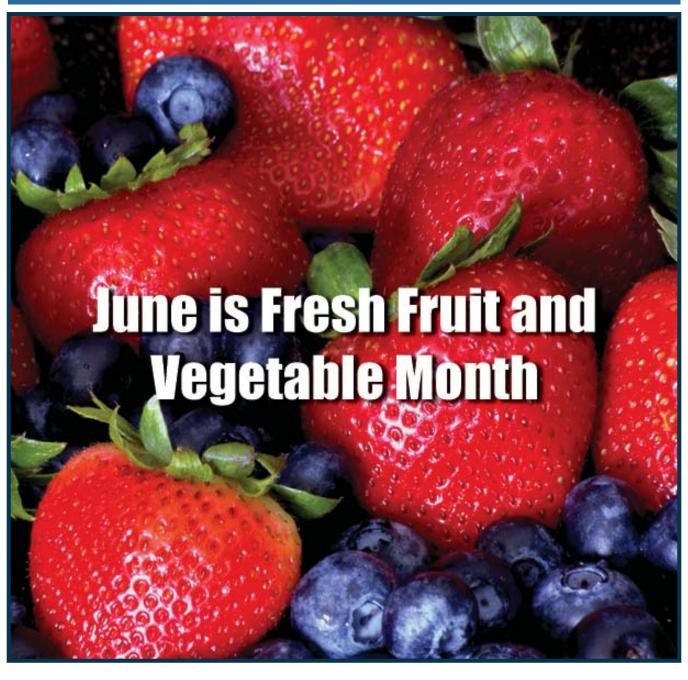
**Labor Market Information Division** 



### NC TODAY JUNE 2011



### **Employment at a Glance**

### **Civilian Labor Force**

- North Carolina's May 2011 **seasonally adjusted unemployment rate**, at **9.7 percent**, was unchanged from the previous month. The rate was **10.8 percent** in **May 2010**.
- At 9.7 percent, North Carolina's May **unemployment rate** is 0.6 of a percentage point higher than the **United States' 9.1 percent rate**.
- The number of **people employed increased 0.3 percent to 4,065,918**, while the number of **people unemployed was** little changed at 435,358.
- During May, North Carolina's seasonally adjusted labor force participation rate increased slightly to 62.0 percent, while the U.S. rate remained at 64.2 percent for the fifth consecutive month.

### **Nonfarm Employment**

- Seasonally adjusted Total Nonfarm employment for May 2011 fell by 7,400 jobs over the month and 1,000 jobs over the year to 3,883,100.
- Over the month, the following sectors experienced seasonally adjusted job growth: Financial Activities, 1,500;
   Construction, 900; Leisure & Hospitality Services, 400; and Information, 200. The following sectors reported over-the-month losses: Professional & Business Services, 4,000; Other Services, 2,400; Trade, Transportation & Utilities, 1,400; Education & Health Services, 1,300; Government, 1,000; and Manufacturing, 300. Mining & Logging reported no change.
- The major sectors to report over-the-year seasonally adjusted job increases were: **Professional & Business Services**, 19,200; Leisure & Hospitality Services, 8,000; Trade, Transportation & Utilities, 7,100; Financial Activities, 6,600; Manufacturing, 3,100; and Mining & Logging, 100.
- Not seasonally adjusted, the following major sectors reported over-the-year job increases: Professional & Business Services, 21,800; Leisure & Hospitality Services, 8,500; Trade, Transportation & Utilities, 8,400; Financial Activities, 6,400; Manufacturing, 4,200; Other Services, 800; and Mining & Logging, 100.
- The following sectors in Manufacturing showed over-the-year not seasonally adjusted job increases: Machinery, 1,800; Fabricated Metal Product, 1,000; Computer & Electronic Product, 400; Transportation Equipment, 300; and Food, 300. Losses were reported in the remaining sectors: Chemical, 1,600; Textile Mills, 1,400; Apparel, 1,000; Beverage & Tobacco Product, 1,000; Plastics & Rubber Products, 700; Wood Product, 700; Printing & Related Support Activities, 500; Furniture & Related Product, 200; Electrical Equipment, Appliance & Component, 100; and Textile Product Mills, 100.
- **Food remains** North Carolina's **leading sector** in manufacturing employment with **51,100**. **Chemical** follows with **39,600**.

### **Other Information**

- Preliminary Average Hourly Earnings in North Carolina for manufacturing production workers fell in May to \$15.79, as Average Weekly Hours increased to 41.5 or 24 minutes. Average Weekly Earnings rose \$5.09 from \$650.20 to \$655.29.
- North Carolina paid \$302 million in Unemployment Insurance benefits (all programs) to claimants in May. These payments include state and federally funded benefits.
- The number of Initial Claims filed in North Carolina for Unemployment Insurance benefits increased in May to 55,219. Approximately \$124.6 million was paid in regular UI benefits to 116,173 unemployed persons across the state. The average weekly benefit amount was \$282.35, which does not include the \$25 Federal Additional Compensation (FAC) payment from The American Recovery and Reinvestment Act.



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### United States/North Carolina Labor Force Data May 2011

|                                  |                          |                            |                          | Month             | Ago               | Year              | Ago               |
|----------------------------------|--------------------------|----------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| (Civilian Labor Force Estimates) | May <sup>₽</sup><br>2011 | April <sup>R</sup><br>2011 | Мау <sup>в</sup><br>2010 | Numeric<br>Change | Percent<br>Change | Numeric<br>Change | Percent<br>Change |
| North Carolina                   |                          |                            |                          |                   |                   |                   |                   |
| Seasonally Adjusted              |                          |                            |                          |                   |                   |                   |                   |
| Labor Force                      | 4,501,276                | 4,489,137                  | 4,541,205                | 12,139            | 0.3               | -39,929           | -0.9              |
| Employed                         | 4,065,918                | 4,053,878                  | 4,050,750                | 12,040            | 0.3               | 15,168            | 0.4               |
| Unemployed                       | 435,358                  | 435,259                    | 490,455                  | 99                | <0.1              | -55,097           | -11.2             |
| Unemployment Rate                | 9.7                      | 9.7                        | 10.8                     | 0.0               | xxx               | -1.1              | xxx               |
| Not Seasonally Adjusted          |                          |                            |                          |                   |                   |                   |                   |
| Labor Force                      | 4,515,495                | 4,473,825                  | 4,559,004                | 41,670            | 0.9               | -43,509           | -1.0              |
| Employed                         | 4,079,708                | 4,046,108                  | 4,072,848                | 33,600            | 0.8               | 6,860             | 0.2               |
| Unemployed                       | 435,787                  | 427,717                    | 486,156                  | 8,070             | 1.9               | -50,369           | -10.4             |
| Unemployment Rate                | 9.7                      | 9.6                        | 10.7                     | 0.1               | xxx               | -1.0              | xxx               |
|                                  |                          |                            |                          |                   |                   |                   |                   |
|                                  |                          |                            |                          | Month             | Ago               | Year Ago          |                   |
| (Civilian Labor Force Estimates) | May<br>2011              | April<br>2011              | May<br>2010              | Numeric<br>Change | Percent<br>Change | Numeric<br>Change | Percent<br>Change |
| United States                    |                          |                            |                          |                   |                   |                   |                   |
| Seasonally Adjusted              |                          |                            |                          |                   |                   |                   |                   |
| Labor Force                      | 153,693,000              | 153,421,000                | 154,237,000              | 272,000           | 0.2               | -544,000          | -0.4              |
| Employed                         | 139,779,000              | 139,674,000                | 139,353,000              | 105,000           | 0.1               | 426,000           | 0.3               |
| Unemployed                       | 13,914,000               | 13,747,000                 | 14,884,000               | 167,000           | 1.2               | -970,000          | -6.5              |
| Unemployment Rate                | 9.1                      | 9.0                        | 9.6                      | 0.1               | xxx               | -0.5              | xxx               |
| Not Seasonally Adjusted          |                          |                            |                          |                   |                   |                   |                   |
| Labor Force                      | 153,449,000              | 152,898,000                | 153,866,000              | 551,000           | 0.4               | -417,000          | -0.3              |
| Employed                         | 140,028,000              | 139,661,000                | 139,497,000              | 367,000           | 0.3               | 531,000           | 0.4               |
| Unemployed                       | 13,421,000               | 13,237,000                 | 14,369,000               | 184,000           | 1.4               | -948,000          | -6.6              |
| Unemployment Rate                | 8.7                      | 8.7                        | 9.3                      | 0.0               | xxx               | -0.6              | xxx               |
|                                  | I                        | I                          | l                        | I                 | L                 |                   |                   |

Source: LAUS, LMI of ESC

P Preliminary; R Revised; B Benchmarked Note: May not sum due to rounding.



### **United States/North Carolina Unemployment Rates** January 2007-May 2011

(Seasonally Adjusted)

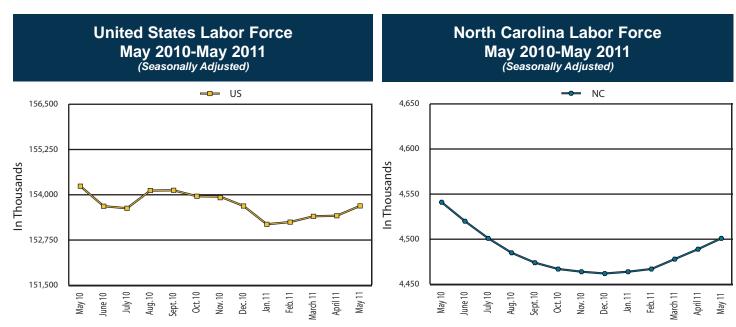


Source: LAUS, LMI of ESC; BLS Note: North Carolina May 2011 data are preliminary, other 2011 data are revised, while all other data are benchmarked. Recession period documented in above graph represents December 2007-June 2009.

North Carolina's seasonally adjusted May 2011 civilian labor force and the number of people employed increased for the fifth consecutive month. The May 2011 labor force was 40,000 below that of May 2010; however, on a positive note, the number of persons employed has increased by 15,168 over the same period. The unemployment rate, at 9.7 percent, has remained the same for the last three months. In May 2010, the rate was 10.8 percent.

North Carolina's labor force participation rate and employment-to-population ratio rose slightly over the month by 0.1 of a percentage point to 62.0 and 56.0 percent, respectively.

The United States' seasonally adjusted labor force increased slightly over the month, as did the number of people employed. However, approximately 13,900,000 people were unemployed. The unemployment rate increased 0.1 of a percentage point to 9.1 percent. The national civilian labor force participation rate has remained unchanged since January at 64.2 percent. The employment-to-population ratio was unchanged at 58.4 percent.



Source: LAUS, LMI of ESC: BLS

Note: North Carolina May 2011 data are preliminary, other 2011 data are revised, while 2010 data are benchmarked.

### Alternative Measures of Labor Underutilization for the 11 Largest States and The United States, 2<sup>nd</sup> Quarter 2010 through 1<sup>st</sup> Quarter of 2011 Averages (Percent)

|                |     |     | Mea  | sure |      |      |
|----------------|-----|-----|------|------|------|------|
| State          | U-1 | U-2 | U-3  | U-4  | U-5  | U-6  |
| United States  | 5.6 | 5.8 | 9.4  | 10.1 | 10.9 | 16.5 |
| California     | 7.6 | 7.8 | 12.1 | 12.9 | 14.0 | 22.0 |
| Texas          | 4.1 | 4.5 | 8.0  | 8.5  | 9.2  | 14.4 |
| New York       | 5.2 | 5.2 | 8.4  | 9.3  | 10.2 | 14.9 |
| Florida        | 7.0 | 6.7 | 10.7 | 11.7 | 12.5 | 18.8 |
| Pennsylvania   | 4.7 | 5.3 | 8.2  | 8.9  | 9.7  | 14.4 |
| Illinois       | 6.2 | 6.3 | 9.6  | 10.2 | 10.9 | 16.9 |
| Ohio           | 5.3 | 5.7 | 9.6  | 10.2 | 11.0 | 16.1 |
| Michigan       | 7.3 | 7.2 | 11.6 | 12.5 | 13.4 | 20.3 |
| Georgia        | 7.0 | 6.4 | 10.4 | 11.1 | 11.9 | 17.0 |
| New Jersey     | 6.4 | 6.7 | 9.4  | 10.2 | 11.1 | 15.9 |
| North Carolina | 6.5 | 6.4 | 10.6 | 11.3 | 11.9 | 17.5 |

Source: BLS, Current Population Survey. Note: Civilian Labor Force size based on April 2011 preliminary data.

| Alternative Measures of Labor Underutilization for the 11 Largest<br>States and the United States,<br>2007-2010 Annual Average, U-6 |                     |      |      |      |  |  |  |  |  |  |
|---|---------------------|------|------|------|--|--|--|--|--|--|
|   | 2007 2008 2009 2010 |      |      |      |  |  |  |  |  |  |
| United States   | 8.3                 | 10.5 | 16.2 | 16.7 |  |  |  |  |  |  |
| California  | 9.9                 | 13.4 | 21.1 | 22.1 |  |  |  |  |  |  |
| Texas   | 7.7                 | 9.1  | 13.7 | 14.4 |  |  |  |  |  |  |
| New York  | 8.1                 | 9.6  | 14.3 | 14.8 |  |  |  |  |  |  |
| Florida   | 8.0                 | 11.9 | 18.4 | 19.3 |  |  |  |  |  |  |
| Pennsylvania  | 7.7                 | 9.3  | 13.8 | 14.7 |  |  |  |  |  |  |
| Illinois  | 8.6                 | 11.7 | 17.0 | 17.4 |  |  |  |  |  |  |
| Ohio  | 9.7                 | 11.4 | 17.2 | 16.9 |  |  |  |  |  |  |
| Michigan  | 12.8                | 15.1 | 21.5 | 21.0 |  |  |  |  |  |  |
| Georgia   | 8.1                 | 11.1 | 16.9 | 17.9 |  |  |  |  |  |  |
| New Jersey  | 7.4                 | 9.5  | 15.2 | 15.7 |  |  |  |  |  |  |
| North Carolina  | 8.5                 | 11.3 | 17.7 | 17.4 |  |  |  |  |  |  |

Source: BLS, Current Population Survey.



