


# Illinois Job Index

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**For September Illinois Job Index, Illinois has positive job growth while RMW and the nation both lost jobs. So far this year, Illinois adds job in eight of the past nine 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.

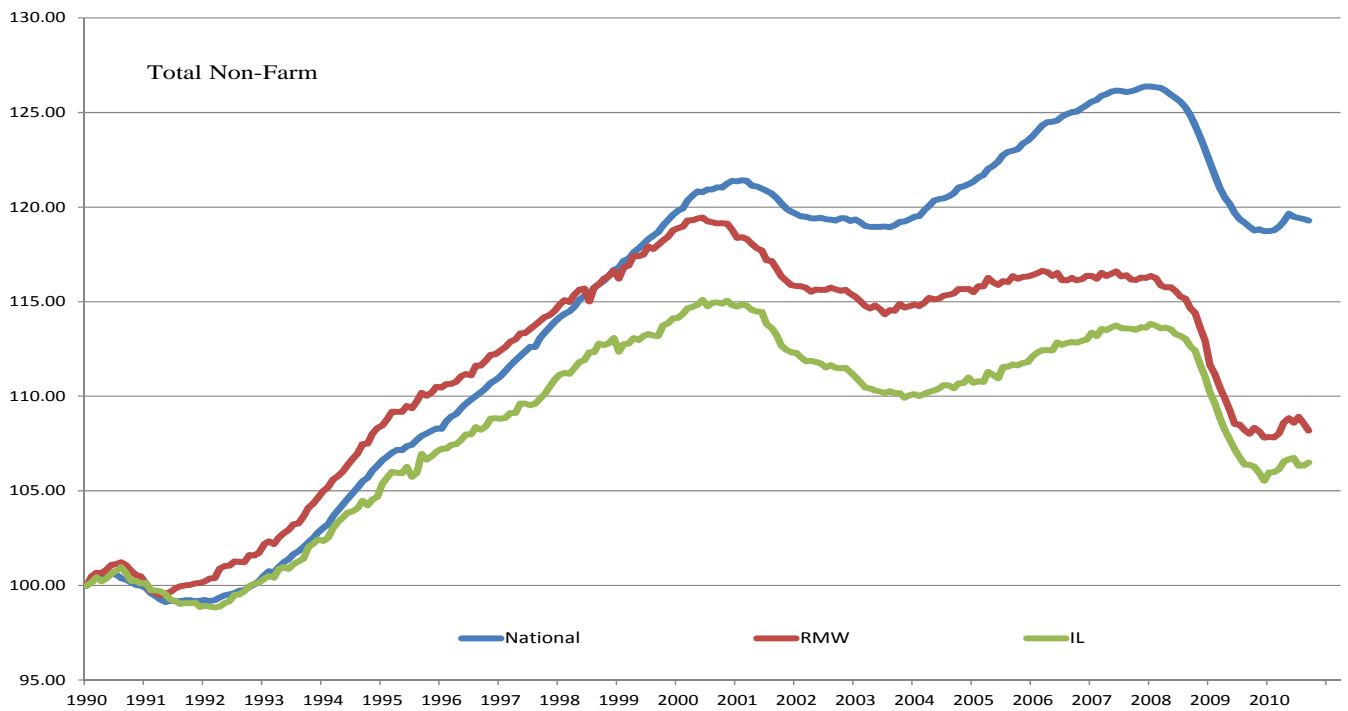
	Oct 2010 Positive		Aug 2010-Sep 2010		Last 12 months		Sep 2010
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R. *
		Nation	-0.07	-95,000	0.26	344,000	12.2%
		RMW	-0.36	-66,200	0.16	29,000	14.4%
		Illinois	0.15	8,600	0.11	6,300	12.0%

\*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"> <li>▪ Illinois added 8,600 jobs in September 2010 at a rate of 0.15%, compared with a revised 300 job gain in August. The manufacturing sector added jobs this month, the seventh consecutive monthly gain this year so far, leading Illinois to outpace the nation in adding manufacturing jobs since January, 2010. The three-month moving average of jobs, a more stable measure of labor market, was down by 4,300 jobs per month.</li> <li>▪ In Sep 2010, the Nation cut 95,000 jobs at a rate of -0.07%, compared with a revised 57,000 job loss in August. The three-month moving average of jobs was down by 73,000 jobs per month.</li> <li>▪ RMW shed 66,200 jobs in Sep after a revised 57,000 job loss in August. The three-month moving average was down by 23,500 jobs per month.</li> <li>▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 24 times and positive job gains eight times so far. The state of Illinois now has a net loss of 377,100 jobs since the beginning of the recession in December 2007.</li> <li>▪ Five sectors in Illinois have employment levels in this month that are lower than January 1990 – Construction, Manufacturing, Trade, transportation &amp; utilities, Information and Financial activities.</li> <li>▪ Over the last 12 months, Illinois added 6,300 jobs at a rate 0.11%. This is the first year-over-year gain in 29 months since April, 2008.</li> <li>▪ The shadow unemployment rates for Illinois, RMW and the Nation were 12.2%, 14.4% and 12.0%, compared to official unemployment rates of 9.9%, 10.0% and 9.6%.</li> <li>▪ Through Sep 2010, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 6.37%, 7.94%, and 17.68%, respectively.</li> </ul>
Nation Notes	<ul style="list-style-type: none"> <li>▪ Government sector shed 159,000 jobs, reflecting both a drop in the number of temporary jobs for Census 2010 and job losses in local government. Private-sector payroll employment continued to trend up modestly (+64,000).</li> <li>▪ Since the last employment peak in December 2007, the nation has lost 7,680,000 jobs. However, for RMW and Illinois, they have not yet recovered from their respective peaks in 2000.</li> <li>▪ The nation has average growth rates for 2007, 2008, 2009 and first 9 month of 2010 were 0.07%,-0.22%,-0.30% and 0.05%, respectively.</li> </ul>

