

# Illinois Job Index



Illinois Coalition for Jobs, Growth & Prosperity

Release  
8/x/2006

data  
Jan 1990 / July 2006

issue  
10.0

[www.jobsillinois.us](http://www.jobsillinois.us)

For the August 2006 Illinois Job Index, the Coalition issued a Positive rating. The state's economy shows the big recovery following a net loss in May and no growth in June.

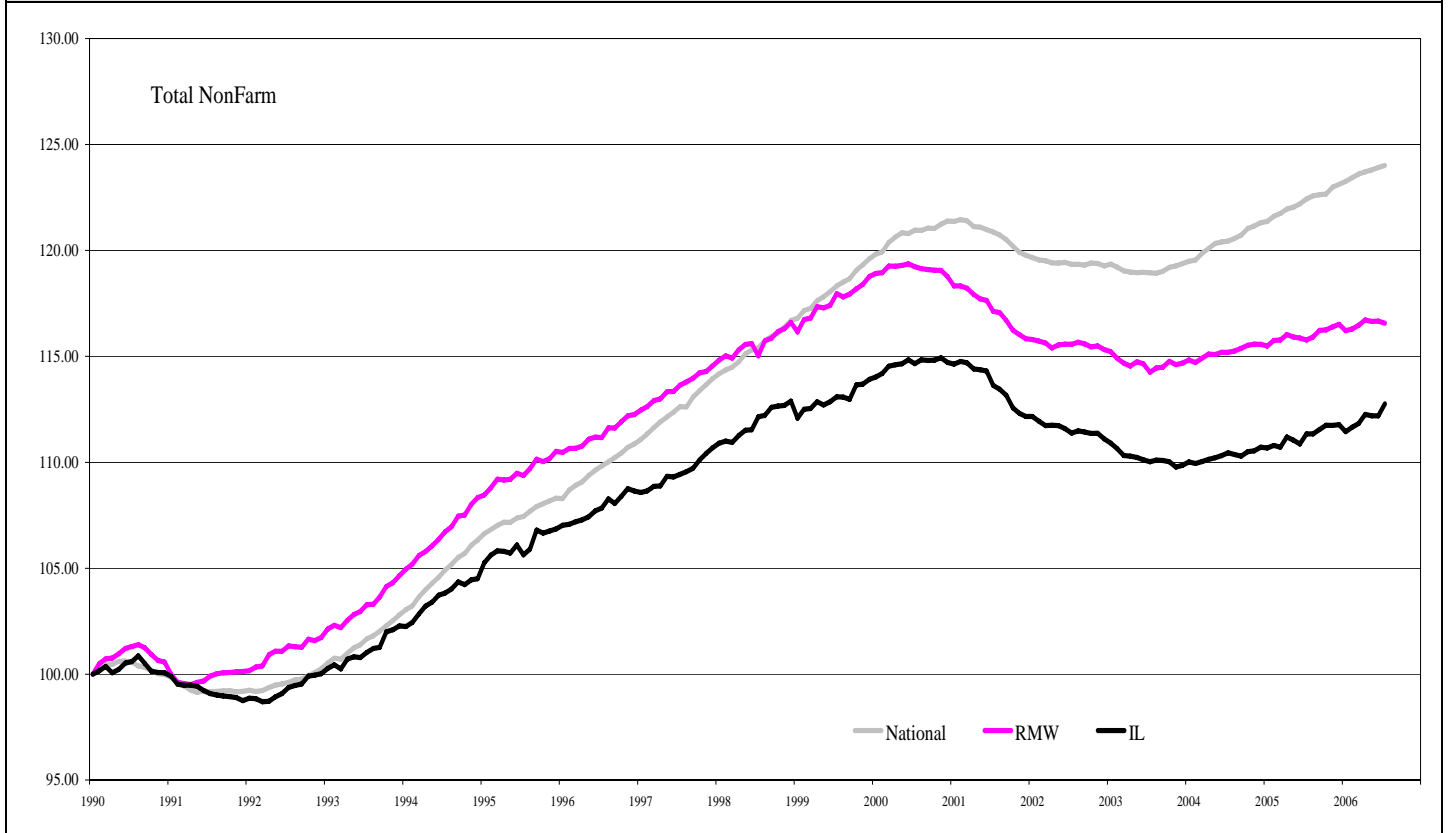
The Illinois Coalition for Jobs, Growth & Prosperity publishes the monthly Illinois Job Index and MSA Report as tools for elected officials, policy leaders and the public. We can better understand the Illinois economy and business climate by comparing and measuring Illinois employment growth rates against those of the Rest of the Midwest (RMW: Indiana, Iowa, Michigan, Missouri, Ohio and Wisconsin) and the Nation. Data and analysis is provided by the Illinois Economic Observatory / Regional Economics Applications Laboratory, University of Illinois.

