

Illinois Job Index: MSA Report



Illinois Coalition for Jobs, Growth & Prosperity

Release
11/x/2006

data
Jan 1990 / Oct 2006

Issue
10.1

www.jobsillinois.us

As a companion to the October 2006 Illinois Job Index that reports a **Positive Rating**, this MSA Report provides a localized picture on Illinois job growth and allows for comparisons between local economies, Illinois, Nation and Rest of the Midwest.

| November 2006 | Total non-farm employment | Sep 2006 – Oct 2006 | | Last 12 months | |
|------------------|----------------------------------|---------------------|-------------------|--------------------|-------------------|
| | | Growth Rate (%) | Number of Jobs | Growth Rate (%) | Number of Jobs |
| | Illinois non-Metro (Rural) | - 0.11 | - 600 | +1.54 | +8,000 |
| | Illinois non-Chicago (Downstate) | - 0.18 | - 3,000 | +0.65 | +11,000 |
| | Illinois Metro | +0.03 | +1,700 | +0.98 | +52,900 |
| | Illinois | +0.02 | +1,100 | +1.03 | +60,900 |
| | Rest of Midwest (RMW) | - 0.13 | - 26,200 | +0.27 | +53,700 |
| | Nation | +0.07 | +92,000 | +1.47 | +1,967,000 |

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. The MSA data (unless noted) were seasonally adjusted to be consistent with state totals.

