


Illinois Job Index

Release 03/15/2012	Data Jan 1990 / Jan 2012	Issue 2012.02	www.real.illinois.edu
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For January Illinois Job Index, the state, the RMW and the Nation all had positive job growth.

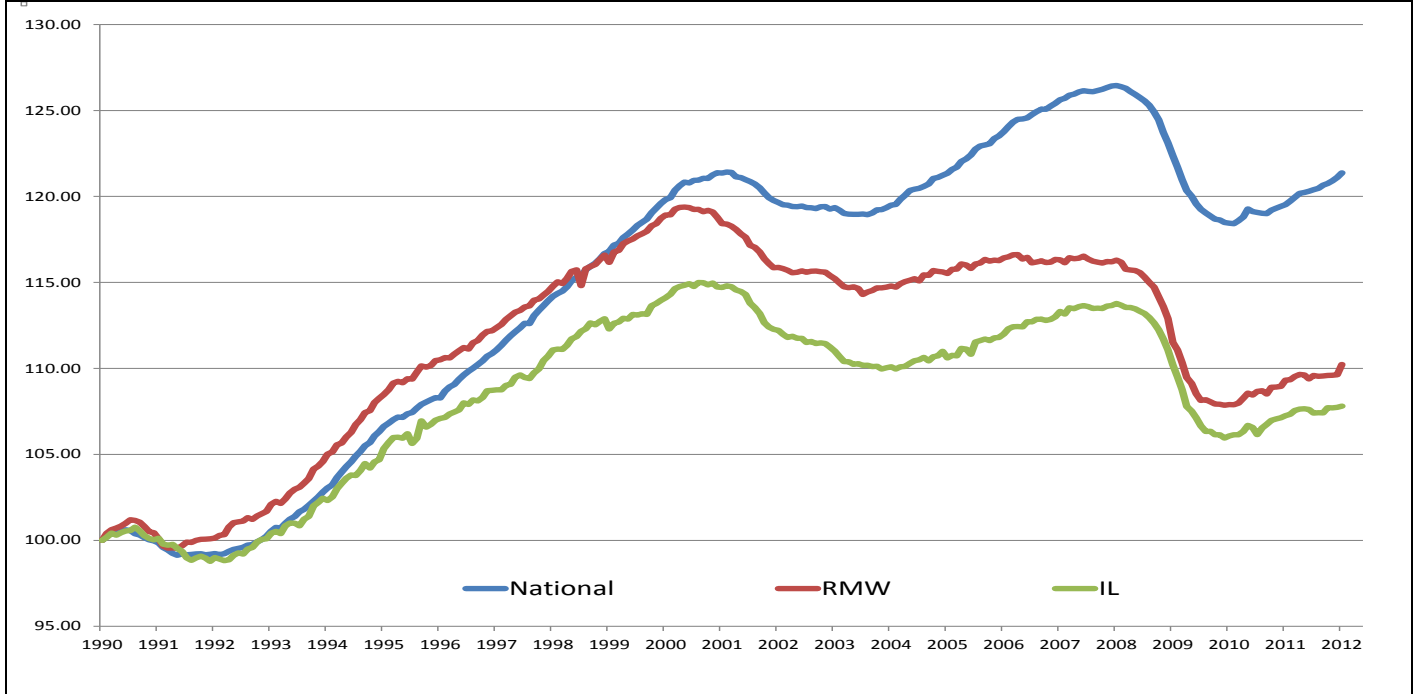
The Illinois Job Index and MSA Report are issued monthly as tools for elected officials, policy leaders and the public. The objective is to enhance the understanding of the Illinois economy and business climate by comparing and measuring Illinois employment growth rates against those of the Rest of the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

	Feb 2012 Positive		Dec 2011- Jan 2012		Last 12 months		Jan 2011
		Total non-farm employment	Growth Rate %	Number of Jobs	Growth Rate%	Number of Jobs	Shadow U.R. *
		Nation	0.21	284,000	1.54	2,014,000	12.2%
		RMW	0.54	101,100	0.83	155,500	13.4%
		Illinois	0.07	3,800	0.52	29,200	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 added 3,800 jobs in Jan 2012 at a rate of 0.07%, compared with a revised 1,800 job gains in Dec 2011. Compared to Jan 2011, Illinois has added 29,200 jobs. The three-month moving average of jobs, a more stable measure of labor market, was up by 1,700 jobs per month. ▪ In Jan 2012, the Nation added 284,000 jobs, compared with a revised 223,000 job gains in Dec. The three-month moving average of jobs was up by 221,000 jobs per month. ▪ RMW added 101,100 jobs in Jan at a rate of 0.54% after a revised 5,100 job gains in Dec. The three-month moving average was up by 36,000 jobs per month. ▪ Since the beginning of the recession in Dec 2007, Illinois has posted negative job changes 31 times and positive job gains 18 times so far. The state of Illinois now has a net loss of 306,400 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 98,200 new jobs. ▪ The 12-month-ahead job recovery forecasts show that four sectors will experience faster recovery rates in Jan 2013. For sectors such as Construction, Information and Other services, they may continue to lose jobs with faster rates. ▪ The shadow unemployment rates for Illinois, RMW and the Nation were 12.2%, 13.4% and 12.3%, compared to official unemployment rates of 9.4%, 7.8% and 8.3%. ▪ Through Jan 2012, the cumulative job growth for Illinois, RMW and the Nation compared to January 1990 stood at 7.81%, 10.23%, and 21.37%, respectively.
Nation Notes	<ul style="list-style-type: none"> ▪ Total nonfarm payroll employment was up by 284,000 jobs. Sectors such as Construction, Professional & business services, Manufacturing, Leisure & hospitality, Trade, transportation & utilities and Education & health had major job gains. ▪ Since the last employment peak in December 2007, the nation has lost 5,512,000 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.