↑	August 2006 Positive	June 2006 - July 2006		Last 12 months	
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%
	Nation	+0.08	+113,000	+1.30	+1,737,000
	RMW	-0.08	-16,400	+0.68	+134,900
	Illinois	+0.50	+29,800	+1.27	+74,400

## Talking Points

Illinois Notes	<ul style="list-style-type: none"> <li>Illinois recorded the largest monthly job gain since November 1999 at 0.50% of monthly growth rate creating 29,800 new jobs in July 2006.</li> <li>The job additions come after the loss of 6,100 jobs over the prior two months.</li> <li>Due to Illinois' significant monthly gain coupled with the slowdown at the national level, the gap in terms of growth rate over 12-month period was the narrowest since October 1998.</li> <li>Comparing to Nation, Illinois experienced a faster monthly growth for the first time in last three months since April 2006 after the two consecutive months with a slower growth pattern than Nation.</li> <li>For the last six months, since February 2006, Illinois has enjoyed a growth rate that is twice as fast average monthly growth pattern as the nation's pattern, 0.20% for state and 0.10% for nation. During this six-month period, RMW recorded only 0.05% monthly growth rate.</li> <li>In 2006, Illinois has average monthly job gains of 7,300 while RMW – the other six Midwestern states combined has average monthly job gains of 1,200, only one sixth of the monthly gain in Illinois.</li> <li>The sluggish growth pattern in RMW for the last several months results in the narrowed the gap in job index with Illinois to the level observed in May 2002.</li> </ul>
Nation Notes	<ul style="list-style-type: none"> <li>Nation had slower than expected job growth pattern for the fourth straight month in July.</li> <li>The monthly gain of 113,000 is well below the forecasted monthly gain of 145,000 and also is less than the previous month's gain of 124,000 based on the revised numbers.</li> <li>For these four consecutive months since April 2006, Nation had less than 0.10% of month growth in each month; in contrast, for the previous five months (November 2005 until March 2006) the Nation grew faster than this each month.</li> <li>The sluggish growth pattern over the last four months has lowered the growth rate over the 12-month period; it is now at the lowest rate in two years (July 2004).</li> <li>However, the recent national growth pattern still leads the even slower growth in the other Midwestern states apart from Illinois.</li> </ul>