### **Alternative Measures of Labor Underutilization**

For the past three months, North Carolina's official unemployment rate has been 9.7. This rate is one measure of the status of the state's workforce. It is partially derived from information collected from the Current Population Survey (CPS). Based on responses to the CPS individuals are categorized into one of three categories, employed, unemployed or not in the labor force. Employed individuals include those who did work as paid employees, worked in their own business, worked at least 15 unpaid hours in a family business, or were temporarily away from work due to reasons such as illness, vacation or a labor dispute. Individuals who are counted as unemployed include those without a job, but were available and actively looked for work sometime during the four weeks prior to the survey period (typically the week of the month that includes the 12th). The labor force is the sum of the employed and the unemployed.

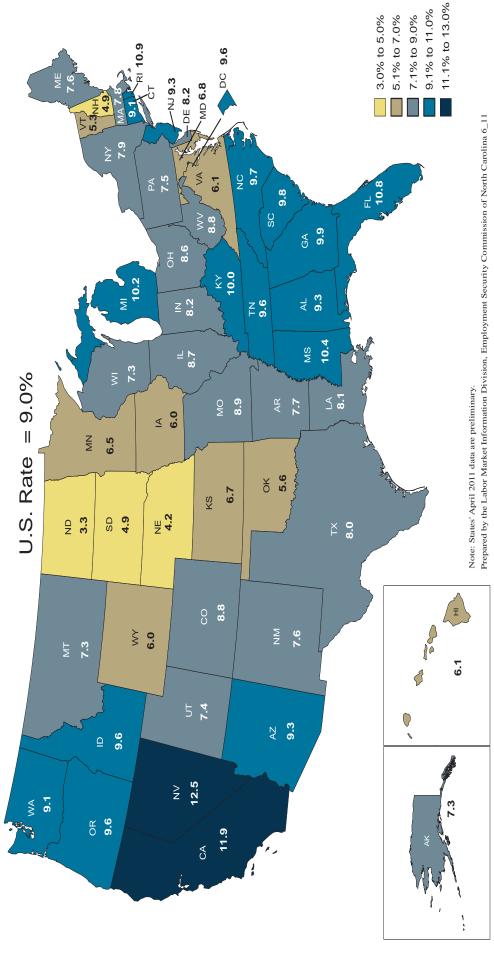
Those who are classified as neither employed nor unemployed are not considered in the labor force. The most common example of those not in the labor force would be students, retirees and others who choose not to work outside the home.

In March 2009, the Bureau of Labor Statistics (BLS) released Alternative Measures of Labor Underutilization for all states. These six measures can be utilized to enhance the analysis and understanding of the state's workforce. BLS releases state level measures on a rolling four quarter basis. Each of the six measures range from the most narrow definitions of labor utilization (U-1 and U-2) to more broadly defined measures (U-4 to U-6). Definitions for each of the six measures can be found in the glossary of this publication.

The calculations utilized to derive these measures incorporate additional economic concepts beyond employed, unemployed and in the labor force. For example U-4, U-5 and U-6 incorporate discouraged workers. Both the U-5 and U-6 incorporate the concept of 'marginally attached to the labor force.' Individuals considered marginally attached to the labor force want a job and would take a job if one were offered. But for various reasons, they have stopped looking – one of which would be that they have become 'discouraged' that no jobs exist for them at this time. So they have given up their job search. The broadest or most inclusive of the six measures is the U-6. This measure includes those unemployed, those who are marginally attached as well as those working part-time for economic reasons. Individuals employed part time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule.

Based on the most recently released information through the first quarter of 2011, North Carolina's U-6 ranked fourth highest among the states with the largest civilian labor force. At 17.5 percent North Carolina's U-6 is 1.0 percent point higher than the United States.

## Unemployment Rates By State, Seasonally Adjusted **April** 2011



From March to April 2011, 39 states posted unemployment rate decreases, three states and the District of Columbia registered rate increases, and eight states followed by California (11.9%). North Dakota reported the lowest unemployment rate of 3.3 percent, followed by Nebraska (4.2%) and New Hampshire reported no change, according to the U.S. Bureau of Labor Statistics. At 12.5 percent, Nevada reported the highest unemployment rate among the states, and South Dakota (4.9% each).

All of North Carolina's neighboring states posted unemployment rate decreases of 0.1 of a percentage point with the exception of Tennessee (9.6%), which had a rate increase of 0.1 of a percentage point. Georgia's rate was 9.9 percent; South Carolina, 9.8 percent; and Virginia, the lowest, was 6.1 percent.

### **April 2011**

- 5.5% to 7.5%

  7.6% to 9.5%

  9.6% to 11.5%

  11.6% to 13.5%

  13.6% to 16.5%
  - 10 Counties Higher Than Previous Month

>

<

- 73 Counties Lower Than Previous Month
- 17 Counties Same as Previous Month

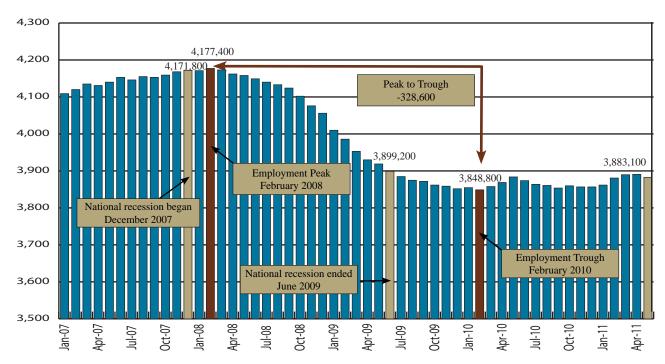
### North Carolina Rate 9.5% Not Seasonally Adjusted

Note: April 2011 data are preliminary.

Prepared by the Labor Market Information Division, Employment Security Commission of North Carolina 5\_2011

unchanged. Scotland County reported the highest unemployment rate of 15.8 percent, and Currituck County posted the lowest unemployment rate of 5.6 Not seasonally adjusted unemployment rates rose in 10 of North Carolina's 100 counties from March to April 2011, while 73 decreased and 17 were 12.5 percent, while Durham-Chapel Hill reported the lowest at 7.0 percent percent. Of the 14 Metropolitan Statistical Areas, rates declined in 10 and remained unchanged in four. The Rocky Mount MSA reported the highest rate at

### North Carolina Total Nonfarm Employment January 2007-May 2011 (Seasonally Adjusted)



May 2011 data are preliminary, other 2011 data are revised, while all other data are benchmarked.

The recent recessionary period began in December 2007 and ended in June 2009. Based on this designation, the national recession officially lasted 18 months. However, North Carolina, like the rest of the nation, is still dealing with a prolonged period of high unemployment and slow job growth.

While the recession officially began in December 2007, North Carolina's seasonally adjusted Total Nonfarm employment peaked in February 2008 at 4,177,400. The state's economy experienced 22 consecutive months of Total Nonfarm employment decline, followed by a small increase in employment between December 2009 and January 2010, only to be followed by a loss of 6,200 jobs between January and February 2010. North Carolina reached its lowest level of Total Nonfarm employment in February 2010 when employment reached 3,848,800. This was the lowest level since July 2004 when Total Nonfarm employment was 3,847,400.

Between the peak in employment in February 2008 and the low in February 2010, North Carolina lost 328,600 jobs — a decrease of 7.9 percent. All major industrial sectors experienced job declines with the exception of Education and Health Services and Government, which experienced modest gains of 7,600 jobs and 5,600 jobs, respectively. The largest job losses were experienced in Manufacturing (-98,400), Trade, Transportation & Utilities (-71,900), Construction (-71,700) and Professional & Business Services (-35,600).

Based on May's preliminary employment estimates, North Carolina's economy has gained only 34,300 jobs since the low in February 2010. The state has experienced over-the-month increases in eight of the last 15 months. The largest job growth has been in Professional and Business Services, which has added 26,100 jobs, mostly due to growth in Temporary Help and Employment Services. Employment in the private sector has risen by 46,800 since February 2010.

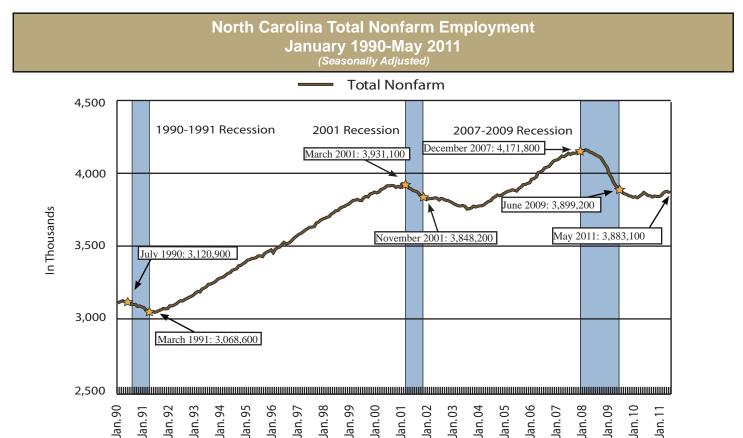
### North Carolina Industry Employment May 2011 (Seasonally Adjusted, In Thousands)