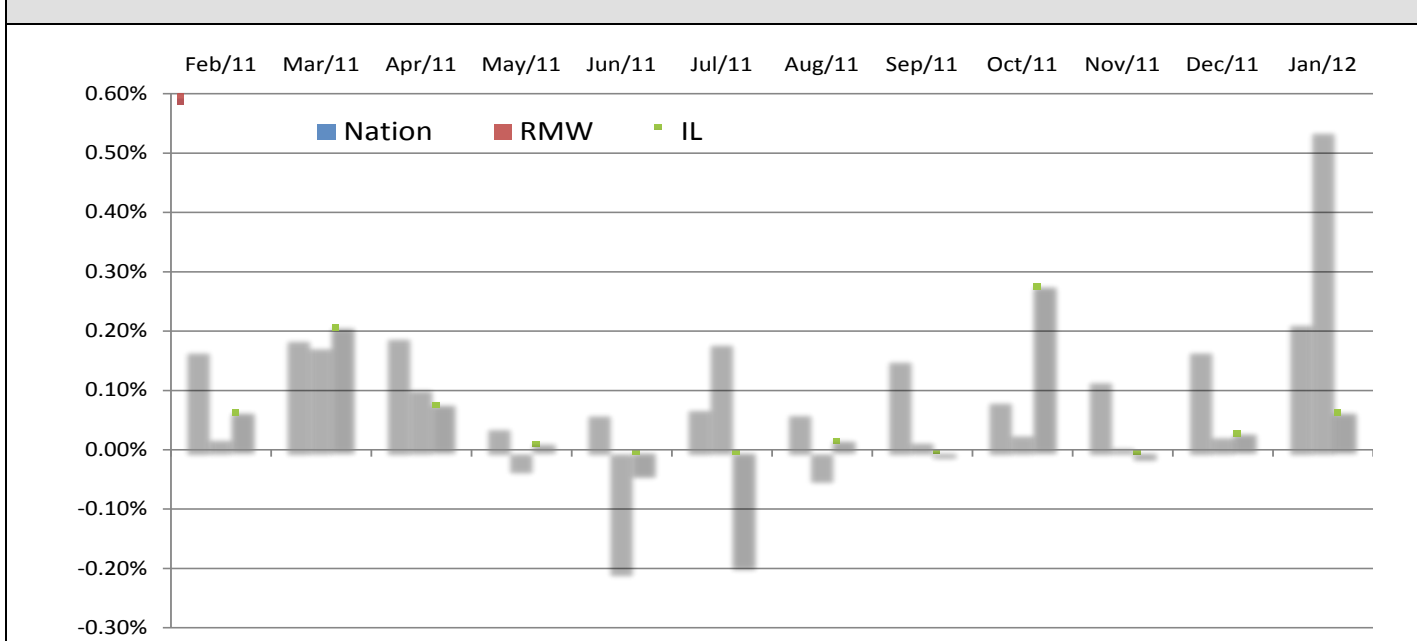
Total Non-farm Employment growth rate Jan 1990 - Jan 2012



