



Bureau of Labor Statistics

Philadelphia, Pa. 19106

Internet address: www.bls.gov/ro3/home.htm

INFORMATION: Gerald Perrins
(215) 597-3282

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FOR RELEASE:

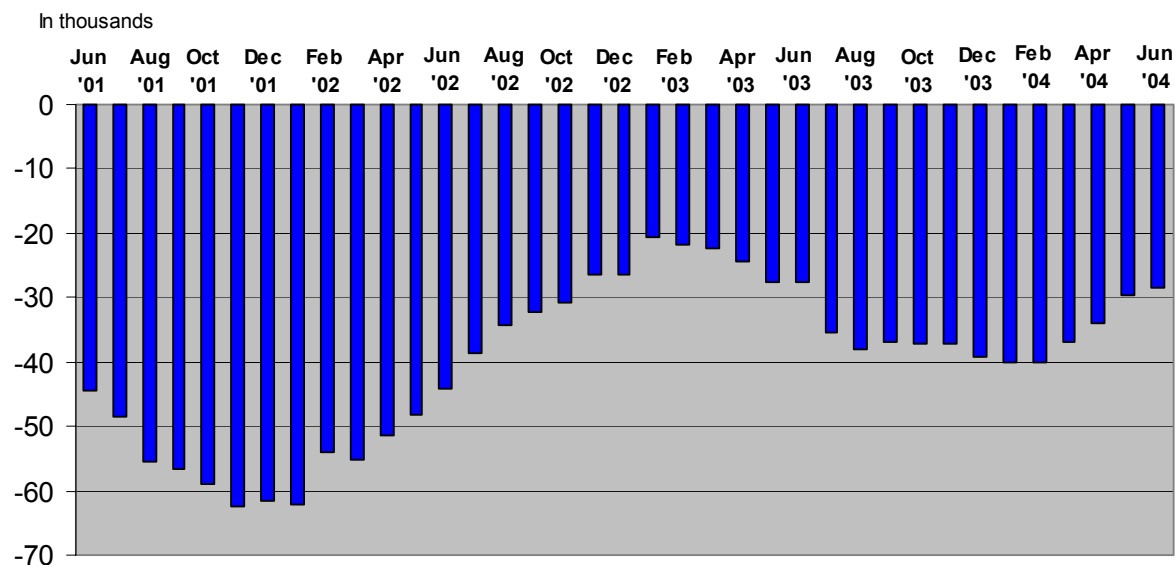
MEDIA CONTACT: Sheila Watkins
(215) 861-5600

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TEXTILE MILLS EMPLOYMENT: JUNE 2004

Textile mills employment declined by 28,500 in the United States from June 2003 to June 2004, according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Sheila Watkins noted that the over-the-year industry decline was close to the loss recorded in June 2003 (-27,600) but below the loss recorded in June 2002 (-44,200). (See chart A.) Employment in textile mills has declined by 30 percent over the last three years--from 338,400 in June 2001 to 238,100 in June 2004. The largest 12-month decline in textile mills employment occurred in November 2001 at the end of the recession, with a loss of 62,500 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, June 2001 to June 2004



Textile mills employment by state

Six of the seven states¹ reporting employment in textile mills recorded losses over the year, with the steepest decline occurring in North Carolina (-9,900 jobs). North and South Carolina, which are home to nearly one-half of all textile mills jobs in the nation, accounted for forty percent of the industry's decline. In addition to North Carolina, the states of Alabama, South Carolina and Virginia recorded job losses of 1,000 or more over the year. (See table A.)

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.

North and South Carolina have recorded 110 and 109 consecutive months of over-the-year losses, respectively; the longest periods of uninterrupted decline among the seven states.

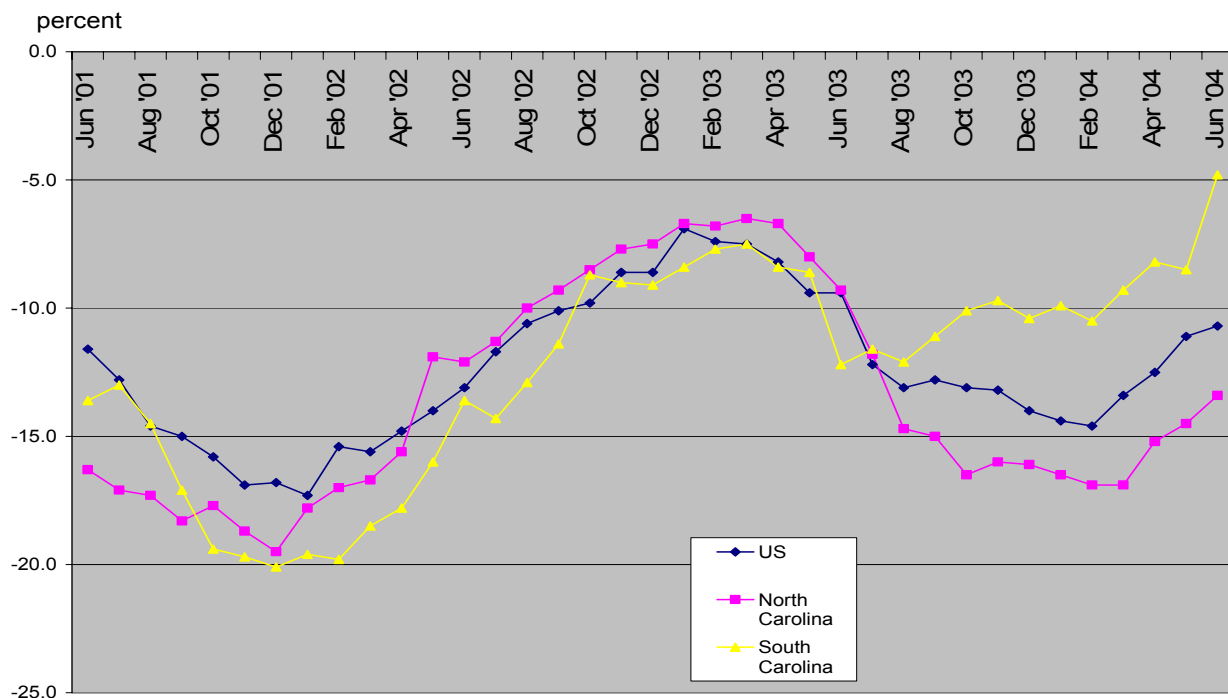
In June 2004, textile mills employment in North Carolina dropped 13.4 percent; it was the only textile state of the seven to exceed the 10.7-percent decline recorded nationwide. Still, percentage declines were nonetheless substantial in Virginia (7.9 percent), Alabama (7.1 percent), Tennessee (6.7 percent) and South Carolina (4.8 percent).

