

NEWS

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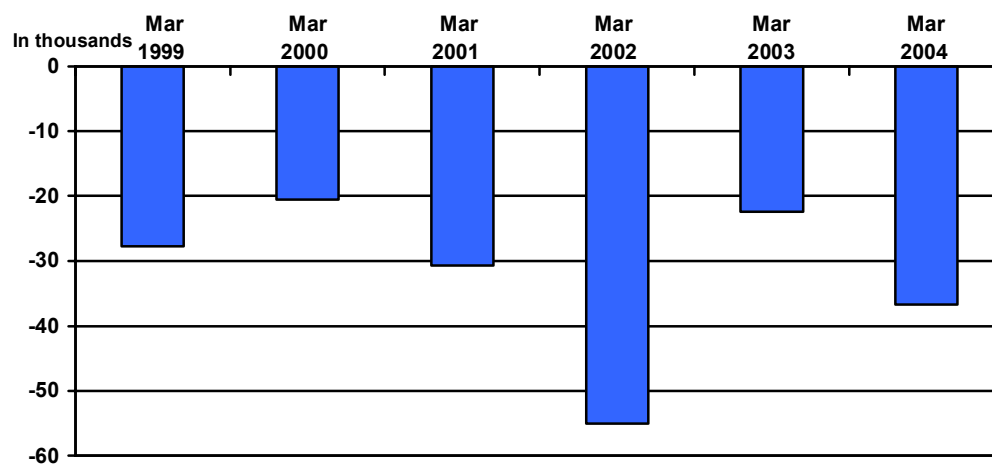
FOR RELEASE: IMMEDIATE
JUNE 8, 2004

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Request Document No. 9305

TEXTILE MILLS EMPLOYMENT: MARCH 2004

Textile mills employment declined by 36,700 in the United States from March 2003 to March 2004, according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Janet S. Rankin noted that the over-the-year industry decline was greater than in March 2003 (-22,400) but below the loss recorded in March 2002 (-55,100). (See chart A.) Employment in textile mills stood at 237,900 in March 2004, down 13.4 percent from the year before. Since March 1999, industry employment has declined more than 40 percent (-165,400 jobs). (All data are not seasonally adjusted; accordingly, over-the-year analysis is used throughout the release.)

Chart A. Textile mills employment in the United States, over-the-year net change



Textile mills employment by state

The seven states¹ reporting employment in textile mills accounted for two-thirds of the industry in March 2004. Two of these -- North Carolina and South Carolina -- employed over 40 percent of the workers in this industry. The majority of the "textile" states were clustered in the South² region. Only Massachusetts in the Northeast and California in the West fell outside of this grouping. Regardless of the geographic location, all states recorded losses over the year, although the magnitude of the declines varied by state. Five of the seven states lost fewer than 2,000 jobs and three of these -- California, Massachusetts, and Tennessee -- lost less than 1,000 jobs since last year. The declines were steeper in North and South Carolina, as South Carolina's employment declined by 3,900 jobs, while employment in North Carolina dropped by 13,100. North Carolina, which is home to over one-quarter of all textile mills jobs in the nation, accounted for one-third of the industry's decline. (See table A.)

Table A. Textile mills employment in the United States and selected states—
(Numbers in thousands)

Area	March 2003	March 2004	March 2003 – March 2004	
			Net change	Percent change
United States	274.6	237.9	-36.7	-13.4
Alabama	14.9	13.4	-1.5	-10.1
California	13.5	12.9	-0.6	-4.4
Massachusetts	10.4	9.8	-0.6	-5.8
North Carolina	77.5	64.4	-13.1	-16.9
South Carolina	42.0	38.1	-3.9	-9.3
Tennessee	7.6	7.0	-0.6	-7.9
Virginia	14.7	13.0	-1.7	-11.6

Over the year, the only state with a percentage loss greater than the 13.4 percent recorded nationally was North Carolina, down 16.9 percent in March 2004, more than double the 6.5 percent loss recorded the previous year. Other states with double digit declines included Virginia (-11.6 percent) and Alabama (-10.1 percent). Employment in California decreased 4.4 percent, the smallest over-the-year percentage loss among the seven states.

Technical Note

The nonfarm payroll series for states and metropolitan areas produced from the Current Employment Statistics (CES) program have been converted from a 1987 Standard Industrial Classification (SIC) system basis to a 2002 North American Industry Classification System (NAICS) basis. NAICS is the product of a cooperative effort on the part of the statistical agencies of the United States, Canada, and Mexico. NAICS uses a production-oriented approach to categorize economic units. Units with similar production processes are classified in the same industry. NAICS focuses on how products and services are created, as opposed to the SIC focus on what is produced. This approach yields significantly different industry groupings than those produced by the SIC approach. Consequently,

¹ States reporting employment in textile mills include Alabama, California, Massachusetts, North Carolina, South Carolina, Tennessee, and Virginia. Georgia no longer reports employment in textile mills.

