

## employment monitor: june 2013

### resident unemployment

After declining in the first quarter of 2013, jobless rates ticked up sharply throughout the Washington region in the second quarter of 2013 as automatic federal spending cuts in March started to have an impact on the region's labor market. The jump in unemployment offset four years of steady recovery and signaled a new phase of economic uncertainty in the region.

The full effects of tightened federal budgets will become clearer over time. Federal agencies generally have been able to minimize furloughs and job cuts to date, limiting for now the impact on the County's federal workers. Contractors, nonprofits and other employers may have avoided large scale layoffs by deferred hiring and other measures. Continuing contract delays, cancellations and program cuts over the fiscal year, however, are likely to produce more public and private sector job losses in coming months.

### montgomery county

Six percent of Montgomery County's resident workforce was unemployed in June, up one-half of a percent from one year ago when the unemployment rate was 5.5 percent. The number of unemployed persons in the County grew by 2,652 to 32,416, the largest increase among neighboring counties in the region.

### region, state and nation

June 2013 unemployment in the Washington region was 6.0 percent, up one-tenth of a percent from one year ago. Unemployment was highest in Prince George's County (7.6 percent), followed by Washington, D.C. (6.1 percent) and Montgomery County (6.0 percent). Arlington County had the lowest rate of unemployment (4.0 percent). Maryland's unemployment rate was 7.5 percent, up three-tenths of a percent from one year ago. The nation saw a steady decline in its unemployment rate from 8.4 percent to 7.8 percent over the past year.

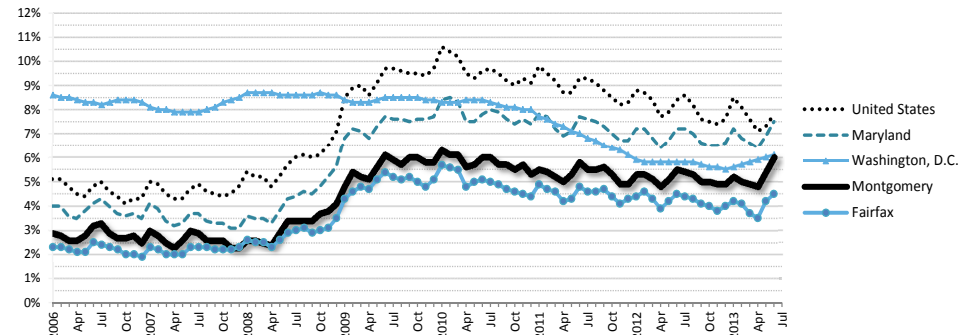
Between June 2012 and June 2013, the number of unemployed persons in the Washington region grew by 5,467 to 194,479, with Montgomery County accounting for more than half of the increase. In Maryland, the number of unemployed increased by 9,665 to 236,935 persons. Nationwide, the number of unemployed persons fell by 936,000 to 12,248,000.

### UNEMPLOYMENT TRENDS, 2009-2013

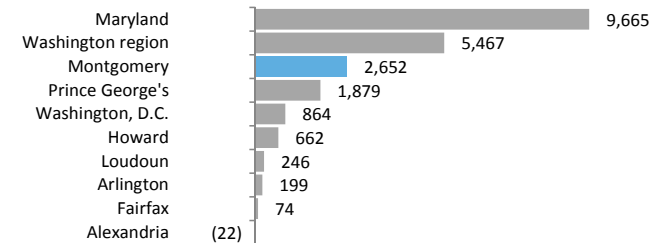
	June 2009		June 2010		June 2011		June 2012		June 2013	
	rate	persons	rate	persons	rate	persons	rate	persons	rate	persons
United States	9.7%	15,095,000	9.6%	14,885,000	9.3%	14,409,000	8.4%	13,184,000	7.8%	12,248,000
Maryland	7.7%	236,878	7.8%	242,078	7.7%	238,866	7.2%	227,270	7.5%	236,935
Washington region	6.6%	204,636	6.5%	203,417	6.4%	203,282	5.9%	189,012	6.0%	194,479
Alexandria	5.2%	4,962	5.2%	4,552	5.3%	4,805	4.7%	4,356	4.7%	4,334
Arlington	4.8%	6,645	4.5%	5,808	4.2%	5,713	3.9%	5,320	4.0%	5,519
Washington, D.C.	8.5%	24,556	8.4%	24,455	7.0%	21,300	5.8%	17,959	6.1%	18,823
Fairfax	5.4%	32,166	5.1%	31,330	4.8%	29,620	4.5%	28,580	4.5%	28,654
Howard	6.0%	9,891	5.8%	9,685	5.7%	9,861	5.5%	9,623	5.8%	10,285
Loudoun	5.3%	9,383	5.0%	9,076	4.7%	8,719	4.4%	8,404	4.5%	8,650
Montgomery	6.1%	32,480	6.0%	31,437	5.8%	31,156	5.5%	29,764	6.0%	32,416
Prince George's	7.7%	35,302	7.8%	36,064	7.7%	36,145	7.2%	33,995	7.6%	35,874