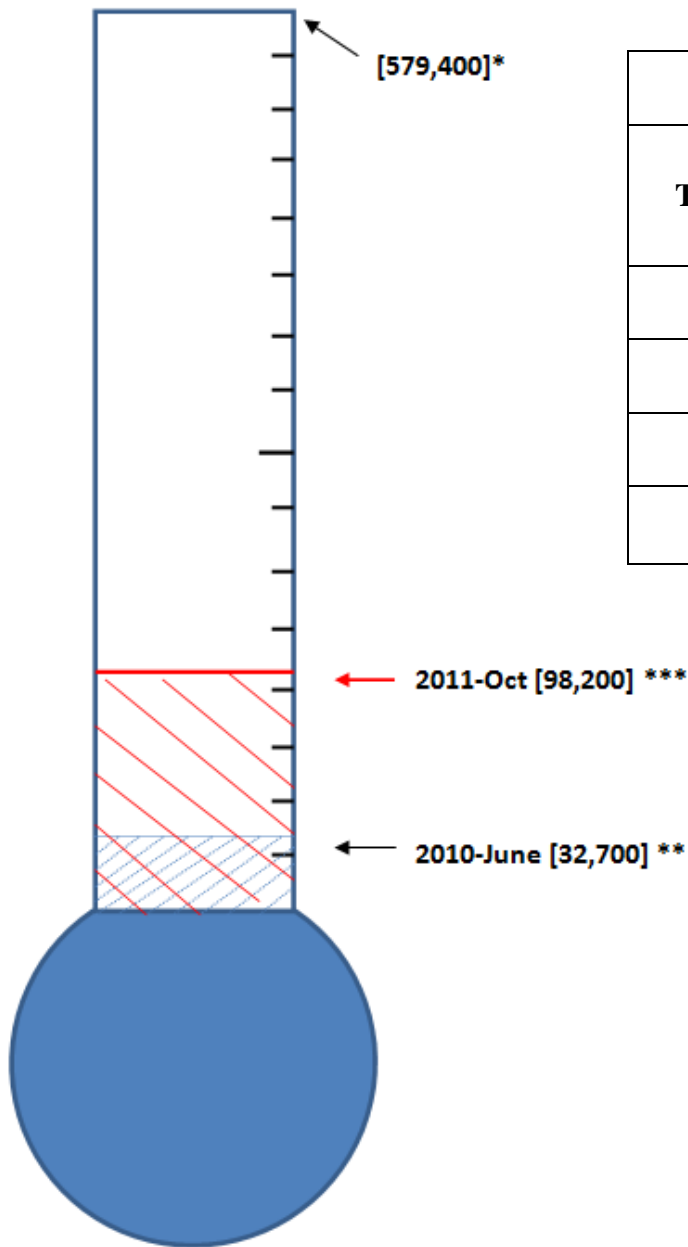
Total Non-farm Employment and Employment Index

	Jan 2012 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	132,470,000	121.37	126.57 (Dec-2007)	23,323,000	-5,512,000
RMW	18,838,300	110.23	119.44 (Jun-2000)	1,747,700	-1,560,700
Illinois	5,679,800	107.81	115.08 (Nov-2000)	411,500	-377,200

Last 12 months Total Non-farm Employment Growth Rate Feb 2011 - Jan 2012



Barometer of Job Recovery



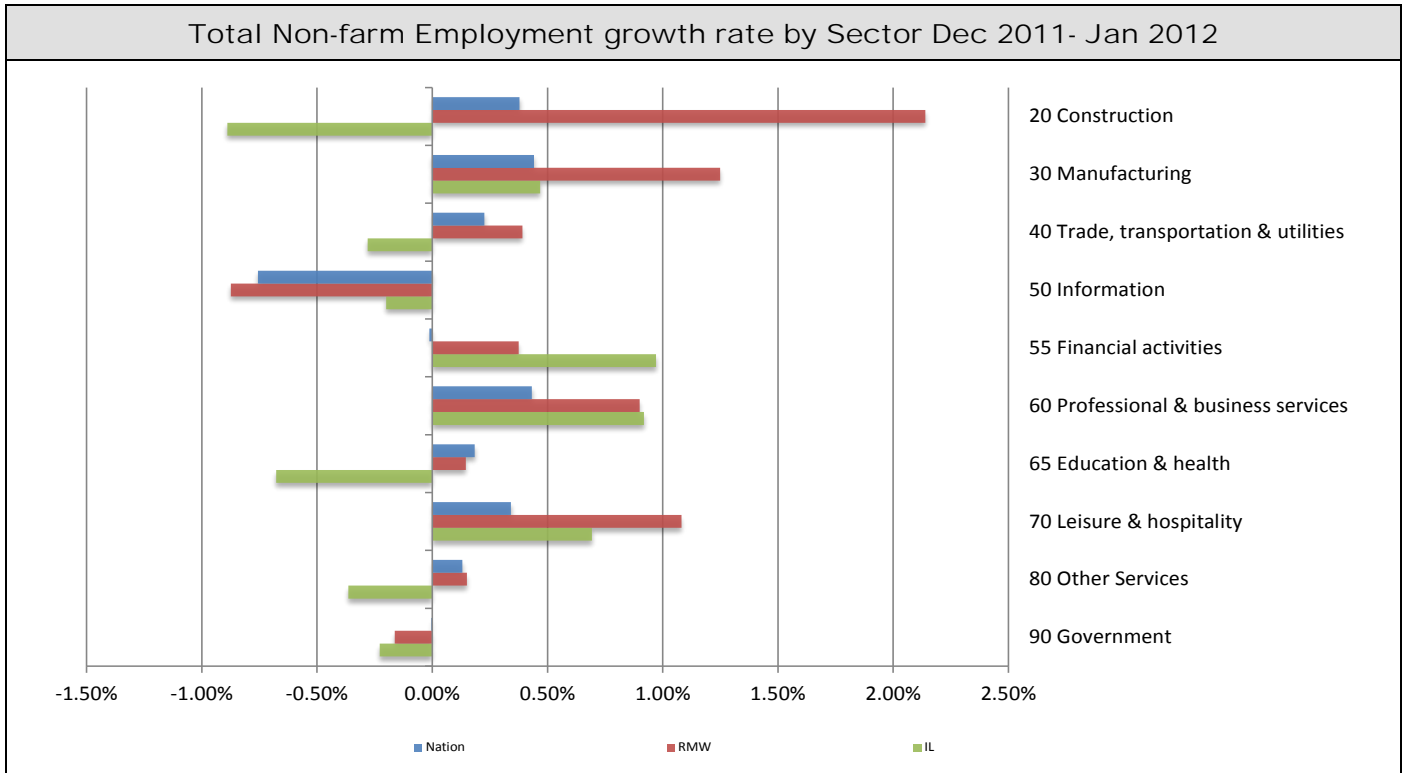
Illinois Recovery Scenarios		
To Recover	Growth Rate	
	At the point of 2012-Jan	At the point of 2010-Jun
In 5 years	96,200 jobs/year	109,300 jobs/year
In 8 years	60,000 jobs/year	68,300 jobs/year
In 10 years	48,100 jobs/year	54,700 jobs/year
In 15 years	32,100 jobs/year	36,500 jobs/year

