

Express Line

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North Carolina Unemployment Reaches a New High

The newest unemployment numbers released on January 22 reveal that North Carolina's unemployment rate has reached an all-time high. The rate for December 2009 was **11.2%**, compared to the December 2008 rate of 8.1%. The state recorded the November 2009 unemployment rate at 10.8%.



December 2009 marks the **11th straight month** that North Carolina's **unemployment rate** has hovered around **11%**. Since the recession started in December 2007, our state has **lost more than 250,000 jobs**.

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North Carolina Economic Outlook

Each month, the North Carolina General Assembly Fiscal Research Division prepares a report of the **economic "highlights"** for the previous month. Unfortunately, this month's report is dismal.

Sales tax collections continue to come in below projections. Total collections are **down 11.3% from this time one year ago**. In addition to sluggish sales tax, withholding tax revenues continue to weaken as well, down 4.1% through December 2009 compared to 3.8% through November 2009.

One **positive** note in the report is that **General Fund revenues are currently \$30 million above a \$9.4 billion forecast target**.

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NC Unemployment

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During the past two years, manufacturers have shed 95,500 jobs and construction companies have eliminated 65,800. These two sectors cut an additional 2,100 positions in December and the leisure and hospitality sector (i.e. hotels, entertainment companies) lost 2,600 jobs.

During the same month, the Trade, Transportation and Utilities sector which includes **retail and wholesale** jobs **gained 2,500** jobs from the previous month. However, **retail** trade is still **down 7,300** jobs compared to December 2008.

In South Carolina, the state **lost 9,900 jobs** in December. Most of these losses occurred in the Professional and Business Services (-4,000), Leisure and Hospitality (-5,200) and Manufacturing (-800). Offsetting those losses were slight **gains** in Transportation, Warehouse and Utilities (+1,000) and **Retail Trade (+700)**. Total job loss since the recession began in December 2007 and is currently at 109,900.

At **11.2% North Carolina's unemployment rate is higher than the 10% nationwide unemployment rate**. Unemployment rates rose in **43 states** in December 2009, but only 36 states saw increases in

November. North and South Carolina were among **four states with record-high rates**; the other **two** states include: **Delaware and Florida**. **New Jersey and New York** also reached highs not seen in many years. New Jersey's unemployment rate rose to a 33-year high of 10.1% and New York's rate of 9% is a 26-year high. **Michigan** currently has the nation's highest unemployment rate at nearly **15%**!

Unfortunately, many of these unemployment numbers are misleading as more job-seekers drop out of the labor force having grown weary. True unemployment numbers are actually much higher than reported. □

South Carolina Economy At A Glance

- In October 2009, unemployment rates in all metropolitan areas were higher than one year ago. The unemployment rate in Sumter was 13.9%, an increase of 4% from one year ago. The rate was 12.5% in Anderson, up 4.7% from 2008; 12.2% in Spartanburg, up 4.3%; 12.1% in Florence, up 3.4%; 10.9% in Myrtle Beach, up 2.2%; 10.4% in Greenville, up 3.6%; 9.7% in Charleston, up 3.2% and 9.4% in Columbia, up 2.5%.
- Retail sales for the first 10 months of 2009 compared to the first 10 months of 2008 were down in all metropolitan areas. The largest decline in retail sales was seen in the Greenville area, with a decrease of 15.1%, followed by Charleston at 14.9%; Anderson 14.3%; Myrtle Beach 13.3%; Sumter 12.3%; Columbia 11.9% and Florence 11.6%.
- Residential construction activity plummeted in 2009. When comparing rates between October 2009 and October 2008, construction dropped 57.9% in Anderson and 56.9% in Myrtle Beach. □

South Carolina Employment Growth 2008/2009

Difference	% Change	Sector of Employment
1,100	1.1%	Government
-26,600	-11.2%	Manufacturing
-6,700	-2.9%	Retail Trade
4,400	2.0%	Professional/Business Services
-8,000	-3.8%	Leisure & Hospitality
-1,000	-0.5%	Education & Health Services
-16,900	-14.9%	Construction
-3,200	-3.0%	Financial Activities



Poster and Sign Order Form



Now Available! State and Federal Posters and Signs

Samples of a wide variety of retail signs (each sign measures 8 1/2" x 11") are attached and listed below by number. The association charges \$1.00 for the first sign and \$.10 for any additional sign. These **16 signs** outlining specific **North Carolina Statutes** are available in **English** or **Spanish**. The **first four signs** are required for posting. **Signs #1, #2 and #3** are required by retailers who sell a specific product, **sign #4** is required for posting only if your store maintains a **“Prepare and Serve” Food Permit**. The remaining **12 signs** are **not** required but are provided for use in customers education.