|  |                          | otal Employme              |                      |  | Net & Perc      | ent Chan    | ne -           |
|--|--------------------------|----------------------------|----------------------|--|-----------------|-------------|----------------|
|  |                          |                            | May <sup>B</sup>     | Net & Percent Change From April From May |                 |             |                |
| NAICS Industry                                     | May <sup>₽</sup><br>2011 | April <sup>R</sup><br>2011 | 2010                 |  | m Aprii<br>2011 |             | от мау<br>2010 |
|  |                          |                            |                      | Net                                      | Percent         | Net         | Percent        |
| Total Nonfarm                                      | 3,883.1                  | 3,890.5                    | 3,884.1              | -7.4                                     | -0.2%           | -1.0        | >-0.1%         |
| Total Private                                      | 3,191.1                  | 3,197.5                    | 3,159.6              | -6.4                                     | -0.2%           | 31.5        | 1.0%           |
| Goods Producing                                    | 611.7                    | 611.1                      | 616.5                | 0.6                                      | 0.1%            | -4.8        | -0.8%          |
| Service Providing                                  | 3,271.4                  | 3,279.4                    | 3,267.6              | -8.0                                     | -0.2%           | 3.8         | 0.1%           |
| Private Service Providing                          | 2,579.4                  | 2,586.4                    | 2,543.1              | -7.0                                     | -0.3%           | 36.3        | 1.4%           |
| Mining & Logging                                   | 5.7                      | 5.7                        | 5.6                  | 0.0                                      | 0.0%            | 0.1         | 1.8%           |
| Construction                                       | 170.7                    | 169.8                      | 178.7                | 0.9                                      | 0.5%            | -8.0        | -4.5%          |
| Manufacturing                                      | 435.3                    | 435.6                      | 432.2                | -0.3                                     | -0.1%           | 3.1         | 0.7%           |
| Durable Goods                                      | 225.4                    | 224.9                      | 222.0                | 0.5                                      | 0.2%            | 3.4         | 1.5%           |
| Nondurable Goods                                   | 209.9                    | 210.7                      | 210.2                | -0.8                                     | -0.4%           | -0.3        | -0.1%          |
| Trade Transportation 9 Hailities                   | 720.1                    | 721.5                      | 713.0                | 1.4                                      | -0.2%           | 7.1         | 1.0%           |
| Trade, Transportation & Utilities  Wholesale Trade | 165.7                    | 165.3                      | 164.3                | <b>-1.4</b><br>0.4                       | 0.2%            | 1.4         | 0.9%           |
| Retail Trade                                       | 440.2                    | 441.2                      | 434.6                | -1.0                                     | -0.2%           | 5.6         | 1.3%           |
| Transportation, Warehousing & Utilities            | 114.2                    | 115.0                      | 114.1                | -0.8                                     | -0.2%           | 0.1         | 0.1%           |
| Transportation, Waterlousing & Othities            | 114.2                    | 115.0                      | 114.1                | -0.6                                     | -0.776          | 0.1         | 0.176          |
| Information  | 67.7                     | 67.5                       | 68.1                 | 0.2                                      | 0.3%            | -0.4        | -0.6%          |
| Financial Activities                               | 204.0                    | 202.5                      | 197.4                | 1.5                                      | 0.7%            | 6.6         | 3.3%           |
| Finance & Insurance                                | 153.1                    | 152.2                      | 150.4                | 0.9                                      | 0.6%            | 2.7         | 1.8%           |
| Real Estate, Rental & Leasing                      | 50.9                     | 50.3                       | 47.0                 | 0.6                                      | 1.2%            | 3.9         | 8.3%           |
|  |                          |                            |                      |  |                 |             |                |
| Professional & Business Services                   | 498.4                    | 502.4                      | 479.2                | -4.0                                     | -0.8%           | 19.2        | 4.0%           |
| Professional, Scientific & Technical Svcs          | 179.6                    | 180.1                      | 178.9                | -0.5                                     | -0.3%           | 0.7         | 0.4%           |
| Management of Companies & Enterprises              | 76.1                     | 75.8                       | 72.8                 | 0.3                                      | 0.4%            | 3.3         | 4.5%           |
| Admin. & Support & Waste Mgmt.                     | 242.7                    | 246.5                      | 227.5                | -3.8                                     | -1.5%           | 15.2        | 6.7%           |
| Education 9 Health Commisses                       | F27.4                    | E20.4                      | E40.7                | 1.2                                      | -0.2%           | 2.6         | -0.7%          |
| Education & Health Services  Educational Services  | <b>537.1</b><br>81.7     | <b>538.4</b><br>81.4       | <b>540.7</b><br>81.0 | <b>-1.3</b>                              | 0.4%            | <b>-3.6</b> | 0.9%           |
| Health Care & Social Assistance                    | 455.4                    | 457.0                      | 459.7                | -1.6                                     | -0.4%           | -4.3        | -0.9%          |
| Ticalii Care & Cociai Assistance                   | 700.7                    | 407.0                      | 455.7                | 1.0                                      | 0.470           | 7.0         | 0.570          |
| Leisure & Hospitality Services                     | 397.7                    | 397.3                      | 389.7                | 0.4                                      | 0.1%            | 8.0         | 2.1%           |
| Arts, Entertainment & Recreation                   | 53.0                     | 54.5                       | 55.2                 | -1.5                                     | -2.8%           | -2.2        | -4.0%          |
| Accommodation & Food Services                      | 344.7                    | 342.8                      | 334.5                | 1.9                                      | 0.6%            | 10.2        | 3.0%           |
| Other Services                                     | 154.4                    | 156.8                      | 155.0                | -2.4                                     | -1.5%           | -0.6        | -0.4%          |
|  | •                        | •                          | ==:=                 |  |                 |             |                |
| Government   | 692.0                    | 693.0                      | 724.5                | -1.0                                     | -0.1%           | -32.5       | -4.5%          |
| Federal  | 68.9                     | 69.0                       | 86.3                 | -0.1                                     | -0.1%           | -17.4       | -20.2%         |
| State  | 191.2                    | 192.8                      | 197.0                | -1.6                                     | -0.8%           | -5.8        | -2.9%          |
| Local  | 431.9                    | 431.2                      | 441.2                | 0.7                                      | 0.2%            | -9.3        | -2.1%          |

Source: CES, LMI of ESC Preliminary; R Revised: B Benchmarked

In May 2011, North Carolina's seasonally adjusted Total Nonfarm employment lost 7,400 (0.2%) jobs over the month, and 1,000 (>-0.1%) over the year. The United States gained 54,000 (<0.1%) Total Nonfarm jobs over the month, and 870,000 (0.7%) over the year. This is the eighth consecutive month of national job growth.

North Carolina's Private sector decreased by 6,400 jobs over the month, but increased by 31,500 jobs over the year. The Service Providing sector, which includes all industries except Goods Producing (Mining & Logging, Construction, and Manufacturing), decreased by 8,000 jobs over the month, but increased by 3,800 jobs over the year. However, Goods Producing grew by 600 jobs over the month, but lost 4,800 jobs over the year.



Note: May 2011 data are preliminary, all other 2011 data are revised, while previous years' data are benchmarked. Recession periods documented in above graph represent the dates July 1990-March 1991, March 2001-November 2001, and December 2007-June 2009.

Seasonally adjusted, four out of the 11 major North Carolina industrial sectors experienced job gains over the month. Financial Activities had the largest net increase (1,500), followed by Construction (900), Leisure & Hospitality Services (400), and Information (200). Of the remaining seven industrial sectors, six had monthly job losses — Professional & Business Services (4,000), Other Services (2,400), Trade, Transportation & Utilities (1,400), Education & Health Services (1,300), Government (1,000) and Manufacturing (300). Mining & Logging reported no change over the month.

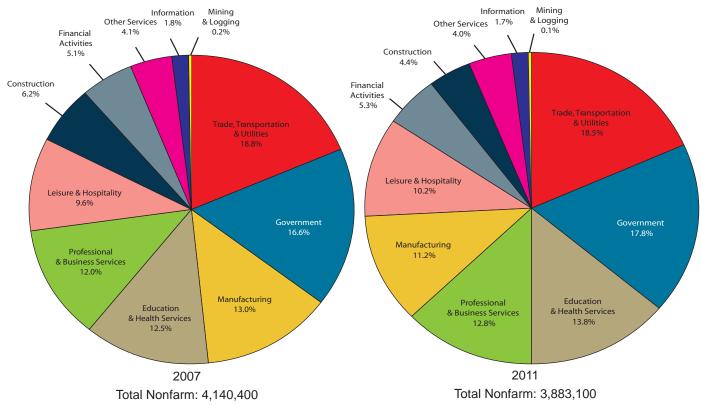
Six major industries experienced job growth over the year. Professional & Business Services added 19,200 jobs (4.0%) over the year, and 39,100 jobs (8.5%) since the end of the recession in June 2009. This industry, over the past year, has experienced only two nongrowth months (January & May 2011). Government, on the other hand, has decreased by 32,500 (4.5%) over the year and has lost 16,600 (2.3%) jobs since June 2009.

Leisure & Hospitality Services gained 8,000 (2.1%) jobs over the year, due to growth in Accommodation and Food Services (10,200). May 2011 is the fourth consecutive month of increases for this industry.

Trade, Transportation & Utilities increased by 7,100 (1.0%) jobs over the year with Retail Trade (5,600) accounting for most of the gain.

### North Carolina Industrial Composition May 2007 Compared to May 2011

(Seasonally Adjusted)



Source: CES, LMI of ESC Note: 2011 data are preliminary, while 2007 data are benchmarked. Percentages may not sum due to rounding.

Over the four-year period from May 2007 to May 2011, North Carolina lost 257,300 (6.2%) Total Nonfarm jobs. In May 2007, Goods Producing comprised 19.3 percent of Total Nonfarm employment, but by May 2011, this proportion was only 15.8 percent. Over the period, Goods Producing industries lost 189,200 jobs and Service Providing industries dropped 68,100 jobs.

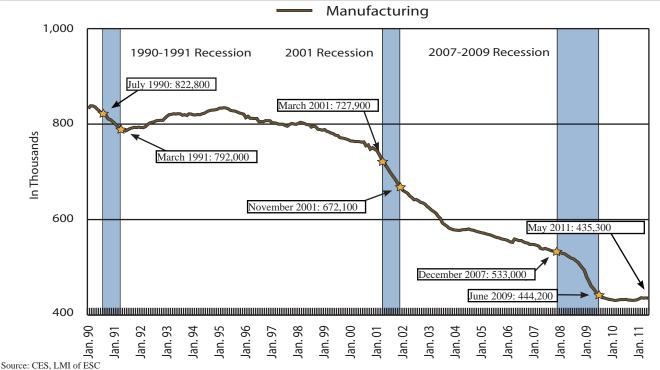
During the same timeframe, only two industrial sectors experienced positive job growth — Education & Health Services, 16,600 (3.2%) and Government, 6,500 (0.9%).

Four of North Carolina's industrial sectors experienced significant job declines over the four-year period. Manufacturing lost 102,700 (19.1%) jobs. In May 2007, Manufacturing comprised 13.0 percent of Total Nonfarm employment compared to 11.2 percent by May 2011. Construction lost 85,100 (33.3%) jobs during the same period, with its proportion of Total Nonfarm employment falling from 6.2 percent to 4.4 percent. Trade, Transportation & Utilities lost 58,600 (7.5%) jobs, but only fell by 0.3 of a percentage point (18.8 % to 18.5%) of its proportion of Total Nonfarm employment. Other Services lost 16,000 (9.4%) jobs, but its proportion of Total Nonfarm only fell from 4.1 percent to 4.0 percent.

The remaining industrial sectors also had declines over the four-year period. Financial Activities lost 8,000 (3.8%) jobs; Information, 5,200 (7.1%); Leisure & Hospitality, 1,600 (0.4%); Professional & Business Services, 1,800 (0.4%); and Mining & Logging, 1,400 (19.7%).

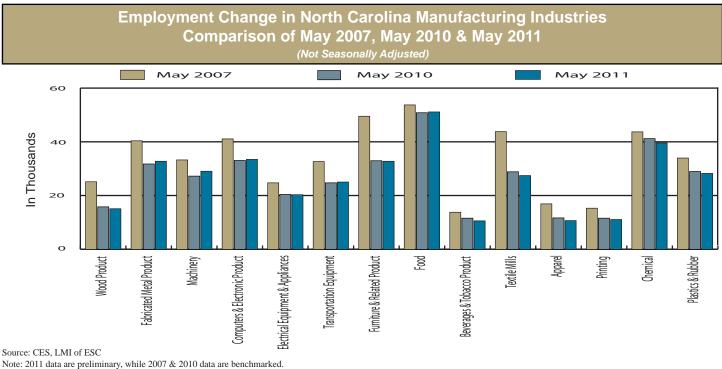
### North Carolina Manufacturing January 1990-May 2011

(Seasonally Adjusted)



Note: May 2011 data are preliminary, all other 2011 are revised, while previous years' data are benchmarked. Recession periods documented in above graph represent the dates July 1990-March 1991, March 2001-November 2001, and December 2007-June 2009.

Since the beginning of the 2007 national recession (December 2007), North Carolina has lost 97,700 (18.3%) manufacturing jobs. Although the recession ended in June 2009, North Carolina has lost 8,900 (2.0%) manufacturing jobs since that time period.



Of North Carolina's five largest Manufacturing industries in May 2007, all have experienced not seasonally adjusted employment losses. Furniture & Related Product has lost 16,700 (33.7%) jobs; Textile Mills, 16,300 (37.2%); Computer & Electronic Product, 7,600 (18.5%); Chemical, 4,100 (9.4%); and Food, 2,600 (4.8%) jobs.

### **North Carolina Manufacturing Employment** May 2011 (Not Seasonally Adjusted, In Thousands)

|   | Total Employment         |                            |                          |      | Net & Percent Chang |      |                  |  |
|---|--------------------------|----------------------------|--------------------------|------|---------------------|------|------------------|--|
| NAICS Industry                              | May <sup>₽</sup><br>2011 | April <sup>R</sup><br>2011 | May <sup>в</sup><br>2010 |      | From April<br>2011  |      | From May<br>2010 |  |
|   |                          |                            |                          | Net  | Percent             | Net  | Percent          |  |
| Total Nonfarm                               | 3,913.8                  | 3,897.3                    | 3,907.2                  | 16.5 | 0.4%                | 6.6  | 0.2%             |  |
| Manufacturing                               | 434.1                    | 434.1                      | 429.9                    | 0.0  | 0.0%                | 4.2  | 1.0%             |  |
| Durable Goods                               | 224.2                    | 223.7                      | 220.5                    | 0.5  | 0.2%                | 3.7  | 1.7%             |  |
| Wood Product                                | 15.2                     | 15.1                       | 15.9                     | 0.1  | 0.7%                | -0.7 | -4.4%            |  |
| Fabricated Metal Product                    | 32.8                     | 32.5                       | 31.8                     | 0.3  | 0.9%                | 1.0  | 3.1%             |  |
| Machinery                                   | 29.1                     | 29.0                       | 27.3                     | 0.1  | 0.3%                | 1.8  | 6.6%             |  |
| Computer & Electronic Product               | 33.5                     | 33.6                       | 33.1                     | -0.1 | -0.3%               | 0.4  | 1.2%             |  |
| Electrical Equipment, Appliance & Component | 20.4                     | 20.4                       | 20.5                     | 0.0  | 0.0%                | -0.1 | -0.5%            |  |
| Transportation Equipment                    | 25.1                     | 25.3                       | 24.8                     | -0.2 | -0.8%               | 0.3  | 1.2%             |  |
| Furniture & Related Product                 | 32.8                     | 32.3                       | 33.0                     | 0.5  | 1.5%                | -0.2 | -0.6%            |  |
| Nondurable Goods                            | 209.9                    | 210.4                      | 209.4                    | -0.5 | -0.2%               | 0.5  | 0.2%             |  |
| Food  | 51.1                     | 50.9                       | 50.8                     | 0.2  | 0.4%                | 0.3  | 0.6%             |  |
| Beverage & Tobacco Product                  | 10.7                     | 10.7                       | 11.7                     | 0.0  | 0.0%                | -1.0 | -8.5%            |  |
| Textile Mills                               | 27.5                     | 27.6                       | 28.9                     | -0.1 | -0.4%               | -1.4 | -4.8%            |  |
| Textile Product Mills                       | 6.6                      | 6.5                        | 6.7                      | 0.1  | 1.5%                | -0.1 | -1.5%            |  |
| Apparel                                     | 10.8                     | 10.9                       | 11.8                     | -0.1 | -0.9%               | -1.0 | -8.5%            |  |
| Printing & Related Support Activities       | 11.2                     | 11.2                       | 11.7                     | 0.0  | 0.0%                | -0.5 | -4.3%            |  |
| Chemical                                    | 39.6                     | 39.9                       | 41.2                     | -0.3 | -0.8%               | -1.6 | -3.9%            |  |
| Plastics & Rubber Products                  | 28.3                     | 28.4                       | 29.0                     | -0.1 | -0.4%               | -0.7 | -2.4%            |  |

Source: CES, LMI of ESC; P Preliminary; R Revised; B Benchmarked

Not seasonally adjusted, Manufacturing showed no change over the month. Durable Goods gained 500 jobs, while Nondurable Goods lost 500 jobs. In Durable Goods, Furniture & Related Product had the largest job gain (500), while in Nondurables, the Chemical industry dropped 300 jobs

Over the year, job gains were experienced in Machinery (1,800); Fabricated Metal Product (1,000); Computer & Electronic Product (400); Transportation Equipment (300); and Food (300).

