



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

Indiana's Employment and Labor Force Estimates December 2015

01/21/2016



Key Points

- **Indiana total private employment growth was flat over the month**, yet remains the sixth month above the prior March 2000 peak. Now at 20,800 above that level, the new peak for private employment is 2,633,400 for Indiana. US private employment grew by 275,000 over the month, a rate of (0.2%).
- **Indiana private sector employment is up 50,500 from a year ago**. This is annual growth of 2.0% which is slightly less than the national growth rate of 2.1% over the year. Over the month gains were strongest in trade, transportation & utilities (+5,200). Construction also showed gains of 1,800. Public employment gained 2,100 over the month, bringing total nonfarm gains to 2,100.

Key sectors showing job decreases in December:

- Manufacturing saw declines of 3,400 over the month. Economic activity in the manufacturing sector contracted nationwide in December for the second consecutive month, while the overall economy grew for the 79th consecutive month. (the latest Manufacturing ISM index = 48.2)
- Private education and health services showed losses of 1,200. Most service providing sectors showed slight declines.
- Average weekly hours for Indiana manufacturing workers increased significantly to a new high from 42.7 in November to 43.3 in December. Weekly hours for manufacturing have only been above 43 about three times since 2001 from this data series. Nationally, average weekly hours rose by 0.3 to 42.4.
- Nationally in December, **average hourly earnings for all employees** on private nonfarm payrolls, at \$25.24, changed little (-1 cent), following an increase of 5 cents in November. Over the year, average hourly earnings have risen by 2.5 percent. Average hourly earnings for all employees in Indiana rose by 11 cents from \$22.96 to \$23.07 in December, earnings have risen by 26 cents over the year in Indiana, a softer 1.1% increase.



Key Points

LAUS Household Survey:

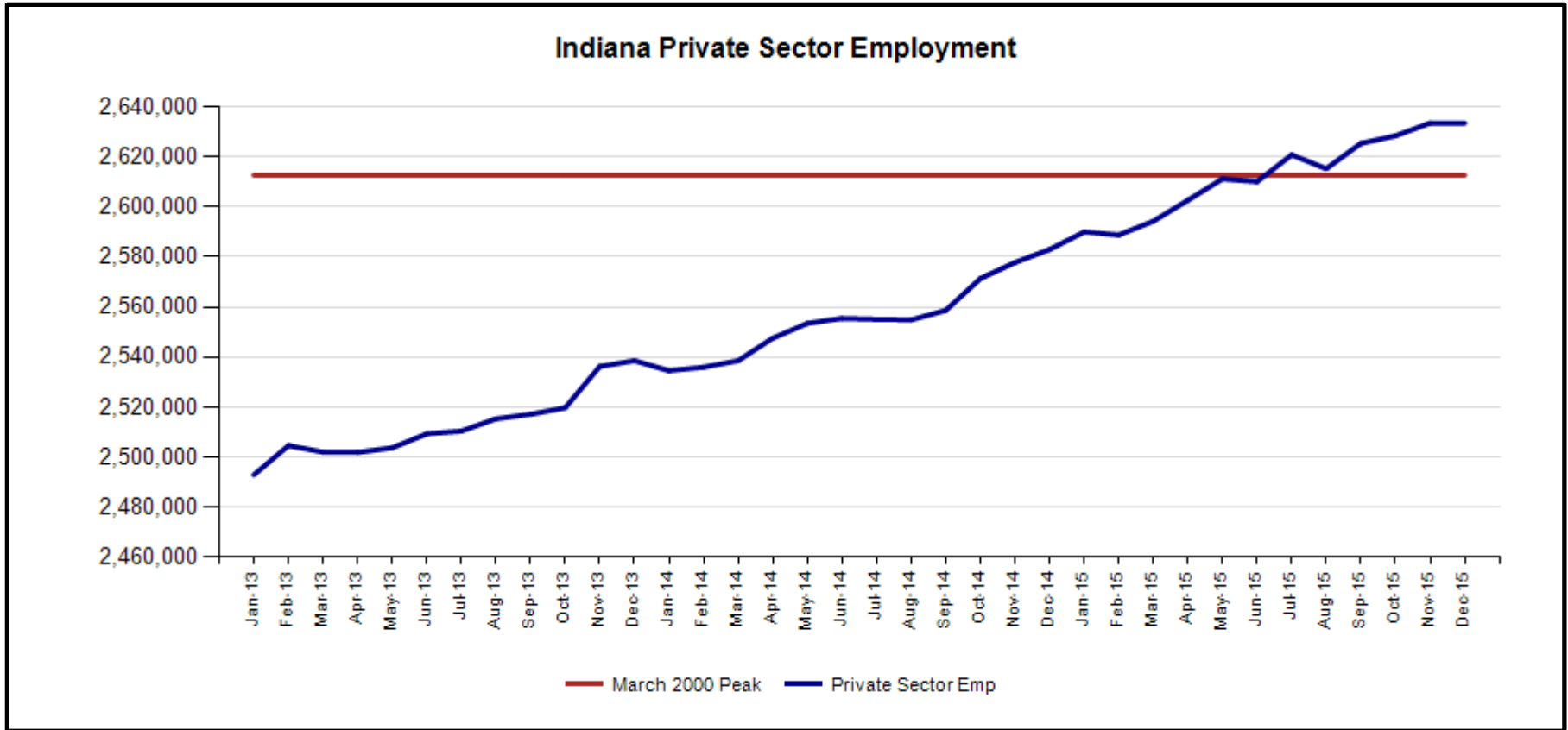
- Indiana's December seasonally adjusted unemployment rate stands at 4.4%. This has been unchanged since September. Indiana's rate is down (-1.5%) from last year for the second month in a row. Nationally the unemployment rate is 5.0%.
- Indiana's labor force gained 10,609 over the month, almost entirely with gains in employment of 8,628. Unemployment estimates rose by 1,981. Indiana's labor force participation rate increased by 0.2 to 63.9% over the month. This remains above the US labor force participation rate which stands at 62.6%.
- **Indiana's labor force is up 37,762 over the year, and has gained 109,037 since January 2013.** Indiana's labor force stands at 3,291,338. Indiana's unemployment is down by 46,082 over the year, and 119,799 since January 2013, which is a decline of -45.1%.

CES Payroll/ Establishment Survey:

- Private employment is up 50,500 from a year ago (2.0%). US private employment grew strongly by 275,000 over the month, a rate of (0.2%). Nationally, private sector employment is up by 2.1% over the year.
- Since January 2013 Indiana private employment has grown by 140,500 (5.6%). Private sector monthly job growth has averaged about 3,950 over the last three years.



Total nonfarm employment surpassed March 2000 peak levels in July of 2015 and this trend continues through December. Private employment stands 20,800 above prior peak. Indiana's new private sector peak based on preliminary November numbers now stands at 2,633,400.





What should IN Economic Development/ LMI be looking to as a future yardsticks or target for growing business, jobs, wages? Despite a new peak, there is a potential minimum deficit of 102,000 jobs when considering current population and labor force gains since 2000.

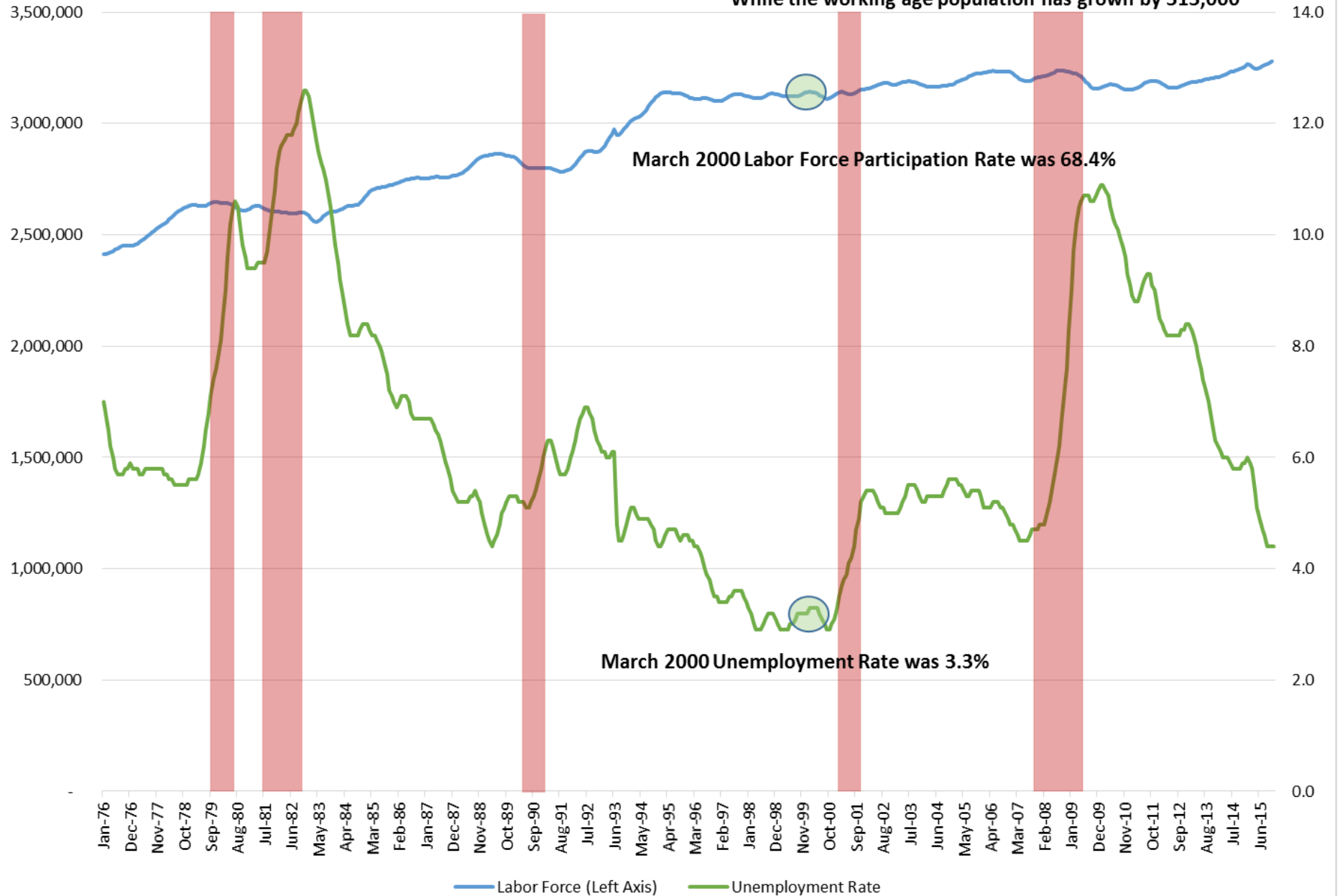
- The Hoosier state ends 2015 with an unemployment rate holding at 4.4% since September, the rate remains 0.5% below the national average of 5%.
- The annual average drop in the unemployment rate over the year is 1%. Indiana's labor force participation is at 63.9% and higher than the national average. Over the year the labor force is up by 37,762 with gains of 83,844 in employed persons, and declines in unemployment levels of 46,082.
- All indicating at tightening labor market, yet approximately 160,000 working age (20-64) in Indiana are not in the labor force. The working age labor force participation rate is down by approximately 4% since 2000. From 74.2% to approximately 70%.

