


Illinois Job Index

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For January Illinois Job Index, the Nation, RMW and the state all had positive job growth.

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 are provided by the Illinois Economic Observatory / Regional Economics Applications Laboratory, University of Illinois.

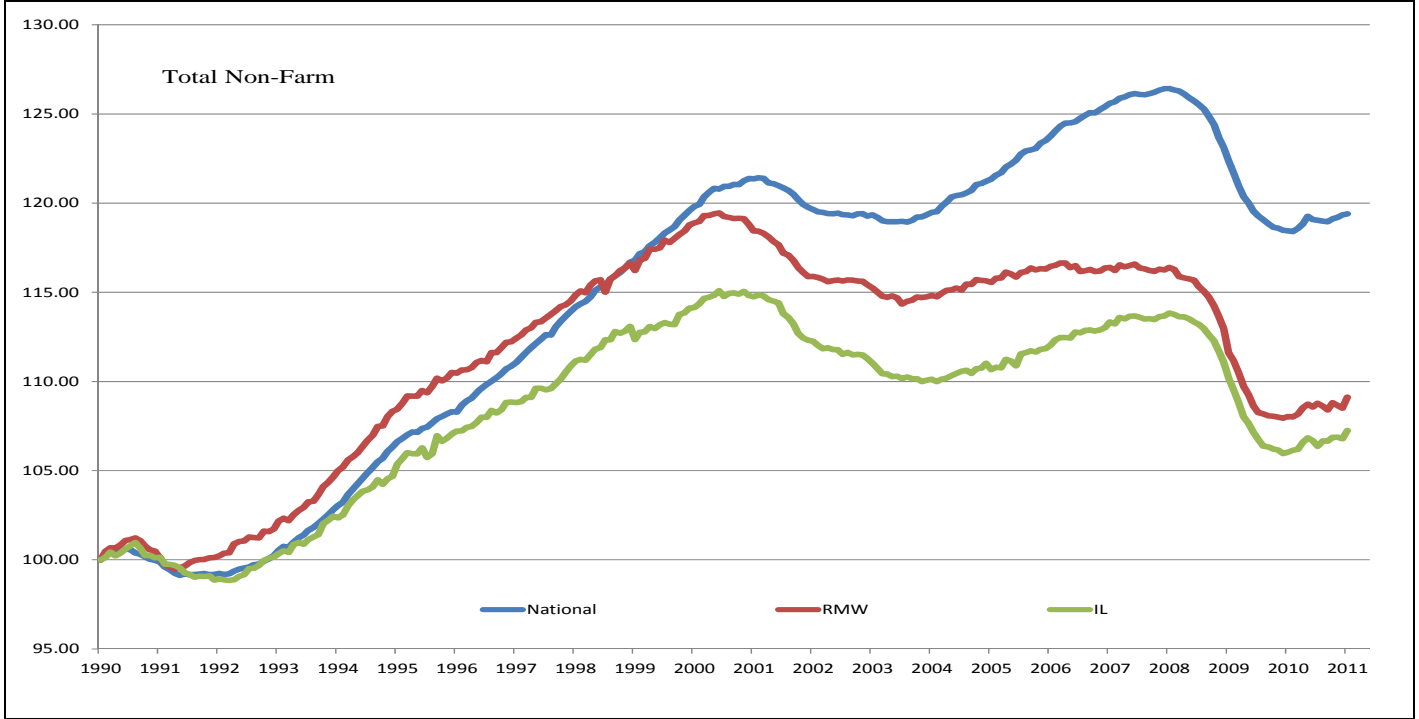
	Feb 2011 Positive		Dec 2010–Jan 2011		Last 12 months		Jan 2011
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R. *
		Nation	0.05	63,000	0.81	1,042,000	12.4%
		RMW	0.56	104,700	1.01	186,200	13.8%
		Illinois	0.44	24,500	1.15	64,200	10.8%

*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 24,500 jobs in January 2011 at a rate of 0.44%, compared with a revised 5,200 job loss in December 2010. Compared to January 2010, Illinois has added 64,200 jobs, the largest monthly year-over-year increase since May 2007. The three-month moving average of jobs, a more stable measure of labor market, was up by 6,700 jobs per month. ▪ In Jan 2011, the Nation added 63,000 jobs at a rate of 0.05%, compared with a revised 152,000 job gain in December. The three-month moving average of jobs was up by 103,000 jobs per month. ▪ RMW added 104,700 jobs in Jan after a revised 26,100 job loss in December. The three-month moving average was up by 17,600 jobs per month. ▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 27 times and positive job gains 10 times so far. The state of Illinois now has a net loss of 337,000 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. ▪ The shadow unemployment rates for Illinois, RMW and the Nation were 10.8%, 13.8% and 12.4%, compared to official unemployment rates of 9.0%, 9.1% and 9.0%. The last time the state rate was below 9.0 percent was February 2009. The Illinois rate has been equal to or below the national rate since October 2010. ▪ Through Jan 2011, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 7.24%, 9.11%, and 19.40%, respectively.
Nation Notes	<ul style="list-style-type: none"> ▪ Total nonfarm payroll employment increased by 63,000 in January. Employment rose in manufacturing and in retail trade but was down in construction and in transportation. ▪ Since the last employment peak in December 2007, the nation has lost 7,660,000 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 2010 were 0.05%, -0.19%, -0.39% and 0.06%, respectively.

