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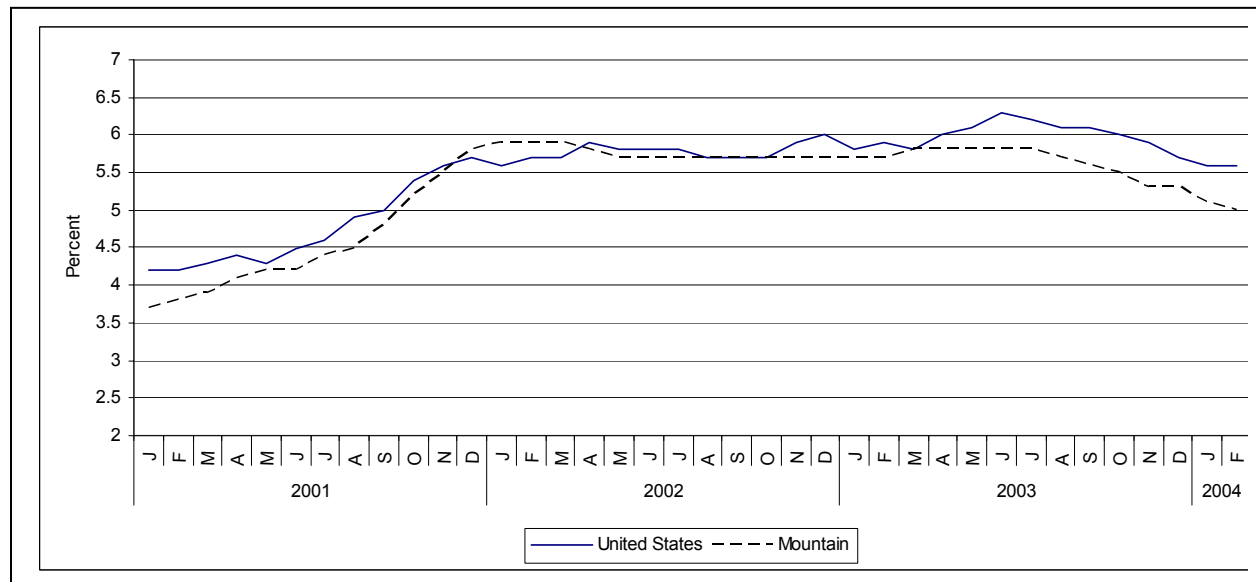
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## EMPLOYMENT AND UNEMPLOYMENT IN THE MOUNTAIN STATES, FEBRUARY 2004

The unemployment rate in the Mountain division<sup>1</sup> was 5.0 percent in February 2004, little changed over the month, but down 0.7 percentage point over the year, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The national jobless rate, 5.6 percent in February, was unchanged from January. Acting Regional Commissioner Hal Corley noted that the Mountain division jobless rate has remained below the national average since April of 2003.

The unemployment rate for the Mountain division was lower than that of the United States through most of the economic expansion of the 1990's. The rates drew closer during the recessionary period, converging several times in its aftermath, only to widen again in 2003, with the difference reaching 0.6 percentage point over the last several months.

Chart 1. Unemployment rates in the United States and the Mountain division, seasonally adjusted



<sup>1</sup> The Mountain division consists of Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

## **State Unemployment (Seasonally Adjusted)**

Unemployment rates in all of the Mountain states were at or below the national average of 5.6 percent in February. (See table 1.) Wyoming had the lowest unemployment rate among the eight states in the division, and one of the five lowest in the nation, at 3.5 percent. Montana, Nevada, Idaho, and Utah had rates under 5.0 percent, with Montana the lowest in the group at 4.0 percent. Jobless rates in Arizona and Colorado averaged 5.3 and 5.4 percent, respectively, while New Mexico's rate matched that for the United States.

