


Illinois Job Index

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For July Illinois Job Index, Illinois and the nation both lost jobs. The state economy showed the first downward trend since Jan, 2010.

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.

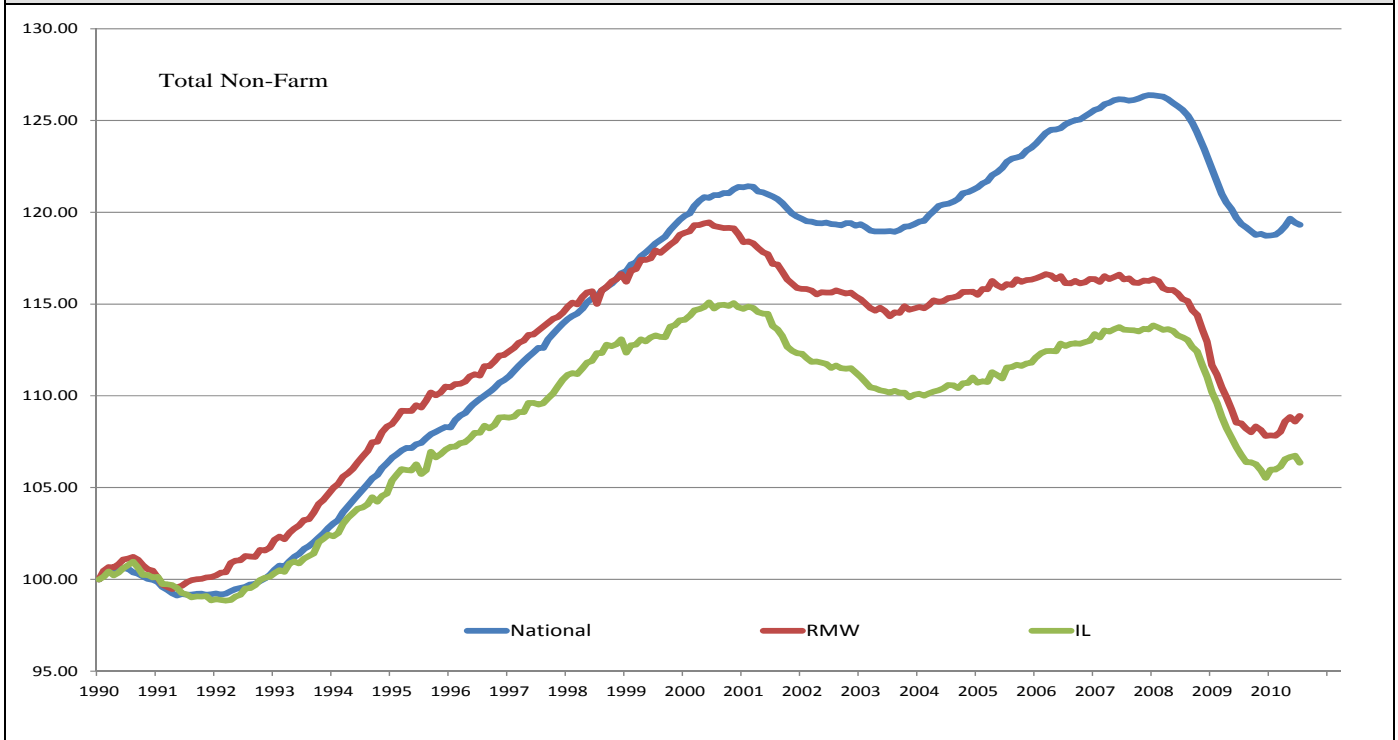
	Aug 2010 No Change		Jun 2010–July 2010		Last 12 months		July 2010
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R. *
		Nation	-0.10	-131,000	-0.04	-52,000	12.3%
		RMW	0.28	52,100	0.38	69,800	14.3%
		Illinois	-0.36	-20,200	-0.40	-22,300	12.3%

*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 shed 20,200 jobs in July 2010 at a rate of -0.36%, compared with a revised 3,900 job gain in June, the first time Illinois had a major job loss this year, generated in part by a construction strike, the end of a tax credit program for homebuyers and the end of temporary Census jobs. The manufacturing sector added jobs in July, the fifth consecutive monthly gain and the sector's best showing since 1995. Illinois has outpaced the nation in adding manufacturing jobs since Jan, 2010. The three-month moving average of jobs, a more stable measure of labor market, was down by 3,300 jobs per month. ▪ In July 2010, the Nation cut 131,000 jobs at a rate of -0.10%, compared with a revised 221,000 job loss in June. The three-month moving average of jobs was up by 27,000 jobs per month. ▪ RMW added 52,100 jobs in June after a revised 42,300 job loss in June. The three-month moving average was up by 17,000 jobs per month. ▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 24 times and positive job gains six times through June, 2010. The state of Illinois now has a net loss of 384,300 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. ▪ Over the last 12 months, Illinois shed 22,300 jobs at a rate -0.40%. ▪ The shadow unemployment rates for Illinois, RMW and the Nation were 12.3%, 14.3% and 12.3%, compared to official unemployment rates of 10.3%, 10.2% and 9.5%. ▪ Through July 2010, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 6.36%, 8.90%, and 19.32%, respectively.
Nation Notes	<ul style="list-style-type: none"> ▪ The nation lost 131,000 jobs in July, reflecting the departure of 143,000 temporary Census 2010 workers from federal government pay-rolls. ▪ Since the last employment peak in December 2007, the nation has lost 7,639,000 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 first 6 month of 2010 were 0.07%, -0.22%, -0.30% and 0.07%, respectively.

