



December 2022

KENTUCKY

LABOR FORCE UPDATE

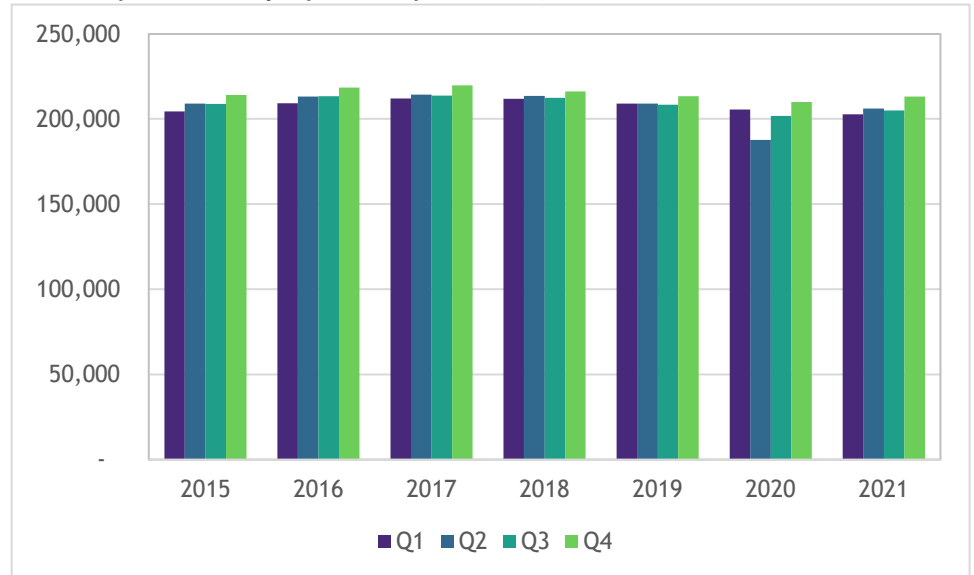


'Tis the Season for Holiday Hiring

The holiday season is upon us and, whether it's in person or online, many of us rely on the Retail Trade sector during this time – shopping for gifts at department stores or specialty shops, buying groceries, topping off the car at the gas station, or getting decorations. To accommodate holiday shoppers, retailers often hire seasonal workers starting in October. The [National Retail Federation](#) estimates that U.S. retailers will hire between 450,000 and 600,000 temporary seasonal workers this year. They also predict that holiday sales in the U.S. will be 6 to 8 percent higher than 2021.

In Kentucky, there is an average of nearly 210,000 jobs annually in the Retail Trade industry. Employment in this industry is typically lowest in the first quarter of the year and reaches its highest point in the fourth quarter, similar to national trends. As noted in the table below, the retail industry is comprised of 12 subsectors, eight of which experience increases in holiday-related employment. Between 2015 and 2021, these eight subsectors accounted for 96 percent of new fourth quarter retail jobs in Kentucky.

Kentucky Retail Employment by Quarter, 2015-2021



Source: KYSTATS, LMI Branch, Quarterly Census of Employment and Wages

Retail Subsectors

NAICS	Retail Subsector	Holiday Hiring	NAICS	Retail Subsector	Holiday Hiring
441	Motor Vehicle and Parts Dealers		447	Gasoline Stations	
442	Furniture and Home Furnishings Stores	✓	448	Clothing and Clothing Accessories Stores	✓
443	Electronics and Appliance Stores	✓	451	Sporting Goods, Hobby, Musical Instrument, and Book Stores	✓
444	Building Material and Garden Equipment and Supplies Dealers		452	General Merchandise Stores	✓
445	Food and Beverage Stores		453	Miscellaneous Store Retailers	✓
446	Health and Personal Care Stores	✓	454	Nonstore Retailers	✓