Place the number of signs you would like to purchase next to the specific sign title and also place an **“E”** or a **“S”** on that line to indicate whether you want the sign printed in English (“E”), Spanish (“S”) or place an **“SE”** for signs in both languages.

- | | |
|---|---|
| _____ 1 - Recycle Batteries | _____ 9 - Unlawful to Store Firearms |
| _____ 2 - NC Law Prohibits Underage Purchase of Tobacco | _____ 10 - Receipt Required for Returns |
| _____ 3 - Logging of Meth Product Sales | _____ 11 - No Firearms |
| _____ 4 - Smoking Ban | _____ 12 - Manager Can't Open the Safe |
| _____ 5 - Not Responsible for Goods Left | _____ 13 - No Cash Refunds |
| _____ 6 - Born-on-Date for Alcohol Purchase | _____ 14 - Shoplifters will be Prosecuted |
| _____ 7 - Prohibits Beer and Wine Sales Under 21 | _____ 15 - Employee Theft |
| _____ 8 - Treble Damages for Bad Checks | _____ 16 - \$25 Fee for Returned Checks |

The required **State and Federal Posters** are sold as a set for **\$8.00 (tax included)**. The required State Posters (both **North Carolina and South Carolina**) are also available in **Spanish** or **English**. Please indicate in the space provided **how many State Posters** you need. For each State Poster ordered, a **Federal Poster (only available in English)** will be matched to complete the set.

- | | |
|--|--|
| _____ 17. NC State Poster (English) | _____ 19. SC State Poster (English) |
| _____ 18. NC State Poster (<i>Spanish</i>) | _____ 20. SC State Poster (<i>Spanish</i>) |

All prices include sales tax, shipping and handling.

<p>Make checks payable to: NCRMA 601 Saint Mary's Street Raleigh, NC 27605</p>	<p>First Sign at \$1.00: \$ _____</p> <p>_____ Number of Signs (\$1.00 each): _____</p> <p>_____ Number of Poster sets (\$8.00 each): _____</p> <p>Total Due: \$ _____</p>
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Check MasterCard Visa American Express Discover

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Contact Name: _____

Company Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____


Phone: _____ E-mail: _____

Fax: (919) 832-0812 **E-mail:** kristinh@ncrma.org
Questions? (919) 832-0811

Sample of Available Signs and Posters


1 **RECYCLE YOUR USED BATTERIES
IT'S THE LAW**

It is illegal to improperly dispose of a motor vehicle battery or other lead-acid battery.

 Recycle your used batteries.


State law requires us to accept used motor vehicle batteries or other lead-acid batteries for recycling in exchange for new batteries purchased.

It is illegal to dispose of a used lead-acid battery in a landfill, incinerator, or in any waste-to-energy facility. There is a civil penalty of up to \$50 for each violation. (G.S. 130A-309.70)

[N.C. law requires the posting of this sign.] 

5 **NOT RESPONSIBLE
FOR GOODS LEFT
ON HAND
FOR MORE THAN
60 DAYS.**

NC General Statutes 66-67.1



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2 **N.C. LAW
STRICTLY PROHIBITS
THE PURCHASE OF
TOBACCO PRODUCTS
BY PERSONS UNDER
THE AGE OF 18.
PROOF OF AGE REQUIRED.**

G.S. 14-313

[N.C. law requires the posting of this sign at point of sale.] 


6 **You must have been
born on or before
today's date
1989
to purchase
any
alcoholic beverages!**



Required by the Laws of North Carolina


3 North Carolina law strictly prohibits a single transaction purchase of more than two packages (six grams total) of products containing pseudoephedrine, and no more than three packages (nine grams total) of certain products containing pseudoephedrine within a 30 day period.

This store will maintain a record of all sales of these products which may be accessible to law enforcement officers.

[N.C. law requires the posting of this sign in the pharmacy.] 

7 **N.C. Law Strictly
Prohibits the Purchase
of Beer and Wine
By Persons Under the
Age of 21.**

Proof of Age Required.



4

 **NO
SMOKING
-Indoors-**

G.S. 130A-497

1-800-662-7030 www.smokefree.nc.gov


[N.C. law requires posting at store entrance.] 