* The figure 579,400 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 579,400.

**The figure 32,700 represents the jobs recovered from Dec. 2009 (previous lowest level) through Jun. 2010.

*** The figure 98,200 represents the jobs recovered from Dec. 2009 through Jan. 2012.

Employment Growth Rate by Sector:



Sector notes

- Illinois posted positive change in Jan 2012 by shedding 3,800 jobs. Four out of ten sectors recorded net gains. Compared to December, Financial activities (-0.25% to 0.97%) had a major performance gain; Other services (0.53% to -0.36%) had a major performance loss. Manufacturing (0.19% to 0.47%), Professional & business services (0.01% to 0.92%), Leisure & hospitality (-0.02% to 0.69%) and Information (-0.30% to -0.20%) experienced net performance gain while Construction (0.00% to -0.89%), Trade, transportation & utilities (0.06% to -0.28%), Education & health (0.05% to -0.68%) and Government (-0.06% to -0.23%) experienced net losses in performance.
- In Jan at the national level, the top three job-gain sectors were:
 - Professional & business services: 76,000 (0.43%)
 - Manufacturing: 52,000 (0.44%)
 - Leisure & hospitality: 46,000 (0.34%)
- Major losses at the national level in Jan were recorded by:
 - Information: -20,000 (-0.76%)
- For Illinois, the top three job-gain sectors in Jan were:
 - Professional & business services: 7,700 (0.92%)
 - Financial activities: 3,500 (0.97%)
 - Leisure & hospitality: 3,600 (0.69%)
- Following are the major sectors that lost jobs in Jan for Illinois:
 - Education & health: -5,800 (-0.68%)
 - Construction: -1,700 (-0.89%)
 - Other services: -900 (-0.36%)
- For Illinois, five sectors have employment below 1990 levels. Compared to 1990 employment levels, Manufacturing has -342,700 fewer jobs, Construction is down -40,800 jobs, Information down -30,700 jobs, Trade transportation & utilities down -9,000 jobs, and Financial activities down -8,600 jobs.

Total Non-farm Employment growth rate by sector Jan 1990 - Jan 2012

	Illinois				RMW	Nation
	vs. RMW	vs. Nation	Number of Jobs	Rate %	Rate	Rate
					%	%
Construction	-	-	-40,800	-17.71	-1.14	2.67
Manufacturing	-	-	-342,700	-37.16	-29.07	-33.36
Trade, transportation & utilities (TTU)	-	-	-9,000	-0.78	2.09	11.04
Information	-	-	-30,700	-23.56	-17.14	-1.69
Financial activities	-	-	-8,600	-2.31	11.99	16.80
Professional & business services	-	-	274,200	47.94	57.74	63.94
Education & health	-	-	322,200	60.90	63.08	87.30
Leisure & hospitality	+	-	139,500	36.34	24.11	45.43
Other Services	+	-	41,000	19.94	17.87	27.13
Government	-	-	75,500	10.00	10.04	21.16