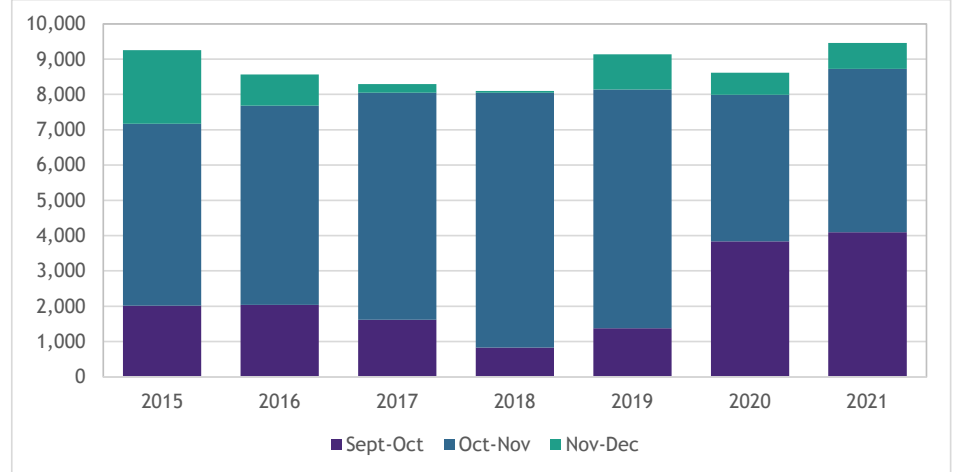
Source: U.S. Bureau of Labor Statistics



'Tis the Season for Holiday Hiring

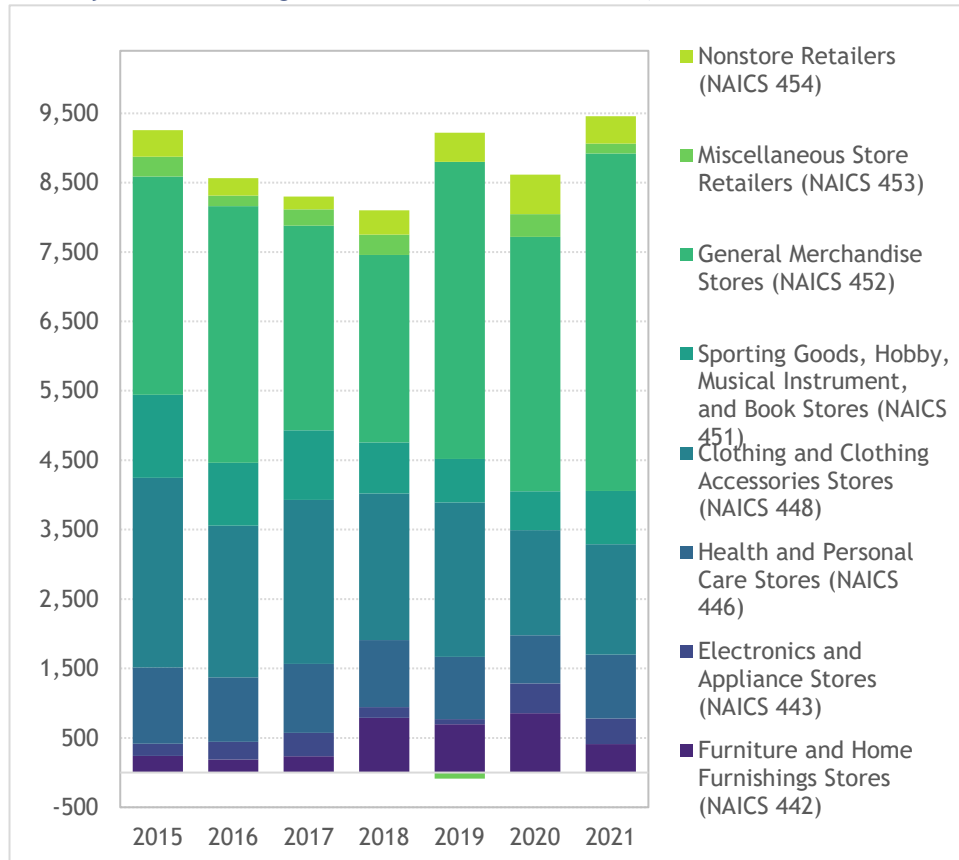
The charts on this page show seasonal hiring in the eight retail subsectors since 2015. The majority of new seasonal jobs, 65 percent on average, were added between October and November. The number of seasonal jobs added since 2015 fluctuated from a low of 8,100 in 2018 to a high of nearly 9,500 in 2021. Over this seven year span, these eight retail subsectors increased their workforce between 7.1 and 8.6 percent in Kentucky between September and December.

Average Monthly Employment in Select Retail Subsectors During the Holiday Season, 2015-2021



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Holiday Season Hiring in Select Retail Subsectors, 2015-2021



Source: KYSTATS, LMI Branch, Quarterly Census of Employment and Wages

Since 2015, General Merchandise Stores (NAICS 452) added the most jobs between October and December, averaging 3,610 jobs per year. Two in five (41.2 percent) of the new seasonal jobs added in these eight retail subsectors between 2015 and 2021 were in General Merchandise Stores. With the exception of 2020 when COVID affected employment in many retail subsectors, Clothing and Clothing Accessories Stores (NAICS 448) saw the largest percent increase in employment during the holiday season, an average increase from September of 17.5 percent, adding an average of 2,100 jobs per year during the holiday months.