March 2000 Comparison:

- Total Nonfarm Employment was 3,017,200 and private employment was 2,612,600. The unemployment rate for Indiana was 3.3%, and our labor force participation rate was 68.4%.
- Indiana is now in it's 6th month of new peak levels for private sector employment, and the 10th month for total nonfarm.
- Yet the working age population (20-64) grew by 313,000 from 2000 to 2014. Only 149,000 of this has been captured in labor force gains since 2000. With nearly 150,000 back in the labor force, and total non farm up by 46,800 – this leaves a potential job gap of 102,000 jobs. Is it time for a new yardstick – aiming for levels to compare with labor force gains since 2000?

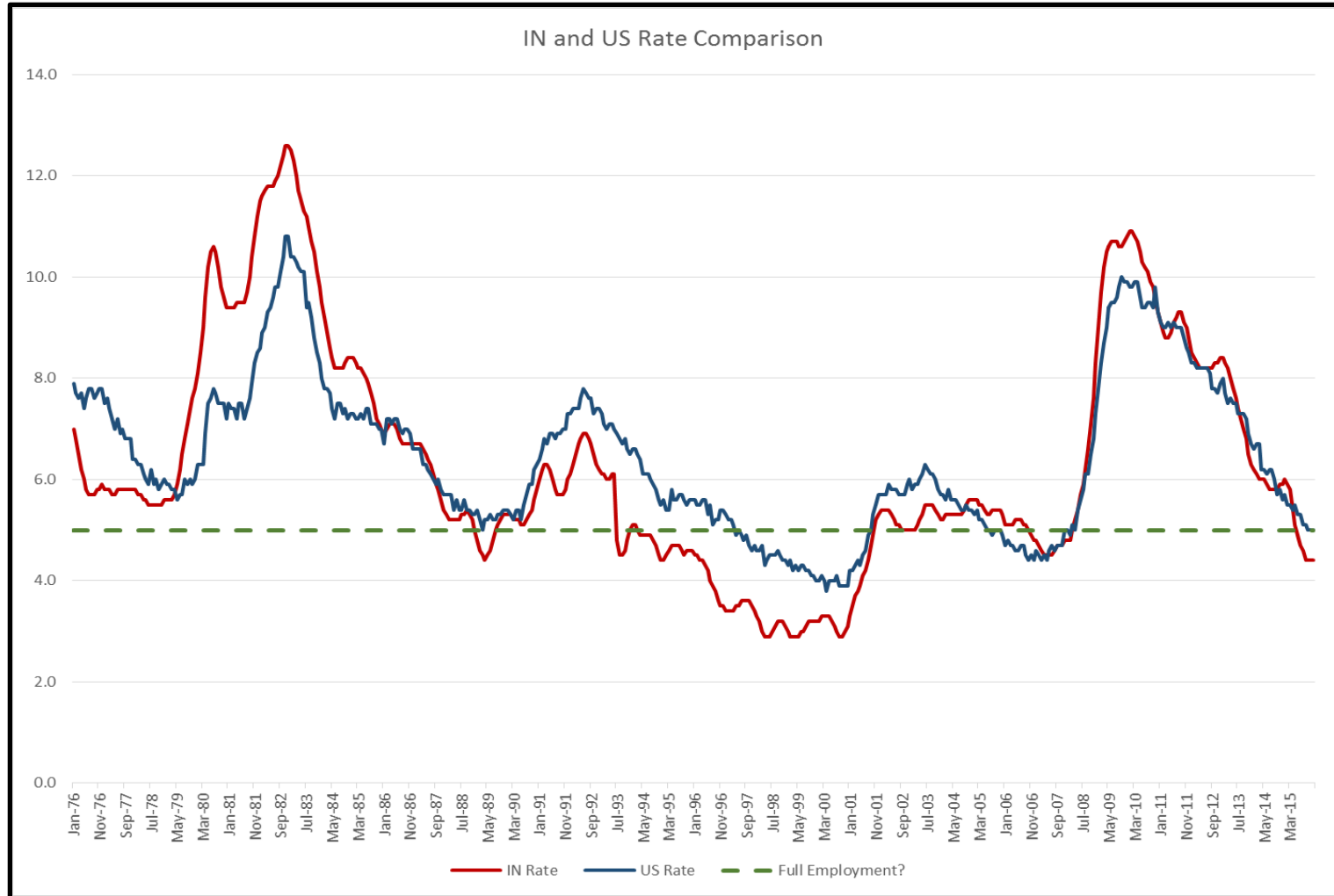
Indiana Labor Force Levels and the Unemployment Rate

The Labor Force has grown by 149,000 since March 2000
While the working age population has grown by 313,000



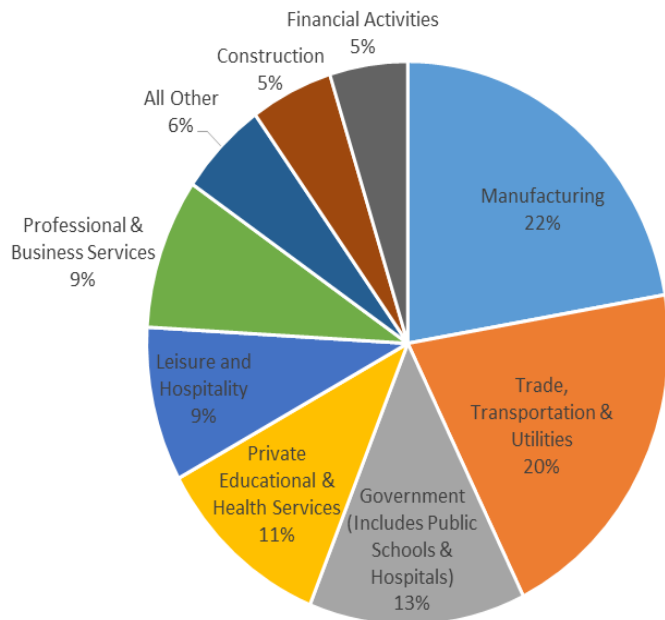


Historical IN and US Unemployment Rate Comparison

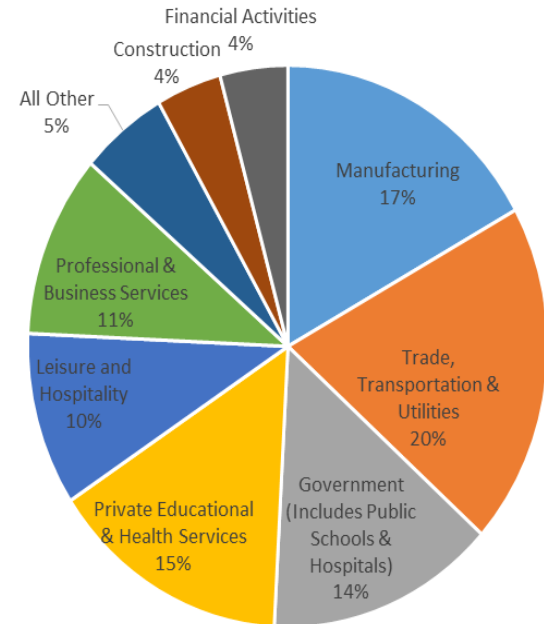


Industry Concentration Changes, Manufacturing down to 17% of Total Nonfarm, and Private and Educational Health Services now 15% of employment. Gains in public sector include large gains in health care.