8 **WARNING:**


If your check bounces you could be liable for three times the amount of the check, but not less than \$100 nor more than \$500.

N.C.G.S. 6-123

**Bad Check Writers May Also
Face Criminal Penalties.**




9 **It is unlawful to store or leave a
Firearm
that can be discharged
in a manner
that a reasonable person
should know
is accessible to a minor.**



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11

**NO FIREARMS
allowed on premises**

CONCEALED OR OTHERWISE

N.C. General Statute 14-415.11



12

**Manager on duty
does not have
combination to safe.**



13

**Our Store Policy
does not provide for
a cash refund or
return,
we provide
store credits only.**



10

**IT IS THE POLICY
OF THIS STORE
TO
REQUIRE A RECEIPT
FOR ALL RETURNS**



**SHOPLIFTING is really a handful of trouble.
It's not Worth It!**

SHOPLIFTERS WILL BE PROSECUTED!

Under NC Law, NCGS 1-538.2:
Shoplifters may be held civilly liable and be required to pay for the value of the merchandise ... plus the amount of any damage or loss as suffered by the merchants ... plus any consequential damages ... plus punitive damages ... plus attorneys' fees.

Parents may be responsible for theft by their minor children. This law also applies to any theft by an employee or the company. **Willful Concealment** of unpurchased merchandise in any manner or **Tag Switching** is also a Violation.


THINK TWICE .. for both of us!



15

**EMPLOYEE THEFT
is
a Serious Crime.**

Civil Liability - Under NCGS Article 43, Chapter 1, Section 1-538.2:

An employee can be sued for the amount stolen PLUS attorneys' fees, PLUS a monetary award of THREE TIMES the actual and consequential damages up to 

16

\$25 FEE FOR RETURNED CHECKS

It is the policy of this store, in accordance with the laws of North Carolina, to charge a handling fee of \$25.00 on each check returned to this store by the bank.

This \$25.00 fee shall be assessed for a check on which payment has been refused by the bank because of insufficient funds or because the drawer did not have an account at the bank.

Please remember that losses due to bad checks increase the costs to those other customers paying for their goods.



17

**NC Department of Labor
Wage and Hour
and
OSH Notice to Employees
ENGLISH**

[Federal law requires the posting of this poster.]

18

**NC Department of Labor
Wage and Hour
and
OSH Notice to Employees
SPANISH**

[Federal law requires the posting of this poster.]

19

**SC Department of Labor
Wage and Hour
and
OSH Notice to Employees
ENGLISH**

[Federal law requires the posting of this poster.]

20

**SC Department of Labor
Wage and Hour
and
OSH Notice to Employees
SPANISH**

[Federal law requires the posting of this poster.]

You Decide: How Can You Track the Economy?

Economists think the economy is finally turning for the better. Some have even stated the recession is already over – perhaps for as long as six months.

But as one of them, I'll be the first to admit that economists can be wrong. Therefore, it's **important for individuals to try to track the economy themselves**. However, with so much economic information out there, where should a person start and what should he or she look at?

Let me see if I can help. Here's a list of **four key economic statistics** that paint a good picture of where the economy is headed. They're also statistics the media regularly reports – so they can't be missed if you watch for them.

Gross Domestic Product

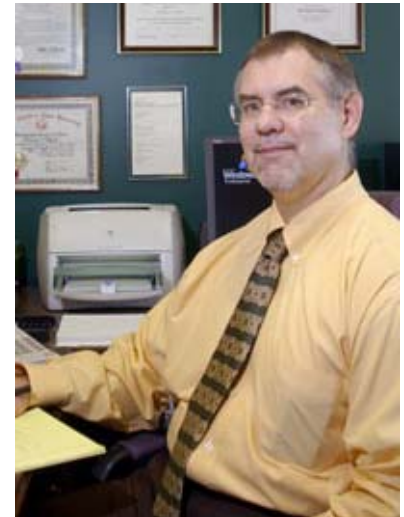
Translated from “economese,” this is **the value of everything produced in the economy in a given time period**. The effects of inflation and typical seasonal adjustments are taken out, and the key number is the percentage change. A **negative percentage change** means **economic production is shrinking** and is **an indicator of a recession**. Conversely, a percentage change **above zero** means the **economy is expanding**. However, a percentage change **above 2%** is usually needed for the economy to have enough steam to **generate new jobs**.

