       | 3.0         | 2.9                         | -.1                                   |

<sup>p</sup> = preliminary.

**Table C. States with statistically significant unemployment rate changes from September 2016 to September 2017, seasonally adjusted**

| State                | Rate           |                             | Over-the-year<br>change <sup>p</sup> |
|----------------------|----------------|-----------------------------|--------------------------------------|
|                      | September 2016 | September 2017 <sup>p</sup> |                                      |
| Alabama .....        | 6.0            | 3.8                         | -2.2                                 |
| California .....     | 5.3            | 5.1                         | -.2                                  |
| Colorado .....       | 3.2            | 2.5                         | -.7                                  |
| Florida .....        | 4.9            | 3.8                         | -1.1                                 |
| Georgia .....        | 5.4            | 4.5                         | -.9                                  |
| Hawaii .....         | 3.0            | 2.5                         | -.5                                  |
| Idaho .....          | 3.8            | 2.8                         | -1.0                                 |
| Illinois .....       | 5.8            | 5.0                         | -.8                                  |
| Louisiana .....      | 6.1            | 5.1                         | -1.0                                 |
| Missouri .....       | 4.7            | 3.8                         | -.9                                  |
| Nebraska .....       | 3.3            | 2.8                         | -.5                                  |
| New Mexico .....     | 6.8            | 6.2                         | -.6                                  |
| North Carolina ..... | 5.1            | 4.1                         | -1.0                                 |
| North Dakota .....   | 3.1            | 2.4                         | -.7                                  |
| Pennsylvania .....   | 5.5            | 4.8                         | -.7                                  |
| Rhode Island .....   | 5.3            | 4.2                         | -1.1                                 |
| South Dakota .....   | 2.9            | 3.4                         | .5                                   |
| Tennessee .....      | 4.9            | 3.0                         | -1.9                                 |
| Texas .....          | 4.7            | 4.0                         | -.7                                  |
| Washington .....     | 5.3            | 4.6                         | -.7                                  |
| West Virginia .....  | 5.9            | 5.1                         | -.8                                  |
| Wisconsin .....      | 4.2            | 3.5                         | -.7                                  |
| Wyoming .....        | 5.1            | 4.0                         | -1.1                                 |

<sup>p</sup> = preliminary.

**Table D. States with statistically significant employment changes from August 2017 to September 2017, seasonally adjusted**

| State               | August<br>2017 | September<br>2017 <sup>p</sup> | Over-the-month change <sup>p</sup> |         |
|---------------------|----------------|--------------------------------|------------------------------------|---------|
|                     |                |                                | Level                              | Percent |
| Arizona .....       | 2,754,600      | 2,765,500                      | 10,900                             | 0.4     |
| California .....    | 16,778,300     | 16,830,500                     | 52,200                             | .3      |
| Florida .....       | 8,646,500      | 8,519,100                      | -127,400                           | -1.5    |
| Indiana .....       | 3,122,700      | 3,134,100                      | 11,400                             | .4      |
| Missouri .....      | 2,899,400      | 2,888,900                      | -10,500                            | -.4     |
| Nebraska .....      | 1,027,800      | 1,033,200                      | 5,400                              | .5      |
| New Hampshire ..... | 683,800        | 678,900                        | -4,900                             | -.7     |
| New York .....      | 9,553,700      | 9,519,600                      | -34,100                            | -.4     |
| Rhode Island .....  | 498,800        | 495,100                        | -3,700                             | -.7     |
| Washington .....    | 3,325,200      | 3,339,000                      | 13,800                             | .4      |
| Wyoming .....       | 277,700        | 275,200                        | -2,500                             | -.9     |

<sup>p</sup> = preliminary.

**Table E. States with statistically significant employment changes from September 2016 to September 2017, seasonally adjusted**