Private Empl. Peak March 2000



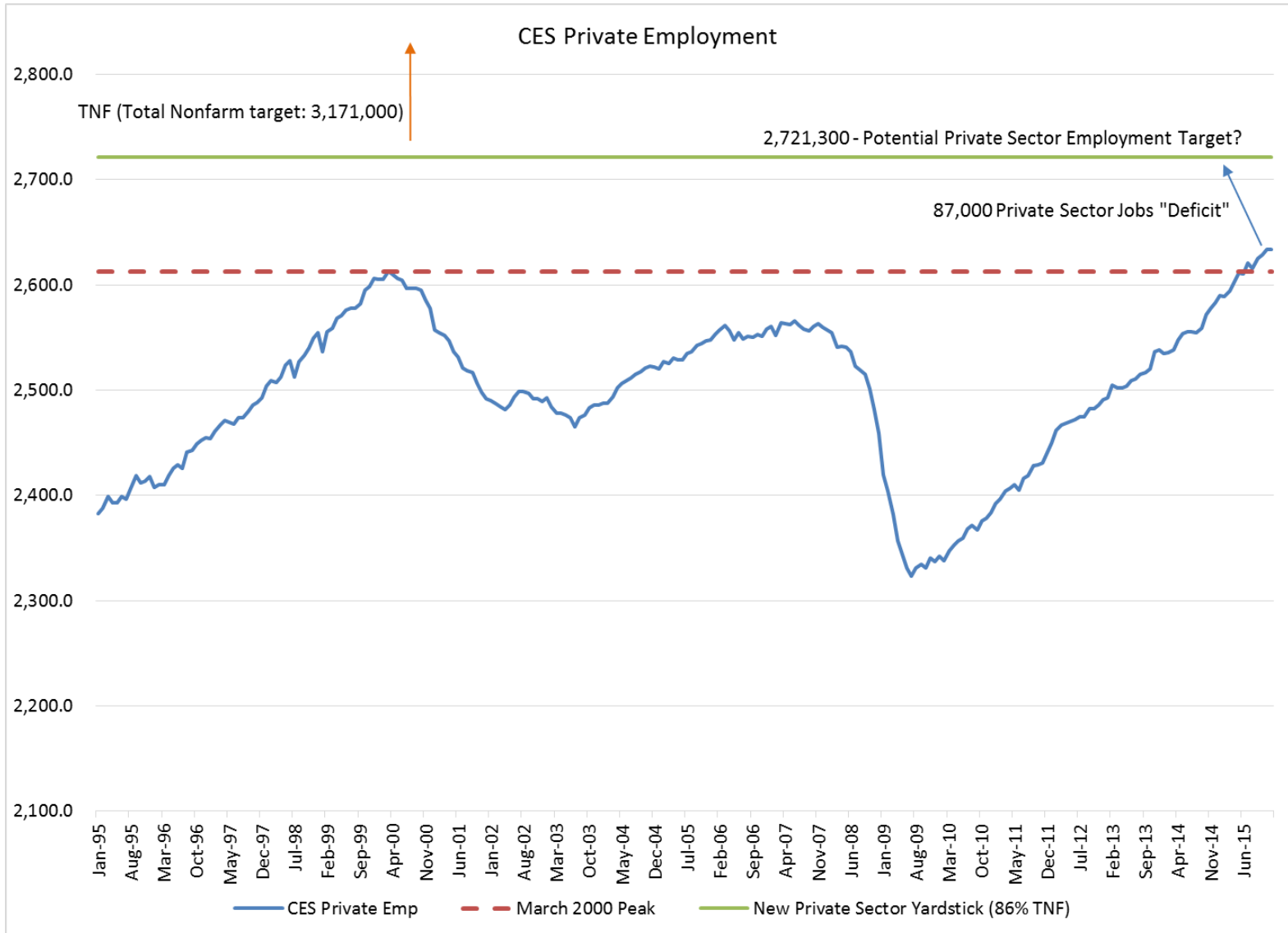
December 2015



A new moving target: CES Total Nonfarm gains since 2000 compared to the remaining gap in Labor Force since 2000. Estimates for other sectors based on current industry concentration.

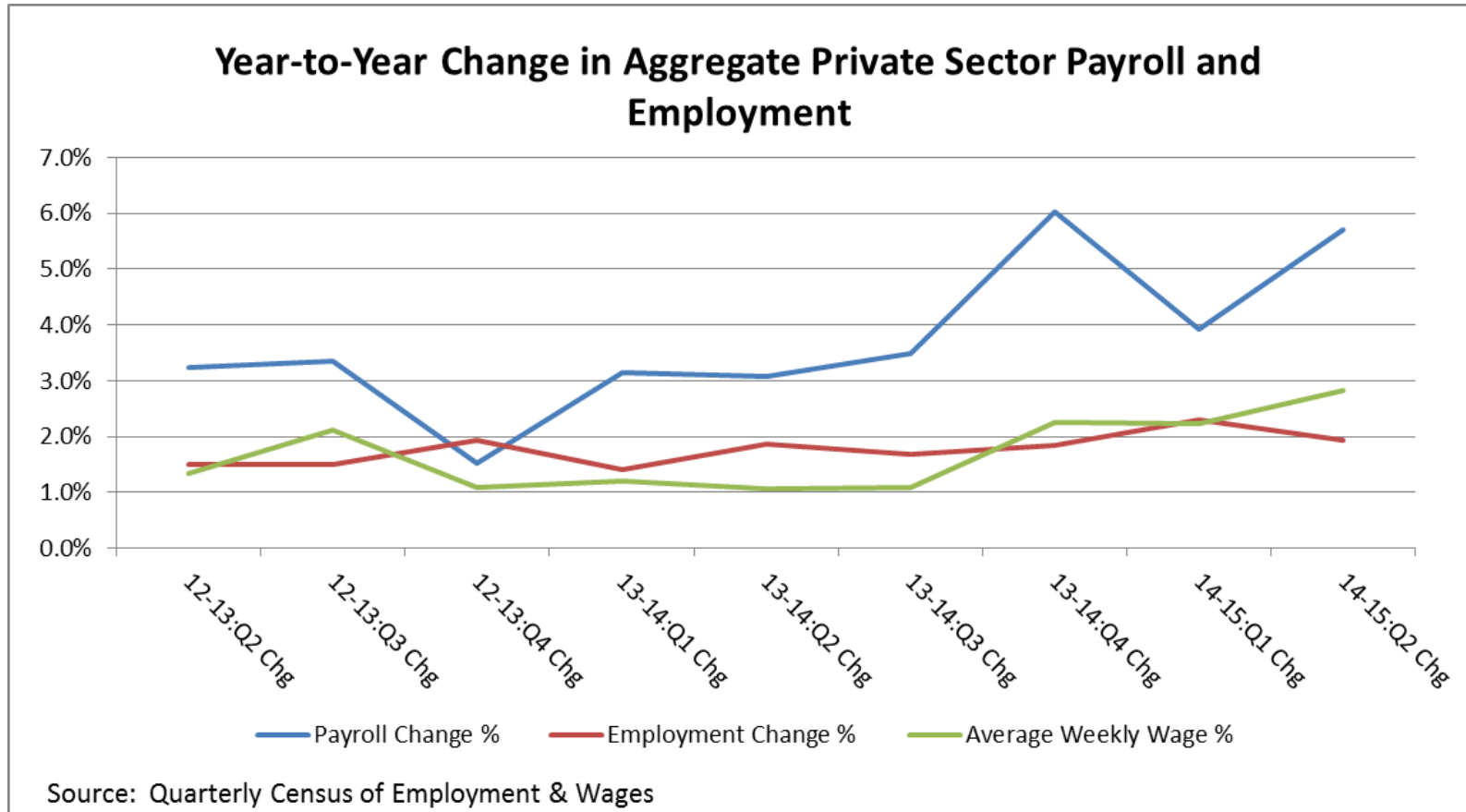
Supersector	Private Empl. Peak March 2000	Total Nonfarm Concentration	December 2015	New BMK	Total Nonfarm Concentration	Change Since Peak	Gap between LF Growth Since 2000
Private Educational & Health Services	330.1	11%	457.7	473.0	15%	127.4	-15.29
.....Private Educational Services	52.2	2%	67.6	69.9	2%	16.8	-2.26
.....Health Care & Social Assistance	277.9	9%	390.1	403.1	13%	110.6	-13.03
Manufacturing	671.1	22%	519.7	537.1	17%	-148.7	-17.36
Professional & Business Services	260.5	9%	324.1	334.9	11%	64	-10.82
Financial Activities	145.7	5%	129.2	133.5	4%	-15.8	-4.31
Construction	154.1	5%	124.8	129.0	4%	-31.2	-4.17
Leisure and Hospitality	267.2	9%	306.4	316.6	10%	39.3	-10.23
Trade, Transportation & Utilities	617.5	20%	605.0	625.2	20%	-16.9	-20.20
.....Trade	485.1	16%	452.9	468.0	15%	-36.1	-15.13
.....Transportation, Warehousing & Utilities	132.4	4%	152.1	157.2	5%	19.2	-5.08
All Other	166.4	6%	166.5	172.1	5%	1	-5.56
				0.0			
Total Private	2,612.6	87%	2,633.4	2721.3	86%	19.1	-87.95
Government (Includes Public Schools & Hospitals)	404.6	13%	435.8	450.4	14%	27.7	-14.55
Total Nonfarm	3,017.2		3,069.2	3,171.7		46.8	-102.50

Given working age population and labor force gains, potential supply indicates job deficit nearing 90 to 100,000 in private and public sector jobs.





