


# Illinois Job Index

Release <b>01/31/2011</b>	Data <b>Jan 1990 / Dec 2011</b>	Issue <b>2012.01</b>	<b>www.real.illinois.edu</b>
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For November Illinois Job Index, the state and the Nation had positive job growth, the RMW had negative job growth.

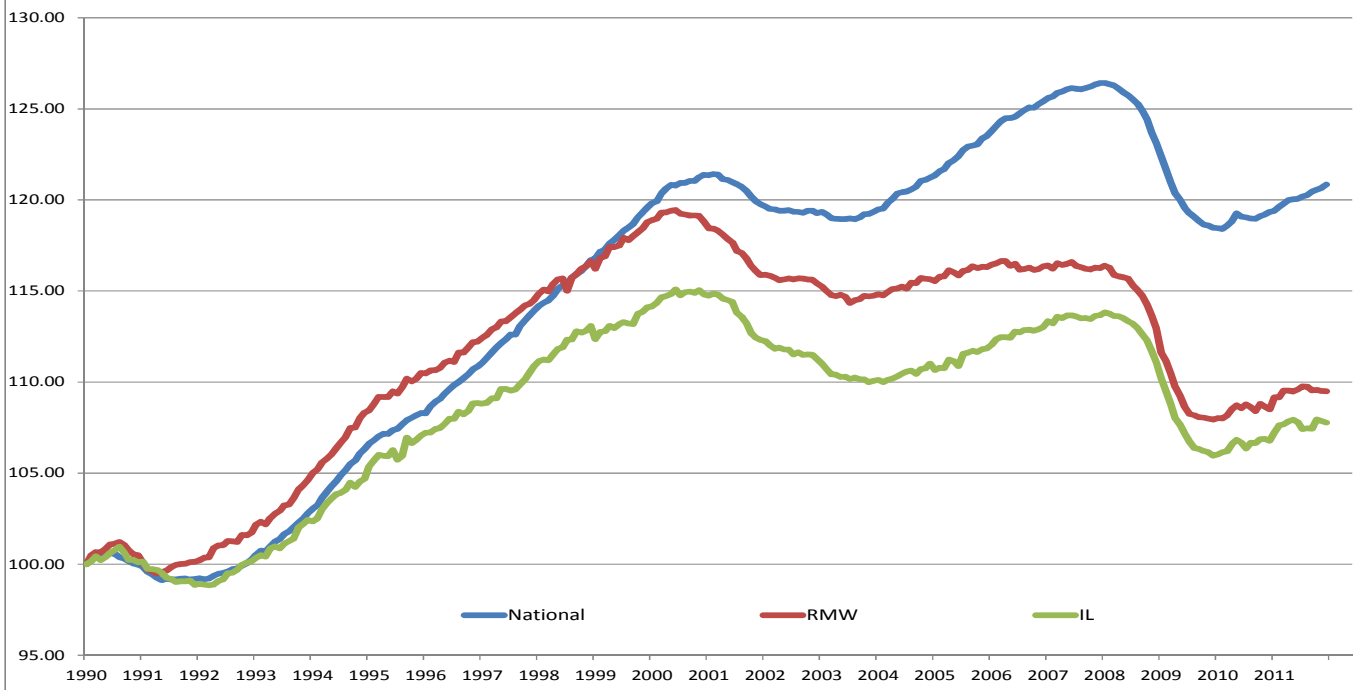
The Illinois Job Index and MSA Report are issued monthly as tools for elected officials, policy leaders and the public. The objective is to enhance the understanding of the Illinois economy and business climate by comparing and measuring Illinois employment growth rates against those of the Rest of the 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.

	<b>Jan 2012 Negative</b>		<b>Nov 2011– Dec 2011</b>		<b>Last 12 months</b>		<b>Dec 2011</b>
		<b>Total non-farm employment</b>	<b>Growth Rate %</b>	<b>Number of Jobs</b>	<b>Growth Rate%</b>	<b>Number of Jobs</b>	<b>Shadow U.R. *</b>
		Nation	0.15	200,000	1.26	1,640,000	12.2%
		RMW	-0.01	-2,300	0.91	169,300	13.5%
		Illinois	-0.07	-4,100	0.94	52,600	12.4%

\*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.

<b>Talking Points</b>	
<b>Illinois Notes</b>	<ul style="list-style-type: none"> <li>▪ Illinois shed 4,100 jobs in Dec 2011 at a rate of -0.07%, compared with a revised 5,000 job losses in Nov 2011. Compared to Dec 2010, Illinois has added 52,600 jobs. The three-month moving average of jobs, a more stable measure of labor market, was up by 5,900 jobs per month.</li> <li>▪ In Dec 2011, the Nation added 200,000 jobs, compared with a revised 100,000 job gain in Nov. The three-month moving average of jobs was up by 137,000 jobs per month.</li> <li>▪ RMW shed 2,300 jobs in Dec at a rate of -0.01% after a revised 10,800 job loss in Nov. The three-month moving average was down by 2,800 jobs per month.</li> <li>▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 31 times and positive job gains 17 times so far. The state of Illinois now has a net loss of 308,800 jobs since the beginning of the recession in December 2007.</li> <li>▪ Five sectors in Illinois have employment levels this month that are lower than January 1990 – Construction, Manufacturing, Trade, transportation &amp; utilities, Information and Financial activities.</li> <li>▪ Since January 2010, when Illinois employment growth resumed after the national recession, Illinois has added 95,900 new jobs.</li> <li>▪ The 12-month-ahead job recovery forecasts show that three sectors will experience faster recovery rates in December 2012. For sectors such as Construction, Information and Financial activities, they may continue to lose jobs with faster rates.</li> <li>▪ The shadow unemployment rates for Illinois, RMW and the Nation were 12.4%, 13.5% and 12.2%, compared to official unemployment rates of 9.8%, 8.1% and 8.5%.</li> <li>▪ Through Dec 2011, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 7.78%, 9.49%, and 20.84%, respectively.</li> </ul>
<b>Nation Notes</b>	<ul style="list-style-type: none"> <li>▪ Total nonfarm payroll employment was up by 200,000 jobs. Sectors such as Construction, Trade, transportation &amp; utilities, Information, Leisure &amp; hospitality and Education &amp; health had major job gains.</li> <li>▪ Since the last employment peak in December 2007, the nation has lost 6,083,000 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, 2010 and 2011 were 0.05%,-0.19%, -0.39%, 0.06% and 0.10%, respectively.</li> </ul>