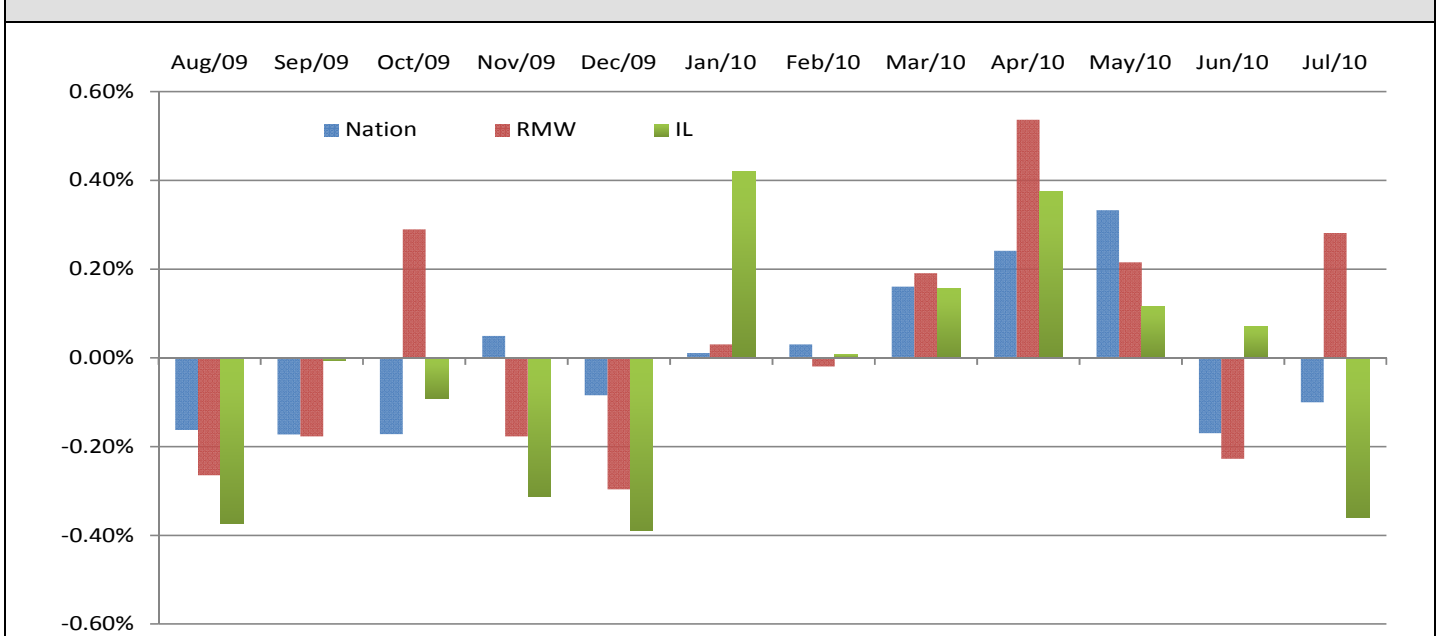
Total Non-farm Employment growth rate Jan 1990 - July 2010



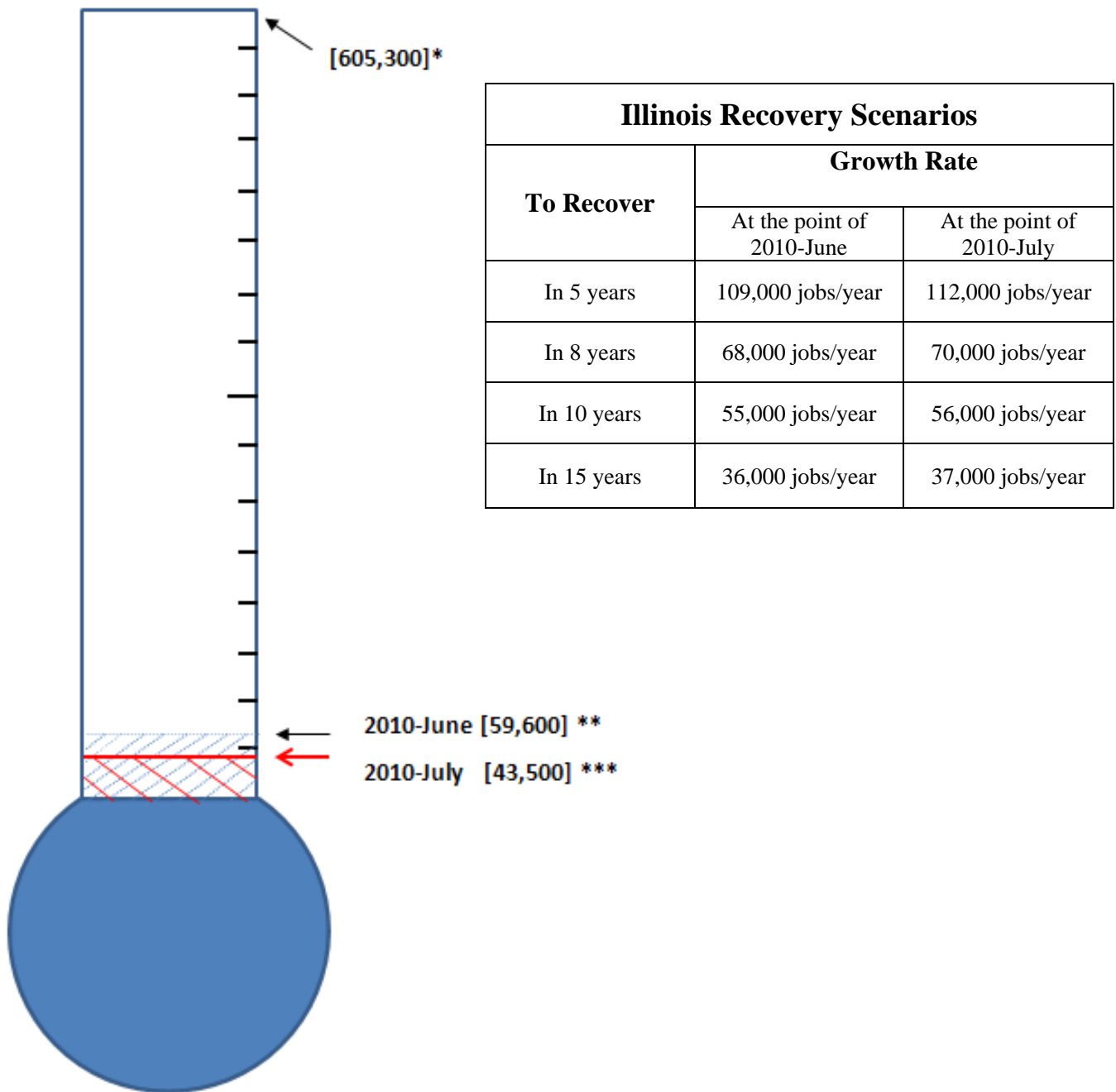
Total Non-farm Employment and Employment Index