Employment and wages growing at 2% annually for Indiana, lagging the rate of change for total Payroll / bonuses, salaried benefits.





Indiana private sector employment showed no gain over the month and is up 50,500 over the year. Strongest gains over the year have been in transportation and warehousing, private educational and health services, and leisure and hospitality.

IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)						
Industry	December 2014	November 2015	December 2015	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	441.5	458.9	457.7	-1.2	16.2	16.2
.....Private Educational Services	65.5	69.5	67.6	-1.9	2.1	2.1
.....Health Care & Social Assistance	376.0	389.4	390.1	0.7	14.1	14.1
Manufacturing	514.6	523.1	519.7	-3.4	5.1	5.1
Professional & Business Services	328.2	324.5	324.1	-0.4	-4.1	-4.1
Financial Activities	130.9	130.0	129.2	-0.8	-1.7	-1.7
Construction	122.9	123.0	124.8	1.8	1.9	1.9
Leisure and Hospitality	295.0	306.8	306.4	-0.4	11.4	11.4
Trade, Transportation & Utilities	581.5	599.8	605.0	5.2	23.5	23.5
.....Trade	440.1	449.2	452.9	3.7	12.8	12.8
.....Transportation, Warehousing & Utilities	141.4	150.6	152.1	1.5	10.7	10.7
All Other	168.3	167.3	166.5	-0.8	-1.8	-1.8
Total Private	2,582.9	2,633.4	2,633.4	0.0	50.5	50.5
Government (Includes Public Schools & Hospitals)	429.2	433.7	435.8	2.1	6.6	6.6
Total Nonfarm	3,012.1	3,067.1	3,069.2	2.1	57.1	57.1
United States Total Private	118,690.0	120,966.0	121,241.0	275.0	2,551.0	2,551.0



November Total Private preliminary estimates were revised upward by 1,700 and the increase from October to November was 7,100 over the month.

Revisions to November 2015 Estimates						
INDUSTRY	October	November Prelim	November Revised	Revision	Chg from Oct	Preliminary Chg from Oct
Total Nonfarm	3060.0	3064.0	3067.1	3.1	7.1	4.0
Total Private	2628.3	2631.7	2633.4	1.7	5.1	3.4
Goods Producing	652.4	651.9	652.7	0.8	0.3	-0.5
Service-Providing	2407.6	2412.1	2414.4	2.3	6.8	4.5
Private Service Providing	1975.9	1979.8	1980.7	0.9	4.8	3.9
Construction	120.1	122.9	123.0	0.1	2.9	2.8
Manufacturing	525.7	522.4	523.1	0.7	-2.6	-3.3
Trade, Transportation, and Utilities	598.1	600.6	599.8	-0.8	1.7	2.5
Information	35.3	35.1	35.1	0.0	-0.2	-0.2
Financial Activities	129.8	129.9	130.0	0.1	0.2	0.1
Finance and Insurance	95.1	94.5	94.6	0.1	-0.5	-0.6
Real Estate and Rental and Leasing	34.7	35.4	35.4	0.0	0.7	0.7
Professional and Business Services	324.1	324.5	324.5	0.0	0.4	0.4
Admin & Support & Waste Mgmt & Remediation Services	180.7	181.7	181.6	-0.1	0.9	1.0
Education and Health Services	458.1	457.5	458.9	1.4	0.8	-0.6
Leisure and Hospitality	305.1	306.5	306.8	0.3	1.7	1.4
Other Services	125.4	125.7	125.6	-0.1	0.2	0.3
Government	431.7	432.3	433.7	1.4	2.0	0.6



Total nonfarm is 52,000 over the March 2000. Manufacturing and Construction show combined losses of 180,700 over this time frame.

IN Statewide Estimates (seasonally adjusted) -- December 2015

Supersector	Private Empl. Peak March 2000	Private Empl. Trough July 2009	November 2015	December 2015	Change Since Peak	Change Since Trough	Month to Month Change
Private Educational & Health Services	330.1	411.1	458.9	457.7	127.6	46.6	-1.2
.....Private Educational Services	52.2	63.3	69.5	67.6	15.4	4.3	-1.9
.....Health Care & Social Assistance	277.9	347.8	389.4	390.1	112.2	42.3	0.7
Manufacturing	671.1	427.9	523.1	519.7	-151.4	91.8	-3.4
Professional & Business Services	260.5	255.9	324.5	324.1	63.6	68.2	-0.4
Financial Activities	145.7	130.7	130.0	129.2	-16.5	-1.5	-0.8
Construction	154.1	116.5	123.0	124.8	-29.3	8.3	1.8
Leisure and Hospitality	267.2	276.8	306.8	306.4	39.2	29.6	-0.4
Trade, Transportation & Utilities	617.5	545.7	599.8	605.0	-12.5	59.3	5.2
.....Trade	485.1	421.6	449.2	452.9	-32.2	31.3	3.7
.....Transportation, Warehousing & Utilities	132.4	124.1	150.6	152.1	19.7	28.0	1.5
All Other	166.4	158.6	167.3	166.5	0.1	7.9	-0.8
					0.0	0.0	0.0
Total Private	2,612.6	2,323.2	2,633.4	2,633.4	20.8	310.2	0.0
Government (Includes Public Schools & Hospitals)	404.6	434.5	433.7	435.8	31.2	1.3	2.1
Total Nonfarm	3,017.2	2,757.7	3,067.1	3,069.2	52.0	311.5	2.1
					0.0	0.0	0.0
United States Total Private	110,873.0	108,098.0	120,966.0	121,241.0	10,368.0	13,143.0	275.0



Indiana job growth over the year is slightly under the National trend in private sector gains for the second consecutive month. Manufacturing still shows strength, but the year over year gains have been slowing in recent months. Trade remains strong over all three time frames.

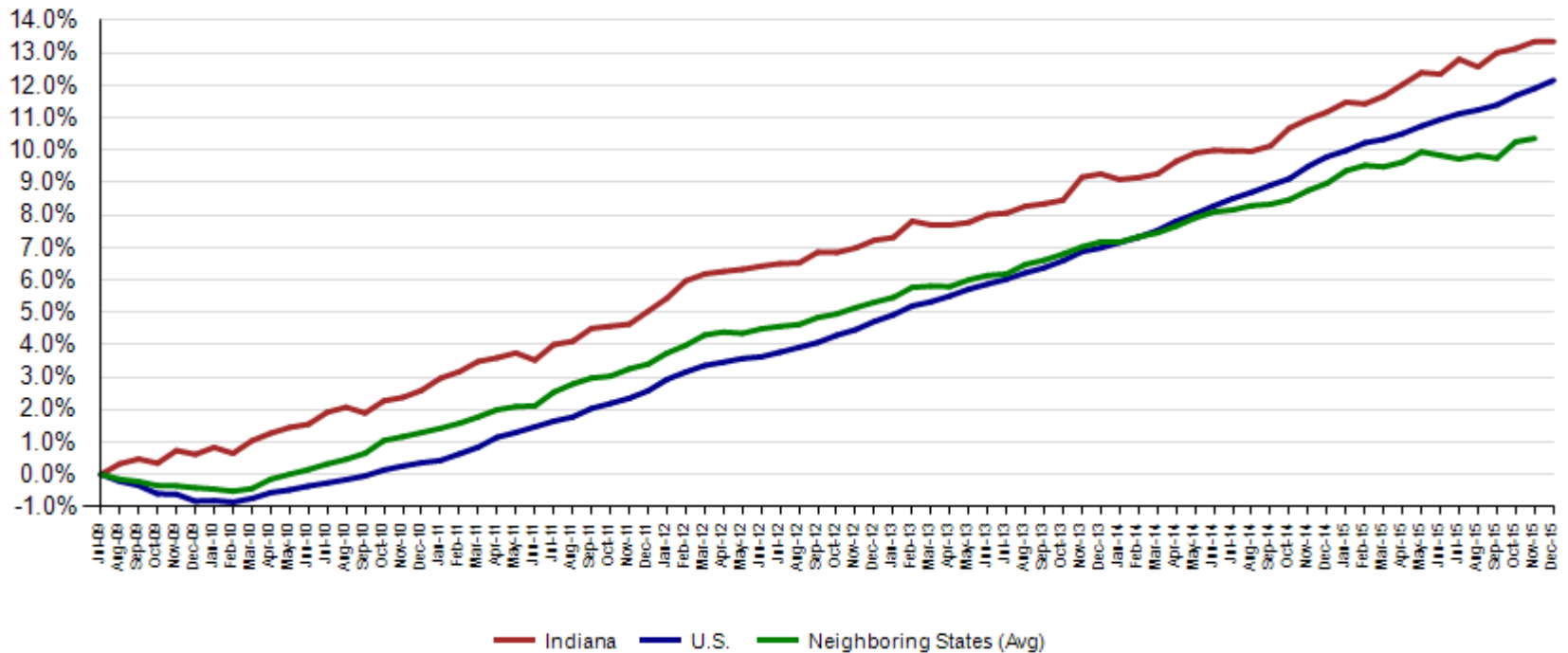
IN Employment Change Compared to the U.S.

