



# Indiana Economic Update

July 21, 2015

## Summary

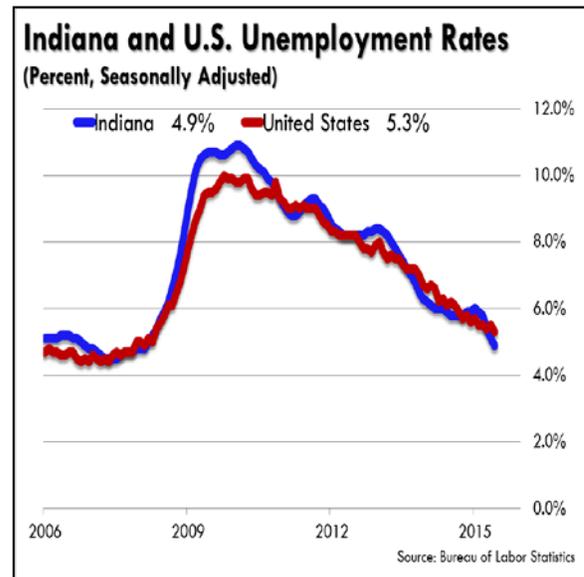
Nonfarm payroll employment in Indiana increased by 3,900 jobs and the unemployment rate fell to 4.9 percent in June according to data released by the Bureau of Labor Statistics (BLS).

## Indiana Unemployment Rate

During June, the unemployment rate in Indiana declined by 0.2 percentage point to 4.9 percent. The number of people counted as unemployed fell by 9,152 in June to 157,879, while the labor force grew by 2,226 to 3,248,274. Among the 50 states and the District of Columbia, 20 posted lower unemployment rates for the month than Indiana. A year earlier, the unemployment rate in Indiana stood at 5.9 percent.

The 10 year peak for the unemployment rate in Indiana was 10.9 percent in February 2010. The series high for the unemployment rate in Indiana occurred in December 1982 when the unemployment rate reached 12.6 percent. The 10 year low for the unemployment rate in Indiana was 4.5 percent in July 2007. The series low for the unemployment rate in Indiana occurred in October 2000 when the unemployment rate reached 2.9 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined to 5.3 percent in June. June's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.1 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



## Indiana Payroll Employment

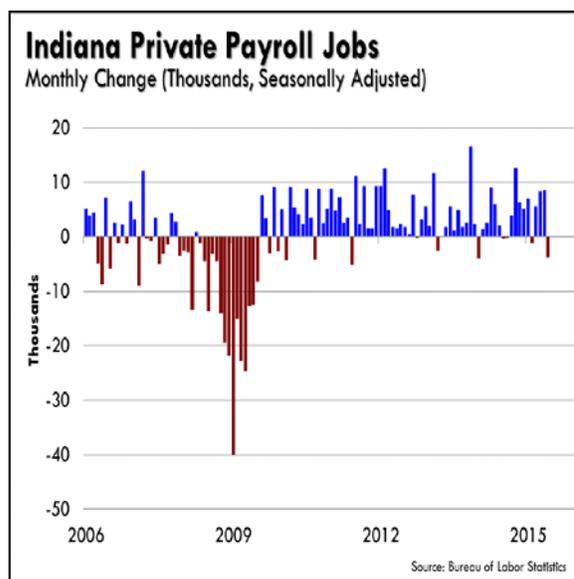
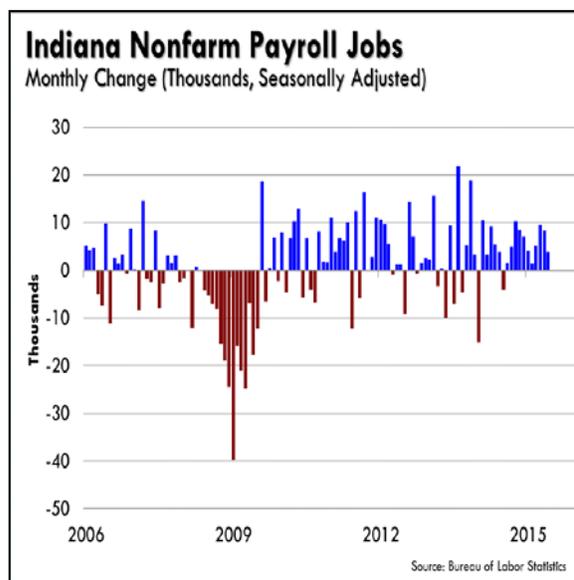
Indiana nonfarm payrolls increased by 3,900 jobs, or 0.13 percent, on a seasonally adjusted basis during June. In the prior month, nonfarm payrolls increased by 8,300. Over the past 12 months nonfarm payrolls in Indiana increased by 60,200, or 2.02 percent. Indiana nonfarm payroll employment has increased in 11 of the past 12 months.