	July 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
Nation	130,242,000	119.32	126.57 (Dec-2007)	21,091,000	-7,709,000
RMW	18,607,800	108.90	119.44 (Jun-2000)	1,521,400	-1,801,700
Illinois	5,601,700	106.36	115.08 (Nov-2000)	334,900	-457,800

Last 12 months Total Non-farm Employment Growth Rate Aug 2009 - July 2010



Barometer of Job Recovery

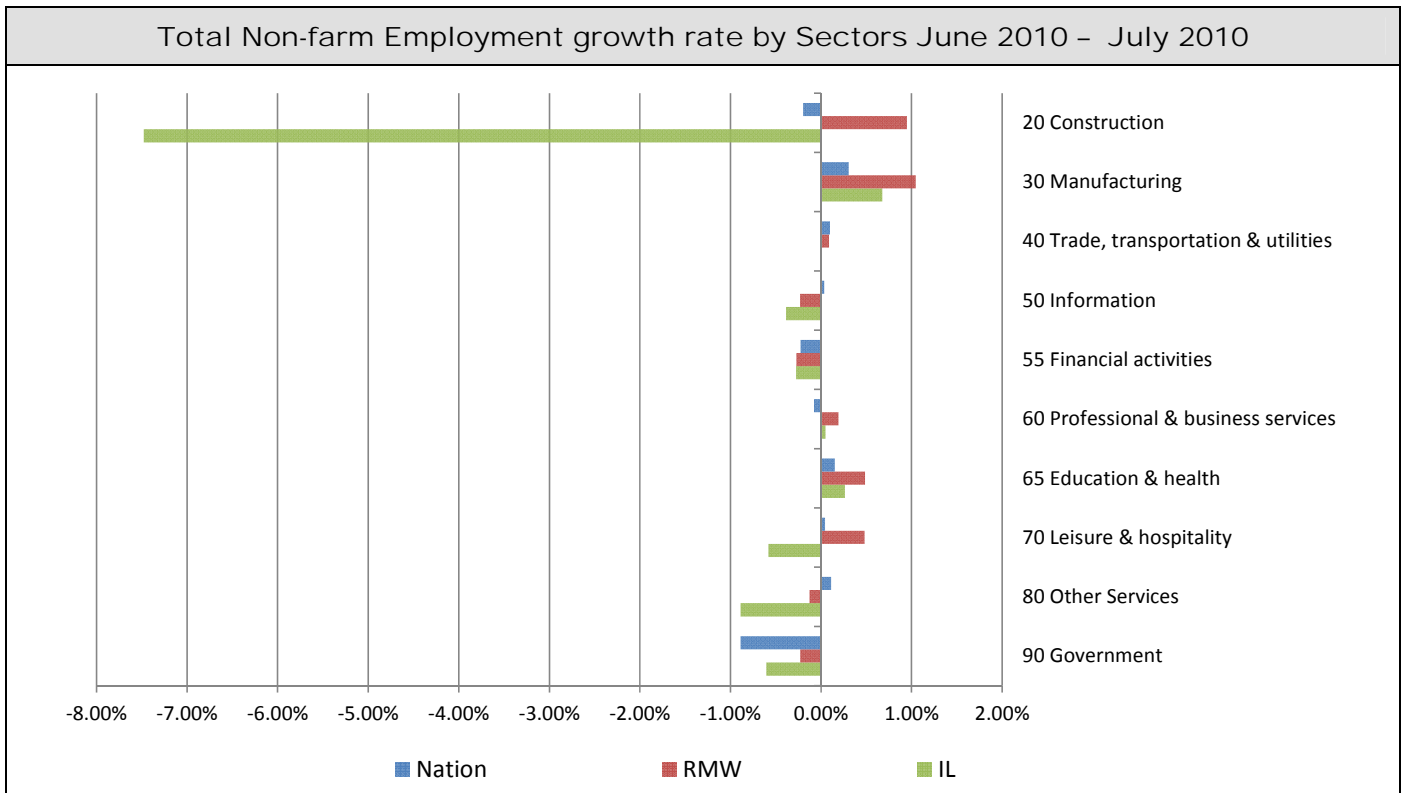


* The figure 605,300 is the number of jobs we need for Illinois economy to recover to the previous employment peak, 2000-Nov. The gap between the previous peak 2000-Nov and the previous lowest point 2009-Dec is 501,300. Adding 104,000, the number of jobs that we need to bring shadow and official unemployment rates together, the total number of jobs that we need to create equals 605,300.