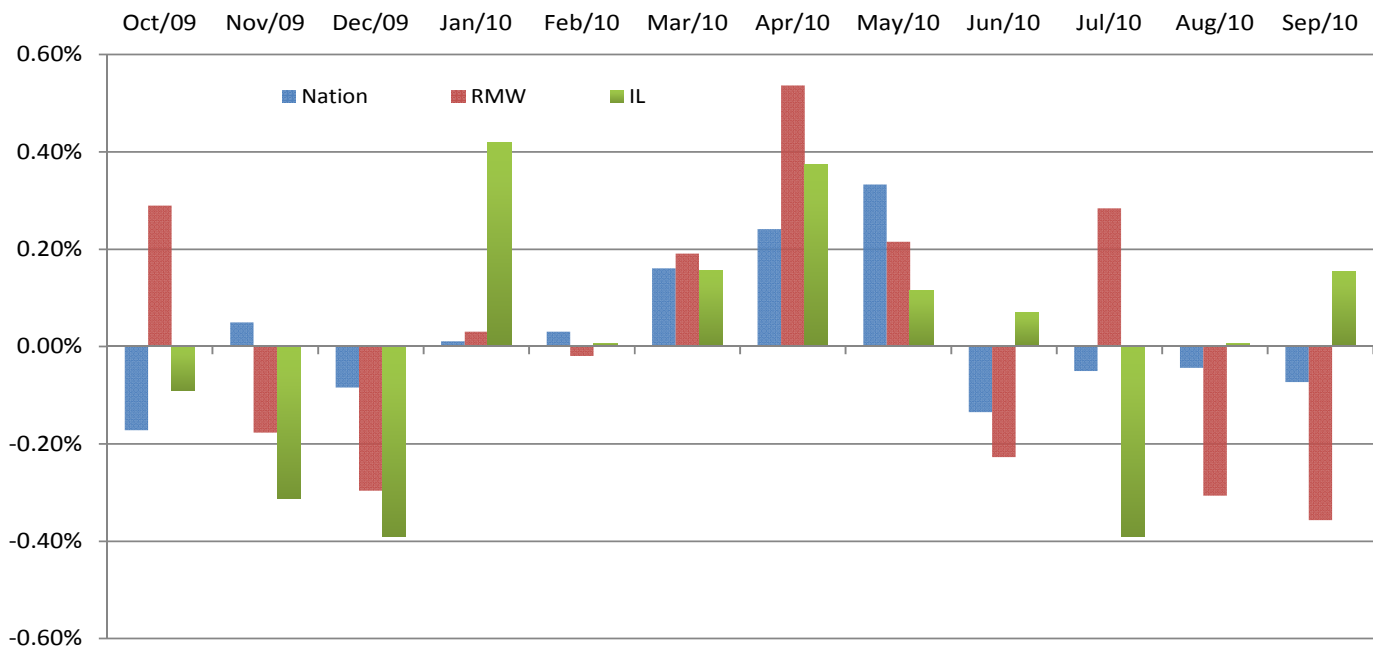
### Total Non-farm Employment growth rate Jan 1990 - Sep 2010



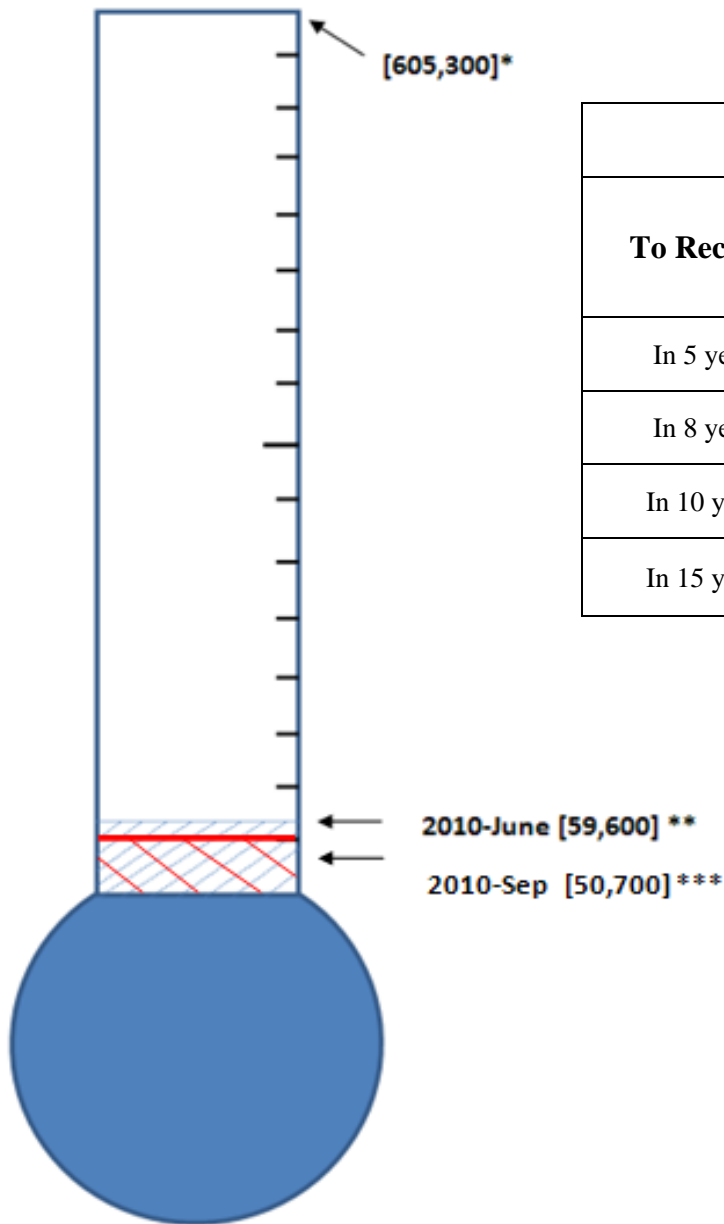
### Total Non-farm Employment and Employment Index

