PA Monthly WorkStats presents the most up-to-date labor market highlights and happenings in the commonwealth. Information herein is produced and published monthly and includes data on the labor force, jobs, and unemployment compensation for both the state and select sub-state areas as well as relevant media reports. Additional details and historical information are available on our website: workstats.dli.pa.gov.

2018

September 2018 Big Numbers

<table>
<thead>
<tr>
<th>Employment Rate</th>
<th>Statewide Job Count</th>
<th>Initial Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1%</td>
<td>6,035,600</td>
<td>39,690</td>
</tr>
</tbody>
</table>

How many Metropolitan Statistical Areas posted record high job levels in September? —— Page 2

The various measures of unemployment and underemployment are discussed here. —— Page 4

What are first payments? —— Page 6

Read snapshots from recent articles related to labor market data from across the state and from various industries. —— Page 7

How is the underemployment rate defined? —— Back Page

For additional information and resources, please contact:
Center for Workforce Information & Analysis (CWIA)
1-877-493-3282 | workforceinfo@pa.gov | workstats.dli.pa.gov
How Have Jobs Changed Over the Long Term?

Increases in education & health services have led private service-providing growth over the past 25 years.

Today, goods producers make up a smaller portion of total nonfarm jobs due to large declines in manufacturing.

Change in Supersector Volume

Total nonfarm jobs have expanded 5.1% over the last five years with gains in eight of the 11 supersectors. The largest volume change since September 2013 was in education & health services, which added 123,800 jobs (+10.6%), while the largest percent change was a decline of 18.4% (-6,600) in mining & logging.
In September, jobs grew over the year in 14 MSAs, were unchanged in the East Stroudsburg MSA and fell in the Bloomsburg-Berwick, State College, and Williamsport MSAs. Amongst the 18 MSAs, the Williamsport MSA had the largest decrease in jobs measured both by volume and by percentage change. Jobs in the Williamsport MSA fell in seven of the last 12 months and, despite growing slightly in September, still declined over the year.

The Gettysburg and York-Hanover MSAs, which were the only two MSAs to reach an all-time high for the number of jobs in August, both dropped from their record number of jobs. However, five MSAs (Harrisburg-Carlisle, Lancaster, Philadelphia-Camden-Wilmington, Pittsburgh, and Reading) hit new record highs for jobs in September.

The largest volume increase in jobs over the past year occurred in the Philadelphia-Camden-Wilmington MSA. Jobs increased almost exclusively in the service-providing industries with goods-producing industries adding a relatively small number of jobs. The major source of the increase in jobs in the goods-producing industries was primarily from mining, logging and construction jobs in the MSA, while manufacturing jobs also increased slightly. Job gains in the private service-providing industries were spread across most sectors, with the exceptions of the retail trade, information, and the leisure and hospitality sectors which sustained job decreases over the year. Public sector jobs also increased over the year due to increases in local government, while federal and state government jobs decreased over this interval.

Fifteen of the 18 MSAs had more private sector jobs than they did 10 years ago, while the Erie, Johnstown and Williamsport MSAs had fewer. Public sector job growth over the last decade was almost the reverse, with 17 MSAs experiencing declines in government jobs, while the Lebanon MSA was the only MSA with an increase.

Local government is responsible for almost two-thirds of government jobs in all MSAs and accounted for roughly the same proportion of the government job losses in those MSAs over the last 10 years. Relative to 10 years ago, all 16 of the MSAs with reportable local government jobs showed decreases in local government jobs. State government jobs over that interval performed better with only 11 of the 17 MSAs with reportable state government jobs showing a decrease in jobs, while five actually increased.

While only one of the MSAs experienced job growth in the public sector over the last 10 years, five of the MSAs had job gains in government over the last five years, and jobs were constant in four MSAs, over that interval. The job growth data cited implies that although half of the MSAs have stopped bleeding jobs in government over the last five years, they still have fewer public sector jobs than at the early stages of the Great Recession, 10 years ago. All nine of the MSAs with fewer jobs in September than they had five years ago, also had fewer jobs than they had 10 years ago.