Industry	Month to Month			Year-to-Date			Year-to-Year		
	Indiana	U.S.	Indiana vs U.S.	Indiana	U.S.	Indiana vs U.S.	Indiana	U.S.	Indiana vs U.S.
Private Educational & Health Services	-0.3%	0.3%	UNDER	3.7%	3.0%	OVER	3.7%	3.0%	OVER
.....Private Educational Services	-2.7%	0.2%	UNDER	3.2%	1.8%	OVER	3.2%	1.8%	OVER
.....Health Care & Social Assistance	0.2%	0.3%	UNDER	3.8%	3.2%	OVER	3.8%	3.2%	OVER
Manufacturing	-0.6%	0.1%	UNDER	1.0%	0.2%	OVER	1.0%	0.2%	OVER
Professional & Business Services	-0.1%	0.4%	UNDER	-1.2%	3.1%	UNDER	-1.2%	3.1%	UNDER
Financial Activities	-0.6%	0.1%	UNDER	-1.3%	1.8%	UNDER	-1.3%	1.8%	UNDER
Construction	1.5%	0.7%	OVER	1.5%	4.2%	UNDER	1.5%	4.2%	UNDER
Leisure and Hospitality	-0.1%	0.2%	UNDER	3.9%	2.8%	OVER	3.9%	2.8%	OVER
Trade, Transportation & Utilities	0.9%	0.1%	OVER	4.0%	1.7%	OVER	4.0%	1.7%	OVER
.....Trade	0.8%	0.0%	OVER	2.9%	1.6%	OVER	2.9%	1.6%	OVER
.....Transportation, Warehousing & Utils	1.0%	0.5%	OVER	7.6%	2.0%	OVER	7.6%	2.0%	OVER
All Other	-0.5%	0.2%	UNDER	-1.1%	-0.1%	UNDER	-1.1%	-0.1%	UNDER
	#DIV/0!	#DIV/0!	UNDER	#DIV/0!	#DIV/0!	UNDER	#DIV/0!	#DIV/0!	UNDER
Total Private	0.0%	0.2%	UNDER	2.0%	2.1%	UNDER	2.0%	2.1%	UNDER
Government (Includes Public Schools & Hospitals)	0.5%	0.1%	OVER	1.5%	0.5%	OVER	1.5%	0.5%	OVER
Total Nonfarm	0.1%	0.2%	UNDER	1.9%	1.9%	OVER	1.9%	1.9%	OVER



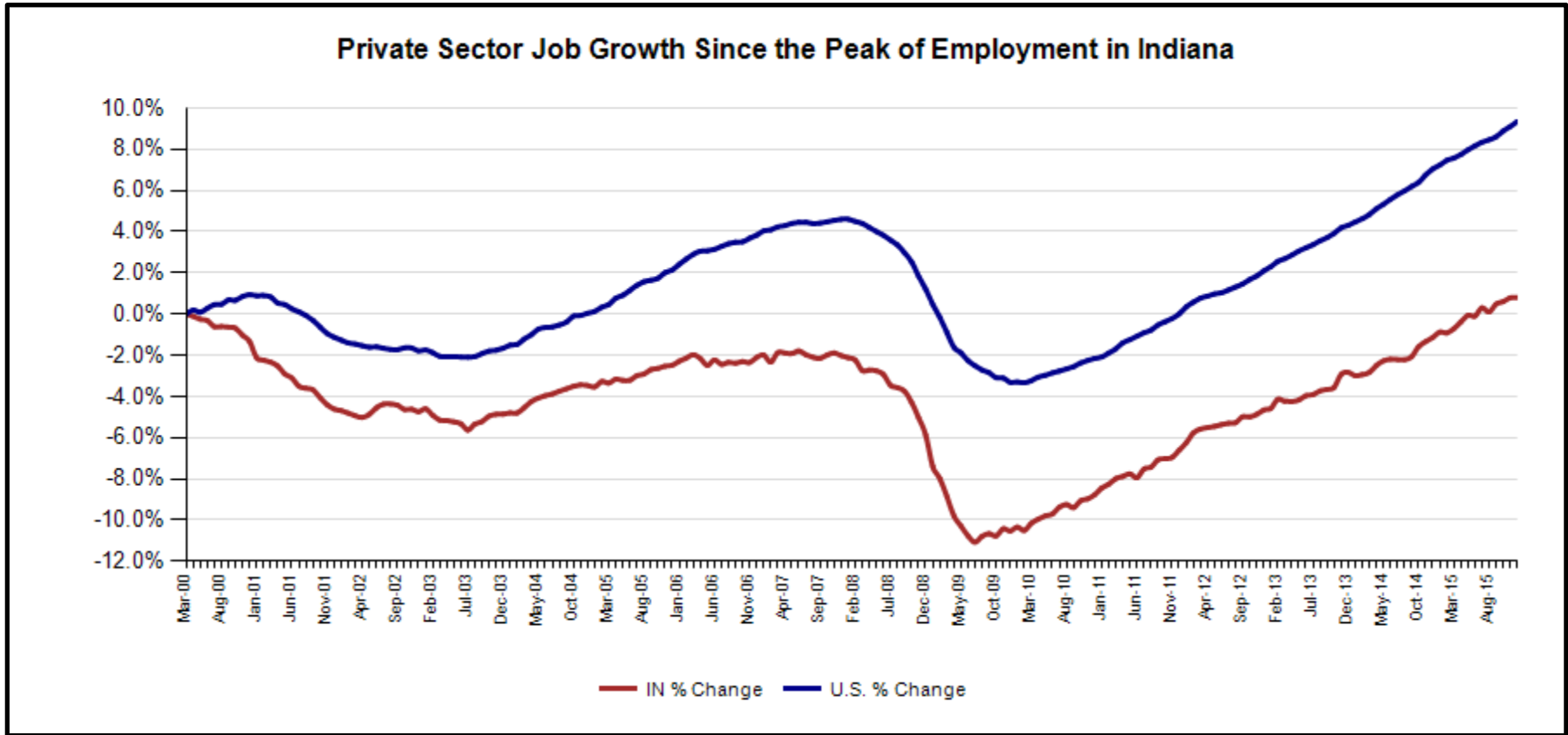
Since the low point of employment (July 2009), private sector employment growth in Indiana has surpassed the U.S. (13.4% vs. 12.2%).

Private Sector Job Growth Since the Low Point of Employment in Indiana





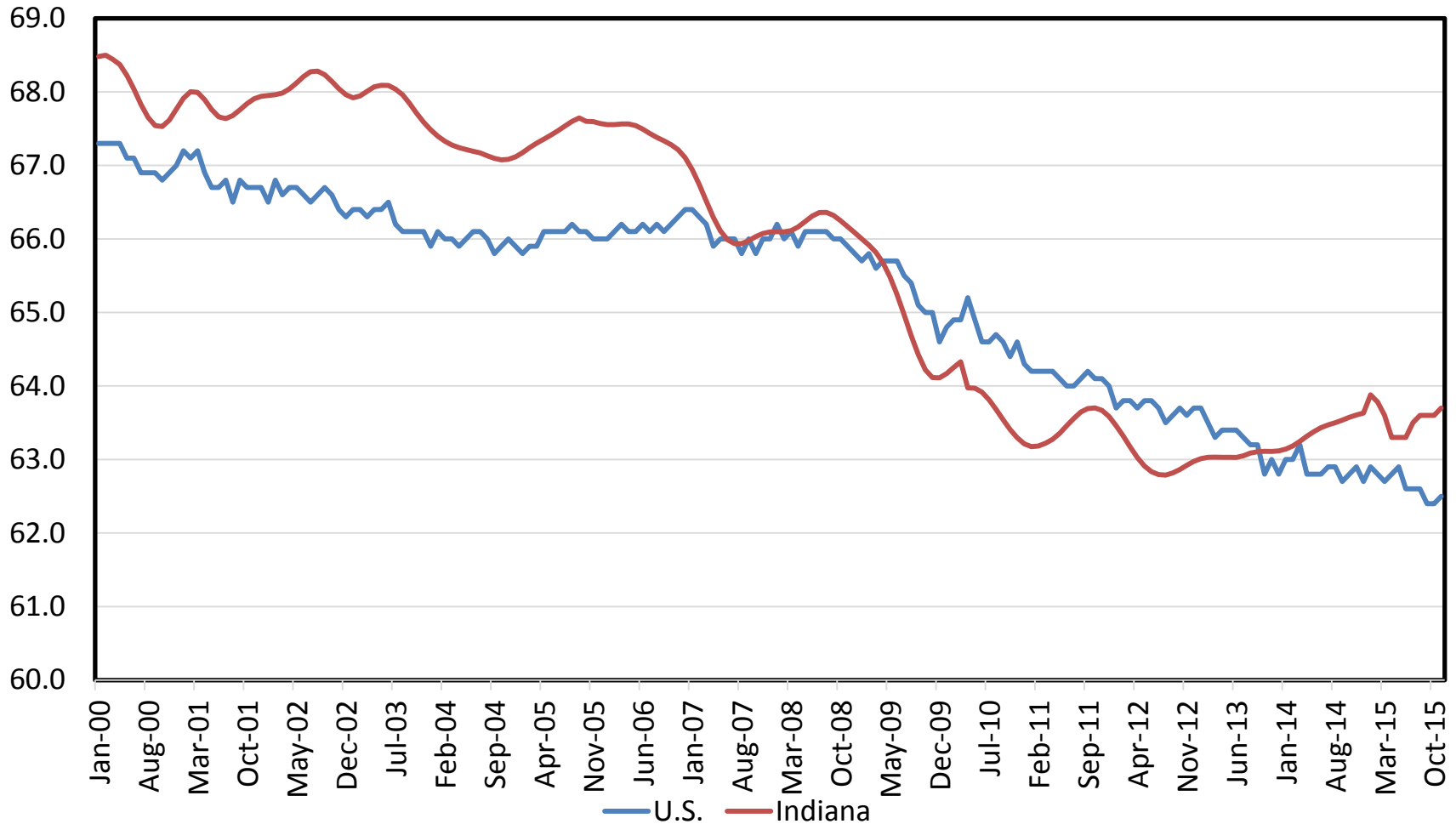
Since Indiana's high point of employment (March 2000), private sector employment growth in Indiana has lagged the U.S. Yet has finally overtaken the prior peak (0.8% growth vs. 9.4% nationally).