	Sep 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
<b>Nation</b>	130,201,000	119.29	126.57 (Dec-2007)	21,050,000	-7,750,000
<b>RMW</b>	18,485,200	108.19	119.44 (Jun-2000)	1,398,800	-1,924,300
<b>Illinois</b>	5,608,900	106.50	115.08 (Nov-2000)	342,100	-450,600

### Last 12 months Total Non-farm Employment Growth Rate Oct 2009 - Sep 2010



# Barometer of Job Recovery



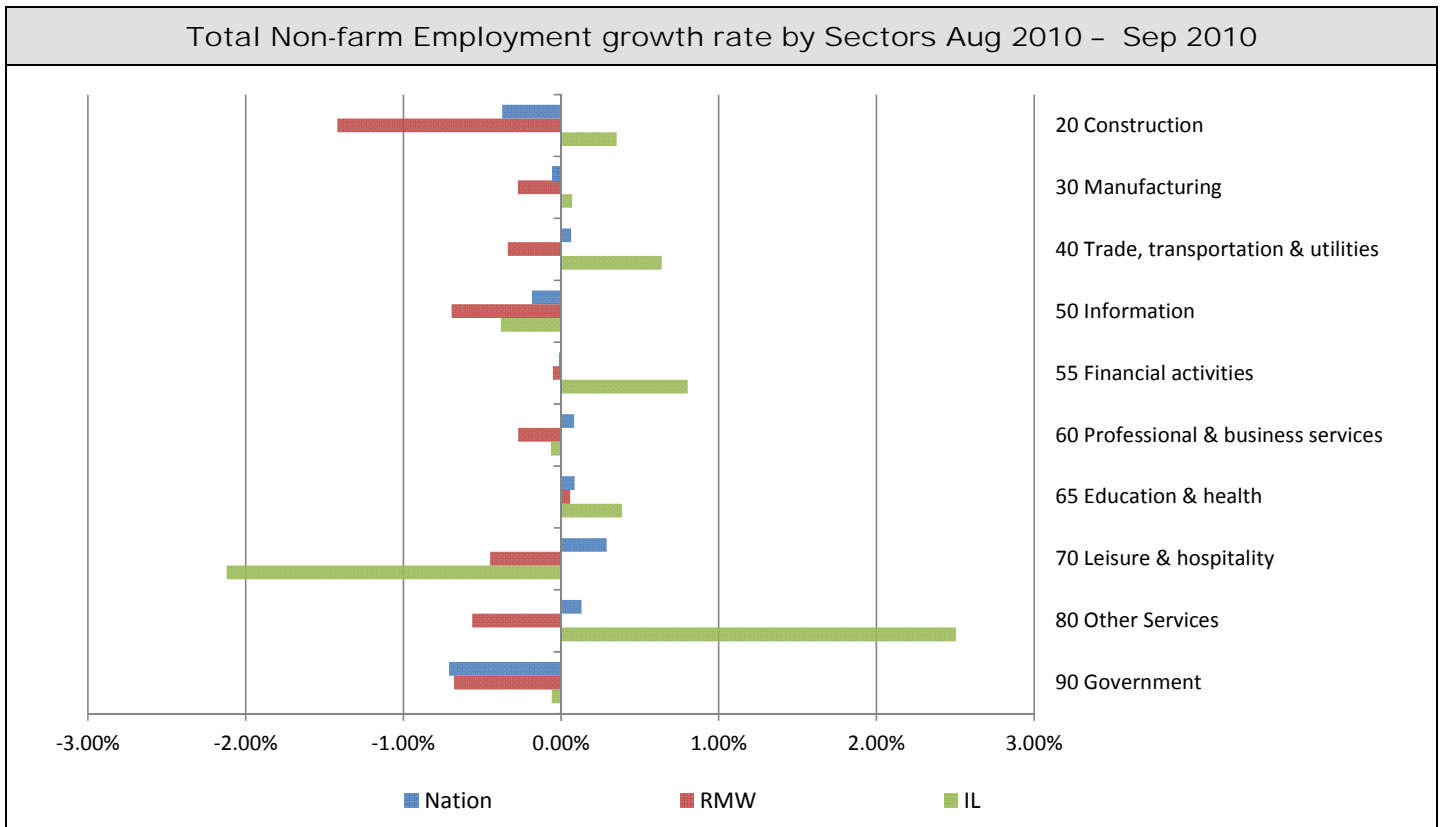
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2010-June	At the point of 2010-Sep
In 5 years	109,100 jobs/year	110,900 jobs/year
In 8 years	68,200 jobs/year	69,300 jobs/year
In 10 years	54,600 jobs/year	55,500 jobs/year
In 15 years	36,400 jobs/year	37,000 jobs/year

\* 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 50,700 represents the jobs recovered from Dec. 2009 through Sep 2010.