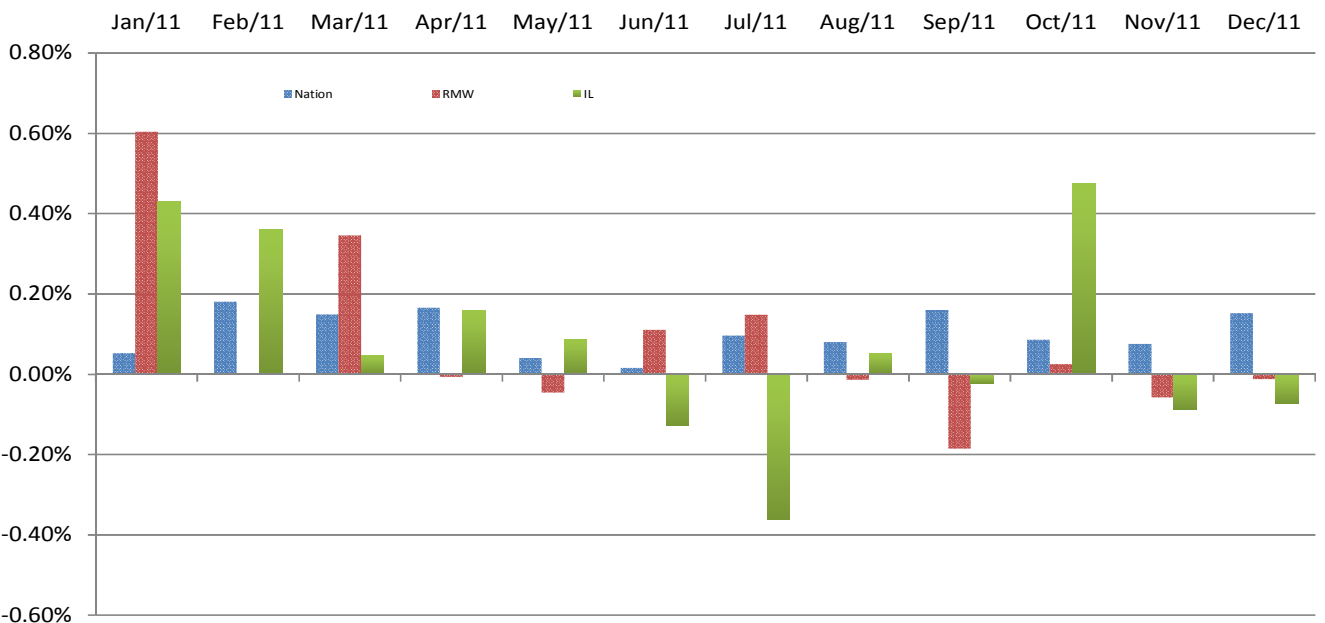
### Total Non-farm Employment growth rate Jan 1990 - Dec 2011



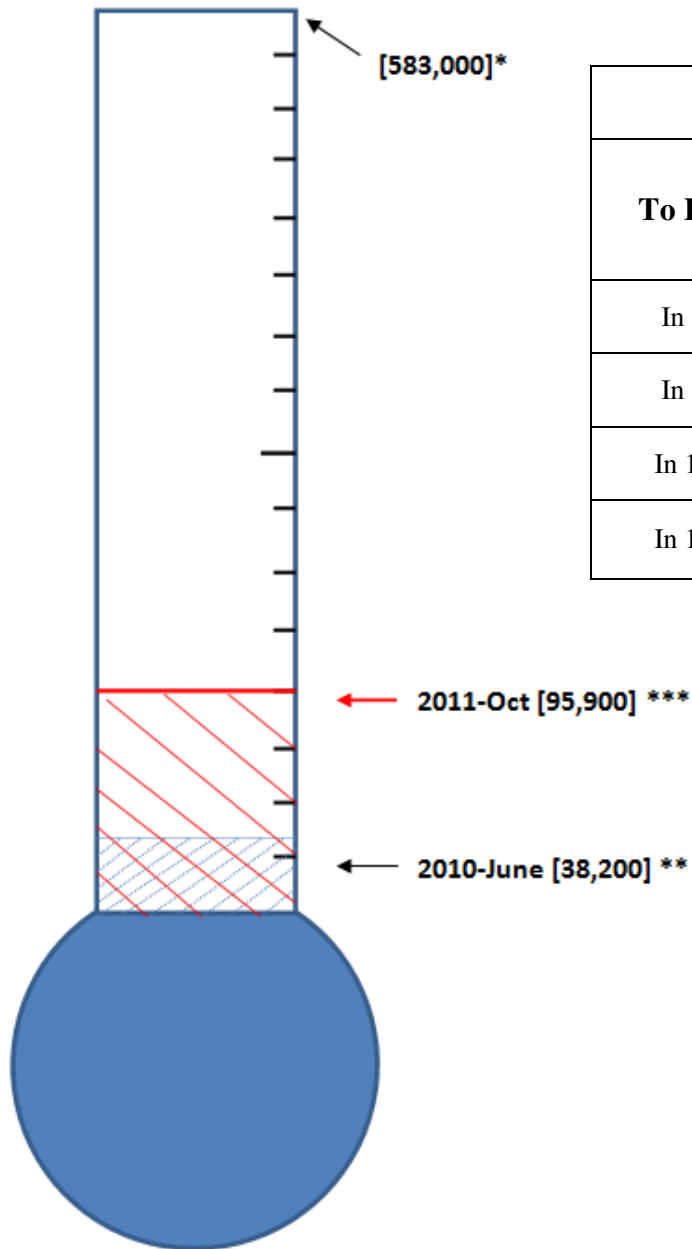
### Total Non-farm Employment and Employment Index