Source: Current Employment Statistics, seasonally adjusted

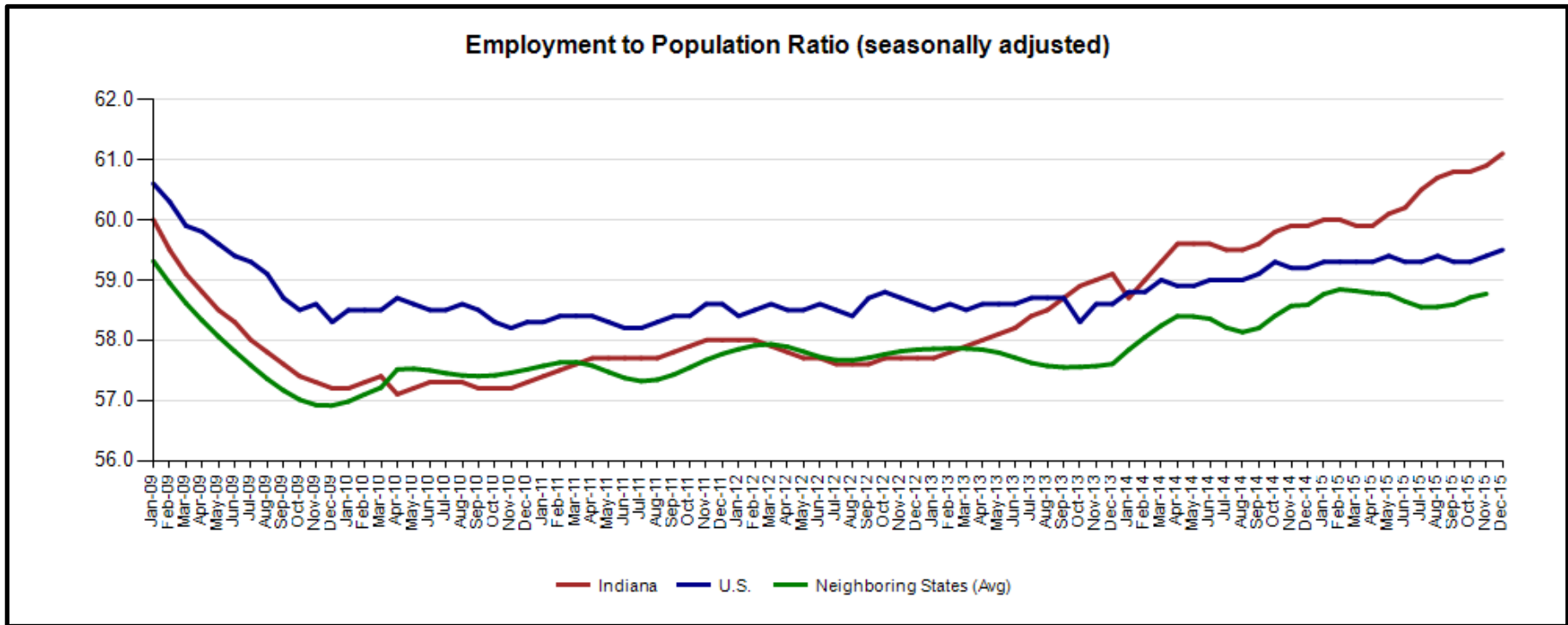


Indiana's Labor Force is up 37,762 over the year, and has gained 109,037 since January 2013. Indiana's labor force stands at 3,291,338. The labor force participation rate still falls 4.5 below the 2000 LFP of 68.4. Similarly, the working age labor force





Indiana's employment to population ratio increased by 0.2 to 61.1 in December. This is an increase of 1.2 over the year. The US employment to population rate increased by 0.1 to 59.5 in December. The US employment to population rate increased by 0.1 to 59.5 in December.



Source: Local Area Unemployment Statistics

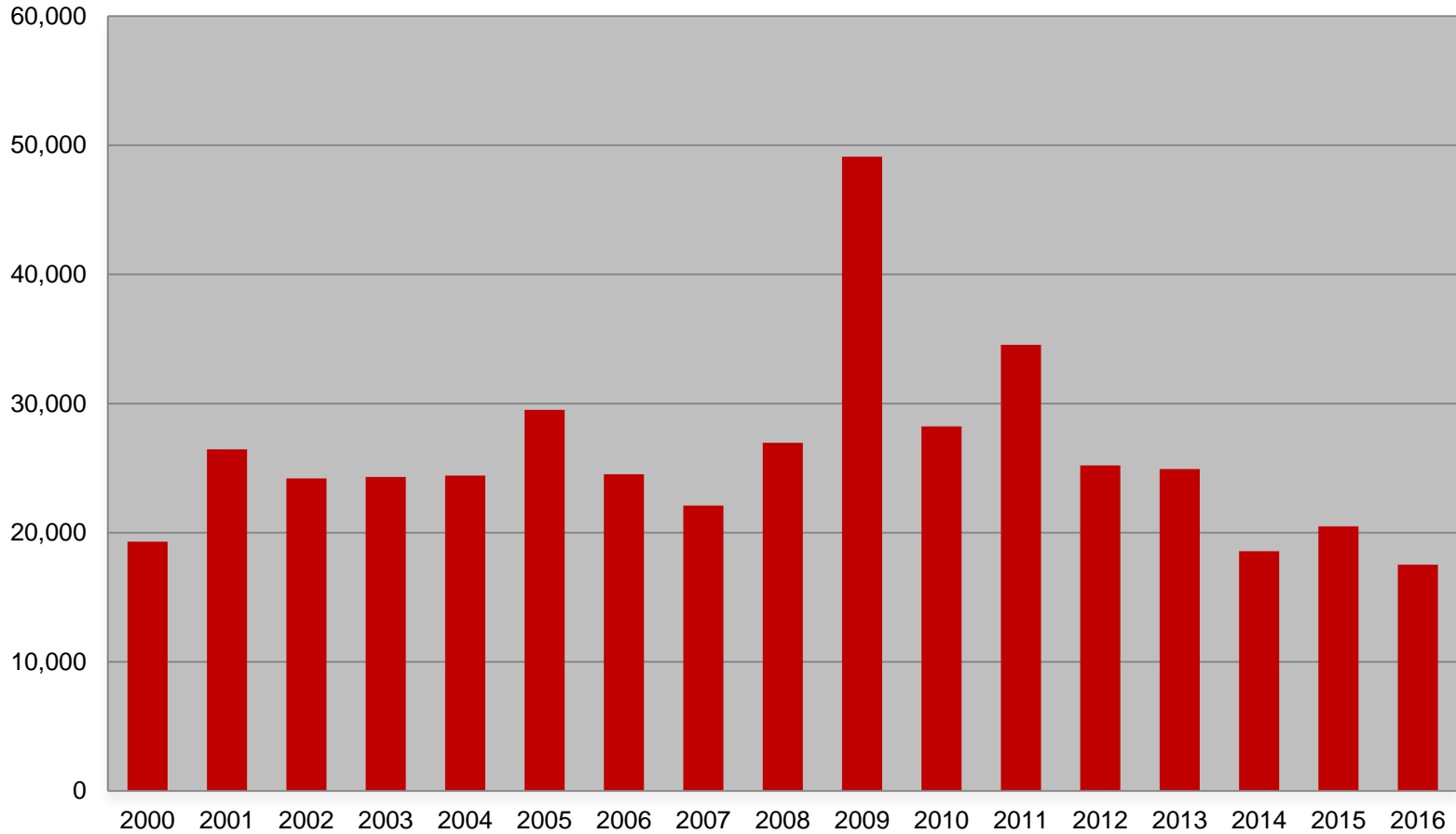


Midwest Comparison Rates: Seasonally
Adjusted Over the Year and Over the Month
(confidential and preliminary)

	December 2014	November 2015	December 2015	Monthly change	Yearly change
Indiana	5.9%	4.4%	4.4%	0.0%	-1.5%
U.S.	5.6%	5.0%	5.0%	0.0%	-0.6%
Illinois	6.2%	5.7%	6.1%	0.4%	-0.1%
Kentucky	5.5%	5.0%	5.3%	0.3%	-0.2%
Michigan	6.4%	5.1%	5.1%	0.0%	-1.3%
Ohio	5.1%	4.5%	4.7%	0.2%	-0.4%

