

[Return to Business Articles Page](#)

Conway Unemployment Rate Drops to 5.8%: Second Lowest in Arkansas

By Roger Lewis

Conway's unemployment rate spiked in January to 6.8% and then dropped in March to last fall's level of 5.8%. Of the twenty cities in Arkansas for which unemployment rates are published, Conway's March rate was the second lowest with Sherwood being the lowest at 5.5%. The highest rate was West Memphis with 13.5% and Pine Bluff and Eldorado tied at 12.3%. Faulkner County's rate of 6.8% ranks 14th among counties in Arkansas with Washington County being the lowest at 5.9% and Arkansas County the highest at 18%.

The Arkansas Employment and Security office does not release unemployment figures by business sectors; therefore, there is no definitive data on what businesses are laying off workers. A general review of the various economic data available points to the construction industry as a major source of unemployment. Residential and commercial construction in Conway is down by over 50% from 2010. No building permits have been issued for the construction of duplex or multifamily units YTD. Restaurant and retail sales have had moderate growth.

Unemployment rates for counties and cities are not seasonally adjusted like the State and National rates. (Seasonal adjustments are a statistical method for removing variations due to seasonal trends such as temporary employment during the Christmas holiday season.) If Conway's unemployment rates were seasonally adjusted, most likely the January spike in unemployment rate would not have occurred. For Arkansas, the March non-seasonal adjusted rate was 8.0% while the seasonal adjusted rate was 7.8%. Nationally, the non-seasonal adjusted rate was 9.2% compared to the seasonally adjusted rate of 8.8%.

Arkansas' March seasonally adjusted unemployment rate of 7.8% was 19th in state rankings with North Dakota being the lowest at 3.6% and Nevada the highest with 13.2%.

Unemployment data is based on where workers live, not where they work. If a Conway resident works in Little Rock and becomes unemployed, that person would be included in Conway's unemployment calculations. Likewise, if someone from Houston was working in Faulkner County's natural gas industry and was laid off, he or she would be in Houston's unemployment calculations and not in Faulkner County's.

Conway's workforce of 28,313 is approximately half (49%) of the County's workforce of 57,425. Conway's unemployed workforce is 1,679 compared to the 2,253 unemployed living within Faulkner County but outside Conway. The unemployment rate for this group living outside of Conway is 7.7%, nearly 1 % higher than the overall county unemployment rate of 6.8%. This reveals that a larger portion Faulkner County's unemployed live outside of Conway.

One can become a little complacent when comparing the low unemployment rates of Conway and Faulkner County with other places that are much higher. A 6.8% unemployment rate does not sound as bad as the actual count of 3,900 unemployed workers in the county. There are a lot of families in Faulkner county struggling and in need of help. Extending unemployment benefits and job creation projects are important.

Local food banks run by charities and churches have reported that they exhaust their supplies weekly. The Bethlehem House for the homeless and other social services agencies have all experienced increased activity during this recent recession. These are only stopgap measures providing essential needs until the economy improves.

The economy is improving slowly from when the US employment rate was hovering around 10%, but it is going to take several years before we see much lower unemployment figures. When the unemployment rate for Conway dipped to 3.3% in 2007, "Help Wanted" signs were plentiful outside of restaurants and various businesses. *Help Wanted* signs are rare now; but hopefully that will soon change. More information can be obtained from pulseofconway.com