

Indiana's Employment and Labor Force Estimates July 2021 08/18/2021

Data is embargoed until 10 AM August 20, 2021

Key Points

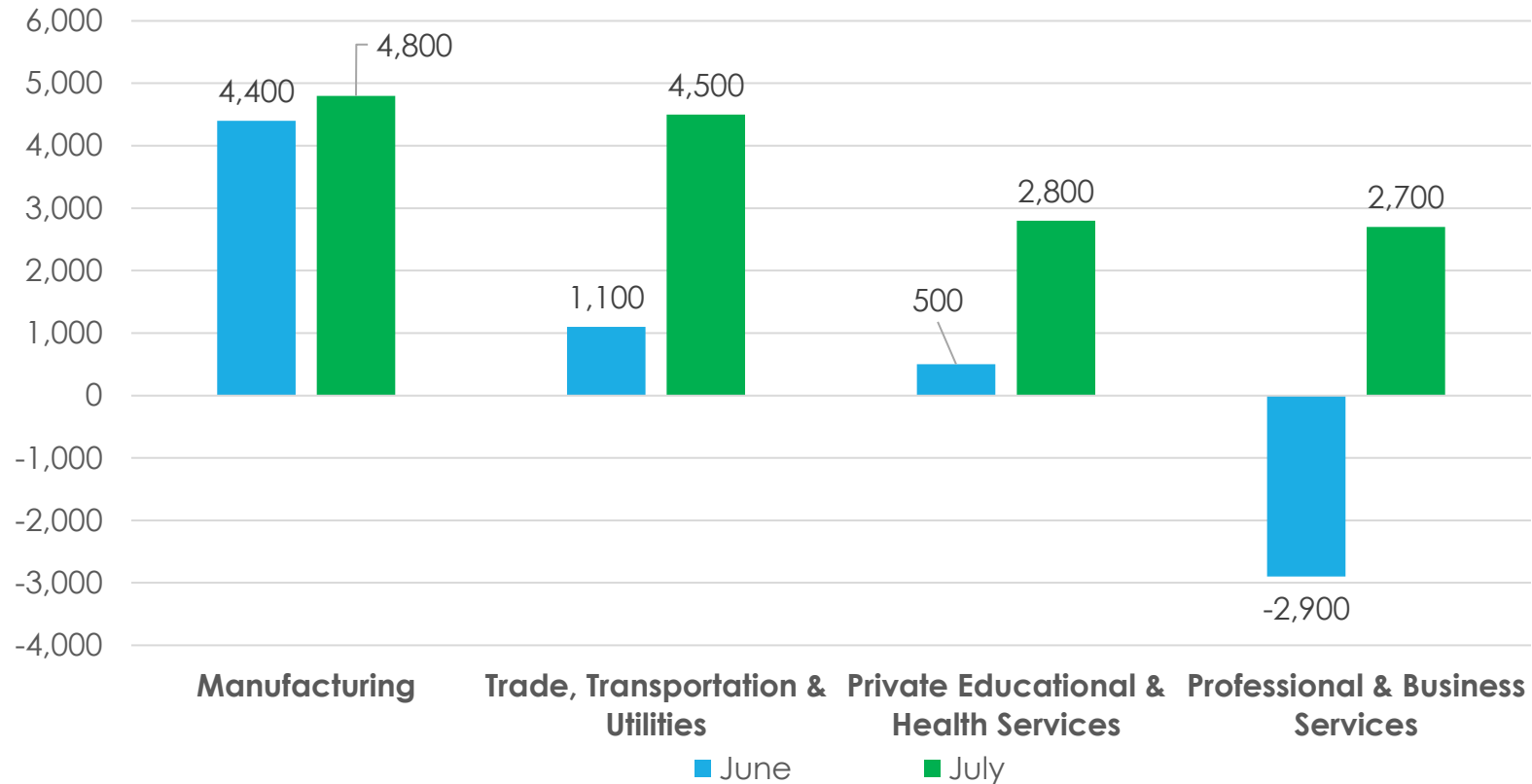
- **Indiana's unemployment rate is 4.1%. The U.S. is at 5.4%.**
- **Indiana's Labor Force is at 3,346,060.**
- Indiana's Labor Force decreased by 1,740 due to an decrease in employment of 1,110 and a decrease in unemployment of 630.
- Indiana's Labor Force has increased 41,694 over the year.
- Indiana's Labor Force Participation Rate remained at 63.2%. This is above the U.S. Labor Force Participation Rate of 61.7%.

Key Points: July 2021

Indiana's Private Employment

- Increased by 17,100 jobs over the month and recovered 96,600 jobs over the year. Manufacturing at highest level since February 2020.
- June private employment = 2,650,500.