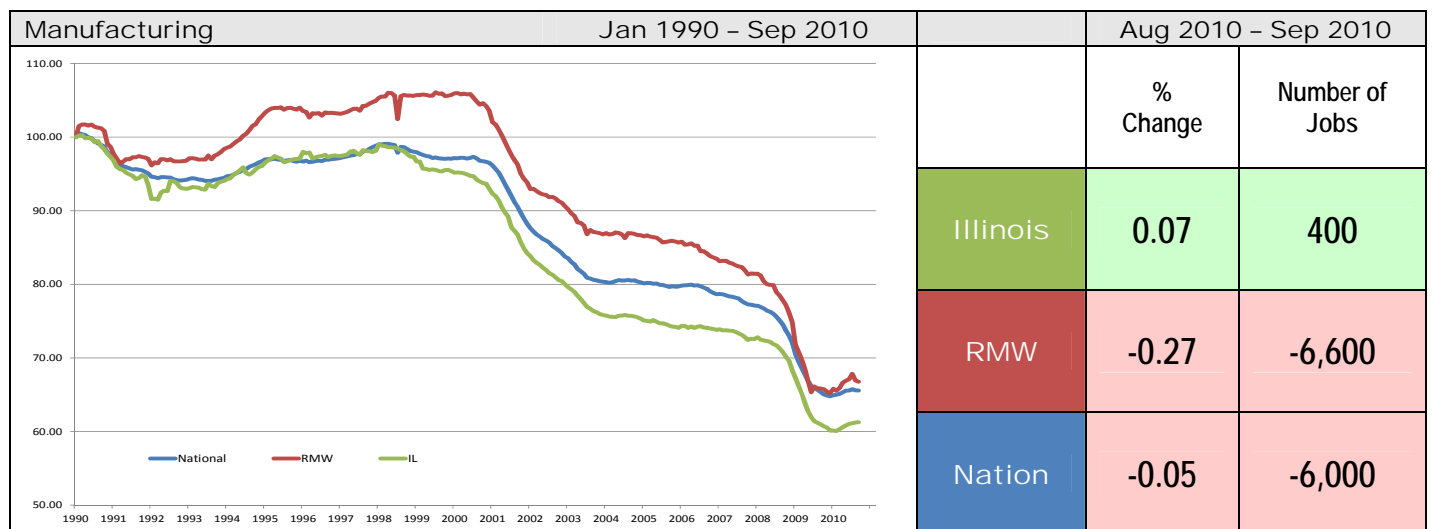
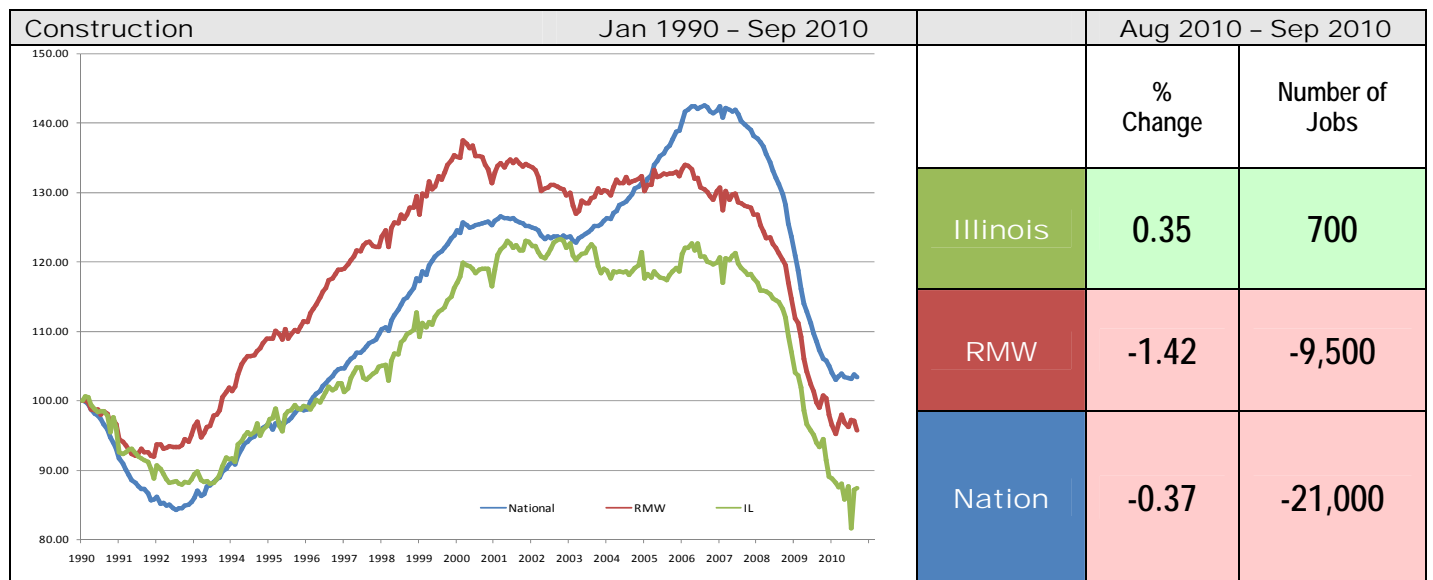
## By employment sector:

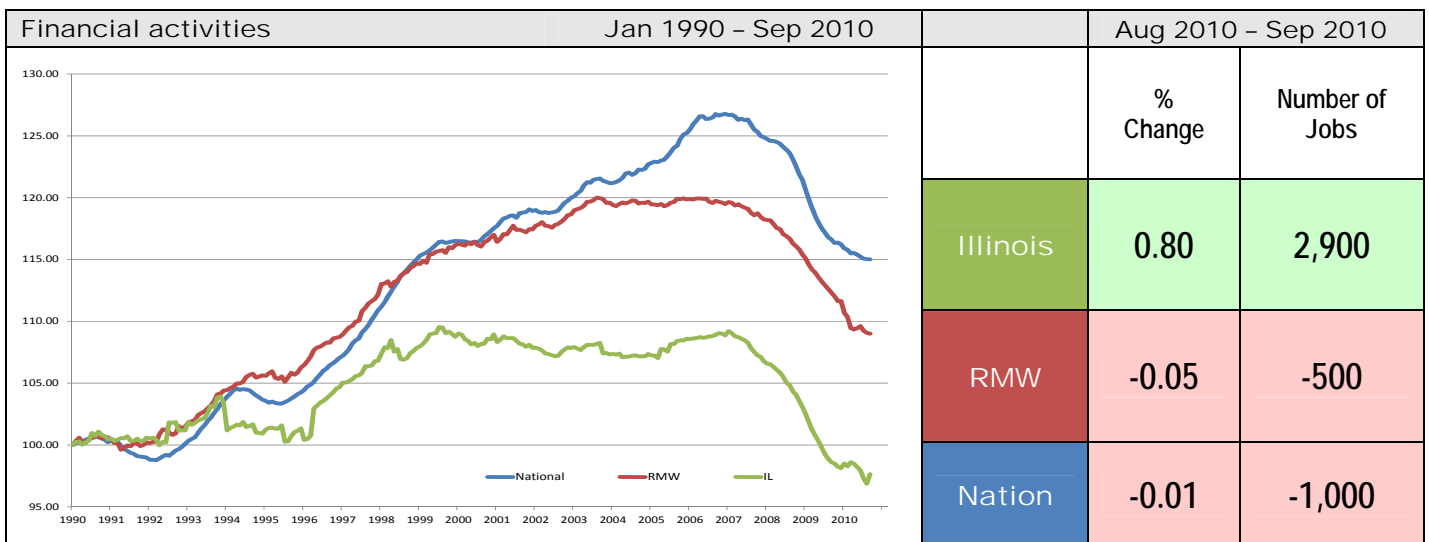
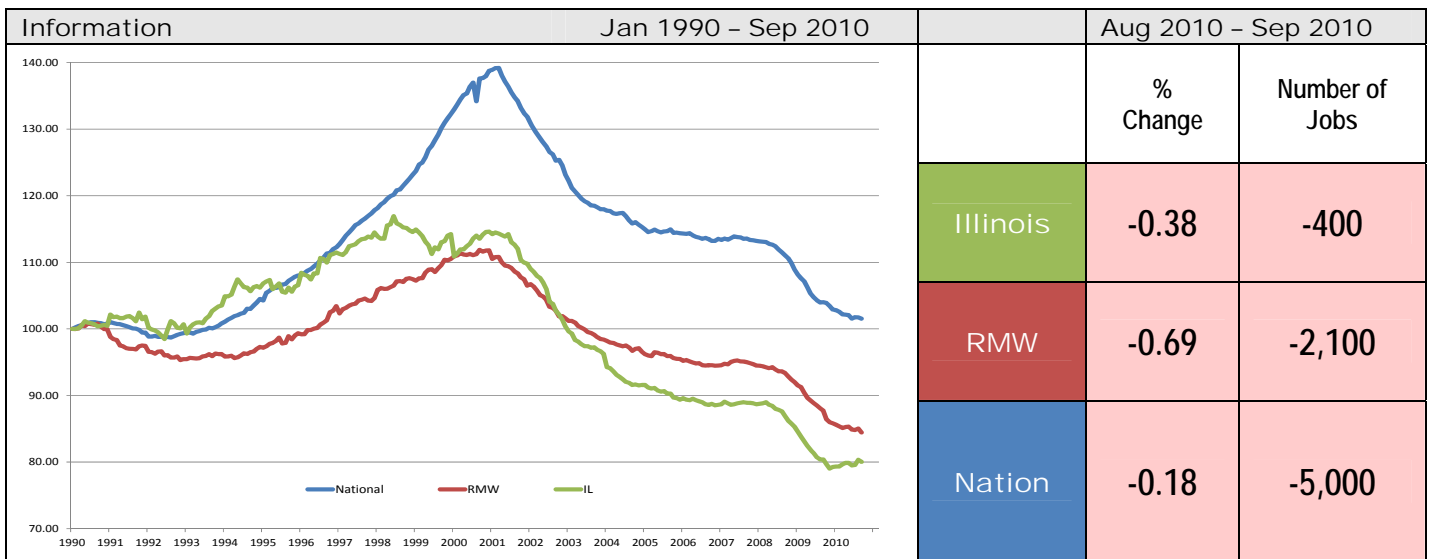
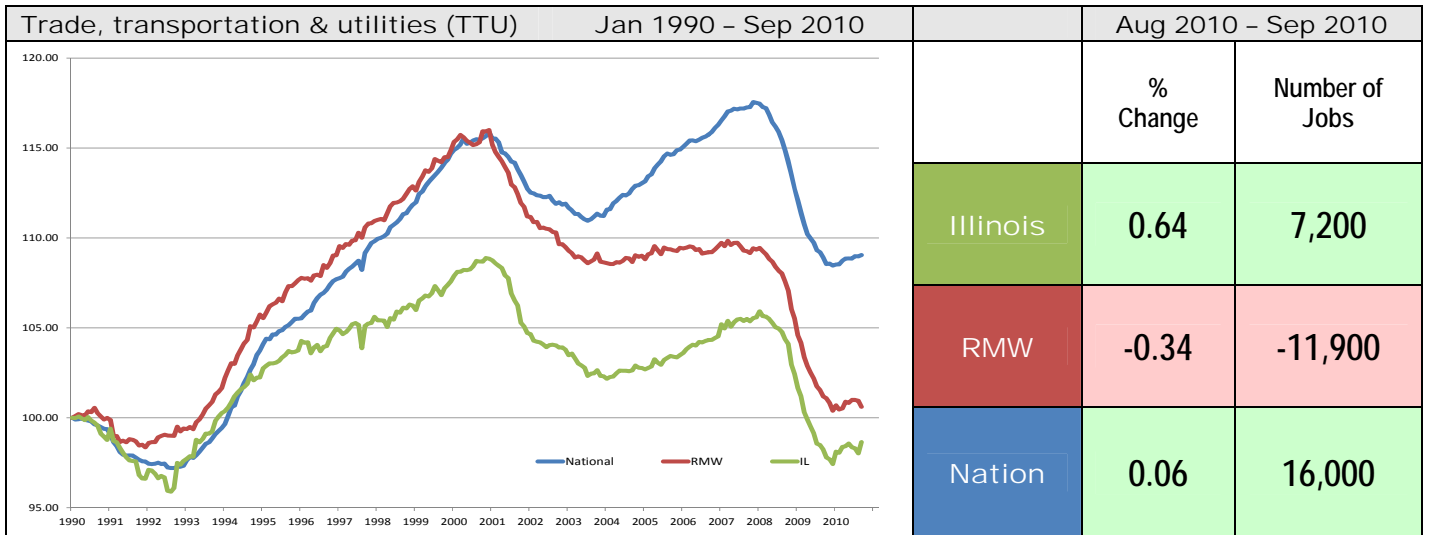