Total non-farm Employment growth rate Jan 1990 – July 2006

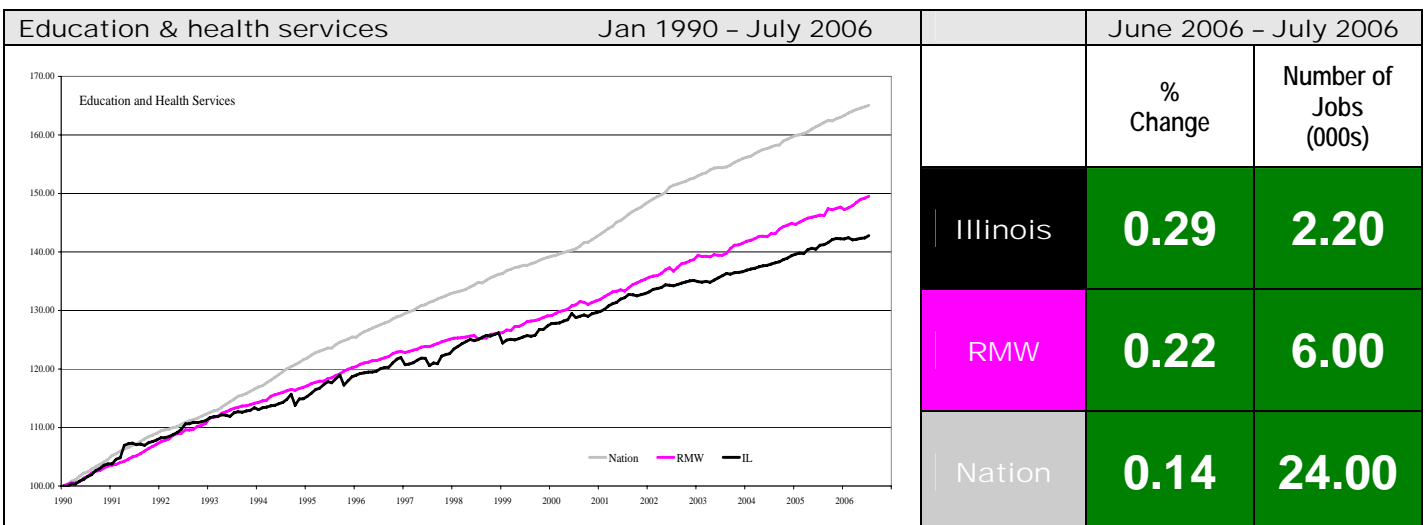
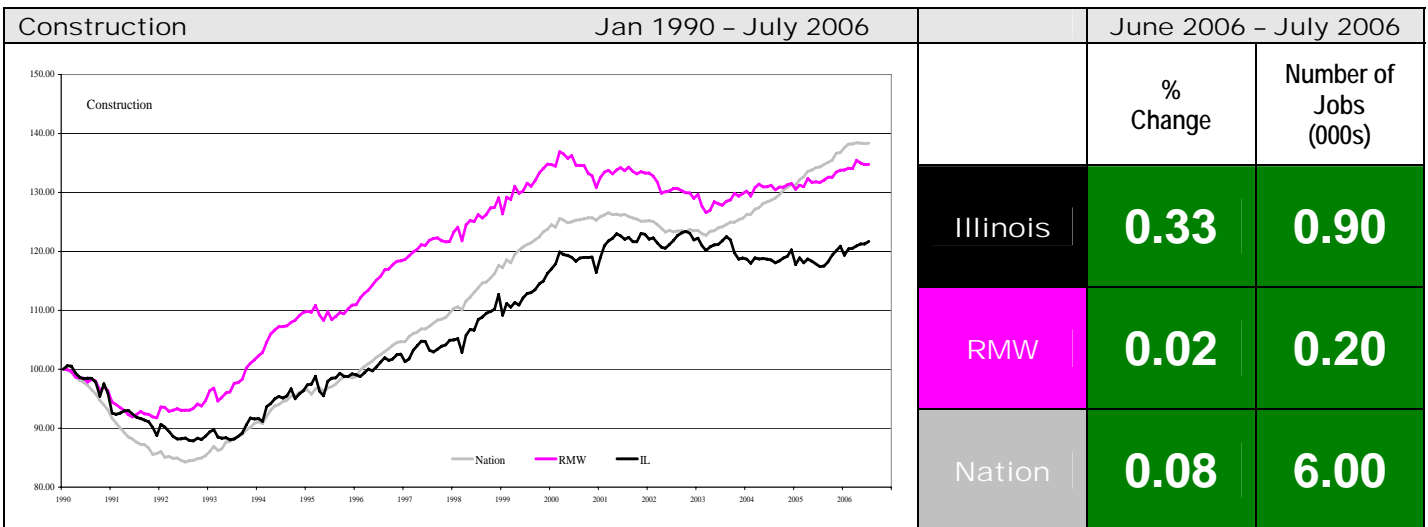