Over-the-year job losses were in Chemical Manufacturing (1,600); Textile Mills (1,400); Beverage & Tobacco Product (1,000); Apparel (1,000); Wood Product (700); Plastics & Rubber Products (700); Printing & Related Support Activities (500); Furniture & Related Product (200); Electrical Equipment, Appliance & Component (100); and Textile Product Mills (100).

In May 2007, Manufacturing employment (536,500) was divided between Durable Goods at 53.6 percent and Nondurable Goods at 46.4 percent. In May 2011, Manufacturing employment had dropped by 102,400 jobs to 434,100, with 51.6 percent in Durable Goods and 48.4 percent in Nondurable Goods.

Of the jobs lost (102,400) in Manufacturing since May 2007, Durable Goods accounted for 63,100 (61.6%) and Nondurable Goods, 39,300 (38.4%). In Durable Goods, Furniture & Related Product had the largest loss at 16,700 jobs, while in Nondurable Goods, Textile Mills dropped 16,300 jobs.

### Hours and Earnings May 2010-May 2011 (Not Seasonally Adjusted) **Average Weekly Hours Average Hourly Earnings Average Weekly Earnings** Manufacturing Manufacturing Manufacturing Total Private Total Private Total Private Production **Production Production** May 2010 34.2 40.6 40.7 \$20.60 \$20.05 \$15.83 \$704.52 \$814.03 \$644.28 June 40.5 40.5 \$19.64 \$15.88 \$795.42 34.3 \$20.30 \$696.29 \$643.14 July 34.1 39.6 39.7 \$20.44 \$20.41 \$15.98 \$697.00 \$808.24 \$634.41 August 34.5 40.4 40.4 \$20.46 \$20.19 \$15.60 \$705.87 \$815.68 \$630.24 34.1 40.4 40.5 \$20.38 \$19.77 \$15.64 \$694.96 \$798.71 \$633.42 September \$20.42 \$19.43 \$15.73 \$702.45 \$796.63 October 34.4 41.0 41.1 \$646.50 November 34.4 40.9 40.8 \$20.40 \$19.72 \$15.76 \$701.76 \$806.55 \$643.01 December 34.3 41.0 41.2 \$20.53 \$19.70 \$15.87 \$704.18 \$807.70 \$653.84 \$20.40 January 33.7 40.5 40.6 \$20.82 \$15.81 \$701.63 \$826.20 \$641.89 40.3 February 34.1 40.5 \$20.72 \$20.23 \$15.80 \$706.55 \$815.27 \$639.90 March 34.1 40.6 41.1 \$20.54 \$19.83 \$15.78 \$700.41 \$805.10 \$648.56 34.4 40.7 41.1 \$20.65 \$19.98 \$15.82 \$710.36 \$813.90 April \$650.20

Source: CES, LMI of ESC Note: May 2011 data are preliminary, April 2011 data are revised and 2010 data are benchmarked. Data are not adjusted for inflation.

41.5

Each month, the Current Employment Statistics program provides measures of payroll and hours for all employees of private Nonfarm establishments for the nation, each state and more than 400 Metropolitan Statistical Areas.

\$20.77

\$20.04

\$15.79

\$718.64

\$819.64

\$655.29

In North Carolina, Total Private Hours & Earnings posted over-the-month increases in Average Weekly Earnings, Average Hourly Earnings, and Average Weekly Hours. Average Weekly Earnings increased \$8.28 to \$718.64; Average Hourly Earnings increased \$0.12 to \$20.77; and Average Weekly Hours increased 0.2 (12 minutes) to 34.6. Over the year, Total Private Hours & Earnings posted gains in Average Weekly Earnings (\$14.12); Average Hourly Earnings (\$0.17); and Average Weekly Hours (24 minutes).

Manufacturing Hours & Earnings also posted over-the-month increases in Average Weekly Earnings, Average Hourly Earnings, and Average Weekly Hours. Average Weekly Earnings increased \$6.45 to \$819.64; Average Hourly Earnings increased \$0.06 to \$20.04; and Average Weekly Hours increased 0.2 (12 minutes) to 40.9. Over the year, Manufacturing Hours & Earnings posted gains in Average Weekly Earnings (\$5.61) and Average Weekly Hours (18 minutes), with a loss in Average Hourly Earnings (\$0.01).

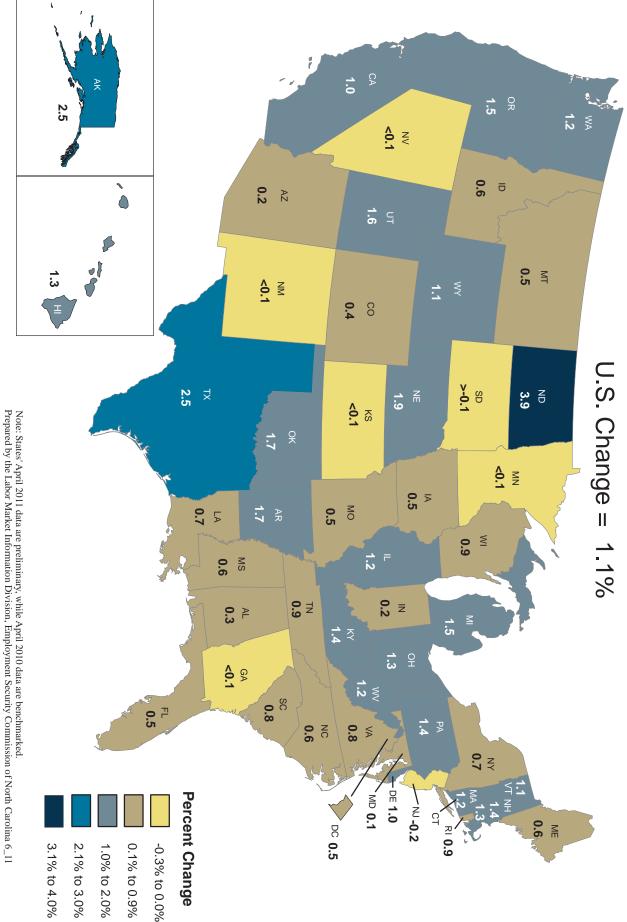
Production Hours & Earnings posted over-the-month increases in Average Weekly Earnings and Average Weekly Hours, with a loss in Average Hourly Earnings. Average Weekly Earnings increased \$5.09 to \$655.29 and Average Weekly Hours increased 0.4 (24 minutes) to 41.5. Average Hourly Earnings decreased \$0.03 to \$15.79. Over the year, Production Hours & Earnings posted gains in Average Weekly Earnings (\$11.01) and Average Weekly Hours (48 minutes), with a loss in Average Hourly Earnings (\$0.04).

34.6

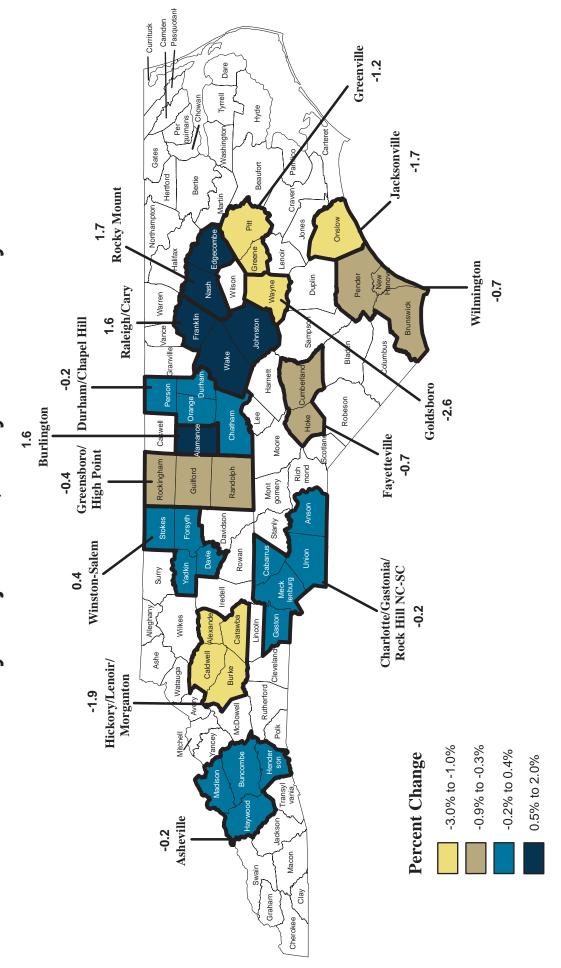
May 2011

40.9

# Total Nonfarm Employment Percent Change By State, Seasonally Adjusted, April 2010-April 2011



# Percent Change in Total Nonfarm Employment by Metro Seasonally Adjusted, May 2010-May 2011



Prepared by the Labor Market Information Division, Employment Security Commission of North Carolina 6\_2011 Note: May 2010 data are benchmarked, while May 2011 data are preliminary.

### Announced Business Closings and Permanent Layoffs<sup>1</sup> May 2011

| May 2011   |  |                                |                          |                           |                    |  |  |
|------------|--|--------------------------------|--------------------------|---------------------------|--------------------|--|--|
| County     | Company                                  | Product                        | Individuals<br>Affected* | Reason                    | Closing/<br>Layoff |  |  |
| Alamance   |  |                                |                          |                           |                    |  |  |
|            | Lowes Foods                              | Grocery Store                  | 45                       | Conversion/JustSave Foods | Closing            |  |  |
|            | X-Stitch Loft                            | Piece Goods                    | Unknown                  | Owner's Decision          | Closing            |  |  |
| Ashe       |  |                                |                          |                           |                    |  |  |
|            | Ashe County Board of Education           | Educational Services           | 10                       | Budget Cuts               | Layoff             |  |  |
| Beaufort   |  |                                |                          |                           |                    |  |  |
|            | Blackbeards                              | Restaurant                     | 20                       | Business Fire             | Closing            |  |  |
| Brunswick  |  |                                |                          |                           |                    |  |  |
|            | SUD Properties                           | Real Estate                    | Unknown                  | Bankruptcy                | Closing            |  |  |
| Cabarrus   |  |                                |                          |                           |                    |  |  |
|            | Adam Ramsey Miller Gallery               | Gallery                        | Unknown                  | Owner's Decision          | Closing            |  |  |
|            | Northeast Orthopedics                    | Orthopedic Care                | 9                        | Consolidation             | Closing            |  |  |
| Catawba    |  |                                |                          |                           |                    |  |  |
|            | Carolina Air Charter                     | Aircraft Services              | Unknown                  | Bankruptcy                | Closing            |  |  |
|            | Eagle Aviation                           | Aircraft Services              | Unknown                  | Bankruptcy                | Closing            |  |  |
|            | Marsh-Armfield of Newton                 | Plastics Product Manufacturing | 35                       | Acquisition/Premium Fab.  | Closing            |  |  |
|            | Profile Aviation Center                  | Miscellaneous Airport Services | 18                       | Bankruptcy                | Closing            |  |  |
|            | River Hawk Aviation (Viva International) | Aircraft Services              | Unknown                  | Bankruptcy                | Closing            |  |  |
| Chatham    |  |                                |                          |                           |                    |  |  |
|            | Townsends Inc                            | Food Manufacturing             | 145                      | Financial Difficulty      | Layoff             |  |  |
| Cleveland  |  |                                |                          |                           |                    |  |  |
|            | Carolina Therapeutic Solutions           | Mental Health Clinic           | Unknown                  | Specialist Shortages      | Closing            |  |  |
|            | Cleveland County Schools                 | Educational Services           | 41                       | Reduction in Force        | Layoff             |  |  |
|            | Pine Grove Golf Club                     | Golf Course                    | 2                        | Sold/Private Ownership    | Closing            |  |  |
| Cumberland |  |                                |                          |                           |                    |  |  |
|            | Fairlane Acres                           | Mobile Home Park               | 12                       | Owner's Decision          | Closing            |  |  |
|            | White Alternative Services               | Home Health Care               | 13                       | Bankruptcy                | Closing            |  |  |
|            | Wrights Texaco                           | Gas Station                    | 18                       | Bankruptcy                | Closing            |  |  |
| Davidson   |  |                                |                          |                           |                    |  |  |
|            | Comfort Suites Motel                     | Accomodation                   | 15                       | New Mgmt/Days Inn         | Closing            |  |  |
|            | Las Estrellas Sports Bar                 | Nightclub                      | 18                       | License Revoked           | Closing            |  |  |
| Duplin     |  |                                |                          |                           |                    |  |  |
|            | Duplin County Schools                    | Educational Services           | 210                      | Budget Cuts               | Layoff             |  |  |
| Durham     |  |                                |                          |                           |                    |  |  |
|            | Fish Shack                               | Restaurant                     | 13                       | Expired Lease             | Closing            |  |  |
|            | Pao Lim Restaurant                       | Restaurant                     | Unknown                  | New Mgmt/Happy China      | Closing            |  |  |
|            | PinPoint Properties                      | Real Estate                    | 3                        | Merger                    | Closing            |  |  |
| Edgecombe  |  |                                |                          |                           |                    |  |  |
|            | Mary Frances Center                      | Rehabilitation Facility        | 63                       | Funding Cut               | Closing            |  |  |
| Forsyth    |  |                                |                          |                           |                    |  |  |
|            | Creative Learning Center                 | Child Day Care                 | 4                        | Lack of Funding           | Closing            |  |  |
|            | Sharon Luggage & Gifts                   | Luggage Store                  | 8                        | Unprofitable              | Closing            |  |  |
|            | U S Postal Service                       | Post Office                    | 4                        | Moved (Cost Efficient)    | Closing            |  |  |
| Guilford   |  |                                |                          |                           |                    |  |  |
|            | Ballentines 1910 Frame Factory           | Home Furnishings               | 1                        | Owner's Decision          | Closing            |  |  |
|            |  |                                | i                        | İ.                        |                    |  |  |