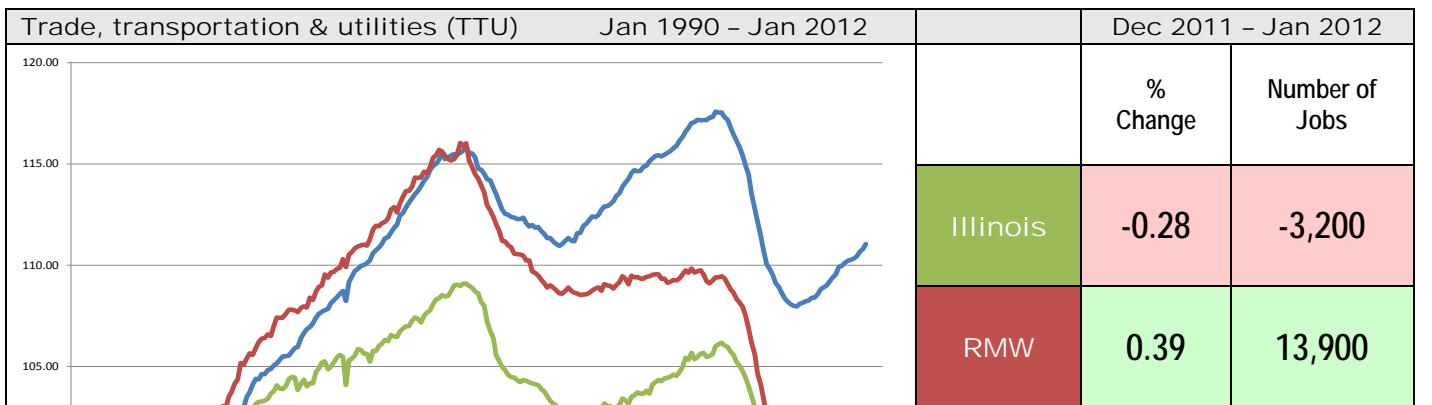
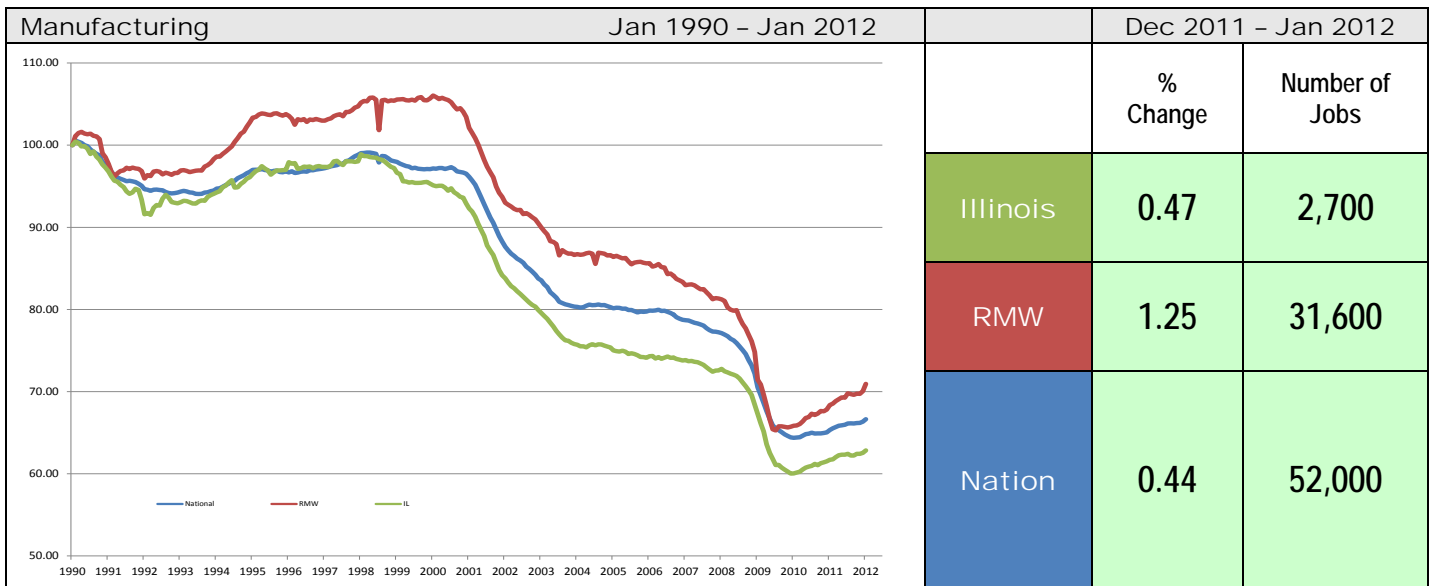
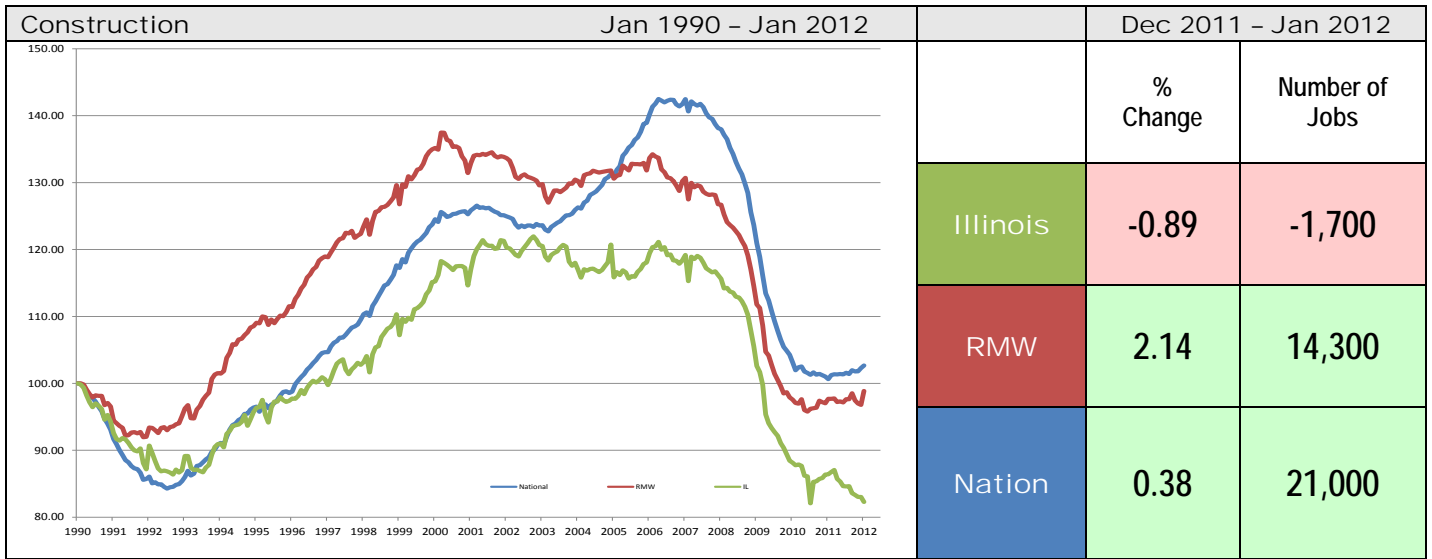
Illinois job recovery by sector from Dec 2007 – Jan 2011