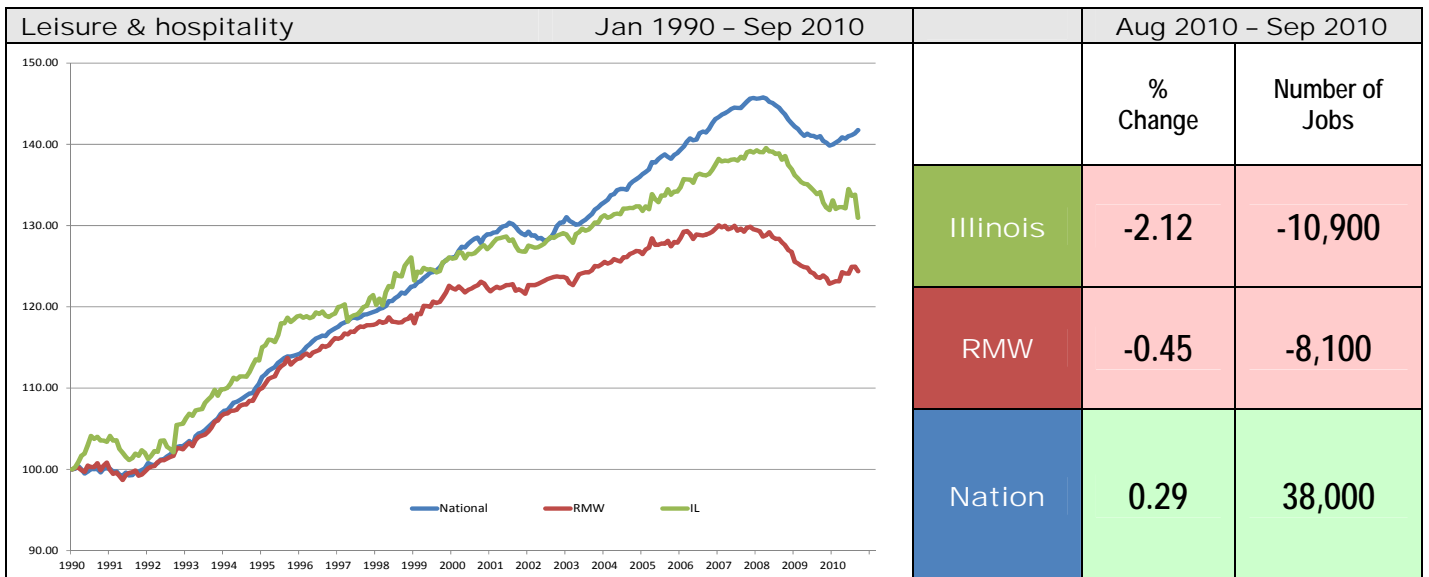
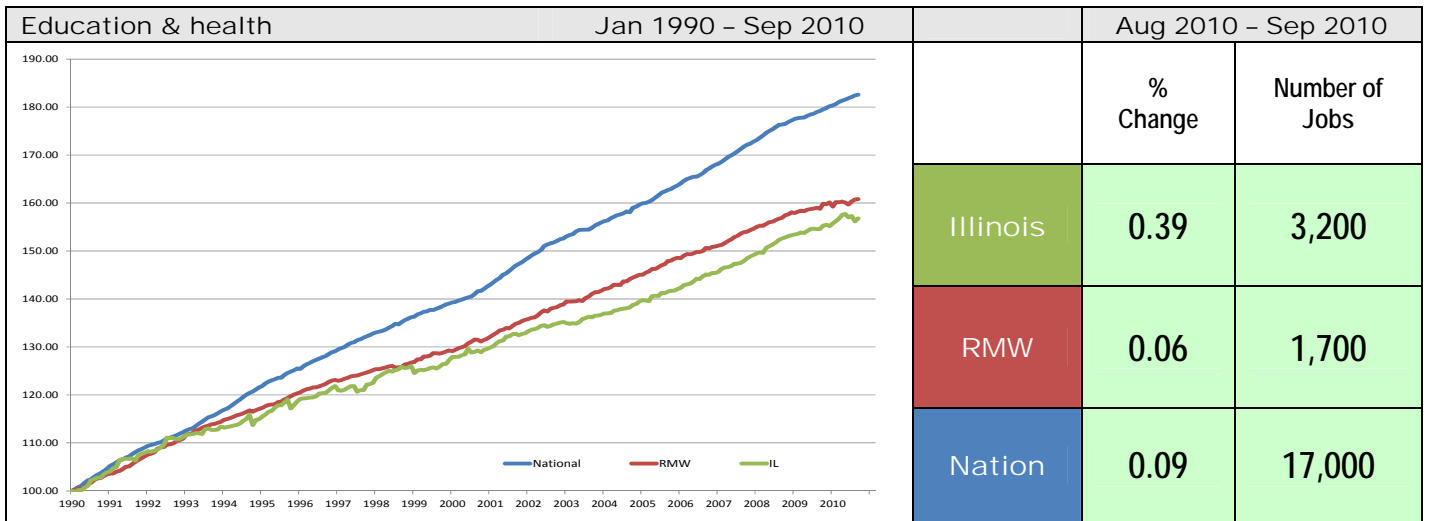
