



July 2019

KENTUCKY

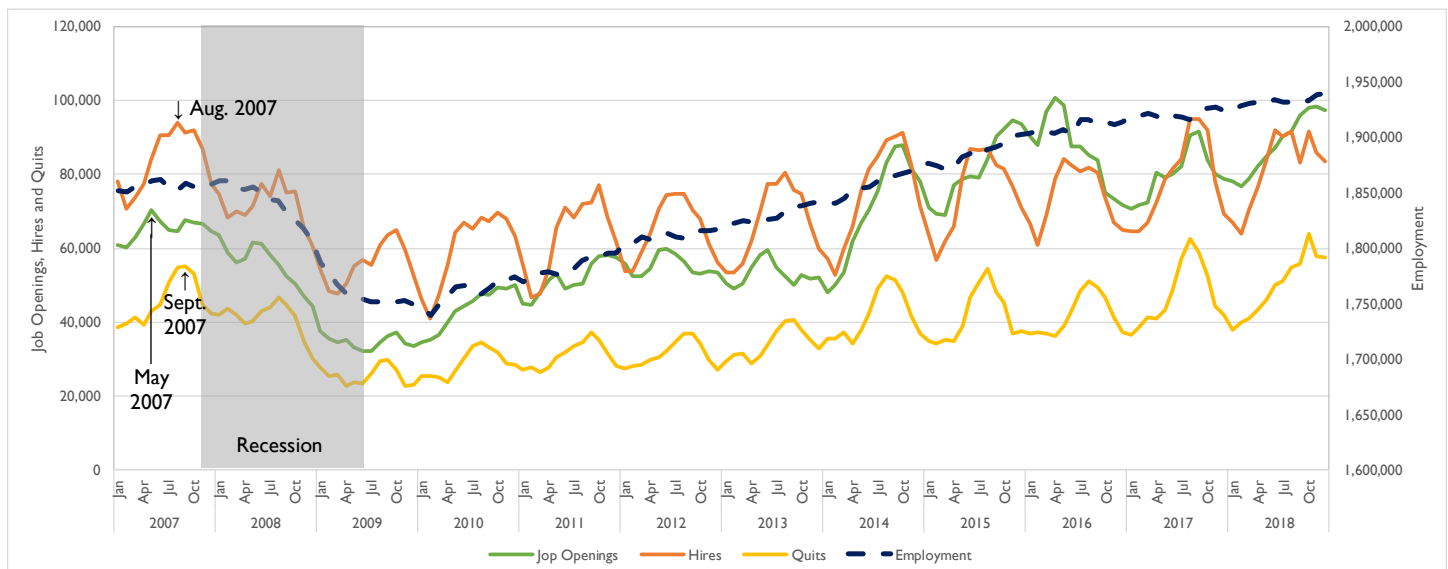
LABOR FORCE UPDATE

Measuring Confidence in Kentucky's Labor Market Using JOLTS Data

The U.S. Bureau of Labor Statistics' (BLS) Job Opening and Labor Turnover Survey (JOLTS) produces monthly estimates on job openings, hires and separations.* Until recently these data were only available at the national level. Now with state level estimates, JOLTS can provide demand side indicators – the employer perspective – of the Commonwealth's labor market. Data for Kentucky are available from February 2001 through December 2018.

The national recession began in December 2007 and lasted through June 2009 (gray column in chart below) according to the National Bureau of Economic Research. However, several variables within the JOLTS data set indicated lessening confidence in Kentucky's economy before the official start of the recession. During the period leading up to the recession, job openings in Kentucky peaked in May 2007, hires peaked in August 2007 and quits peaked the following month in September 2007. As the economy neared recession, both employers (shown through falling demand side indicators of job openings and hires) and workers (shown through the falling supply side indicator of quits) showed less confidence in the labor market. For reference, employment estimates from the Current Employment Statistics (CES) program are also included below. During the recession, layoffs and discharges ranged from 23,500 to 40,700 per month.

Job Openings, Hires, Quits and Employment Levels in Kentucky, January 2007 through December 2018



Kentucky's labor market was slow to recover. Employment continued to fall through February 2010. However, job openings had started improving a couple of months earlier and hires turned upward in March 2010 indicating that employer confidence was rising. Quits remained fairly stable but as the economy got stronger, as measured by job openings and hires increasing, people began leaving their positions voluntarily. Current employment levels are at all time highs, but it took until August 2014 to exceed pre-recession levels.

