


Illinois Job Index

Release 12/30/2011	Data Jan 1990 / Nov 2011	Issue 2011.12	www.real.illinois.edu
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For November Illinois Job Index, the state and the Nation had positive job growth, the RMW had negative job growth.

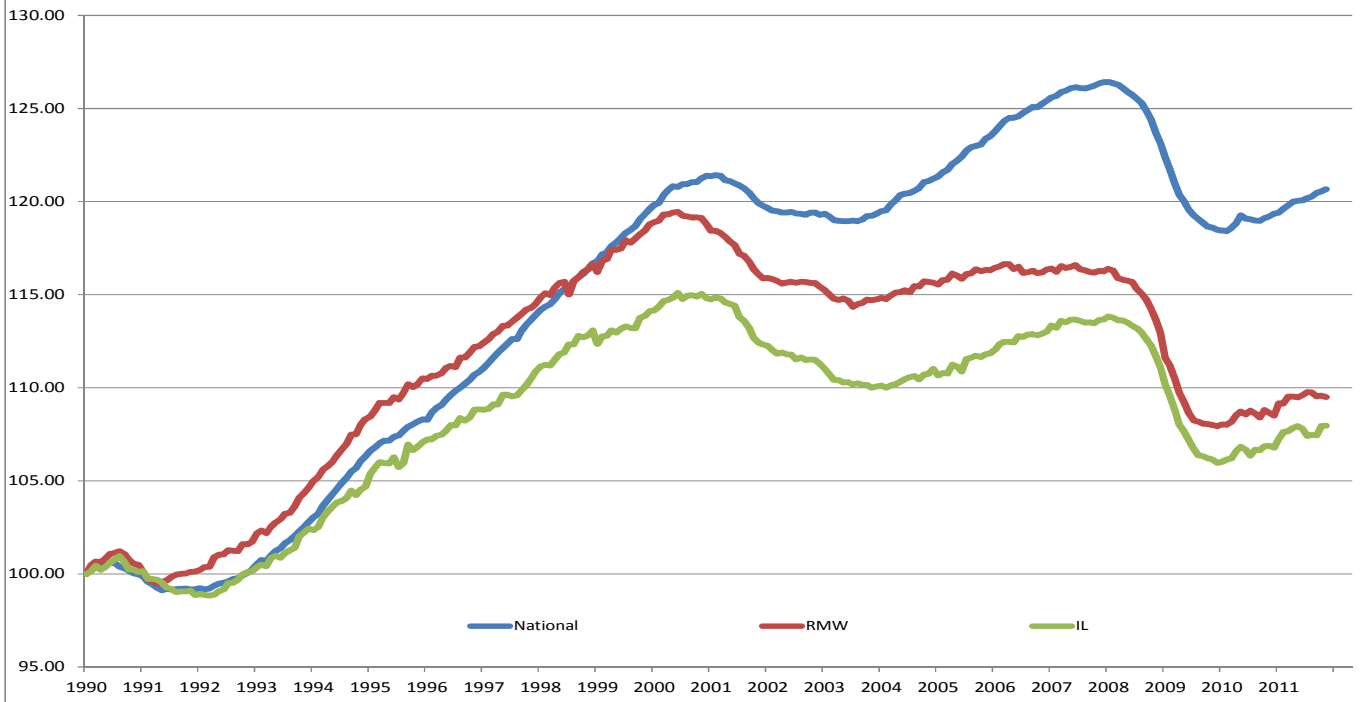
The Illinois Job Index and MSA Report are issued monthly as tools for elected officials, policy leaders and the public. The objective is to enhance the understanding of the Illinois economy and business climate by comparing and measuring Illinois employment growth rates against those of the Rest of the Midwest (RMW: Indiana, Iowa, Michigan, Missouri, Ohio and Wisconsin) and the Nation. Data and analysis are provided by the Illinois Economic Observatory / Regional Economics Applications Laboratory, University of Illinois.

	Dec 2011 Positive		Oct 2011– Nov 2011		Last 12 months		Nov 2011
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R.*
		Nation	0.09	120,000	1.23	1,600,000	12.2%
		RMW	-0.06	-12,000	0.78	144,300	13.8%
		Illinois	0.01	600	1.01	57,100	12.5%

*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 added 600 jobs in Nov 2011 at a rate of 0.01%, compared with a revised 26,900 job gain in Oct 2011. Compared to Nov 2010, Illinois has added 57,100 jobs. The three-month moving average of jobs, a more stable measure of labor market, was up by 8,700 jobs per month. ▪ In Nov 2011, the Nation added 120,000 jobs, compared with a revised 100,000 job gain in Oct. The three-month moving average of jobs was up by 143,000 jobs per month. ▪ RMW shed 12,000 jobs in Nov at a rate of -0.06% after a revised 4,700 job gain in Oct. The three-month moving average was down by 14,000 jobs per month. ▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 30 times and positive job gains 17 times so far. The state of Illinois now has a net loss of 299,100 jobs since the beginning of the recession in December 2007. ▪ Five sectors in Illinois have employment levels this month that are lower than January 1990 – Construction, Manufacturing, Trade, transportation & utilities, Information and Financial activities. ▪ Since January 2010, when Illinois employment growth resumed after the national recession, Illinois has added 105,600 new jobs. ▪ The 12-month-ahead job recovery forecasts show that five sectors will experience faster recovery rates in November 2012. Sector Professional & business service is likely to make a full recovery to the level before recession by Nov 2012. ▪ The shadow unemployment rates for Illinois, RMW and the Nation were 12.5%, 13.8% and 12.2%, compared to official unemployment rates of 10.0%, 8.4% and 8.6%. ▪ Through Nov 2011, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 7.96%, 9.50%, and 20.67%, respectively.
Nation Notes	<ul style="list-style-type: none"> ▪ Total nonfarm payroll employment was up by 120,000 jobs. Sectors such as Professional & business services, Trade, transportation & utilities, Leisure & hospitality and Education had major job gains. Employment in other sectors changed little over the month. ▪ Since the last employment peak in December 2007, the nation has lost 6,275,000 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, 2010 and 2011 were 0.05%,-0.19%, -0.39%, 0.06% and 0.10%, respectively.