| State                | September<br>2016 | September<br>2017 <sup>p</sup> | Over-the-year change <sup>p</sup> |         |
|----------------------|-------------------|--------------------------------|-----------------------------------|---------|
|                      |                   |                                | Level                             | Percent |
| Alabama .....        | 1,979,200         | 2,009,100                      | 29,900                            | 1.5     |
| Arizona .....        | 2,730,800         | 2,765,500                      | 34,700                            | 1.3     |
| Arkansas .....       | 1,230,200         | 1,254,600                      | 24,400                            | 2.0     |
| California .....     | 16,550,200        | 16,830,500                     | 280,300                           | 1.7     |
| Colorado .....       | 2,614,900         | 2,656,200                      | 41,300                            | 1.6     |
| Georgia .....        | 4,413,100         | 4,497,200                      | 84,100                            | 1.9     |
| Idaho .....          | 700,000           | 715,000                        | 15,000                            | 2.1     |
| Indiana .....        | 3,101,600         | 3,134,100                      | 32,500                            | 1.0     |
| Kentucky .....       | 1,919,900         | 1,950,100                      | 30,200                            | 1.6     |
| Maryland .....       | 2,716,800         | 2,780,900                      | 64,100                            | 2.4     |
| Massachusetts .....  | 3,575,400         | 3,637,700                      | 62,300                            | 1.7     |
| Michigan .....       | 4,340,800         | 4,402,800                      | 62,000                            | 1.4     |
| Minnesota .....      | 2,903,100         | 2,955,300                      | 52,200                            | 1.8     |
| Missouri .....       | 2,850,600         | 2,888,900                      | 38,300                            | 1.3     |
| Nebraska .....       | 1,017,800         | 1,033,200                      | 15,400                            | 1.5     |
| Nevada .....         | 1,315,700         | 1,348,000                      | 32,300                            | 2.5     |
| New York .....       | 9,426,500         | 9,519,600                      | 93,100                            | 1.0     |
| North Carolina ..... | 4,361,100         | 4,422,500                      | 61,400                            | 1.4     |
| Ohio .....           | 5,495,400         | 5,557,000                      | 61,600                            | 1.1     |
| Oregon .....         | 1,841,900         | 1,876,800                      | 34,900                            | 1.9     |
| Pennsylvania .....   | 5,903,800         | 5,970,400                      | 66,600                            | 1.1     |
| South Carolina ..... | 2,063,300         | 2,091,400                      | 28,100                            | 1.4     |
| Tennessee .....      | 2,982,400         | 3,026,600                      | 44,200                            | 1.5     |
| Texas .....          | 12,065,000        | 12,321,100                     | 256,100                           | 2.1     |
| Utah .....           | 1,439,300         | 1,475,700                      | 36,400                            | 2.5     |
| Virginia .....       | 3,928,700         | 3,971,100                      | 42,400                            | 1.1     |
| Washington .....     | 3,267,700         | 3,339,000                      | 71,300                            | 2.2     |
| Wisconsin .....      | 2,923,800         | 2,958,400                      | 34,600                            | 1.2     |

<sup>p</sup> = preliminary.

# Technical Note

This release presents civilian labor force and unemployment data for states and selected substate areas from the Local Area Unemployment Statistics (LAUS) program (tables 1 and 2). Also presented are nonfarm payroll employment estimates by state and industry supersector from the Current Employment Statistics (CES) program (tables 3 and 4). The LAUS and CES programs are both federal-state cooperative endeavors.

## Civilian labor force and unemployment—from the LAUS program

**Definitions.** The civilian labor force and unemployment data are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the Bureau of Labor Statistics (BLS) by the U.S. Census Bureau. The LAUS program measures employed persons and unemployed persons on a place-of-residence basis. The universe for each is the civilian noninstitutional population 16 years of age and older. Employed persons are those who did any work at all for pay or profit in the reference week (typically the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who had a job from which they were temporarily absent, whether or not paid, for such reasons as bad weather, labor-management dispute, illness, or vacation.

Unemployed persons are those who were not employed during the reference week (based on the definition above), had actively looked for a job sometime in the 4-week period ending with the reference week, and were currently available for work; persons on layoff expecting recall need not be looking for work to be counted as unemployed. The civilian labor force is the sum of employed and unemployed persons. The unemployment rate is the number of unemployed as a percent of the civilian labor force.

**Method of estimation.** Estimates for 48 states, the District of Columbia, the Los Angeles-Long Beach-Glendale metropolitan division, New York City, and the balances of California and New York state are produced using time-series models. This method, which underwent substantial enhancement at the beginning of 2015, utilizes data from several sources, including the CPS, the CES, and state unemployment insurance (UI) programs. Estimates for the state of California are derived by summing the estimates for the Los Angeles-Long Beach-Glendale metropolitan division and the balance of California. Similarly, estimates for New York state are derived by summing the estimates for New York City and the balance of New York state. Estimates for the five additional substate areas contained in this release (the Cleveland-Elyria and Detroit-Warren-Dearborn metropolitan areas and the Chicago-Naperville-Arlington Heights, Miami-Miami Beach-Kendall, and Seattle-Bellevue-Everett metropolitan divisions) and their respective balances of state are produced using a similar model-based approach.

Each month, estimates for the nine census divisions first are modeled using inputs from the CPS only and controlled to

the national totals. State estimates then are controlled to their respective census division totals. Substate and balance-of-state estimates for the five areas noted above also are controlled to their respective state totals. This tiered process of controlling model-based estimates to the U.S. totals is called real-time benchmarking. Estimates for Puerto Rico are derived from a monthly household survey similar to the CPS. A more detailed description of the estimation procedures is available from BLS upon request.