ALSO IN THIS ISSUE:

- ◇ Labor Force Estimates (LAUS) May 2019
- ◇ Labor Force Estimates (CES) May 2019

- ◇ Unemployment Ins. Claims May 2019
- ◇ KYSTATS in the News



Contents

Measuring Confidence in the Kentucky Labor Market Using JOLTS Data	1
May 2019 Labor Force Estimates (LAUS)	4
May 2019 Labor Force Estimates (CES)	5
Unemployment Insurance Claims, May 2019	6
KYSTATS in the News	7

Kentucky Labor Force Update

A monthly publication of the
Kentucky Center for Statistics (KYSTATS)
Jessica Cunningham, Ph.D., Executive Director
Ashley Jones, Labor Market Information Branch Manager

Kentucky Center for Statistics
1050 Hwy US-127
Frankfort, KY 40601
KYSTATS.KY.GOV

For requests and inquiries, contact
Sam Keathley • Samuel.Keathley@ky.gov • 502.782.3208

Contributors to *Kentucky Labor Force Update* this month:
Kimberly Gester and Kasi House

Material contained in this publication is in the public domain and may be reproduced without special permission provided that source credit is given to:
Kentucky Labor Force Update, Kentucky Center for Statistics (KYSTATS)



Measuring Confidence in Kentucky's Labor Market Using JOLTS Data

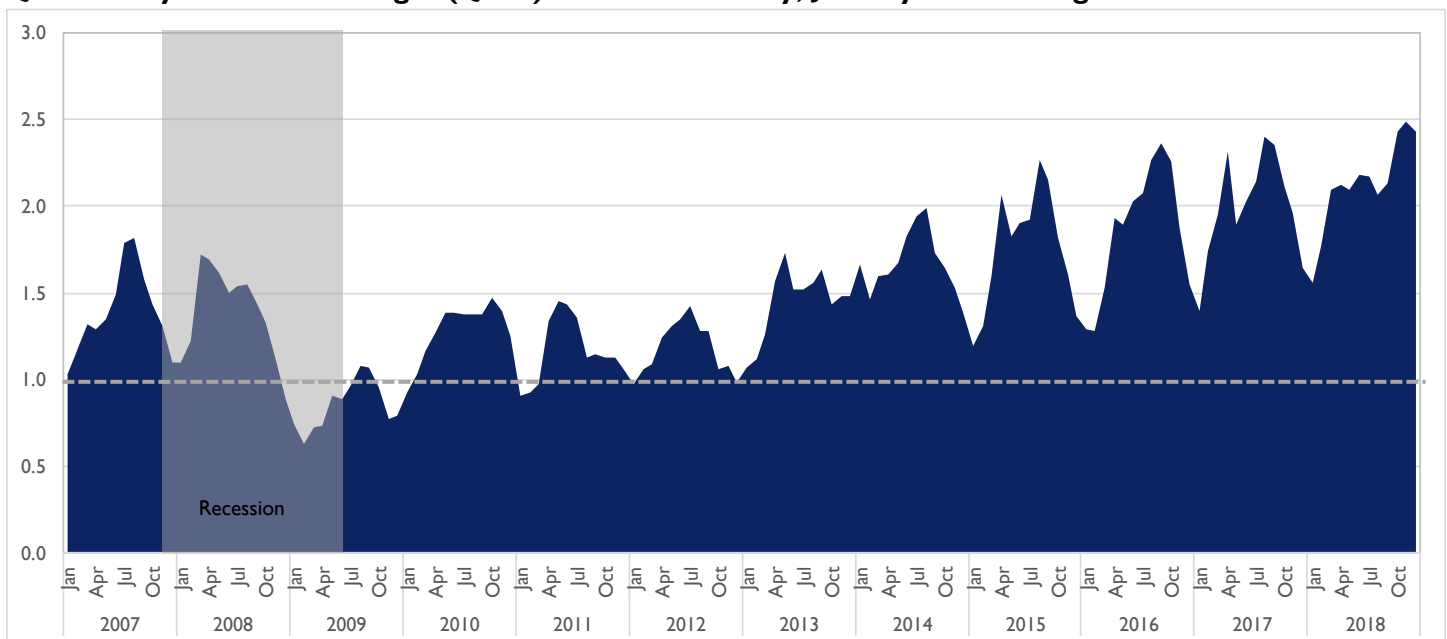
The JOLTS program measures both employer (demand side) and employee (supply side) actions in the labor market. Employers anticipate and react to changes in the business cycle. This is done through posting job openings, hiring new workers, replacing separated workers or dismissing workers through layoffs and discharges. Quits and other separations not due to layoffs and discharges, represent employee actions. Employees decide whether they want to change jobs, leave the labor market or retire.

