

Illinois Job Index



Illinois Coalition for Jobs, Growth & Prosperity

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6/x/2006

data
Jan 1990 / May 2006

issue
10.0

www.jobsillinois.us

For the June 2006 Illinois Job Index, the Coalition issued a Negative rating. The state's economy reversed the trend of several months and lost jobs.

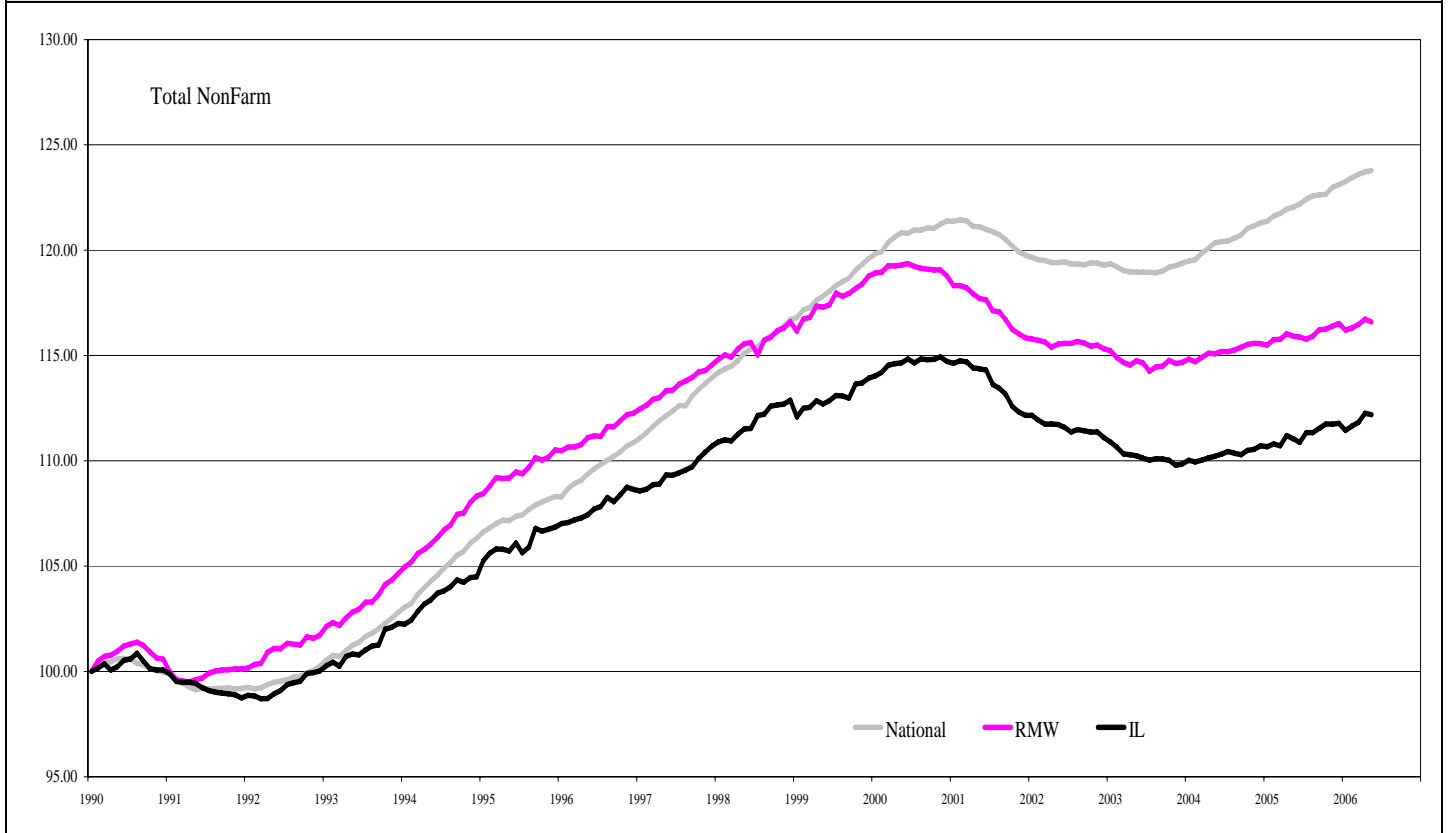
The Illinois Coalition for Jobs, Growth & Prosperity publishes the monthly Illinois Job Index and MSA Report as tools for elected officials, policy leaders and the public. We can better understand the Illinois economy and business climate by comparing and measuring Illinois employment growth rates against 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.

