Illinois Economic Update

April 15, 2016

Summary

Nonfarm payroll employment in Illinois increased by 14,700 jobs and the unemployment rate rose to 6.5 percent in March according to data released by the Bureau of Labor Statistics (BLS).

Illinois Unemployment Rate

During March, the unemployment rate in Illinois increased by 0.1 percentage point to 6.5 percent. The number of people counted as unemployed rose by 9,618 in March to 429,633, while the labor force grew by 37,699 to 6,645,148. Among the 50 states and the District of Columbia, 47 posted lower unemployment rates for the month than Illinois. A year earlier, the unemployment rate in Illinois stood at 5.9 percent.

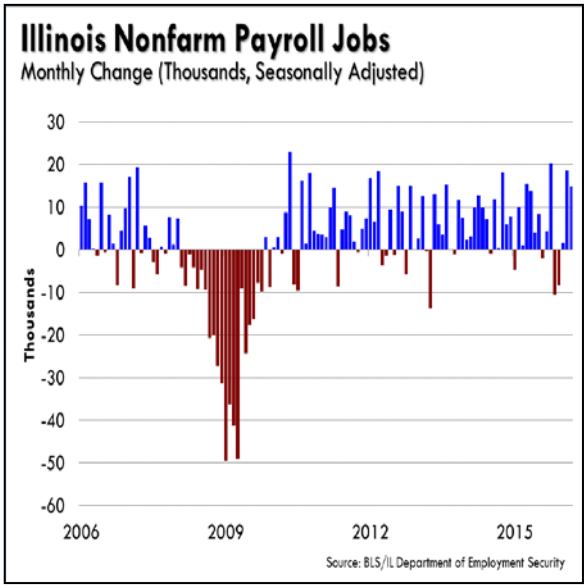
The 10 year peak for the unemployment rate in Illinois was 11.2 percent in January 2010. The series high for the unemployment rate in Illinois occurred in February 1983 when the unemployment rate reached 13.1 percent. The 10 year low for the unemployment rate in Illinois was 4.4 percent in November 2006. 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 rose by 0.1 percentage point to 5.0 percent in March. March's unemployment rate was 0.5 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.

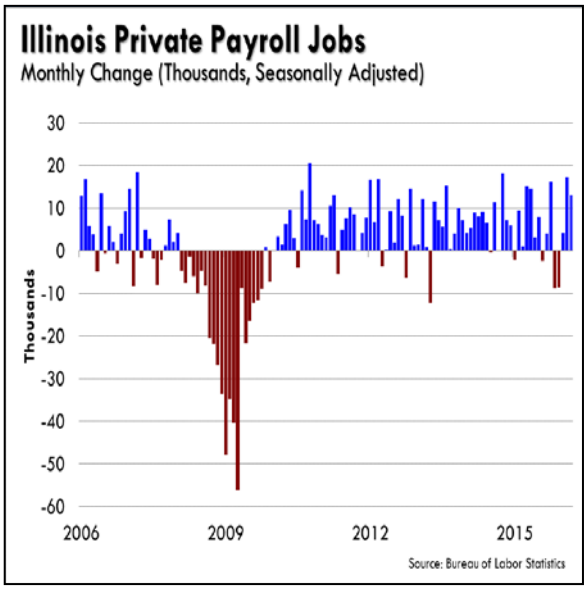
Prepared by the Joint Economic Committee
Senator Dan Coats, Chairman Representative Pat Tiberi, Vice Chairman

Illinois Payroll Employment

Illinois nonfarm payrolls increased by 14,700 jobs, or 0.25 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls increased by 18,600. Over the past 12 months nonfarm payrolls in Illinois increased by 79,900, or 1.35 percent. Illinois nonfarm payroll employment has increased in 9 of the past 12 months.



Nationally, nonfarm payrolls increased by 215,000 jobs in March, or 0.15 percent. Over the 12-month period ending March 2016 nonfarm payrolls grew by 2,802,000 jobs, or 1.99 percent. Illinois ranks 33rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.



During March, Illinois private sector payrolls increased by 12,900, or 0.25 percent. Private sector payrolls increased by 17,300 jobs in the prior month. Over the past 12 months, private sector payrolls in Illinois increased by 75,100, or 1.47 percent. Illinois private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 195,000 jobs in 1.99, or 0.16 percent. Over the past 12 months, the nation's economy has added 2,681,000 jobs in the private sector, an increase of 2.25 percent. Illinois ranks 35th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in Illinois increased by 1,800, or 0.22 percent. Federal government payroll employment increased by 300, or 0.38 percent. State government payroll employment was unchanged, while local government payroll employment increased by 1,500, or 0.25 percent.

Over the past year, total government payroll employment increased by 4,800, or 0.58 percent. State government payroll employment increased by 100, or 0.07 percent. Local government payroll employment increased by 4,400, or 0.74 percent.

The best performing sectors on a seasonally adjusted basis during March were Leisure & Hospitality (+6,300) and Construction (+4,100). The poorest performing sectors during the month were Manufacturing (-3,100) and Professional & Business Services (-1,400).

The best performing sectors during the last twelve months were Leisure & Hospitality (+25,500) and Educational & Health Services (+21,600). The poorest performing sectors for the year were Manufacturing (-7,500) and Information (-1,900).

<u>Other Illinois Labor Force Statistics</u>

The labor force participation rate in Illinois rose to 66.0 percent in March from 65.6 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 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 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 63.0 percent in March, 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, rose to 61.7 percent in March from 61.4 percent the prior month. Among the 50 states and the District of Columbia, 18 have higher employment-to-population ratios than Illinois. The employment-to-population ratio in Illinois is 0.9 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 59.9 percent in March. That rate was 0.6 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 April is scheduled for release on May 20, 2016. The national employment situation report for April will be released on Friday, May 6, 2016.