Talking Points

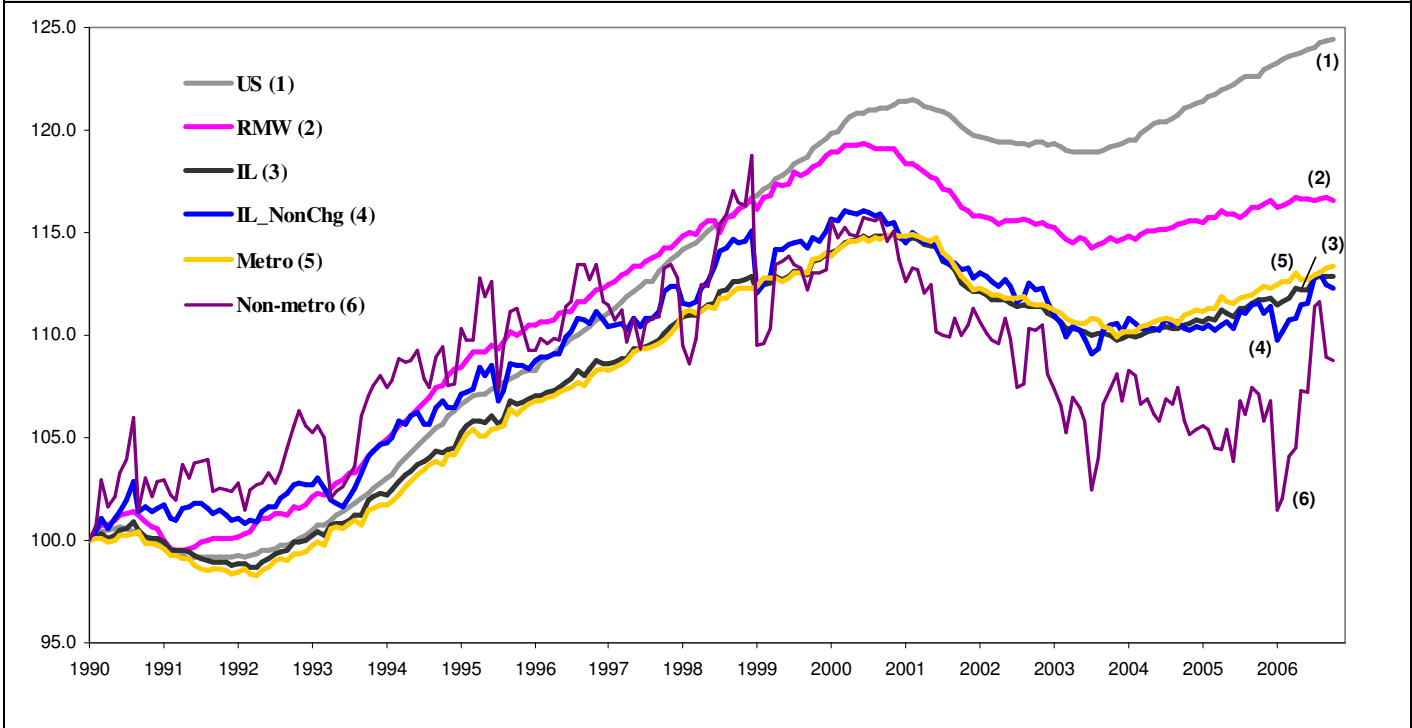
State, Downstate & Metro

- By adding 1,100 new TNF jobs at a monthly growth rate of only 0.02% in October, Illinois continued its sluggish growth for another the third month in a row.
- Over the last 12-month period, Illinois created 53% of total new jobs in Midwest which is the highest ever since January 1990 except December 2000 when it was 97%. Comparison with long term trends suggests that this is due not only to better performance of Illinois but also to simultaneous poor performance of RMW during the period.
- Downstate lost 3,000 jobs at 0.18% in October; though it is lower than previous month's losses, this significantly undermined the contribution of Chicago to the Illinois total.
- US growth rate over 12-month period recorded in October, like previous two months, was above Chicago and the gap reached the highest level in the last 5 months since June 2006.
- Non-metro (rural) Illinois recorded smaller monthly losses (600) in October; however Metro in Illinois added only 1,700 jobs compared to the huge monthly gain of 13,900 in the previous month. This resulted in a much smaller monthly job creation in Illinois (1,100) in comparison to the monthly average gain of 6,500 in 2006.

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- Slow monthly growth of MSAs in Illinois, despite 4,100 job additions in Chicago is explained by huge losses in Champaign-Urbana and also in Metro-East; the former had the largest monthly losses of 2,400 jobs since 1990, while the latter had the biggest monthly losses of 1,000 in last five months since June 2006.
- Even with the remarkable growth rates for Bloomington Normal (0.45%), Rockford (0.32%) and Springfield (0.36%), Chicago continued to add the largest number of TNF jobs for the last four consecutive months.
- During October, all MSAs except Bloomington-Normal and Rockford had declines from the previous month based on the revised data. Highest declines from the previous month, however, were recorded for Champaign-Urbana (6,000) followed by Chicago (4,800).
- While the growth rate over 12-month period reveals best performance of Rockford in October (2.08%), the highest number of jobs were added by Chicago (50,000 jobs) followed by Non-metro areas (8,000 jobs).
- In October, Davenport-Rock Island-Moline, Decatur and Metro-East joined Bloomington-Normal as net loser of jobs over last 12 month period. Except for Metro-East which recorded the slower growth pattern than Illinois for the two consecutive months, all the MSAs with slower growth had faster growth patterns than Illinois.