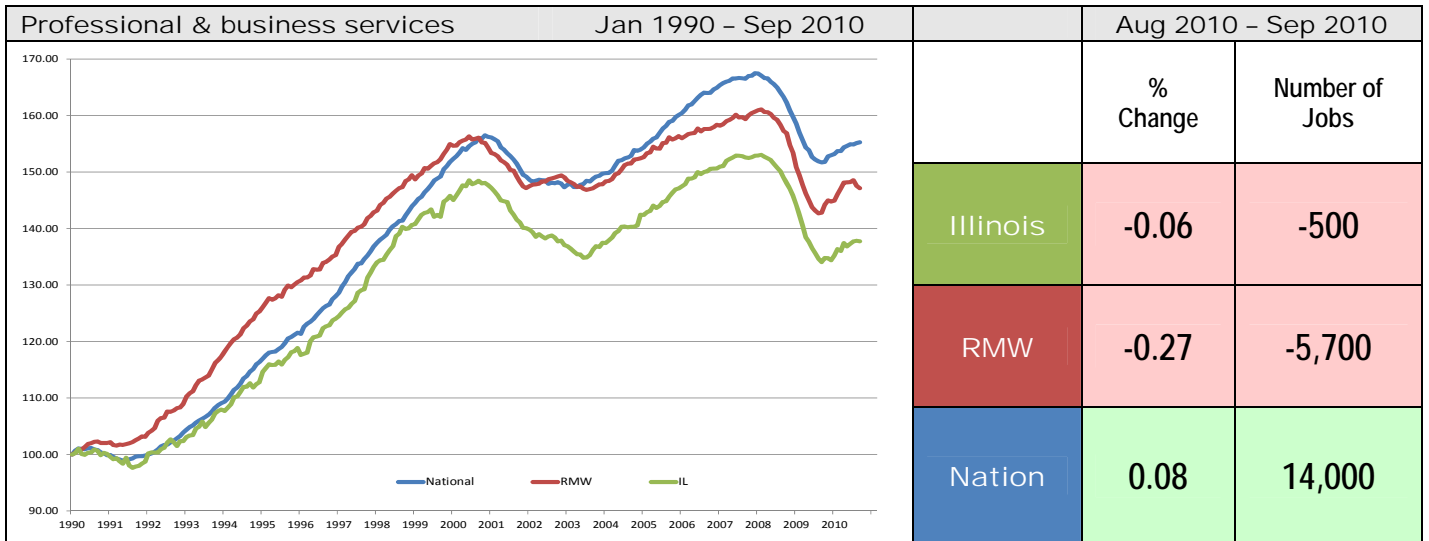
### Sector notes