	Job Changes in Recession Period*	Job Recovery Jan 2010- Jan 2012	Recovery Rate	Forecasted Job Recovery Jan 2010- Jan 2013	Forecasted Recovery Rate
Construction	-63,900	-14,200	-22.22%	-27,900	-43.66%
Manufacturing	-115,800	26,000	22.45%	27,200	23.49%
Trade, transportation & utilities (TTU)	-96,800	17,800	18.39%	11,500	11.88%
Information	-11,400	-4,700	-41.23%	-7,700	-67.54%
Financial activities	-33,000	-700	-2.12%	2,200	6.67%
Professional & business services	-93,800	66,400	70.79%	106,200	113.22%
Education & health	32,300	29,700	--	47,600	--
Leisure & hospitality	-22,300	11,500	51.57%	14,300	64.13%
Other services	-5,600	-9,700	-173.21%	-11,200	-200.00%
Government	4,800	-24,700	--	-20,000	--

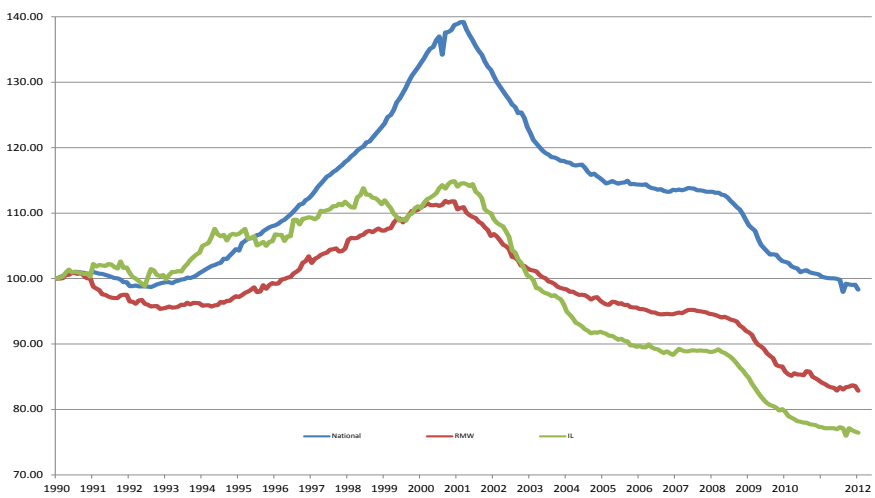
*Recession period: Dec 2007- Dec 2009

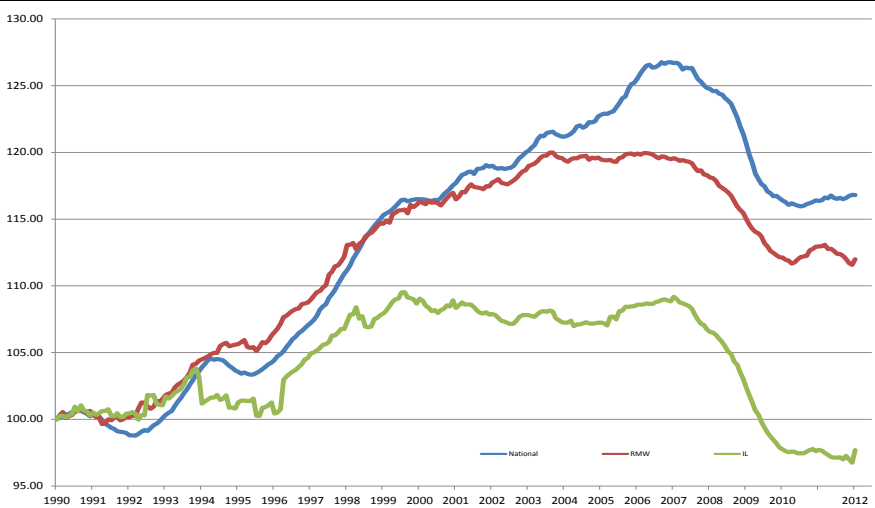
Recovery by Sector

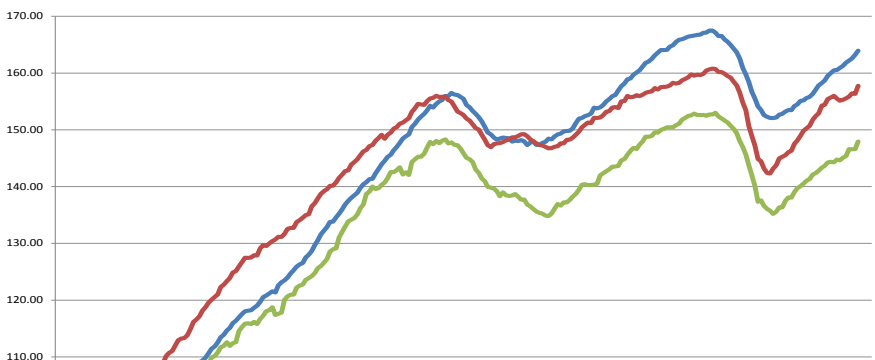
- During the recession period of Dec 2007-Dec 2009, 8 out of 10 Illinois sectors experienced negative job growth. Education & health and Government are the only 2 sectors that had positive job growth during the recession.