Private Industry Employment



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...

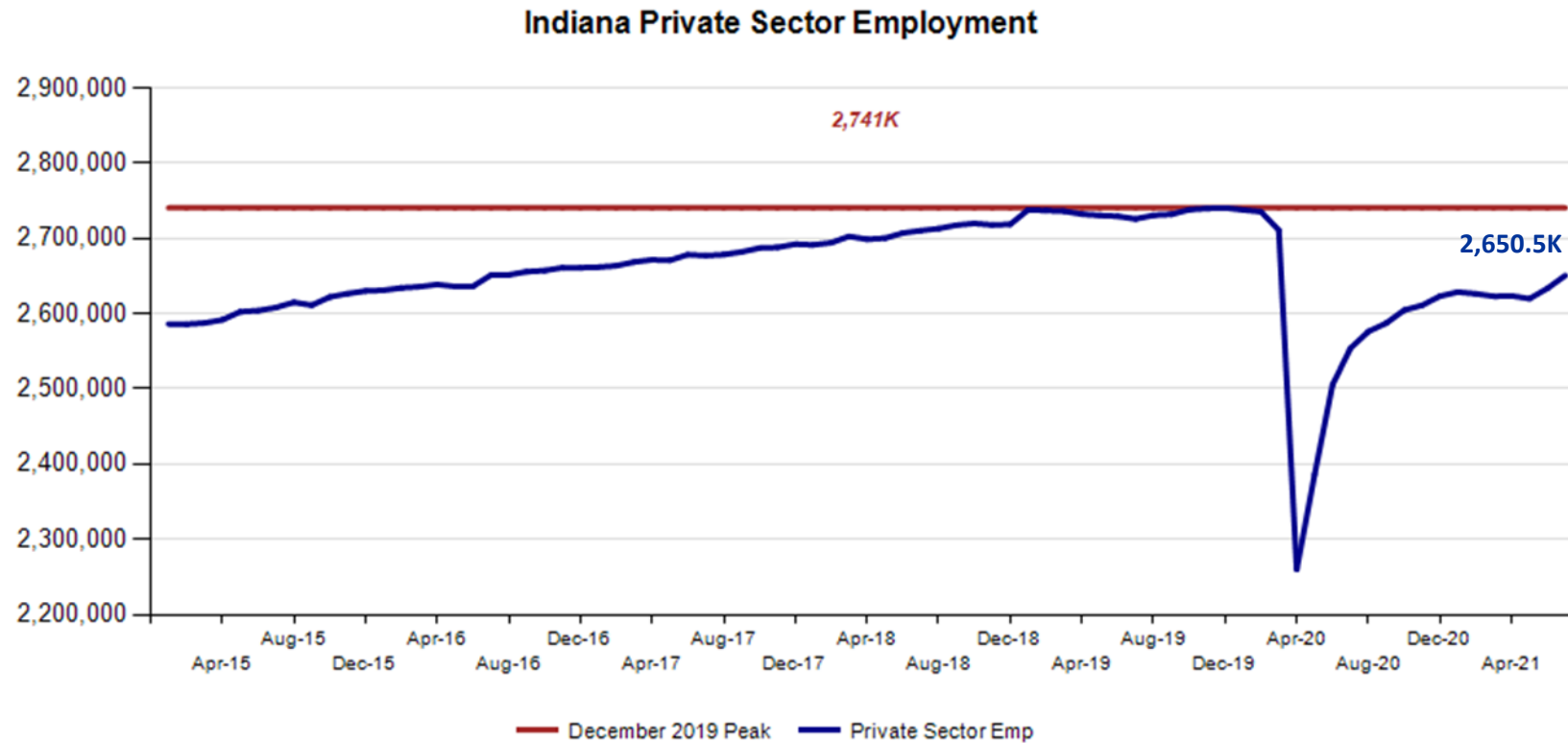
- An estimate of employment based on the location of the job regardless of the worker's residence
- Also called nonag wage and salary or nonfarm employment
- Used in Quarterly Census of Employment and Wages (QCEW), Occupational Employment Statistics (OES) and CES data