**The figure 59,600 represents the jobs recovered from Dec. 2009 (previous lowest level) through June 2010.

*** The figure 43,500 represents the jobs recovered from Dec. 2009 through July 2010.

By employment sector:

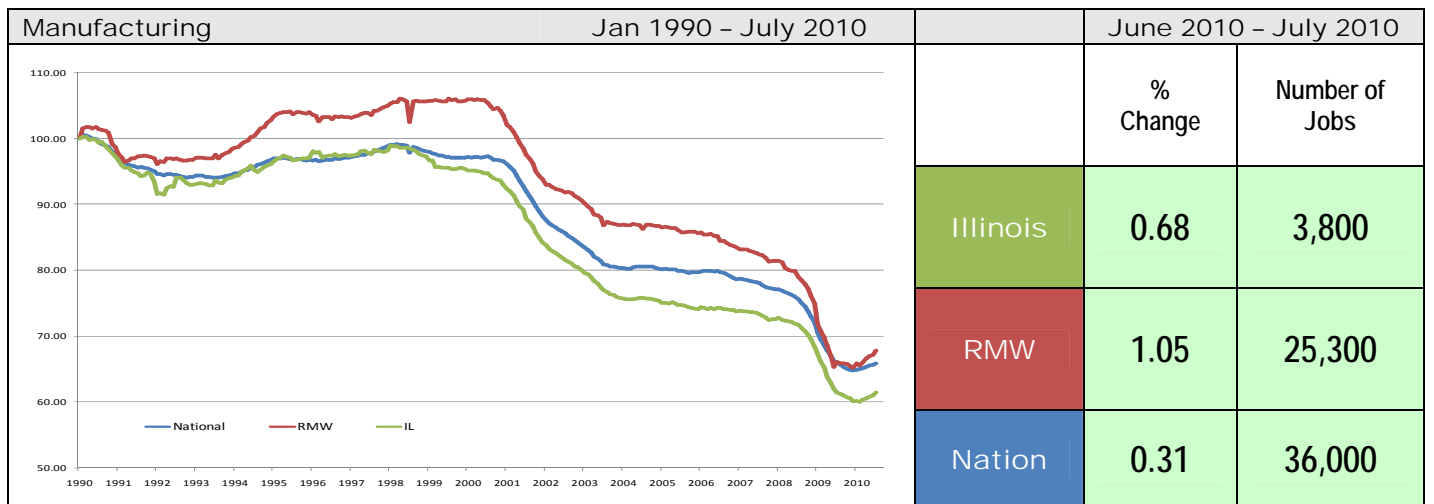
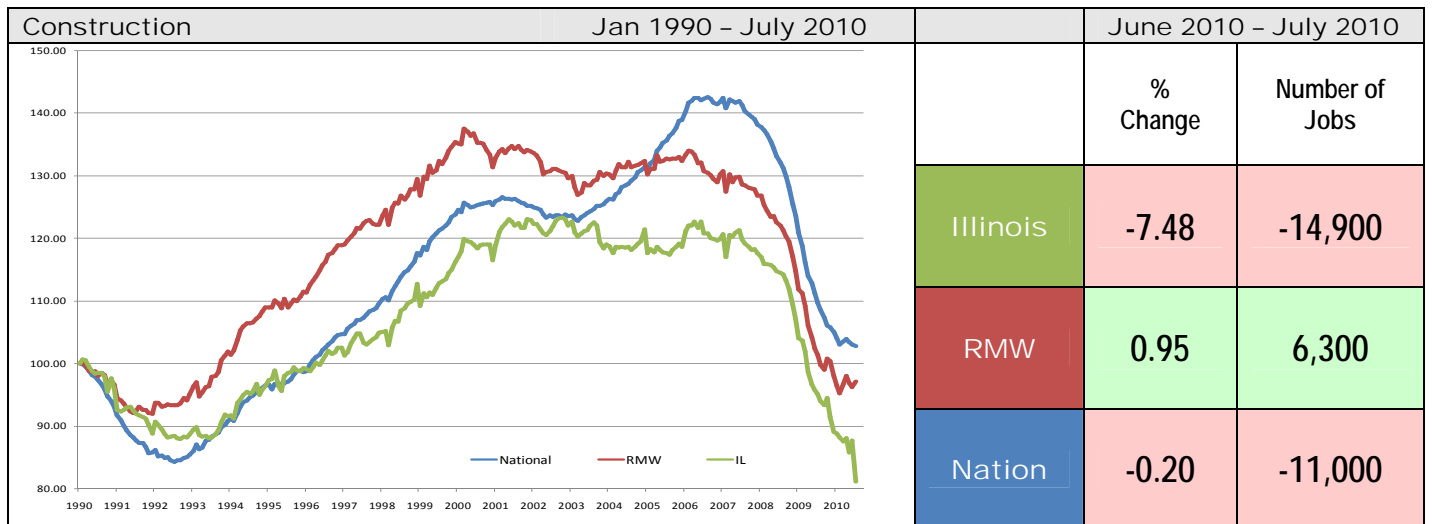