Among the Mountain states, two had unemployment rate declines of 1.0 percentage point or more from February 2003 to February 2004, while five additional states experienced a decrease of over 0.5 percentage point. The unemployment rate in Utah was down 1.1 percentage points, the largest decline in the division and second largest nationally behind Washington's drop of 1.3 percentage points. The rate in Wyoming decreased 1.0 percentage point. In Idaho, the rate was down 0.8 percentage point and in Nevada, 0.7 percentage point. Arizona, Colorado, and Montana all reported unemployment rate declines of 0.6 percentage point. As a result of the drop in its jobless rate, Montana recorded the lowest rate in its series history. (Virtually all regional and state series begin in 1978.) New Mexico matched the nation with a decrease of 0.3 percentage point. Overall, the jobless rate for the Mountain division declined 0.7 percentage point from February a year ago, compared to 0.3 percentage point nationally.

## **Nonfarm Payroll Employment (Seasonally Adjusted)**

Total nonfarm employment increased by over 1,000 jobs in four of the eight Mountain states from January to February 2004. (See table 2.) Nevada added 3,900 jobs over the month, the largest employment increase in the division. Nonfarm employment was up 2,500 in Idaho, 2,100 in Arizona, and 1,200 in Montana. Utah, on the other hand, lost 3,000 jobs in February. Employment in the remaining Mountain states was either unchanged or essentially the same. Nationwide, 20 states and the District of Columbia posted employment gains, though most increases were small. Over the month, Nevada and Idaho had gains of 0.4 percent. Nationally, only Tennessee, with a 0.5-percent increase in employment, had greater job growth in February.

Employment in most Mountain states has recovered to levels existing at the start of the recession in March 2001. (See table A.) Only Colorado and Utah had employment levels still below their pre-recession peaks in February 2004. During the national recession, from March to November 2001, Colorado led the Mountain states in job losses, with a decline of 52,000. Employment in this State continued to decline after the recession's end and by February 2004 was 115,600 lower than at the recession's start. Utah lost 10,600 jobs during the months of the recession. However, unlike Colorado, Utah was steadily adding to its job count by the end of 2003, but has yet to fully recover, remaining 3,600 below its March 2001 level. In both states, job losses were pervasive during the recovery, occurring in a wide variety of industries, including manufacturing; construction; trade, transportation, and utilities; and professional and business services.

Table A. Total nonfarm employment in the Mountain states, seasonally adjusted, selected months 2/

State	March 2001	November 2001	February 2004	Net change, March 2001 to February 2004
Arizona	2275.6	2249.6	2323.7	48.1
Colorado	2247.0	2195.0	2131.4	-115.6
Idaho	571.3	563.9	578.9	7.6
Montana	392.5	391.5	402.1	9.6
Nevada	1056.5	1038.4	1116.3	59.8
New Mexico	757.1	758.3	780.4	23.3
Utah	1085.6	1075.0	1082.0	-3.6
Wyoming	244.3	247.6	252.3	8.0

2/ The starting (March 2001) and end (November 2001) dates of the last national recession were determined by the National Bureau of Economic Research.

The recession's impact on employment was milder in Arizona, Idaho, Montana, and Nevada. All four states lost jobs during the downturn, but have more than recouped their losses since the recession's end. Arizona lost a total of 26,000 jobs during the downturn, but employment in that State subsequently rebounded and is now 48,100 greater than in March 2001. Nevada had a similar experience, losing 18,100 jobs during the recession, but has added 59,800 jobs since March 2001. Job losses, and subsequent gains, were smaller in Montana and Idaho. In the two remaining states, New Mexico and Wyoming, the downturn had little impact overall on employment levels, with both states adding jobs during the recessionary period and the recovery afterwards.

This is the first regional employment release on the Mountain states. The release will be issued periodically; however, data will be available on a monthly basis.

For additional information on specific states, please contact the State Labor Market Information offices: Arizona (602-542-3871), Colorado (303-318-8898), Idaho (208-334-6170), Montana (406-444-2430), Nevada (775-684-0387), New Mexico (505-841-8645), Utah (801-526-6401), Wyoming (307-473-3807)

### Technical Note

This release presents labor force and unemployment data for census divisions and states from the Local Area Unemployment Statistics (LAUS) program. Also presented are nonfarm payroll employment estimates by state and major industry from the Current Employment Statistics (CES) program. The LAUS and CES programs are both Federal-State cooperative endeavors.