**Annual revisions.** Civilian labor force and unemployment data for prior years reflect adjustments made after the end of each year. The adjusted estimates reflect updated population data from the U.S. Census Bureau, any revisions in the other data sources, and model re-estimation. In most years, historical data for the most recent five years are revised near the beginning of each calendar year, prior to the release of January estimates. With the introduction of a new generation of times-series models in early 2015, historical data were re-estimated back to the series beginnings in 1976, 1990, or 1994.

**Seasonal adjustment.** The LAUS models decompose the estimates of employed and unemployed persons into trend, seasonal, and irregular components. The trend component of each measure is then smoothed using a Trend-Cycle Cascade Filter, which combines the Henderson trend filter with a seasonal filter. This combined filter suppresses variability due to real-time benchmarking while simultaneously removing any residual seasonality that may be present in the series. The resulting smoothed-seasonally adjusted unemployment rate estimates are analyzed in this news release and published on the BLS website. During estimation for the current year, the smoothed-seasonally adjusted estimates for a given month are created using an asymmetric filter that incorporates information from previous observations only. For annual revisions, historical data are smoothed using a two-sided filter.

**Area definitions.** The substate area data published in this release reflect the delineations that were issued by the U.S. Office of Management and Budget on July 15, 2015. A detailed list of the geographic definitions is available online at [www.bls.gov/lau/lausmsa.htm](http://www.bls.gov/lau/lausmsa.htm).

## Employment—from the CES program

**Definitions.** Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2012 version of the North American Industry Classification System.

**Method of estimation.** CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current month

weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, the sample of establishments is very small or highly variable. In these cases, a model-based approach is used in estimation. These models use the direct sample estimates (described above), combined with forecasts of historical (benchmarked) data to decrease volatility in estimation. Two different models (Fay-Herriot Model and Small Domain Model) are used depending on the industry level being estimated. For more detailed information about each model, refer to the BLS Handbook of Methods.

**Annual revisions.** Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months. Information on recent benchmark revisions is available online at [www.bls.gov/sae/benchmark2017.pdf](http://www.bls.gov/sae/benchmark2017.pdf).

**Seasonal adjustment.** Payroll employment data are seasonally adjusted at the statewide supersector level. In some states, the seasonally adjusted payroll employment total is computed by aggregating the independently adjusted supersector series. In other states, the seasonally adjusted payroll employment total is independently adjusted. Revisions to historical data for the most recent 5 years are made once a year, coincident with annual benchmark adjustments.

**Caution on aggregating state data.** State estimation procedures are designed to produce accurate data for each individual state. BLS independently develops a national employment series; state estimates are not forced to sum to national totals. Because each state series is subject to larger sampling and nonsampling errors than the national series, summing them cumulates individual state-level errors and can cause significant distortions at an aggregate level. Due to these

statistical limitations, BLS does not compile a "sum-of-states" employment series, and cautions users that such a series is subject to a relatively large and volatile error structure.

## Reliability of the estimates

The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability—that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used.

**Use of error measures.** Changes in state unemployment rates and state nonfarm payroll employment are cited in the analysis of this release only if they have been determined to be statistically significant at the 90-percent confidence level. Furthermore, state unemployment rates for the current month generally are cited only if they have been determined to be significantly different from the U.S. rate at the 90-percent confidence level. The underlying model-based standard error measures for unemployment rates and over-the-month and over-the-year changes in rates are available at [www.bls.gov/lau/lastderr.htm](http://www.bls.gov/lau/lastderr.htm). The underlying standard error measures for over-the-month and over-the-year changes in state payroll employment data at the total nonfarm and supersector levels are available at [www.bls.gov/sae/790stderr.htm](http://www.bls.gov/sae/790stderr.htm). Measures of nonsampling error are not available.

## Additional information

Estimates of civilian labor force and unemployment from the LAUS program, as well as nonfarm payroll employment from the CES program, for metropolitan areas and metropolitan divisions are available in the news release Metropolitan Area Employment and Unemployment. Estimates of civilian labor force, employed persons, unemployed persons, and unemployment rates for approximately 7,500 subnational areas are available online at [www.bls.gov/lau/](http://www.bls.gov/lau/). Employment data from the CES program for states and metropolitan areas are available online at [www.bls.gov/sae/](http://www.bls.gov/sae/). Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.



















# Map 1. Unemployment rates by state, seasonally adjusted, September 2017

(U.S. rate = 4.2 percent)



Map 2. Percentage change in nonfarm employment by state,  
seasonally adjusted, September 2016 - September 2017