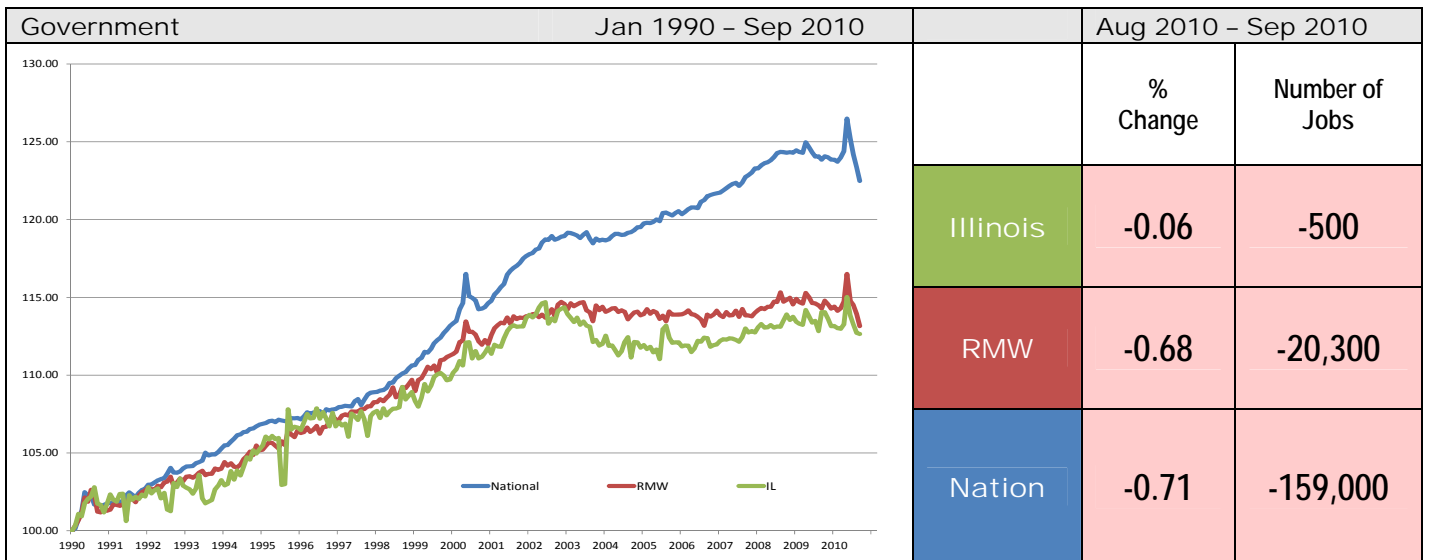
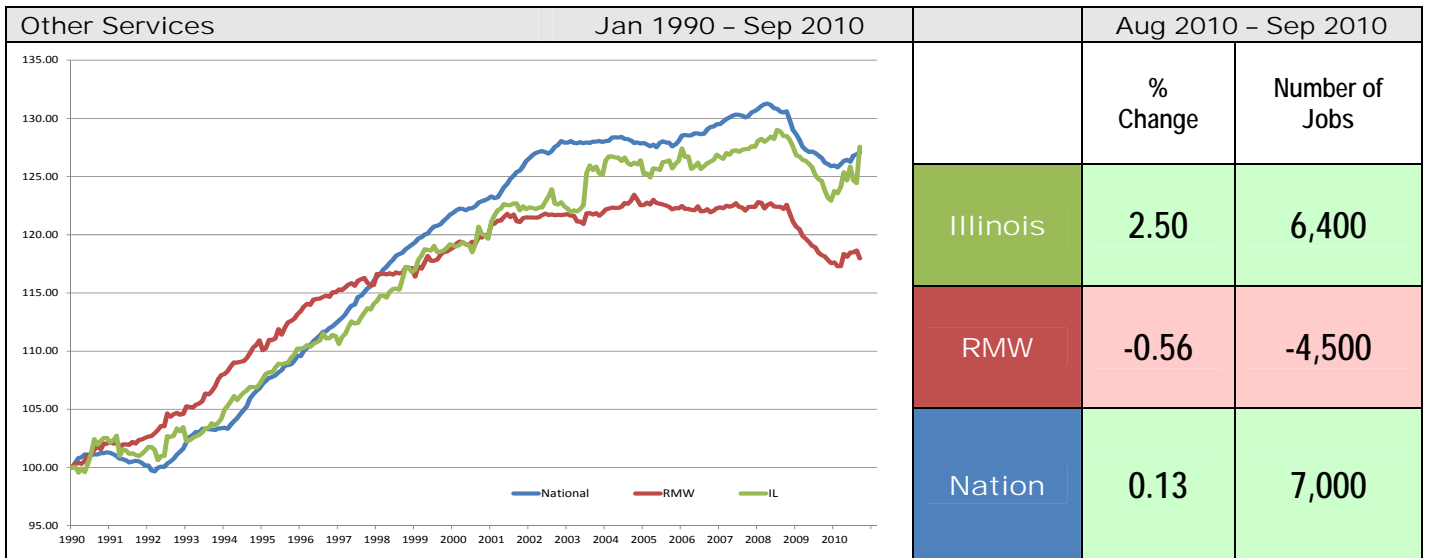
- Illinois posted positive change in Sep 2010 by adding 8,600 jobs. Six out of ten sectors recorded net gains. Compared to August, Other Services (-0.20% to 2.50%) had major performance gain. Construction (6.80% to 0.35%) in Illinois experienced major performance loss. In addition, compared to August, Financial activities (-0.47% to 0.80%), Trade, transportation & utilities (-0.28% to 0.64%), Education and health (-0.69% to 0.39%) and Government (-0.48% to -0.06%) had relative performance gains, while Leisure and hospitality (0.10% to -2.12%), Information (0.96% to -0.38%), Professional and business services (0.08% to -0.06%) and Manufactory (0.14% to 0.07%) faced relative losses in performance.
- In Sep at the national level, the top three job-gain sectors were:
  - Leisure and hospitality: 38,000 (0.29%)
  - Other services: 7,000 (0.13%)
  - Professional & business services: 14,000 (0.08%)
- Major losses at the national level in Aug were recorded by:
  - Government: -159,000 (-0.71%)
  - Construction: -21,000 (-0.37%)
  - Information: -5,000 (-0.18%)
- For Illinois, the top three job-gain sectors in Aug were:
  - Other services: 6,400 (2.50%)
  - Financial activities: 2,900 (0.80%)
  - Trade, transportation & utilities: 7,200 (0.64%)
- Following are the major sectors that lost jobs in Aug for Illinois:
  - Leisure and hospitality: -10,900 (-2.12%)
  - Information: -400 (-0.38%)
  - Professional & business services: -500 (-0.06%)
  - Government: -500 (-0.06%)
- For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -357,000 fewer jobs, Construction is down -28,700 jobs, Information down -26,100 jobs, Trade transportation & utilities down -15,600 jobs, and Financial activities down -8,800 jobs.

Total Non-farm Employment growth rate by sector Jan 1990 - Sep 2010						
	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	-	-	-28,700	-12.62	-4.33	3.36
Manufacturing	-	-	-357,000	-38.74	-33.23	92.36
Trade, transportation & utilities (TTU)	-	-	-15,600	-1.36	0.61	9.05
Information	-	-	-26,100	-19.98	-15.56	1.54
Financial activities	-	-	-8,800	-2.36	9.01	15.01
Professional & business services	-	-	215,700	37.74	47.14	55.26
Education & health	-	-	300,500	56.81	60.82	82.60
Leisure & hospitality	+	-	118,900	30.95	24.38	41.75
Other Services	+	+	56,600	27.56	17.98	27.08
Government	-	-	95,500	12.65	13.15	22.48









**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](http://www.real.illinois.edu).