


Illinois Job Index

Release 12/20/2010	Data Jan 1990 / Nov 2010	Issue 2010.12	www.real.illinois.edu
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For November Illinois Job Index, the Nation had positive job growth while Illinois and RMW both lost jobs. So far this year, Illinois adds job in nine of the past eleven months.

The monthly Illinois Job Index and MSA Report are issued monthly as tools for elected officials, policy leaders and the public. The objective is to enhance the understanding of 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.

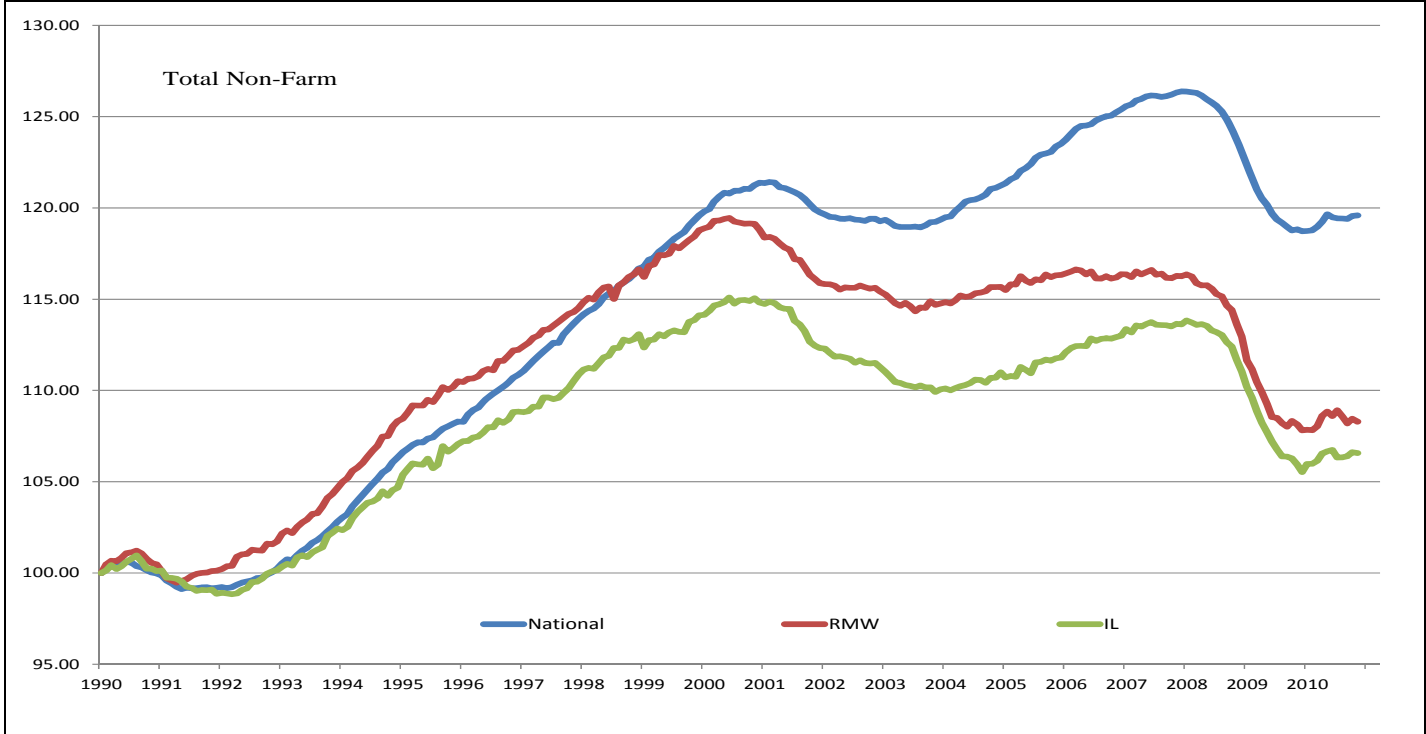
	Dec 2010 Negative		Oct 2010–Nov 2010		Last 12 months		Nov 2010
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R. *
		Nation	0.03	39,000	0.65	842,000	12.7%
		RMW	-0.15	-27,000	0.14	26,400	14.3%
		Illinois	-0.05	-2,600	0.59	32,900	11.4%

*REAL has estimated a *shadow unemployment rate*; this is calculated as the unemployment rate that would be observed if labor force participation rates matched the average for the 15-year period from 1990 to 2004.

Talking Points

Illinois Notes	<ul style="list-style-type: none"> ▪ Illinois shed 2,600 jobs in November 2010 at a rate of -0.05%, compared with a revised 11,600 job gain in October. Compared to November 2009, Illinois added 32,900 jobs, the largest monthly year-over-year increase since December 2007. The three-month moving average of jobs, a more stable measure of labor market, was up by 4,200 jobs per month. So far this year, Illinois has added +54,700 jobs, a growth rate of 1.0 percent. ▪ In Nov 2010, the Nation added 39,000 jobs at a rate of 0.03%, compared with a revised 172,000 job gain in October. The three-month moving average of jobs was up by 62,000 jobs per month. ▪ RMW shed 27,000 jobs in Nov after a revised 43,700 job gain in October. The three-month moving average was down by 16,100 jobs per month. ▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 24 times and positive job gains nine times so far. The state of Illinois now has a net loss of 371,300 jobs since the beginning of the recession in December 2007. ▪ Five sectors in Illinois have employment levels in this month that are lower than January 1990 – Construction, Manufacturing, Trade, transportation & utilities, Information and Financial activities. ▪ Over the last 12 months, Illinois added 32,900 jobs at a rate 0.59%. This is the largest monthly year-over-year increase since December 2007. ▪ The shadow unemployment rates for Illinois, RMW and the Nation were 11.4%, 14.3% and 12.7%, compared to official unemployment rates of 9.6%, 9.8% and 9.8%. This is the first month since January 2007 that the Illinois unemployment rate has fallen below the U.S. rate. ▪ Through Nov 2010, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 6.44%, 8.04%, and 17.94%, respectively.
Nation Notes	<ul style="list-style-type: none"> ▪ In November, the Nation had slight changes in most major sectors. Temporary help services and health care continued to add jobs over the month, while employment fell in retail trade. ▪ Since the last employment peak in December 2007, the nation has lost 7,412,000 jobs. However, for RMW and Illinois, they have not yet recovered from their respective peaks in 2000. ▪ The nation has average growth rates for 2007, 2008, 2009 and first 9 month of 2010 were 0.07%, -0.22%, -0.30% and 0.07%, respectively.