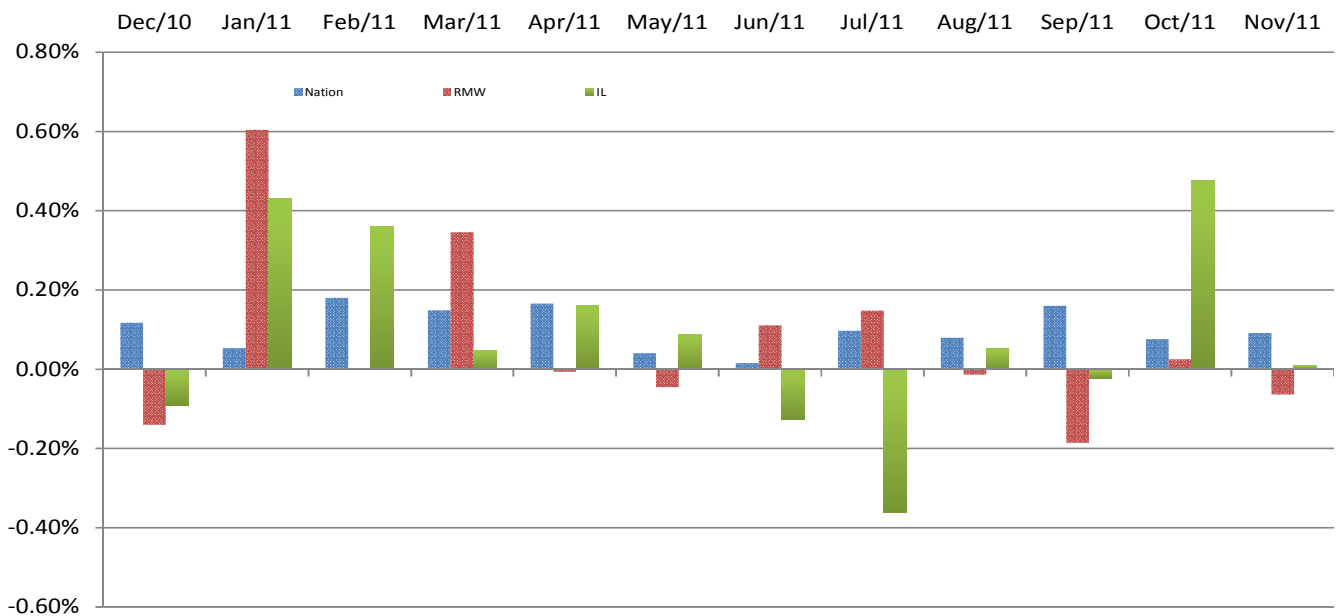
Total Non-farm Employment growth rate Jan 1990 – Nov 2011



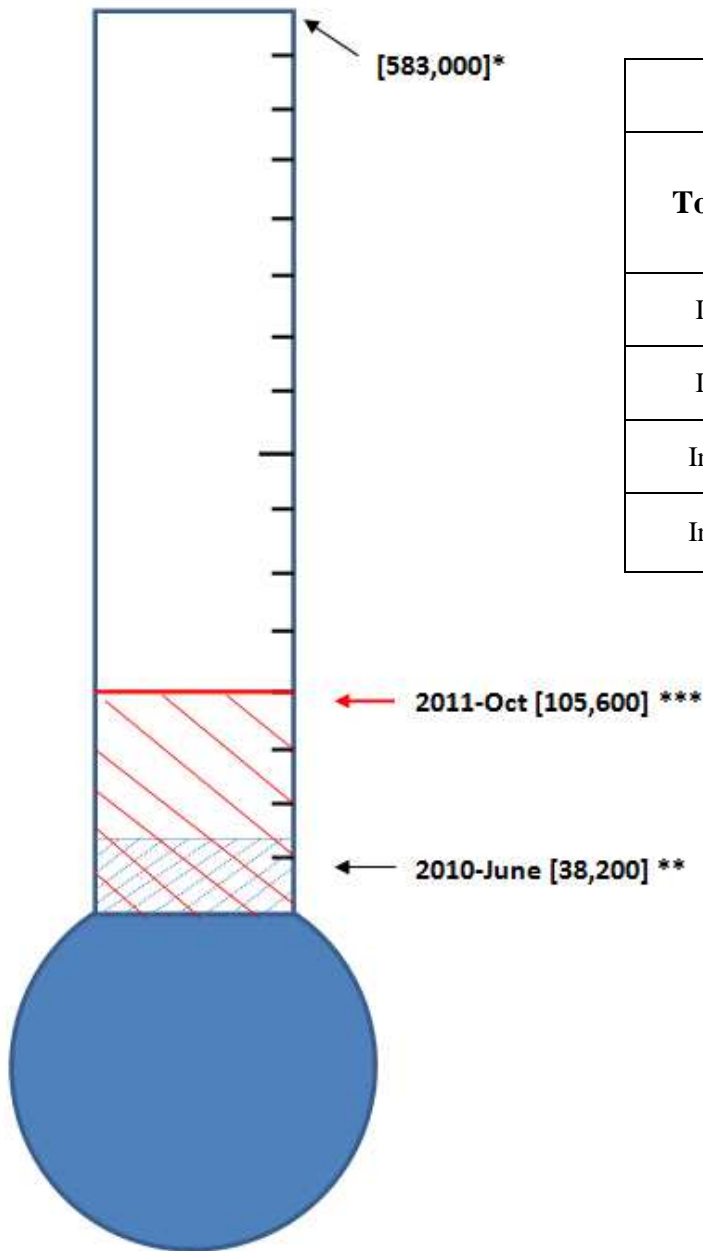
Total Non-farm Employment and Employment Index