### Labor force and unemployment--from the LAUS program

**Definitions:** The labor force and unemployment data are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the Bureau of Labor Statistics

(BLS) by the U.S. Census Bureau. The labor force includes both the employed and the unemployed. Employed persons are those who did any work at all for pay or profit in the survey reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who have a job from which they were temporarily absent, whether or not paid, for such reasons as labor-management dispute, illness, or vacation. Unemployed persons are those who did not work at all (in the reference week), have actively looked for a job (sometime in the 4-week period ending with the survey reference week), and are currently available for work; persons on layoff expecting recall need not be looking for work to be counted as unemployed.

**Method of estimation:** Effective January 1996, estimates for all states, the District of Columbia, the Los Angeles-Long Beach metropolitan area, and New York City are produced using estimating equations based on regression techniques. This method utilizes data from several sources, including the CPS, the CES, and state unemployment insurance (UI) data. A detailed description of the estimation procedures is available from BLS upon request. Effective January 1998, estimates for census regions and divisions are obtained by summing the model-based estimates for the component states and then calculating the unemployment rate.

**Annual revisions:** Labor force and unemployment data shown for the prior year reflect adjustments made at the end of each year, usually with January estimates. The adjusted estimates reflect updated population data from the U.S. Census Bureau and any revisions in the other data sources. In addition, data for all states, the District of Columbia, and the two large substate areas noted are adjusted annually to equal the CPS annual averages, usually effective with January estimates. The regional and state data will not sum to national totals obtained from the CPS, since the monthly state estimates are not based directly on the CPS.

**Seasonal adjustment:** Seasonal adjustment of state (and Los Angeles-Long Beach and New York City) labor force levels are computed by aggregating independently seasonally adjusted employment and unemployment levels. Unemployment rates are then computed from these independently adjusted levels. Region and division levels are calculated as the sum of the levels of the component states. Revisions of historical data for the most recent 5 years are usually made at the beginning of each calendar year, usually coincident with January estimates.

### **Employment--from the CES program**

**Definitions:** Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period which includes the 12th of the month, except for federal government employment, which represents the number of persons who occupied positions on the last day 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.

**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.

**Seasonal adjustment:** Seasonally adjusted payroll employment totals for states are computed by aggregating independently adjusted series for major industry divisions. Revisions of historical data for the most recent 5 years are made once a year, coincident with annual benchmark adjustments.

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 which 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. With respect to the LAUS program, unemployment rates are computed, in most instances, from unrounded data rather than from data that may be displayed in the tables; differences, however, are generally insignificant.

Labor force and unemployment estimates. Measures of sampling error, in the form of standard errors for state annual average estimates derived from the CPS, are available in the annual BLS bulletin, Geographic Profile of Employment and Unemployment. Measures of nonsampling error for CPS data are not available, but additional information on the subject is provided in the BLS monthly periodical, Employment and Earnings.

Employment estimates. Measures of sampling error are not available for state CES data, but the relatively large size of the samples maintained by the state agencies and the annual adjustment of employment estimates to more recent benchmark levels assure a high degree of accuracy. Information on recent benchmark revisions for states is available upon request.

### **Additional information**

The release uses nonfarm payroll data from the Current Employment Statistics (CES) program that have been converted from the Standard Industrial Classification (SIC) basis to the North American Industry Classification System (NAICS). The NAICS conversion involved major definitional changes to a number of industry series; consequently, SIC and NAICS data are not comparable and the SIC-based series are no longer being produced. Historical time series for all published data will have a NAICS history extending back to at least January 1990. For more information on the conversion to NAICS visit the CES homepage at <http://www.bls.gov/ces> or call 202-691-6555.

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 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.

Estimates of labor force and unemployment for over 330 metropolitan areas are available in the news release, Metropolitan Area Employment and Unemployment. Estimates of labor force, employment, and unemployment for all states, metropolitan areas, labor market areas, counties, cities with a population of 25,000 or more, and other areas used in the administration of various federal economic assistance programs are available from the BLS Internet at (<http://www.bls.gov/lau/>). Employment data from the CES program are available at (<http://www.bls.gov/sae/>). Further information on these data as well as other Bureau programs is available on the Mountain-Plains Information Office website (<http://www.bls.gov/ro7/home.htm>).

