



# Indiana Economic Update

November 18, 2016

## Summary

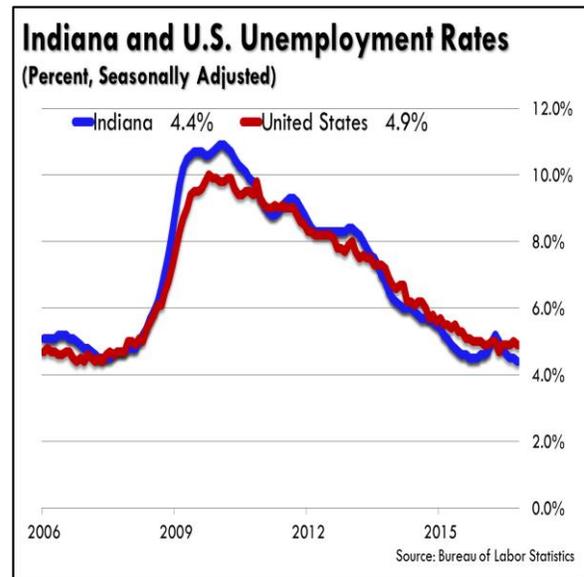
Nonfarm payroll employment in Indiana increased by 1,800 jobs, and the unemployment rate fell to 4.4 percent in October according to data released by the Bureau of Labor Statistics (BLS).

## Indiana Unemployment Rate

During October, the unemployment rate in Indiana declined by 0.1 percentage point to 4.4 percent. The number of people counted as unemployed fell by 5,247 in October to 146,178, while the labor force fell by 16,052 to 3,358,100. Among the 50 states and the District of Columbia, 19 posted lower unemployment rates for the month than Indiana. A year earlier, the unemployment rate in Indiana stood at 4.5 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 4.4 percent in October 2016. The series low for the unemployment rate in Indiana occurred in October 2000 when the unemployment rate was 2.9 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## Indiana Payroll Employment

Indiana nonfarm payrolls increased by 1,800 jobs, or 0.06 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 7,000. Over the past 12 months, nonfarm payrolls in Indiana increased by 30,200, or 0.99 percent. Indiana nonfarm payroll employment has increased in 8 of the past 12 months.

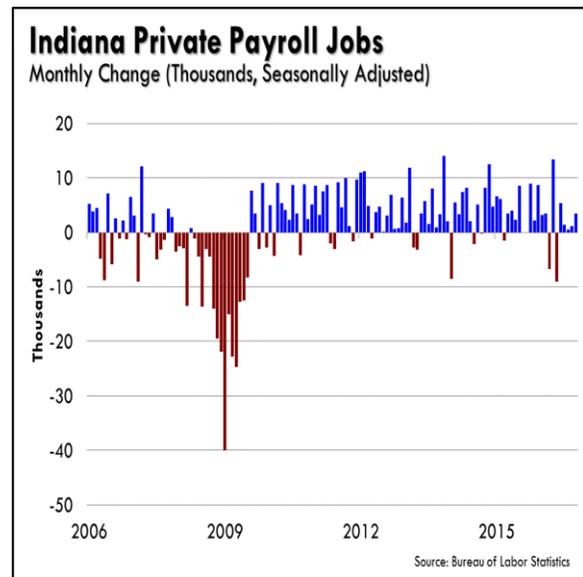
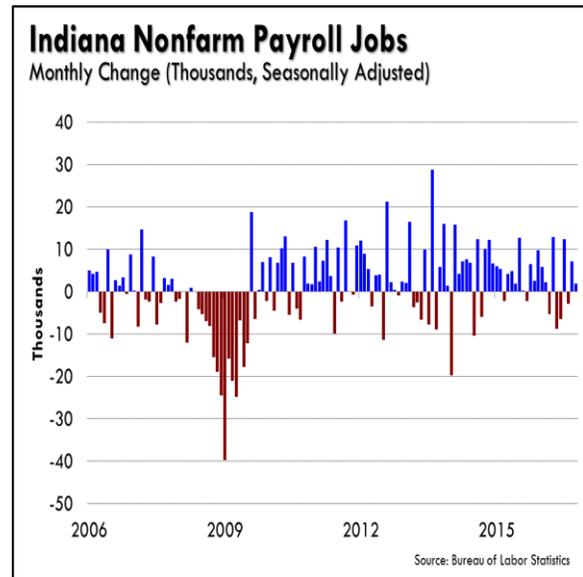
Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Indiana ranks 30th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Indiana private-sector payrolls increased by 3,400, or 0.13 percent. Private-sector payrolls increased by 1,100 jobs in the prior month. Over the past 12 months, private-sector payrolls in Indiana increased by 26,900, or 1.03 percent. Indiana private-sector payroll employment has increased in 10 of the past 12 months.

Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Indiana ranks 33rd among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

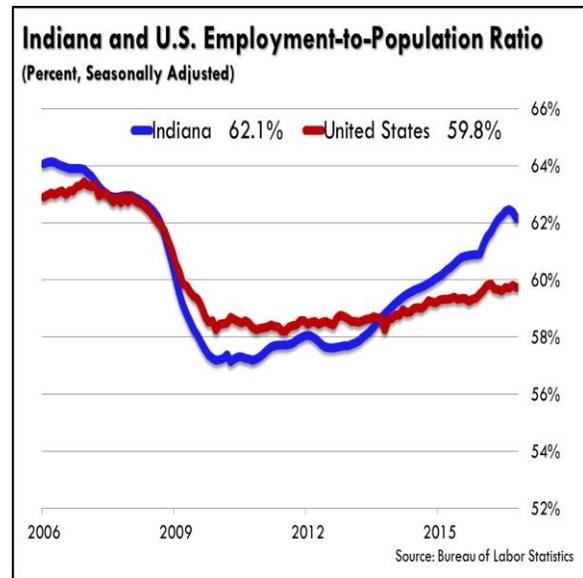
During October, total government payroll employment in Indiana declined by 1,600, or 0.37 percent. Federal government payroll employment declined by 100, or 0.26 percent. State government payroll employment declined by 700, or 0.59 percent, while local government payroll employment declined by 800, or 0.29 percent.

Over the past year, total government payroll employment increased by 3,300, or 0.78 percent. State government payroll employment increased by 1,500, or 1.29 percent. Local government payroll employment increased by 800, or 0.29 percent.



The best performing sectors on a seasonally adjusted basis during October were Educational & Health Services (+3,600) and Trade, Transportation & Utilities (+800). The poorest performing sectors during the month were Total Government (-1,600) and Professional & Business Services (-700).

The best performing sectors during the last twelve months were Educational & Health Services (+17,300) and Trade, Transportation & Utilities (+11,800). The poorest performing sectors during the last twelve months were Manufacturing (-7,200) and Professional & Business Services (-3,600).



### Other Indiana Labor Force Statistics

The labor force participation rate in Indiana declined to 65.0 percent in October from 65.3 percent the prior month. Among the 50 states and the District of Columbia, 18 have a higher labor force participation rate than Indiana. The labor force participation rate in Indiana is 1.2 percentage points higher than 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 67.2 percent in November 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 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Indiana civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.1 percent in October from 62.4 percent the prior month. Among the 50 states and the

District of Columbia, 17 have higher employment-to-population ratios than Indiana. The employment-to-population ratio in Indiana is 1.2 percentage points higher than a year earlier.

The 10-year high for the employment-to-population ratio in Indiana was 63.9 percent in November 2006. The series high for the employment-to-population ratio in Indiana occurred in February 1995 when the employment-to-population ratio hit 67.9 percent. The 10-year low for the employment-to-population ratio was 57.0 percent in March 2010. The series low for the employment-to-population ratio occurred in May 1983 when the employment-to-population ratio was 55.7 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 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 ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.