	Nov 2011 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	131,708,000	120.67	126.57 (Dec-2007)	22,557,000	-6,275,000
RMW	18,709,500	109.50	119.44 (Jun-2000)	1,623,100	-1,700,000
Illinois	5,686,100	107.96	115.08 (Nov-2000)	419,300	-373,400

Last 12 months Total Non-farm Employment Growth Rate Dec 2010 – Nov 2011



Barometer of Job Recovery



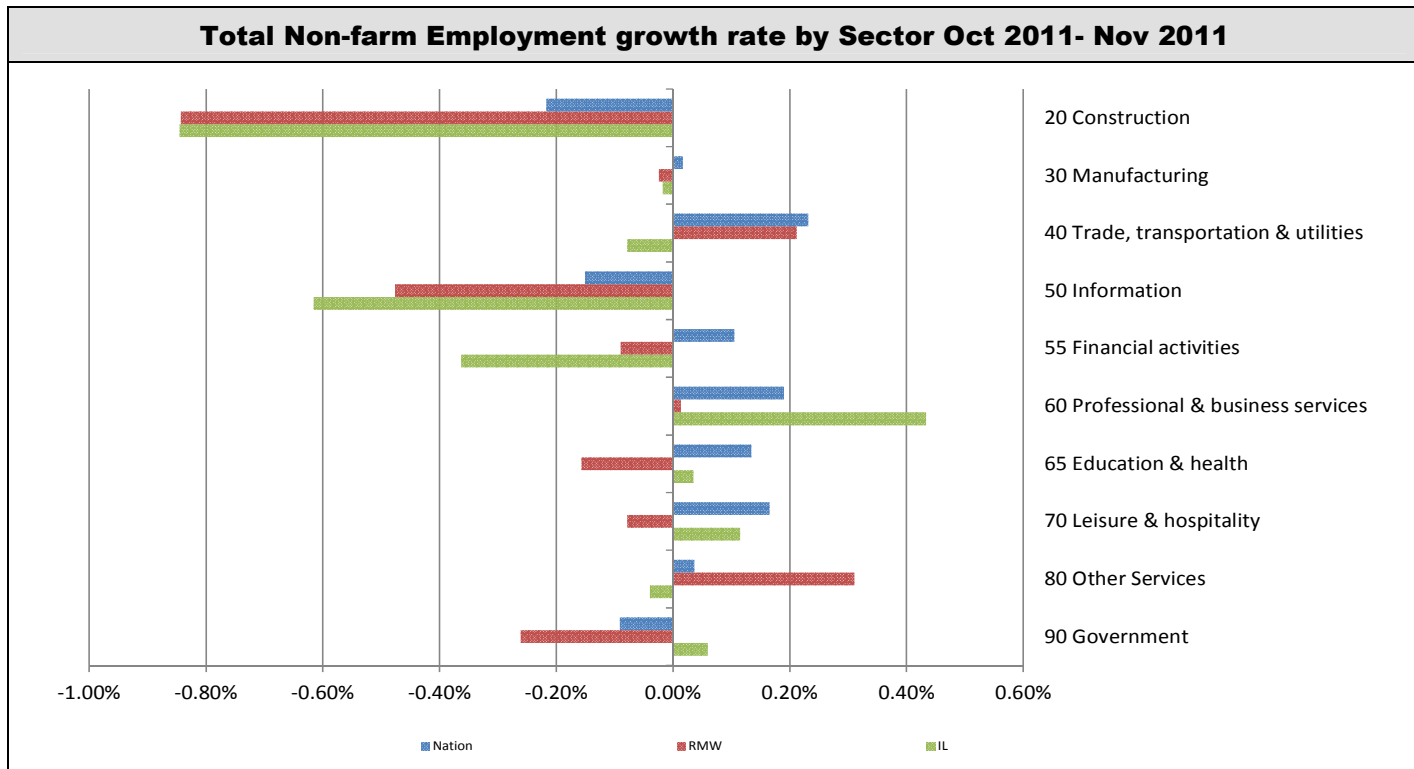
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2011-Nov	At the point of 2010-Jun
In 5 years	95,500 jobs/year	109,000 jobs/year
In 8 years	59,700 jobs/year	68,000 jobs/year
In 10 years	47,700 jobs/year	54,000 jobs/year
In 15 years	31,800 jobs/year	36,000 jobs/year

* The figure 583,000 is the number of jobs needed for the 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 479,000. Adding 104,000, the number of jobs that needed to bring the shadow and official unemployment rates together, the total number of jobs that Illinois needs to create is 583,000.

**The figure 38,200 represents the jobs recovered from Dec. 2009 (previous lowest level) through Jun. 2010.

*** The figure 105,600 represents the jobs recovered from Dec. 2009 through Nov. 2011.

Employment Growth Rate by Sector:



Sector notes

- Illinois posted positive change in Nov 2011 by adding 600 jobs. Four out of ten sectors recorded net gains. Compared to October, Government (-0.08% to 0.06%) had a major performance gain; Construction (-0.05% to -0.85%) had major performance loss. Other services (-0.71% to -0.04%) experienced some performance gain but Manufacturing (0.33% to -0.02%), Trade, transportation & utilities (0.47% to -0.08%), Information (1.70% to -0.60%), Financial activities (0.65% to -0.36%), Professional & business services (1.37% to 0.43%) and Leisure & hospitality (0.54% to 0.12%) experienced net losses in performance.
- In Nov at the national level, the top three job-gain sectors were:
 - Trade, transportation & utilities: 58,000 (0.23%)
 - Professional & business services: 33,000 (0.19%)
 - Leisure & hospitality: 22,000 (0.17%)
- Major losses at the national level in Nov were recorded by:
 - Government: -20,000 (-0.09%)
 - Construction: -12,000 (-0.22%)
 - Information: -4,000 (-0.15%)
- For Illinois, the top three job-gain sectors in Nov were:
 - Professional & business services: 3,600 (0.43%)
 - Leisure & hospitality: 600 (0.12%)
 - Government: 500 (0.06%)
- Following are the major sectors that lost jobs in Nov for Illinois:
 - Construction: -1,700 (-0.85%)
 - Financial activities: -1,300 (-0.36%)
 - Information: -600 (-0.62%)
- For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -350,200 fewer jobs, Construction is down -28,000 jobs, Information down -33,800 jobs, Trade transportation & utilities down -9,300 jobs, and Financial activities down -15,700 jobs.