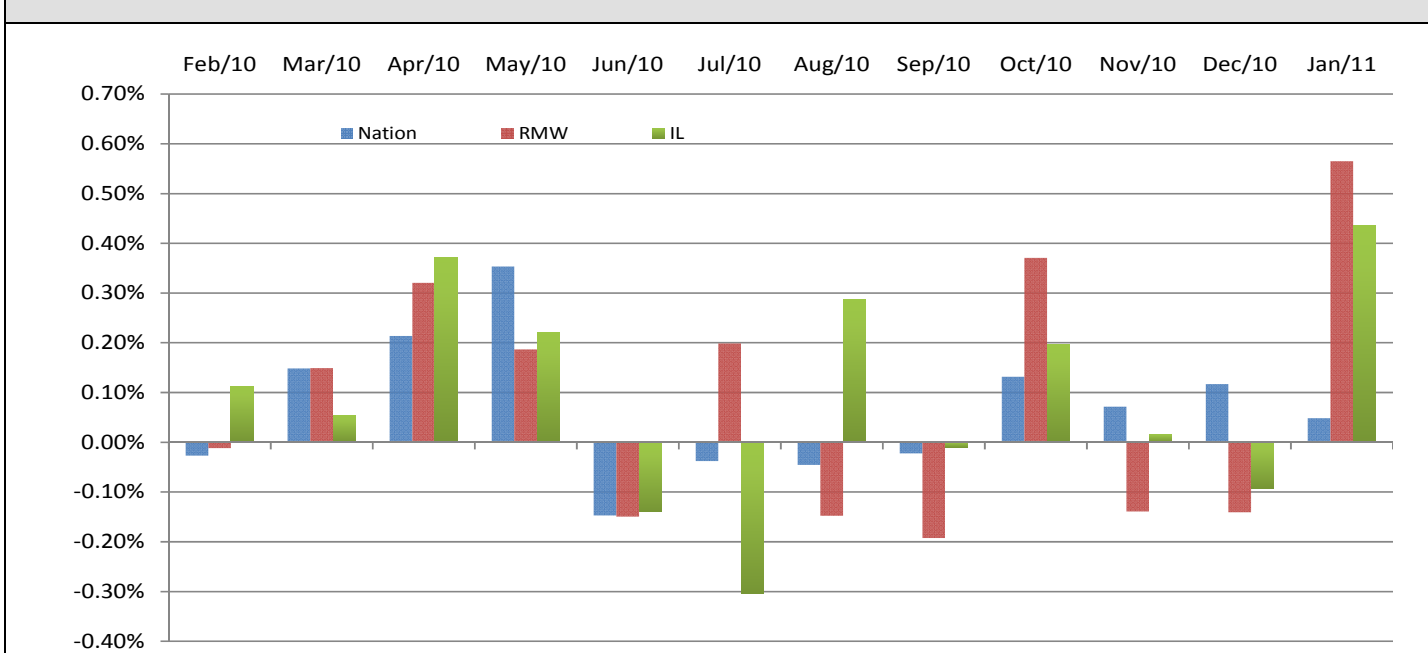
Total Non-farm Employment growth rate Jan 1990 - Jan 2011



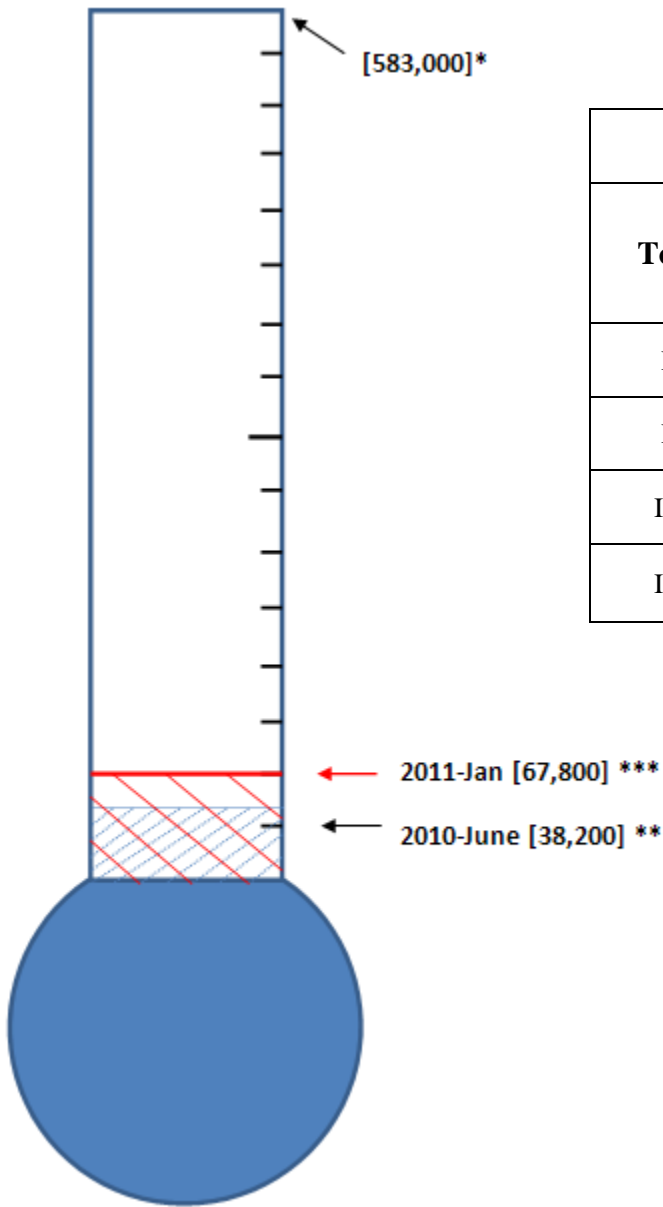
Total Non-farm Employment and Employment Index