↓	June 2006 Negative	Apr 2006 – May 2006		Last 12 months		
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs
	Nation		+0.06	+75,000	+1.42	+1,896,000
	RMW		- 0.11	- 21,500	+0.58	+115,600
	Illinois		- 0.06	- 3,800	+1.03	+60,200

Talking Points

Illinois Notes	<ul style="list-style-type: none"> After the big job gains in the previous month, Illinois lost 3,800 jobs at the negative 0.06% rate in May. This is the first monthly job loss since January 2006 when state lost 17,900 jobs. Since February, the state had added 43,200 jobs until the current month. Even with the slight losses, gains over 12-month period reached the highest level since November 2005, 60,200 job gains at 1.03% rate. The Nation created 75,000 jobs while both RMW and Illinois had net losses. Until this month, compared to the Nation, Illinois had faster job growth patterns over the last four months since January. In Midwest, 35,100 new jobs had been added for the last five months in 2006. While RMW had added only 13,600 jobs, Illinois had added 21,500 jobs, 61% of total job creation in Midwest. In terms of the growth pattern over the 12-month period, Illinois experienced a greater than 1% growth rate for the second time in 2006, one recorded in March, 1.01% and now 1.03% in May. Due to the Illinois' leading role of the job market in Midwest, the gap in job index between Illinois and RMW had narrowed down to the lowest level since September 2003. However, the job index of Illinois still remained at the level recorded in December 2001, widening the gap with the Nation.
Nation Notes	<ul style="list-style-type: none"> Nation had the weakest monthly job since October 2005. The number of new jobs has continuously fallen from 200,000 in February 2006 down to 75,000 in May. This is the first time to with less than 100,000 monthly gains in 2006. In 2005, the Nation had only three months with less than 100,000 job creations and two of those were September and October when the Nation suffered from the hurricanes. Economists expected to have 170,000 gains in May after the disappointing gains in April. However, the actual gain was well below the expectation, almost 100,000 below estimates. The monthly gain of 75,000 at 0.06% of rate is only half of the average monthly gain over the last 12 months, 158,000 at 0.12%. Due to the disappointing job creations over the last few months, the gain over 12-month period fell down below 1,900,000 for the first time in seven months since October 2005.