Total Non-farm Employment growth rate by sector Jan 1990 - Nov 2011

	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate	Rate
					%	%
Construction	-	-	-28,000	-12.31	-2.88	1.84
Manufacturing	-	-	-350,200	-38.00	-30.91	-33.91
Trade, transportation & utilities (TTU)	-	-	-9,300	-0.81	1.27	10.28
Information	-	-	-33,800	-25.88	-17.72	-0.94
Financial activities	-	-	-15,700	-4.21	10.84	15.76
Professional & business services	-	-	262,600	45.95	53.32	61.12
Education & health	-	-	330,800	62.53	65.05	87.64
Leisure & hospitality	+	-	138,100	35.94	23.62	43.27
Other Services	+	-	46,300	22.54	19.48	29.23
Government	+	-	87,700	11.61	10.67	21.14

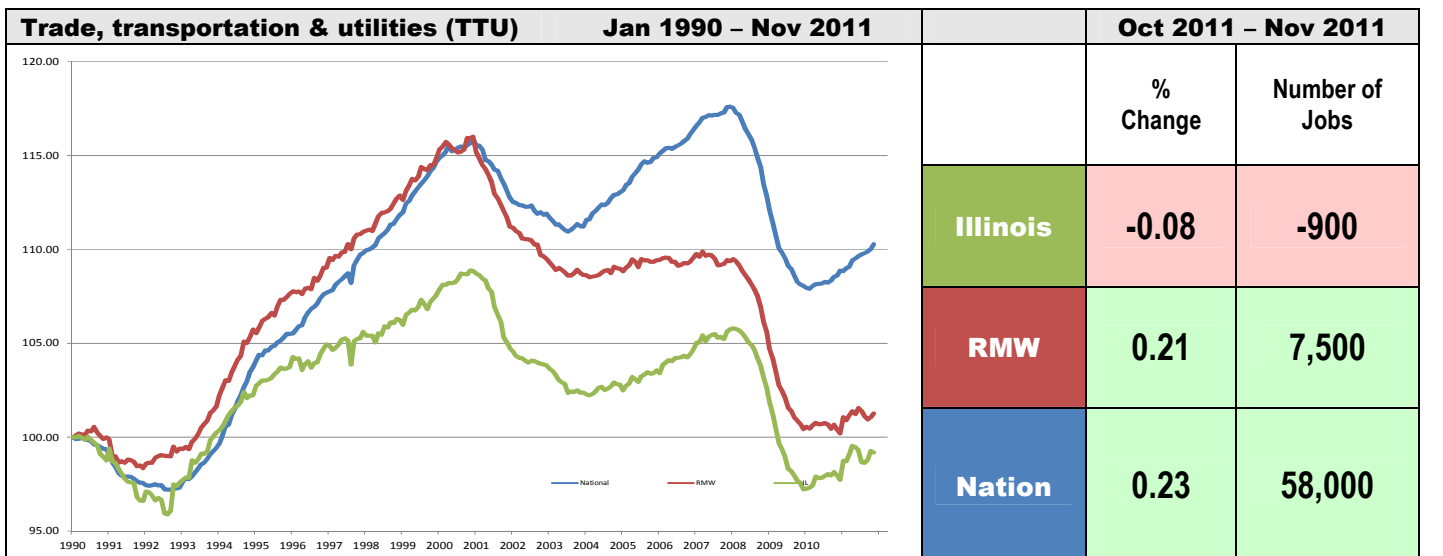
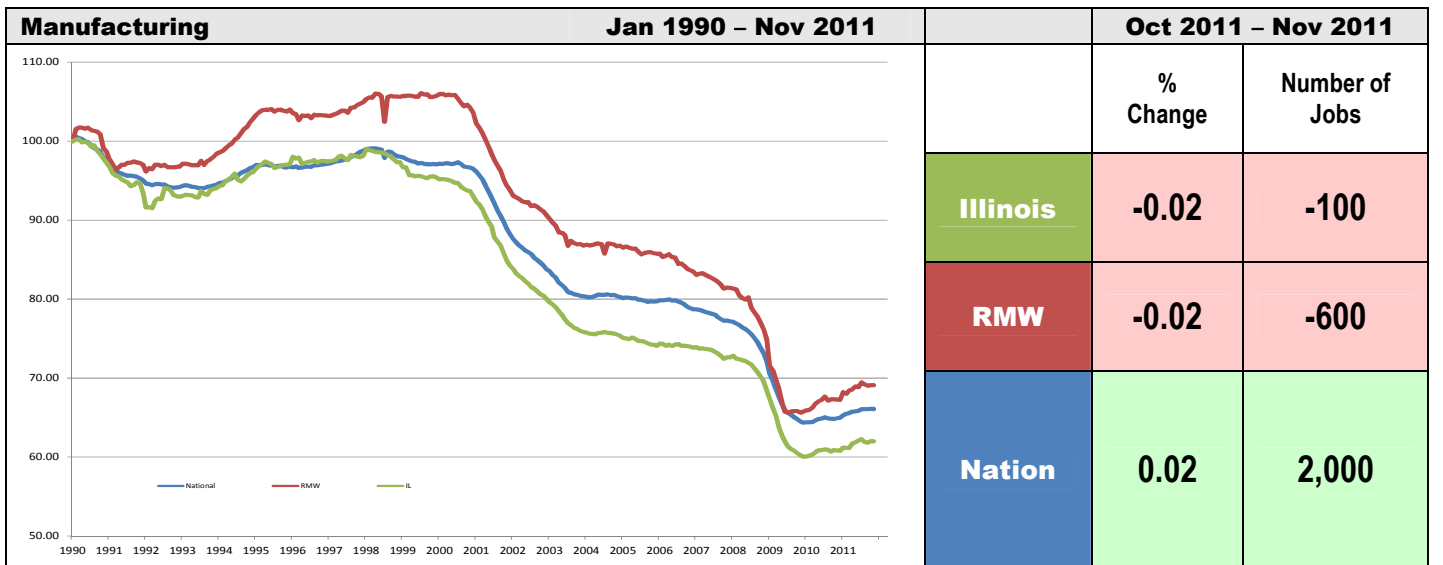
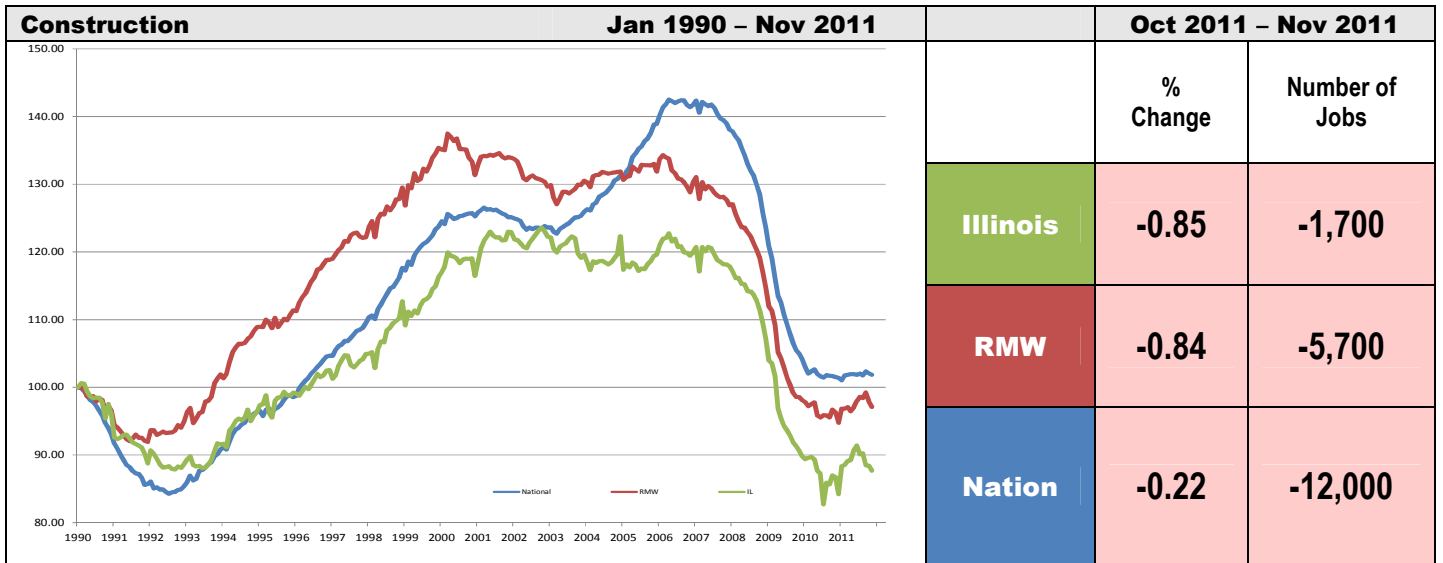
Illinois job recovery by sector from Dec 2007 – Nov 2011