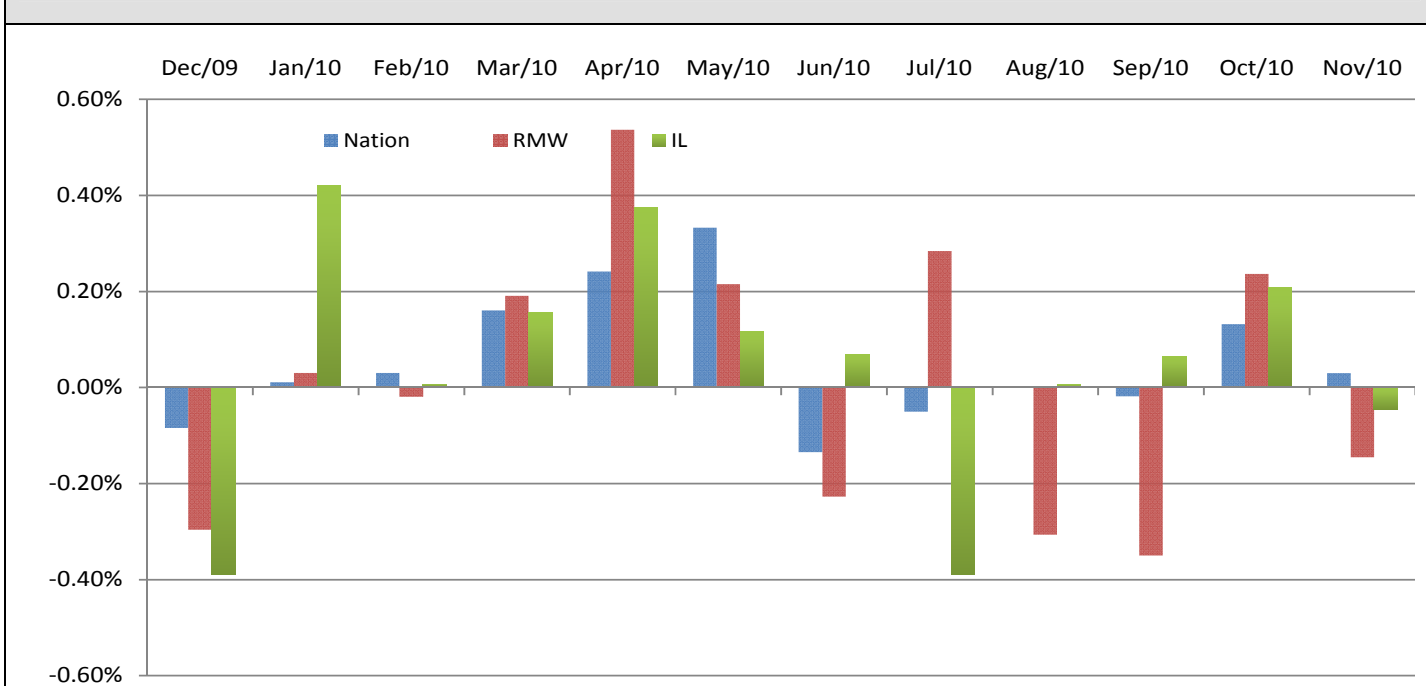
Total Non-farm Employment growth rate Jan 1990 - Nov 2010



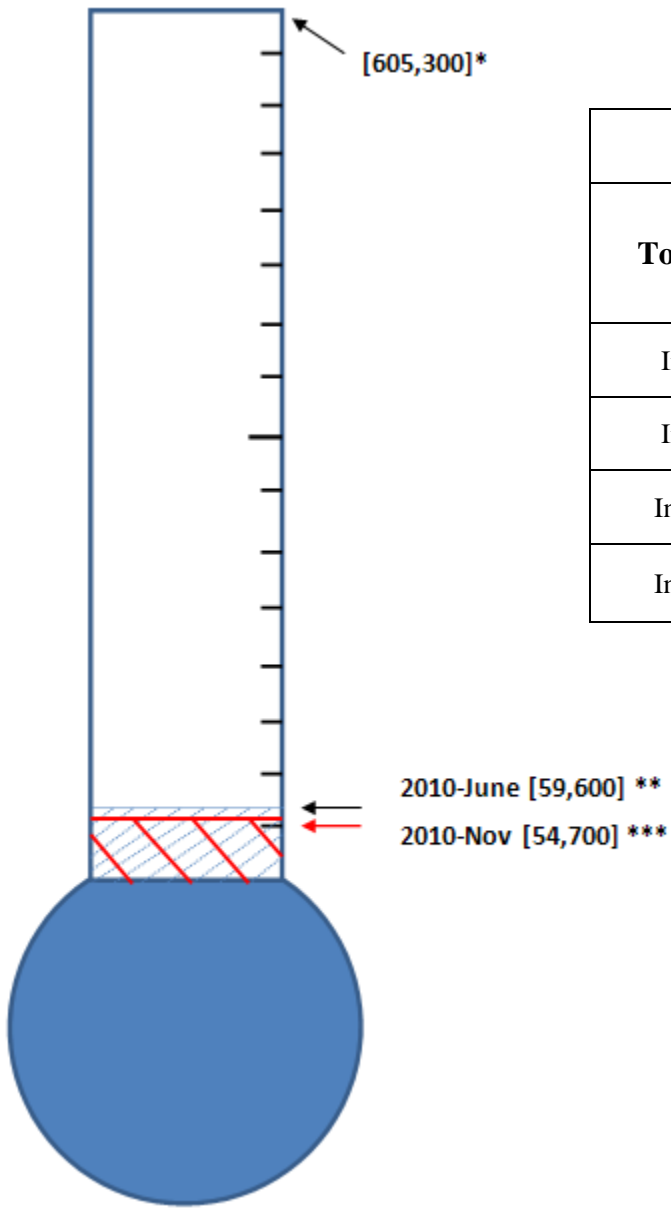
Total Non-farm Employment and Employment Index