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

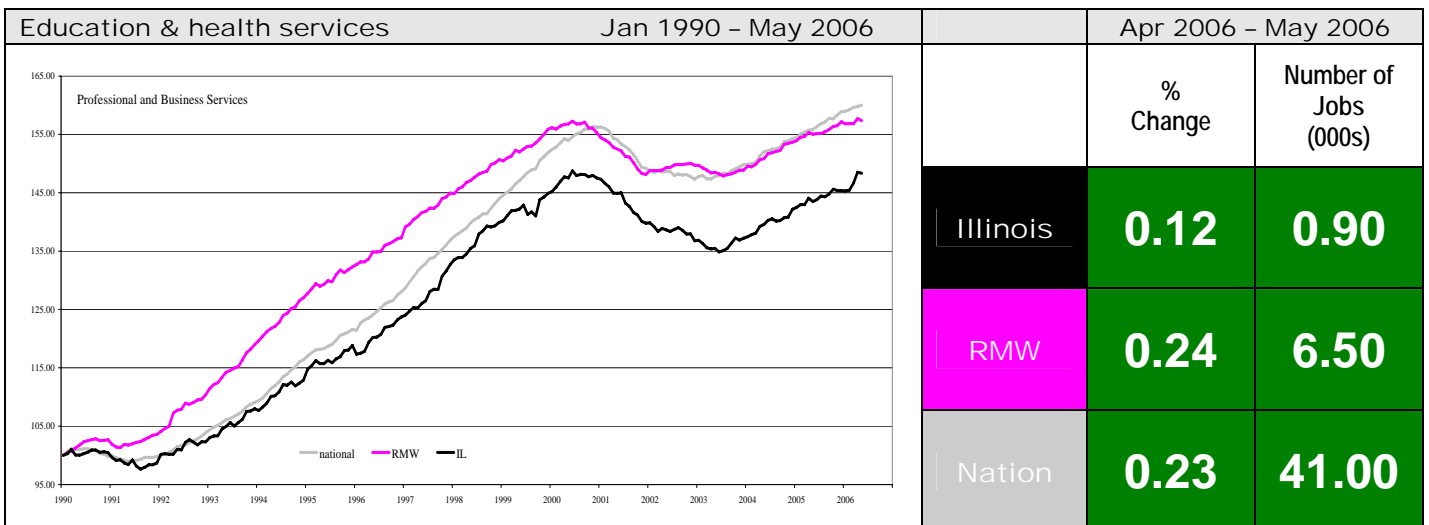
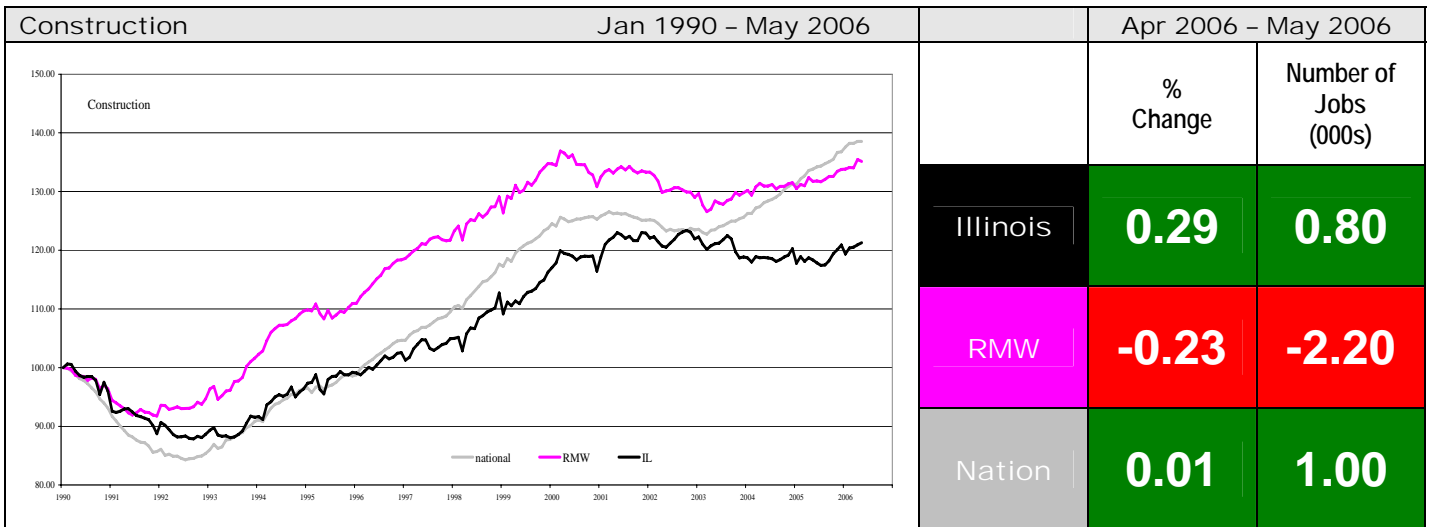