Special Points of Interest
(based on non-seasonally adjusted MSA industry data)

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LOCAL AREA UNEMPLOYMENT STATISTICS

LABOR FORCE FOR PENNSYLVANIA AND THE UNITED STATES

OCTOBER 2018 EDITION • SEPTEMBER 2018 DATA (SEASONALLY ADJUSTED)

SPECIAL POINTS OF INTEREST

- Pennsylvania’s seasonally adjusted unemployment rate was unchanged at 4.1 percent in September. Prior to last month, PA last had an unemployment rate of 4.1 percent in July of 2000.
- Seasonally adjusted labor force was up 15,000 in September, rising to 6,396,000 after an August upward revision of 1,000.
- Employment increased by 15,000 from last month to 6,134,000, following an August upward revision of 1,000. The September employment level is a new record high, 9,000 above the previous record set in July 2008.
- Unemployment was unchanged in September, holding at 262,000 persons - the lowest level since it was matched in November 2000.

Current Population Survey (CPS) Data

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<tr>
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<tbody>
<tr>
<td>Total</td>
<td>4.4</td>
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<tr>
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<tr>
<td>Female</td>
<td>4.1</td>
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<tr>
<td>Male</td>
<td>4.8</td>
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<tr>
<td>Age</td>
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<tr>
<td>25 - 54</td>
<td>3.8</td>
<td>3.8</td>
<td>4.6</td>
</tr>
<tr>
<td>55+</td>
<td>3.7</td>
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<td>3.9</td>
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<tr>
<td>Education</td>
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<td>Less than HS</td>
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<td>HS Diploma</td>
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<td>5.1</td>
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<tr>
<td>AD / Some College</td>
<td>4.4</td>
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<td>4.6</td>
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<tr>
<td>BD or Higher</td>
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</tr>
<tr>
<td>People with Disabilities</td>
<td>9.5</td>
<td>9.2</td>
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</tr>
<tr>
<td>Veterans</td>
<td>5.6</td>
<td>5.3</td>
<td>6.0</td>
</tr>
</tbody>
</table>

Participation Rate: 62.4%  62.2%  62.4%
Employment/Population Ratio: 59.6%  59.4%  59.3%
Underemployment Rate (U-6): 8.7%  8.7%  9.6%
Discouraged Workers: 15,300  15,800  23,400
Part-Time for Economic Reasons: 213,400  214,100  223,000
Avg. Duration of Unemployment (weeks): 26.0  25.8  25.3
Long-term Unemployed (>26 weeks): 68,200  66,800  75,400

U.S. September 2018

Employment 155,962,000
Unemployment 5,964,000
Unemployment Rate: 3.7%

PA August 2018

Employment 6,118,700
Unemployment 262,400
Unemployment Rate: 4.1%

SPECIAL POINTS OF INTEREST

- The U-1 rate held at 1.7 percent for the fourth consecutive month, the lowest level since 2008. The number of people unemployed for 15 weeks or more was 109,400, up slightly from last month, but otherwise was the lowest level since 2008.
- Comprised of job losers (not leavers) and people completing temporary jobs, the U-2 rate was 2.4 percent in September; except for last month, this rate has not been lower since early in 2008.
- The U-4 rate, which adds discouraged workers to the standard rate formulation (or U-3), held at 4.7 percent for the fifth consecutive month. Since this series started in 2005, only nine months have had a lower U-4 rate – all occurring in 2007 and 2008.
- Adding people who are not seeking employment for reasons other than discouragement to the U-4 formulation gives us the U-5 rate. This measure held at 5.4 percent for the third consecutive month.
- The U-6 rate is calculated by adding people who can only find part-time work to the U-5 formulation. The September U-6 rate was unchanged over the month and was at its lowest level since late 2008. Roughly one-quarter of all employed Pennsylvanians are working less than 35 hours; of that quarter, just over 14 percent would prefer to be working more hours.
In September, the unemployment rate fell over the year in all 67 counties. The largest over-the-year decrease in the unemployment rate (-1.9 percentage points) was in Cameron County while Huntingdon County had the smallest over-the-year decrease in the unemployment rate (0.1 percentage points). The unemployment rate in six counties fell by 0.7 percentage points over the year (the decrease in the state), while it decreased by more in 14 counties and by less in 47 counties.

The volume of unemployment decreased over the year in all 67 counties. The largest volume decrease in unemployment (-5,500) was in Philadelphia County, while the largest percentage decrease was in Cameron County (-31.7 percent). Huntingdon County has the smallest over-the-year decrease in its volume of unemployment (-1.9 percent).

Employment over the year increased in 49 counties and decreased in the remaining 18 counties. The largest volume increase in employment over the year was in Philadelphia County (+10,600), while Sullivan County had the largest percentage increase over the year (+3.4 percent). Lycoming County had the largest volume decrease (-1,000), while Cameron County had the largest over-the-year percentage decrease in employment (-2.3 percent).

