

# Indiana's Employment and Labor Force Estimates August 2021

09/15/2021

Data is embargoed until 10 AM September 17, 2021

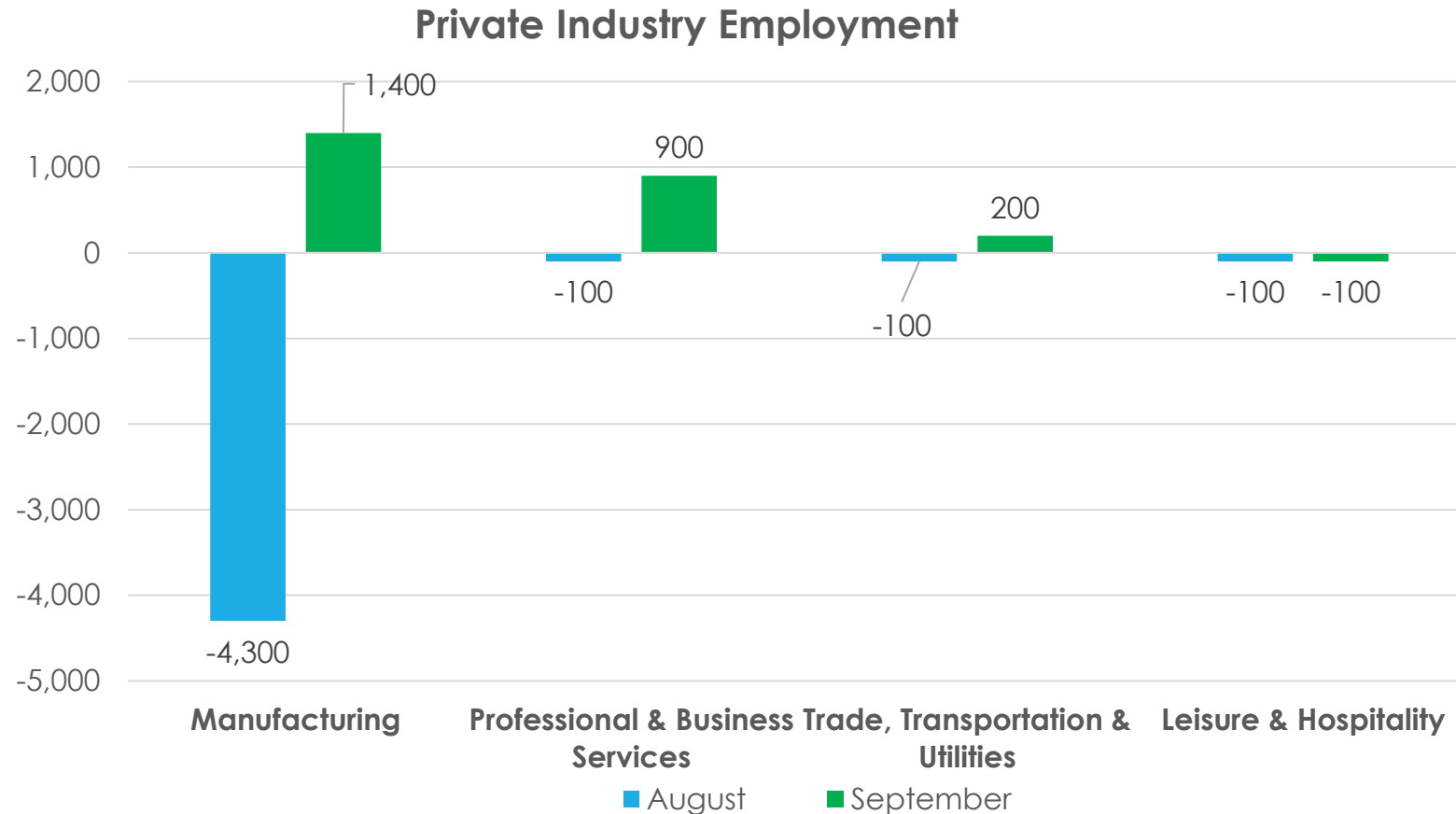
# Key Points

- **Indiana's unemployment rate is 4.1%. The U.S. is at 5.2%.**
- **Indiana's Labor Force is at 3,343,658.**
- Indiana's Labor Force decreased by 2,499 due to a decrease in employment of 1,686 and a decrease in unemployment of 813.
- Indiana's Labor Force has increased 22,801 over the year.
- Indiana's Labor Force Participation Rate is now at 63.1%. This is above the U.S. Labor Force Participation Rate of 61.7%.

# Key Points: September 2021

## Indiana's Private Employment

- Decreased by 300 jobs over the month and recovered 63,500 jobs over the year.
- September private employment = 2,650,700.