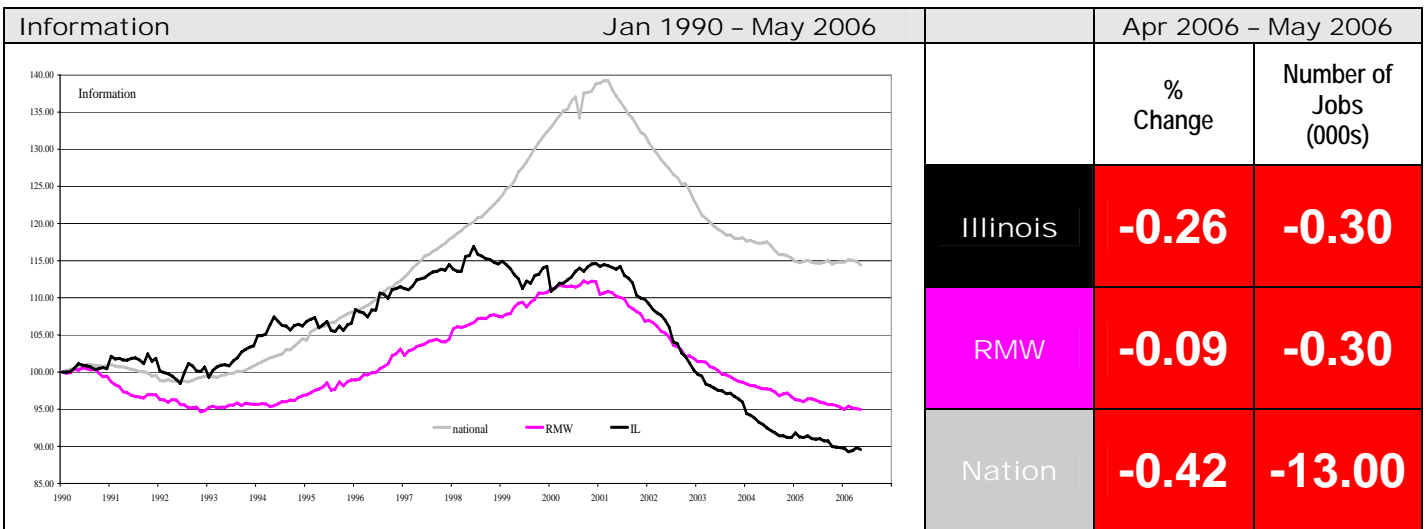
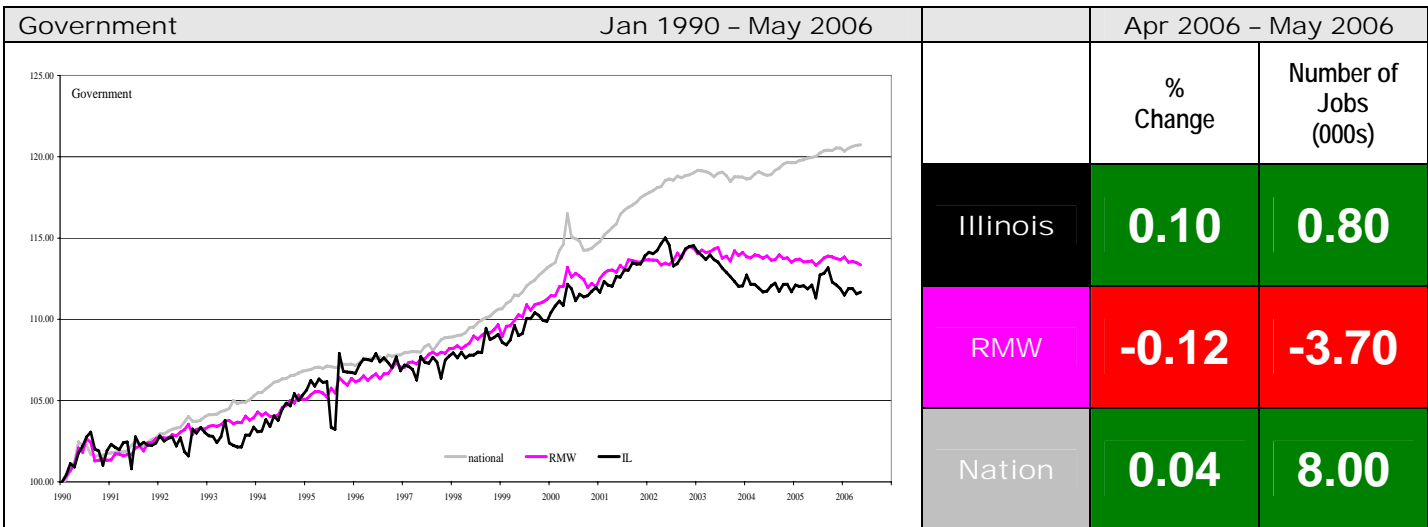
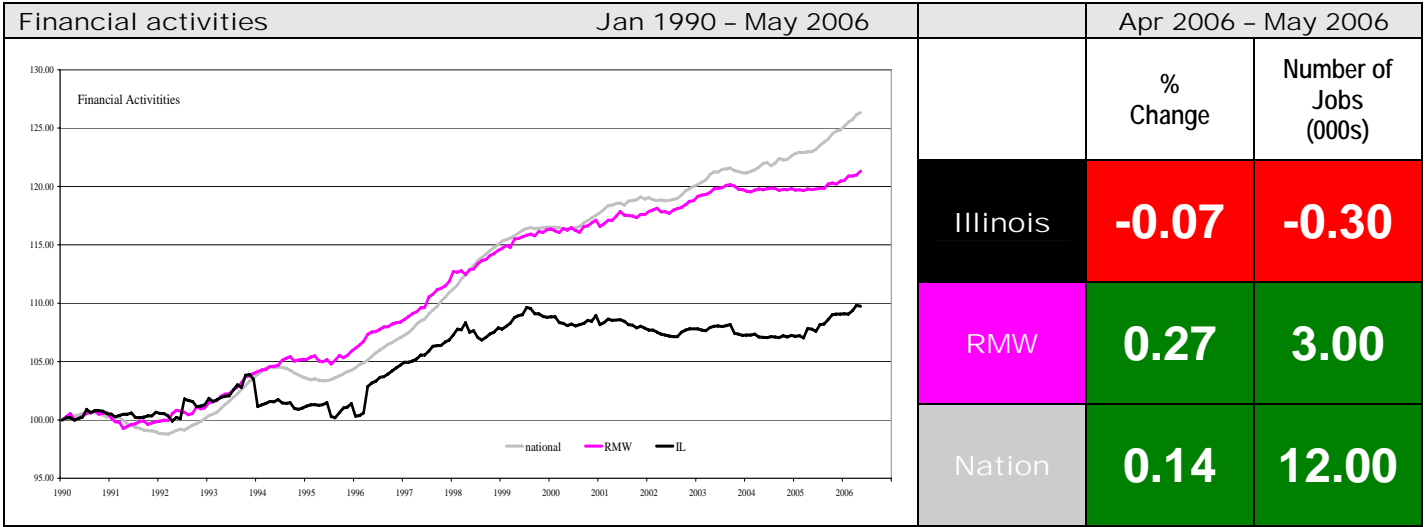
By employment sector:

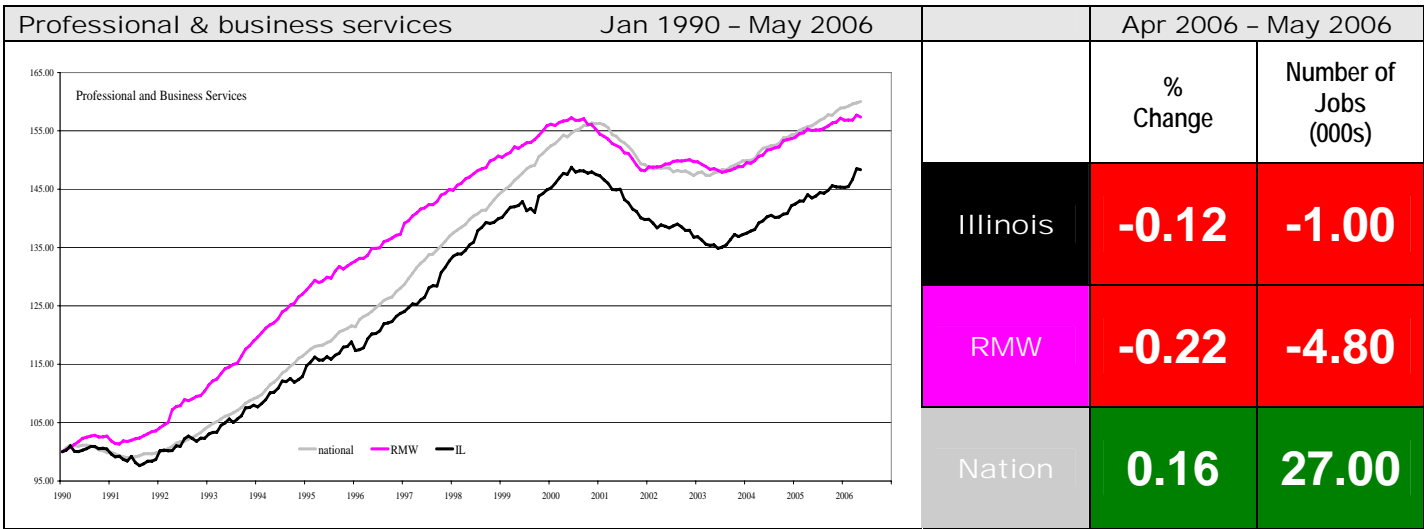
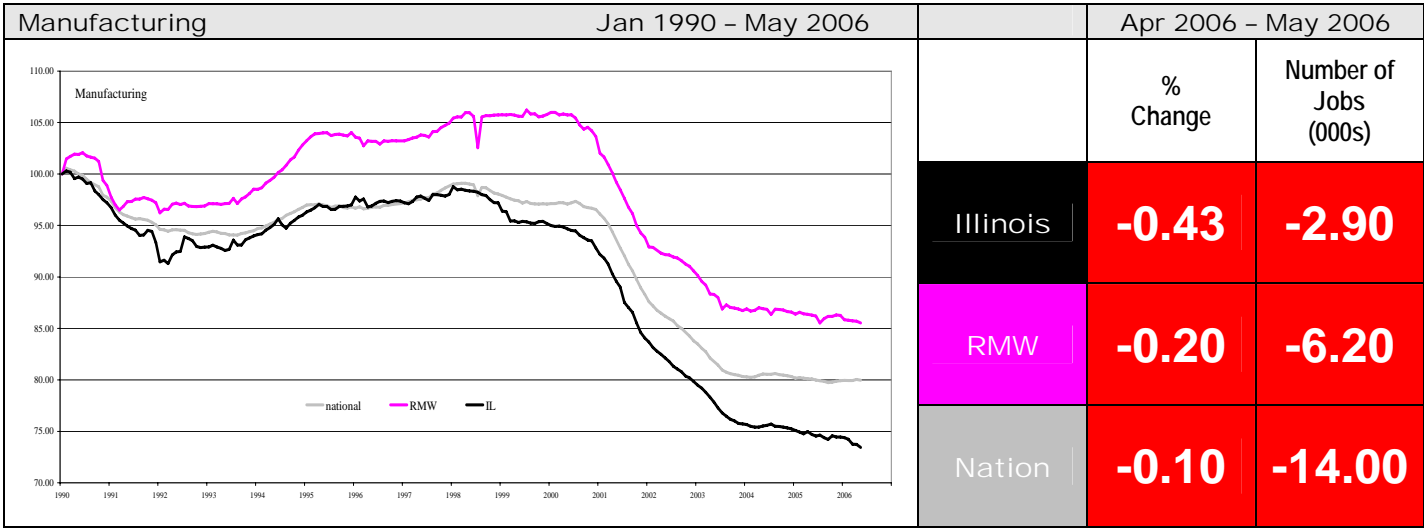
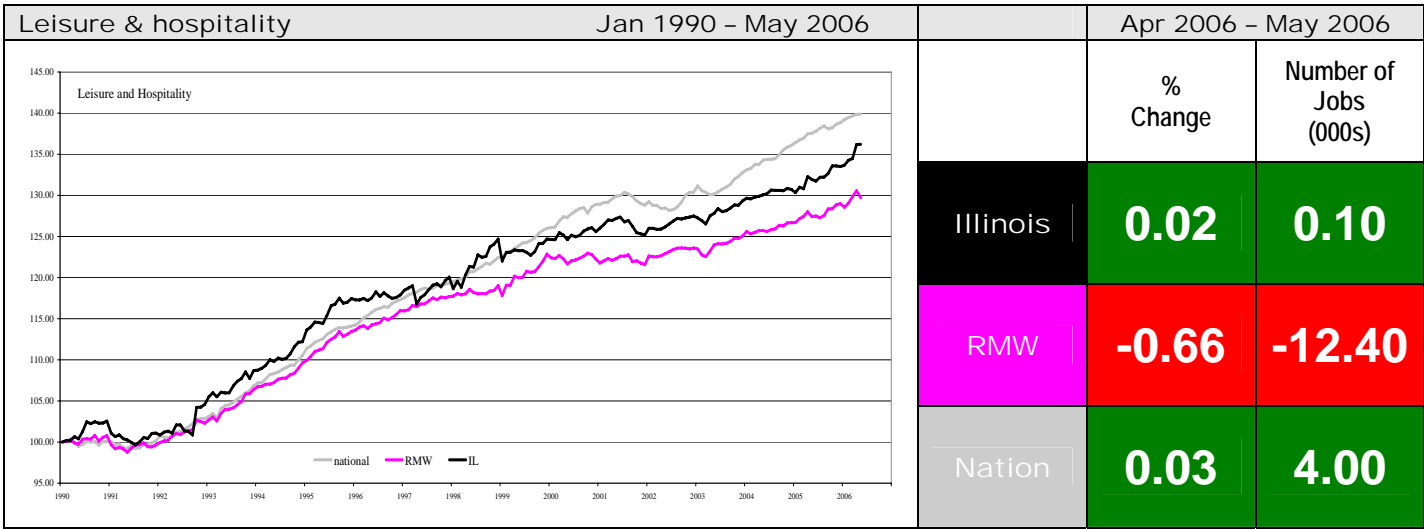
Total non-farm Employment growth rate by sector									
Monthly growth rates	Apr 2006 – May 2006			Jan 1990 – May 2006					
	Illinois vs. RMW	Illinois vs. Nation	Midwest vs. Nation	Illinois		RMW	Nation		
				vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	+	+	-	-	-	48,400	21.28	35.13	38.55
Education & health	-	-	-	-	-	224,000	42.34	48.84	64.80
Financial activities	-	-	+	-	-	36,300	9.74	21.32	26.34
Government	+	+	-	-	-	88,000	11.67	13.34	20.74
Information	-	+	+	-	-	-13,600	-10.41	-5.03	14.42
Leisure & hospitality	+	-	-	+	-	140,700	36.22	29.71	39.88
Manufacturing	-	-	-	-	-	-245,400	-26.57	-14.47	-20.04
Professional & business services	+	-	-	-	-	276,200	48.34	57.37	60.03
Trade, transportation & utilities (TTU)	-	-	-	-	-	42,200	3.67	9.14	14.60
Other Services	-	-	-	+	-	57,100	27.80	22.15	28.24