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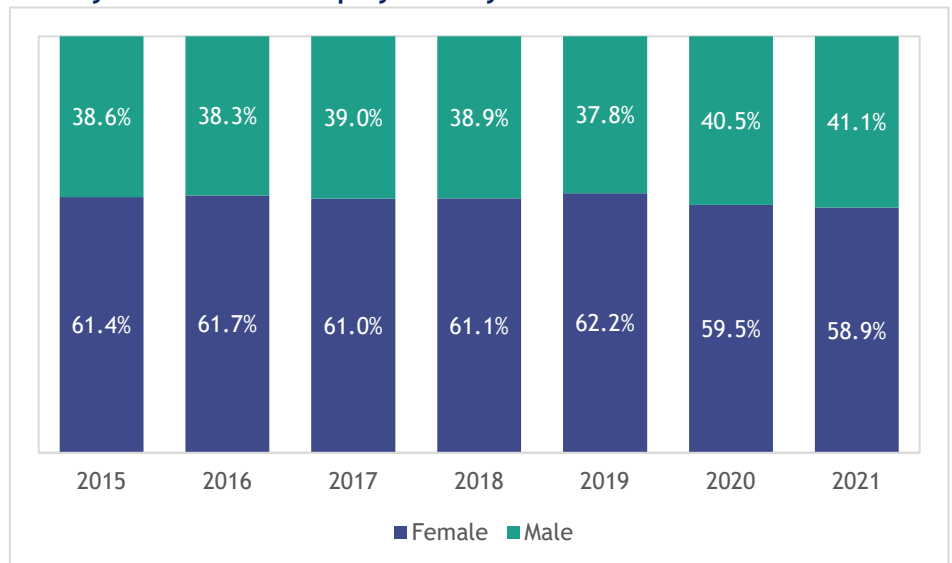
To determine the characteristics of those hired for seasonal employment, data from the Kentucky Longitudinal Data System (KLDS) was used which contains information on workers covered by unemployment insurance (UI). Between 2015 and 2021, there were 80,746 people employed within Kentucky's Retail Trade industry during the fourth quarter who were not employed in retail in the previous (third quarter) or the subsequent quarter (first). Due to methodological differences over the years, this analysis was conducted for the whole industry rather than select subsectors as above. However, as noted earlier using QCEW data, nearly all of the increase in retail employment during the fourth quarter occurred in those eight subsectors.

While women make up the majority of workers in the retail industry, approximately 54 percent between 2015 and 2021, they comprise an even larger majority of seasonal hires, averaging nearly 61 percent per year, dipping slightly starting in 2020.

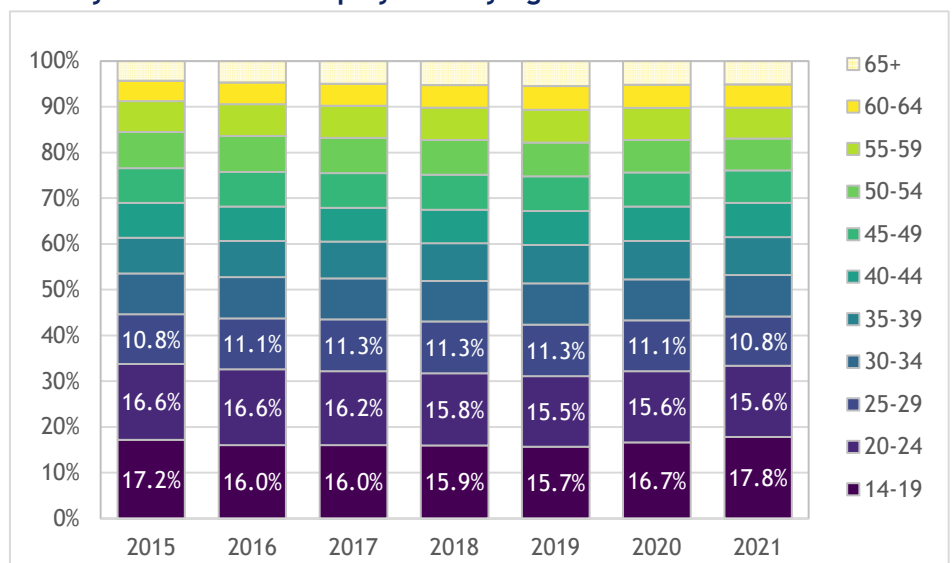
Three in five seasonal retail workers are under the age of 30 with the largest share of workers between the ages of 14 and 19 (an average of 27.7 percent per year since 2015). Among all retail workers, only 16.4 percent were between the ages of 14 and 19. Trends among seasonal workers in 2020 and 2021 also differed by age with a smaller share of younger workers and a growing share of workers over the age of 65 increasing from 2.3 percent in 2019 to 3.1 percent in 2020, and again to 4.8 percent in 2021.

After the holidays, employment tends to return to pre-holiday levels. On average, first quarter employment has about 6,900 fewer workers than the fourth quarter of the previous year, a decrease of 3.2 percent on average.