|                | Announced Business Closings and Permanent Layoffs¹- Continued |                        |                          |                                |                    |  |  |  |  |
|----------------|---|------------------------|--------------------------|--------------------------------|--------------------|--|--|--|--|
| May 2011       |   |                        |                          |                                |                    |  |  |  |  |
| County         | Company   | Product                | Individuals<br>Affected* | Reason                         | Closing/<br>Layoff |  |  |  |  |
| Guilford cont. |   |                        |                          |                                |                    |  |  |  |  |
|                | Gate City Lincoln Mercury                                     | Car Sales              | 35                       | Sold/Green Ford                | Closing            |  |  |  |  |
|                | Gotch Covered   | Novelty Store          | 4                        | Financial Decision             | Closing            |  |  |  |  |
|                | Junk In The Trunk   | Used Merchandise Store | Unknown                  | Slow Sales                     | Closing            |  |  |  |  |
|                | Kress Adventures LLC  | Real Estate            | Unknown                  | Bankruptcy                     | Closing            |  |  |  |  |
|                | Luxury Junk   | Used Merchandise Store | Unknown                  | Slow Business                  | Closing            |  |  |  |  |
| Hertford       |   |                        |                          |                                |                    |  |  |  |  |
|                | Hertford County Schools                                       | Educational Services   | 22                       | Budget Cuts                    | Layoff             |  |  |  |  |
| Iredell        | ,   |                        |                          |                                | ,                  |  |  |  |  |
| 110001.        | Bells Crossing  | Construction           | Unknown                  | Bankruptcy                     | Closing            |  |  |  |  |
|                | HearUSA Inc   | Hearing Aid Store      | 2                        | Bankruptcy                     | Layoff             |  |  |  |  |
| Johnston       | Tiodi 9971m0  | Trouming / i.u. Old. I | _                        | Durinapioy                     | <b>2</b> 0, 2      |  |  |  |  |
| JUIIISTOII     | Johnston County Schools                                       | Educational Services   | 123                      | Reduction in Force             | Layoff             |  |  |  |  |
| Lenoir         | Johnston County Concors                                       | Educational Scivices   | 120                      | Reduction in Force             | Layon              |  |  |  |  |
| Lenon          | Blue Ribbon Bar   | Pub                    | Unknown                  | Violation                      | Closing            |  |  |  |  |
|                | Broken Eagle Restaurant                                       | Restaurant             | 25                       | Slow Business                  | Closing            |  |  |  |  |
| Lincoln        | 210.10.1  | 110010010111           |                          | 0024001                        | \$151 J            |  |  |  |  |
|                | Lincoln County Schools  | Educational Services   | 250                      | Budget Cuts                    | Layoff             |  |  |  |  |
| Mecklenburg    |   |                        |                          | _                              |                    |  |  |  |  |
|                | B K Investments   | Real Estate            | Unknown                  | Bankruptcy                     | Closing            |  |  |  |  |
|                | Bank of America (Technology Op)                               | Banking                | 12                       | Streamlining                   | Layoff             |  |  |  |  |
|                | Boulevard Co  | Construction           | 1                        | Owner's Decision               | Closing            |  |  |  |  |
|                | Charlotte Community School for Girls                          | Educational Services   | 3                        | Funding Cut                    | Closing            |  |  |  |  |
|                | Charlotte Mecklenburg Schools                                 | Educational Services   | 791                      | Budget Cuts                    | Layoff             |  |  |  |  |
|                | Charlotte Observer  | Publisher              | 26                       | Revenue Declines               | Layoff             |  |  |  |  |
|                | George Pappas Park Lane                                       | Bowling Center         | 25                       | New Ownership/Montford Bowling | Closing            |  |  |  |  |
|                | HearUSA Inc   | Hearing Aid Stores     | 7                        | Bankruptcy                     | Layoff             |  |  |  |  |
|                | Medcath   | Mgmt of Companies      | 80                       | Dissolution                    | Closing            |  |  |  |  |
|                | Morehead Street Tavern  | Pub                    | Unknown                  | Owner's Decision               | Closing            |  |  |  |  |
|                | Tayco LLC   | Real Estate            | Unknown                  | Bankruptcy                     | Closing            |  |  |  |  |
| Moore          |   |                        |                          |                                |                    |  |  |  |  |
|                | Darling House Pub & Grill                                     | Restaurant             | 15                       | Bankruptcy                     | Closing            |  |  |  |  |
| New Hanover    |   |                        |                          |                                |                    |  |  |  |  |
|                | Bank of America (Market St)                                   | Banking                | 4                        | Streamlining                   | Closing            |  |  |  |  |
|                | Kingoffs Jewelers (Forum)                                     | Jewelry Store          | Unknown                  | Consolidation                  | Closing            |  |  |  |  |
|                | Lakota Canyon Ranch Development                               | Construction           | Unknown                  | Bankruptcy                     | Closing            |  |  |  |  |
|                | Swart Garden  | Garden Center          | Unknown                  | Owner's Decision               | Closing            |  |  |  |  |
|                | Two Guys Grille   | Restaurant             | 19                       | Not Stated                     | Closing            |  |  |  |  |
|                | Virgo Middle School   | Educational Services   | 40                       | Restructuring                  | Closing            |  |  |  |  |
|                | Wilmington Housing Authority                                  | Gov't Housing Program  | 3                        | Budget Cuts                    | Layoff             |  |  |  |  |
| Onslow         |   |                        |                          |                                |                    |  |  |  |  |
|                | Dr. Rootbeers Hall of Foam                                    | Snack Bar              | 1                        | Owner's Decision               | Closing            |  |  |  |  |
|                |   | I                      |                          |                                |                    |  |  |  |  |

9

12

Underperformance

Underperformance

Women's Apparel Store

Women's Apparel Store

Closing

Closing

Fashion Bug

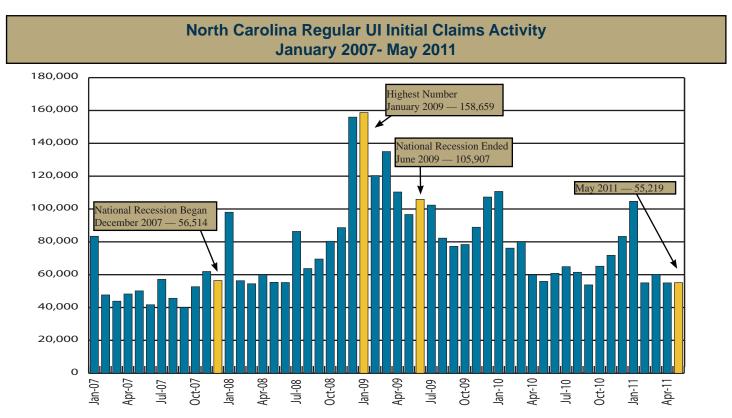
Fashion Bug

### Announced Business Closings and Permanent Layoffs - Continued<sup>1</sup> May 2011

|            |                                       | IVIAY ZUTT                 |                          |                                |                    |
|------------|---------------------------------------|----------------------------|--------------------------|--------------------------------|--------------------|
| County     | Company                               | Product                    | Individuals<br>Affected* | Reason                         | Closing/<br>Layoff |
| Orange     |                                       |                            |                          |                                |                    |
|            | Frank Porter Graham Child Care        | Child Day Care             | 31                       | Budget Cuts                    | Closing            |
| Pasquotank |                                       | J                          |                          |                                |                    |
| •          | Burger Belle                          | Restaurant                 | Unknown                  | Bankruptcy                     | Closing            |
|            | U S Postal Service (Main St)          | Post Office                | 4                        | Moved (Cost Efficient)         | Closing            |
| Pitt       |                                       |                            |                          |                                |                    |
|            | Lane Bryant (Mall)                    | Womens Apparel             | 14                       | Underperformance               | Closing            |
|            | Saslows Inc (Mall)                    | Jewelry Store              | 6                        | Expired Lease                  | Closing            |
|            | The Gap (Mall)                        | Clothing Store             | 14                       | Expired Lease                  | Closing            |
|            | Uncle Yammys Rib Shack                | Restaurant                 | 38                       | Owner's Decision               | Closing            |
| Rockingham | ·                                     |                            |                          |                                | J                  |
| 3          | Heather Bs Sandwich Café              | Restaurant                 | Unknown                  | Owner's Decision               | Closing            |
| Rowan      |                                       |                            |                          |                                |                    |
|            | Community Bank of Rowan               | Banking                    | 23                       | Sold/Piedmont Comm. Bank       | Closing            |
| Scotland   | . ,                                   | J                          |                          |                                |                    |
|            | East Laurinburg Alternative Academy   | Educational Services       | 32                       | Cost Cuts (Merging)            | Closing            |
|            | Scotland Accelerated Academy          | Educational Services       | 100                      | Cost Cuts (Merging)            | Closing            |
| Stanly     | - Coolaina / Isosoisiaisa / Isaasiii, |                            | .00                      | Cook Cate (Merging)            | G.Com.ig           |
| o.u.i.y    | Stanly County Schools                 | Educational Services       | 124                      | Reduction in Force             | Layoff             |
| Statewide  | Clarity County Conocid                | Eddodional Oct vioco       | 12-7                     | Troduction in Force            | Layon              |
| Otatewide  | Merit Group Inc                       | Sales                      | 1                        | Bankruptcy                     | Closing            |
| Union      | Went Group inc                        | Caics                      | '                        | Barikruptcy                    | Closing            |
| Onion      | HearUSA Inc                           | Hearing Aid store          | 1                        | Bankruptcy                     | Layoff             |
| Wake       | Tiearosa filo                         | Treating Aid Store         | '                        | Ванктирису                     | Layon              |
| wake       | American Research Institute           | Computer Services          | 18                       | Liquidation                    | Closing            |
|            | AMF Capital Lanes                     | Bowling Center             | 17                       | Slow Business                  | Closing            |
|            | Bogarts American Grill                | Restaurant                 | 35                       | Expired Lease                  | Closing            |
|            | Coldwell Banker                       | Real Estate                | Unknown                  | Owner's Decision               | <del> </del>       |
|            |                                       |                            | l                        |                                | Closing            |
|            | ConAgra                               | Food Manufacturing         | 200                      | Shifting Operations to Ohio    | Closing            |
|            | Hi5                                   | Restaurant                 | 34                       | Conversion/ Draft Car. Burgers | Closing            |
|            | Kroger Limited Partnership            | Grocery Store              | 83                       | Underperformance               | Closing            |
|            | Michael Deans                         | Restaurant                 | 50                       | Conversion/Tribeca Tavern      | Closing            |
|            | Profile Technologies                  | Sales                      | 1                        | Bankruptcy                     | Closing            |
|            | Raleigh News & Observer               | Publisher                  | 20                       | Sales Decline                  | Layoff             |
|            | Sharon Luggage & Gifts                | Luggage Store              | 5                        | Unprofitable                   | Closing            |
|            | Six Forks EMS (4 locations)           | Ambulance Service          | 38                       | Merged with County             | Closing            |
|            | Tekelec                               | Comm. Equipment Mfg.       | 50                       | Reduction in Force             | Layoff             |
|            | U S Postal Service (Airport)          | Post Office                | Unknown<br>_             | Not Stated                     | Closing            |
|            | U S Postal Service (Crabtree)         | Post Office                | 7                        | Cost Efficient                 | Closing            |
|            | Wake County Public Schools            | Educational Services       | 95                       | Budget Cuts                    | Layoff             |
| Wayne      |                                       |                            |                          |                                |                    |
|            | Retired & Senior Volunteer Pgrm       | Senion Citizen Association | 1                        | Funding Cut                    | Closing            |
| Wilkes     |                                       |                            |                          |                                |                    |
|            | North Wilkesboro Speedway             | Racetrack                  | 1                        | Financial Difficulty           | Closing            |
| Wilson     |                                       |                            |                          |                                |                    |
|            | Carolina Cheese Co.                   | Specialty Food Store       | 10                       | Owner's Decision               | Closing            |
|            | ReMax                                 | Real Estate                | 7                        | Merger/First Wilson Prop.      | Closing            |

|              | Announced Business Closings and Permanent Layoffs <sup>1</sup> – Continued May 2011 |   |    |                  |         |  |  |  |  |  |
|--------------|---|---|----|------------------|---------|--|--|--|--|--|
| County       | Company   | Company Product Individuals Affected* Reason Closing/ |    |                  |         |  |  |  |  |  |
| Wilson cont. |   |   |    |                  |         |  |  |  |  |  |
|              | Wilson County Schools Educational Services 118 Reduction in Force Layoff            |   |    |                  |         |  |  |  |  |  |
|              | Worrells Seafood Company  | Restaurant  | 19 | Owner's Decision | Closing |  |  |  |  |  |