CES Monthly Jobs Report

Revisions to JUNE 2021 Estimates						
INDUSTRY TITLE	May	Jun Prel	Jun Rev	Revision	Chg from May	Pre Chg from May
Total Nonfarm	3035.0	3052.6	3058.7	6.1	23.7	17.6
Total Private	2619.7	2628.6	2650.5	21.9	30.8	8.9
Goods Producing	675.1	677.5	685.4	7.9	10.3	2.4
Service-Providing	2359.9	2375.1	2373.3	-1.8	13.4	15.2
Private Service Providing	1944.6	1951.1	1965.1	14.0	20.5	6.5
Construction	146.4	144.5	145.2	0.7	-1.2	-1.9
Manufacturing	523.4	527.8	534.9	7.1	11.5	4.4
Trade, Transportation, and Utilities	597.6	598.7	605.0	6.3	7.4	1.1
Wholesale Trade	116.1	115.6	117.5	1.9	1.4	-0.5
Retail Trade	312.7	313.8	317.1	3.3	4.4	1.1
Transportation, Warehousing, and Utilities	168.8	169.3	170.4	1.1	1.6	0.5
Information	24.7	24.4	24.5	0.1	-0.2	-0.3
Financial Activities	140.4	139.8	138.4	-1.4	-2.0	-0.6
Finance and Insurance	107.0	106.4	106.5	0.1	-0.5	-0.6
Real Estate and Rental and Leasing	33.4	33.4	31.9	-1.5	-1.5	0.0
Professional and Business Services	326.1	323.2	327.3	4.1	1.2	-2.9
Professional, Scientific, and Technical Services	126.3	125.0	128.4	3.4	2.1	-1.3
Management of Companies and Enterprises	36.2	36.3	36.7	0.4	0.5	0.1
Admin & Support & Waste Mgmt & Remediation Services	163.6	161.9	162.2	0.3	-1.4	-1.7
Education and Health Services	466.0	466.5	468.5	2.0	2.5	0.5
Educational Services	55.6	57.1	57.9	0.8	2.3	1.5
Health Care and Social Assistance	410.4	409.4	410.6	1.2	0.2	-1.0
Leisure and Hospitality	277.2	285.5	286.7	1.2	9.5	8.3
Other Services	112.6	113.0	114.7	1.7	2.1	0.4
Government	415.3	424.0	408.2	-15.8	-7.1	8.7

Indiana Private Sector Employment

July 2021 total private employment is 90,000 below the December 2019 pre-pandemic peak.



Indiana Private Sector Employment Change

July 2021 increased by 17,100 jobs over the month and is up 96,600 jobs over the year.

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

Industry	July 2020	December 2020	June 2021	July 2021	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	460.4	461.3	465.7	468.5	2.8	7.2	8.1
.....Private Educational Services	54.7	51.8	56.8	57.9	1.1	6.1	3.2
.....Health Care & Social Assistance	405.7	409.5	408.9	410.6	1.7	1.1	4.9
Manufacturing	504.2	519.5	530.1	534.9	4.8	15.4	30.7
Professional & Business Services	319.4	333.9	324.6	327.3	2.7	-6.6	7.9
Financial Activities	139.4	141.0	140.0	138.4	-1.6	-2.6	-1.0
Construction	142.1	150.3	144.9	145.2	0.3	-5.1	3.1
Leisure and Hospitality	260.3	270.7	284.2	286.7	2.5	16.0	26.4
Trade, Transportation & Utilities	588.9	605.1	600.5	605.0	4.5	-0.1	16.1
.....Trade	423.3	433.1	431.2	434.6	3.4	1.5	11.3
.....Transportation, Warehousing & Utilities	165.6	172.0	169.3	170.4	1.1	-1.6	4.8
All Other	139.2	141.3	143.4	144.5	1.1	3.2	5.3
Total Private	2,553.9	2,623.1	2,633.4	2,650.5	17.1	27.4	96.6
Government (Includes Public Schools & Hospitals)	416.2	401.7	414.7	408.2	-6.5	6.5	-8.0
Total Nonfarm	2,970.1	3,024.8	3,048.1	3,058.7	10.6	33.9	88.6
United States Total Private	118,010.0	121,047.0	124,065.0	124,768.0	703.0	3,721.0	6,758.0

- **Manufacturing recovered 4,800** jobs over the month.
- **Trade, Transportation and Utilities recovered 4,500** 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

July 2021 estimates show Indiana private jobs decreased 90,000 since December 2019.