# Comparing Local Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES)

## **LAUS** (Labor Force by Residence)

**This counts people, not jobs, and is...**

- An estimate of employment based on where the employee lives, rather than where they work
- Used in calculating the labor force

## **CES** (Employment by Job)

**This counts jobs, not people, and is...**

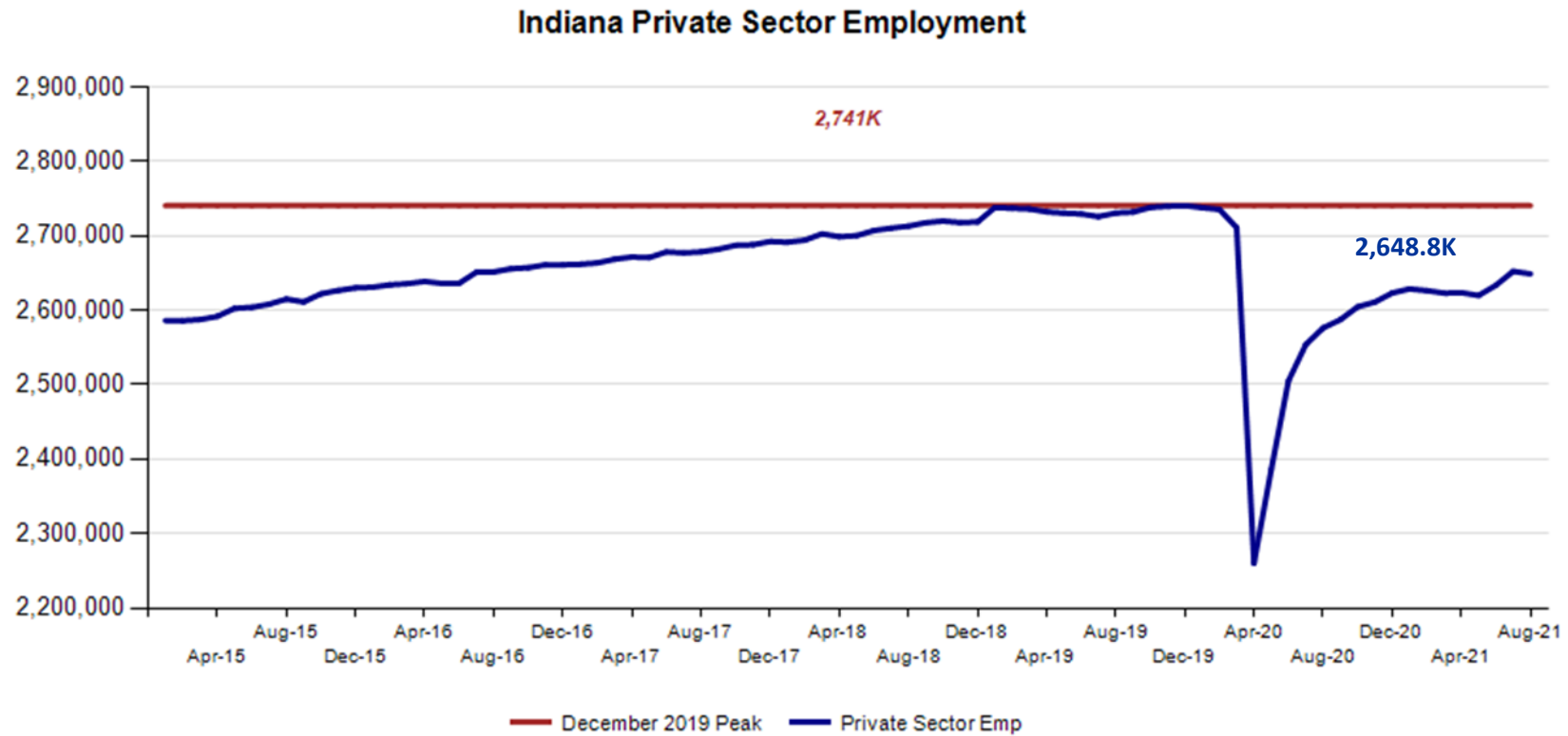
- An estimate of employment based on the location of the job regardless of the worker's residence
- Also called nonag wage and salary or nonfarm employment
- Used in Quarterly Census of Employment and Wages (QCEW), Occupational Employment Statistics (OES) and CES data

# CES Monthly Jobs Report

Revisions to JULY 2021 Estimates						
INDUSTRY TITLE	Jun	Jul Prel	Jul Rev	Revision	Chg from Jun	Pre Chg from Jun
Total Nonfarm	3048.1	3058.7	3064.2	5.5	16.1	10.6
Total Private	2633.4	2650.5	2652.2	1.7	18.8	17.1
Goods Producing	680.2	685.4	686.1	0.7	5.9	5.2
Service-Providing	2367.9	2373.3	2378.1	4.8	10.2	5.4
Private Service Providing	1953.2	1965.1	1966.1	1.0	12.9	11.9
Construction	144.9	145.2	144.8	-0.4	-0.1	0.3
Manufacturing	530.1	534.9	535.9	1.0	5.8	4.8
Trade, Transportation, and Utilities	600.5	605.0	605.5	0.5	5.0	4.5
Wholesale Trade	115.6	117.5	117.3	-0.2	1.7	1.9
Retail Trade	315.6	317.1	317.1	0.0	1.5	1.5
Transportation, Warehousing, and Utilities	169.3	170.4	171.1	0.7	1.8	1.1
Information	24.5	24.5	24.3	-0.2	-0.2	0.0
Financial Activities	140.0	138.4	138.8	0.4	-1.2	-1.6
Finance and Insurance	106.4	106.5	106.2	-0.3	-0.2	0.1
Real Estate and Rental and Leasing	33.6	31.9	32.6	0.7	-1.0	-1.7
Professional and Business Services	324.6	327.3	327.4	0.1	2.8	2.7
Professional, Scientific, and Technical Services	125.8	128.4	128.6	0.2	2.8	2.6
Management of Companies and Enterprises	36.4	36.7	36.8	0.1	0.4	0.3
Admin & Support & Waste Mgmt & Remediation Services	162.4	162.2	162.0	-0.2	-0.4	-0.2
Education and Health Services	465.7	468.5	469.0	0.5	3.3	2.8
Educational Services	56.8	57.9	59.0	1.1	2.2	1.1
Health Care and Social Assistance	408.9	410.6	410.0	-0.6	1.1	1.7
Leisure and Hospitality	284.2	286.7	286.6	-0.1	2.4	2.5
Other Services	113.7	114.7	114.5	-0.2	0.8	1.0
Government	414.7	408.2	412.0	3.8	-2.7	-6.5

# Indiana Private Sector Employment

August 2021 total private employment is 91,700 below the December 2019 pre-pandemic peak.