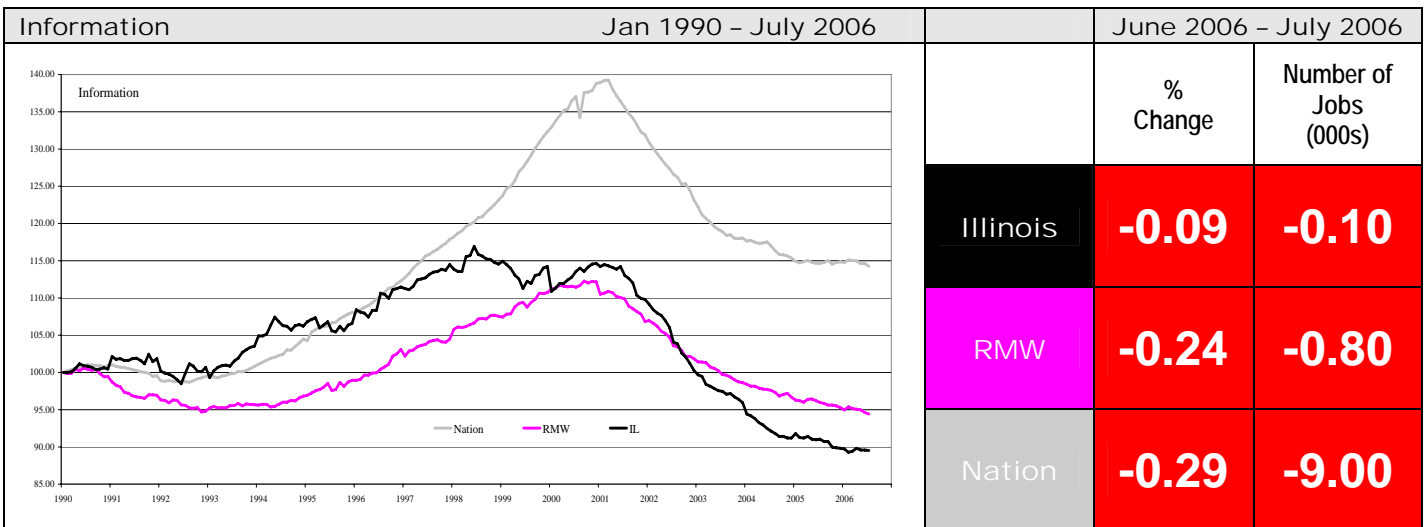
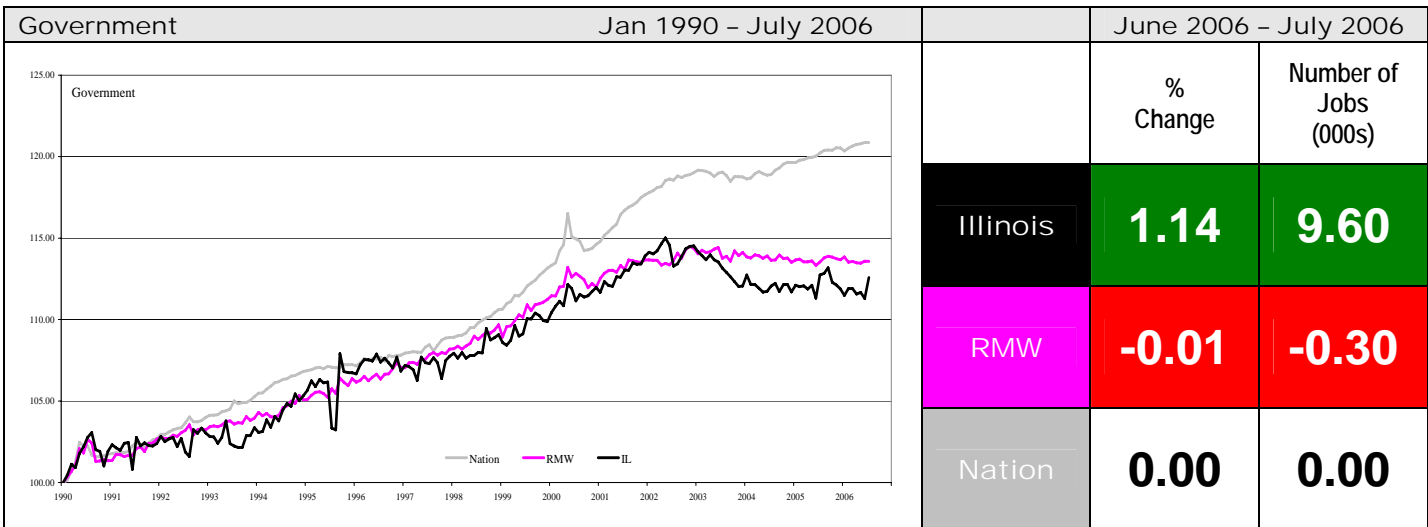
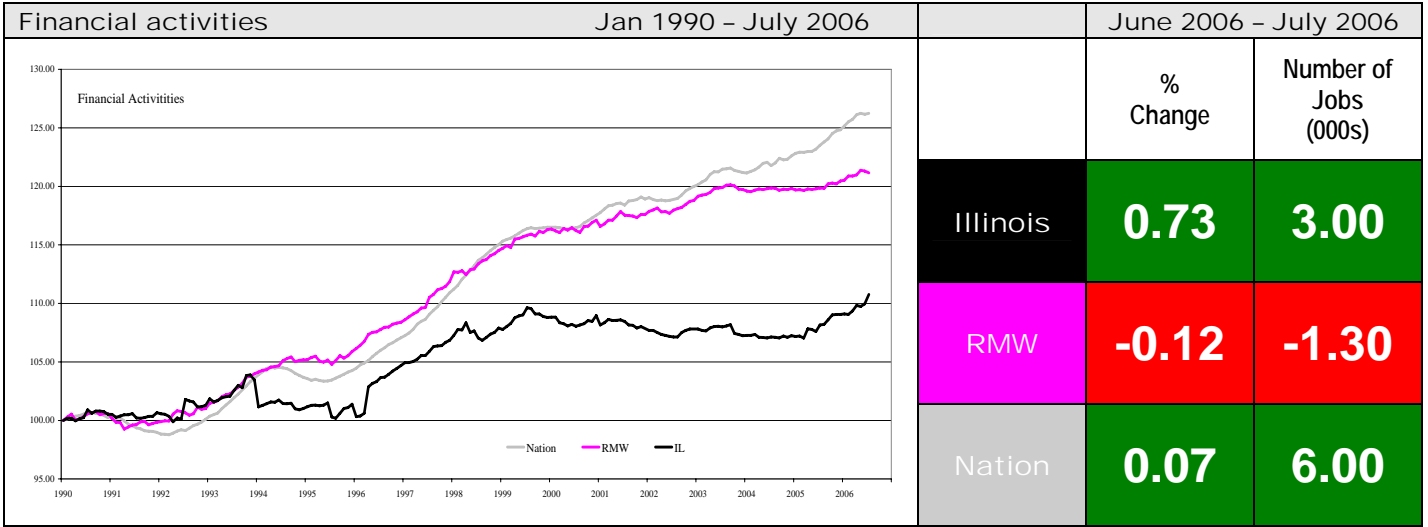
By employment sector:

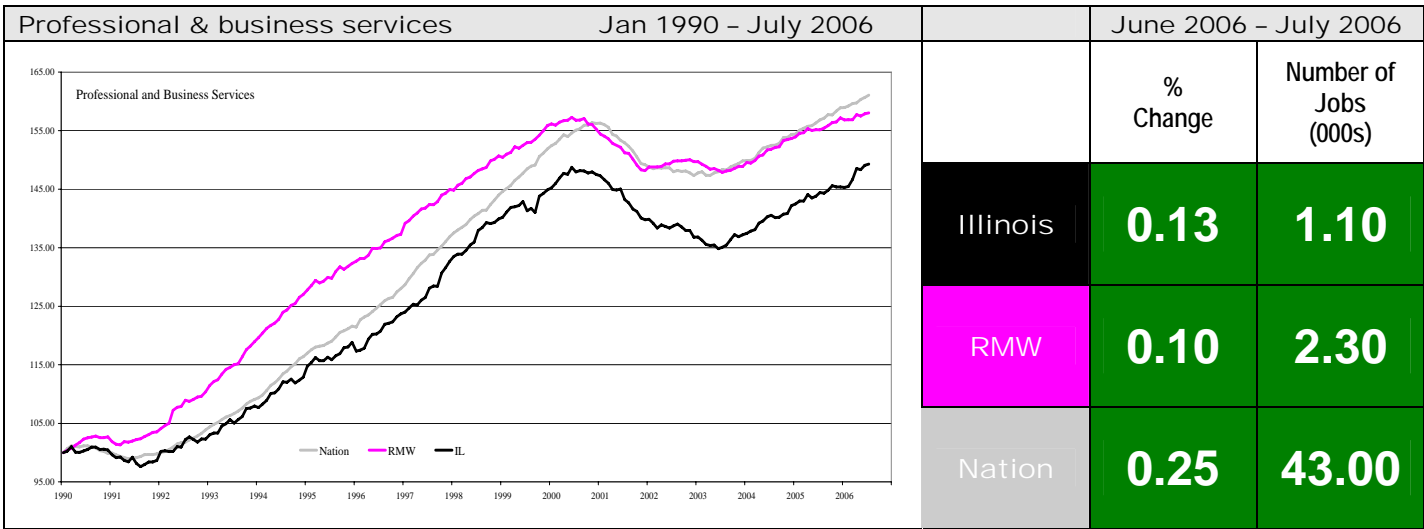
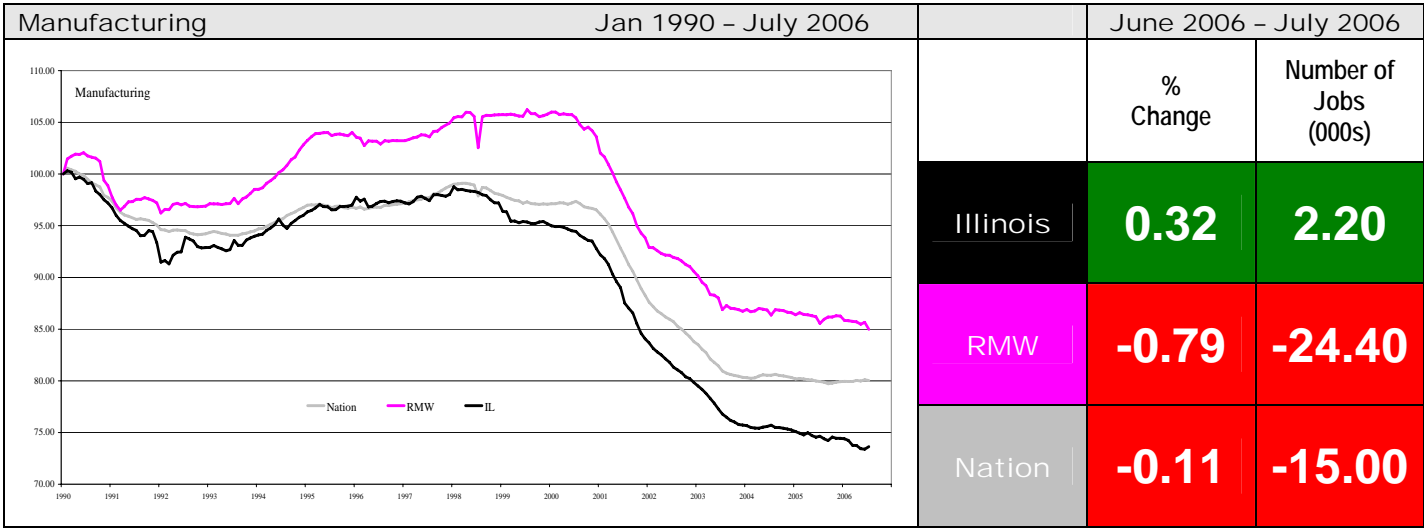
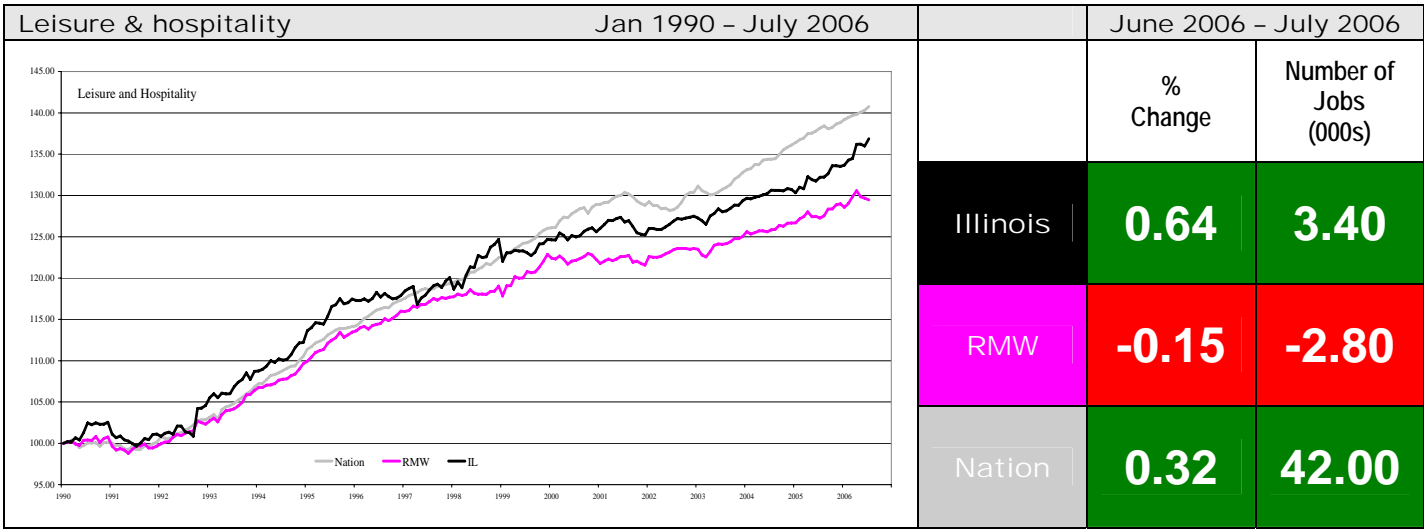
Total non-farm Employment growth rate by sector									
Monthly growth rates	June 2006 – July 2006			Jan 1990 – July 2006					
	Illinois vs. RMW	Illinois vs. Nation	Midwest vs. Nation	Illinois				RMW	Nation
				vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	+	+	+	-	-	49,300	21.68	34.74	38.38
Education & health	+	+	+	-	-	226,500	42.81	49.53	65.05
Financial activities	+	+	+	-	-	40,100	10.76	21.16	26.25
Government	+	+	+	-	-	94,800	12.57	13.57	20.87
Information	+	+	+	-	-	-13,700	-10.49	-5.58	14.27
Leisure & hospitality	+	+	-	+	-	143,200	36.86	29.46	40.76
Manufacturing	+	+	+	-	-	-243,600	-26.38	-15.03	-19.98
Professional & business services	+	-	-	-	-	281,600	49.28	58.03	61.08
Trade, transportation & utilities (TTU)	+	+	+	-	-	50,600	4.40	8.91	14.66
Other Services	-	+	+	+	-	54,900	26.73	22.75	27.91