	Nov 2010 Number of Jobs	Current Index to Jan 1990	Previous Peak Index to Jan 1990	Changes in Jobs since Jan 1990	Changes in Jobs since Pervious Peak
Nation	130,539,000	119.59	126.57 (Dec-2007)	21,388,000	-7,412,000
RMW	18,503,200	108.29	119.44 (Jun-2000)	1,416,800	-1,906,300
Illinois	5,612,900	106.57	115.08 (Nov-2000)	346,100	-446,600

Last 12 months Total Non-farm Employment Growth Rate Dec 2009 - Nov 2010



Barometer of Job Recovery



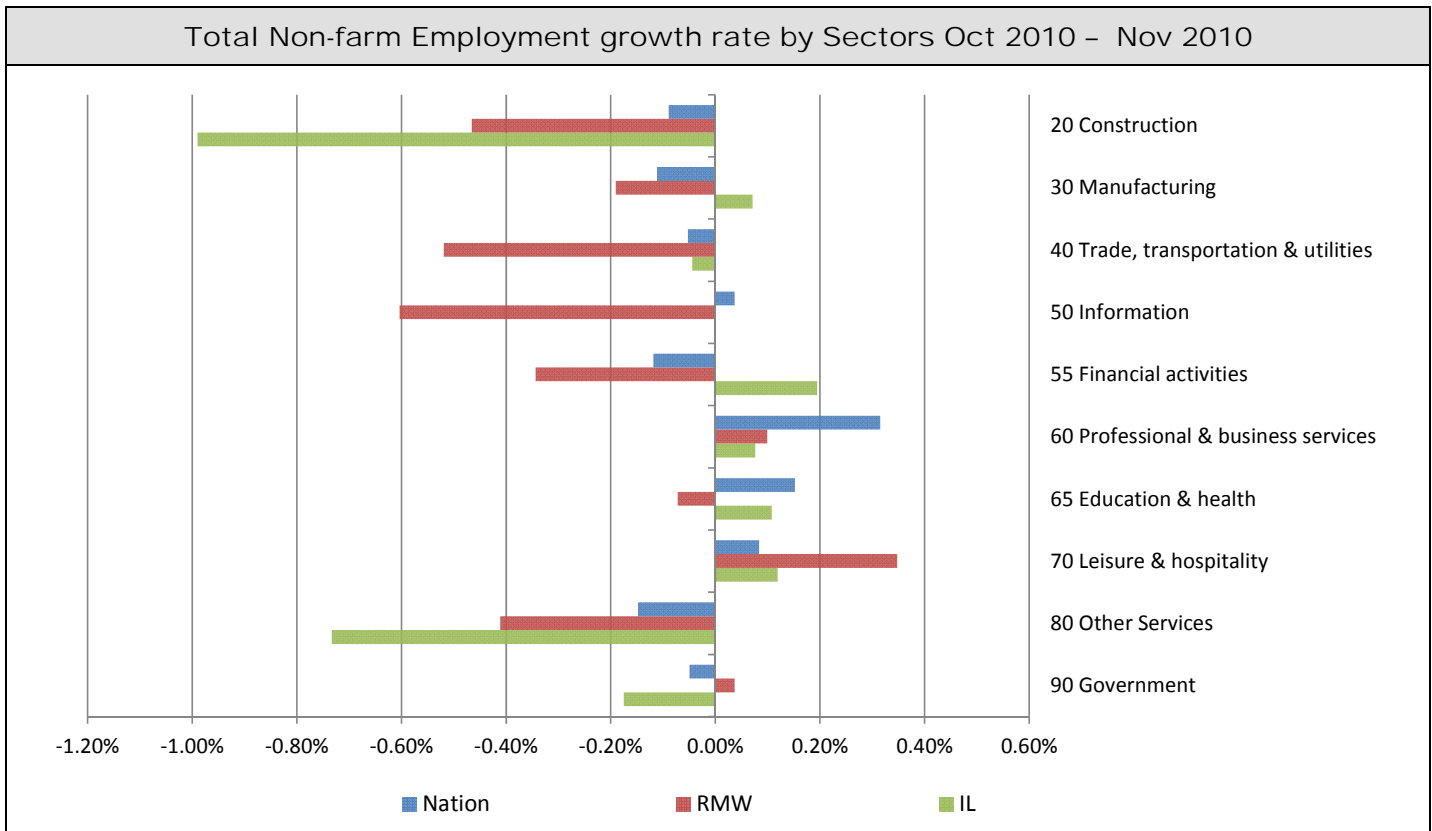
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2010-June	At the point of 2010-Nov
In 5 years	109,100 jobs/year	110,100 jobs/year
In 8 years	68,200 jobs/year	68,800 jobs/year
In 10 years	54,600 jobs/year	55,000 jobs/year
In 15 years	36,800 jobs/year	36,700 jobs/year

* The figure 605,300 is the number of jobs we need for Illinois economy to recover to the previous employment peak, 2000-Nov. The gap between the previous peak 2000-Nov and the previous lowest point 2009-Dec is 501,300. Adding 104,000, the number of jobs that we need to bring shadow and official unemployment rates together, the total number of jobs that Illinois needs to create is 605,300.