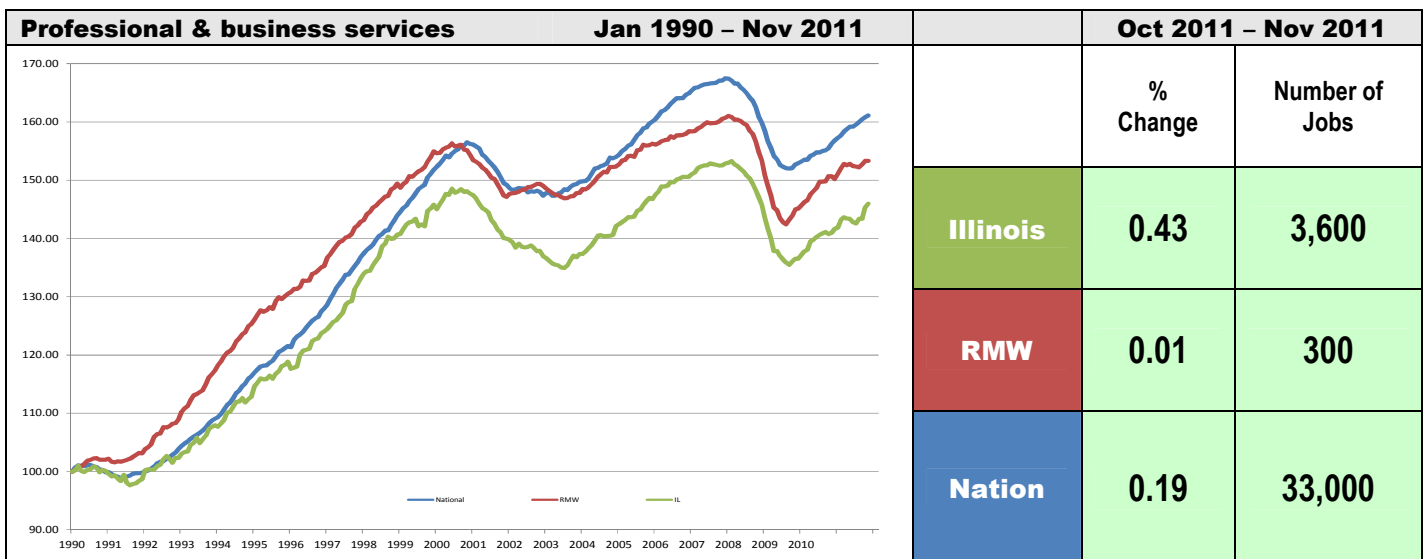
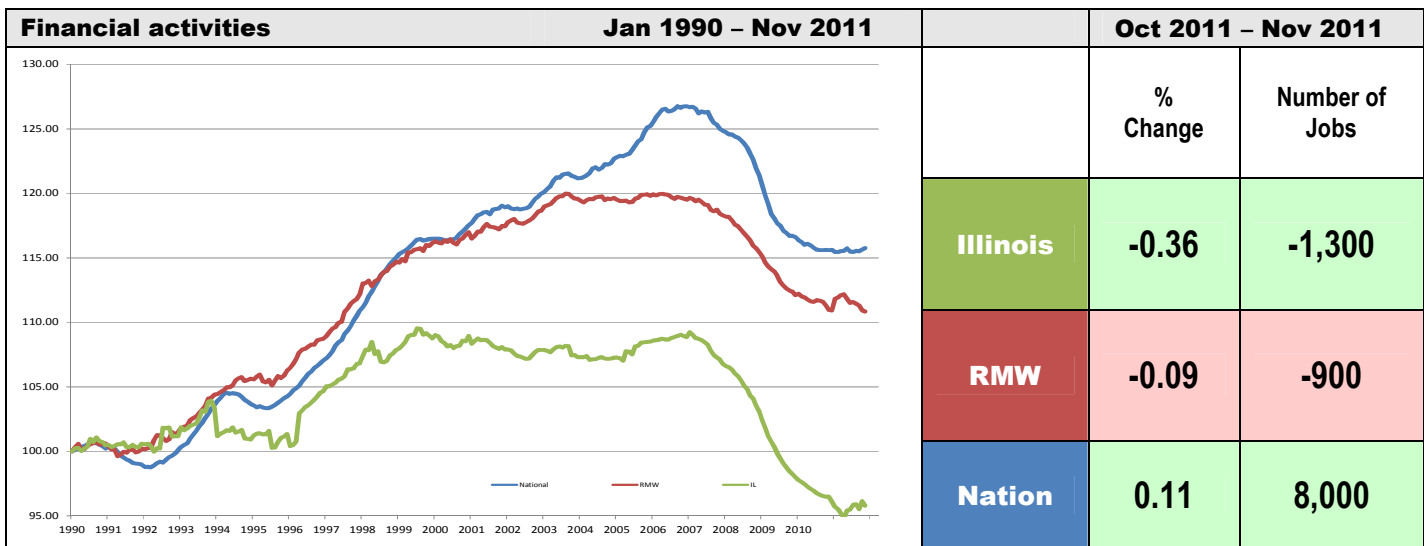
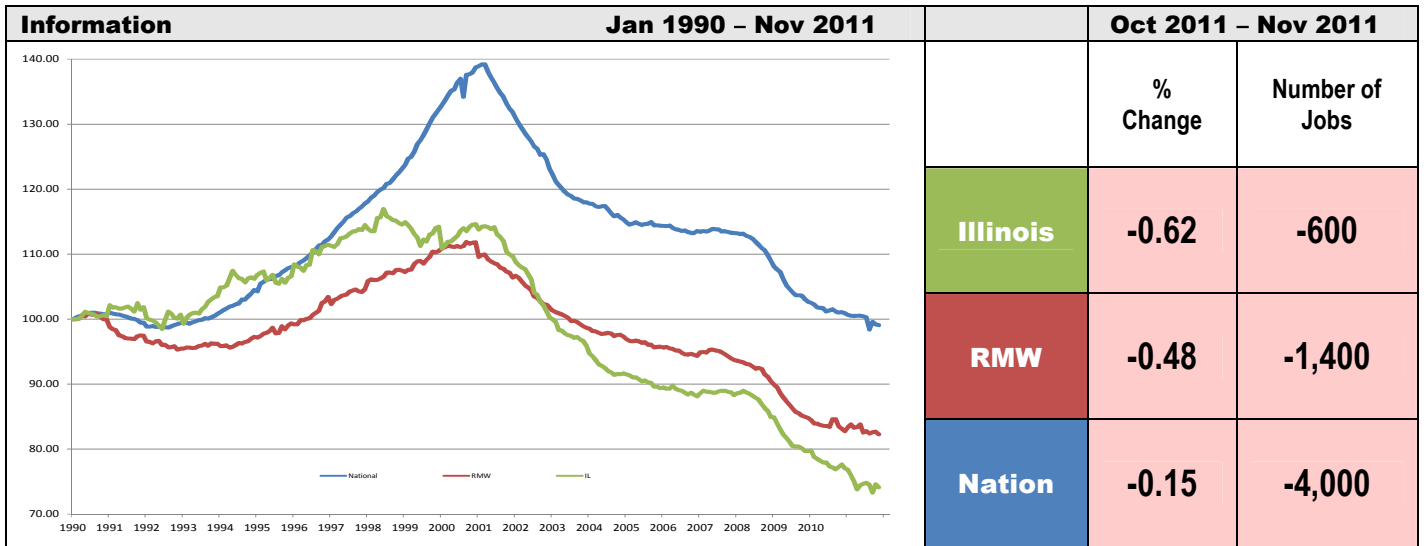
	Job Changes in Recession Period*	Job Recovery Jan 2010- Nov 2011	Recovery Rate	Forecasted Job Recovery Jan 2010- Nov 2012	Forecasted Recovery Rate
Construction	-64,500	-4,800	-7.44%	-15,600	-24.19%
Manufacturing	-116,000	18,200	15.69%	14,700	12.67%
Trade, transportation & utilities (TTU)	-98,100	22,600	23.04%	30,800	31.40%
Information	-11,000	-7,300	-66.36%	-9,700	-88.18%
Financial activities	-32,700	-8,200	-25.08%	-6,800	-20.80%
Professional & business services	-91,400	53,800	58.86%	98,400	107.66%
Education & health	34,300	38,100	--	60,800	--
Leisure & hospitality	-22,800	10,400	45.61%	17,300	75.88%
Other services	-5,900	-4,300	-72.88%	-3,600	-61.02%
Government	5,200	-13,600	--	-7,600	--