After falling for a year, Gross Domestic Product **increased** in the third quarter (July, August and September) by **over 2%**, and it's also expected to have increased in the final three months of 2009. This is a big reason some economists have already declared the recession over.

Unemployment Rate and Employment

The **unemployment rate** is the headline number followed by most people. Yet economists have long recognized a major problem with the typically quoted unemployment rate; it simply **doesn't capture everyone who is unemployed**. People who have lost their job and have stopped actively looking for work are not counted in the commonly quoted unemployment rate. Also, individuals who are working part-time because they can't find full-time work aren't included in the standard rate.

To be fair, the government does release alternative unemployment rates that do include the two groups cited above. But these rates usually aren't in the headlines. So the better way to gauge the condition of the job market is simply to **see if the number of jobs is increasing or decreasing**. However, even here there can be some confusion because there are two job surveys done each month: one tracking jobs at existing businesses and the other questioning people at home about whether they are working. Furthermore, the two surveys don't always give the same answer; one may show jobs increasing, while the other indicates



Dr. Mike Walden, North Carolina Cooperative Extension

jobs are declining.

What's a person to do? **Watch the results from both job surveys**, and if both say the same thing (jobs up or jobs down) then that's a good indication of what is happening in the job market. Put secondary importance on the unemployment rate. Indeed, the headline unemployment rate can rise even when jobs are increasing due to unemployed folks resuming their active search for jobs.

Wealth

Four times a year the Federal Reserve releases information on household wealth; that is, **the difference between what we own and what we owe**. You can view wealth as stored value, and tracking wealth is important for two reasons. First, our **spending** responds to **changes in wealth**. Studies show that every dollar increase in a household's wealth results in a 5¢ to 6¢ increase in spending. A big part of consumer spending in the early and mid 2000's was fueled by increases in the wealth in our homes (a.k.a. home equity).

Likewise, the **\$11 Trillion** reduction in wealth we've suffered since the beginning of the recession has caused

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You Decide

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many consumers to retreat in their spending. The good news is that **our wealth has increased**, although we've not fully recovered, since last summer.

A second reason wealth is important is because it's linked to **confidence**. Rising wealth makes us more confident about the future and more willing to make long-lasting commitments and purchases.

Stock Market

My last favorite indicator is the stock market. Daily changes in the stock market can be viewed as a vote on the future of the economy, where investors are using money, rather than ballots, to cast their votes. The stock market uniquely **combines an assessment of where the economy is now with a prediction of where the economy is going** in the future. On any given day, movements in the stock market represent the collective wisdom of millions of investors who have put their money on the line. This is more powerful than any public opinion poll or economist's forecast.

So here are **four key** economic indicators:

- change in **Gross Domestic Product**,
- change in **jobs**,
- change in **household wealth** and
- change in the **stock market**.

Together these four give us a good sense of the direction of the economy.

Tracking them on a monthly or quarterly basis will help you decide if the **economic skies** are becoming **cloudy** or **sunny**. ☐



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Economic Outlook

Continued from page 1

The surplus is a result of the North Carolina Department of Revenue's resolution payment initiative with collections of \$422 million from over 200 taxpayers. Collections were \$272 million more than the \$150 million predicted by legislative budget writers.

Key notes from the report:

- **Sales tax collections** remain weak, falling **\$120 million short of expectations**. They are **down 11.3%** from this time last year (40 states are currently below sales tax targets).
- **Income tax withholding** on **wages and salaries** are **down 4.1%** through December.
- Almost **16,000 jobs (seasonally adjusted)** were added to the economy from September through November 2009. **Employment rates** are still **short** of pre-recession rates by **240,000 jobs**.

- National and State **economic forecasts are becoming more pessimistic**. **Personal income growth for 2010** is now forecasted to be **1.9%** in NC, down from a previous forecast of 3.8%.

As we continue into 2010, there are mounting budget pressures for North Carolina. First of all, expenditures for Medicaid and other income assistance programs are likely to exceed budget amounts as more people enroll in these programs. Secondly, North Carolina community colleges are experiencing unprecedented growth and may not have the monetary resources to handle the influx of students. Lastly, legislators and budget writers will soon begin looking towards 2011-2012 budgets and revenues. As temporary taxes expire and federal stimulus money dissipates, it will become significantly more difficult for revenue growth to be sufficient enough to eliminate the budget deficit. ☐



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To have an enrollment form mailed or faxed, call Kristin at 919-832-0811 or e-mail kristinh@ncrma.org