	Dec 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
<b>Nation</b>	131,900,000	120.84	126.57 (Dec-2007)	22,749,000	-6,083,000
<b>RMW</b>	18,708,400	109.49	119.44 (Jun-2000)	1,622,000	-1,701,100
<b>Illinois</b>	5,676,400	107.78	115.08 (Nov-2000)	409,600	-383,100

### Last 12 months Total Non-farm Employment Growth Rate Jan 2011 - Dec 2011



# Barometer of Job Recovery



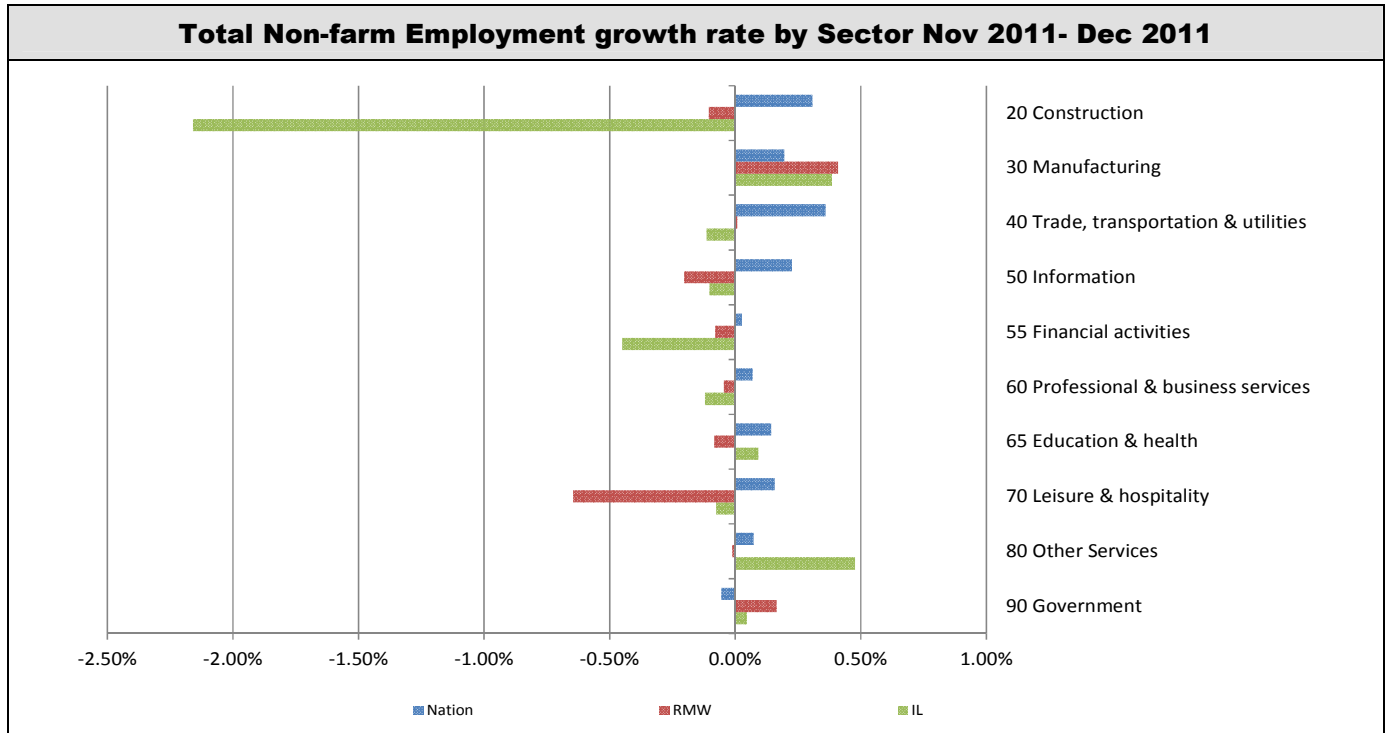
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2011-Dec	At the point of 2010-Jun
In 5 years	97,400 jobs/year	109,000 jobs/year
In 8 years	60,900 jobs/year	68,000 jobs/year
In 10 years	48,700 jobs/year	54,000 jobs/year
In 15 years	32,500 jobs/year	36,000 jobs/year

\* 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 95,900 represents the jobs recovered from Dec. 2009 through Dec. 2011.

# Employment Growth Rate by Sector:



## Sector notes

- Illinois posted Negative change in Dec 2011 by shedding 4,100 jobs. Four out of ten sectors recorded net gains. Compared to November, Other Services (-0.28% to 0.48%) had a major performance gain; Construction (-0.94% to -2.16%) had a major performance loss. Manufacturing (-0.19% to 0.39%), Trade, transportation & utilities (-0.17% to -0.11%), Information (-0.41% to -0.10%), Education & health (0.03% to 0.09%) and Government (0.04% to 0.05%) experienced net performance gain while Professional & business services (0.05% to -0.12%) and Leisure & hospitality (0.31% to -0.08%) experienced net losses in performance.
- In Dec at the national level, the top three job-gain sectors were:
  - Trade, transportation & utilities: 90,000 (0.36%)
  - Construction: 17,000 (0.31%)
  - Information: 6,000 (0.23%)
- Major losses at the national level in Dec were recorded by:
  - Government: -12,000 (-0.05%)
- For Illinois, the top three job-gain sectors in Dec were:
  - Other services: 1,200 (0.48%)
  - Manufacturing: 2,200 (0.39%)
  - Education & health: 800 (0.09%)
- Following are the major sectors that lost jobs in Dec for Illinois:
  - Construction: -4,300 (-2.16%)
  - Financial activities: -1,600 (-0.45%)
  - Professional & business services: -1,000 (-0.12%)
- For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -349,000 fewer jobs, Construction is down -32,500 jobs, Information down -25,800 jobs, Trade transportation & utilities down -11,600 jobs, and Financial activities down -17,600 jobs.