**The figure 59,600 represents the jobs recovered from Dec. 2009 (previous lowest level) through June 2010.

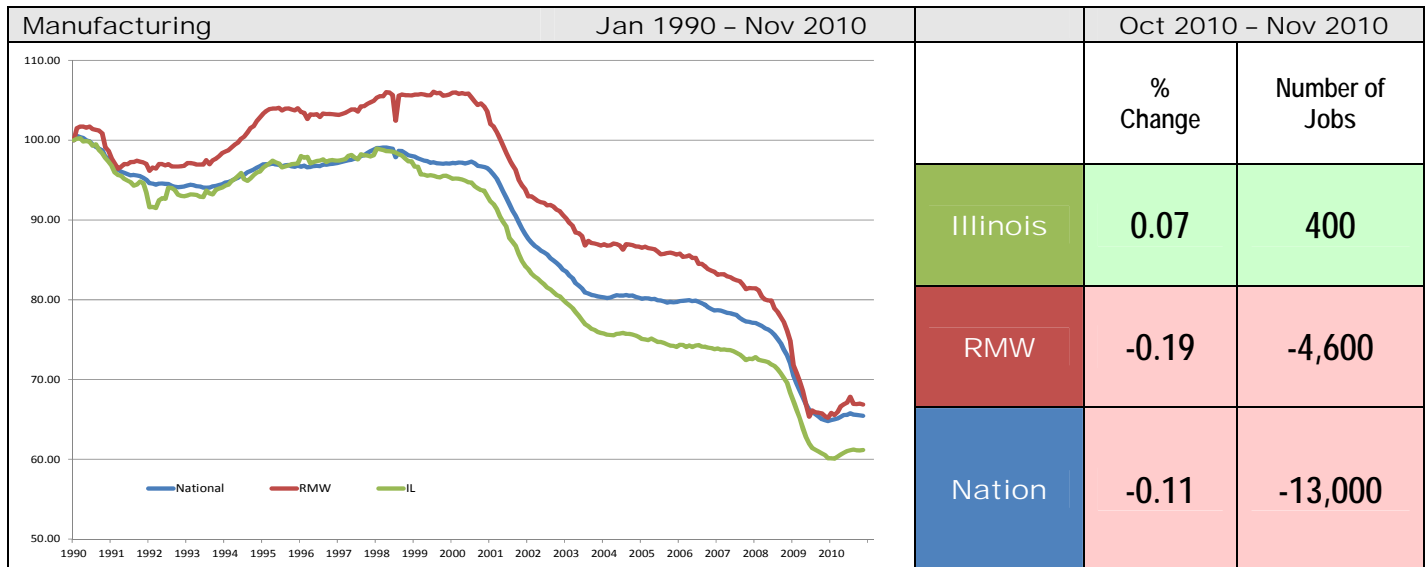
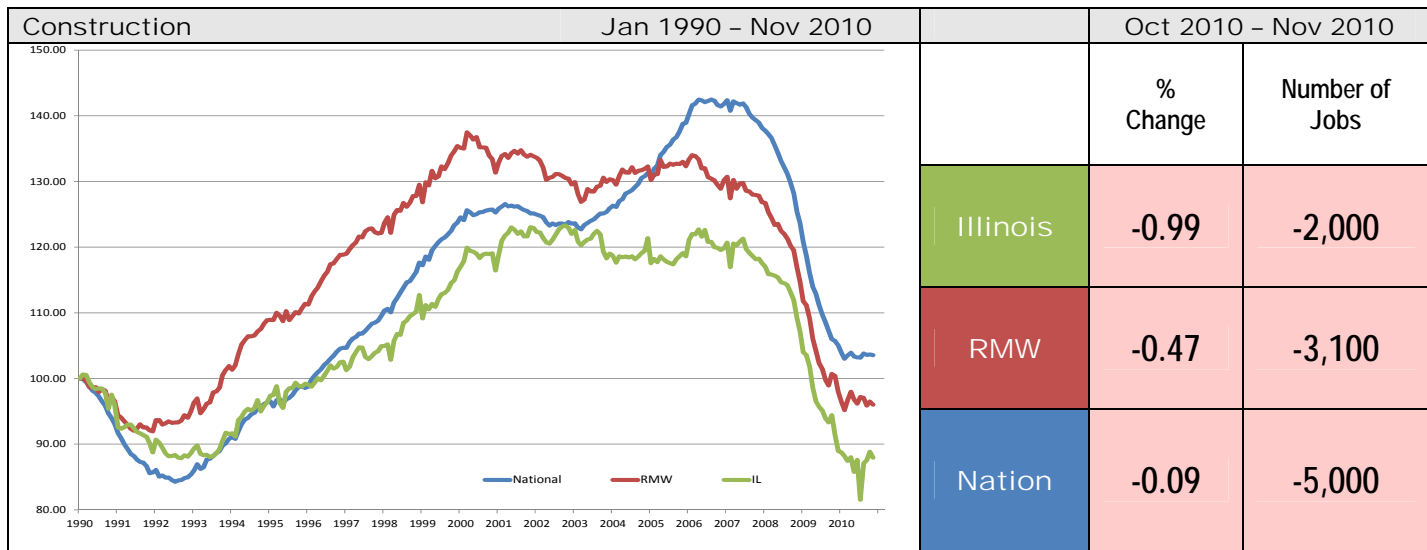
*** The figure 54,700 represents the jobs recovered from Dec. 2009 through Nov. 2010.