# Indiana Private Sector Employment Change

**September 2021 decreased by 300 jobs over the month and is up 63,500 jobs over the year.**

## IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)

Industry	September 2020	December 2020	August 2021	September 2021	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	461.9	461.3	471.7	471.0	-0.7	9.7	9.1
.....Private Educational Services	55.9	51.8	60.1	58.1	-2.0	6.3	2.2
.....Health Care & Social Assistance	406.0	409.5	411.6	412.9	1.3	3.4	6.9
Manufacturing	511.1	519.5	533.1	534.5	1.4	15.0	23.4
Professional & Business Services	323.6	333.9	326.8	327.7	0.9	-6.2	4.1
Financial Activities	139.6	141.0	139.0	138.7	-0.3	-2.3	-0.9
Construction	144.6	150.3	144.8	143.4	-1.4	-6.9	-1.2
Leisure and Hospitality	268.6	270.7	284.5	284.4	-0.1	13.7	15.8
Trade, Transportation & Utilities	595.4	605.1	605.9	606.1	0.2	1.0	10.7
.....Trade	427.1	433.1	433.9	434.6	0.7	1.5	7.5
.....Transportation, Warehousing & Utilities	168.3	172.0	172.0	171.5	-0.5	-0.5	3.2
All Other	142.4	141.3	145.2	144.9	-0.3	3.6	2.5
Total Private	2,587.2	2,623.1	2,651.0	2,650.7	-0.3	27.6	63.5
Government (Includes Public Schools & Hospitals)	412.6	401.7	410.9	408.1	-2.8	6.4	-4.5
Total Nonfarm	2,999.8	3,024.8	3,061.9	3,058.8	-3.1	34.0	59.0
United States Total Private	120,008.0	121,047.0	125,252.0	125,569.0	317.0	4,522.0	5,561.0

- **Manufacturing recovered 1,400 jobs** over the month.
- **All Other Professional & Business Services 900** recovered jobs over the month.

Source: Current Employment Statistics (seasonally adjusted)

For month to month change, [visit this link](#).



# Indiana Private Sector Employment Change From Peak and Trough

**August 2021 estimates show Indiana private jobs decreased 91,700 since December 2019.**

IN Statewide Estimates (seasonally adjusted) -- August 2021

Supersector	Private Empl. Peak December 2019	Private Empl. Trough April 2020	July 2021	August 2021	Change Since Peak	Change Since Trough	Month to Month Change
Private Educational & Health Services	483.4	435.0	469.0	470.9	-12.5	35.9	1.9
.....Private Educational Services	62.9	51.0	59.0	60.0	-2.9	9.0	1.0
.....Health Care & Social Assistance	420.5	384.0	410.0	410.9	-9.6	26.9	0.9
Manufacturing	537.7	421.4	535.9	531.6	-6.1	110.2	-4.3
Professional & Business Services	346.9	297.8	327.4	327.3	-19.6	29.5	-0.1
Financial Activities	143.0	137.8	138.8	139.0	-4.0	1.2	0.2
Construction	147.3	132.7	144.8	145.1	-2.2	12.4	0.3
Leisure and Hospitality	314.7	178.0	286.6	284.2	-30.5	106.2	-2.4
Trade, Transportation & Utilities	604.9	542.3	605.5	605.4	0.5	63.1	-0.1
.....Trade	439.4	386.1	434.4	433.0	-6.4	46.9	-1.4
.....Transportation, Warehousing & Utilities	165.5	156.2	171.1	172.4	6.9	16.2	1.3
All Other	162.6	114.9	144.2	145.3	-17.3	30.4	1.1
Total Private	2,740.5	2,259.9	2,652.2	2,648.8	-91.7	388.9	-3.4
Government (Includes Public Schools & Hospitals)	427.8	404.6	412.0	411.0	-16.8	6.4	-1.0
Total Nonfarm	3,168.3	2,664.5	3,064.2	3,059.8	-108.5	395.3	-4.4
United States Total Private	129,190.0	108,335.0	124,902.0	125,145.0	-4,045.0	16,810.0	243.0