Holiday Season Retail Employment by Gender



Holiday Season Retail Employment by Age



Source: Kentucky Longitudinal Data System, UI Wages



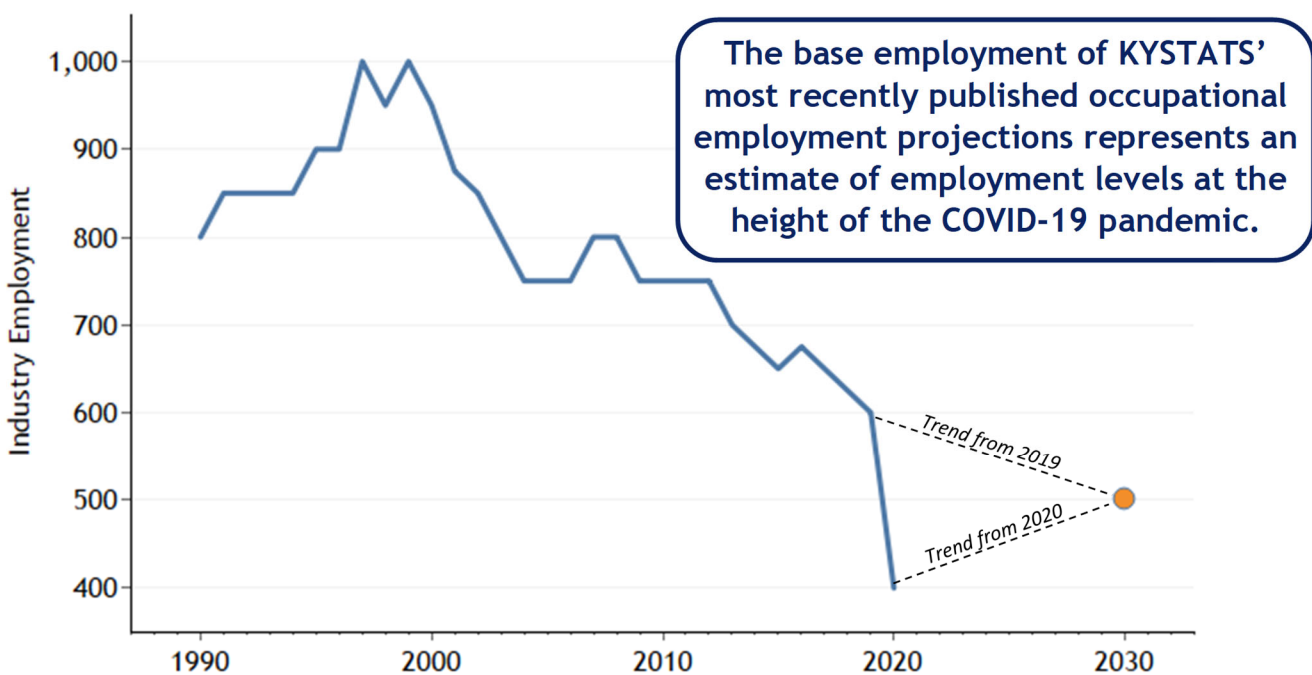
2020-2030 Occupational Employment Projections Now Available

2020-2030 Occupational Employment Projections: A Brief User's Guide

Occupational employment projections are widely utilized by economists, education and workforce planners, and other professionals for a wide variety of purposes, and are presented in a number of different KYSTATS products including the [Occupational Outlook](#) dashboard, which will be updated soon. However, because of the particular time frame of these estimates, 2020 to 2030, it is important to point out how employment levels during the pandemic affected this round of projections.

Mathematically, *occupational* employment projections are partially derived from *industry* projections that are produced using an annual time-series of industry employment data which terminates at the base year of the projections frame (in this case, 2020). As a result, the base year employment estimates represent estimated employment levels at **the height of the COVID-19 pandemic**. Consequently, the volume of economic activity indicated by projections metrics for many occupations may not appear intuitive at first glance, since it entails immediate economic recovery *and* longer term trends extending to 2030.

Take, for example, the following hypothetical example of an industry employment time series (blue) and an industry employment projection (orange) that would be combined with occupational staffing patterns to produce occupational employment projections. Long-term, employment in this industry is expected to decline relative to pre-pandemic levels. However, the severe (largely temporary) decrease in employment brought about by the pandemic produces an arrangement of base year employment and future employment that indicates long-term employment *growth* from 2020 to 2030. Employment projections for occupations existing within this industry will likewise incorporate this economic activity. As a result, KYSTATS is [continuing to publish](#) the 2019-2029 Occupational Outlook data file to assist those users who may be exploring occupations that were not fundamentally upended by the pandemic.





Happy Holidays from KYSTATS!

*From all of us at KYSTATS,
may your holidays be
merry and bright!*



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Kentucky Labor Force Update

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