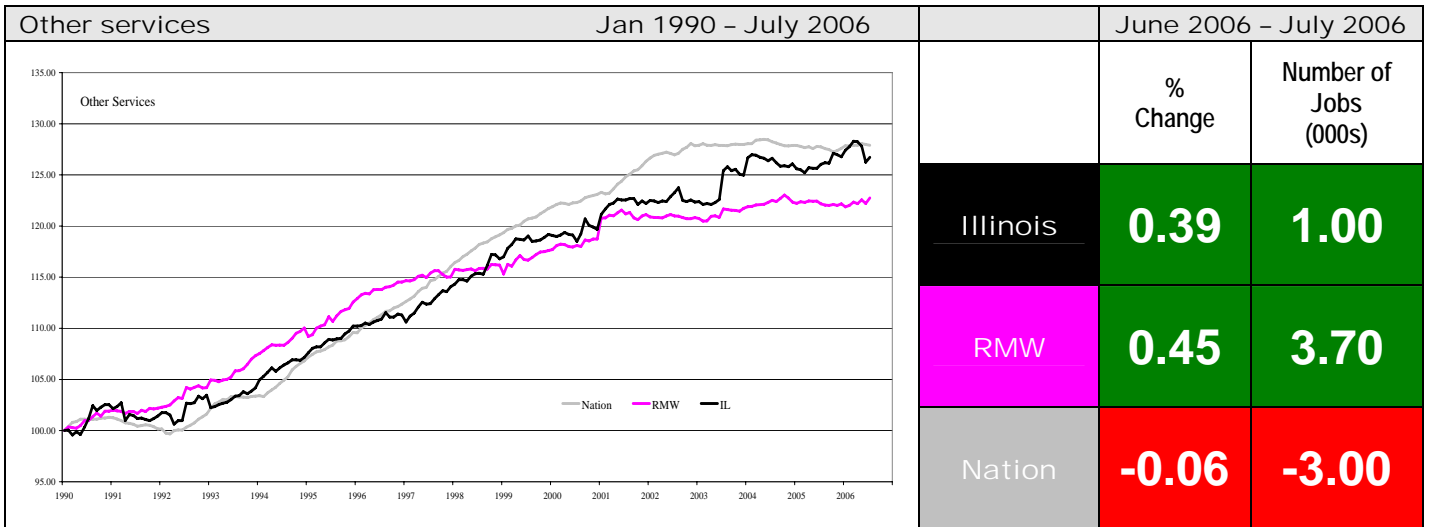
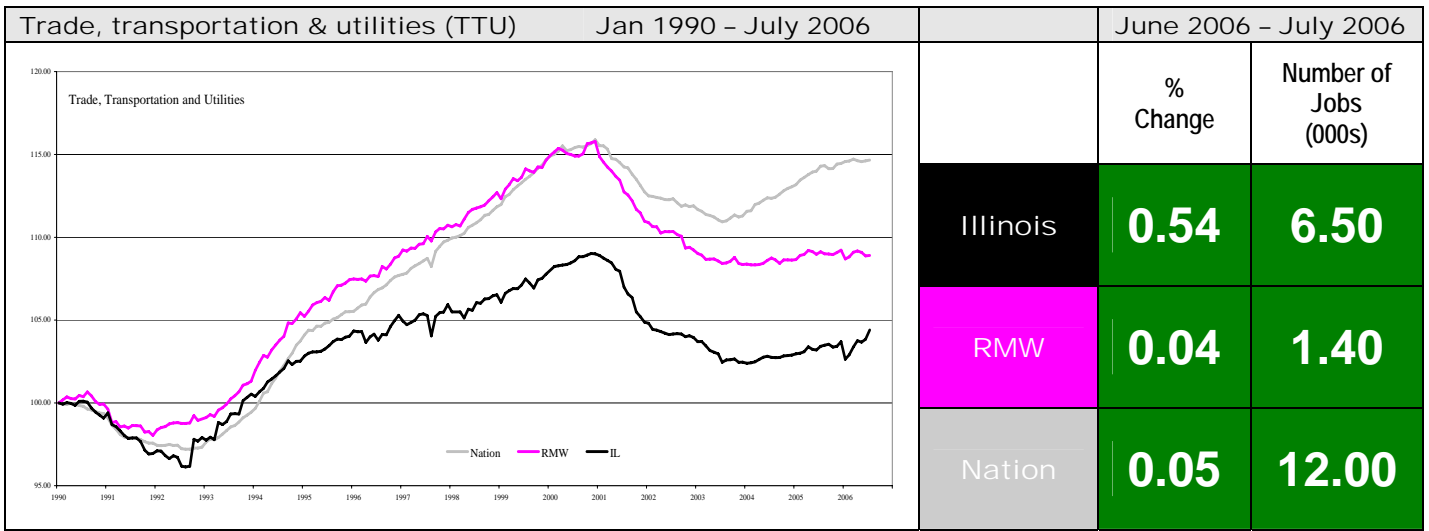
## Sector notes