Quit levels historically rise during economic expansions and fall during economic contractions. As a result, quits can serve as a measure of workers' confidence and their willingness to leave their current jobs. Conversely, layoffs and discharges tend to decline during expansions (an indicator of employer confidence) and rise during contractions.

Examining the number of quits (Q) to the number of layoffs and discharges (LD), the Q/LD ratio, contrasts voluntary separations (Q) with involuntary separations (LD). If the Q/LD ratio is greater than 1.0, i.e., the number of quits exceeds the number of layoffs and discharges indicating that employees have confidence in the labor market. A value of less than 1.0 indicates that employees are not as confident.

The following chart shows that the Q/LD dipped sharply during the recession, to a low of 0.6 in February 2009 as the number of quits fell (illustrated by the yellow line in the first chart above) and the number of layoffs and discharges grew. Similar to employment, the Q/LD ratio took time to recover past pre-recession levels which were as high as 1.8 in July and August of 2007. It was not until July 2014 that the ratio was 1.9. Since the recession, the ratio has fluctuated, but has not dipped below 1.0 since February 2011. The Q/LD ratio has been above 2.0 since March 2018. Quits have been rising, indicating *employee* confidence, at the same time layoffs and discharges have been falling, indicating *employer* confidence as well.

Quits to Layoffs and Discharges (Q/LD) Ratio in Kentucky, January 2007 through December 2018



* According to the BLS, a job opening is defined as a position that an employer is actively recruiting to fill within the next 30 days and includes full-time, part-time, temporary and seasonal openings. Separations includes people quitting, layoffs and discharges and other separations such as retirements, transfers to other locations and separations because of disability or death.



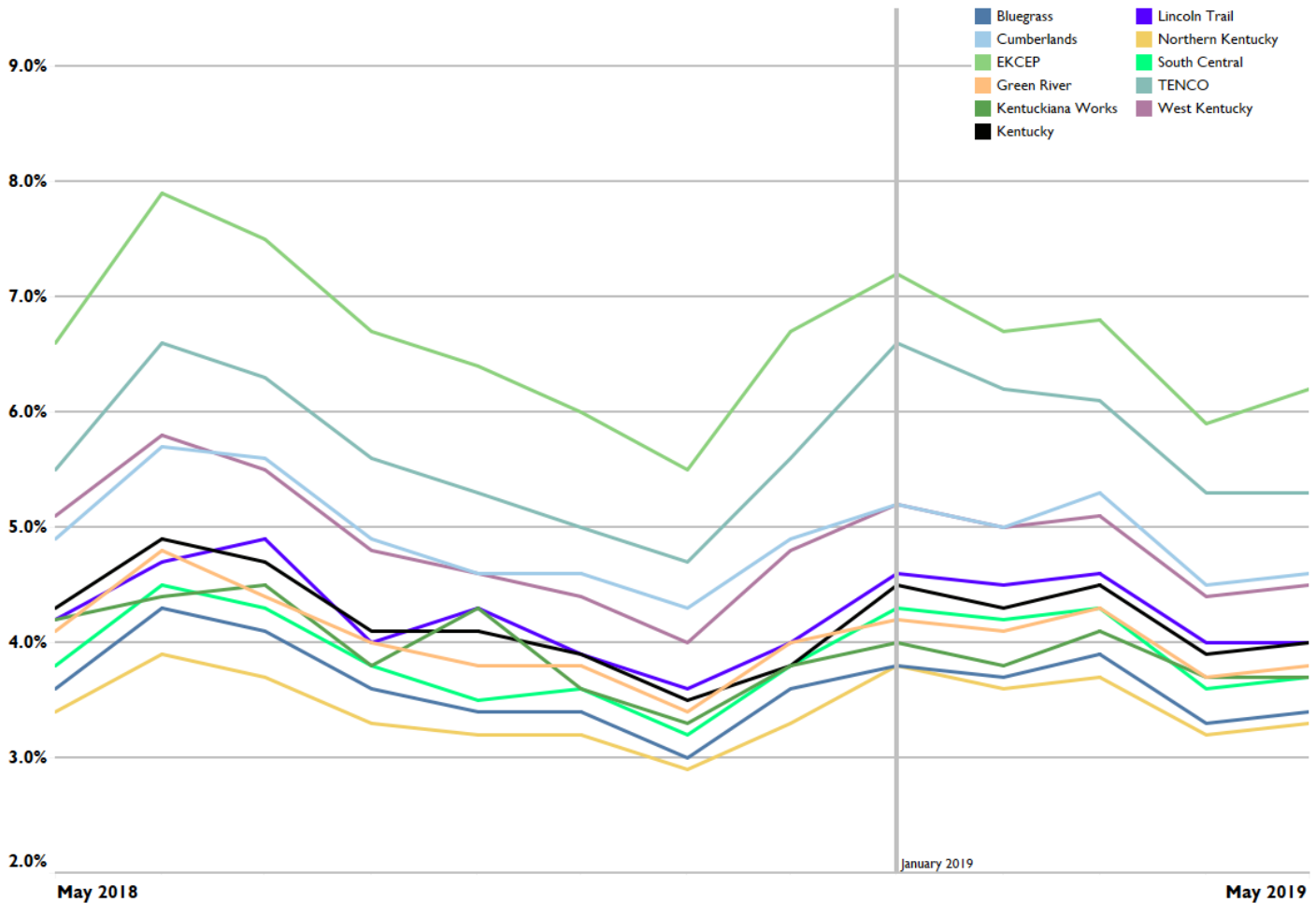
May 2019 Labor Force Estimates (LAUS)