IN Statewide Estimates (seasonally adjusted) -- July 2021

Supersector	Private Empl. Peak December 2019	Private Empl. Trough April 2020	June 2021	July 2021	Change Since Peak	Change Since Trough	Month to Month Change
Private Educational & Health Services	483.4	435.0	465.7	468.5	-14.9	33.5	2.8
.....Private Educational Services	62.9	51.0	56.8	57.9	-5.0	6.9	1.1
.....Health Care & Social Assistance	420.5	384.0	408.9	410.6	-9.9	26.6	1.7
Manufacturing	537.7	421.4	530.1	534.9	-2.8	113.5	4.8
Professional & Business Services	346.9	297.8	324.6	327.3	-19.6	29.5	2.7
Financial Activities	143.0	137.8	140.0	138.4	-4.6	0.6	-1.6
Construction	147.3	132.7	144.9	145.2	-2.1	12.5	0.3
Leisure and Hospitality	314.7	178.0	284.2	286.7	-28.0	108.7	2.5
Trade, Transportation & Utilities	604.9	542.3	600.5	605.0	0.1	62.7	4.5
.....Trade	439.4	386.1	431.2	434.6	-4.8	48.5	3.4
.....Transportation, Warehousing & Utilities	165.5	156.2	169.3	170.4	4.9	14.2	1.1
All Other	162.6	114.9	143.4	144.5	-18.1	29.6	1.1
Total Private	2,740.5	2,259.9	2,633.4	2,650.5	-90.0	390.6	17.1
Government (Includes Public Schools & Hospitals)	427.8	404.6	414.7	408.2	-19.6	3.6	-6.5
Total Nonfarm	3,168.3	2,664.5	3,048.1	3,058.7	-109.6	394.2	10.6
United States Total Private	129,190.0	108,335.0	124,065.0	124,768.0	-4,422.0	16,433.0	703.0

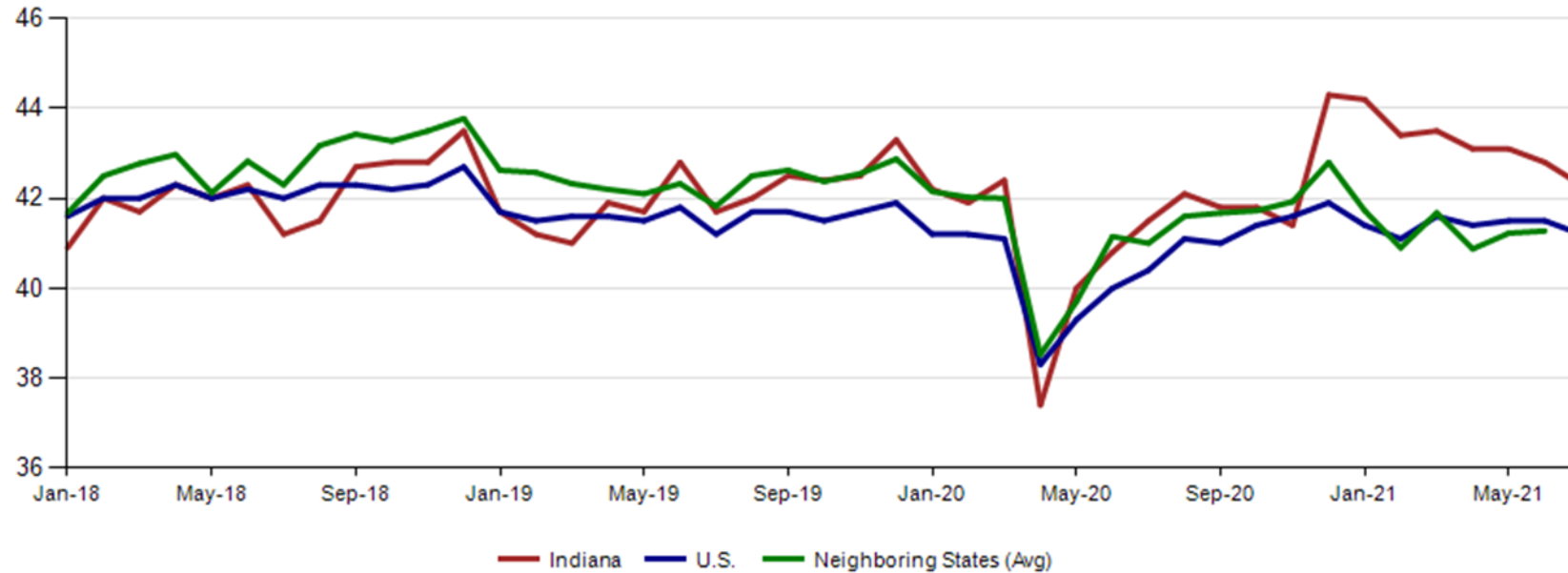
Source: Current Employment Statistics (seasonally adjusted)

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

Avg. Weekly Manufacturing Production Hours

July 2021 average weekly hours for Indiana manufacturing production hours decreased by 0.5 hours to 42.3 hours. This number has declined for the last five months. National manufacturing hours decreased 0.3 hours to 41.2 weekly hours, and Midwest states increased at 0.1 hours to 41.3 hours (June 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)