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

	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate	Rate
					%	%
Construction	-	-	-32,500	-14.29	-3.11	2.25
Manufacturing	-	-	-349,000	-37.87	-30.58	-33.76
Trade, transportation & utilities (TTU)	-	-	-11,600	-1.01	1.22	10.62
Information	-	-	-33,700	-25.80	-17.42	-0.45
Financial activities	-	-	-17,600	-4.72	10.48	15.73
Professional & business services	-	-	258,400	45.21	53.48	61.01
Education & health	-	-	331,600	62.68	64.99	87.96
Leisure & hospitality	+	-	138,700	36.10	22.82	43.62
Other Services	+	-	46,900	22.83	19.33	29.40
Government	+	-	87,900	11.64	10.85	21.05

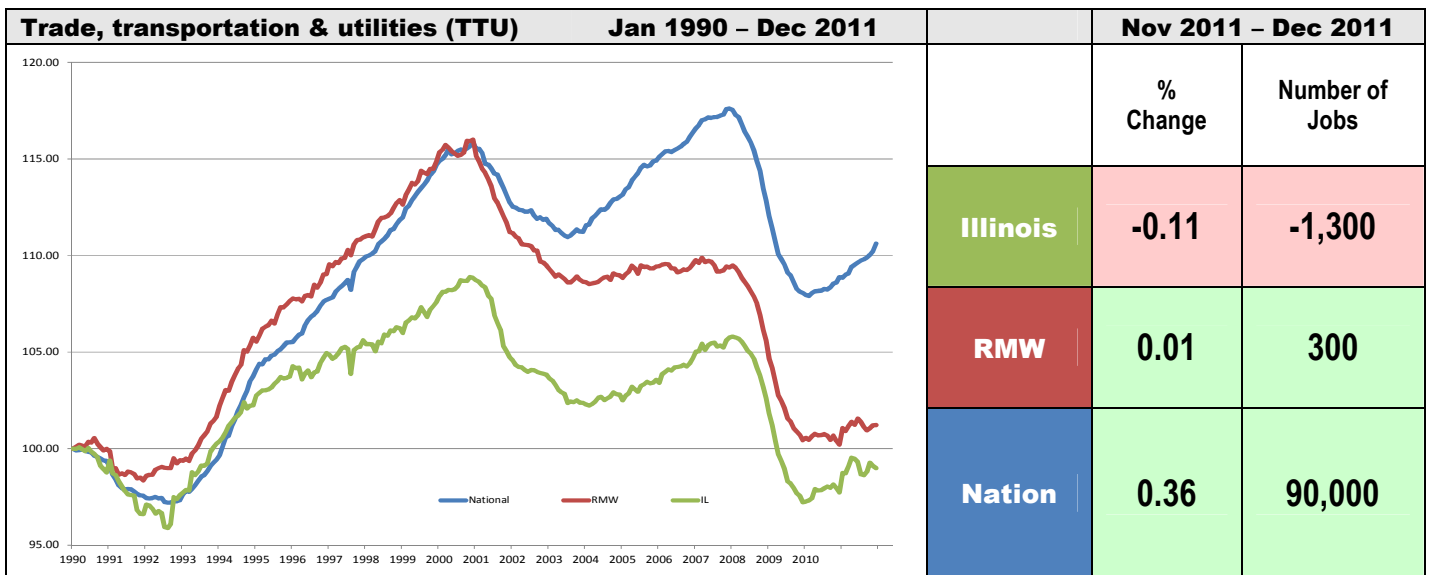
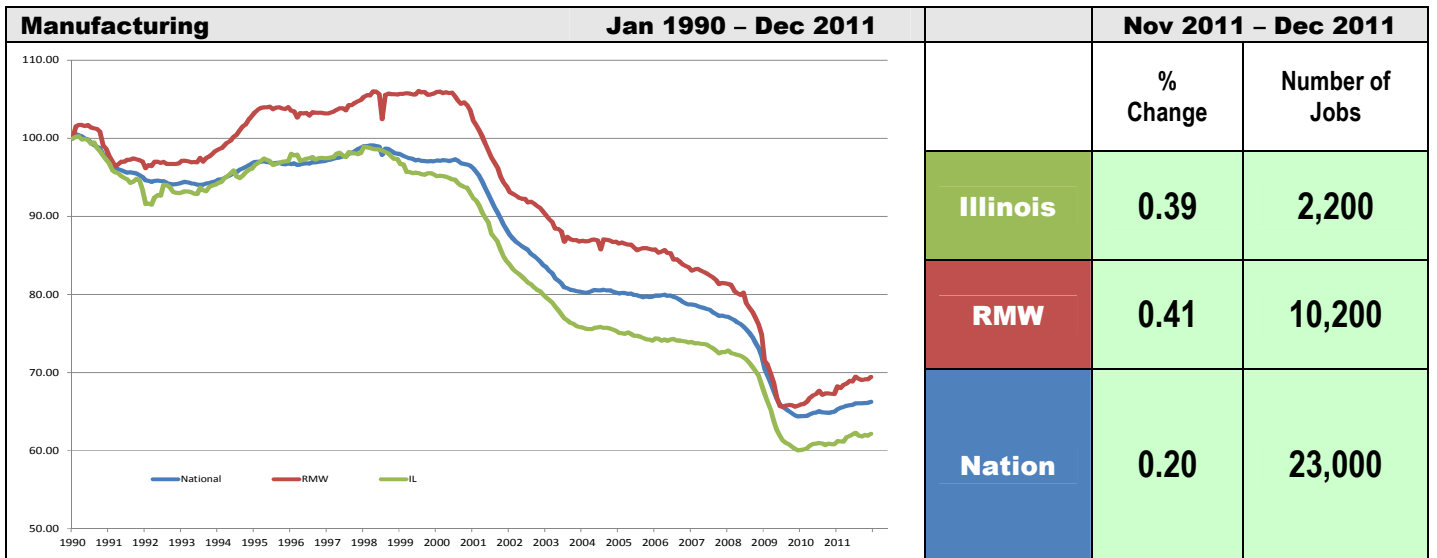
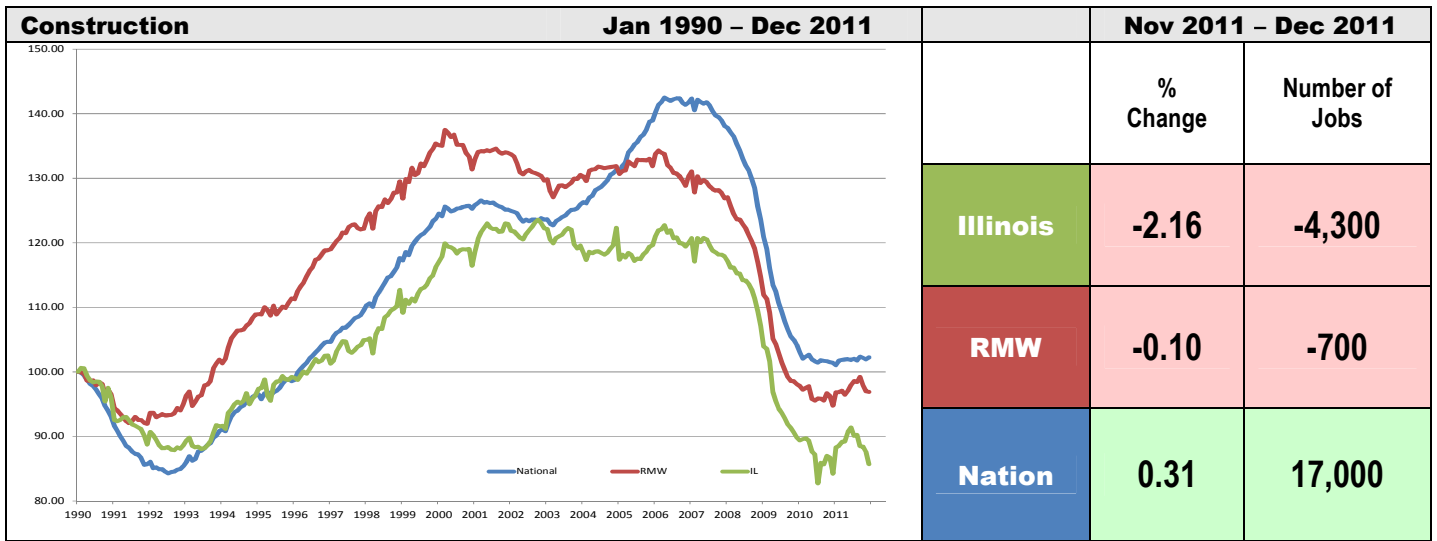
**Illinois job recovery by sector from Dec 2007 – Dec 2011**

