

NEWS RELEASE
GOVERNOR STEVE BULLOCK
STATE OF MONTANA

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Montana Unemployment Rate Down to 5.3 Percent in January

HELENA -- Montana's unemployment rate dropped to 5.3 percent in January, down one-tenth of a percentage point from December due to strong job gains. Montana's unemployment rate continues to be lower than the national unemployment rate of 6.6 percent, which is also down one-tenth of a percent since December.

"Montana started 2014 off strong, posting its highest job gains in years—adding nearly 2,000 jobs in January," Governor Steve Bullock said. "These numbers are more proof that Montana's economy is on the right track. "Data revisions suggest Montana's job growth for 2013 was much stronger than first estimated," said Labor Commissioner Pam Bucy. "Montana's jobs grew by 1.7 percent in 2013, which is faster than our historical average growth."

Total employment, which includes payroll employment plus agricultural and self-employed workers, added 1,906 jobs in January and posed the highest over-the-month job gain since July of 1983. Payroll employment estimates also suggest strong employment growth over the month, adding 1,600 private sector jobs and 200 public jobs (for a total job gain of 1,800). The leisure and hospitality sector added the most jobs of any industry with a gain of 1,200 jobs.

Every February, the Montana Department of Labor and Industry (DLI) and the Bureau of Labor Statistics (BLS) recalculate the employment estimates for past years in a process called benchmarking. The benchmarking process makes employment estimates more accurate, in addition to smoothing the data series and calibrating the data to new population estimates. Benchmarked data suggests that Montana's job growth in 2013 was stronger than first announced at an above-average growth rate of 1.7 percent. Preliminary estimates suggested much slower growth of 0.6 percent. Average employment in 2013 was 7,880 jobs higher than the 2012 average. Labor force estimates were also revised upwards, resulting in slightly higher unemployment rate estimates than originally announced. Montana's unemployment rate in 2013 was 5.6 percent.

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent in January despite declines in the price of gasoline. Household energy prices for electricity and heating fuel increased sharply due to cold weather throughout the country, causing the energy index to increase by 0.6 percent. Core inflation, measured by the all items less food and energy index, rose by 0.1 percent.

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*** Unemployment figures are seasonally-adjusted. Seasonally-adjusted numbers remove the effects of events that follow a more or less regular month-to-month pattern each year. These adjustments make nonseasonal patterns easier to identify. The margin of error for the unemployment rate is plus or minus 0.8 percentage points at the 90 percent confidence level. All*

questions relating to the calculation of unemployment rates should be directed to the Montana Department of Labor and Industry's Research and Analysis Bureau at 1-800-541-3904.

The next Labor Situation Report will be released on Friday, March 28, 2014. Two releases are issued in March to catch up after skipping the month of February due to the annual benchmarking process.

******* INFORMATION AVAILABLE ON THE INTERNET *******



Visit our website at www.lmi.mt.gov for additional information and analysis, including industry employment levels, background on the unemployment rate, and annual employment data for Montana's Indian Reservations. **Check out employment data in this month's Economy at a Glance.** County unemployment rates and employment levels are not seasonally adjusted and should be compared to the unadjusted statewide unemployment rate of **6.3** percent. County labor force information can be found by using this

link: <http://www.ourfactsyourfuture.org/cgi/databrowsing/?PAGEID=4&SUBID=205>.

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