Over the year, the labor force increased in 27 counties, while falling in the remaining 40 counties. Philadelphia County had the largest over-the-year increase in labor force (+5,200), on the strength of its increase in employment and despite its large decrease in the volume of unemployment, while Sullivan County had the largest over-the-year percentage increase in labor force (+2.3 percent). Allegheny County had the largest over-the-year decrease in labor force (-6,300), due to its large decrease in unemployment exceeding in magnitude its increase in employment, while the largest percentage decrease was in Cameron County (-4.3 percent).

In September, all 18 MSAs experienced over-the-year decreases in unemployment rates and in their volumes of unemployment. The largest decrease in the unemployment rate was in the Erie MSA (-1.1 percentage points) while the smallest decrease in rate (-0.3 percentage points), occurred in four MSAs (Allentown-Bethlehem-Easton, Gettysburg, Lebanon, and State College). The Johnstown and Pittsburgh MSAs joined the Erie MSA as the only MSAs whose unemployment rate fell by more over the year than the state’s rate (-0.7 percentage points).

Employment over the year increased in 14 MSAs and decreased in only four MSAs. Among MSAs, the Philadelphia-Camden-Wilmington MSA had the largest over-the-year increase in employment (+24,400), while the Gettysburg MSA had the largest over-the-year percentage increase in employment (+1.9 percent). The Williamsport MSA had both the largest over-the-year decrease in employment (-1,000) and the largest percentage decrease (-1.9 percent).

The labor force increased over the year in 10 MSAs and decreased in the remaining eight MSAs. The Philadelphia-Camden-Wilmington, with an increase of 9,400 in labor force over the year, led the other MSAs despite experiencing the largest decrease in the volume of unemployment, while the Gettysburg MSA had the largest over-the-year percentage increase in labor force (+1.5 percent). The largest over-the-year volume decrease in labor force was in the Pittsburgh MSA (-6,800), while the largest percent decrease was in the Williamsport MSA (-2.4 percent).
What are first payments?
The first payment in a benefit year for a week of unemployment claimed under a specific program. This is used as a proxy for “beneficiaries” under a specific program.

What are initial claims?
Any notice of unemployment filed
   - to request a determination of entitlement to and eligibility for compensation or
   - to begin a second or subsequent period of eligibility within a benefit year or period of eligibility.
The update below presents blurbs from recent articles related to labor market data from across the state and from various industries. Please note that while these updates may cover reporters' (or other) attempts to explain labor market data, CWIA and L&I serve to report these numbers and do not endorse any explanations that may or may not be included below.

**Homeland Manufacturing Services to establish new facility in Benner Township**

Homeland Manufacturing Services, Inc., a veteran-owned electronics manufacturer located in State College, will establish a new facility in Benner Township, Centre County.

Homeland will build an initial 12,500 square feet of space for the Benner Township Facility and invest at least $1.96 million into the project, which is expected to create 10 new full-time jobs and retain a further 20 jobs over the next three years.


**QVC, HSN fulfillment center coming to Bethlehem — with at least 1,200 jobs expected**

The company behind home shopping networks QVC and HSN delivered good news to the Lehigh Valley on Wednesday — but bad news to several other communities as part of the same announcement aimed at boosting the group's long-term growth.

First, the good: Qurate Retail Group, based in West Chester, plans to open a fulfillment center in Bethlehem in mid-to-late 2019, an operation that could eventually employ 1,200 to 1,500 people when it becomes fully operational in 2020. The facility, which will be in the Majestic Bethlehem Center and handle QVC and HSN products, will fulfill about 25 percent of the networks' order volume.

Now, the bad: With a new facility in Bethlehem, Qurate will close its QVC fulfillment center in Lancaster, its HSN fulfillment center in Roanoke, Va., and a temporary warehouse in Greeneville, Tenn. The move will eliminate about 1,725 positions across those three sites, which will continue to operate until the Bethlehem facility is fully operational. On the white-collar side, Qurate will eliminate another 350 positions this year — mostly at HSN's St. Petersburg, Fla., and Long Island operations, with a smaller number of cuts at QVC in West Chester.


**Quench tower installed at Shell petrochemicals complex in Pennsylvania**

Shell Chemical Appalachia LLC (Houston, www.shell.us) today announced the successful installation of its quench tower – the largest piece of equipment at its Pennsylvania Petrochemicals Complex, currently under construction. The heavy lift of the quench tower, undertaken October 7, marked an important milestone in the project.