**Federal sequestration drove an increase in unemployment throughout the Washington region. At the same time, private sector job creation was positive, with new hiring concentrated in retail, hospitality and other lower wage industries.**

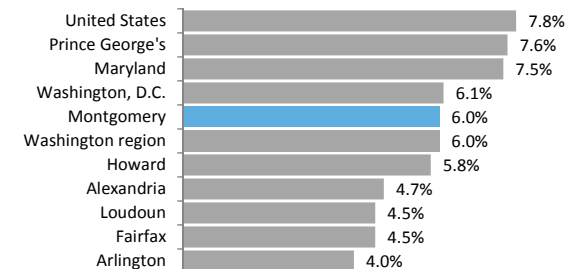
### UNEMPLOYMENT RATE, 2009-2013



### CHANGE IN UNEMPLOYED PERSONS, JUNE 2011-JUNE 2012



### UNEMPLOYMENT RATE, JUNE 2013



Source: Montgomery County Planning Department analysis of U.S. Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS), Current Employment Survey (CES), and Quarterly Census of Employment and Wages data as of August 2013.

## at-place employment

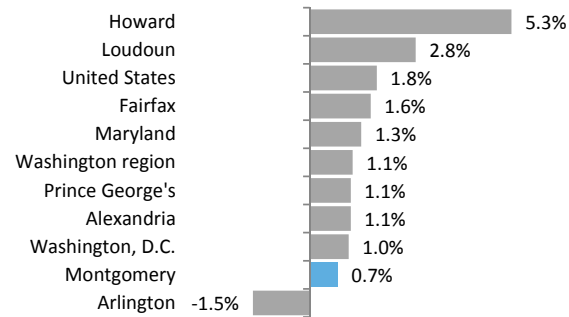
Montgomery County employers added 3,278 net new jobs in 2012, an increase of 0.7 percent. This was below the national average of 1.8 percent and the regional average of 1.1 percent job growth.

The County added 6,739 jobs in 2012, led by gains in the education, health services, leisure and hospitality sectors. Federal employment also grew Countywide during 2012. Over the same period, Montgomery County lost 3,460 jobs. Professional and business services accounted for 64 percent of job losses, a possible reflection of earlier federal austerity measures affecting the government contracting community.

Region-wide, private sector and government employment grew at a modest pace during 2012. The Washington region added 32,572 jobs over the year, a 1.1 percent increase from 2011. Fairfax County added the most jobs (9,287), followed by Howard County (7,977). Arlington County was the only job-loser over the year (-2,500).

Rising unemployment since March indicates that sequestration could offset the positive job growth in 2011 and 2012.

## EMPLOYMENT GROWTH, 2011-2012



## AT-PLACE EMPLOYMENT, 2009-2012

	2009		2010		2011		2012	
	jobs	1-yr change	jobs	1-yr change	jobs	1-yr change	jobs	1-yr change
United States	128,607,842	-4.6%	127,820,442	-0.6%	129,411,095	1.2%	131,684,961	1.8%
Maryland	2,461,109	-3.0%	2,453,197	-0.3%	2,478,505	1.0%	2,511,936	1.3%
Washington region	2,839,816	-2.0%	2,855,038	0.5%	2,896,522	1.5%	2,929,094	1.1%
Alexandria	98,188	-2.4%	95,948	-2.3%	94,568	-1.4%	95,585	1.1%
Arlington	158,720	1.5%	162,679	2.5%	168,271	3.4%	165,771	-1.5%
Washington, D.C.	681,875	-0.5%	693,274	1.7%	707,359	2.0%	714,578	1.0%
Fairfax	570,987	-2.5%	573,551	0.4%	581,120	1.3%	590,407	1.6%
Howard	143,471	-3.2%	146,125	1.8%	151,075	3.4%	159,052	5.3%
Loudoun	129,736	-2.4%	132,340	2.0%	137,434	3.8%	141,244	2.8%
Montgomery	443,185	-3.2%	441,887	-0.3%	447,238	1.2%	450,516	0.7%
Prince George's	98,188	-2.4%	95,948	-2.3%	94,568	-1.4%	95,585	1.1%

## MONTGOMERY COUNTY EMPLOYMENT CHANGE BY SECTOR, 2011-2012

Total job gains	6,739	Total job losses	(3,461)
Education and health services	1,609	Professional and business services	(2,203)
Leisure and hospitality	1,606	Manufacturing	(395)
Federal government	1,220	Information	(372)
Other services	777	Natural resources and mining	(287)
Trade, transportation, and utilities	732	Construction	(149)
Local government	681	State government	(55)
Financial activities	114		

## ANNUAL AVERAGE JOB GROWTH, 2009-2012