Nationally nonfarm payrolls increased by 223,000 jobs in June, or 0.16 percent. Over the 12 month period ending in June 2015, nonfarm payrolls grew by 2,935,000 jobs, or 2.11 percent. Indiana ranks 19th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During June, Indiana private sector payrolls declined by 3,800, or 0.15 percent. Private sector payrolls increased by 8,500 jobs in the prior month. Over the past 12 months, private sector payrolls in Indiana increased by 51,900, or 2.03 percent. Indiana private sector payroll employment has increased in 8 of the past 12 months.

Nationally, private sector payroll jobs increased by 223,000 in June, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,880,000 private sector payroll jobs, an increase of 2.46 percent. Indiana ranks 21st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During June, total government payroll employment in Indiana increased by 7,700, or 1.79 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 1,600, or 1.35 percent, while local government payroll employment increased by 6,100, or 2.22 percent.



Over the past year, total government payroll employment increased by 8,300, or 1.94 percent. State government payroll employment increased by 3,500, or 3.01 percent. Local government payroll employment increased by 4,600, or 1.67 percent.

The best performing sectors on a seasonally adjusted basis during June were Total Government (+7,700) and Manufacturing (+1,600). The poorest performing sectors during the month were Trade, Transportation & Utilities (-3,600) and Other Services (-2,500).



The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+21,100) and Manufacturing (+14,500). The poorest performing sectors for the year were Construction (-600) and Mining & Logging (-500).

### Other Indiana Labor Force Statistics

The labor force participation rate in Indiana was unchanged at 63.3 percent in June. Among the 50 states and the District of Columbia, 28 have a higher labor force participation rate than Indiana. The labor force participation rate in Indiana is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Indiana was 67.6 percent in April 2006. The series high for the labor force participation rate in Indiana occurred in

April 1995 when the labor force participation rate hit 71.1 percent. The 10 year low for the labor force participation rate was 62.8 percent in September 2012. This also represents the series low for the labor force participation rate in Indiana.

The national labor force participation rate declined by 0.3 percentage point to 62.6 percent in June. That rate is 0.2 percentage point lower than a year earlier and the lowest recorded since October 1977.

The employment-to-population ratio, or the percentage of the Indiana civilian noninstitutionalized population 16 years and older counted as employed, rose to 60.2 percent in June from 60.1 percent the prior month. Among the 50 states and the District of Columbia, 25 have higher employment-to-population ratios than Indiana. The employment-to-population ratio in Indiana is 0.5 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Indiana was 64.2 percent in March 2006. The series high for the employment-to-population ratio in Indiana occurred in February 1995 when the employment-to-population ratio hit 68.0 percent. The 10 year low for the employment-to-population ratio was 57.1 percent in April 2010. The series low for the employment-to-population ratio occurred in May 1983 when the employment-to-population ratio hit 55.7 percent.

The national employment-to-population ratio ticked down to 59.3 percent in June. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in June 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for June is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Friday, August 21. The national employment situation for July will be released on Friday, August 7.