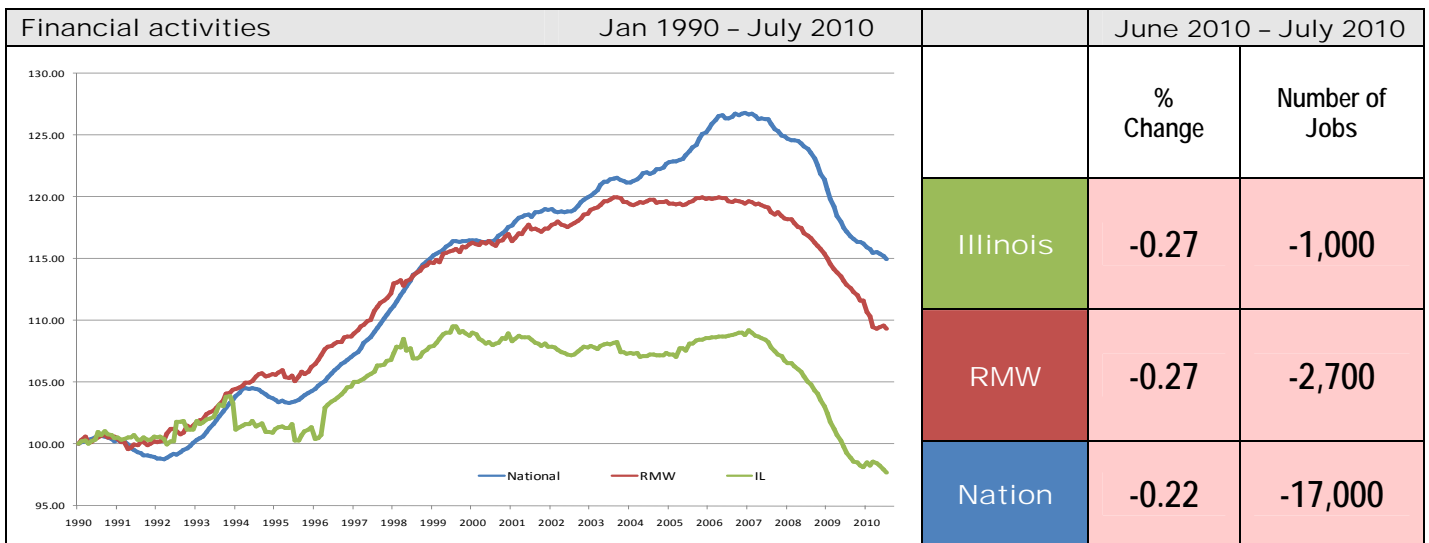
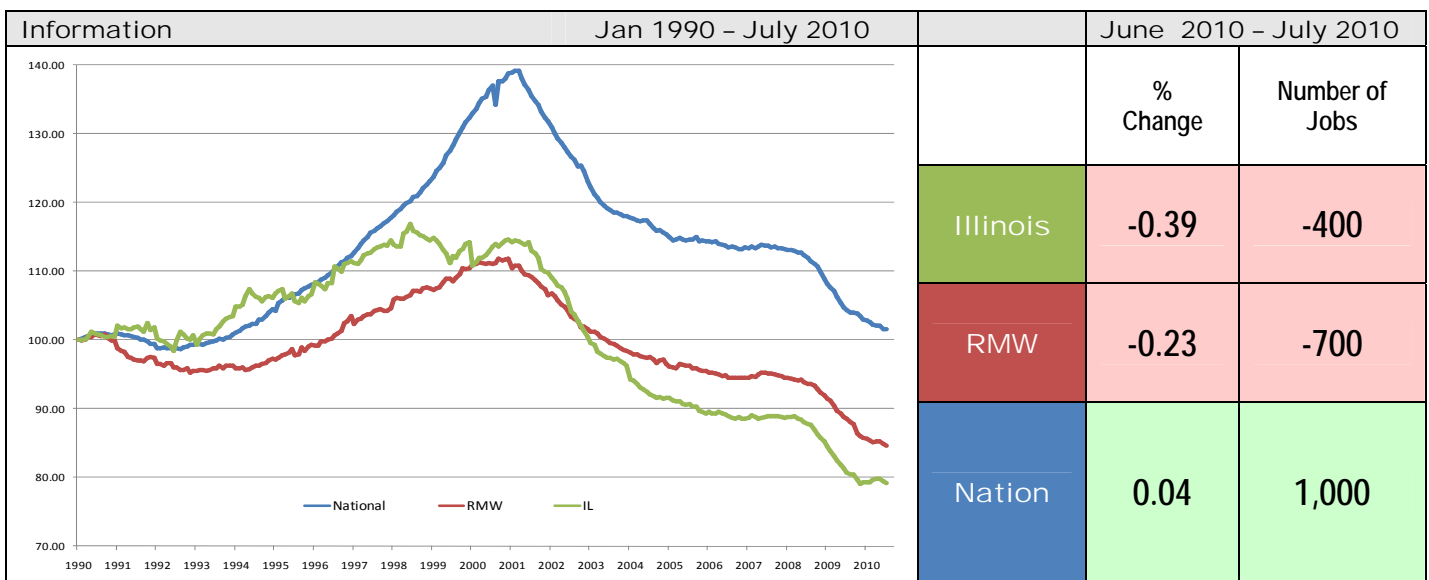
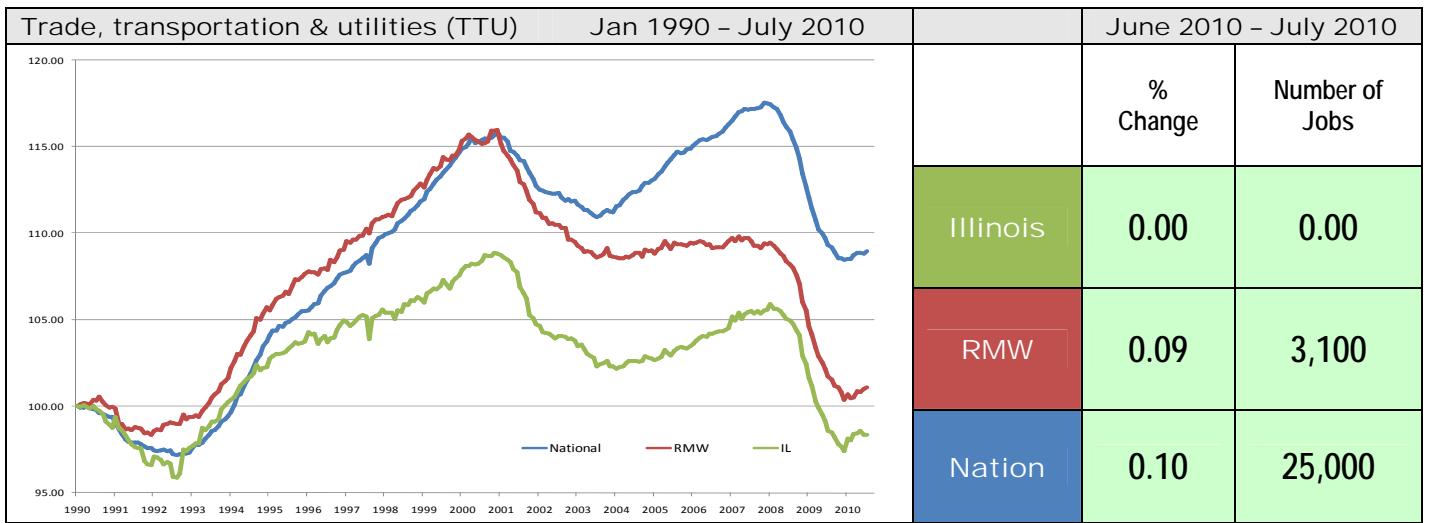
Sector notes