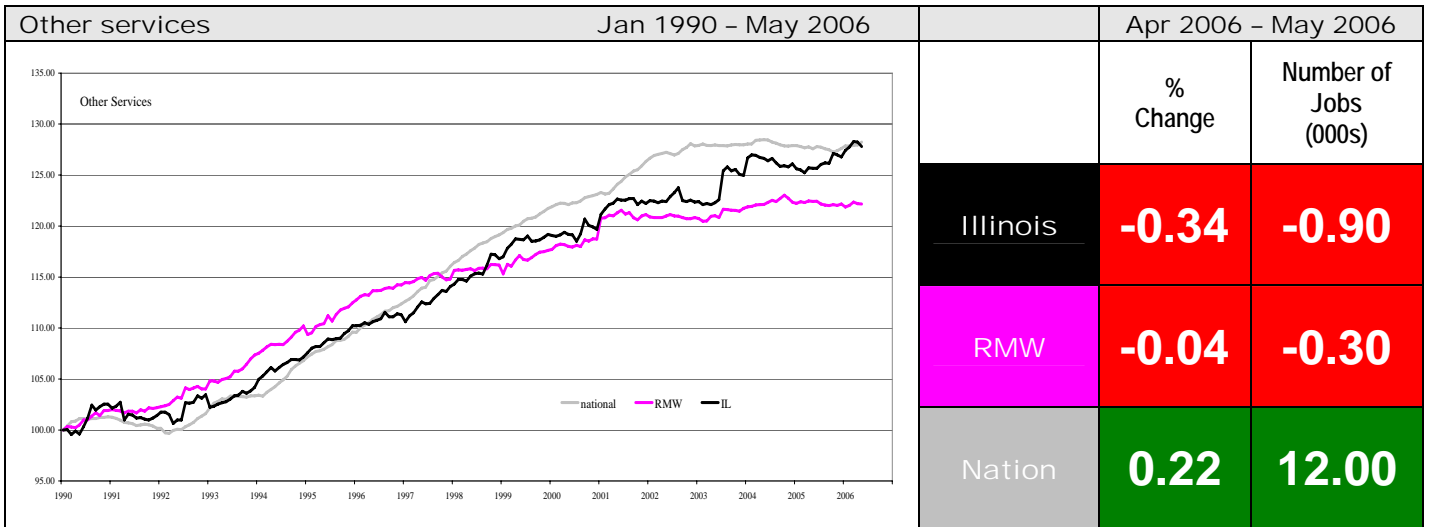
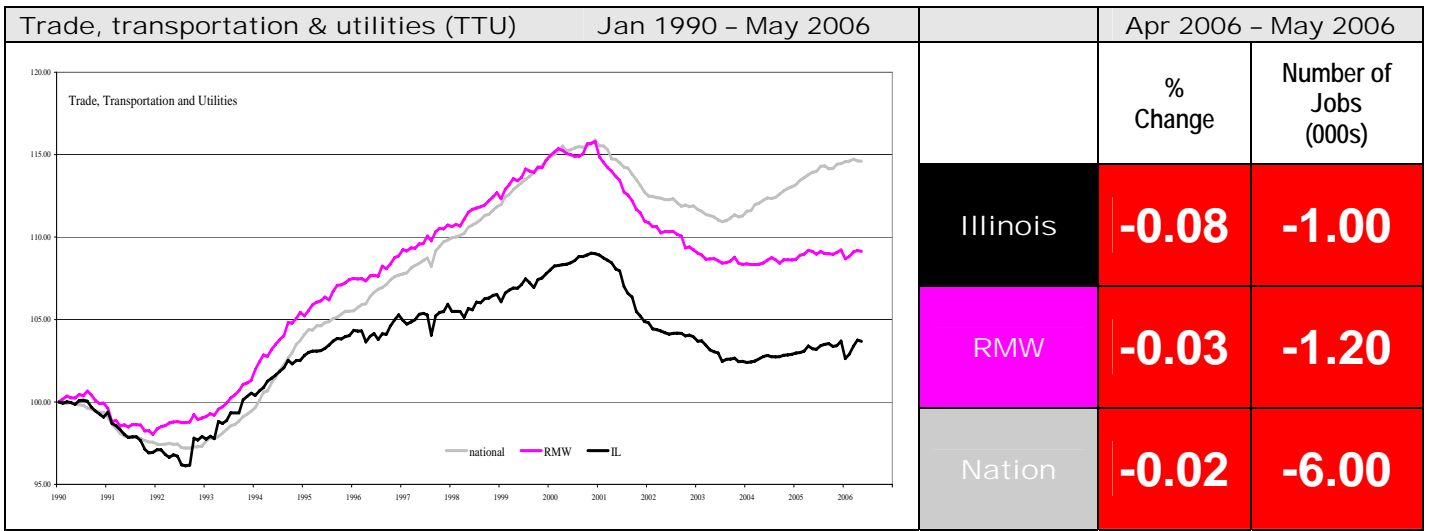
Sector notes