Month	Labor Force		Employment		Unemployment		
	Level	LFP	Level	EP	Level	Rate	Error Range ⁺
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	3,346,060	63.2	3,208,203	60.6	137,857	4.1	3.4- 4.8

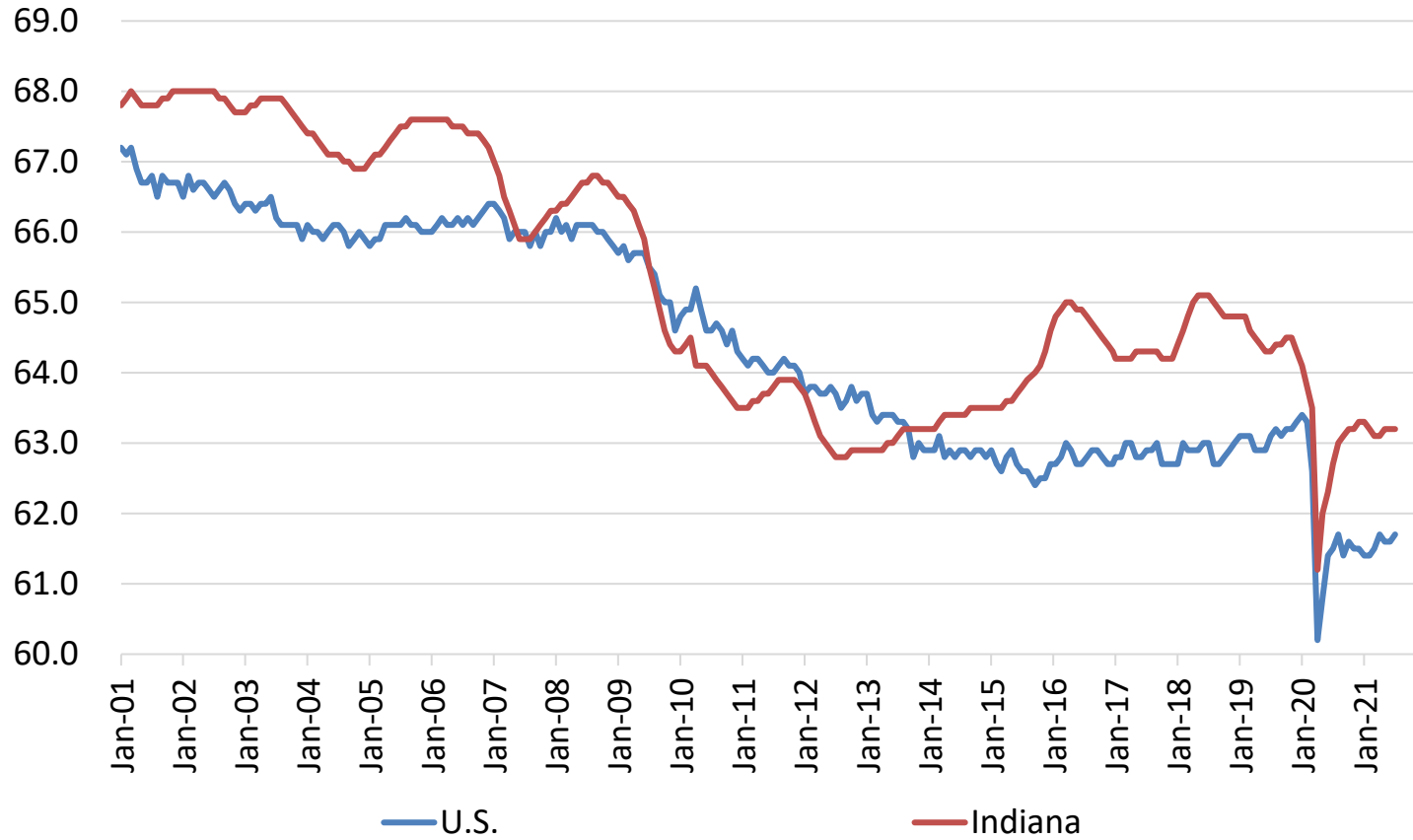
Jobs Data for July 2021

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
Jul-21	3,353,799	3,212,272	141,527	4.2	3,040,300	2,676,200	28,547
Change	64,970	48,076	16,894	0.4	(71,700)	3,800	3,948

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
Jul-21	3,346,060	3,208,203	137,857	4.1	3,058,700	2,650,500	28,547
Change	28,977	22,262	6,715	0.1	(27,900)	(10,500)	3,948