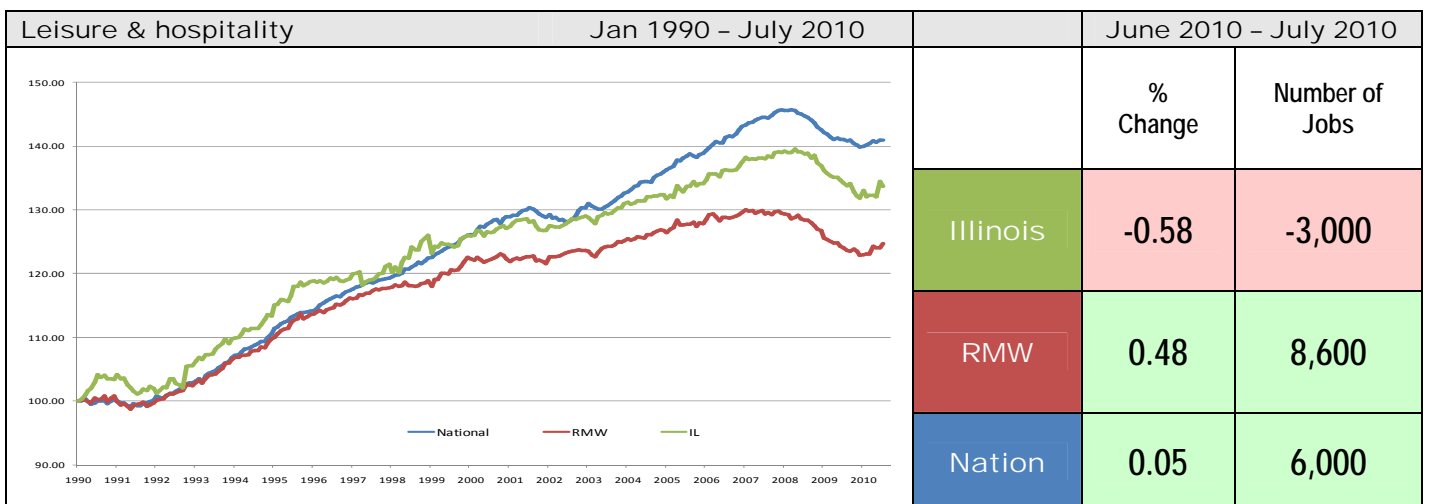
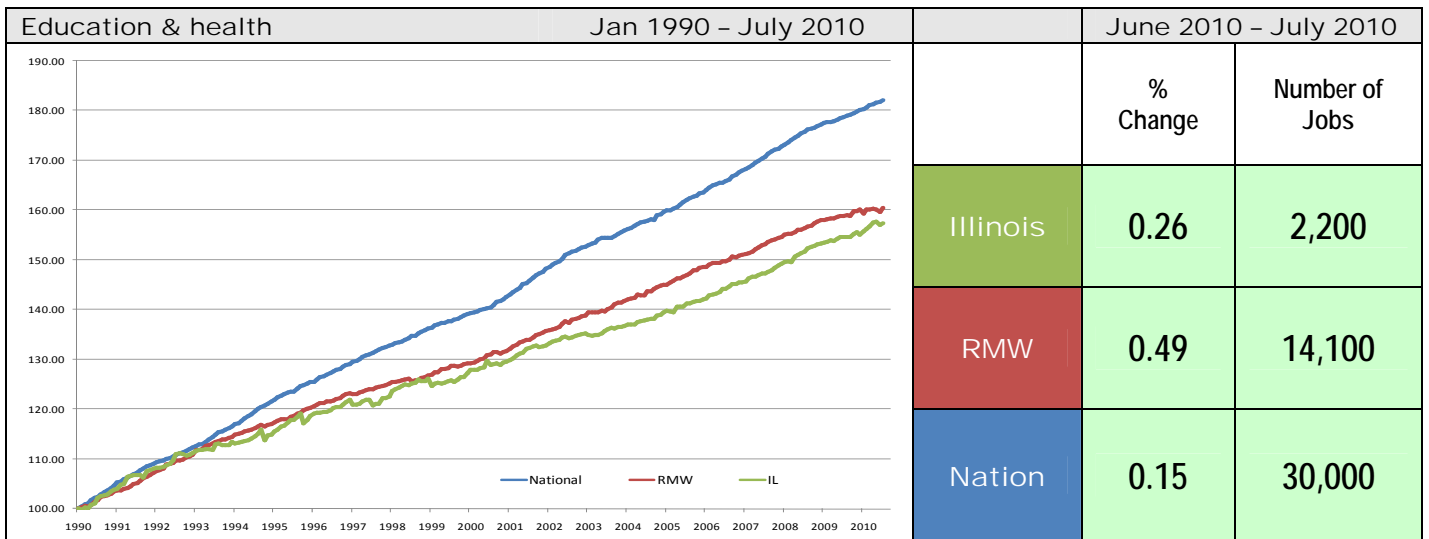
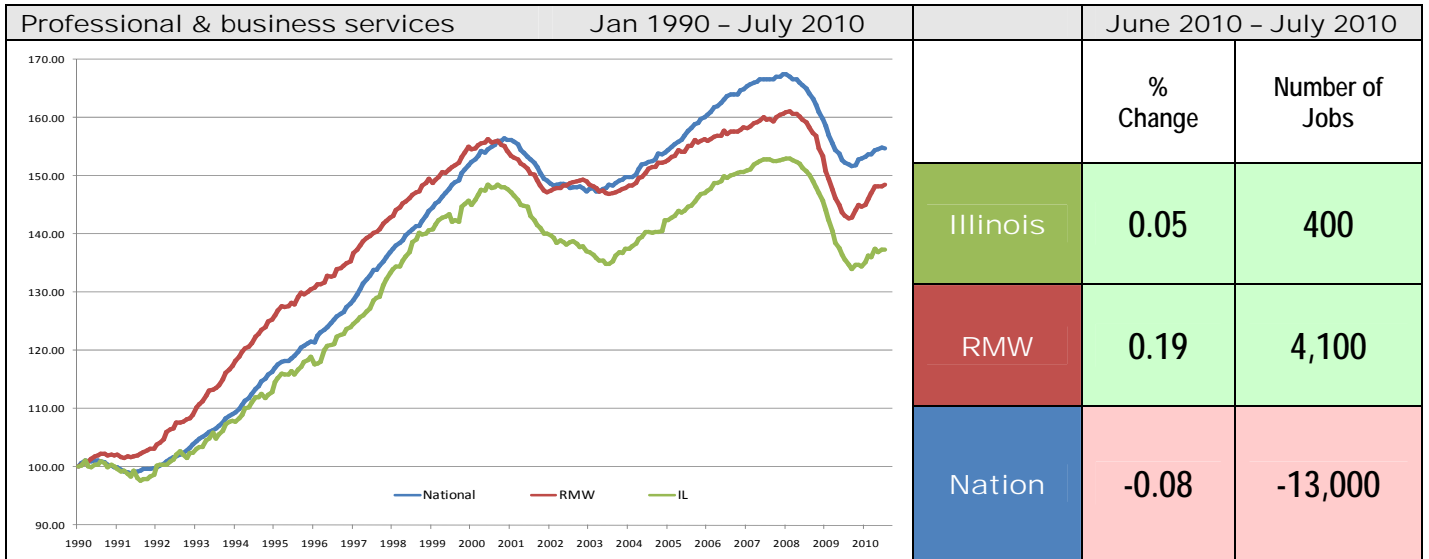
- Illinois posted negative change in July 2010 by shedding 20,200 jobs. Six out of ten sectors recorded net losses. Compared to June, Construction (1.74% to -7.48%) had major performance loss due to construction workers' strikes and the pace of building fell sharply with the end of a tax credit program for homebuyers. Government (-1.06% to -0.60%) in Illinois also experienced performance loss due to the end of the temporary census jobs. In addition, compared to June, Manufacturing (0.29% to 0.68%), Information (-0.96% to -0.39%) and Government (-1.06% to -0.60%) had relative performance gains, while construction (-1.74% to -7.48%), Leisure & hospitality (0.75% to -0.58%) and Other services (0.51% to -0.89%) faced relative losses in performance.
- In July at the national level, the top three job-gain sectors were:
 - Manufacturing: 36,000 (0.31%)
 - Education and health: 30,000 (0.15%)
 - Other services: 600 (0.11%)
- Major losses at the national level in June were recorded by:
 - Government: -202,000 (-0.89%)
 - Financial activities: -17,000 (-0.22%)
 - Construction: -11,000 (-0.20%)
- For Illinois, the top three job-gain sectors in June were:
 - Manufacturing: 3,800 (0.68%)
 - Education and health: 2,200 (0.26%)
 - Professional & business services: 400 (0.05%)
- Following are the major sectors that lost jobs in July for Illinois:
 - Construction: -14,900 (-7.48%)
 - government: -5,200 (-0.60%)
- For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -355,300 fewer jobs, Construction is down -43,100 jobs, Information down -27,200 jobs, Trade transportation & utilities down -18,800 jobs, and Financial activities down -8,700 jobs.