Source: KYSTATS, Local Area Unemployment Statistics (LAUS)*

	May 2019	April 2019	May 2018	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Civilian Labor Force	2,066,916	2,065,262	2,064,226	1,654	0.1%	2,690	0.1%
Employment	1,983,748	1,982,274	1,973,702	1,474	0.1%	10,046	0.5%
Unemployment	83,168	82,988	90,524	180	0.2%	-7,356	-8.1%
Unemployment Rate	4.0%	4.0%	4.4%	0.0%	-	-0.4%	-
U.S. Unemployment Rate	3.6%	3.6%	3.8%	0.0%	-	-0.2%	-

* Estimates shown above are seasonally adjusted. May 2019 estimates are preliminary and subject to revision.

Unemployment Rate by Local Workforce Area and State



* Estimates shown in the chart above are not seasonally adjusted. May 2019 estimates are preliminary and subject to revision.



May 2019 Labor Force Estimates (CES)

Source: KYSTATS, Current Employment Statistics (CES)*

	May 2019	April 2019	May 2018	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Total Nonfarm Employment	1,949,500	1,949,400	1,930,600	100	0.0%	18,900	1.0%
Private Sector Employment	1,637,100	1,636,700	1,616,600	400	0.0%	20,500	1.3%
Goods Producing Industries	346,000	345,500	339,500	500	0.1%	6,500	1.9%
Mining and Logging	10,300	10,300	10,100	0	0.0%	200	2.0%
Construction	80,600	79,800	78,100	800	1.0%	2,500	3.2%
Manufacturing	255,100	255,400	251,300	-300	-0.1%	3,800	1.5%
Durable Goods	166,400	166,300	163,300	100	0.1%	3,100	1.9%
Non-Durable Goods	88,700	89,100	88,000	-400	-0.4%	700	0.8%
Private Service Providing Industries	1,291,100	1,291,200	1,277,100	-100	0.0%	14,000	1.1%
Trade, Transportation, & Utilities	406,400	406,700	404,100	-300	-0.1%	2,300	0.6%
Wholesale Trade	75,200	75,400	74,500	-200	-0.3%	700	0.9%
Retail Trade	213,700	213,600	215,400	100	0.0%	-1,700	-0.8%
Transp, Warehousing, & Util.	117,500	117,700	114,200	-200	-0.2%	3,300	2.9%
Information	22,000	21,900	22,200	100	0.5%	-200	-0.9%
Financial Activities	93,000	93,600	92,900	-600	-0.6%	100	0.1%
Finance and Insurance	72,500	72,700	73,400	-200	-0.3%	-900	-1.2%
Real Estate, Rental & Leasing	20,500	20,900	19,500	-400	-1.9%	1,000	5.1%
Professional and Business Services	216,600	217,700	217,900	-1,100	-0.5%	-1,300	-0.6%
Prof, Scientific, & Tech Services	76,500	77,200	76,100	-700	-0.9%	400	0.5%
Management of Companies	20,700	20,900	20,400	-200	-1.0%	300	1.5%
Admin & Support & Waste Mgmt	119,400	119,600	121,400	-200	-0.2%	-2,000	-1.6%
Educational & Health Services	285,000	284,800	277,100	200	0.1%	7,900	2.9%
Educational Services	30,200	30,000	29,200	200	0.7%	1,000	3.4%
Health Care & Social Assistance	254,800	254,800	247,900	0	0.0%	6,900	2.8%
Leisure and Hospitality	201,200	199,400	197,400	1,800	0.9%	3,800	1.9%
Arts, Entertainment & Recreation	22,400	22,400	23,200	0	0.0%	-800	-3.4%
Accommodation & Food Services	178,800	177,000	174,200	1,800	1.0%	4,600	2.6%
Other Services	66,900	67,100	65,500	-200	-0.3%	1,400	2.1%
Government	312,400	312,700	314,000	-300	-0.1%	-1,600	-0.5%
Federal	36,100	36,200	36,100	-100	-0.3%	0	0.0%
State	93,300	93,300	94,500	0	0.0%	-1,200	-1.3%
Local	183,000	183,200	183,400	-200	-0.1%	-400	-0.2%