	Jan 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	130,323,000	119.40	126.57 (Dec-2007)	21,172,000	-7,660,000
RMW	18,643,800	109.11	119.44 (Jun-2000)	1,557,400	-1,765,700
Illinois	5,648,300	107.24	115.08 (Nov-2000)	381,500	-411,200

Last 12 months Total Non-farm Employment Growth Rate Feb 2010 - Jan 2011



Barometer of Job Recovery



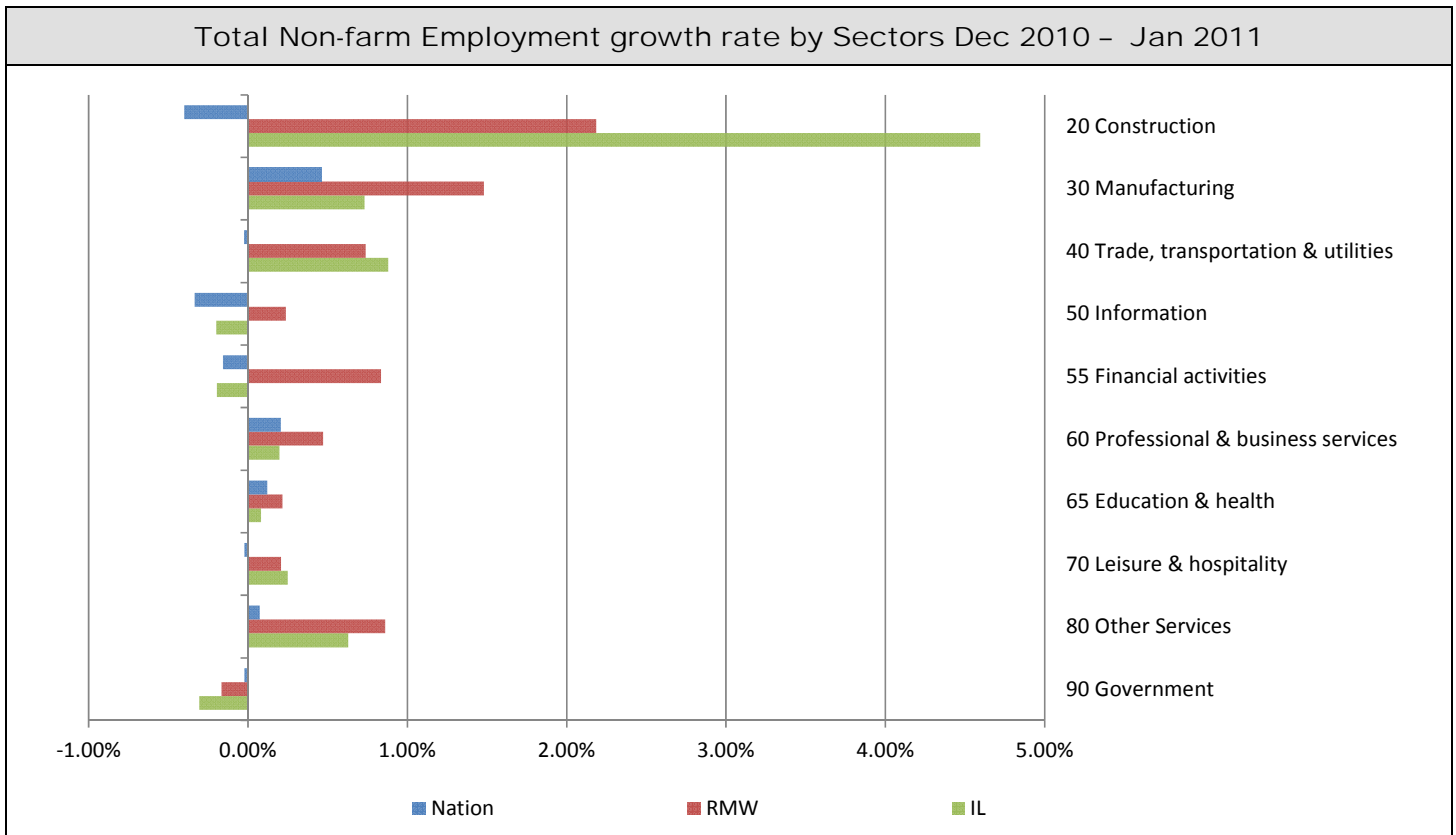
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2011-Jan	At the point of 2010-June
In 5 years	103,000 jobs/year	109,000 jobs/year
In 8 years	64,000 jobs/year	68,000 jobs/year
In 10 years	52,000 jobs/year	54,000 jobs/year
In 15 years	34,000 jobs/year	36,000 jobs/year

* The figure 583,000 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 479,000. 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 583,000.