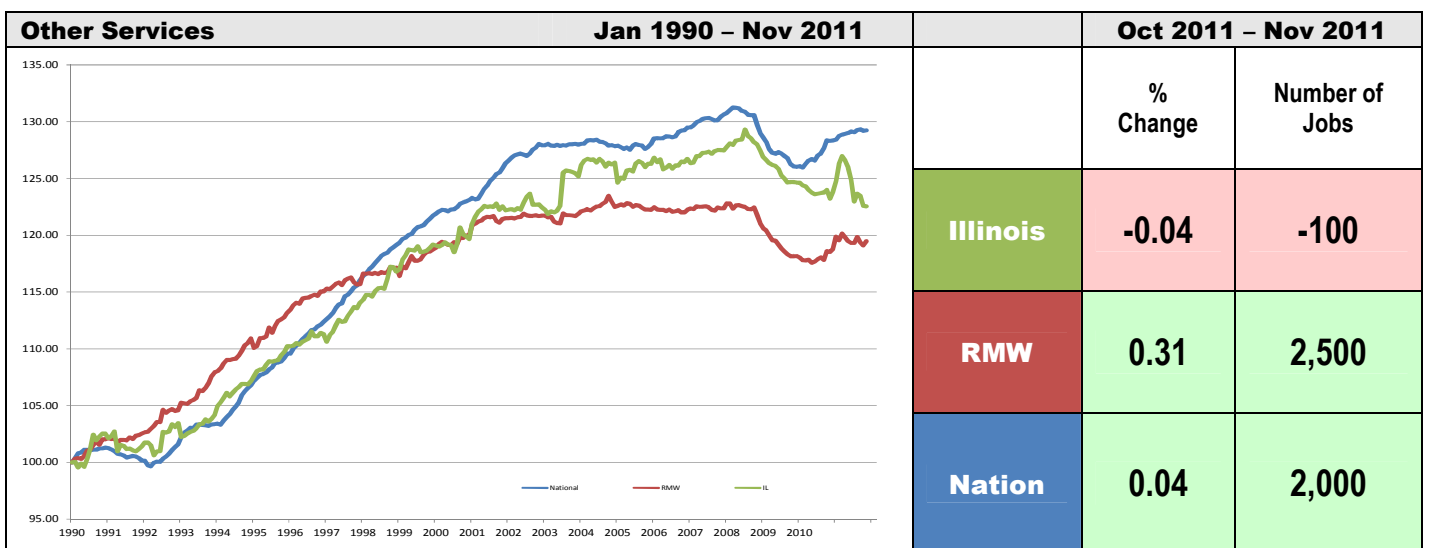
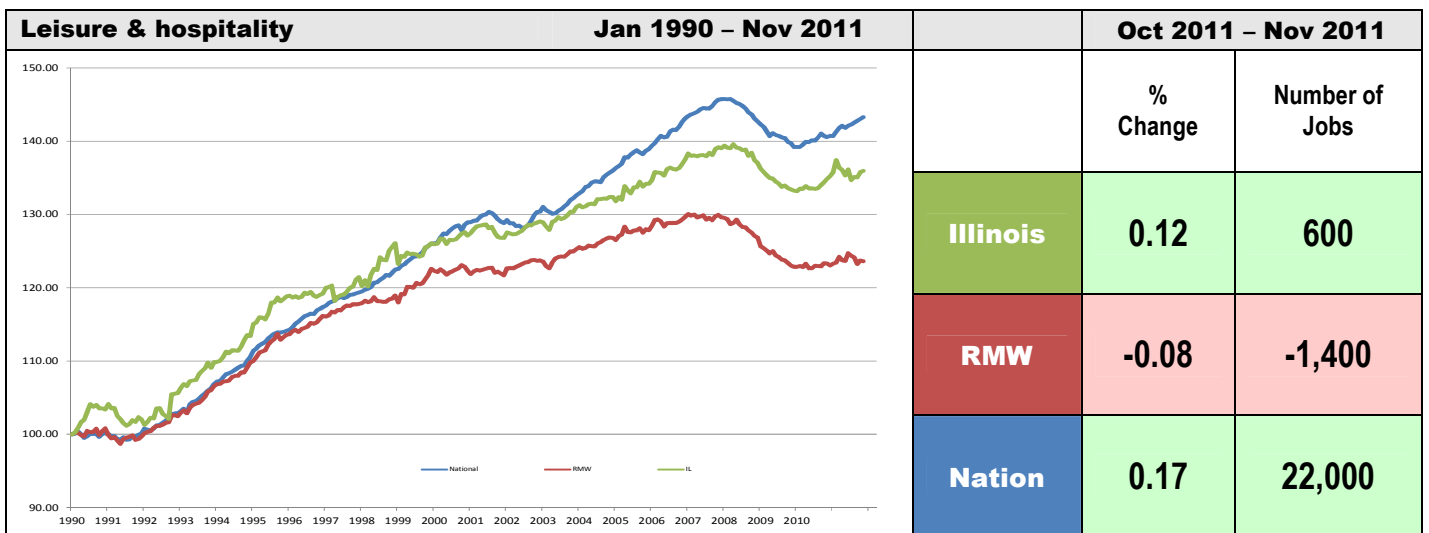
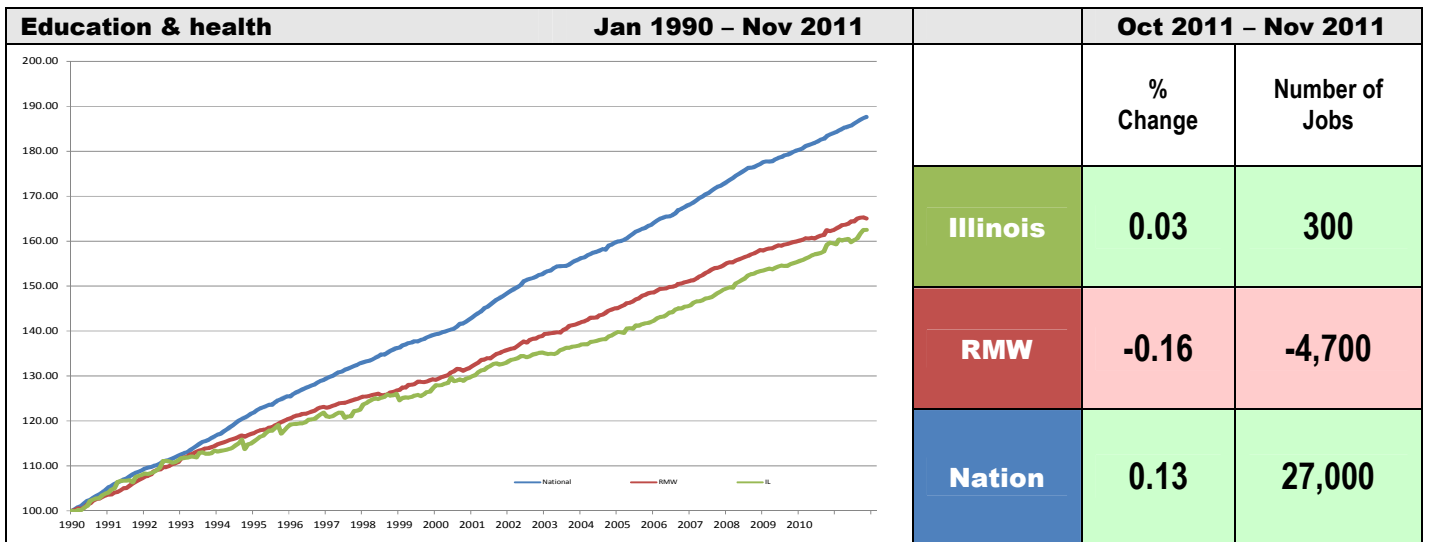
*Recession period: Dec 2007- Dec 2009