² There are four geographic regions in the United States as defined by the U.S. Census Bureau: Northeast, South, Midwest, and West.

the NAICS-based data by industry are not comparable with the previously published SIC-based data; SIC-based data series are no longer being produced or published. See <http://www.bls.gov/sae/saenaics.htm> for complete information on the conversion of the CES state and area data to NAICS and <http://www.bls.gov/sae/saewhatis.htm> for an overview of NAICS classification and its differences from the SIC system. All state nonfarm payroll employment estimates have a NAICS-based history extending back to January 1990, except for total nonfarm employment estimates which have retained their beginning date.

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2002 version of the North American Industry Classification System.

Average weekly hours and average hourly earnings. With the publication of the January 2003 data, average weekly hours and average hourly earnings are no longer available for the textile mills industry for some states due to changes in sample requirements.

Method of estimation. The employment data are estimated using a "link relative" technique in which a ratio (link relative) of current-month employment to that of the previous month is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are obtained by multiplying the estimates for the previous month by these ratios.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports which are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Caution on aggregating state data. State estimation procedures are designed to produce accurate data for each individual state. BLS independently develops a national employment series; state estimates are not forced to sum to national totals. Because each state series is subject to larger sampling and nonsampling errors than the national series, summing them cumulates individual state level errors and can cause significant distortions at an aggregate level. Due to these statistical limitations, BLS does not compile a "sum-of-states" employment series, and cautions users that such a series is subject to a relatively large and volatile error structure.

Reliability of the estimates. The estimates presented in this release are based on sample survey and administrative data and thus are subject to sampling and other types of errors. Sampling error is a measure of sampling variability--that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those that can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the special estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

Additional information

More complete information on the technical procedures used to develop these estimates and additional data appear in Employment and Earnings, which is available by subscription for \$50.00 a year from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (telephone 202-512-1800), and from the BLS Handbook of Methods, Bulletin 2490, August 1997. Employment data from the CES program are available at <http://www.bls.gov/sae/>. Employment data and other information on states in the Southeast are available on the Southeast regional Internet page (<http://www.bls.gov/ro4/home.htm>) and on the Southeast fax-on-demand system at (404) 331-3403. Additional questions can be directed to the Southeast BLS information office in Atlanta by e-mail at BLSinfoAtlanta@bls.gov or by dialing (404) 331-3415. Customers in the Miami area can reach the office by dialing (305) 358-2305. Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

Data may also be obtained from the following cooperative state agencies.

<u>Agency</u>	<u>Telephone</u>
Alabama Department of Industrial Relations	334-242-8859
California Employment Development Department	916-262-2160
Massachusetts Division of Employment and Training	617-626-6556
North Carolina Employment Security Commission	919-733-2936
South Carolina Employment Security Division	803-737-2660
Tennessee Department of Labor and Workforce Development	615-741-2284
Virginia Employment Commission	804-786-7496

Table 1. Textile plant employment for the United States and selected states 2002-2003, not seasonally adjusted

(Numbers in thousands)

Area	2002			2003		
	Oct	Nov	Dec	Jan	Feb	Mar
United States	283.6	281.7	278.8	277.6	275.3	274.6
Alabama	15.7	15.6	15.4	15.0	15.1	14.9
California	14.5	13.9	13.8	13.4	13.4	13.5
Massachusetts	10.7	10.5	10.5	10.4	10.4	10.4
North Carolina	79.5	78.8	77.6	78.0	77.6	77.5
South Carolina	43.9	43.4	43.1	42.4	42.0	42.0
Tennessee	8.3	8.1	8.0	7.7	7.6	7.6
Virginia	14.7	14.8	14.8	14.7	14.7	14.7

Area	2003					
	April	May	June	July	Aug	Sept
United States	271.6	267.2	266.6	255.3	252.5	251.8
Alabama	14.7	14.5	14.1	14.1	13.8	13.5
California	13.2	13.1	13.0	12.9	12.8	12.8
Massachusetts	10.2	10.1	10.0	9.9	9.8	9.8
North Carolina	76.5	75.2	74.1	70.5	68.8	68.1
South Carolina	41.4	41.3	39.7	39.6	39.3	39.3
Tennessee	7.6	7.6	7.5	7.5	7.5	7.4
Virginia	14.6	14.0	13.9	13.5	13.6	13.6

Area	2003			2004		
	Oct	Nov	Dec	Jan	Feb	Mar (p)
United States	246.4	244.4	239.7	237.5	235.2	237.9
Alabama	13.2	13.3	13.0	12.9	13.3	13.4
California	12.8	12.7	12.6	12.3	12.6	12.9
Massachusetts	9.7	9.6	9.7	9.6	9.7	9.8
North Carolina	66.4	66.2	65.1	65.1	64.5	64.4
South Carolina	39.5	39.2	38.6	38.2	37.6	38.1
Tennessee	7.4	7.2	7.2	7.1	7.0	7.0
Virginia	13.2	13.1	12.6	13.1	13.0	13.0

(p) United States data are preliminary.