



## Alabama Department of Labor

### News Release

For Immediate Release: November 22, 2013

### Alabama's September and October Unemployment Rates Announced

MONTGOMERY – Alabama Department of Labor Commissioner Tom Surtees today announced Alabama's September unemployment rate and October's preliminary rate.

In September, the seasonally adjusted unemployment rate was 6.4%, up from August's revised rate of 6.2%. This represents 136,716 unemployed persons, up from 134,287 in August, and significantly lower than the 157,360 reported unemployed in September 2012.

October's preliminary seasonally adjusted unemployment rate is 6.5%. October's rate represents 138,029 unemployed persons, up from 136,716 in September, and, again, significantly lower than the 152,957 reported in October 2012.

"This is a unique situation in that we have never experienced a reporting period quite like this one," said Surtees. "Obviously, the federal government shutdown impacted many jobs in Alabama. It also affected the numbers and how they were reported. Thousands of Alabamians were out of work in October due to the shutdown, and therefore affected our unemployment rate."

"Our department estimates that there are approximately 40,000 federal employees in Alabama. During the shutdown, nearly 2,000 filed initial unemployment compensation claims, but thousands more did not," Surtees continued. "Whether they didn't file because they knew they would be later paid, or for some other reason, we can't really know. When they file claims, they are traceable to some extent. The problem arose when the federal government conducted its monthly employment surveys and found discrepancies in the ways these federal government workers answered employment questions."

The Census Bureau is responsible for conducting the survey to identify members of the workforce each month and to determine who is working and who is not. This is known as the Current Population (CPS) or the household survey. Another survey is conducted by the Bureau

of Labor Statistics (BLS), a division of the U.S. Department of Labor among employers to measure how many jobs are in the economy. This is known as the establishment survey.

In the household survey, some furloughed workers answered that they were unemployed, but not looking for work, as they currently held jobs. This resulted in shrinking the labor force. At the same time, the same federal government jobs were counted as current jobs in the establishment survey.

After falling slightly in September, wage and salary employment increased in October by 8,600. One industry leading this increase is motor vehicle parts manufacturing, which has increased by nearly 17% since October 2012.

With the exception of three, all counties are showing a decrease in their October 2013 unemployment rate from October 2012, some with drops as high as one and a half percentage points, like Greene County (-1.6%), Washington County (-1.5%), and Chambers County (-1.5%).

Counties with the lowest unemployment rates in September were: Shelby County at 4.4%, Lee County at 5.0%, and Cullman County at 5.4%. Counties with the highest unemployment rates in September were: Wilcox County at 15.6%, Dallas County at 13.6%, and Bullock County at 13.0%.

Counties with the lowest unemployment rates in October are: Shelby County at 4.3%, Lee County at 5.1%, and Cherokee County at 5.4%. Counties with the highest unemployment rates in October are: Wilcox County at 15.5%, Bullock County at 13.2%, and Dallas County at 13.0%.

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*Members of the media seeking more information should contact Communications Director Tara Hutchison at (334) 242-8616.*