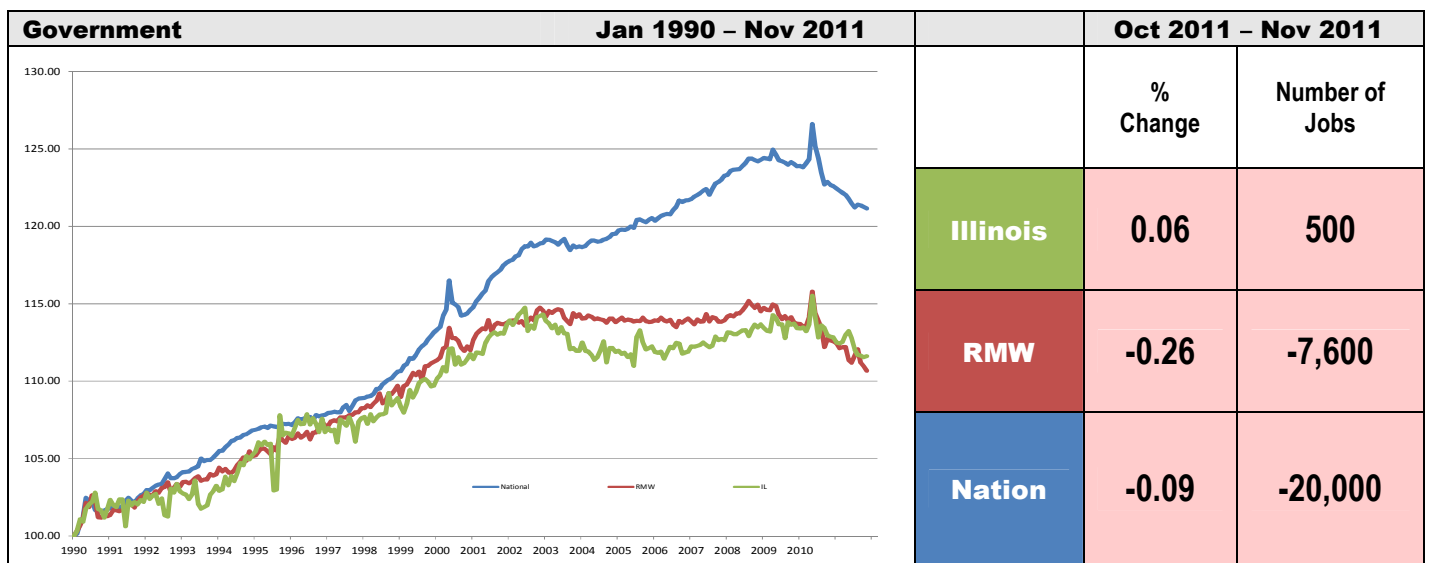
Recovery by Sector

- During the recession period of Dec 2007-Dec 2009, 8 out of 10 Illinois sectors experienced negative job growth. Education & health and Government are the only 2 sectors that had positive job growth during the recession.
- Since Jan 2010, Illinois employment resumed. Manufacturing, Trade, transportation & utilities, Professional & business services and Leisure & hospitality have recovered 15.69%, 23.04%, 58.86%, 45.61%, respectively, from the job lost during the recession.
- However, Construction, Information, Financial activities and Other services continued to lose jobs leading to negative recovery rates of -7.44%, -66.36%, -25.08% and -72.88% respectively.
- The 12-month-ahead job recovery forecasts show that the future recovery for sector such as Manufacturing will slow down while it will increase for sectors such as Trade, transportation & utilities, financial activities, Professional & business services, Leisure & hospitality and Other services.
- Professional & business service is likely to make a full recovery to the level before recession by Nov 2012.
- For sectors such as Construction and Information, they will continue to lose jobs with faster rates.









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.