- Since Jan 2010, Illinois employment resumed. Manufacturing, Trade, transportation & utilities, Professional & business services and Leisure & hospitality have recovered 22.45%, 18.39%, 70.79%, 51.57%, 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 -22.22%, -41.23%, -2.12% and -173.21% respectively.
- The 12-month-ahead job recovery forecasts show that the future recovery for sector such as Trade, transportation & utilities will slow down while it will increase for sectors such as Manufacturing, Financial activities, Professional & business services and Leisure & hospitality.
- For sectors such as Construction, Information and Other services, they will continue to lose jobs with faster rates.
- By Jan 2013, sector Other services is going to lose twice the jobs compared to the recession period of Dec 2007-Dec 2009.



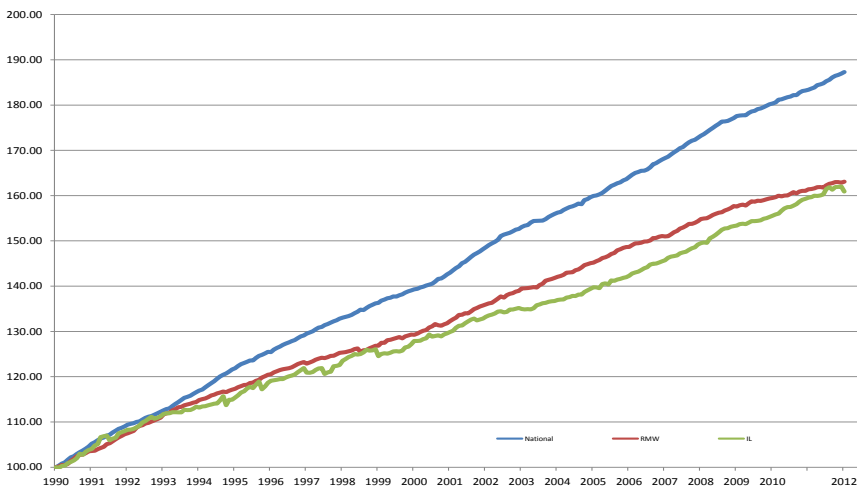
	Nation	0.23	57,000
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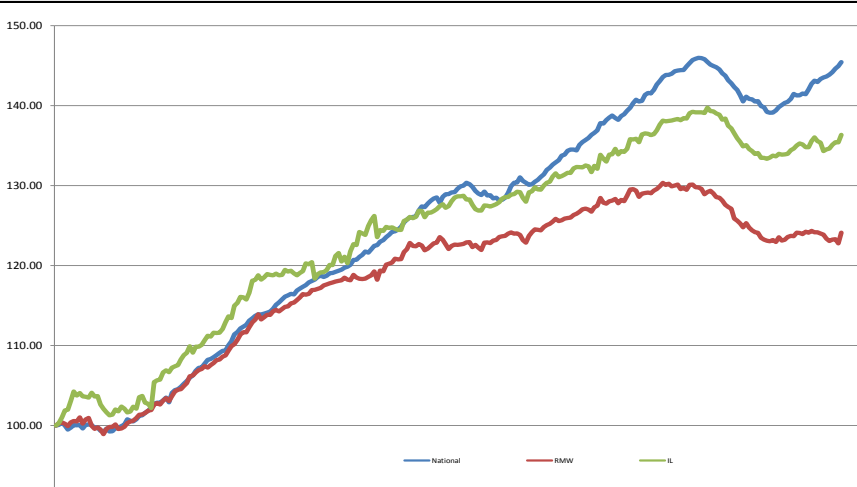
Information	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		-0.20	-200
RMW		-0.87	-2,600
Nation		-0.76	-20,000