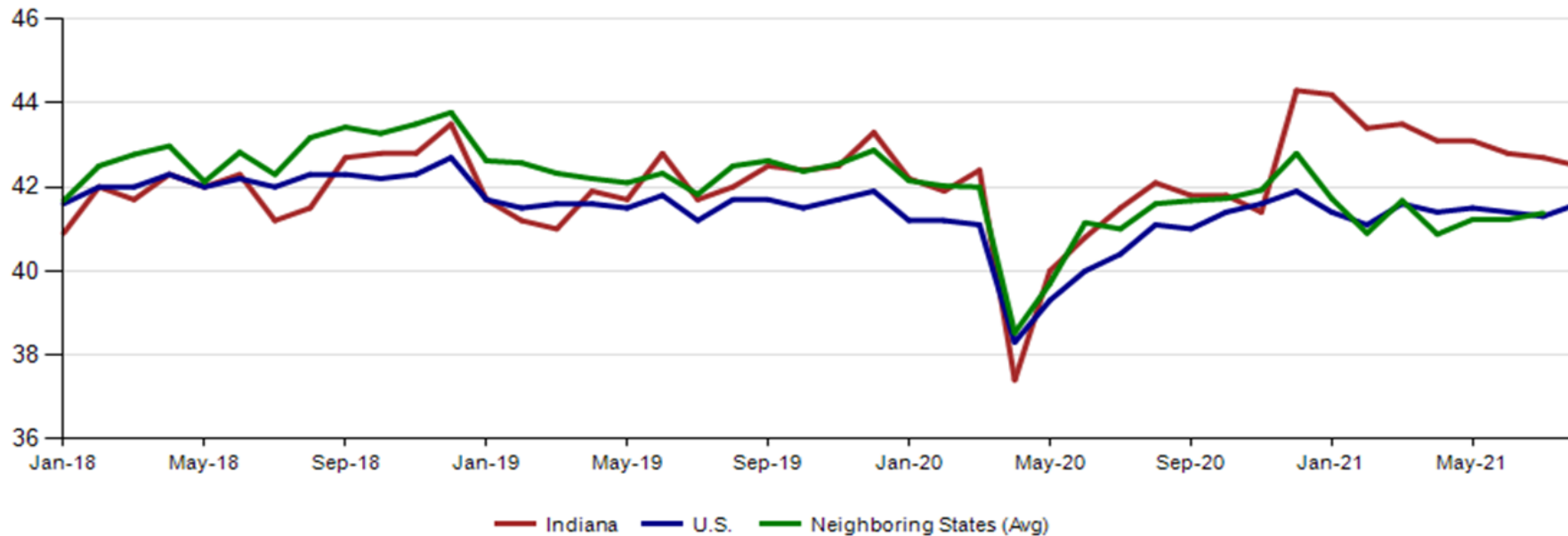
Source: Current Employment Statistics (seasonally adjusted)

For historical data, [visit this link](#).

## Avg. Weekly Manufacturing Production Hours

**August 2021 average weekly hours for Indiana manufacturing production hours decreased by 0.2 hours to 42.5 hours. National manufacturing hours increased 0.3 hours to 41.6 weekly hours, and Midwest states increased at 0.2 hours to 41.4 hours (July 2021 data).**

Avg. Weekly Manufacturing Production Hours (non seasonally adjusted)



# Monthly Labor Force Report

**Table 1: Year-to-Date Benchmarked Model Estimates**  
**Table 1a: Smoothed Seasonally Adjusted**  
(SSA Est. appear as the seasonally adjusted in BLS and State official publications and databases)

	Labor Force		Employment		Unemployment		
Month	Level	LFP	Level	EP	Level	Rate	Error Range <sup>+</sup>
JAN	3,347,810	63.3	**3,206,431	**60.7	**141,379	**4.2	3.5- 4.9
FEB	3,342,841	63.2	3,208,912	60.7	**133,929	**4.0	3.3- 4.7
MAR	3,336,773	63.1	3,206,627	60.6	130,146	3.9	3.2- 4.6
APR	3,337,128	63.1	3,205,827	60.6	131,301	3.9	3.2- 4.7
MAY	3,344,131	63.2	3,208,953	60.6	135,178	4.0	3.3- 4.8
JUN	3,347,800	63.2	3,209,313	60.6	138,487	4.1	3.4- 4.8
JUL	3,346,157	63.2	3,208,084	60.6	138,073	4.1	3.4- 4.8
AUG	3,343,658	63.1	3,206,398	60.5	137,260	4.1	3.4- 4.8