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

Area	June 2001	June 2002	June 2003	June 2004	June 2003 – June 2004	
					Net change	Percent change
United States	338.4	294.2	266.6	238.1	-28.5	-10.7
Alabama	16.8	16.0	14.1	13.1	-1.0	-7.1
California	15.8	15.3	13.0	13.2	0.2	1.5
Massachusetts	11.5	10.9	10.0	9.7	-0.3	-3.0
North Carolina	92.9	81.7	74.1	64.2	-9.9	-13.4
South Carolina	52.3	45.2	39.7	37.8	-1.9	-4.8
Tennessee	9.8	8.5	7.5	7.0	-0.5	-6.7
Virginia	17.9	15.6	13.9	12.8	-1.1	-7.9

The rate of job loss in North Carolina has consistently outpaced the national decline since August 2003; in comparison, South Carolina's job losses have slowed considerably over the same period of time. (See chart B.) However, from October 2001 through August 2003, the situation between North and South Carolina was reversed with job losses in South Carolina largely outpacing the decrease in its neighboring state. For a good portion of this almost two-year stretch, employment declines in both states closely mirrored the national trend in textile mills, unlike the situation since August 2003.

Chart B. Textile mills employment in the United States and North Carolina, and South Carolina, over-the-year percent change, June 2001 to June 2004



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, 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 Philadelphia regional Internet page (<http://www.bls.gov/ro3/home.htm>) and on the Philadelphia fax-on-demand system at (215) 597-4153. Additional questions can be directed to the Mid-Atlantic BLS information office in Philadelphia by e-mail at BLSinfoPhiladelphia@bls.gov or by dialing (215) 597-3282. 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 mills employment in the United States and selected states January 2003-June 2004, not seasonally adjusted

(Numbers in thousands)

Area	2003			2003		
	Jan	Feb	Mar	Apr	May	June
United States	277.6	275.3	274.6	271.6	267.2	266.6
Alabama	15.0	15.1	14.9	14.7	14.5	14.1
California	13.4	13.4	13.5	13.2	13.1	13.0
Massachusetts	10.4	10.4	10.4	10.2	10.1	10.0
North Carolina	78.0	77.6	77.5	76.5	75.2	74.1
South Carolina	42.4	42.0	42.0	41.4	41.3	39.7
Tennessee	7.7	7.6	7.6	7.6	7.6	7.5
Virginia	14.7	14.7	14.7	14.6	14.0	13.9

Area	2003					
	July	Aug	Sept	Oct	Nov	Dec
United States	255.3	252.5	251.8	246.4	244.4	239.7
Alabama	14.1	13.8	13.5	13.2	13.3	13.0
California	12.9	12.8	12.8	12.8	12.7	12.6
Massachusetts	9.9	9.8	9.8	9.7	9.6	9.7
North Carolina	70.5	68.8	68.1	66.4	66.2	65.1
South Carolina	39.6	39.3	39.3	39.5	39.2	38.6
Tennessee	7.5	7.5	7.4	7.4	7.2	7.2
Virginia	13.5	13.6	13.6	13.2	13.1	12.6

Area	2004			2004		
	Jan	Feb	Mar	Apr	May	Jun (p)
United States	237.5	235.2	237.8	237.7	237.6	238.1
Alabama	12.9	13.3	13.4	13.3	13.2	13.1
California	12.3	12.6	12.9	13.1	13.1	13.2
Massachusetts	9.6	9.7	9.8	9.8	9.8	9.7
North Carolina	65.1	64.5	64.4	64.9	64.3	64.2
South Carolina	38.2	37.6	38.1	38.0	37.8	37.8
Tennessee	7.1	7.0	7.0	7.1	7.0	7.0
Virginia	13.1	13.0	13.0	13.0	12.9	12.8

(p) United States data are preliminary.