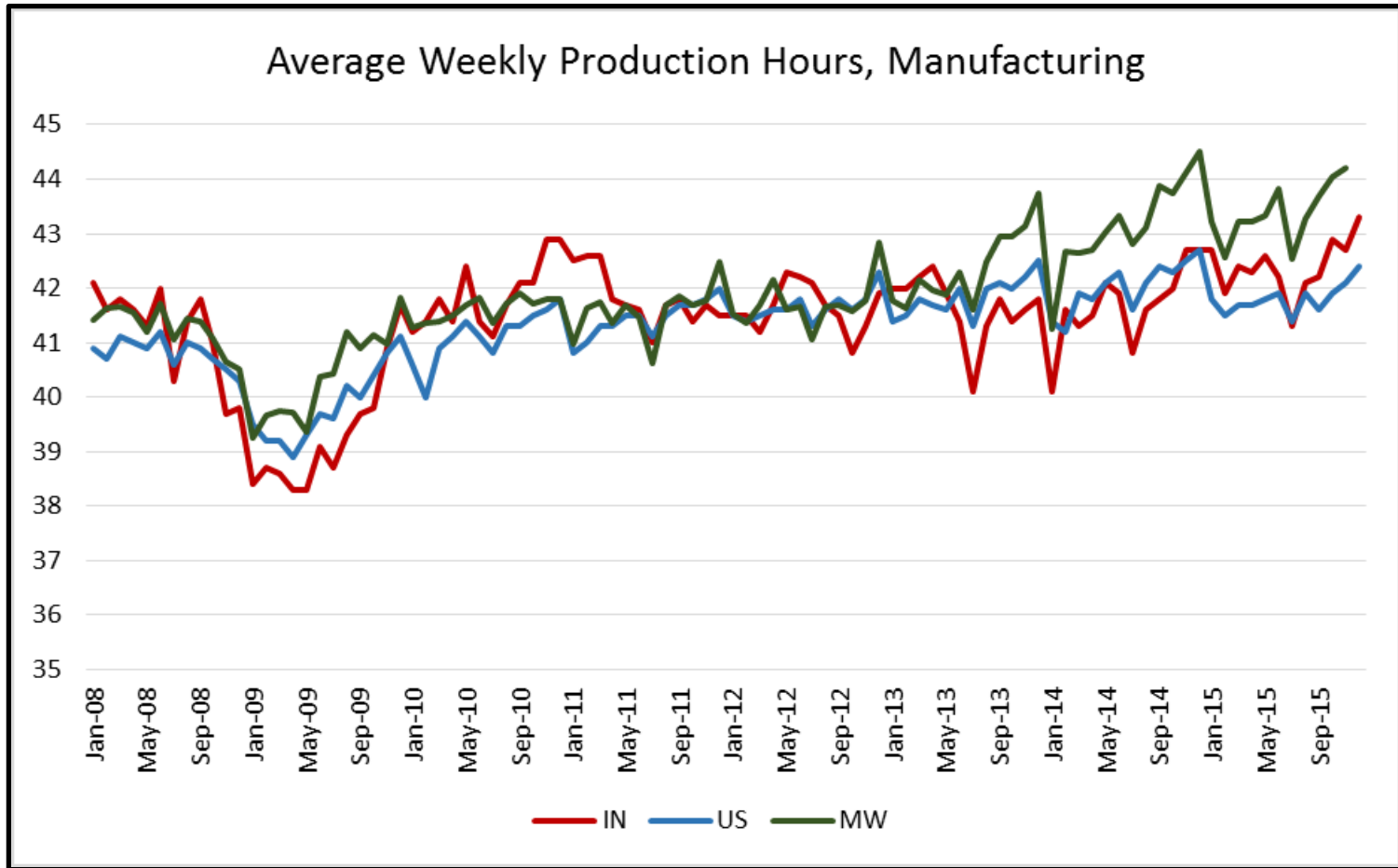


Weekly Initial Claims – 2 weeks aggregate





Average weekly hours for Indiana manufacturing workers jumped up 0.6 from 42.7 in November to 43.3 in December. Nationally, average weekly hours rose by 0.3 to 42.4. Hours above 42.0 weekly are considered a positive economic indicator as employers typically cut hours before jobs.





Real-Time Job Demand: 4th Quarter 2015



Economic Growth Region 3

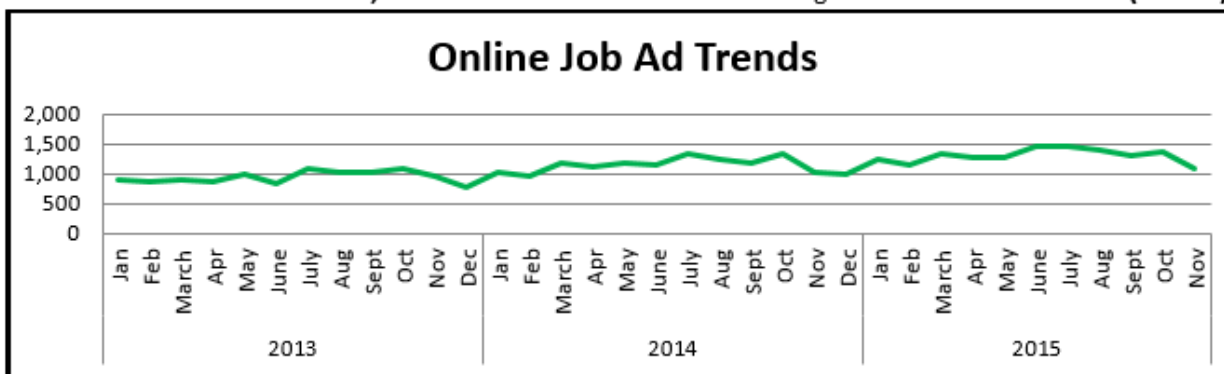
Adams, Allen, DeKalb, Grant, Huntington, LaGrange, Noble, Steuben, Wabash, Wells, Whitley