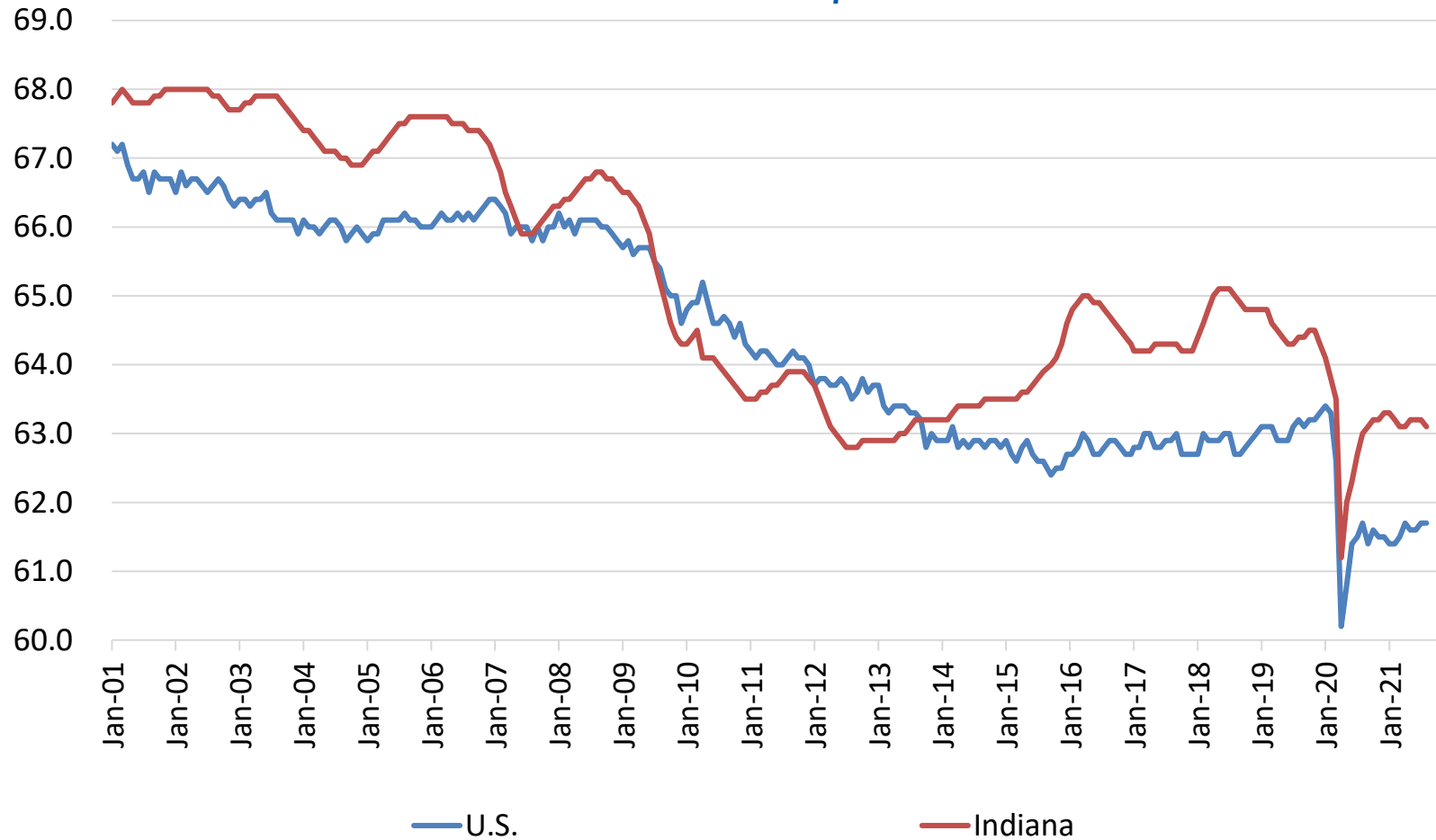
## Jobs Data for August 2021

Month NSA	Labor Force	Employed	Unemployed	IN Rate	Total NonFarm	Total Private	Regular UI Claims
Dec-16	3,288,829	3,164,196	124,633	3.8	3,112,000	2,672,400	24,599
Aug-21	3,334,878	3,201,240	133,638	4.0	3,071,100	2,671,100	19,921
Change	46,049	37,044	9,005	0.2	(40,900)	(1,300)	(4,678)

Month SA	Labor Force	Employed	Unemployed	IN Rate	Total NonFarm	Total Private	Regular UI Claims
Dec-16	3,317,083	3,185,941	131,142	4.0	3,086,600	2,661,000	24,599
Aug-21	3,343,658	3,206,398	137,260	4.1	3,059,800	2,648,800	19,921
Change	26,575	20,457	6,118	0.1	(26,800)	(12,200)	(4,678)

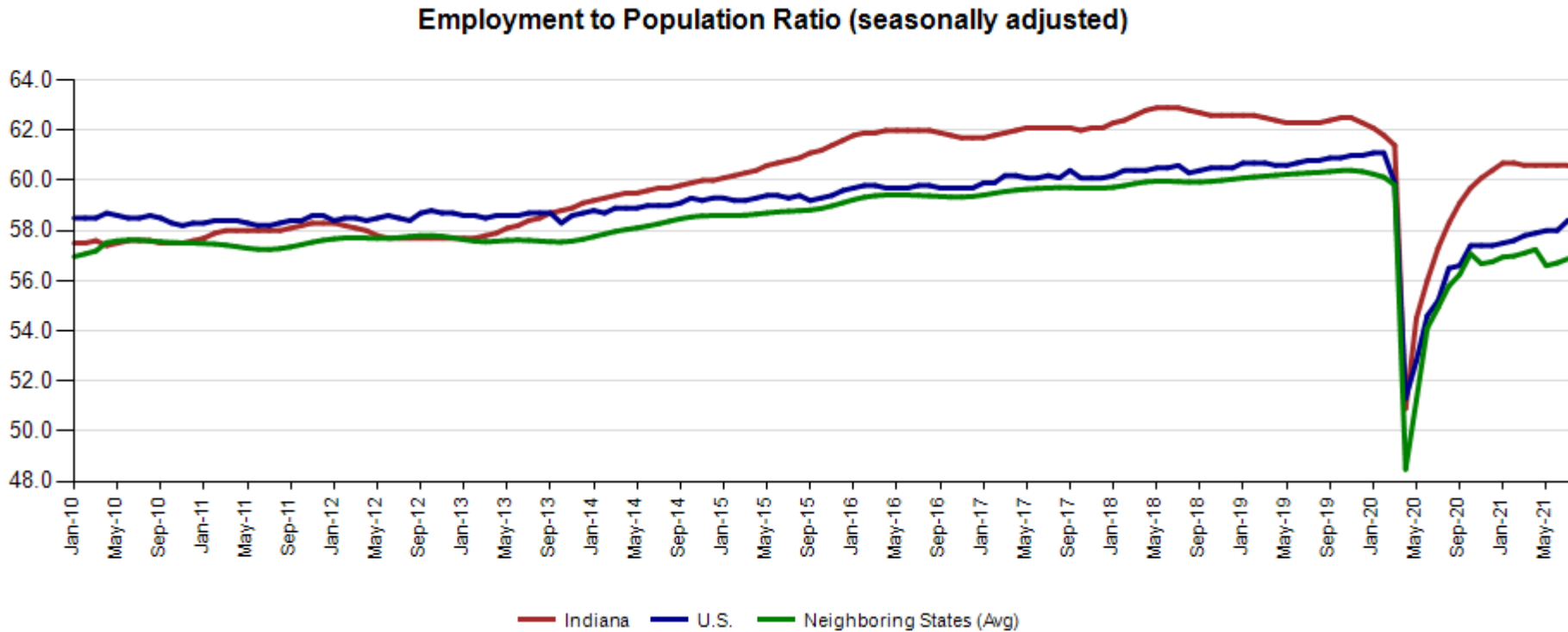
## Indiana Labor Force Participation Rate Compared to U.S.