For personal assistance, contact the Mountain-Plains Information Office at 816-426-2481, or by e-mail ([BLInfoKansasCity@bls.gov](mailto:BLInfoKansasCity@bls.gov)). Information will be available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

Table 1. Civilian labor force and unemployment for the United States, Mountain division and states, seasonally adjusted  
(Numbers in thousands)

Area	Civilian labor force					Unemployed									
						Number					Percent of labor force				
	February 2003	November 2003	December 2003	January 2004	February 2004 (P)	February 2003	November 2003	December 2003	January 2004	February 2004 (P)	February 2003	November 2003	December 2003	January 2004	February 2004 (P)
United States	145898	147187	146878	146863	146471	8,581	8,653	8,398	8,297	8,170	5.9	5.9	5.7	5.6	5.6
Mountain	9,773.1	9,878.9	9,889.2	9,970.6	9,987.2	557.6	527.6	526.4	511.6	502.9	5.7	5.3	5.3	5.1	5.0
Arizona	2,678.8	2,694.2	2,699.4	2,743.1	2,750.4	157.6	134.0	134.3	141.9	144.7	5.9	5.0	5.0	5.2	5.3
Colorado	2,463.1	2,487.2	2,487.1	2,499.3	2,505.7	148.3	145.9	146.8	139.4	135.4	6.0	5.9	5.9	5.6	5.4
Idaho	689.8	694.4	695.3	697.1	700.7	38.3	35.0	34.9	32.9	33.7	5.6	5.0	5.0	4.7	4.8
Montana	470.0	477.9	478.5	481.4	480.8	21.4	22.7	23.0	22.2	19.3	4.6	4.8	4.8	4.6	4.0
Nevada	1,133.6	1,148.4	1,150.1	1,173.0	1,175.6	58.1	55.9	54.2	53.4	52.1	5.1	4.9	4.7	4.5	4.4
New Mexico	888.4	903.0	903.4	897.2	897.2	52.6	58.3	57.9	51.0	50.6	5.9	6.5	6.4	5.7	5.6
Utah	1,174.7	1,192.3	1,193.4	1,201.5	1,199.1	69.0	63.7	63.1	60.1	57.4	5.9	5.3	5.3	5.0	4.8
Wyoming	274.7	281.6	281.9	278.1	277.6	12.2	12.2	12.2	10.9	9.8	4.5	4.3	4.3	3.9	3.5

(p) = preliminary.



Table 2. Employees on nonfarm payrolls for the United States and states in the Mountain division by selected industry, seasonally adjusted

(Numbers in thousands)