Since the start of main construction in November 2017, Shell has also safely erected two of three reactors associated with the planned polyethylene units and laid around 15 miles of underground pipe for the cooling, firewater and drainage systems.

The project is bringing economic growth and jobs to the region, with some 3,000 workers on site today. That number will likely increase to 6,000 by the end of 2019 through its construction phase. Shell expects around 600 onsite jobs when the complex is completed.

BEHIND THE DATA
DEFINITIONS • SOURCES • WEB RESOURCES

LOCAL AREA UNEMPLOYMENT STATISTICS (LAUS)

This program measures employment and unemployment by place of residence. The LAUS program does not produce estimates for any demographic groups.

Employment: All persons who (a) did any work as paid employees, self-employed, agricultural workers, or worked 15 hours or more as unpaid family workers, or (b) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if the person holds more than one job.

Unemployment: All persons aged 16 years and older who had no employment, were available for work, and had made specific efforts to find employment. Includes persons who were waiting to be recalled to jobs from which they had been laid off.

Labor Force: All persons classified as employed or unemployed.

Unemployment Rate: The number of unemployed divided by the labor force.

LAUS data is produced by the Bureau of Labor Statistics in cooperation with the Pennsylvania Department of Labor & Industry

CURRENT EMPLOYMENT STATISTICS (CES)

This collaborative effort between the federal Bureau of Labor Statistics and the states produces a count of jobs, not of people.

Nonfarm Jobs: The total number of persons on establishment payrolls employed full or part time. Persons on the payroll of more than one establishment are counted in each establishment. Data exclude proprietors, self-employed, unpaid family or volunteer workers, farm workers, and domestic workers. Persons on layoff, strike, or leave without pay for the entire period, or who have not yet reported for work are not counted as employed. Government employment covers only civilian employees.

Seasonal Adjustment: Removes the change in employment that is due to normal seasonal hiring or layoffs (holidays, weather, etc.) thus leaving an over-the-month change that reflects only employment changes due to trend and irregular movements.

Note - Agricultural employment is excluded due to the relative difficulty of gathering timely employment information in the rural farming sector. Many agricultural workers are exempt from unemployment insurance and many are self-employed. As such, there is not a good source of data to verify the accuracy and reliability of the sample-based survey data.

CES data is produced by the Bureau of Labor Statistics in cooperation with the Pennsylvania Department of Labor & Industry

CURRENT POPULATION SURVEY (CPS)

Discouraged Workers: 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, but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify. Discouraged workers are not included in the unemployment count.

Duration of Unemployment: The length of time in weeks that an unemployed person has been looking for work.

Labor Force Participation Rate: The labor force divided by the civilian non-institutional population.

Employment to Population Ratio: The proportion of the civilian non-institutional population aged 16 years and over that is employed.

Part Time for Economic Reasons: Persons who would like to work full time but were working part time because of an economic reason such as decreased working hours or they were unable to find full-time jobs.

Long-term Unemployed: Persons who have been unemployed for greater than 26 weeks.

Underemployment Rate (U-6): The number of unemployed plus those people working part time who would like full-time jobs plus those who have dropped out of the labor market entirely and still want a job divided by the labor force plus those who have dropped out of the labor market entirely and still want a job.

UNEMPLOYMENT COMPENSATION (UC)

The Federal-State Unemployment Compensation (UC) Program provides unemployment benefits to eligible workers who are unemployed through no fault of their own and meet other eligibility requirements of State law.

Regular UC: Provides up to 26 weeks of benefits.

Emergency Unemployment Compensation (EUC): A temporary, federally-funded extension of unemployment benefits for those who have exhausted their Regular UC benefits.

Extended Benefits (EB): A temporary extension of unemployment benefits available to individuals who have exhausted their Regular UC benefits and any temporary EUC.

Initial Claims: The count of notices of unemployment requesting a determination of eligibility and entitlement for UC benefits. A person can file multiple claims.

Continued Claims: The number of weeks that claimants are requesting payment of unemployment benefits. These claims include “waiting weeks” which do not receive payment and claims that are subsequently denied benefits.

Individual Payments: The distinct count of individuals who received unemployment compensation benefits.

Exhaustees: The count of individuals who have drawn the maximum entitled amount of benefits.

Auxiliary aids and services are available upon request to individuals with disabilities.

Equal Opportunity Employer/Program

CWIA-19 REV 09-18