*Indiana is at 63.1% compared to the U.S. at 61.7%*



# Employment to Population Ratio (seasonally adjusted)

*The Indiana Employment to Population Ratio for August 2021 is 60.5% compared to the U.S. at 58.5% and Neighboring states at 60.2% (July)*



## Indiana Unemployment Rate and Unemployment Insurance (UI)

- The unemployment rate for Indiana is calculated by statistical modelling done by the Bureau of Labor Statistics based on data from the Current Population Survey (CPS) that is collected by the Bureau of the Census.
- The CPS surveys thousands of Americans to obtain various data about the population, including employment status.
- All states provide 4 inputs for their state-wide estimate; CES total non-farm employment, total continued claims, total UCFE claims and Strikers. Each state has a model that is unique for that state. Most states correlate to the CPS meaning they are not influenced by these inputs. Some states correlate to the UI Claims numbers. **Indiana correlates to the CPS at the state-wide level.**
- Not all of those who are unemployed apply for or receive benefits, which is why it isn't used as an input for the state-wide unemployment rate.



## Indiana Unemployment Rate and Unemployment Insurance (UI)

- **UI Claims are an input of county and local unemployment rates.** CPS data sets for smaller geographic areas, such as counties, are smaller and as a result of this, more volatile.
- Indiana and BLS use other data sets available to us to better estimate the unemployment rates of these smaller geographic areas.
- UI claims data has geographic location attached to it and is highly correlated to unemployment, fulfilling the role of a supplementary data set.

## Midwest Comparison Rates: Seasonally Adjusted Over the Year and Over the Month

	Aug-20	Jul-21	Aug-21	Monthly change	Yearly change
Indiana	7.3%	4.1%	4.1%	0.0%	-3.2%
U.S.	8.4%	5.4%	5.2%	-0.2%	-3.2%
Illinois	11.1%	7.1%	7.0%	-0.1%	-4.1%
Kentucky	5.5%	4.4%	4.3%	-0.1%	-1.2%
Michigan	8.5%	4.8%	4.7%	-0.1%	-3.8%
Minnesota	6.6%	3.9%	3.8%	-0.1%	-2.8%
Ohio	9.0%	5.4%	5.4%	0.0%	-3.6%
Wisconsin	6.1%	3.9%	3.9%	0.0%	-2.2%

\*2020 Benchmark

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## Alternative Measures of Labor Underutilization 3<sup>rd</sup> Quarter of 2020 through 2<sup>nd</sup> Quarter of 2021 Averages

State	U-1	U-2	U-3	U-4	U-5	U-6
Illinois	4.4	5.5	7.9	8.1	8.9	12.6
Indiana	2.3	3.6	5.2	5.4	5.9	8.7
Kentucky	2.3	3.4	5.3	5.6	6.2	8.2
Michigan	3.9	4.7	7.3	7.6	8.5	11.8
Minnesota	2.7	3.5	4.9	5.0	5.7	8.4
Ohio	2.7	4.1	6.3	6.6	7.2	10.6
Wisconsin	2.5	3.6	4.9	5.0	5.5	8.6
United States	3.6	4.7	7.1	7.5	8.2	12.4

The six state measures are based on the same definitions as those published for the U.S.:

- U-1, persons unemployed 15 weeks or longer, as a percent of the civilian labor force;
- U-2, job losers and persons who completed temporary jobs, as a percent of the civilian labor force;
- U-3, total unemployed, as a percent of the civilian labor force (this is the definition used for the official unemployment rate);
- U-4, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers;
- U-5, total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers; and
- U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

