



Illinois Economic Update

August 19, 2016

Summary

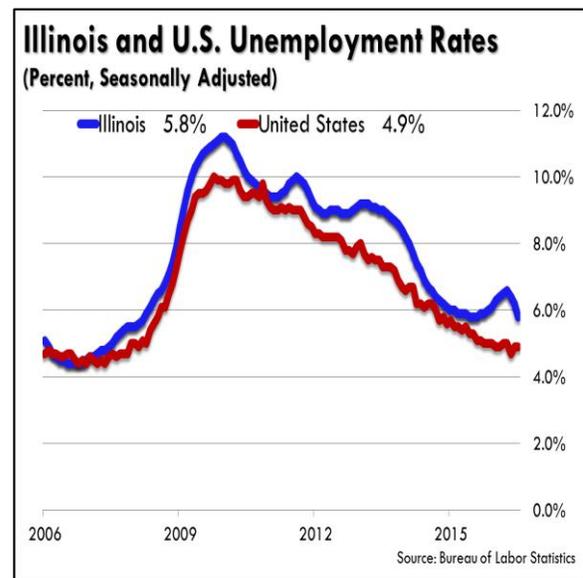
Nonfarm payroll employment in Illinois increased by 11,600 jobs and the unemployment rate fell to 5.8 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Illinois Unemployment Rate

During July, the unemployment rate in Illinois declined by 0.4 percentage point to 5.8 percent. The number of people counted as unemployed fell by 26,245 in July to 383,049, while the labor force fell by 33,611 to 6,592,079. Among the 50 states and the District of Columbia, 42 posted lower unemployment rates for the month than Illinois. A year earlier, the unemployment rate in Illinois stood at 5.8 percent.

The 10-year peak for the unemployment rate in Illinois was 11.2 percent in January 2010. The series high for the unemployment rate in Illinois occurred in February 1983 when the unemployment rate reached 13.1 percent. The 10-year low for the unemployment rate in Illinois was 4.4 percent in November 2006. The series low for the unemployment rate in Illinois occurred in February 1999 when the unemployment rate reached 4.1 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in July. July's unemployment rate was 0.4 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.



Illinois Payroll Employment

Illinois nonfarm payrolls increased by 11,600 jobs, or 0.19 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls declined by 3,500. Over the past 12 months nonfarm payrolls in Illinois increased by 43,200, or 0.72 percent. Illinois nonfarm payroll employment has increased in 7 of the past 12 months.

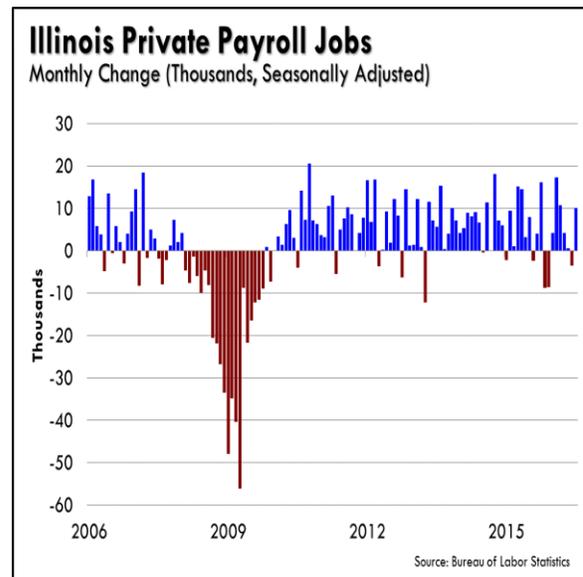
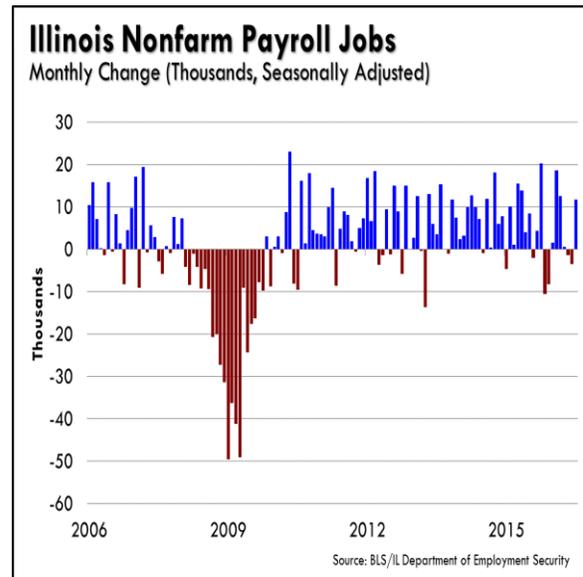
Nationally, nonfarm payrolls increased by 255,000 jobs in July, or 0.18 percent. Over the 12-month period ending July 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Illinois ranks 41st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Illinois private-sector payrolls increased by 10,100, or 0.20 percent. Private-sector payrolls declined by 3,500 jobs in the prior month. Over the past 12 months, private-sector payrolls in Illinois increased by 43,700, or 0.85 percent. Illinois private-sector payroll employment has increased in 8 of the past 12 months.

Nationally private-sector payroll jobs increased by 217,000 jobs in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,293,000 jobs in the private sector, an increase of 1.91 percent. Illinois ranks 39th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During July, total government payroll employment in Illinois increased by 1,500, or 0.18 percent. Federal government payroll employment declined by 300, or 0.37 percent. State government payroll employment increased by 1,300, or 0.86 percent, while local government payroll employment increased by 500, or 0.08 percent.

Over the past year, total government payroll employment declined by 500, or 0.06 percent. State government payroll employment increased by 1,200, or 0.79 percent. Local government payroll employment declined by 2,100, or 0.35 percent.



The best performing sectors on a seasonally adjusted basis during July were Educational & Health Services (+5,400) and Other Services (+4,200). The poorest performing sectors during the month were Construction (-2,700) and Financial Activities (-1,000).

The best performing sectors during the last twelve months were Leisure & Hospitality (+18,900) and Professional & Business Services (+13,800). The poorest performing sectors during the last twelve months were Manufacturing (-9,100) and Information (-3,000).

Other Illinois Labor Force Statistics

The labor force participation rate in Illinois declined to 65.4 percent in July from 65.8 percent the prior month. Among the 50 states and the District of Columbia, 16 have a higher labor force participation rate than Illinois. The labor force participation rate in Illinois is 0.7 percentage point 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 Illinois was 68.7 percent in December 2007. The series high for the labor force participation rate in Illinois occurred in April 2000 when the labor force participation rate hit 69.8 percent. The 10-year low for the labor force participation rate was 64.5 percent in February 2015. The series low for the labor force participation rate occurred in December 1976 when the labor force participation rate hit 62.8 percent.

The national labor force participation rate rose by 0.1 percentage point to 62.8 percent in July, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Illinois civilian noninstitutionalized population 16 years and older counted as employed, declined to 61.6 percent in July from 61.7 percent the prior month. Among the 50 states and the District of



Columbia, 20 have higher employment-to-population ratios than Illinois. The employment-to-population ratio in Illinois is 0.7 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in Illinois was 65.0 percent in October 2007. The series high for the employment-to-population ratio in Illinois occurred in February 2000 when the employment-to-population ratio hit 66.9 percent. The 10-year low for the employment-to-population ratio was 59.2 percent in December 2009. The series low for the employment-to-population ratio occurred in April 1983 when the employment-to-population ratio hit 56.9 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.7 percent in July. 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 August is scheduled for release on September 20, 2016. The national employment situation report for August will be released on Friday, September 2, 2016.