

# 2017 Workforce Data Revisions

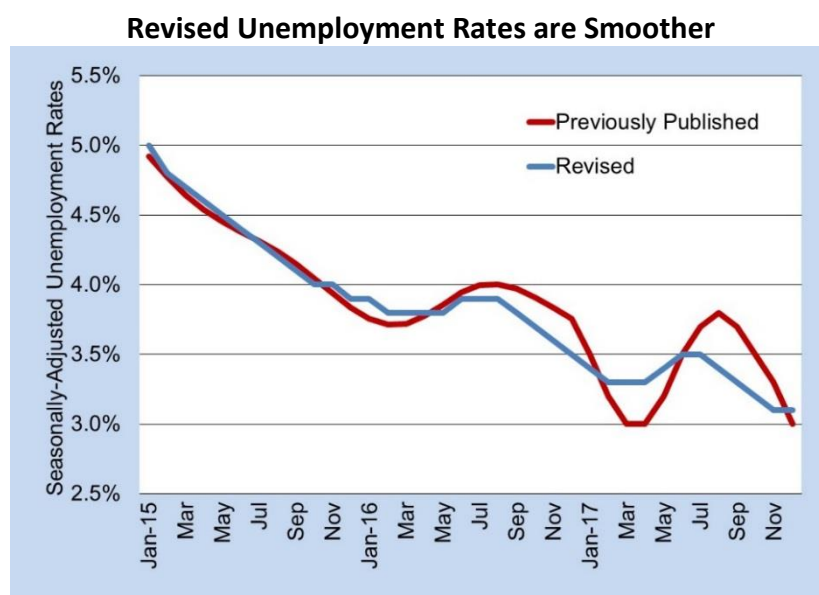
## *Stronger Growth and Less Monthly Variability than Previously Indicated*

Annual revisions to labor force and nonfarm payroll jobs estimates have been published. Those revisions, based on more complete data, indicate the unemployment rate was little changed throughout 2017 and nonfarm payroll job growth was slightly stronger than previously thought. Monthly data cited in this brief is seasonally adjusted.

### *Unemployment Rate*

Preliminary estimates, released on a monthly basis throughout the year, indicated that unemployment reached lows of 3.0 percent in the spring and at the end of the year, and highs of 3.7 and 3.8 percent in the summer. [Revised rates](#) indicate unemployment was not quite as low or high – 3.3 percent in the spring and 3.5 percent in the summer, ending the year at 3.1 percent in December. Given margins of error in the survey sample, there was essentially no change in the unemployment rate last year.

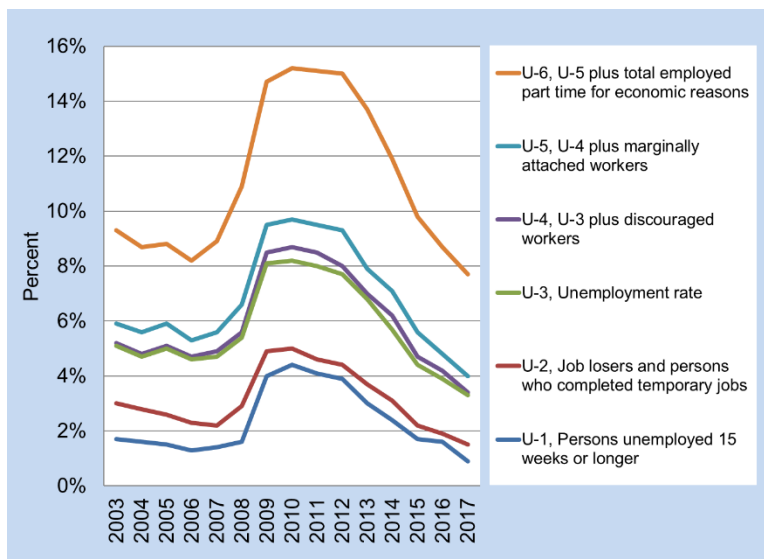
Revised estimates now indicate that unemployment was below 4 percent for 25 consecutive months through December 2017. This is the longest period of such low unemployment since the current estimating methodology was implemented in 1976, eclipsing the previous long of 22 months from 1999 to 2001.



The unemployment rate is the most well-known of [six measures of labor underutilization](#). In 2017, all six measures reached new lows, including U-6, the broadest measure, which declined to 7.7 percent – the previous low was 8.2 percent in 2006. U-6 includes people who want a job but were not engaged in work search, those working part time who want full time work, as well as the unemployed. (To be counted as unemployed an individual must have been available to

work and engaged in work search. Retirees, students, homemakers, and other jobless people who are not actively searching for work are not considered unemployed – they are not in the labor force.)

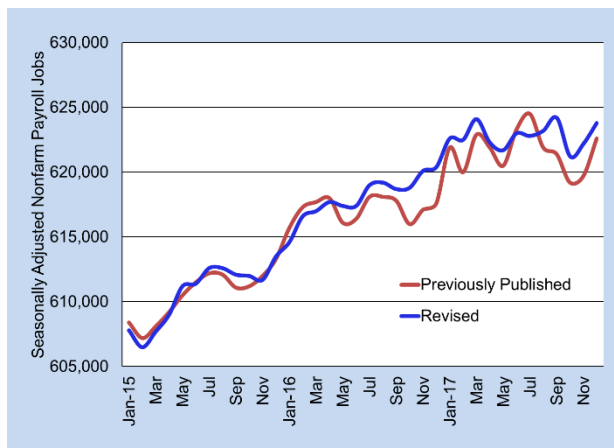
### All Six Measures of Labor Underutilization Reached Series Lows in 2017