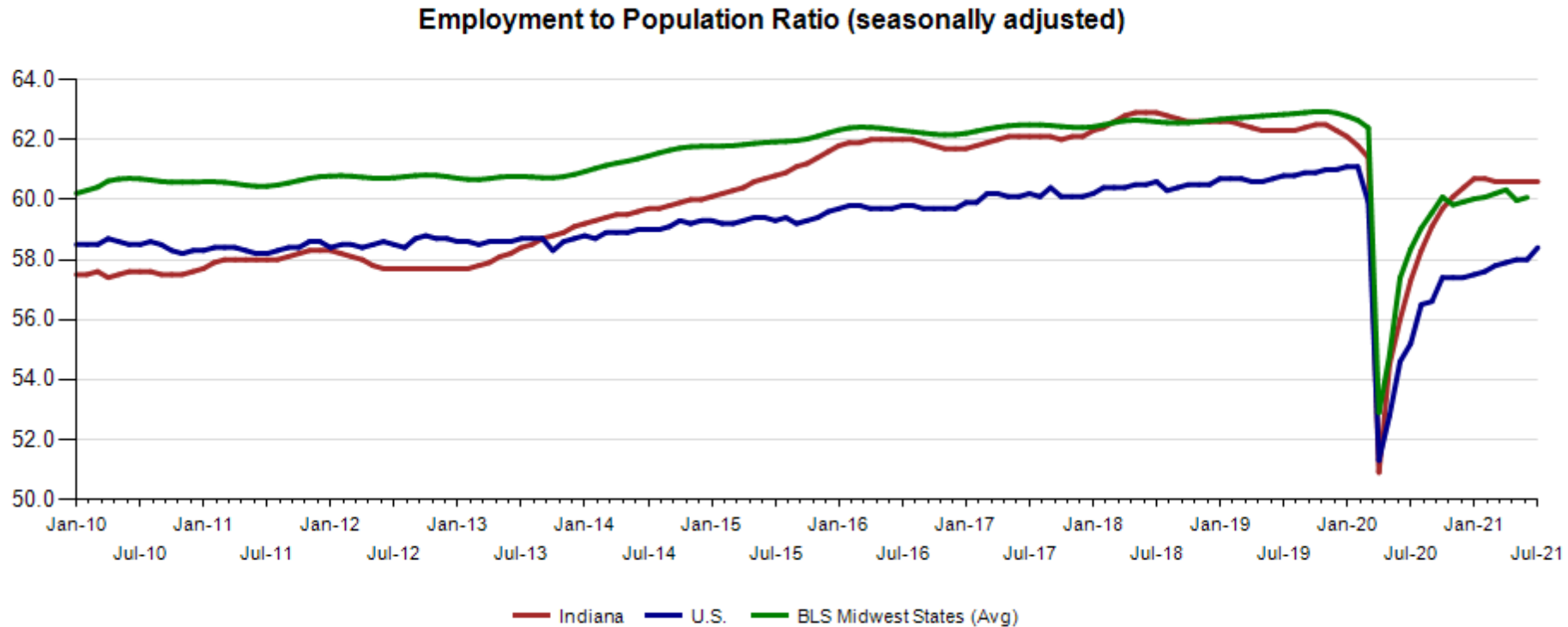
Indiana Labor Force Participation Rate Compared to U.S.

Indiana is at 63.2% compared to the U.S. at 61.7%



Employment to Population Ratio (seasonally adjusted)

The Indiana Employment to Population Ratio for July 2021 is 60.6% compared to the U.S. at 58.4% and Midwest states at 60.1% (June)



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

	Jul-20	Jun-21	Jul-21	Monthly change	Yearly change
Indiana	8.6%	4.1%	4.1%	0.0%	-4.5%
U.S.	10.2%	5.9%	5.4%	-0.5%	-4.8%
Illinois	12.0%	7.2%	7.1%	-0.1%	-4.8%
Kentucky	5.6%	4.4%	4.4%	0.0%	-1.2%
Michigan	9.0%	5.0%	4.8%	-0.2%	-4.2%
Minnesota	7.6%	4.0%	3.9%	-0.1%	-3.7%
Ohio	9.3%	5.2%	5.4%	0.2%	-3.9%
Wisconsin	7.2%	3.9%	3.9%	0.0%	-3.3%