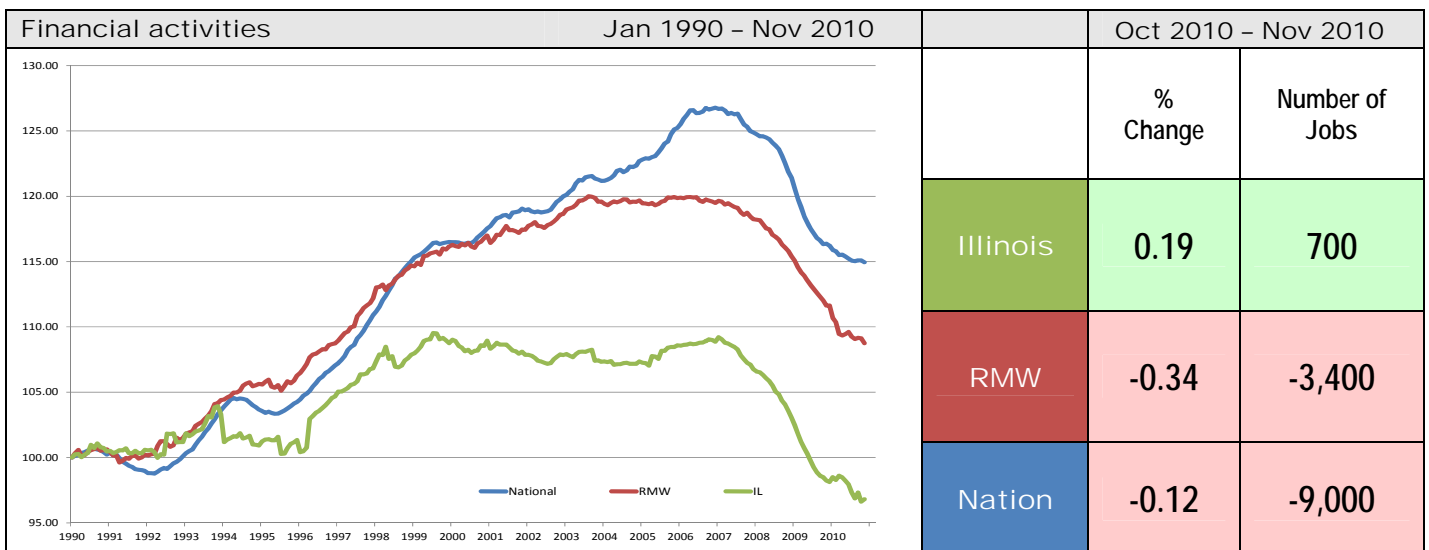
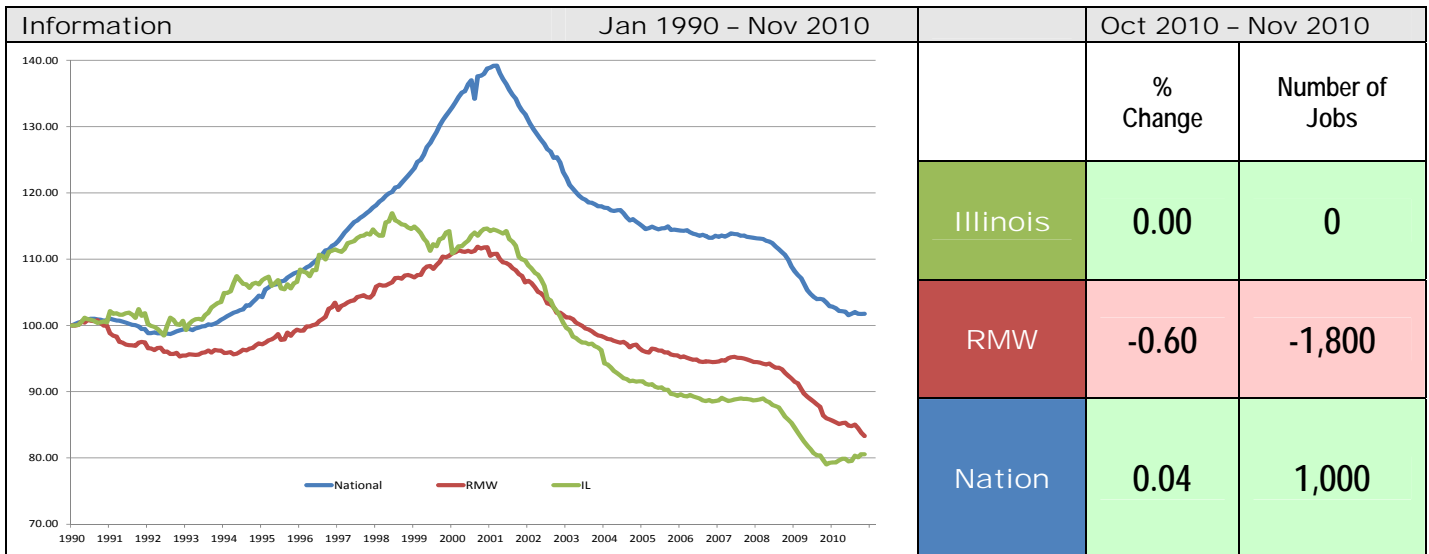
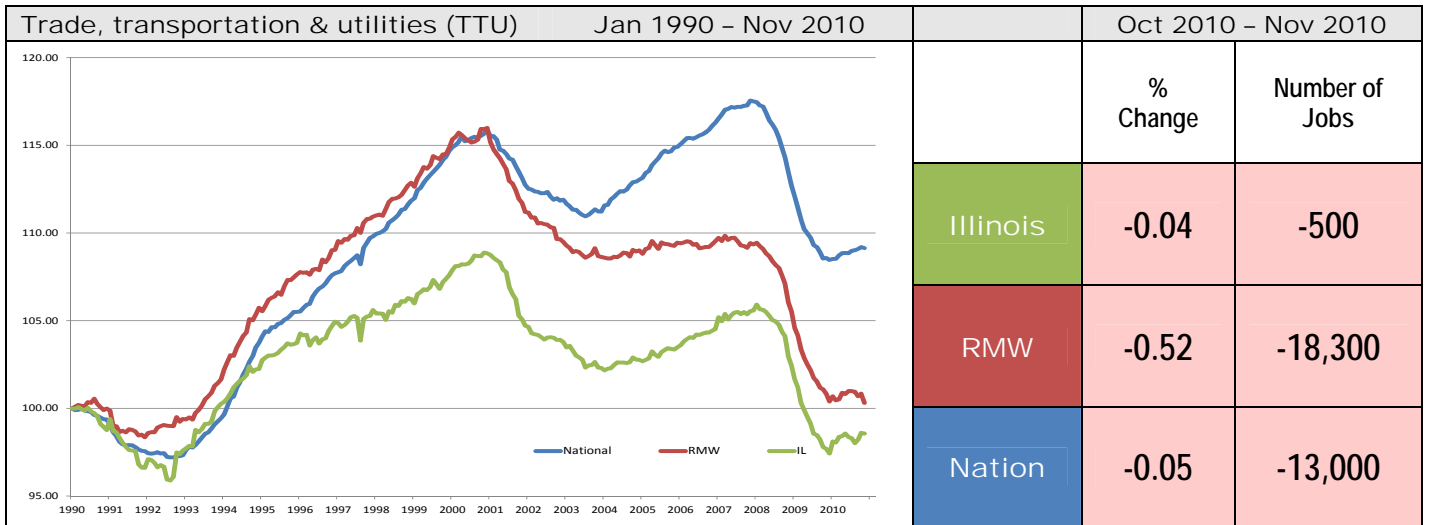
By employment sector:

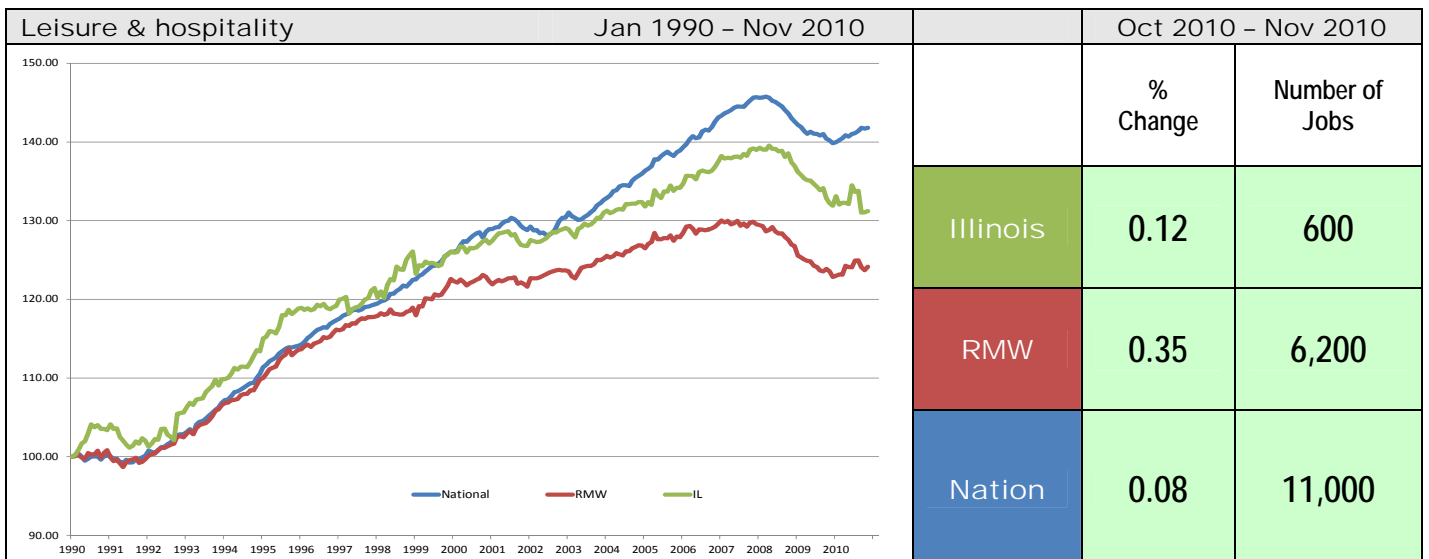
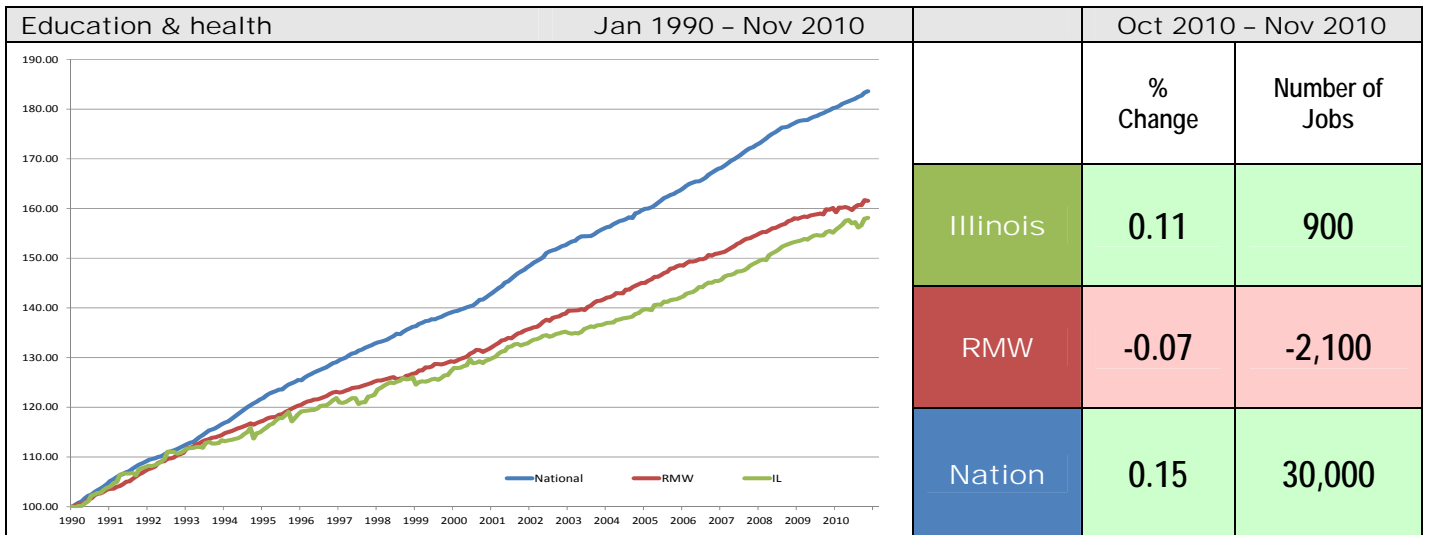
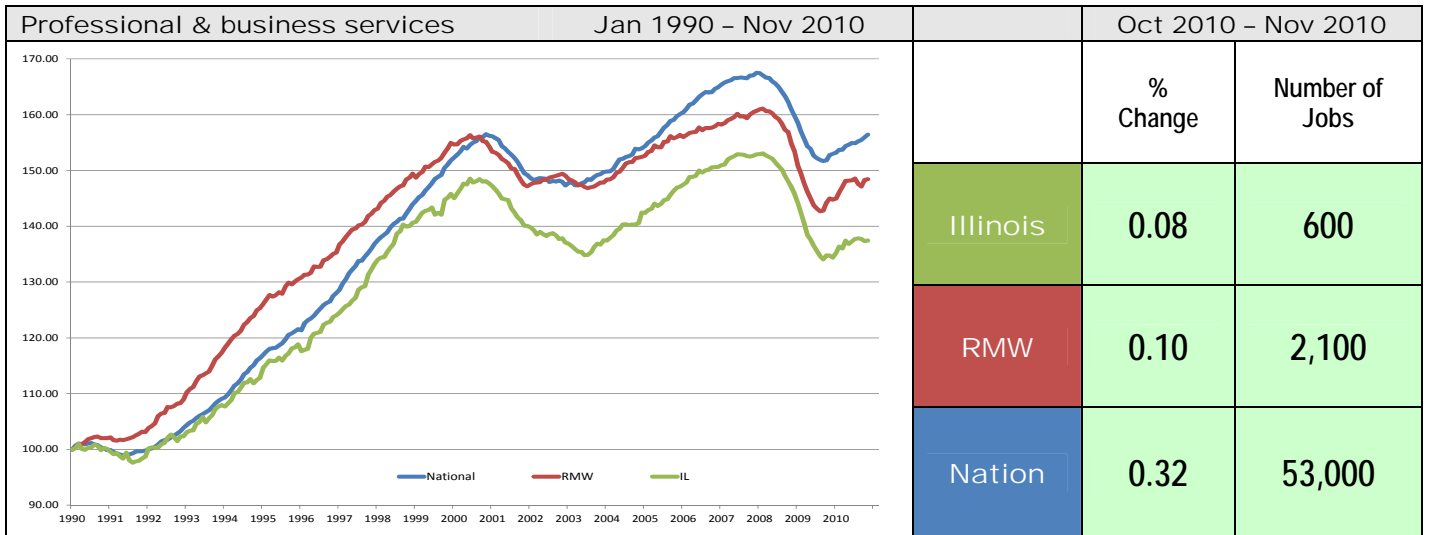