<sup>&#</sup>x27;The data available are derived from a statewide survey of newspaper accounts of closings and layoffs, and from information supplied to the Employment Security Commission of North Carolina (ESC) by the employing units experiencing layoffs. The data are not all inclusive and do not meet Labor Market Information Division standards for accuracy. ESC staff members do not analyze or evaluate the accuracy of these reports. \* 'Individuals Affected' represent numbers reported by media sources only. Actual numbers may differ. Source: LMI of ESC. For more information, visit http://eslmi23.esc.state.nc.nc.us/masslayoff/



Source: WRER unit, LMI of ESC

Regular Initial Claims, which totaled 55,219 for the month ending May 2011, increased 124 (0.2%) from the prior month's total of 55,095. Regular Initial Claims declined 788 (1.4%) compared to 56,007 in May 2010; decreased 41,459 (42.9 %) compared to 96,678 in May 2009; fell 214 (0.4%) compared to 55,433 in May 2008; and increased 4,988 (9.9 %) compared to the pre-recessionary level of 50,231 in 2007.

Attached Initial Claims are claims filed by an individual who is either partially or totally unemployed because of lack of work during a payroll week, as established by his/her employer, but the individual retains his attachment to the payroll and work force of that employer. During the month ending May 2011, Attached Initial Claims accounted for approximately 24,593 (44.5%) of the 55,219 Initial Claims. Attached Claims comprised 23,836 (42.6 %) of the 56,007 Initial Claims in May 2010; 57,159 (59.1) of the 96,678 Initial Claims in May 2009; 28,702 (51.8 %) of Initial Claims in May 2008; and 26,536 (52.8 %) of 50,231 Initial Claims in May 2007.

For the month ending May 2011, the most notable increases in Initial Claims were in the Manufacturing, Services, and Retail Trade industries. The majority of the decreases were in Construction; Transportation, Communication, Electric, Gas and Sanitary Services; Agriculture, Forestry and Fishing; and Wholesale Trade.

|                             | May    |        |        |        |        |  |  |
|-----------------------------|--------|--------|--------|--------|--------|--|--|
|                             | 2011   | 2010   | 2009   | 2008   | 2007   |  |  |
| Regular Initial Claims (IC) | 55,219 | 56,007 | 96,678 | 55,433 | 50,231 |  |  |
| New Claims (NC)             | 31,059 | 32,238 | 41,588 | 30,205 | 26,630 |  |  |
| NC Percent of IC            | 56.2%  | 57.6%  | 43.0%  | 54.5%  | 53.0%  |  |  |
| NC Percent Attached         | 18.3%  | 15.7%  | 22.5%  | 26.5%  | 27.2%  |  |  |

Source: WRER unit, LMI of ESC

New Claims, which totaled 31,059 for the month ending May 2011, increased 752 (2.5%) from the prior month's total of 30,307. New Claims fell 1,179 (3.7%) compared to 32,238 in May 2010; dropped 10,529 (25.3%) compared to 41,588 in May 2009; increased 854 (2.8%) compared to 30,205 in May 2008; and rose 4,429 (16.6%) compared to 26,630 in May 2007.

New Claims, for the month ending May 2011, accounted for 56.2 percent of total Initial Claims. New Claims comprised 57.6 percent of Initial Claims in May 2010; 43.0 percent of Initial Claims in May 2009; 54.5 percent of Initial Claims in May 2008; and 53.0 percent of Initial Claims in May 2007.

During the month ending May 2011, Attached New Claims comprised 5,673 (18.3 %) of 31,059 New Claims. Attached New Claims accounted for 5,044 (15.7 %) of 32,238 New Claims in May 2010; 9,337 (22.5 %) of 41,588 New Claims in May 2009; 8,015 (26.5%) of 30,205 New Claims in May 2008; and 7,243 (27.2 %) of 26,630 New Claims in May 2007.

North Carolina Countie

|           | North Carolina Counties  Regular UI Initial Claims Activity  May 2011 |                        |        |                      |       |                       |                          |  |  |  |  |
|-----------|---|------------------------|--------|----------------------|-------|-----------------------|--------------------------|--|--|--|--|
|           | Trans   | sactions               |        | Individ              | uals  |                       |                          |  |  |  |  |
| County    | Initial<br>Claims   | Attached<br>To Payroll | Female | African-<br>American | White | 45 Years<br>and Older | Regular UI<br>Benefits** |  |  |  |  |
| ALAMANCE  | 1,116   | 703                    | 470    | 308                  | 498   | 470                   | \$1,680,577              |  |  |  |  |
| ALEXANDER | 474   | 357                    | 163    | 26                   | 375   | 218                   | \$518,705                |  |  |  |  |
| ALLEGHANY | 130   | 106                    | 27     | 4                    | 87    | 55                    | \$128,730                |  |  |  |  |
| ANSON     | 152   | 79                     | 52     | 78                   | 46    | 52                    | \$263,117                |  |  |  |  |
| ASHE      | 227   | 158                    | 63     | *                    | 188   | 89                    | \$324,320                |  |  |  |  |
| AVERY     | 112   | 85                     | 45     | *                    | 96    | 53                    | \$203,275                |  |  |  |  |
| BEAUFORT  | 334   | 124                    | 153    | 143                  | 156   | 140                   | \$532,464                |  |  |  |  |
| BERTIE    | 99  | 14                     | 49     | 80                   | 14    | 44                    | \$200,546                |  |  |  |  |
| BLADEN    | 284   | 112                    | 105    | 120                  | 127   | 108                   | \$439,805                |  |  |  |  |
| BRUNSWICK | 487   | 111                    | 163    | 87                   | 359   | 199                   | \$1,268,881              |  |  |  |  |
| BUNCOMBE  | 1,104   | 482                    | 384    | 113                  | 795   | 398                   | \$2,402,836              |  |  |  |  |
| BURKE     | 728   | 493                    | 222    | 25                   | 536   | 310                   | \$1,008,943              |  |  |  |  |
| CABARRUS  | 929   | 368                    | 317    | 169                  | 568   | 325                   | \$2,313,103              |  |  |  |  |
| CALDWELL  | 891   | 625                    | 324    | 31                   | 750   | 427                   | \$1,126,470              |  |  |  |  |
| CAMDEN    | 23  | *                      | 13     | 9                    | 13    | 10                    | \$78,135                 |  |  |  |  |
| CARTERET  | 230   | 56                     | 99     | 27                   | 176   | 98                    | \$617,641                |  |  |  |  |

### North Carolina Counties Regular UI Initial Claims Activity May 2011

|            | Trans             | ransactions Individuals |        |                      |       |                       |                          |
|------------|-------------------|-------------------------|--------|----------------------|-------|-----------------------|--------------------------|
| County     | Initial<br>Claims | Attached<br>To Payroll  | Female | African-<br>American | White | 45 Years<br>and Older | Regular UI<br>Benefits** |
| CASWELL    | 216               | 140                     | 99     | 89                   | 81    | 104                   | \$229,726                |
| CATAWBA    | 1,710             | 1,161                   | 603    | 166                  | 1,166 | 728                   | \$2,300,463              |
| CHATHAM    | 339               | 212                     | 143    | 61                   | 175   | 119                   | \$566,834                |
| CHEROKEE   | 174               | 90                      | 32     | *                    | 154   | 66                    | \$227,212                |
| CHOWAN     | 70                | 24                      | 23     | 35                   | 24    | 31                    | \$152,621                |
| CLAY       | 62                | 36                      | 13     | *                    | 53    | 23                    | \$70,730                 |
| CLEVELAND  | 646               | 281                     | 258    | 159                  | 424   | 247                   | \$1,168,301              |
| COLUMBUS   | 447               | 158                     | 138    | 135                  | 242   | 170                   | \$644,852                |
| CRAVEN     | 750               | 431                     | 324    | 297                  | 356   | 329                   | \$1,018,058              |
| CUMBERLAND | 1,380             | 332                     | 672    | 753                  | 399   | 445                   | \$2,948,451              |
| CURRITUCK  | 60                | 10                      | 28     | 6                    | 49    | 27                    | \$149,525                |
| DARE       | 107               | 42                      | 51     | 5                    | 89    | 44                    | \$423,429                |
| DAVIDSON   | 1,320             | 820                     | 443    | 163                  | 865   | 533                   | \$2,120,252              |
| DAVIE      | 221               | 112                     | 95     | 31                   | 146   | 103                   | \$510,020                |
| DUPLIN     | 270               | 113                     | 120    | 122                  | 95    | 110                   | \$476,619                |
| DURHAM     | 1,159             | 360                     | 574    | 705                  | 233   | 357                   | \$3,162,853              |
| EDGECOMBE  | 437               | 177                     | 200    | 290                  | 87    | 144                   | \$885,632                |
| FORSYTH    | 1,705             | 662                     | 736    | 633                  | 702   | 649                   | \$4,374,320              |
| FRANKLIN   | 389               | 216                     | 150    | 146                  | 178   | 158                   | \$718,754                |
| GASTON     | 1,142             | 431                     | 432    | 215                  | 778   | 430                   | \$2,551,780              |
| GATES      | 30                | 7                       | 12     | 17                   | 11    | 17                    | \$26,638                 |
| GRAHAM     | 92                | 69                      | 19     | 7                    | 70    | 35                    | \$159,075                |
| GRANVILLE  | 270               | 124                     | 104    | 94                   | 137   | 113                   | \$610,132                |
| GREENE     | 73                | 27                      | 33     | 32                   | 36    | 33                    | \$221,183                |
| GUILFORD   | 3,112             | 1,423                   | 1,326  | 1,520                | 1,038 | 1,164                 | \$6,349,991              |
| HALIFAX    | 360               | 117                     | 146    | 203                  | 116   | 127                   | \$657,850                |
| HARNETT    | 580               | 224                     | 228    | 179                  | 304   | 216                   | \$1,349,197              |
| HAYWOOD    | 275               | 130                     | 77     | 5                    | 236   | 108                   | \$696,416                |
| HENDERSON  | 429               | 232                     | 137    | 25                   | 304   | 162                   | \$949,513                |
| HERTFORD   | 221               | 127                     | 85     | 77                   | 116   | 97                    | \$202,157                |
| HOKE       | 273               | 142                     | 129    | 126                  | 68    | 104                   | \$504,241                |
| HYDE       | 12                | *                       | 4      | 6                    | N/A   | 5                     | \$34,244                 |
| IREDELL    | 987               | 372                     | 346    | 206                  | 636   | 406                   | \$2,329,065              |
| JACKSON    | 348               | 278                     | 117    | 10                   | 246   | 103                   | \$421,076                |
| JOHNSTON   | 809               | 259                     | 316    | 220                  | 428   | 320                   | \$2,009,160              |
| JONES      | 68                | 39                      | 27     | 37                   | 29    | 32                    | \$92,438                 |
| LEE        | 435               | 199                     | 159    | 118                  | 216   | 161                   | \$851,305                |
| LENOIR     | 315               | 114                     | 115    | 152                  | 111   | 111                   | \$636,549                |
| LINCOLN    | 454               | 209                     | 152    | 35                   | 344   | 182                   | \$991,537                |
| MCDOWELL   | 605               | 493                     | 184    | 31                   | 432   | 232                   | \$810,981                |
| MACON      | 174               | 117                     | 47     | 6                    | 139   | 72                    | \$364,545                |