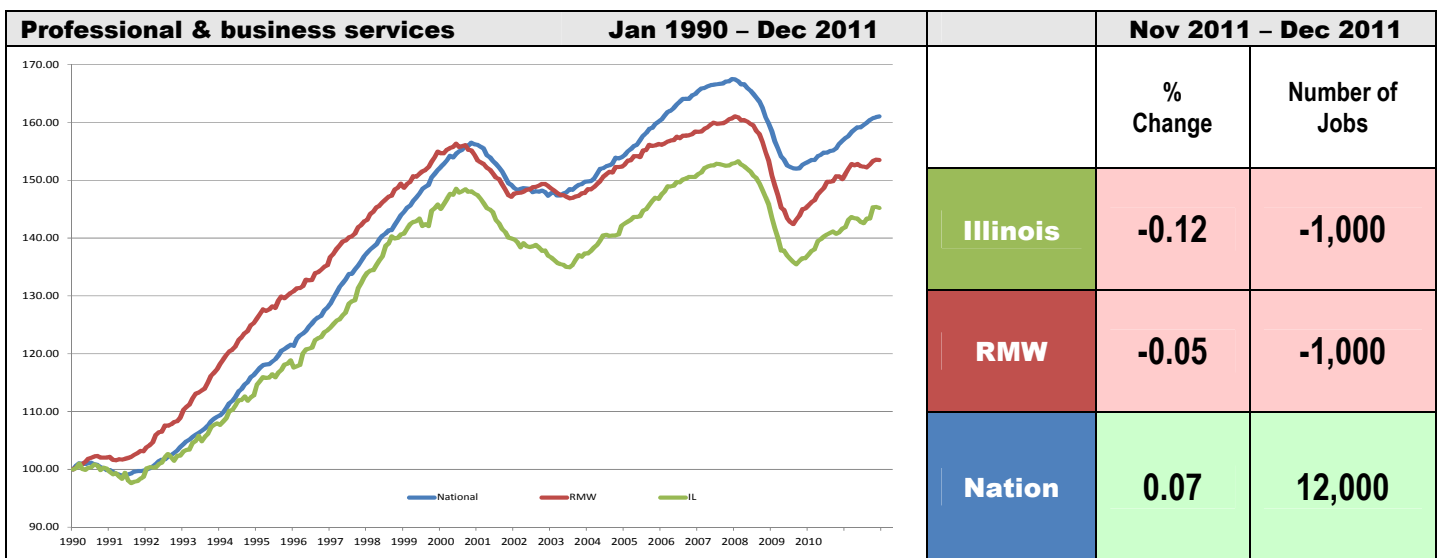
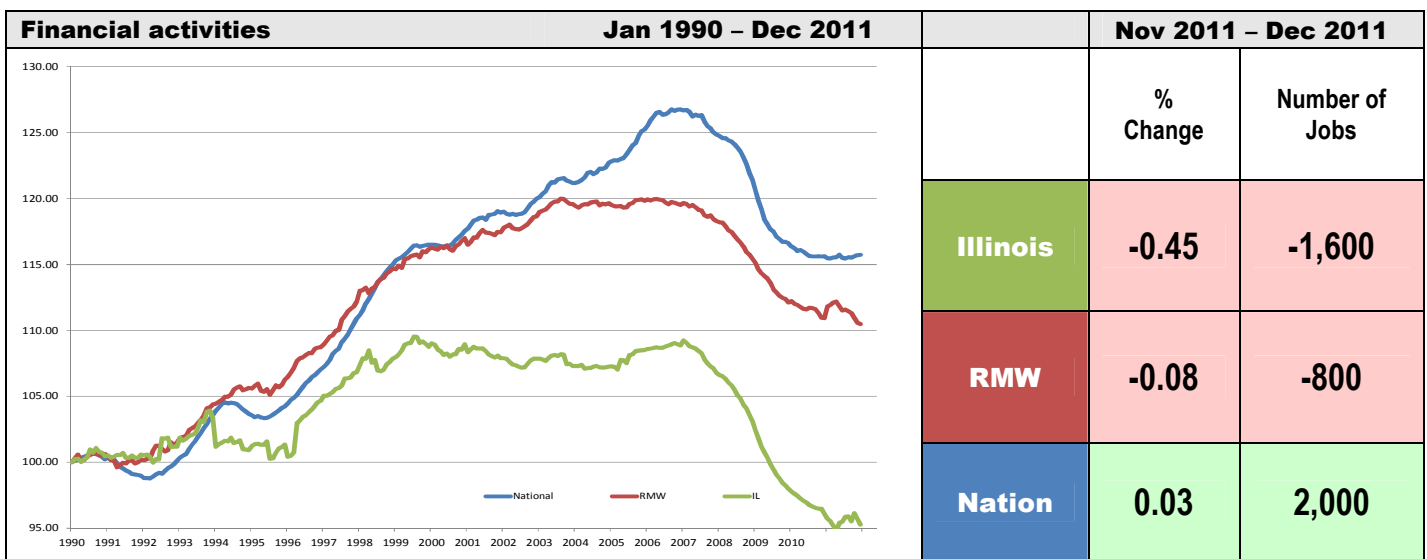
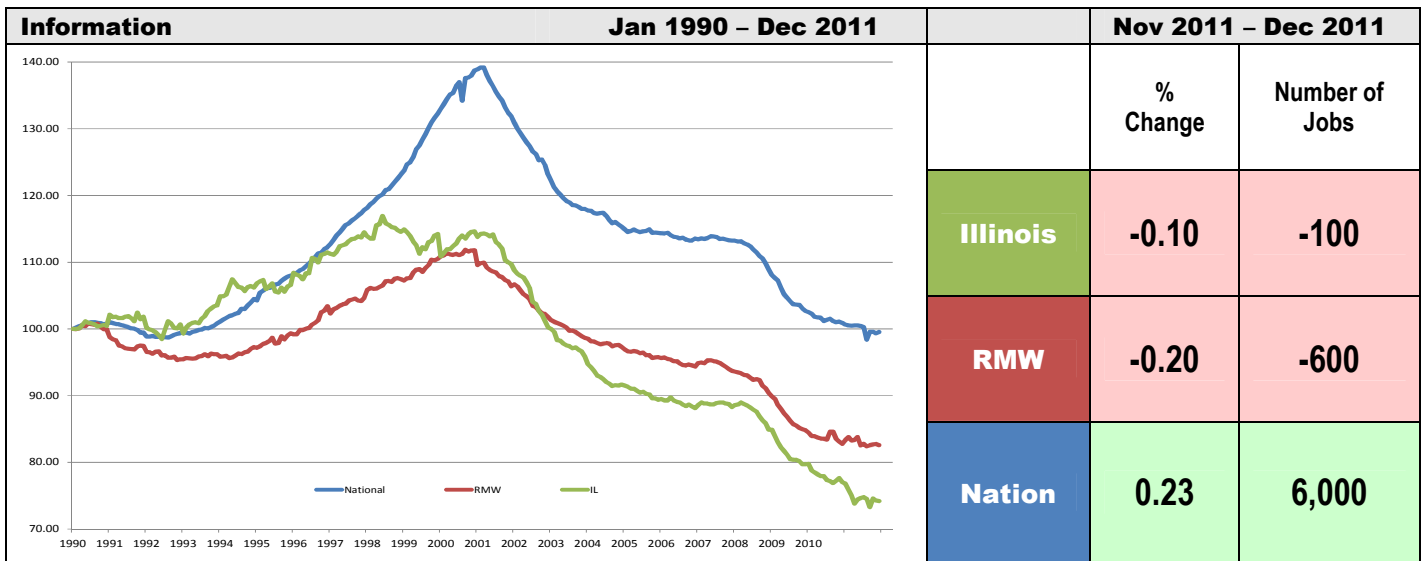
	Job Changes in Recession Period*	Job Recovery Jan 2010- Nov 2011	Recovery Rate	Forecasted Job Recovery Jan 2010- Nov 2012	Forecasted Recovery Rate
Construction	-64,500	-9,300	-14.42%	-22,700	-35.19%
Manufacturing	-116,000	19,400	16.72%	17,300	14.91%
Trade, transportation & utilities (TTU)	-98,100	20,300	20.69%	17,600	17.94%
Information	-11,000	-7,200	-65.45%	-9,600	-87.27%
Financial activities	-32,700	-10,100	-30.89%	-12,400	-37.92%
Professional & business services	-91,400	49,600	54.27%	71,000	77.68%
Education & health	34,300	38,900	--	58,900	--
Leisure & hospitality	-22,800	11,000	48.25%	15,700	68.86%
Other services	-5,900	-3,700	-62.71%	-3,500	-59.32%
Government	5,200	-13,400	--	-10,500	--