## Indiana: Not in the Labor Force by Gender and Age March 2020 12 Month Ave. Compared to August 2021 12 Month Ave.

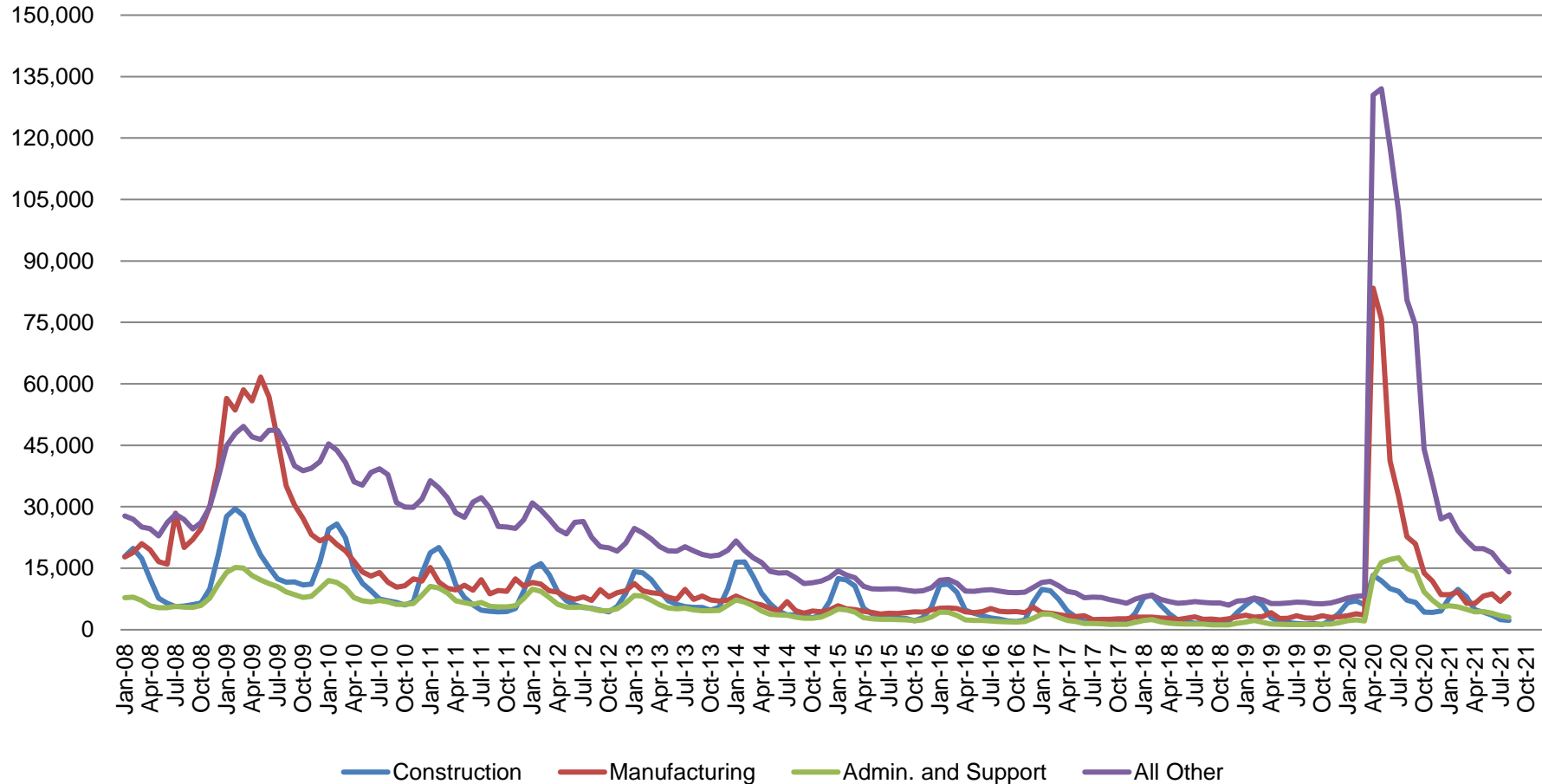
	Mar-20	Aug-21	Mar-20	Aug-21	Mar-20	Aug-21	Mar-20	Aug-21
	Total	Total	25 to 54	25 to 54	Men	Men	Women	Women
<b>Not in Labor Force</b>	1,874.7	1,959.7	421.7	459.0	745.9	777.4	1,128.7	1,182.2
<b>Do not want a job now</b>	1,779.6	1,854.7	389.0	404.8	700.2	722.7	1,079.4	1,132.0
<b>Want a job</b>	95.1	104.9	32.7	54.2	45.7	54.7	49.4	50.2
<b>Did not search for work in previous year</b>	62.4	68.9	17.6	31.5	27.7	37.2	34.7	31.7
<b>Searched for job in previous year</b>	32.7	36.1	15.1	22.7	18.0	17.5	14.7	18.5
<b>Not available to work now</b>	8.3	10.6	3.7	7.3	4.1	4.4	4.2	6.2
<b>Available to work now</b>	24.4	25.5	6.8	15.5	14.0	13.2	10.5	12.3
<b>Reason for not looking</b>								
<b>Discouragement over job prospects</b>	8.8	5.6	1.3	3.1	6.0	2.1	2.8	3.5
<b>Reasons other than discouragement</b>	15.6	19.9	5.4	12.4	8.0	11.1	7.6	8.8

Source: Current Population Survey

Table b. Civilians not in the labor force by sex and age, September 2020 – August 2021 & April 2019-March 2020 (based on CPS) (Numbers in thousands)