* Data are seasonally adjusted. May 2019 data are preliminary and subject to revision.



Unemployment Insurance Claims

May 2019 (Kentucky, Statewide)

Source: U.S. Dept. of Labor, Employment and Training Administration

Month	Initial Claims	First Payments	Weeks Claimed	Weeks Compensated	Average Weekly Benefit	Benefits Paid	Final Payments
5/31/2018	17,484	3,302	74,279	66,733	\$340.04	\$22,776,755	1,119
6/30/2018	15,974	3,549	73,020	63,967	\$332.05	\$21,316,145	1,065
7/31/2018	23,169	5,097	105,655	92,626	\$343.98	\$31,915,100	1,565
8/31/2018	8,393	3,316	72,220	67,823	\$336.07	\$22,891,972	1,381
9/30/2018	17,977	2,997	64,427	72,171	\$340.67	\$24,679,872	1,312
10/31/2018	8,340	2,817	70,942	62,601	\$346.01	\$21,718,218	1,308
11/30/2018	11,629	2,553	60,459	53,298	\$347.80	\$18,585,342	982
12/31/2018	16,320	3,393	66,452	57,885	\$343.45	\$19,967,923	1,061
1/31/2019	17,896	6,795	93,400	78,628	\$345.70	\$27,310,045	1,257
2/28/2019	13,347	4,466	87,716	76,053	\$350.53	\$26,770,130	1,103
3/31/2019	8,327	2,919	79,384	71,924	\$345.00	24,914,450	1,100
4/30/2019	9,109	2,948	78,957	68,554	\$356.26	24,493,113	1,245
5/31/2019	9,446	2,902	63,719	56,412	\$357.08	20,216,805	1,059

Data queried from <https://oui.doleta.gov/> on 7/2/2019.

KYSTATS in the News

The Kentucky Center for Statistics (KYSTATS) is hosting its biennial Data Use Conference this September 4-5 at the Brown Hotel in Louisville.

If you are on our listserv, an email will be coming in the near future with more details. If you are not on the KYSTATS listserv, you can sign up at the bottom of our [homepage](#). Or you can stay up-to-date by following us on Twitter: @KYSTATS



The [Occupational Outlook Dashboard](#) was released this month. The dashboard is designed to offer insight into projected occupational employment in the state and the Local Workforce Areas through 2026.



The [Kentucky Commuting Patterns Report](#) shows commuting patterns for each county in Kentucky, allowing users to filter by both home and work county.

The [Civilian Labor Force Report](#) (CLFR) is an interactive report that allows users to explore estimates from the U.S. Bureau of Labor Statistics' Local Area Unemployment Statistics (LAUS) program and the Current Population Survey (CPS).

You can learn about recent data releases, research and reports by the Labor Market Information Branch by visiting our website: <https://kystats.ky.gov/KYLMi>.



Follow us on Twitter [@KYSTATS](#) for registration opportunities and event announcements

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The U.S. Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. ALL other uses require prior authorization by the copyright owner.

Published 7/15/2019