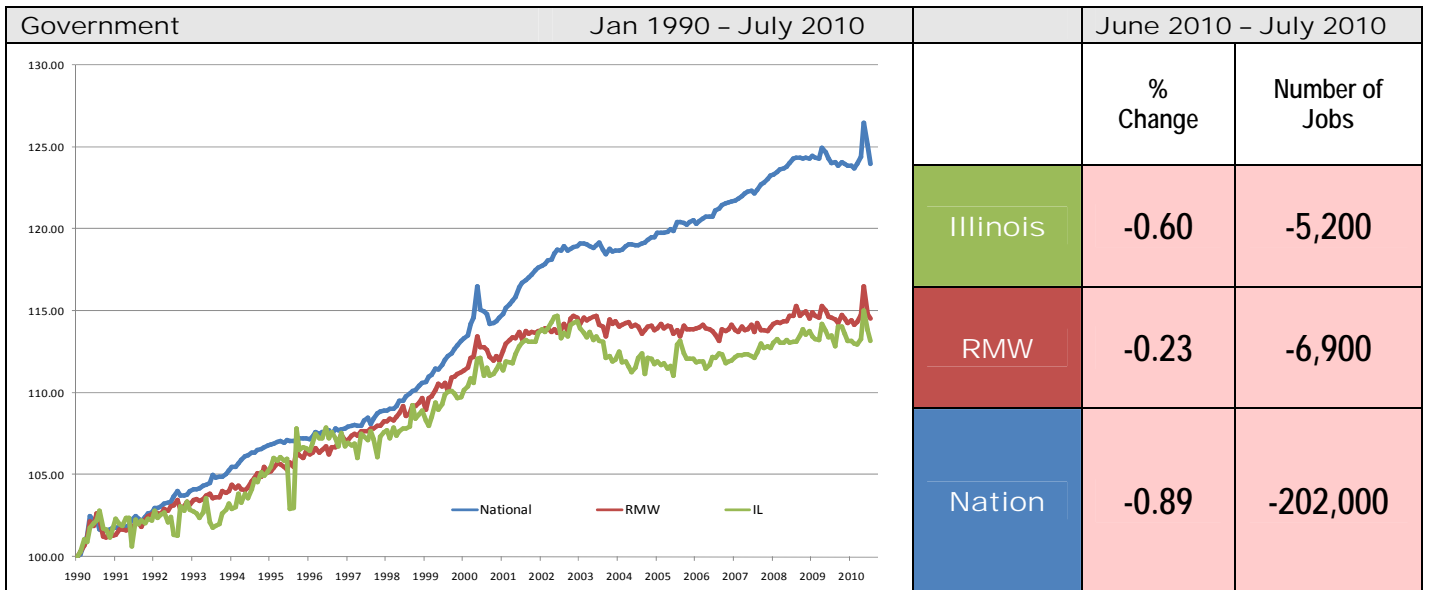
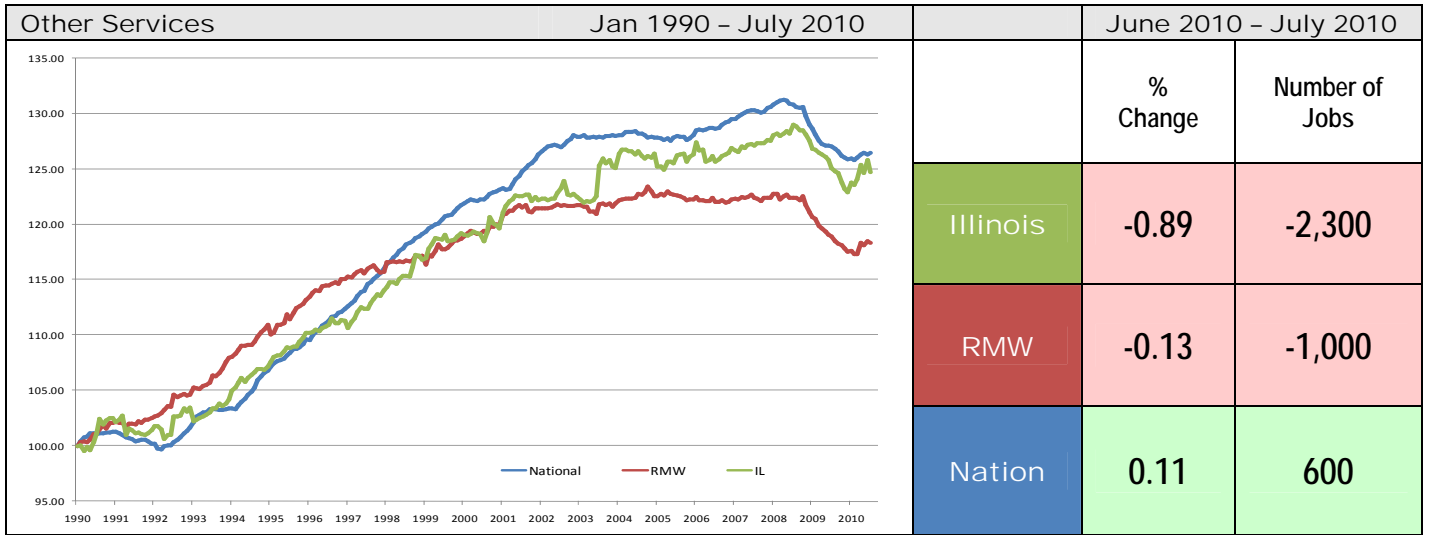
Total Non-farm Employment growth rate by sector Jan 1990 - July 2010

	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate %	Rate %
Construction	-	-	-43,100	-18.95	-2.90	2.78
Manufacturing	-	-	-355,300	-38.55	-32.18	168.91
Trade, transportation & utilities (TTU)	-	-	-18,800	-1.63	1.08	8.94
Information	-	-	-27,200	-20.83	-15.34	1.57
Financial activities	-	-	-8,700	-2.34	9.32	14.95
Professional & business services	-	-	213,500	37.36	48.51	54.70
Education & health	-	-	303,900	57.45	60.47	82.10
Leisure & hospitality	+	-	129,500	33.71	24.68	40.98
Other Services	+	-	50,800	24.73	18.30	26.49
Government	-	-	99,300	13.15	14.53	23.99









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.