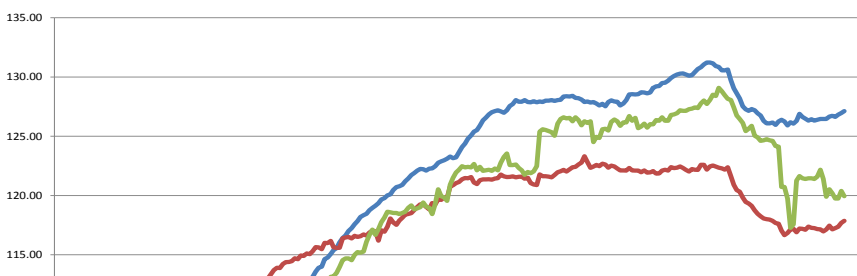
Financial activities	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		0.97	3,500
RMW		0.38	3,800
Nation		-0.01	-1,000

Professional & business services	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		0.92	7,700
RMW		0.90	20,100

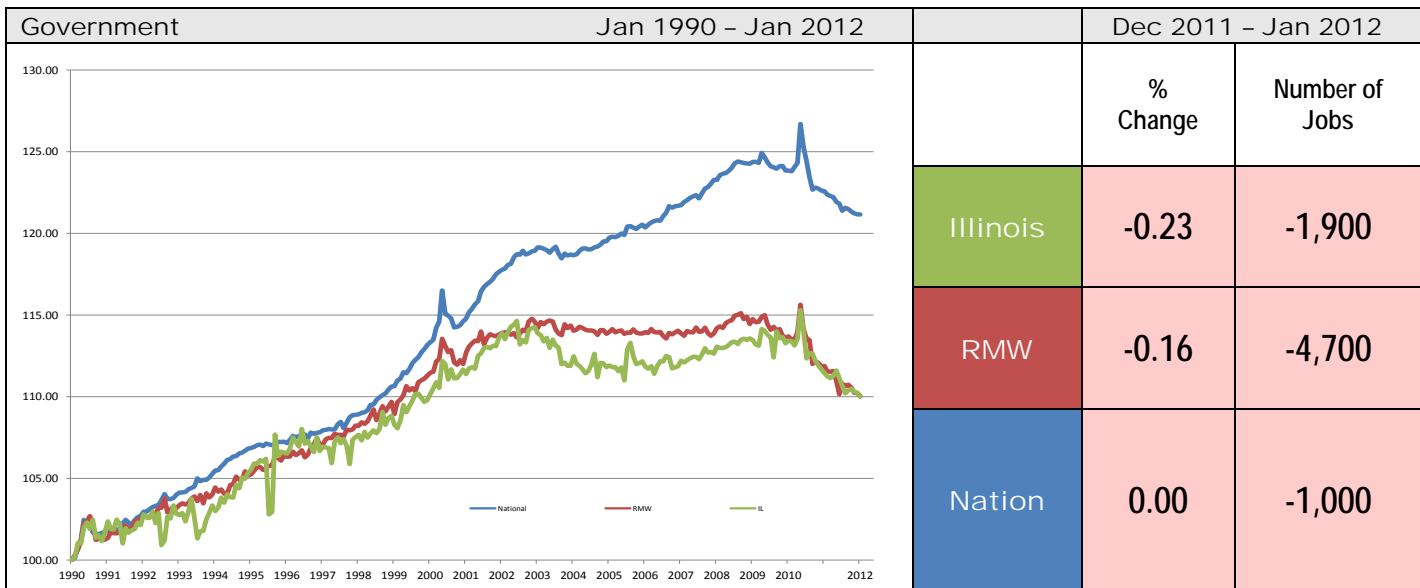
	Nation	0.43	76,000
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Education & health	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		-0.68	-5,800
RMW		0.15	4,300
Nation		0.18	37,000

Leisure & hospitality	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		0.69	3,600
RMW		1.08	19,100
Nation		0.34	46,000

Other Services	Jan 1990 - Jan 2012	Dec 2011 - Jan 2012	
		% Change	Number of Jobs
Illinois		-0.36	-900
RMW		0.15	1,200

	Nation	0.13	7,000
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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.