- Nationally, only three sectors lost their shares in May. Two of the losing sectors are Manufacturing and Information: 14,000 losses (-0.10%) for the former and 13,000 losses (-0.42%) for the latter. These industries have continuously fallen since late 2000.
- Another sectoral loss at the national level comes from TTU, which had the massive loss of 22,000 jobs in the previous month. The loss was slight this month, 6,000 losses at negative 0.02%.
- Four sectors with more than 10,000 monthly gains at the national level are as follows,
 - Education & health services: 41,000 (0.23%)
 - Professional & business services: 27,000 (0.16%)
 - Financial activities: 12,000 (0.14%)
 - Other services: 12,000 (0.22%)
- Among the four gaining sectors shown above, all but Other services had more than 10,000 monthly gains for the last four consecutive months leading the job growth patterns nationally.
- In Illinois, none of the ten sectors had monthly gains over 1,000. Only Education & health services, Construction and Government had job gains close to three digits.
- Illinois experienced the largest loss in Manufacturing, 2,900 losses (-0.43%) followed by Professional & business services and TTU with 1,000 losses each.
- Unlike Manufacturing in Illinois which had lost jobs for the last five consecutive months, Professional & business services and TTU had led the job creation in Illinois for the last three months. The net losses of these two sectors are largely responsible for the net losses of total non-farm jobs in Illinois.
- Though both Professional & business services and Leisure & hospitalities failed to continue the impressive monthly job creation patterns this month, these two industries are still leading the job market in Illinois with over 3% growth rate over 12-month period.









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.

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.