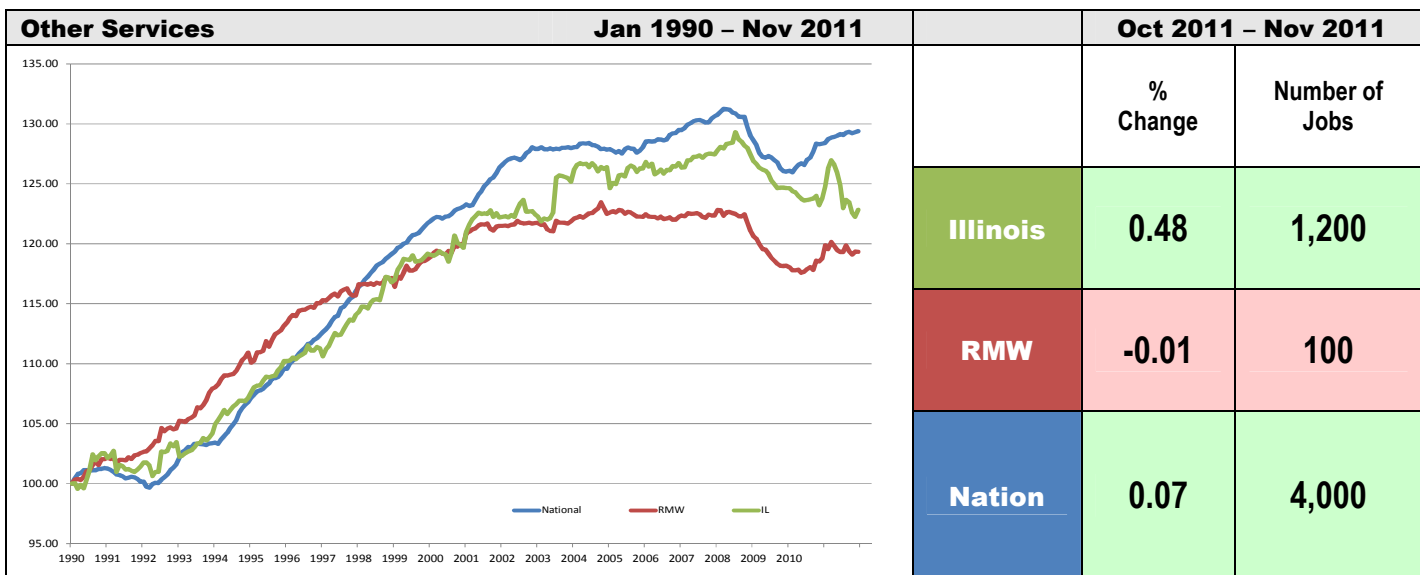
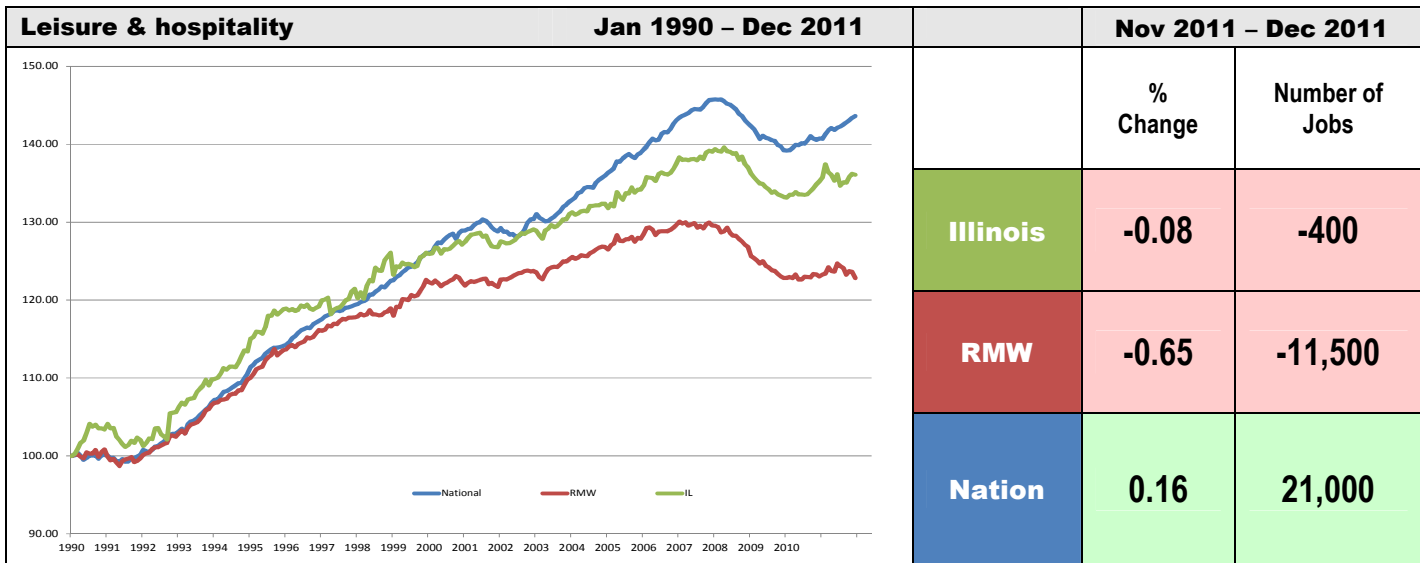
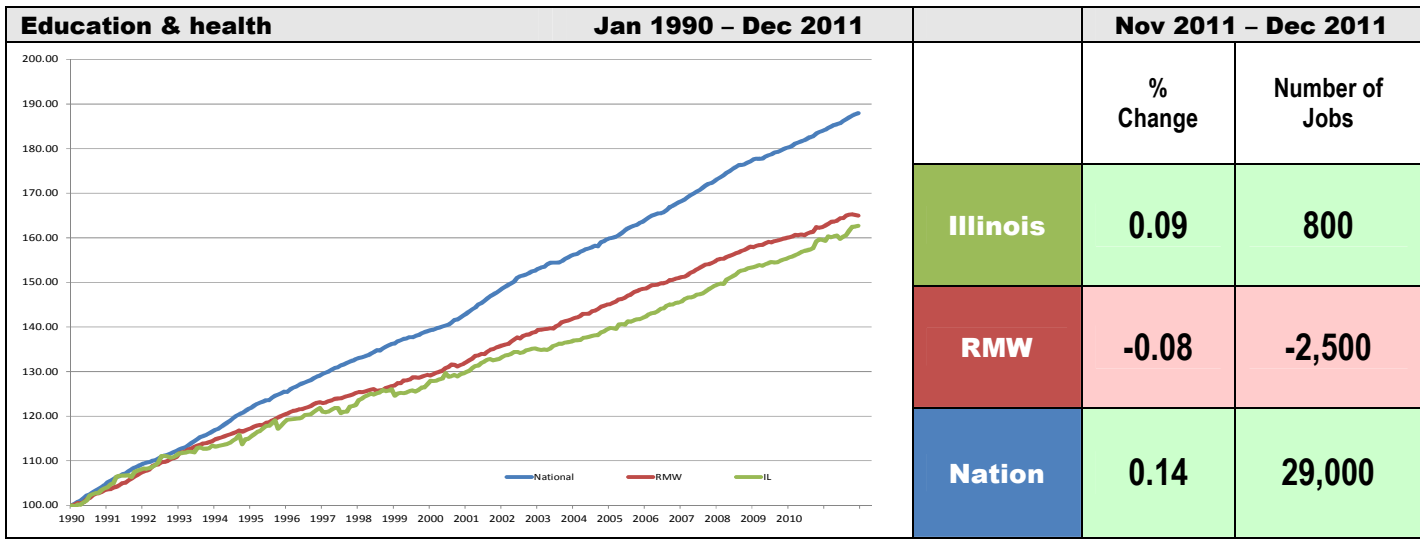
\*Recession period: Dec 2007- Dec 2009