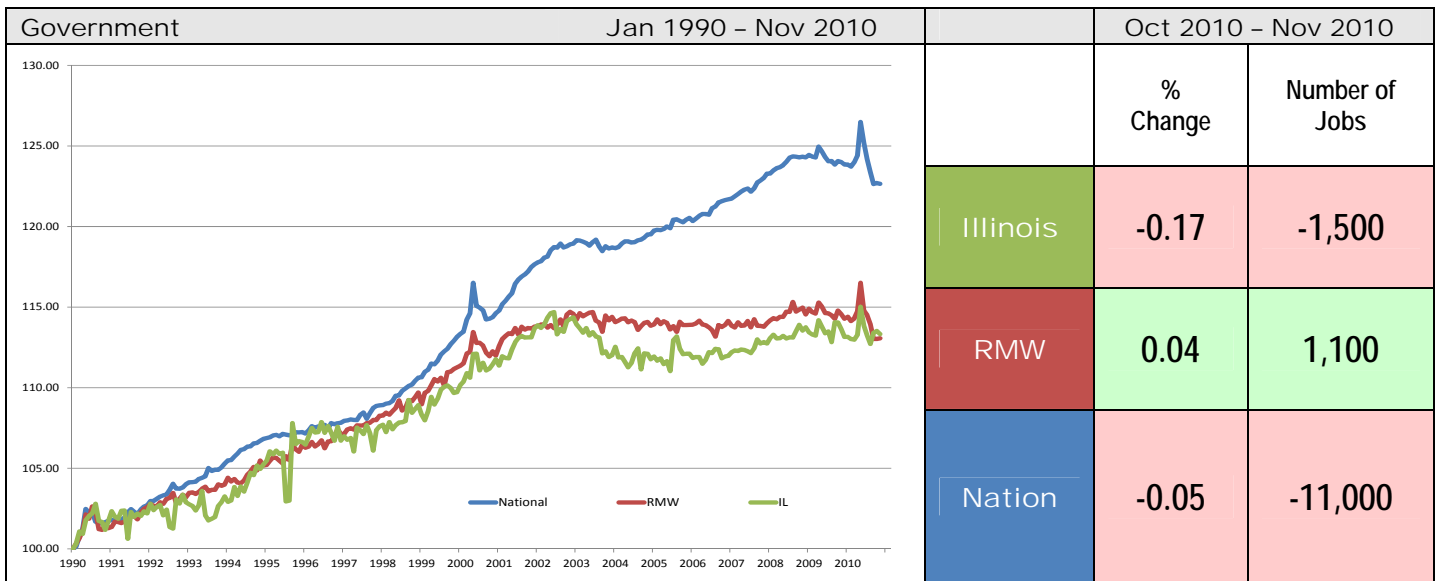
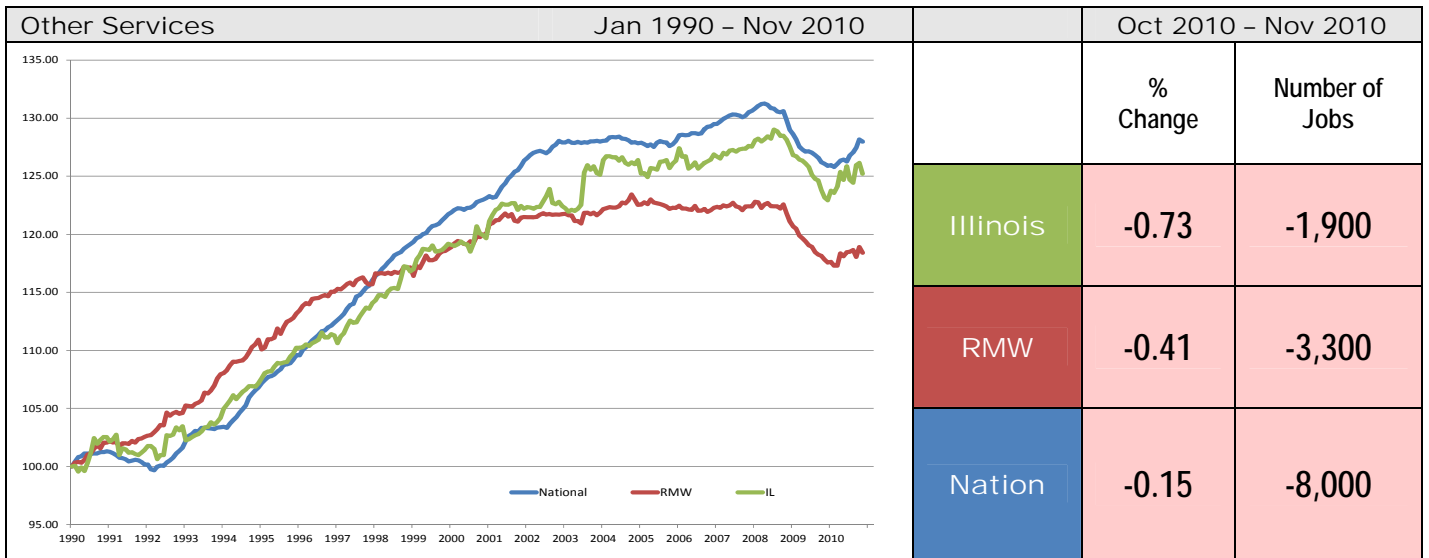
Sector notes	<ul style="list-style-type: none"> ▪ Illinois posted negative change in Nov 2010 by shedding 2,600 jobs. Five out of ten sectors recorded net gains. Compared to October, Financial activities (-0.72% to 0.19%) had major performance gain. Construction (1.46% to -0.99%) in Illinois experienced major performance loss. In addition, compared to October, Manufactory (-0.02% to 0.07%), Professional & business services (-0.27% to 0.08%) and Leisure and hospitality (0.02% to 0.12%) had relative performance gains, while Information (0.57% to 0.00%), Other Services (0.15% to -0.73%) and Education and health (0.82% to 0.11%) faced relative losses in performance. ▪ In Nov at the national level, the top three job-gain sectors were: <ul style="list-style-type: none"> ○ Professional & business services: 53,000 (0.32%) ○ Education and health: 30,000 (0.15%) ○ Leisure and hospitality: 11,000 (0.08%) ▪ Major losses at the national level in Nov were recorded by: <ul style="list-style-type: none"> ○ Other Services: -8,000 (-0.15%) ○ Financial activities: -9,000 (-0.12%) ○ Manufactory: -13,000 (-0.11%) ▪ For Illinois, the top three job-gain sectors in Nov were: <ul style="list-style-type: none"> ○ Financial activities: 700 (0.19%) ○ Leisure and hospitality: 600 (0.12%) ○ Education and health: 900 (0.11%) ▪ Following are the major sectors that lost jobs in Nov for Illinois: <ul style="list-style-type: none"> ○ Construction: -2,000 (-0.99%) ○ Other Services: -1,900 (-0.73%) ○ Government: -1,500 (-0.17%) ▪ For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -357,900 fewer jobs, Construction is down -27,400 jobs, Information down -25,400 jobs, Trade transportation & utilities down -16,500 jobs, and Financial activities down -11,900 jobs.
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Total Non-farm Employment growth rate by sector Jan 1990 - Nov 2010						
	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	-	-	-27,400	-12.05	-3.97	3.56
Manufacturing	-	-	-357,900	-38.83	-33.14	146.44
Trade, transportation & utilities (TTU)	-	-	-16,500	-1.43	0.31	9.14
Information	-	-	-25,400	-19.45	-16.69	1.76
Financial activities	-	-	-11,900	-3.19	8.75	14.95
Professional & business services	-	-	214,000	37.45	48.44	56.44
Education & health	-	-	307,500	58.13	61.56	83.60
Leisure & hospitality	+	-	119,900	31.21	24.14	41.81
Other Services	+	-	51,800	25.22	18.41	27.98
Government	+	-	100,600	13.32	13.06	22.64









ABOUT: The Regional Economics Applications Laboratory (REAL) is a unit of the Institute of Government and Public Affairs of the University of Illinois. REAL undertakes impact and forecasting analyses of the Illinois and several Midwestern economies and is also engaged in similar analysis in several other countries including Brazil, Chile, Colombia, and Japan. More information can be found at www.real.illinois.edu.