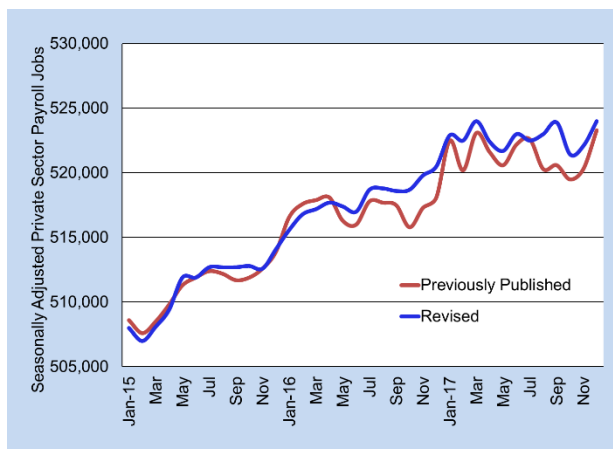
### Nonfarm Payroll Job Growth

Monthly estimates throughout the year indicated that nonfarm payroll growth averaged 4,400 jobs in 2017, following a gain of 6,700 jobs in 2016. Revised data indicates stronger growth each of the last two years: 4,500 jobs in 2017 and 7,600 in 2016. The average of 622,700 jobs in 2017 is an all-time high. The private sector averaged 522,600 jobs, a new high, and government averaged 100,100 jobs, close to 2015’s low since 1999.

#### Nonfarm Payroll Jobs Were Revised Higher for Most Months in 2016 and 2017



#### Upward Revisions Were Primarily in the Private Sector



Private sector job gains in 2017 were primarily in the healthcare and social assistance, leisure and hospitality, and professional and business services sectors. Manufacturing jobs increased 300. After steady losses over more than two decades that cut the number of jobs in half, manufacturing has stabilized at just over 50,000 jobs for the last eight years. Government jobs were little changed in 2017. Growth at the federal government-owned Portsmouth Naval Shipyard offset continued declines in state government, now at nine consecutive years. The three levels of government combined accounted for 16.1 percent of nonfarm payroll jobs, the lowest share since 1957.

<b>Average Nonfarm Payroll Jobs in Maine by Sector, 2008 to 2017 (in thousands)</b>										
<b>Industry Sector</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Nonfarm Payroll Jobs</b>	<b>617.2</b>	<b>596.3</b>	<b>593.0</b>	<b>594.7</b>	<b>598.1</b>	<b>601.7</b>	<b>605.1</b>	<b>610.6</b>	<b>618.2</b>	<b>622.7</b>
<b>Private Sector</b>	<b>512.8</b>	<b>492.7</b>	<b>489.0</b>	<b>492.6</b>	<b>496.7</b>	<b>501.2</b>	<b>505.2</b>	<b>511.0</b>	<b>518.2</b>	<b>522.6</b>
Mining & Logging	2.6	2.4	2.5	2.5	2.5	2.4	2.5	2.2	2.1	2.0
Construction	29.4	25.2	24.4	25.3	25.6	25.6	26.0	26.5	27.5	28.0
Manufacturing	58.8	52.3	50.8	50.7	50.8	50.4	50.2	50.7	50.8	51.1
Wholesale Trade	20.8	19.5	19.0	19.1	19.5	19.5	19.7	19.9	19.9	19.7
Retail Trade	85.6	82.0	81.1	81.1	81.1	81.2	81.6	81.6	81.9	81.4
Transportation, Warehousing & Utilities	18.5	17.3	16.8	16.8	16.9	17.3	17.8	18.1	18.5	19.0
Information	10.5	9.0	8.7	8.2	7.9	7.6	7.4	7.7	7.7	7.4
Financial Activities	31.9	31.1	30.6	30.4	30.2	30.4	30.4	30.6	31.1	31.4
Professional & Business Services	57.4	56.3	57.0	58.7	59.5	61.5	63.5	64.8	65.9	66.6
Educational Services	19.4	19.4	20.0	20.3	20.9	21.1	21.1	21.2	21.7	22.1
Health Care & Social Assistance	98.1	99.2	99.0	99.5	100.4	100.8	100.9	102.0	103.4	105.4
Leisure & Hospitality	60.2	59.2	59.7	60.2	61.6	62.7	63.1	64.1	65.8	66.7
Other Services	19.9	19.7	19.7	19.9	20.0	20.7	21.0	21.4	21.7	21.7
<b>Government</b>	<b>104.4</b>	<b>103.7</b>	<b>104.0</b>	<b>102.1</b>	<b>101.5</b>	<b>100.5</b>	<b>99.9</b>	<b>99.5</b>	<b>100.0</b>	<b>100.1</b>
Federal	14.6	14.9	15.6	14.7	14.5	14.1	14.0	14.5	15.0	15.2
State	27.9	27.6	27.5	27.1	26.9	26.7	26.6	26.1	25.8	25.6
Local	61.9	61.2	60.8	60.3	60.1	59.7	59.4	59.0	59.2	59.3

The jobs recovery from the very deep 2008 and 2009 recession has been driven by reductions in unemployment, as the size of the labor force (employed plus job seekers) has been nearly unchanged for more than a decade. Maine has an imbalanced population with far larger numbers of people in their 50s and 60s approaching retirement than young people who will enter the workforce. With historically tight labor market conditions, reductions in unemployment are unlikely to drive job growth going forward. In the years ahead, it will be increasingly important that we attract young adults to move to the state in order to maintain the size of our workforce.