Unique Ads: **10,567**

Total Ads: **33,567**

Change from Previous Quarter: **200 (5.0%)**

Change from Previous Year: **500 (10.0%)**



Job Categories

Transportation and Material Moving

Ads: 1,941

Healthcare Practitioners

Ads: 1,939

Sales and Related

Ads: 990

Office and Administrative Support

Ads: 974

Healthcare Support

Ads: 605

Industry Sectors

Health Care and Social Assistance

Ads: 1,541

Admin & Support & Waste Mgmt

Ads: 826

Retail Trade

Ads: 643

Transportation and Warehousing

Ads: 569

Manufacturing

Ads: 424

Employers

Community Health Systems Inc

Ads: 742

Parkview North Hospital

Ads: 286

Parkview Physicians' Group

Ads: 246

Parkview Health

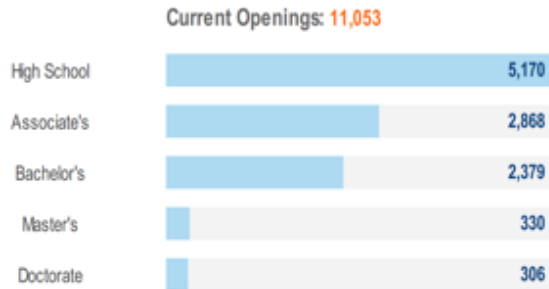
Ads: 205

Pizza Hut

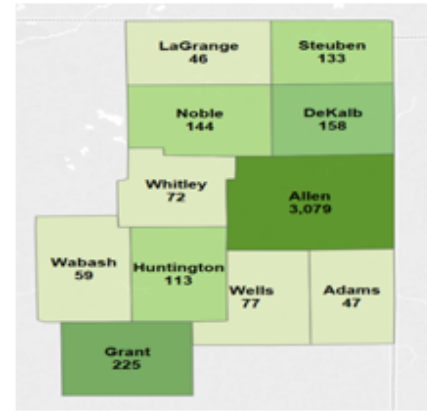
Ads: 162



Education Requirements



Advertised Job Location



Real-Time Job Demand: Indiana Economic Growth Region 3

Soft Skills

Oral and Written Communication

Ads: 3,695

Team-Oriented, Teamwork

Ads: 1,323

Marketing

Ads: 1,292

Customer Service Oriented

Ads: 1,137

Integrity

Ads: 1,124

Job Types

Full Time

Ads: 15,765

Part Time

Ads: 1,732

Hard Skills

Pediatrics

Ads: 353

Quality Assurance

Ads: 315

Geriatrics

Ads: 282

Bilingual

Ads: 220

Critical Care

Ads: 219

Sources

US.jobs

Ads: 4,261

Corporate Site

Ads: 3,928

Beyond.com

Ads: 1,933

Certifications

Commercial Driver's License

Ads: 2,650

Driver's License

Ads: 1,707

Cardiopulmonary Resuscitation

Ads: 1,686

Certified Registered Nurse

Ads: 1,543

HAZMAT

Ads: 571

Age of Job Ad

Fewer than 30 days old

Ads: 5,333

30 to 59 days old

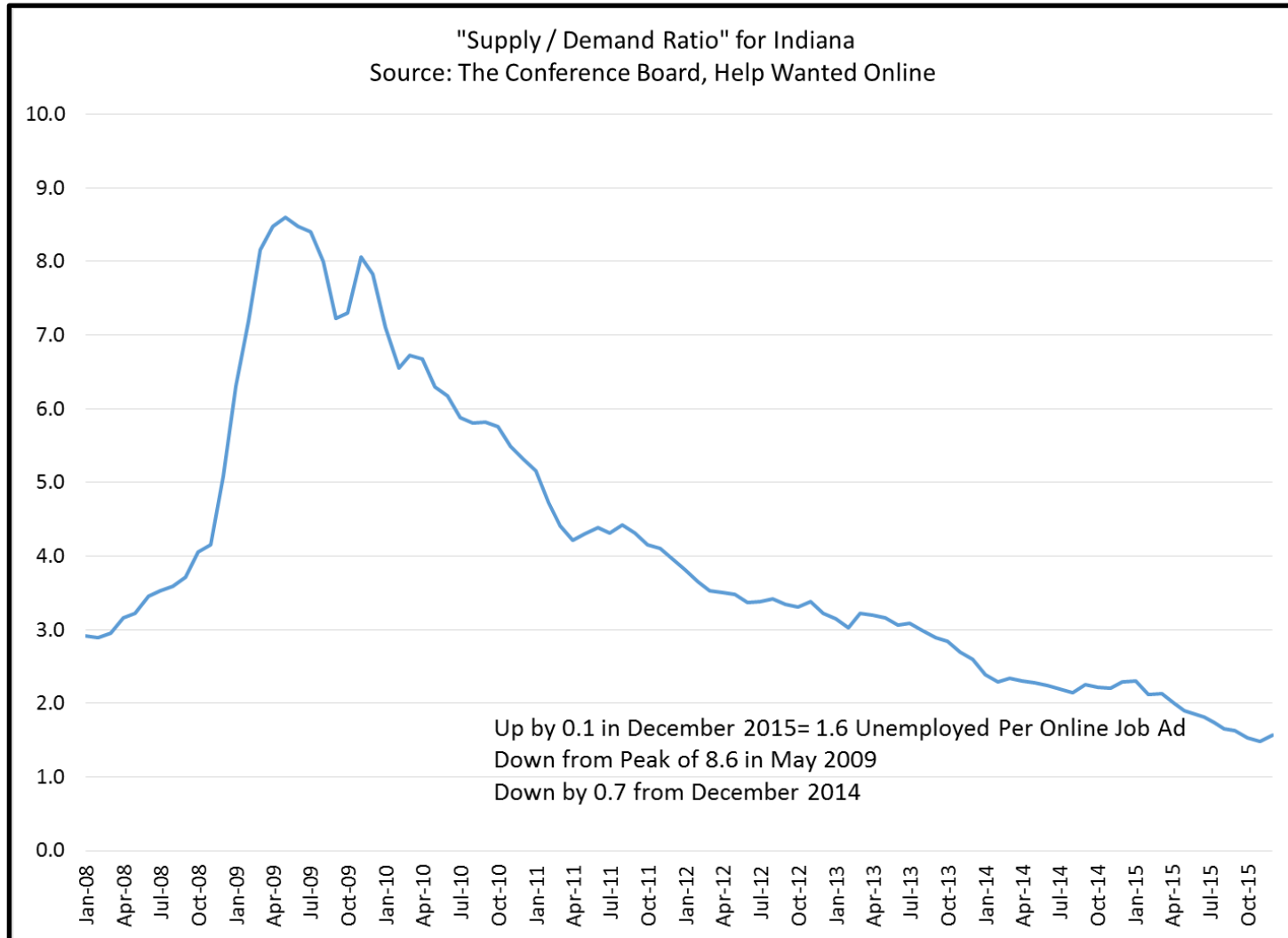
Ads: 3,426

60 to 89 days old

Ads: 1,878



Employers posted 93,016 total online job ads in Indiana during December, this was a decline of 4,087 after November's series high. (HWOL Seasonally Adjusted data) Ads are up by 9,226 over the year. New Ads from employers, make up about 39% of all job postings.



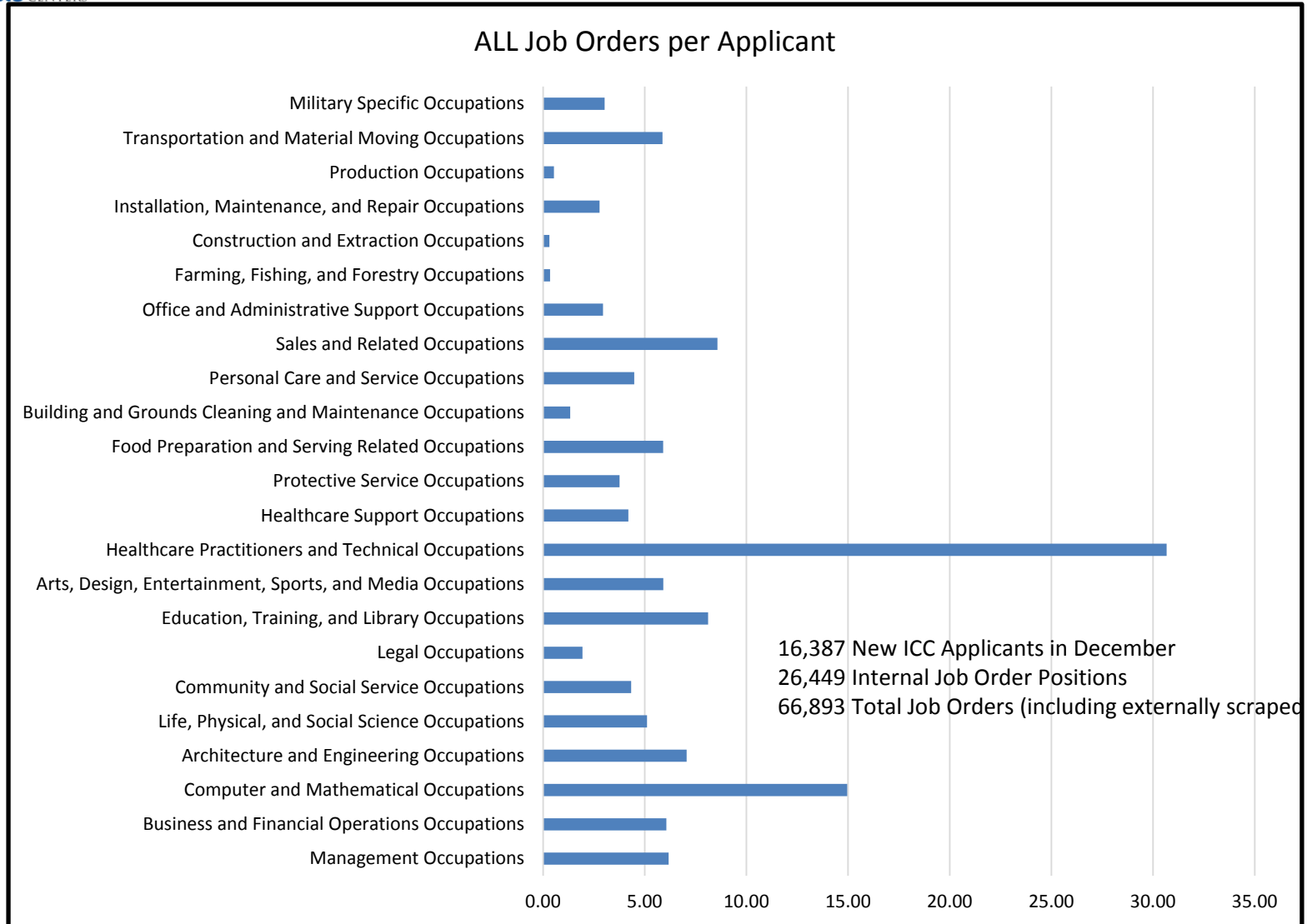


Internal Indiana Career Connect job orders have increased from just under 4,000 last December, to 7,200 in 2015. Health care and retail trade are the industries with the most ads each month.

Industry	Dec-2015		Prior Year		Current Year		Change over Prior Year		Current Year Including External		Current Duration (days)
	November	December	November	December	November	December	November	December	November	December	December
Total	3,720	3,888	7,160	7,246	92%	86%	45,077	54,527	61		
Health Care and Social Services	708	845	1,715	1,854	142%	119%	9,227	10,604	46		
Retail Trade	235	245	648	715	176%	192%	6,564	8,135	49		
Admin. & Support & Waste Mgt. & Rem. Services	504	461	869	926	72%	101%	5,528	7,348	64		
Transportation & Warehousing	296	218	363	363	23%	67%	5,382	6,539	69		
Manufacturing	851	793	1,251	1,309	47%	65%	3,272	3,689	64		
Accommodation and Food Services	88	86	151	192	72%	123%	2,054	3,058	67		
Finance and Insurance	177	178	168	198	-5%	11%	2,227	2,733	111		
Professional, Scientific, and Technical Services	182	266	588	466	223%	75%	2,376	2,624	76		
Educational Services	104	79	127	126	22%	59%	1,735	1,883	68		
Wholesale Trade	123	144	363	322	195%	124%	1,564	1,669	48		
Information	73	88	214	205	193%	133%	1,486	1,627	43		
Public Administration	75	85	207	146	176%	72%	1,124	1,511	85		
Other Services(Except Public Administration)	116	118	175	124	51%	5%	689	999	107		
Real Estate and Rental and Leasing	43	48	81	85	88%	77%	671	759	69		
Management of Companies and Enterprises	7	5	21	19	200%	280%	598	759	78		
Construction	76	120	100	99	32%	-18%	261	274	106		



ICC Activity down in December, still up more than double over the year.





The **Mass Layoff Statistics (MLS)** program collects reports on mass layoff actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period.

This was a BLS Program operated by all states until it was cut in 2013 after the sequestration.

Indiana's research division will begin tracking MLS data once again with its own thresholds to partner with the Rapid Respond Division and data already collected or WARN notices.

We anticipate this could help in reaching out to better assist dislocated workers, to re-employ workers towards areas still facing labor shortages; and also in having additional data to indicate early warning signs of potential downturns in the economy or within declining industries.