*2020 Benchmark

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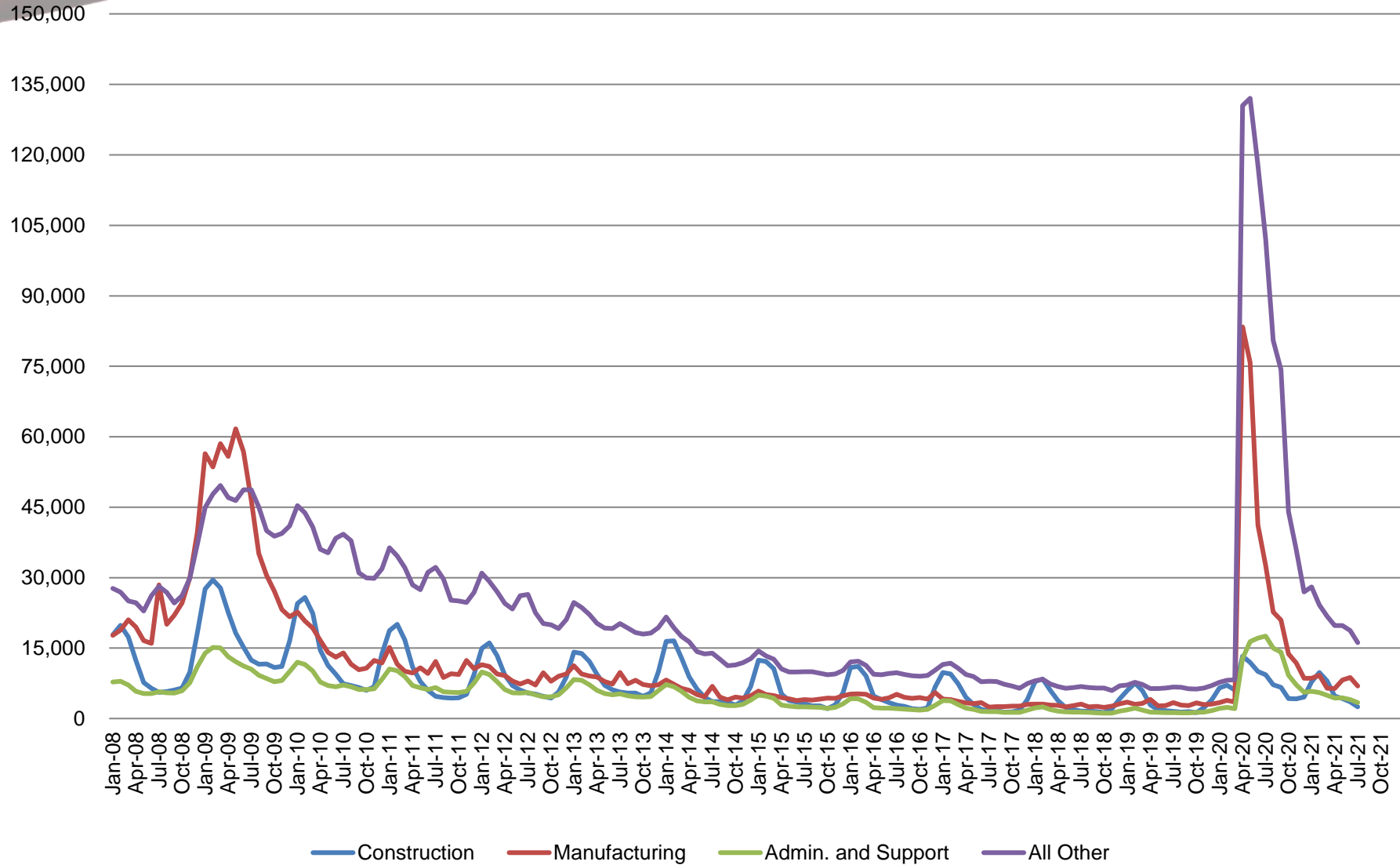
CPS 12 Month Labor Force Averages Over Time

CPS data based on 12 Month Rolling Averages for Each Month				
	Mar-20	Jul-20	Mar-21	Jul-21
	Labor Force Participation Rate	Labor Force Participation Rate	Labor Force Participation Rate	Labor Force Participation Rate
Male, White				
Age 16+	70.6	69.7	69.2	69.8
Age 20+	72.6	71.8	71.3	71.5
Female, White				
Age 16+	57.4	57.1	57.8	57.1
Age 20+	58.3	58.3	58.8	58.0
Male, Black				
Age 16+	67.8	67.0	64.3	67.6
Age 20+	70.6	68.6	66.5	70.6
Female, Black				
Age 16+	63.8	62.3	53.1	53.1
Age 20+	65.2	63.0	53.9	55.0

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Regular UI Claims by Industry