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

*** The figure 67,800 represents the jobs recovered from Dec. 2009 through Jan. 2011.

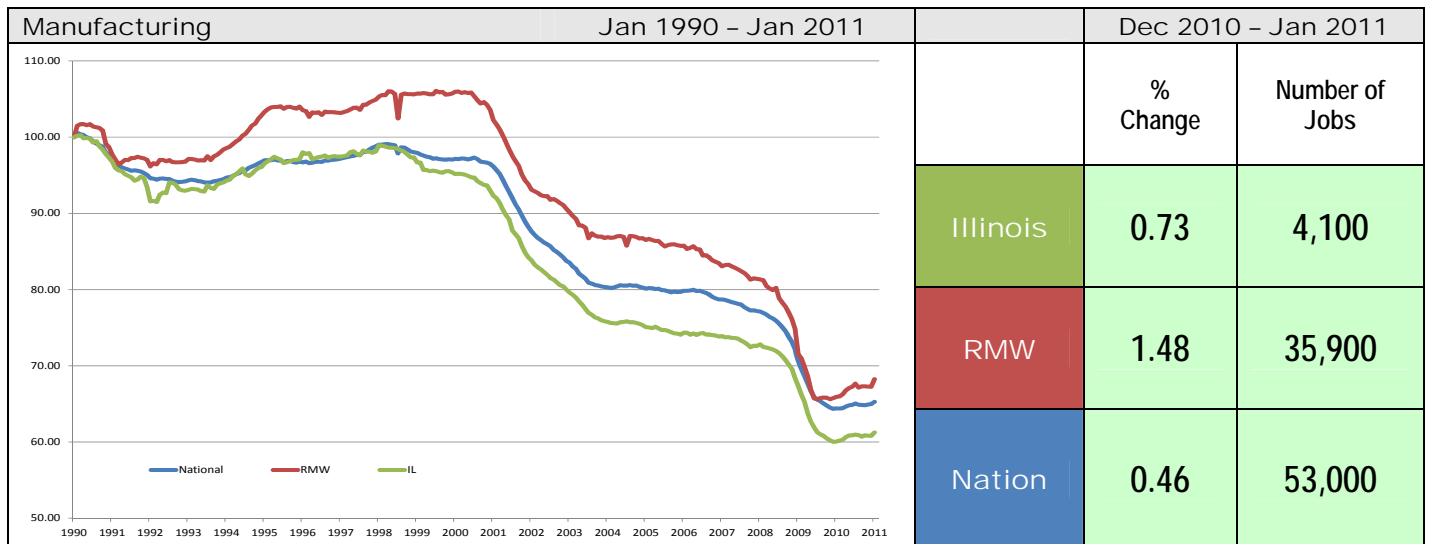
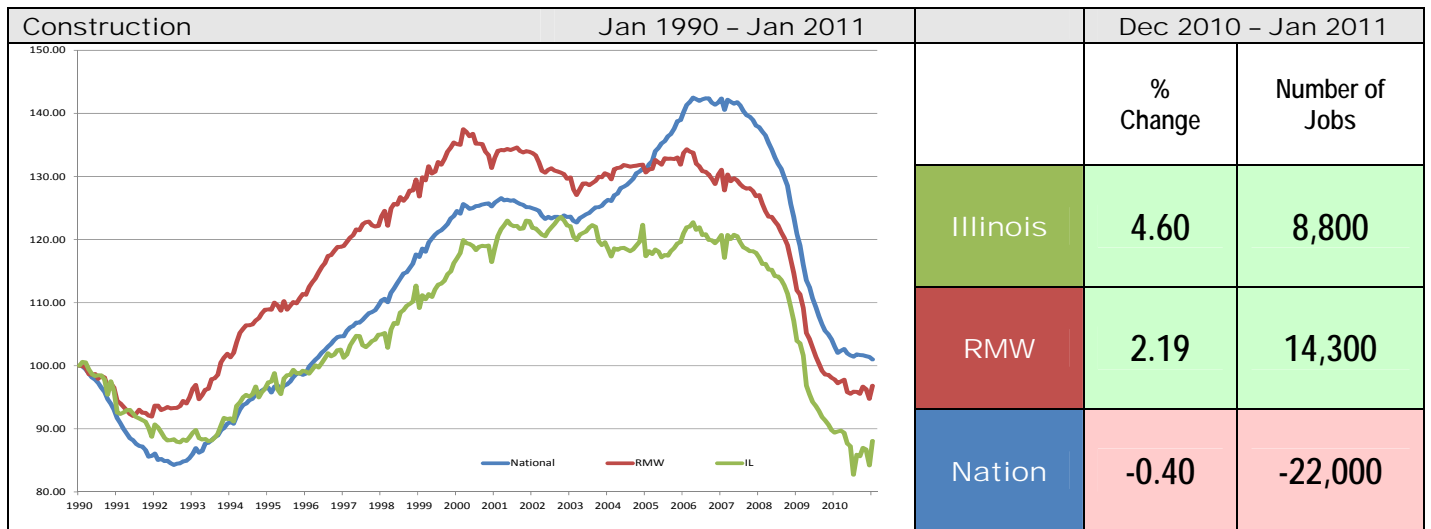
By employment sector:

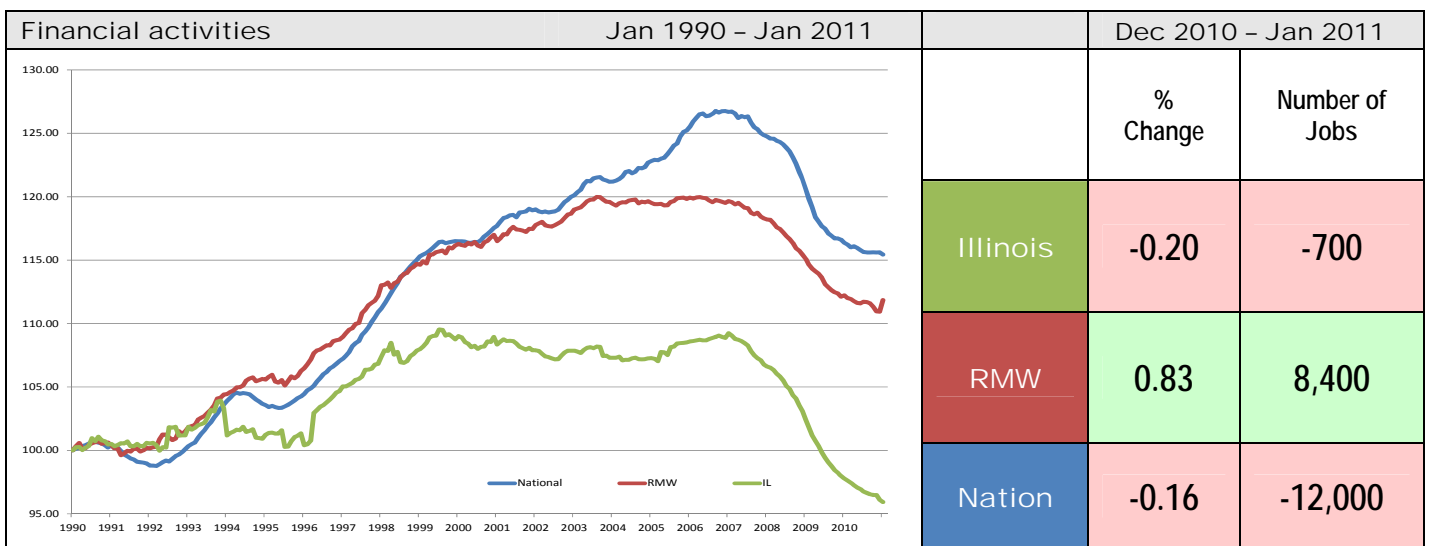
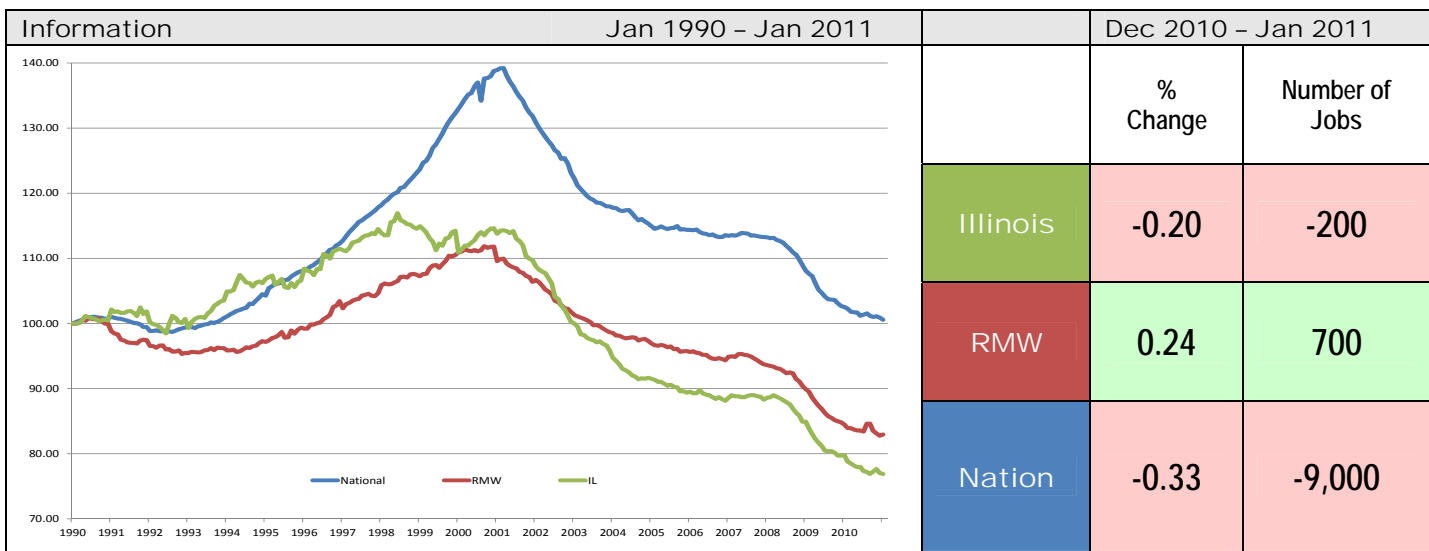
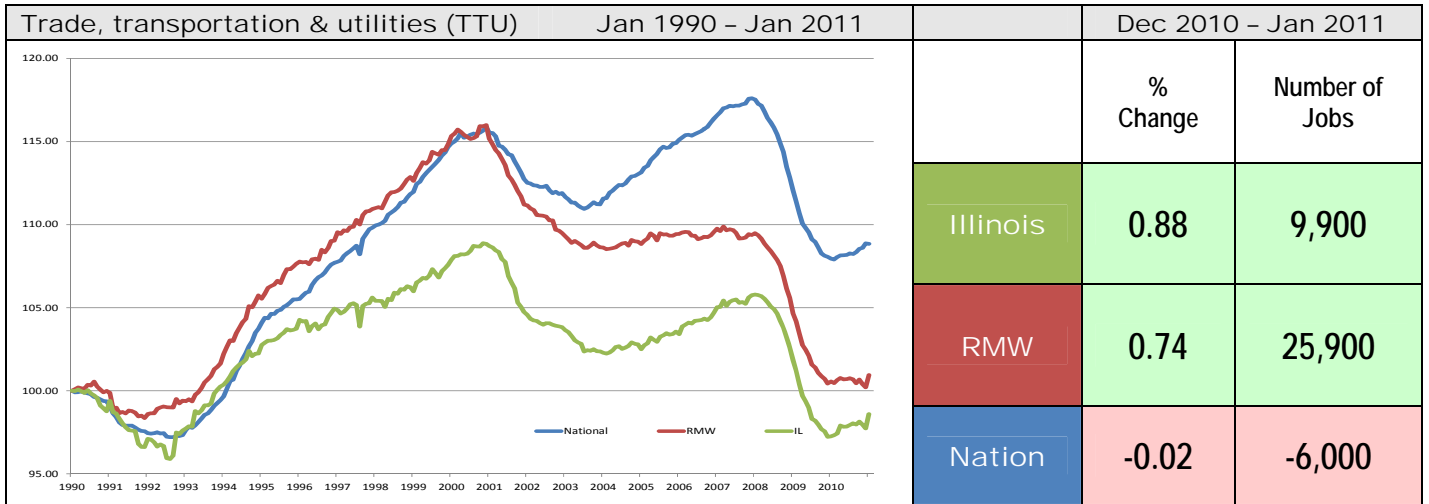