State and Industry	February 2003	November 2003	December 2003	January 2004	February 2004 (P)	Change from		Change from	
						February 2003 to Feb-04		January 2004 to Feb-04	
						Percent change	Net change	Percent change	Net change
<b>United States</b>									
Total nonfarm 1/	130,031	130,027	130,035	130,194	130,240	0.2	209.0	0.0	46.0
Construction	6,661	6,771	6,774	6,812	6,791	2.0	130.0	-0.3	-21.0
Manufacturing	14,770	14,344	14,324	14,314	14,310	-3.1	-460.0	0.0	-4.0
Trade, transportation, and utilities	25,352	25,261	25,211	25,312	25,325	-0.1	-27.0	0.1	13.0
Financial activities	7,933	7,985	7,981	7,981	7,989	0.7	56.0	0.1	8.0
Professional and business services	15,906	16,114	16,159	16,172	16,185	1.8	279.0	0.1	13.0
Educational and health services	16,465	16,705	16,731	16,746	16,767	1.8	302.0	0.1	21.0
Leisure and hospitality	12,116	12,178	12,192	12,218	12,221	0.9	105.0	0.0	3.0
Government	21,625	21,544	21,544	21,527	21,542	-0.4	-83.0	0.1	15.0
<b>Arizona</b>									
Total nonfarm 1/	2278.2	2309.2	2314.6	2321.6	2323.7	2.0	45.5	0.1	2.1
Construction	173.5	182.7	184.9	186.0	186.5	7.5	13.0	0.3	0.5
Manufacturing	177.2	172.5	172.7	173.4	174.0	-1.8	-3.2	0.3	0.6
Trade, transportation, and utilities									
Financial activities	158.1	159.8	159.3	162.7	161.5	2.2	3.4	-0.7	-1.2
Professional and business services	316.2	322.2	322.3	328.4	326.8	3.4	10.6	-0.5	-1.6
Educational and health services	241.2	252.3	252.6	254.1	255.7	6.0	14.5	0.6	1.6
Leisure and hospitality	231.1	234.0	234.1	233.9	233.2	0.9	2.1	-0.3	-0.7
Government	393.4	393.5	394.6	395.5	397.6	1.1	4.2	0.5	2.1
<b>Colorado</b>									
Total nonfarm 1/	2159.0	2149.2	2147.0	2131.7	2131.4	-1.3	-27.6	0.0	-0.3
Construction 2/	153.5	149.5	149.8	146.1	144.5	-5.9	-9.0	-1.1	-1.6
Manufacturing	159.7	153.6	153.9	153.1	153.3	-4.0	-6.4	0.1	0.2
Trade, transportation, and utilities	407.8	402.8	400.3	399.1	399.4	-2.1	-8.4	0.1	0.3
Financial activities	152.8	155.9	155.8	153.3	153.9	0.7	1.1	0.4	0.6
Professional and business services	287.6	285.8	285.6	280.7	282.1	-1.9	-5.5	0.5	1.4
Educational and health services	211.2	215.3	216.5	217.4	218.4	3.4	7.2	0.5	1.0
Leisure and hospitality	245.0	247.4	247.6	244.0	243.2	-0.7	-1.8	-0.3	-0.8
Government	357.2	356.0	354.8	356.2	356.1	-0.3	-1.1	0.0	-0.1
<b>Idaho</b>									
Total nonfarm 1/	572.0	571.0	573.1	576.4	578.9	1.2	6.9	0.4	2.5
Construction	37.0	36.9	37.0	37.6	37.7	1.9	0.7	0.3	0.1
Manufacturing	63.7	60.6	60.6	60.9	61.2	-3.9	-2.5	0.5	0.3
Trade, transportation, and utilities									
Financial activities									
Professional and business services	70.3	70.4	70.5	70.5	71.0	1.0	0.7	0.7	0.5
Educational and health services									
Leisure and hospitality	54.1	53.6	53.8	54.0	54.3	0.4	0.2	0.6	0.3
Government	112.4	113.0	113.2	113.9	114.8	2.1	2.4	0.8	0.9
<b>Montana</b>									
Total nonfarm 1/	399.0	400.0	401.7	400.9	402.1	0.8	3.1	0.3	1.2
Construction 2/	22.6	22.6	23.0	23.1	23.1	2.2	0.5	0.0	0.0
Manufacturing	19.4	18.3	18.4	18.5	18.4	-5.2	-1.0	-0.5	-0.1
Trade, transportation, and utilities	84.3	84.7	84.6	84.7	84.9	0.7	0.6	0.2	0.2
Financial activities	20.1	20.3	20.4	20.6	20.5	2.0	0.4	-0.5	-0.1
Professional and business services	32.3	32.9	33.0	33.0	33.0	2.2	0.7	0.0	0.0
Educational and health services	53.2	53.4	53.7	53.6	53.7	0.9	0.5	0.2	0.1
Leisure and hospitality	52.4	52.4	52.2	52.5	52.7	0.6	0.3	0.4	0.2
Government	84.9	85.8	86.3	84.9	85.6	0.8	0.7	0.8	0.7

See footnotes at end of table.