**Recovery by Sector**

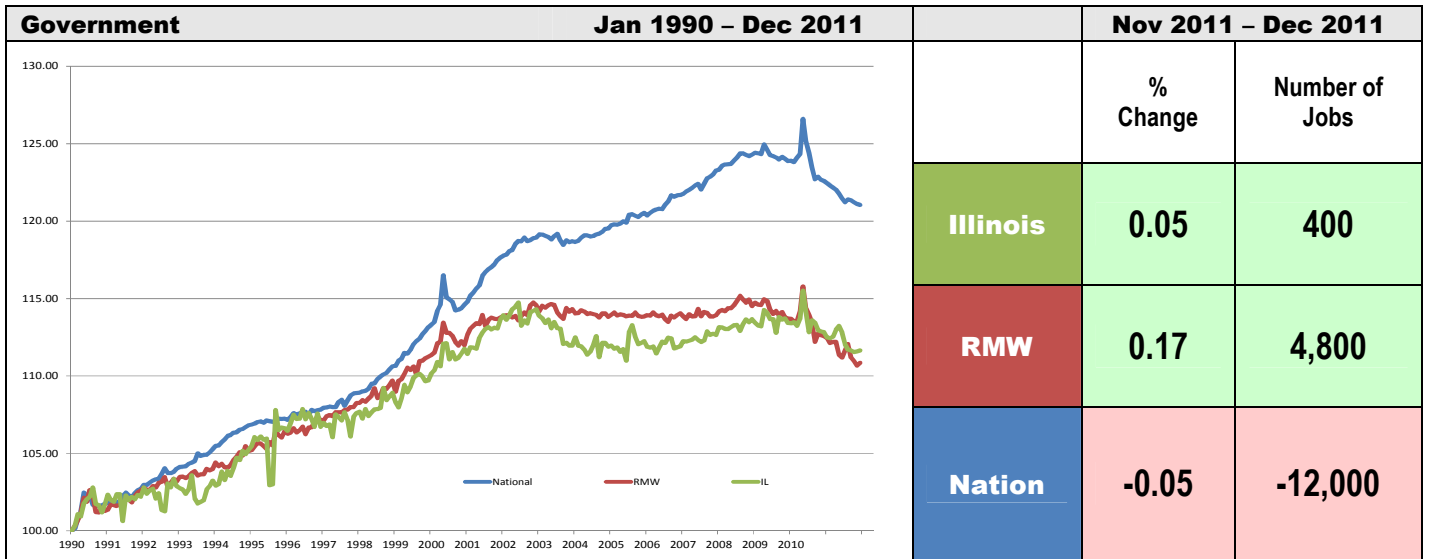
- During the recession period of Dec 2007-Dec 2009, 8 out of 10 Illinois sectors experienced negative job growth. Education & health and Government are the only 2 sectors that had positive job growth during the recession.
- Since Jan 2010, Illinois employment resumed. Manufacturing, Trade, transportation & utilities, Professional & business services and Leisure & hospitality have recovered 16.72%, 20.69%, 54.27%, 48.25%, 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 -14.42%, -65.45%, -30.89% and -62.71% respectively.
- The 12-month-ahead job recovery forecasts show that the future recovery for sector such as Manufacturing, Trade, transportation & utilities will slow down while it will increase for sectors such as Professional & business services, Leisure & hospitality and Other services.
- For sectors such as Construction, Information and Financial activities, 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](http://www.real.illinois.edu).