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



Talking Points

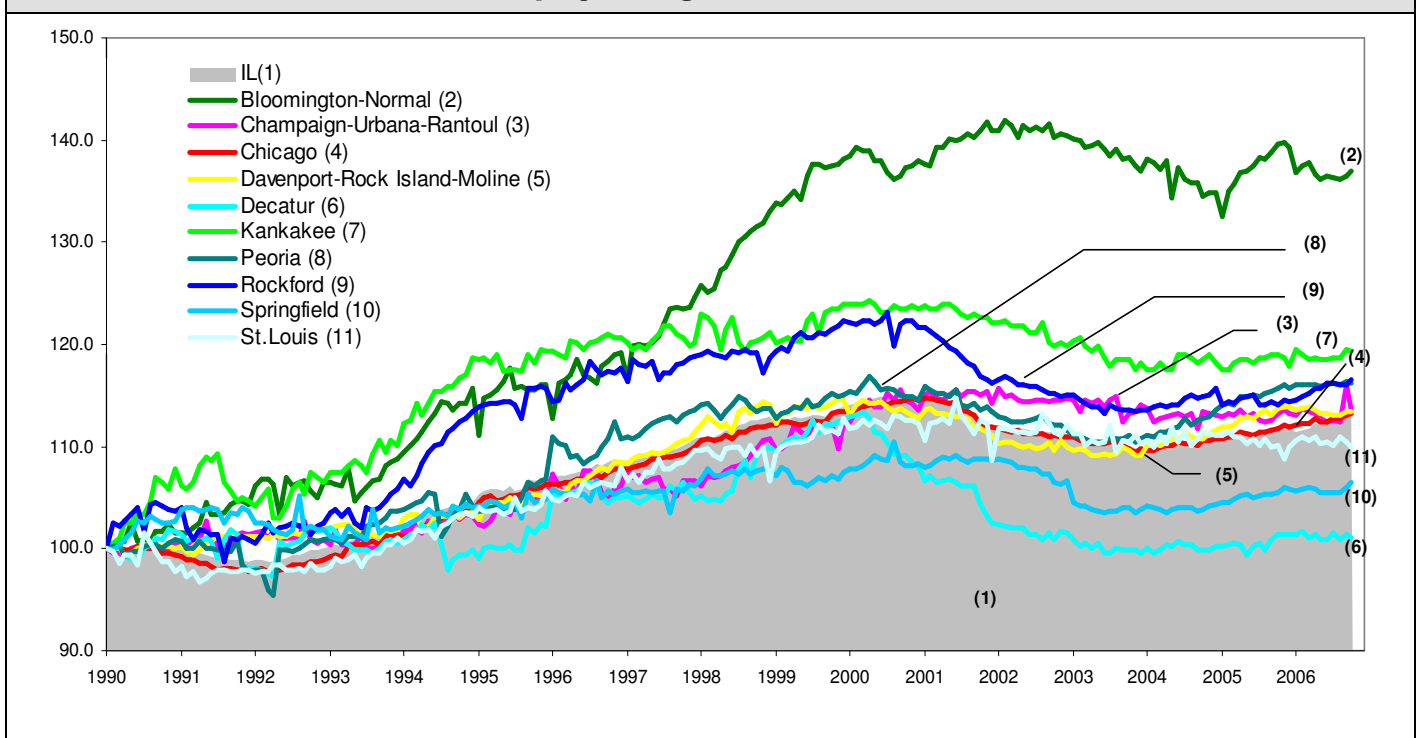
State, Downstate & Metro

- Due to stagnant job index of Illinois since August in the face of faster growth in the US, the gap in the job index between Illinois and Nation further widened in October.
- After continuous gains for the seven consecutive months in 2006, Downstate had net losses for the last two months; however the losses were down significantly from the previous month.
- Metro had steady job growth comparable to that of Illinois while Non-Metro reversed its sharp growth into the sharp losses for the last two months since September.

By MSA

| Total non-farm employment Seasonally adjusted unless noted* | Sep 2006 – Oct 2006 | | | Last 12 months | |
|--|-----------------------------|---------------|----------------|----------------|----------------|
| | Change compared to Illinois | Growth Rate % | Number of Jobs | Growth Rate % | Number of Jobs |
| Bloomington-Normal (B-N) | + | 0.45 | 400 | - 1.86 | - 1,700 |
| Champaign-Urbana (C-U-R) | - | - 2.10 | - 2,400 | 0.27 | 300 |
| Chicago | + | 0.10 | 4,100 | 1.19 | 49,900 |
| Davenport-Rock Island-Moline (D-R-M) | + | 0.11 | 200 | - 0.21 | - 400 |
| Decatur | - | - 0.18 | - 100 | - 0.18 | - 100 |
| Kankakee | - | - 0.23 | - 100 | 0.23 | 100 |
| Peoria | - | - 0.17 | - 300 | 0.50 | 900 |
| Rockford | + | 0.32 | 500 | 2.08 | 3,200 |
| Springfield | + | 0.36 | 400 | 0.89 | 1,000 |
| Metro-East* | - | - 0.42 | - 1,000 | - 0.13 | - 300 |
| Illinois | | 0.02 | 1,100 | 1.03 | 60,900 |

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



Shaded area on above chart represents Illinois growth.

MSA DESCRIPTION: **Bloomington-Normal (B-N):** McLean Co. **Champaign-Urbana (C-U-R):** Champaign Co., Ford Co. & Piatt Co. **Chicago:** Cook Co. IL, DeKalb Co. IL, DuPage Co. IL, Grundy Co. IL, Kane Co. IL, Kendall Co. IL, Lake Co. IL, McHenry Co. IL, Will Co. IL & Kenosha Co. WI **Davenport-Moline-Rock Island (D-R-M):** Henry Co. IL, Mercer Co. IL, Rock Island Co. IL & Scott Co. IA **Decatur:** Macon Co. **Kankakee:** Kankakee Co. **Metro-East:** Bond Co., Calhoun Co., Clinton Co., Jersey Co., Macoupin Co., Madison Co., Monroe Co. & St. Clair Co. **Peoria-Pekin (Peoria):** Marshall Co., Peoria Co., Stark Co., Tazewell Co. & Woodford Co. **Rockford:** Boone Co. & Winnebago Co. **Springfield:** Menard Co. & Sangamon Co.

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.

The MSA data (unless noted) were seasonally adjusted to be consistent with state totals.