Table 2. Employees on nonfarm payrolls for the United States and states in the Mountain division by selected industry, seasonally adjusted (continued)

(Numbers in thousands)

State and Industry	February 2003	November 2003	December 2003	January 2004	February 2004 (P)	Change from		Change from	
						February 2003 to Feb-04		January 2004 to Feb-04	
						Percent change	Net change	Percent change	Net change
<b>Nevada</b>									
Total nonfarm 1/	1,074.6	1,104.9	1,108.8	1,112.4	1,116.3	3.9	41.7	0.4	3.9
Construction	96.9	104.2	104.6	105.0	106.8	10.2	9.9	1.7	1.8
Manufacturing									
Trade, transportation, and utilities	193.6	201.5	201.8	202.2	201.6	4.1	8.0	-0.3	-0.6
Financial activities	57.3	58.6	60.2	60.3	60.5	5.6	3.2	0.3	0.2
Professional and business services	118.2	123.0	124.4	126.1	126.5	7.0	8.3	0.3	0.4
Educational and health services									
Leisure and hospitality	302.6	305.2	304.4	305.3	305.9	1.1	3.3	0.2	0.6
Government	134.3	135.6	136.3	136.0	136.3	1.5	2.0	0.2	0.3
<b>New Mexico</b>									
Total nonfarm 1/	772.3	779.8	782.4	780.4	780.4	1.0	8.1	0.0	0.0
Construction	46.4	47.2	47.4	47.2	47.2	1.7	0.8	0.0	0.0
Manufacturing	36.9	36.1	36.0	35.7	35.4	-4.1	-1.5	-0.8	-0.3
Trade, transportation, and utilities	135.6	136.0	136.5	135.2	135.1	-0.4	-0.5	-0.1	-0.1
Financial activities	33.6	34.1	34.2	34.1	34.2	1.8	0.6	0.3	0.1
Professional and business services	89.5	88.7	88.9	88.7	88.7	-0.9	-0.8	0.0	0.0
Educational and health services	97.2	100.5	100.7	101.6	101.7	4.6	4.5	0.1	0.1
Leisure and hospitality	81.1	80.8	81.3	81.5	81.6	0.6	0.5	0.1	0.1
Government	193.6	197.5	198.2	197.7	197.6	2.1	4.0	-0.1	-0.1
<b>Utah</b>									
Total nonfarm 1/	1071.3	1079.5	1081.8	1085.0	1082.0	1.0	10.7	-0.3	-3.0
Construction 2/	68.0	66.8	66.6	69.2	68.8	1.2	0.8	-0.6	-0.4
Manufacturing	112.5	111.6	112.2	113.2	113.1	0.5	0.6	-0.1	-0.1
Trade, transportation, and utilities	213.4	214.1	214.6	213.7	213.7	0.1	0.3	0.0	0.0
Financial activities									
Professional and business services	130.4	133.7	133.9	132.0	130.7	0.2	0.3	-1.0	-1.3
Educational and health services	117.4	121.1	121.9	122.4	121.8	3.7	4.4	-0.5	-0.6
Leisure and hospitality	99.6	99.5	101.8	102.1	102.4	2.8	2.8	0.3	0.3
Government	196.1	197.3	198.0	198.8	197.8	0.9	1.7	-0.5	-1.0
<b>Wyoming</b>									
Total nonfarm 1/	248.3	252.6	253.5	252.5	252.3	1.6	4.0	-0.1	-0.2
Construction	19.1	20.0	20.1	19.6	19.2	0.5	0.1	-2.0	-0.4
Manufacturing									
Trade, transportation, and utilities	48.4	48.6	48.8	48.7	48.4	0.0	0.0	-0.6	-0.3
Financial activities									
Professional and business services	15.4	15.4	15.6	15.2	15.2	-1.3	-0.2	0.0	0.0
Educational and health services									
Leisure and hospitality	30.6	30.4	30.9	30.9	30.9	1.0	0.3	0.0	0.0
Government	63.4	63.7	64.0	63.9	64.3	1.4	0.9	0.6	0.4

1/ Includes natural resources and mining, information, and other services, except public administration, not shown separately.

2/ Natural resources and mining is combined with construction

3/ This series is not published seasonally adjusted because the seasonal component, which is small relative to the trend-cycle and irregular components, cannot be separated with sufficient precision.

(p) = preliminary