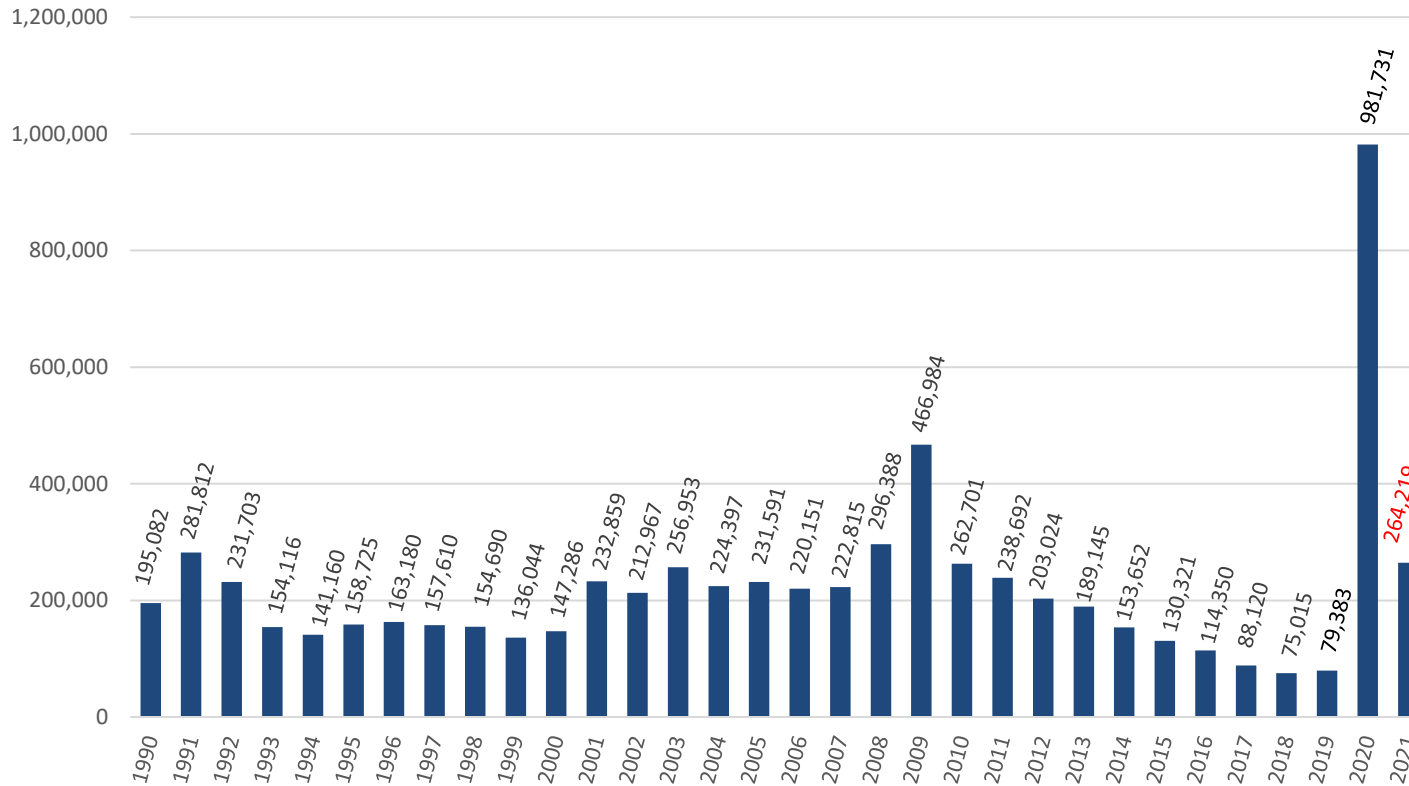
For the Reference Week of Each Month



Source: ETA 203

Weekly Initial Claims – Week 31

Total aggregated UI claims for the first 31 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	28,547	(9,157)	(148,800)
AUGUST	103,509	39,998	20,737	15,692	13,959	14,156	140,695			
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						
July-21						
Index	Series Index Jul	Series Index Jun	Percentage Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	59.5	60.6	-1.1	Growing	Slower	14
New Orders	64.9	66	-1.1	Growing	Slower	14
Production	58.4	60.8	-2.4	Growing	Slower	14
Employment	52.9	49.9	3	Growing	From Contracting	1
Supplier Deliveries	72.5	75.1	-2.6	Slowing	Slower	65
Inventories	48.9	51.1	-2.2	Contracting	From Growing	1
Customers' Inventories	25	30.8	-5.8	Too Low	Faster	58
Prices	85.7	92.1	-6.4	Increasing	Slower	14
Backlog of Orders	65	64.5	0.5	Growing	Faster	13
New Export Orders	55.7	56.2	-0.5	Growing	Slower	13
Imports	53.7	61	-7.3	Growing	Slower	13
OVERALL ECONOMY				Growing	Slower	14
Manufacturing Sector				Growing	Slower	14

Manufacturing ISM® *Report On Business*® data is seasonally adjusted for the New Orders, Production, Employment and Inventories