### North Carolina Counties Regular UI Initial Claims Activity – Continued May 2011

| May 2011     |                   |                        |        |                      |       |                       |                          |
|--------------|-------------------|------------------------|--------|----------------------|-------|-----------------------|--------------------------|
|              |                   | sactions Individuals   |        |                      |       |                       |                          |
| County       | Initial<br>Claims | Attached<br>To Payroll | Female | African-<br>American | White | 45 Years<br>and Older | Regular UI<br>Benefits** |
| MADISON      | 125               | 86                     | 36     | *                    | 103   | 48                    | \$232,364                |
| MARTIN       | 121               | 41                     | 57     | 76                   | 39    | 44                    | \$350,047                |
| MECKLENBURG  | 3,993             | 776                    | 1,814  | 1,942                | 1,423 | 1,255                 | \$13,592,580             |
| MITCHELL     | 115               | 67                     | 34     | *                    | 98    | 49                    | \$146,482                |
| MONTGOMERY   | 352               | 286                    | 155    | 73                   | 181   | 149                   | \$320,217                |
| MOORE        | 326               | 141                    | 126    | 85                   | 201   | 140                   | \$780,221                |
| NASH         | 624               | 241                    | 267    | 312                  | 225   | 240                   | \$1,488,693              |
| NEW HANOVER  | 884               | 173                    | 389    | 208                  | 589   | 343                   | \$2,577,624              |
| NORTHAMPTON  | 117               | 41                     | 38     | 70                   | 40    | 53                    | \$181,341                |
| ONSLOW       | 535               | 191                    | 241    | 132                  | 320   | 177                   | \$961,449                |
| ORANGE       | 401               | 208                    | 182    | 130                  | 153   | 159                   | \$911,306                |
| PAMLICO      | 80                | 50                     | 27     | 27                   | 45    | 27                    | \$91,734                 |
| PASQUOTANK   | 198               | 24                     | 84     | 121                  | 66    | 78                    | \$348,492                |
| PENDER       | 317               | 98                     | 129    | 64                   | 219   | 128                   | \$627,674                |
| PERQUIMANS   | 82                | 35                     | 39     | 28                   | 41    | 33                    | \$115,538                |
| PERSON       | 368               | 236                    | 126    | 82                   | 136   | 151                   | \$613,228                |
| PITT         | 895               | 215                    | 451    | 553                  | 272   | 298                   | \$1,947,359              |
| POLK         | 77                | 46                     | 24     | *                    | 66    | 36                    | \$106,507                |
| RANDOLPH     | 1,439             | 1,024                  | 542    | 87                   | 939   | 548                   | \$1,679,513              |
| RICHMOND     | 355               | 192                    | 140    | 106                  | 183   | 130                   | \$624,844                |
| ROBESON      | 1,435             | 922                    | 787    | 442                  | 250   | 560                   | \$1,795,792              |
| ROCKINGHAM   | 725               | 446                    | 312    | 165                  | 461   | 326                   | \$1,184,578              |
| ROWAN        | 880               | 425                    | 308    | 173                  | 562   | 374                   | \$1,836,460              |
| RUTHERFORD   | 588               | 355                    | 180    | 94                   | 409   | 216                   | \$736,630                |
| SAMPSON      | 299               | 97                     | 140    | 114                  | 119   | 88                    | \$660,469                |
| SCOTLAND     | 575               | 419                    | 226    | 223                  | 194   | 231                   | \$669,758                |
| STANLY       | 484               | 334                    | 198    | 89                   | 305   | 205                   | \$751,707                |
| STOKES       | 290               | 149                    | 106    | 17                   | 244   | 125                   | \$545,626                |
| SURRY        | 383               | 208                    | 126    | 11                   | 317   | 167                   | \$724,631                |
| SWAIN        | 60                | 29                     | 26     | N/A                  | 38    | 20                    | \$197,655                |
| TRANSYLVANIA | 130               | 80                     | 37     | 9                    | 102   | 58                    | \$206,386                |
| TYRRELL      | 10                | 7                      | 5      | 7                    | *     | 5                     | \$41,975                 |
| UNION        | 783               | 286                    | 279    | 179                  | 474   | 284                   | \$2,236,658              |
| VANCE        | 380               | 152                    | 150    | 195                  | 107   | 139                   | \$791,094                |
| WAKE         | 3,322             | 732                    | 1,485  | 1,382                | 1,326 | 1,205                 | \$11,126,495             |
| WARREN       | 98                | 20                     | 45     | 63                   | 28    | 44                    | \$205,016                |
| WASHINGTON   | 62                | 16                     | 23     | 49                   | 7     | 30                    | \$244,868                |
| WATAUGA      | 204               | 137                    | 65     | *                    | 177   | 96                    | \$402,799                |
| WAYNE        | 477               | 161                    | 233    | 257                  | 165   | 161                   | \$906,226                |
| WILKES       | 660               | 475                    | 140    | 23                   | 523   | 293                   | \$790,821                |
| WILSON       | 518               | 136                    | 232    | 261                  | 173   | 183                   | \$1,586,204              |

### North Carolina Counties Regular UI Initial Claims Activity – Continued May 2011

|        | Trans             | sactions               | Individuals |                      |       |                       |                          |
|--------|-------------------|------------------------|-------------|----------------------|-------|-----------------------|--------------------------|
| County | Initial<br>Claims | Attached<br>To Payroll | Female      | African-<br>American | White | 45 Years<br>and Older | Regular UI<br>Benefits** |
| YADKIN | 249               | 161                    | 77          | 10                   | 182   | 105                   | \$419,594                |
| YANCEY | 136               | 95                     | 42          | *                    | 110   | 54                    | \$183,740                |

Source: WRER Unit, LMI of ESC Note: 'Regular Initial Claims' represent transactions and not individuals. \*\*Does not include Extended Benefits and Federal Additional Compensation. \* Data are supressed due to confidentiality. N/A No data reported.

The NC Employment Security Commission (ESC) paid \$301,951,925 in Unemployment Insurance (UI) benefits to unemployed claimants across North Carolina during May 2011. These payments include state and federally funded benefits. North Carolina paid \$124,646,735 in regular UI benefits to 116,173 individuals during the month — a decrease of 4,720 claimants since April 2011. The average UI weekly benefit amount was \$282.35 (maximum weekly benefit is \$506).

Regular UI Initial Claims filed during May 2011 totaled 55,219. This compares to 55,095 during April 2011. Of these claims, 24,593 or 45 percent remained attached to employers' payrolls. Approximately 56 percent of regular UI Initial Claims filed during May 2011 were New Initial Claims — an increase of 752 from the prior month. Attached claims accounted for approximately 18 percent of these numbers.

Five of the state's counties — Mecklenburg, Wake, Guilford, Catawba and Forsyth — accounted for 25 percent of regular Initial Claims filed. Five of the state's counties — Mecklenburg, Wake, Guilford, Forsyth and Durham — accounted for 31 percent of regular UI benefits received during the period.

During May 2011, the NC UI Trust and State Reserve Funds collected \$445.8 million in UI taxes and reported no interest. The UI Trust Fund ending May 2011 had a negative balance of \$2.4 billion, with a State Reserve balance of \$112.9 million. The UI Trust Fund had a federal loan balance of \$2.4 billion.

Also in May 2011, 17,309 Emergency Unemployment Compensation (EUC08) Initial Claims were filed, of which 15,336 were New Claims. During the same period, 255,212 weeks were compensated for EUC08 benefits, 138,902 weeks for EUC II benefits, 131,060 weeks for EUC III, and 61,194 weeks for EUC IV. EUC Initial Claims are not included in the UI Regular Initial Claims counts. The EUC08 benefits paid in May 2011 totaled \$74,319,602, \$40,462,968 was paid in EUC II benefits, \$38,894,419 was paid in EUC III benefits, and \$17,429,069 was paid in EUC IV benefits. These benefits were paid through federal dollars.

The Extended Benefits (EB) Initial Claims filed in May 2011 totaled 1,282, of which 1,190 were New Claims. A total of 6,132 weeks were compensated for EB benefits. EB Initial Claims are not included in the UI Regular Initial Claims. The total for EB benefits paid in May was \$1,934,615.

In May 2011, \$650,773 was paid in Unemployment Compensation for Federal Employees (UCFE) benefits, \$3,582,114 in Unemployment Compensation for Ex-Service Members (UCX) benefits, and \$31,630 in Federal Additional Compensation (FAC) benefits.

### Compensation Per Hours Worked South Atlantic Region/United States 1st Quarter 2011

|                                   | South   | South Atlantic |         | United States |  |  |
|-----------------------------------|---------|----------------|---------|---------------|--|--|
|                                   | Cost    | Percent        | Cost    | Percent       |  |  |
| Total Compensation                | \$25.48 | 100.0%         | \$30.07 | 100.0%        |  |  |
| Wages and Salaries                | \$18.41 | 72.3%          | \$20.91 | 69.6%         |  |  |
| Total Benefits                    | \$7.07  | 27.7%          | \$9.15  | 30.4%         |  |  |
| Paid Leave                        | \$1.70  | 6.7%           | \$2.09  | 7.0%          |  |  |
| Vacation                          | \$0.86  | 3.4%           | \$1.00  | 3.3%          |  |  |
| Holiday                           | \$0.54  | 2.1%           | \$0.65  | 2.2%          |  |  |
| Sick                              | \$0.22  | 0.9%           | \$0.33  | 1.1%          |  |  |
| Personal                          | \$0.09  | 0.3%           | \$0.11  | 0.4%          |  |  |
| Supplemental Pay                  | \$0.61  | 2.4%           | \$0.70  | 2.3%          |  |  |
| Overtime and Premium <sup>1</sup> | \$0.23  | 0.9%           | \$0.24  | 0.8%          |  |  |
| Shift Differentials               | \$0.07  | 0.3%           | \$0.06  | 0.2%          |  |  |
| Nonproduction Bonuses             | \$0.31  | 1.2%           | \$0.39  | 1.3%          |  |  |
| Insurance                         | \$1.92  | 7.5%           | \$2.67  | 8.9%          |  |  |
| Life                              | \$0.04  | 0.2%           | \$0.05  | 0.2%          |  |  |
| Health                            | \$1.80  | 7.1%           | \$2.53  | 8.4%          |  |  |
| Short-Term Disability             | \$0.04  | 0.2%           | \$0.05  | 0.2%          |  |  |
| Long-Term Disability              | \$0.04  | 0.2%           | \$0.04  | 0.1%          |  |  |
| Retirement and Savings            | \$0.79  | 3.1%           | \$1.36  | 4.5%          |  |  |
| Defined Benefits                  | \$0.26  | 1.0%           | \$0.83  | 2.7%          |  |  |
| Defined Contribution              | \$0.52  | 2.0%           | \$0.54  | 1.8%          |  |  |
| Legally Required Benefits         | \$2.05  | 8.0%           | \$2.33  | 7.8%          |  |  |
| Social Security and Medicare      | \$1.54  | 6.0%           | \$1.69  | 5.6%          |  |  |
| Social Security <sup>2</sup>      | \$1.24  | 4.9%           | \$1.35  | 4.5%          |  |  |
| Medicare                          | \$0.30  | 1.2%           | \$0.34  | 1.1%          |  |  |
| Federal Unemployment Insurance    | \$0.03  | 0.1%           | \$0.03  | 0.1%          |  |  |
| State Unemployment Insurance      | \$0.13  | 0.5%           | \$0.18  | 0.6%          |  |  |
| Workers' Compensation             | \$0.35  | 1.4%           | \$0.43  | 1.4%          |  |  |

Source: Bureau of Labor Statistics, Employer Cost for Employee Compensation. ¹Includes premium pay for work in addition to the regular work schedule (such as overtime, weekends and holidays). ²Comprises the Old-Age, Survivors and Disability Insurance (OASDI) program. Note: May not sum due to rounding. Not adjusted for inflation. Most recent data available for comparison purposes. Private industry workers. South Atlantic Region includes: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, Virginia and West Virginia.

The South Atlantic Region's Total Compensation of \$25.48 per hour worked in 1<sup>st</sup> Qtr. 2011 is below the national average of \$30.07.

Wages and Salaries reported during 1<sup>st</sup> Qtr. 2011 for the South Atlantic comprised 72.3 percent of Total Compensation. Nationally, Wages and Salaries comprised 69.6 percent.

The Region's Retirement and Savings cost \$0.79 and was 3.1 percent of Total Compensation. Retirement and Savings averaged \$1.36 (4.5%) nationally.

Legally Required Benefits was 8.0 percent of Total Compensation for the Region, and 7.8 percent nationally. Social Security and Medicare were 6.0 percent of Total Compensation for the region and 5.6 percent nationally.

Health Insurance Benefits comprised 7.1 percent of Total Compensation (or 25.5% of Total Benefits) in the region, while comprising 8.4 percent (27.7% of Total Benefits) nationally.