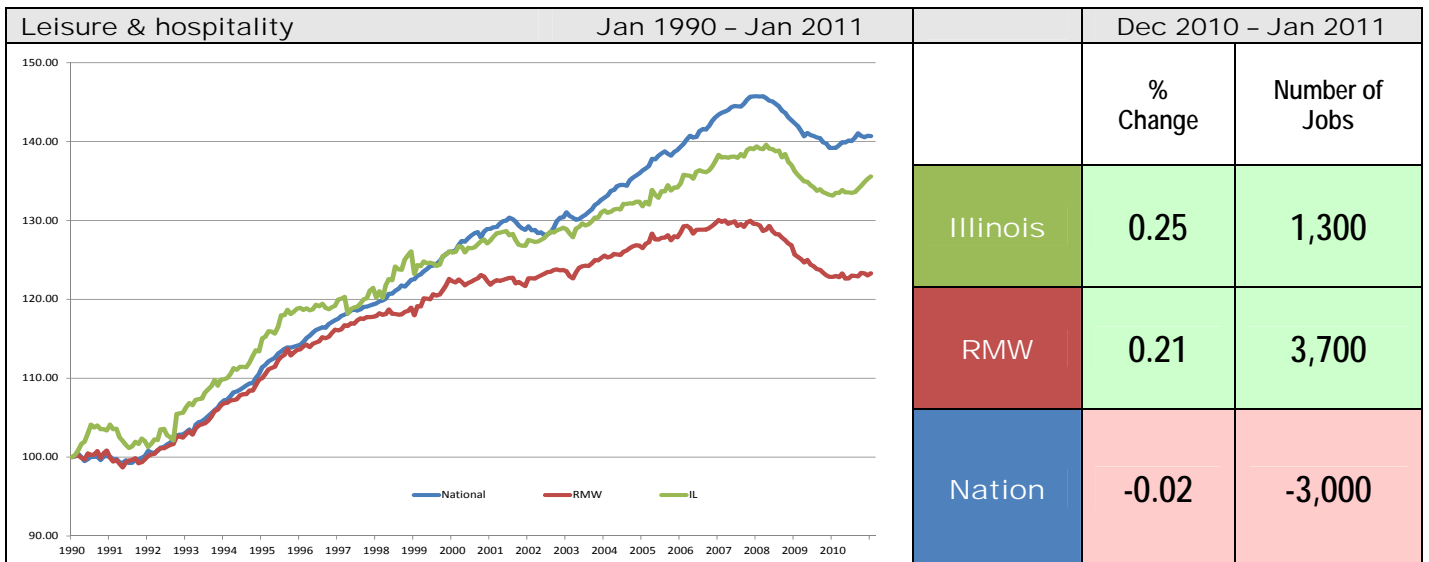
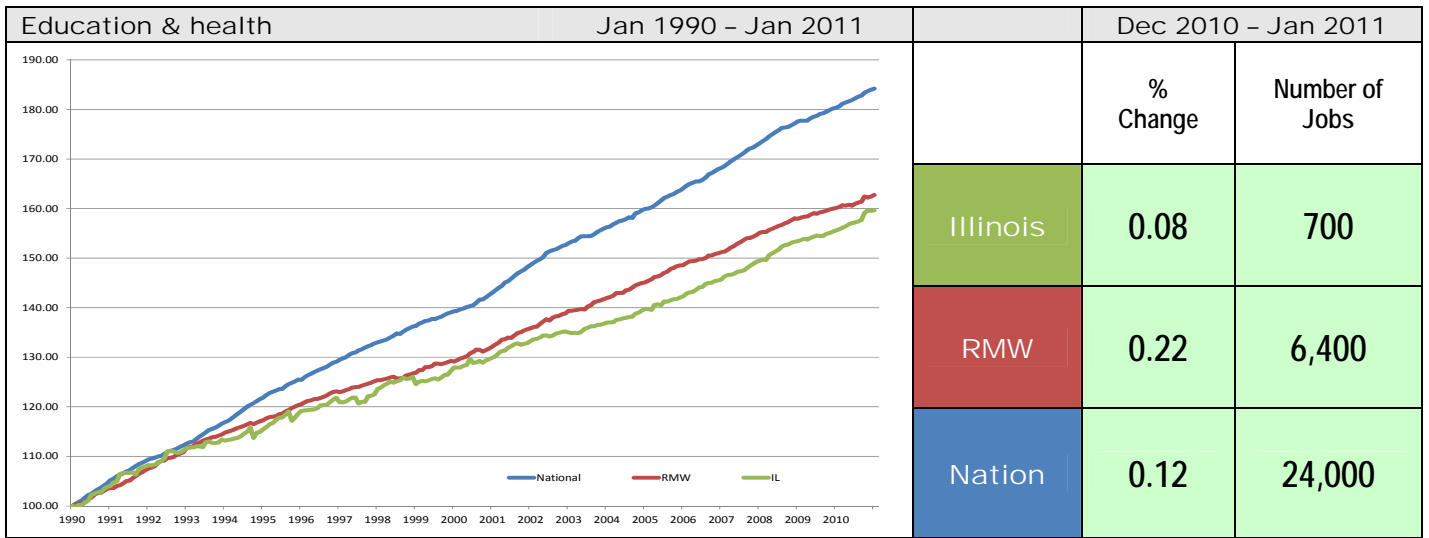
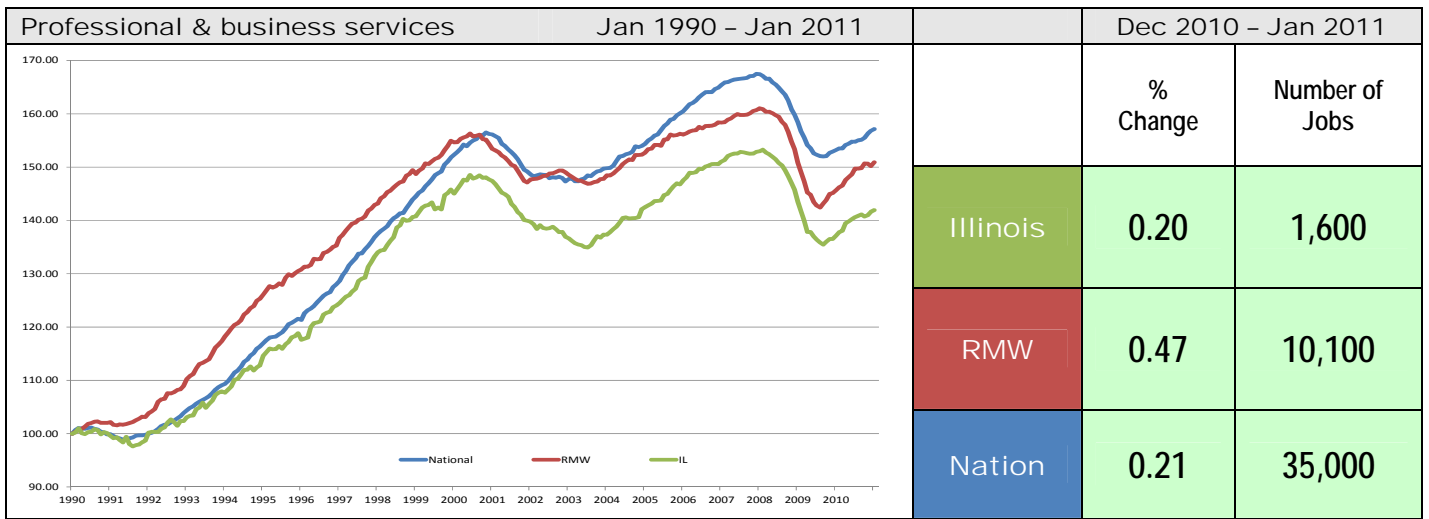
Sector notes	<ul style="list-style-type: none"> ▪ Illinois posted positive change in Jan 2011 by adding 24,500 jobs. Seven out of ten sectors recorded net gains. Compared to Dec, Construction (-2.89% to 4.60%) had a major performance gain. Leisure and Hospitality (0.29% to 0.25%) in Illinois experienced major performance loss. In addition, compared to Dec, Trade, transportation & utilities (-0.23% to 0.88%), Manufacturing (-0.04% to 0.73%) had relative performance gains, while Government (-0.05% to -0.20%), Professional & business services (0.47% to 0.20%) faced relative losses in performance. ▪ In Jan at the national level, the top three job-gain sectors were: <ul style="list-style-type: none"> ○ Manufacturing: 53,000 (0.46%) ○ Professional & business services: 35,000 (0.21%) ○ Education & health: 24,000 (0.12%) ▪ Major losses at the national level in Jan were recorded by: <ul style="list-style-type: none"> ○ Construction: -22,000 (-0.40%) ○ Information: -9,000 (-0.33%) ○ Government: -5,000 (-0.02%) ▪ For Illinois, the top three job-gain sectors in Jan were: <ul style="list-style-type: none"> ○ Construction: 8,800 (4.60%) ○ Trade, transportation & utilities: 9,900 (0.88%) ○ Manufacturing: 4,100 (0.73%) ▪ Following are the major sectors that lost jobs in Jan for Illinois: <ul style="list-style-type: none"> ○ Government: -2,600 (-0.31%) ○ Financial activities: -700 (-0.20%) ○ Information: -200 (-0.20%) ▪ For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -357,100 fewer jobs, Construction is down -27,100 jobs, Information down -30,200 jobs, Trade transportation & utilities down -16,200 jobs, and Financial activities down -15,200 jobs.
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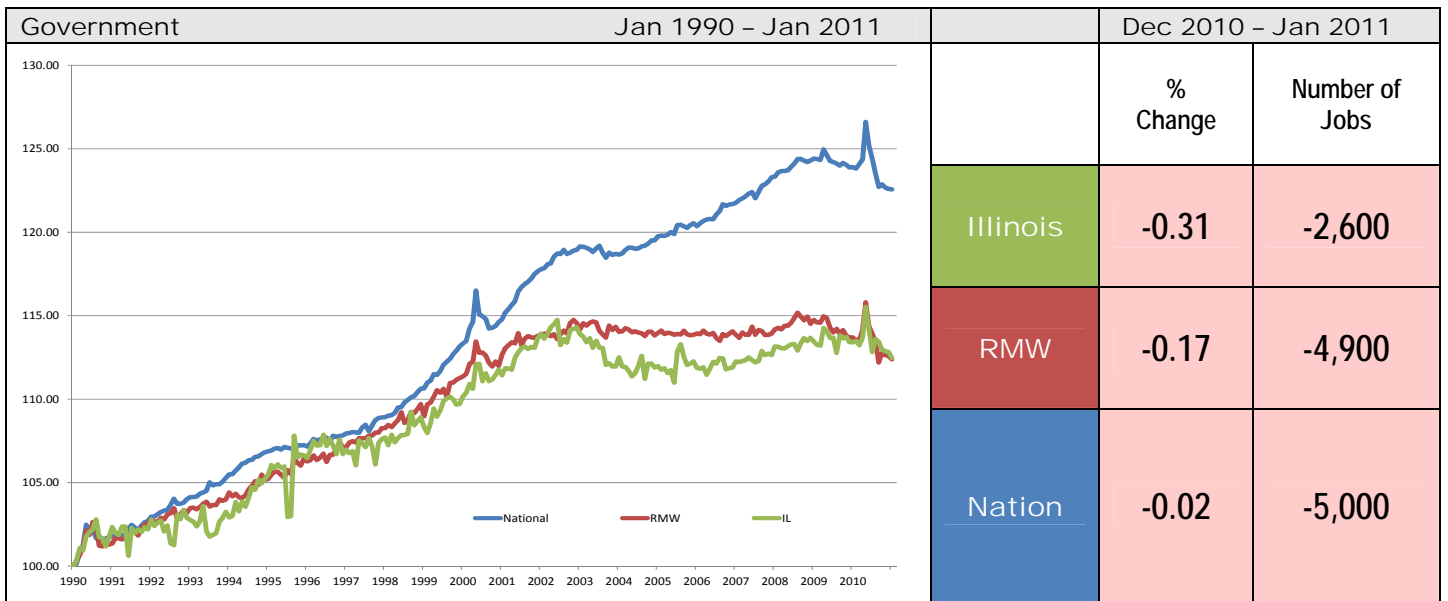
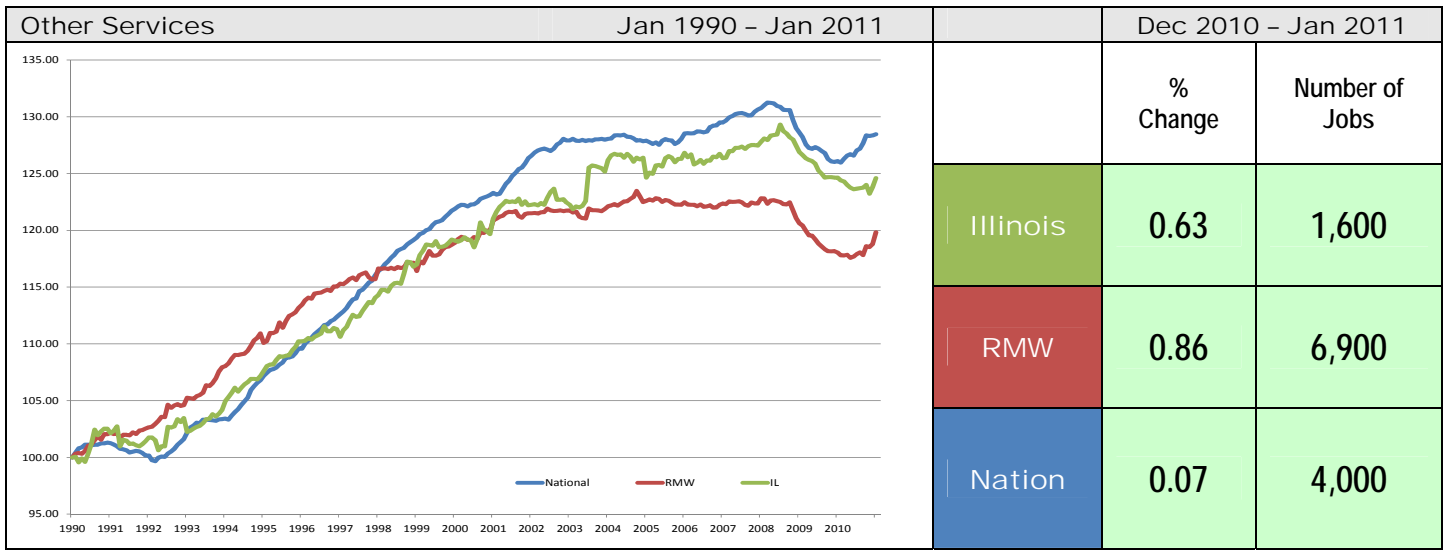
Total Non-farm Employment growth rate by sector Jan 1990 - Jan 2011

	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	-	-	-27,100	-11.92	-3.17	1.00
Manufacturing	-	-	-357,100	-38.75	-31.76	-34.73
Trade, transportation & utilities (TTU)	-	-	-16,200	-1.41	0.95	8.85
Information	-	-	-30,200	-23.12	-17.05	0.56
Financial activities	-	-	-15,200	-4.08	11.85	15.44
Professional & business services	-	-	239,600	41.92	50.90	57.14
Education & health	-	-	315,600	59.66	62.76	84.21
Leisure & hospitality	+	-	136,700	35.58	23.30	40.70
Other Services	+	-	50,500	24.59	19.82	28.45
Government	+	-	94,200	12.48	12.40	22.57









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.