## Regular UI Claims by Industry

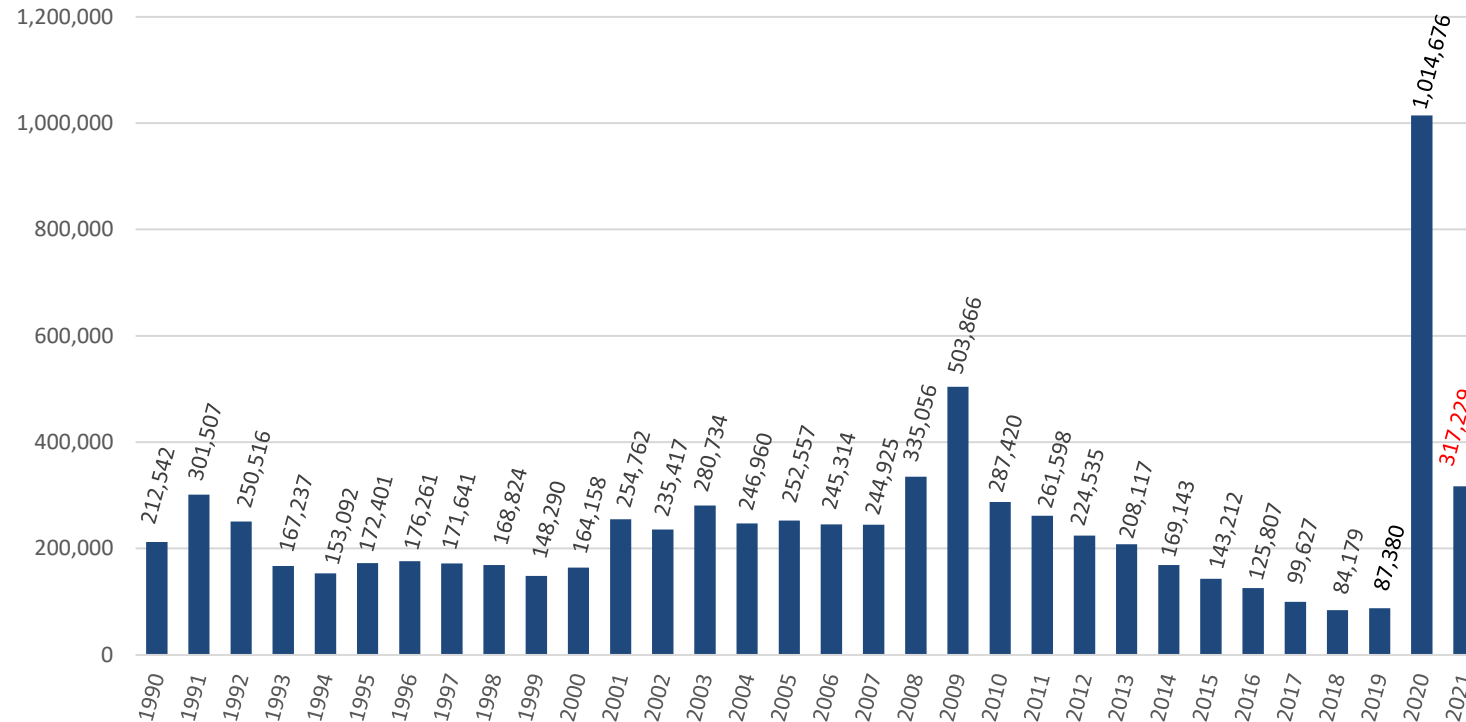
For the Reference Week of Each Month



Source: ETA 203

## Weekly Initial Claims – Week 35

Total aggregated UI claims for the first 35 weeks of each year as reported to ETA.



## Regular UI Claims

Reference Week (12th of the month) Input to LAUS Unemployment Rate Model

	2009	2013	2016	2017	2018	2019	2020	2021	OTM Change	OTY Change
JANUARY	150,888	63,223	36,555	33,137	24,968	21,808	23,526	66,640	15,003	43,114
FEBRUARY	154,388	60,183	36,909	32,463	25,879	23,992	25,050	53,498	(13,142)	28,448
MARCH	157,257	54,578	32,439	32,141	21,171	22,446	22,555	31,270	(22,228)	8,715
APRIL	143,842	48,548	23,895	21,998	17,618	17,914	264,727	41,529	10,259	(223,198)
MAY	141,174	42,997	22,300	19,431	14,774	14,411	256,319	42,848	1,319	(213,471)
JUNE	136,670	41,722	22,025	16,722	14,653	14,386	199,864	37,704	(5,144)	(162,160)
JULY	121,336	44,597	22,326	15,775	15,098	15,054	177,347	30,253	(7,451)	(147,094)
AUGUST	103,509	39,998	20,737	15,692	13,959	14,156	140,695	19,921	(10,332)	(120,774)
SEPTEMBER	92,680	39,563	19,372	14,334	12,981	13,620	127,098			
OCTOBER	86,275	37,778	19,143	14,266	13,083	14,106	77,510			
NOVEMBER	82,451	38,517	19,547	14,347	15,499	14,274	61,772			
DECEMBER	91,814	42,484	24,599	17,345	16,693	16,816	51,637			

\*Without earnings – Reference week claims

## Purchasing Managers' Index (PMI)

- The Purchasing Managers Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing.
- The PMI is based on a monthly survey of supply chain managers across 19 industries, covering both upstream and downstream activity.
- The value and movements in the PMI and its components can provide useful insight to business decision makers, market analysts, and investors, and is a leading indicator of overall economic activity in the U.S.



PMI is a number from 0 to 100. A PMI above 50 represents an expansion when compared with the previous month. A PMI reading under 50 represents a contraction.

Manufacturing at a Glance						
August-21						
Index	Series Index	Series Index Jul	Percentage Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	59.9	59.5	0.4	Growing	Faster	15
New Orders	66.7	64.9	1.8	Growing	Faster	15
Production	60.0	58.4	1.6	Growing	Faster	15
Employment	49.0	52.9	-3.9	Contracting	From Growing	1
Supplier Deliveries	69.5	72.5	-3	Slowing	Slower	66
Inventories	54.2	48.9	5.3	Growing	From Contracting	1
Customers' Inventories	30.2	25.0	5.2	Too Low	Slower	59
Prices	79.4	85.7	-6.3	Increasing	Slower	15
Backlog of Orders	68.2	65.0	3.2	Growing	Faster	14
New Export Orders	56.6	55.7	0.9	Growing	Faster	14
Imports	54.3	53.7	0.6	Growing	Faster	14
<b>OVERALL ECONOMY</b>				Growing	Faster	15
<b>Manufacturing Sector</b>				Growing	Faster	15
Manufacturing ISM® Report On Business® data is seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.						
*Number of months moving in current direction.						