### **Glossary of Terms**

**Alternative Measures of Labor Underutilization:** Consists of six alternative measures from the Current Population Survey (CPS) that includes persons who are marginally attached to the labor force:

- U-1– Persons unemployed for 15 weeks or longer, as a percent of the civilian labor force
- U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force
- **U-3** Total unemployed, as a percent of the civilian labor force (derived from the CPS)
- **U-4** Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers
- **U-5** Total unemployed plus discouraged workers plus all other persons marginally attached to the labor force, as a percent of the civilian labor force plus all persons marginally attached to the labor force
- U-6 Total unemployed plus all persons marginally attached to the labor force plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force

**Announced Business Closings/Layoffs:** Data derived from a statewide survey of newspaper accounts of closings and layoffs, and from information supplied to the North Carolina Employment Security Commission (ESC) by the employing units experiencing the layoffs. The data is not inclusive and is not analyzed or evaluated for accuracy.

**Average Hourly Earnings:** The average hourly earnings of all workers in selected industries. Earnings are calculated monthly from data collected through the Current Employment Statistics (CES) Program.

**Average Weekly Hours:** The average hours worked in a week for all workers in selected industries. They are calculated monthly from data collected through the Current Employment Statistics (CES) Program.

**Benchmark:** The annual process of re-estimating statistics as more complete information becomes available. Estimates are usually calculated using only a sample of the universe (total count). Benchmarking introduces new levels as points of reference (either estimates or counts) from which measurements and/or adjustments to estimates are based. Both industry employment collected by the Current Employment Statistics (CES) program and civilian labor force estimates provided by the Local Area Unemployment Statistics (LAUS) program are benchmarked.

**Bureau of Labor Statistics (BLS):** The federal agency that functions as the principal data-gathering source for labor economics for the federal government. As a part of the U.S. Department of Labor and in partnership with state agencies, the BLS collects, processes, analyzes, and disseminates data relating to employment, unemployment, the labor force, productivity, prices, family expenditures, wages, industrial relations, and occupational safety and health.

**Civilian Labor Force:** All persons in the civilian noninstitutional population (e.g., not on active duty in the Armed Forces, residing in penal, mental facilities or homes for the aged), 16 years of age and older and classified as either employed or unemployed. These estimates are calculated based on residency, not work location.

**Civilian Noninstitutional Population:** All persons 16 years of age and older who reside in the United States, are not institutionalized or on active duty in the Armed Forces.

Current Employment Statistics (CES): A federal Bureau of Labor Statistics (BLS)/state Employment Security Commission (ESC) cooperative program which performs a monthly survey of approximately 17,000 to 18,000 businesses in North Carolina that collects information as to the number of jobs on the payroll during the week that includes the 12th of that month. This data, which represents employment by industry division, are commonly referred to as the "establishment survey," "industry employment" or the "wage and salary employment series." Each month, the CES program releases preliminary employment and hours and earnings data for the prior month and revised data for the month preceding the prior month. Estimates are benchmarked annually at the beginning of each to reflect additional data collection. Estimates are calculated based on work location, not residency. Individuals who hold more than one job could be counted more than once.

Current Population Survey (CPS) or "Household Survey": A monthly household survey conducted by the Census Bureau for the Bureau of Labor Statistics (BLS). The information gathered from a sample of about 60,000 households nationally (approximately 1,500 households in North Carolina) is designed to be a representation of the civilian noninstitutional population aged 16 years and older and is used in calculating estimates of the civilian labor force, employment, unemployment and the unemployment rate for all states. Unlike the CES survey, individuals who participate in this survey and who are working at more than one job, are counted as employed only once.



**Discouraged Workers (Current Population Survey)**: Persons not in the labor force who want and are available for a job, and who have looked for work sometime in the past 12 months (or since the end of their last job if held within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

**Durable Goods:** Known as "hard goods," the term refers to manufactured or processed items generally considered to have a normal life expectancy of three years or more. The durable goods manufacturing industries are: Furniture & Related Product; Wood Product; Nonmetallic Mineral Product; Fabricated Metal Product; Machinery; Computer & Electronic Product; Electrical Equipment & Appliance, Transportation Equipment and Furniture & Related Product.

Employment: Used in Current Employment Statistics (CES), industry or establishment data referring to persons on establishment payrolls who received pay for any part of the pay period that includes the 12th day of the month. The data exclude proprietors, the unincorporated self-employed, unpaid volunteer or family workers, farm workers, and domestic workers. Salaried officers of corporations are included. Government employment covers only civilian employees; military personnel are excluded. Employees of the Central Intelligence Agency, the National Security Agency, the National Imagery and Mapping Agency, and the Defense Intelligence Agency also are excluded. Persons on establishment payrolls who are on paid sick leave (for cases in which pay is received directly from the firm), on paid holiday, or on paid vacation, or who work during a part of the pay period even though they are unemployed, or on strike during the rest of the period, are counted as employed. Not counted as employed are persons who are on layoff, on leave without pay, or on strike for the entire period, or who were hired but have not yet reported during the period. Employment is calculated by work location, not residency. Individuals may be counted more than once if they hold multiple jobs.

Used in Local Area Unemployment Statistics (LAUS), individuals 16 years of age and older who worked during the week that includes the 12th of the month for, (a) pay, (b) unpaid for 15 hours or more in a family-owned business, or (c) in their own business, profession or farm. Persons temporarily absent from their jobs due to illness, bad weather, vacation, labor dispute, or personal reasons are included. Individuals whose only activity consists of work around the house and/or volunteer work for religious, charitable, and similar organizations are excluded. Employment is calculated by residency, not work location. Each employed person is counted once even if working multiple jobs.

**Employment-to-Population Ratio** (E-P): The proportion of the civilian noninstitutional population that is employed.

**Entrants** (Current Population Survey): Unemployed persons who are entering the labor force as a new entrant or re-entrant.

**Full-time Workers:** Persons who work 35 hours or more per week.

**Geographic Profile of Employment and Unemployment:** Presents annual averages from the CPS for census regions and divisions, the 50 states and the District of Columbia, 50 large metropolitan areas, and 17 central cities. Data are provided on the employed and unemployed by selected demographic and economic characteristics.

Goods Producing: Industries including Mining, Construction and Manufacturing.

**Hours of Work:** The number of hours worked during the survey week. Individuals who work at least 35 hours are designated full-time workers; persons who work less than that are considered part time.

**Industry:** A group of establishments that produce similar products or provide similar services. For example, all establishments that manufacture automobiles are in the same industry. A given industry, or even a particular establishment in that industry, might have employees in dozens of occupations. The North American Industry Classification System (NAICS) groups similar establishments into industries.

**Initial Claim:** Includes new and additional initial claims. An additional initial claim is a subsequent initial claim filed to reopen a claim series during an existing benefit year. This occurs if a person again becomes unemployed when a break of one week or more has occurred in the claim series due to intervening employment.

**Job Leavers:** An unemployment category describing individuals who quit or otherwise terminate their employment voluntarily and immediately begin looking for work.

**Job Losers:** An unemployment category describing persons (a) who are on temporary layoff, who have been given a date to return to work or who expect to return within six months or (b) whose employment ended voluntarily and began looking for work.

**Labor Force Participation Rate (LFP):** The proportion of the civilian noninstitutional population that is in the civilian labor force (e.g. employed or unemployed and actively seeking work).

**Labor Market Information (LMI):** A term used to describe the delivery of labor force, employment, unemployment, wage, supply and demand, occupational, industrial and economic and demographic data for the analysis of manpower problems.

**Labor Supply:** The number of workers who are unemployed and seeking work, or who would seek employment if they believed jobs were available.

**Layoff:** Suspension from pay by the company for reasons such as lack of orders, plant breakdown, and shortage of materials or termination of seasonal or temporary employment.

**Local Area Unemployment Statistics (LAUS):** A federal Bureau of Labor Statistics (BLS)/state Employment Security Commission (ESC) cooperative statistical program which produces monthly and annual labor force, employment, unemployment, and unemployment rate estimates by place of residence for many geographic regions including states, counties, metropolitan and micropolitan statistical areas, and selected cities.

Manufacturing Hours and Earnings: Based on gross payrolls and corresponding paid hours:

**Total Private Hours and Earnings** – Includes data collected for all paid, private-sector workers (including production employees). Executives, managers and supervisors are excluded.

All Employees Hours and Earnings – Reported as all persons who received pay (including holiday and sick) for any part of the payroll period including the 12th day of the month.

**Production Workers Hours and Earnings** – Workers in the Goods Producing industries up through the level of working supervisors who engage directly in the manufacturing of the establishment's product.

**Total Gross Pay** – Includes regular wages and salaries, paid leave, incentive pay, bonuses paid each pay period and severance paid over multiple pay periods. Commissions are reported if they are paid at least monthly. Irregular lump sum payments are excluded.

Marginally Attached Workers: Persons not in the labor force who want to work and are available for work, and who have looked for a job sometime in the prior 12 months (or since the end of their last job if they held one within the past 12 months), but were not counted as unemployed because they had not searched for work in the four weeks preceding the survey. Discouraged workers are a subset of the marginally attached.

**Metropolitan Statistical Area (Metro):** A federal Office of Management and Budget (OMB) defined area having at least one urbanized area with a population of 50,000 or more. Metros may include adjacent counties that have a high degree of social and economic integration with the urban core as measured by commuting patterns. North Carolina has 14 Metros consisting of 39 counties.

**New Business Openings:** Data derived from a statewide survey of newspaper accounts of new business openings and from information supplied to the North Carolina Employment Security Commission (ESC) by the new employing units. The data is not inclusive and is not analyzed or evaluated for accuracy.

**New Claimants:** The first initial claim filed in person, by mail, telephone, or other means within a benefit year to request a determination of entitlement and compensation. This results in an agency-generated document of an appealable determination provided to the potential claimant.

New Entrants: An unemployment category comprised of individuals who have never worked.

**Nondurable Goods:** Known as "soft goods," nondurable goods refer to manufactured or processed items generally considered to last for a short time — three years or less. The nondurable manufacturing industries include Food; Beverage & Tobacco Products; Textiles; Apparel; Paper; Printing; Chemical; and Plastics & Rubber Manufacturing.

North American Industry Classification (NAICS): An industrial classification system using a production-based framework, with special attention to new and emerging industries (service industries in general) and industries involved in advanced technology. It is an outgrowth of the North American Free Trade Act (NAFTA) and allows the collection and tabulation of industry-level data to measure the economic impact of employers shifting activities between Canada, Mexico and the United States. Classification is by major economic group or sector (two-digit), economic subsector (three-digit), industry group (four-digit), industry level (five-digit), and national industry level (six-digit, optional) in order of increasing detail. Conversion from Standard Industrial Classification system (SIC) to NAICS was a three-year cycle that began with data collected in 1999. CES industries are often combinations of several NAICS codes.



**Not in the Labor Force-Other Reasons:** Individuals who are not counted as unemployed because they are not actively seeking work for such reasons as school, family responsibilities, ill health or transportation problems.

**Not Seasonally Adjusted:** An economic time series that is not statistically adjusted to eliminate seasonal fluctuations such as weather, holidays and the opening and closing of schools. This data is not comparable month to month. All levels of civilian labor force and CES estimates have a not seasonally adjusted series.

**Part-time Workers:** Persons who work less than 35 hours per week.

**Part-time Workers** (**Economic Reasons**) – Persons who work less than 35 hours weekly, but prefer to work full time. **Part-time Workers** (**Non-economic Reasons**) – Persons who prefer to work less than 35 hours a week (full time).

**Private Service Providing:** Industries that include Trade, Transportation & Utilities; Information; Financial Activities; Professional & Business; Education and Health; Leisure & Hospitality; and Other Services. Government is not included.

Race (White, Black or African American, and Asian): Terms used to describe the identity of respondents to the Current Population Survey (CPS). Individuals in these categories are those who selected that race group only. Others who selected the remaining groups (American Indian, Alaska Native, Native Hawaiian or Other Pacific Islanders) or selected more than one race category are included in the total labor force estimates, but are not shown separately because the number of respondents is too small to develop estimates.

**Re-entrants:** An unemployment category comprised of individuals who previously worked, but who have been out of the labor force prior to beginning their most recent job search.

**Seasonally Adjusted**: A statistical adjustment eliminating the influence of weather, holidays, the opening and closing of schools and other recurring seasonal events from an economic time series. By smoothing these seasonal fluctuations, the data is easier to compare month to month. Only the United States and North Carolina state civilian labor force and CES employment estimates are seasonally adjusted. Estimates for both series below the state level are unadjusted.

**Service Providing:** Industries including Trade, Transportation & Utilities; Information; Financial Activities; Professional & Business; Education & Health; Leisure & Hospitality; Other and Government.

**Survey Week:** The week each month that includes the 12th during which BLS conducts most of its surveys. Exception may be made in May and May when the survey week may be moved forward one week to avoid holiday collection and data problems.

**Unemployed:** Persons having no employment during the week that includes the 12th of the month, but were available for work, had made specific efforts to find employment during the four weeks prior, were waiting to be recalled to a job from which they had been laid off, or were waiting to report to a new job within 30 days.

**Unemployment Insurance:** Unemployment insurance is a program for the accumulation of funds paid by employers, to be used for payment of unemployment insurance to workers during periods of job loss which is beyond their control. Unemployment insurance replaces a part of the worker's wage loss if he/she becomes eligible for payments.

**Unemployment Rate:** The number of unemployed people as a percentage of the labor force [i.e., (unemployed/labor force) x 100].

Weeks Claimed: Weeks covered for which waiting period credit or payment of compensation is requested.



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