

GOVERNMENT EMPLOYMENT GROWTH SURPASSES PRIVATE SECTOR FOR SIXTH YEAR

(April 2007) Annualized Arkansas state and local government employment expanded at one of the largest percentage rates this decade in 2006, surpassing private sector job growth for the sixth consecutive year.

State and local government employment expanded 2.46 percent last year versus private sector employment growth of 1.76 percent, according to labor market information compiled by the state Department of Workforce Services. Government employment grew at the fastest rate since 2001 when a 2.55 percent growth rate was recorded in Arkansas.

The following chart compares private sector and state and local government employment growth in Arkansas this decade:

<u>Year</u>	<u>Private</u>	<u>State & Local Government</u>
2000	1.43%	0.96%
2001	-0.81%	2.55%
2002	-1.04%	1.10%
2003	-0.45%	1.72%
2004	1.17%	1.18%
2005	1.72%	1.84%
2006	1.76%	2.46%

There were 967,900 private sector and 168,300 state and local government employees in Arkansas in 2000. There were 991,400 private workers and 187,400 state and local employees in 2006. Federal employment is measured in a separate category.

Contributing Factors

A contributing factor has been growth in the number of individuals employed in public education in Arkansas. Another factor has been the decline in Manufacturing, a private industry supersector.

-- Greg Kaza