- Nationally, there are only three sectors showing net losses, namely Information with 9,000 losses, Manufacturing with 15,000 losses and Other Services with 3,000 losses. Among the seven gaining sectors at the national level, the noticeable sectors are shown below.
  - Professional & Business Services: 43,000 (0.25%)
  - Leisure & Hospitality: 42,000 (0.32%)
  - Education & Health Services: 24,000 (0.14%)
- Illinois showed the net losses in Information sector and for all the other nine sectors the state recorded positive gains with over 0.10% of monthly growth rates. Also, other than Construction sector which had 900 monthly gains, all the gaining sectors showed three-digit gains. The noticeable monthly gains in Illinois are as follows.
  - Government: 9,600 (1.14%)
  - Financial Activities: 3,000 (0.73%)
  - Leisure & Hospitality: 3,400 (0.64%)
  - Trade, Transportation & Utility: 6,500 (0.54%)
- Compared to the Nation, Illinois had faster growth pattern for all the sectors with the only exception for Professional & Business Services. Compared to RMW, Illinois had all the sectors growing faster except for Other Services.
- With the unprecedented big gains for most of the sectors in Illinois, Midwest as a whole showed faster monthly growth pattern for all the sectors except for Leisure & Hospitality and Professional & Business Services compared to Nation.
- Illinois had only two industries showing more than three consecutive months with positive gains; Construction for 6 months and Education & Health Services for 4 months.
- After the six straight losing months since January 2006, Manufacturing in Illinois created 2,200 new jobs while RMW and Nation had large monthly net losses, 24,400 and 15,000, respectively.









**ABOUT:** The Illinois Coalition for Jobs, Growth & Prosperity is a not-for-profit 501-c4 organization. Coalition founding members include the Chicagoland Chamber of Commerce, the Illinois Business Roundtable, the Illinois Civil Justice League, the Illinois Manufacturers' Association, and the Illinois State Chamber of Commerce. Established to provide Illinois voters with information about government-related issues that have a direct effect on jobs, the Coalition represents firms employing more than a million Illinois workers.

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**NOTE:** In comparing Illinois to the Rest of the Midwest (RMW: Indiana, Iowa, Michigan, Missouri, Ohio and Wisconsin) and the Nation, we take the distribution of employment by sector as observed by the Bureau of Labor Statistics and then apply the RMW or Nation growth rates to calculate the expected employment levels. Comparing these with the observed levels in 2004 provides an indication of Illinois' comparative economic performance.