



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

Indiana's Employment and Labor Force Estimates January 2016

03/09/2016



Key Points

- Indiana total private employment grew 700 over the month, yet remains the eighth month above the prior March 2000 peak. Now at 21,200 above that level, the new peak for private employment is 2,633,800 for Indiana. US private employment grew by 182,000 over the month, a rate of (0.2%).
- **Indiana private sector employment is up 43,500 from a year ago.** This is annual growth of 1.7% which is slightly less than the national growth rate of 2.2% over the year. Over the month gains were strongest in Leisure and Hospitality 4,700. Financial Activities saw growths of 1,500 over the month. Total Nonfarm gained 2,600. Professional and Business Services saw declines of 3,100 of the month. Private Education saw declines of 2,800 over the month and Trade, Transportation and Utilities saw declines of 2,300 over the month. Public employment lost 1,900 over the month.

Key sectors showing job decreases in January:

- Manufacturing showed declines of 300 jobs over the month. Economic activity in the manufacturing sector contracted nationwide in January for the second consecutive month, while the overall economy grew for the 81st consecutive month. (the latest Manufacturing ISM index = 48.2)
- Private education and health services showed declines of 1,600. Most service providing sectors showed slight declines.
- Average weekly hours for Indiana manufacturing workers decreased from 43.3 in December to 41.9 in January. Nationally, average weekly hours decreased by 0.7 to 41.6.
- Nationally in January, **average hourly earnings for all employees** on private nonfarm payrolls, at \$25.22, increased by 30 cents, after a 17 cent decrease in revised December data. Over the year, average hourly earnings have risen by 2.6 percent. Average hourly earnings for all employees in Indiana rose by 31 cents from \$23.00 in December to 23.31 in January, earnings have risen by 31 cents over the year in Indiana, a softer 1.3% increase.



Key Points

LAUS Household Survey:

- Indiana's January seasonally adjusted unemployment rate stands at 4.6%. This is the same as December's newly benchmarked number. Indiana's rate is down (-0.8%) from January 2015. Nationally the unemployment rate is 4.9%.
- Indiana's labor force gained 20,429 over the month, almost entirely with gains in employment of 18,563. Unemployment estimates rose by 1,866. Indiana's Labor Force Participation rate increased by 0.4 to 64.2% over the month. This remains above the US Labor Force Participation rate which stands at 62.7%.
- **Indiana's Labor Force is up 51,014 over the year, and has gained 116,696 since January 2013.** Indiana's labor force stands at 3,299,900. Indiana's unemployment is down by 23,015 over the year, and 115,459 since January 2013, which is a decline of -43.3%.

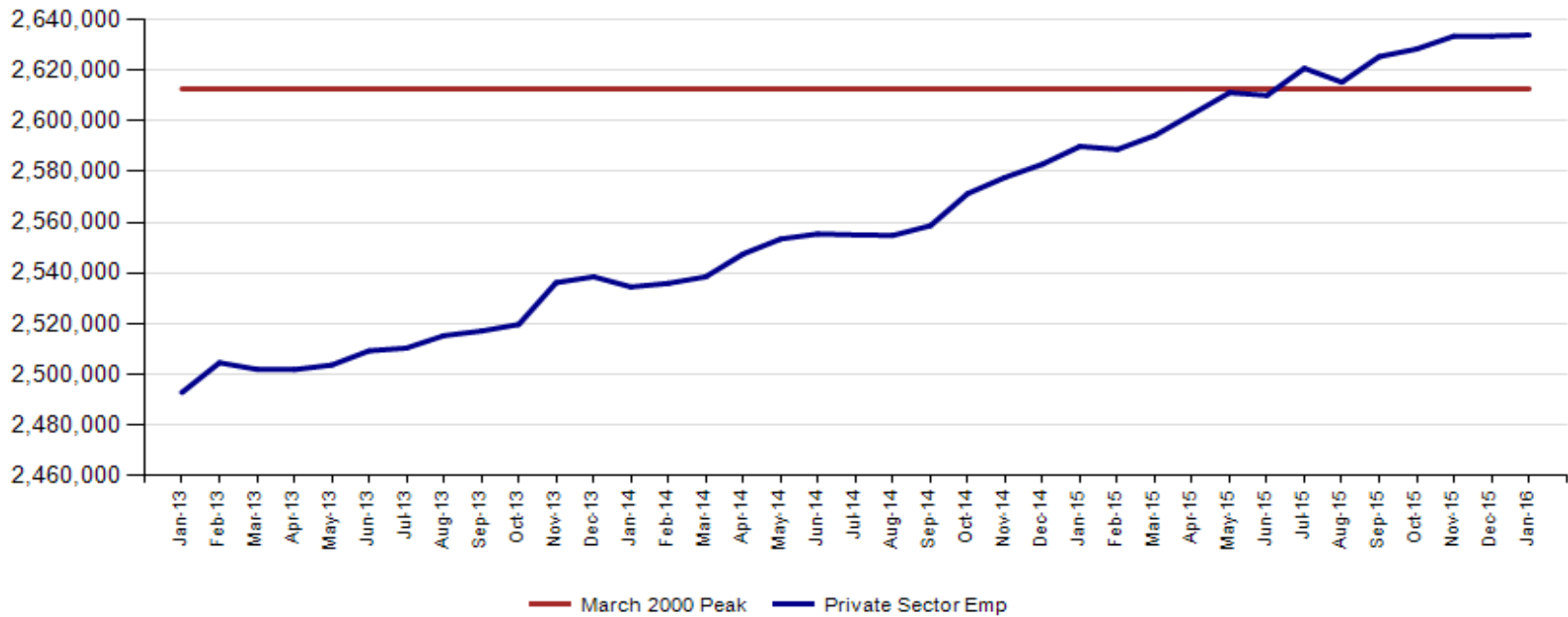
CES Payroll/ Establishment Survey:

- Private employment is up 43,500 from a year ago (1.7%). US private employment grew by 182,000 over the month, a rate of (0.2%). Nationally, private sector employment is up by 2.2% over the year.
- Since January 2013 Indiana private employment has grown by 140,900 (5.7%). Private sector monthly job growth has averaged about 3,914 over the last three years.



Total nonfarm employment surpassed March 2000 peak levels in July of 2015 and this trend continues through January of 2016. Private employment stands 21,200 above prior peak. Indiana's new private sector peak based on preliminary January numbers now stands at 2,633,800.

Indiana Private Sector Employment





What is a benchmark of payroll survey estimates from the Current Employment Statistics (CES) survey?

The benchmark adjustment is a once-a-year re-anchoring of the sample-based employment estimates to full population counts available principally through unemployment insurance (UI) tax records filed by employers with State Employment Security Agencies. By early November of each year, the Bureau of Labor Statistics (BLS) completes preliminary tabulations of these universe counts for the first quarter of the year and routinely shares that information with the public at the time of the issuance of the October Employment Situation news release.

More detailed explanation is available at:

<http://www.bls.gov/web/empsit/cesbmart.htm>



Indiana private sector employment gained 700 jobs over the month and is up 43,500 over the year. Manufacturing lost 300 jobs over the month. Strongest gains over the year have been Private Education & Health Services, Trade, Transportation & Utilities, Leisure and Hospitality, and Construction. Total Nonfarm showed over the month gain of 2,600.

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

Industry	January 2015	December 2015	January 2016	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	443.2	459.5	457.9	-1.6	-1.6	14.7
.....Private Educational Services	65.4	73.2	70.4	-2.8	-2.8	5.0
.....Health Care & Social Assistance	377.8	386.3	387.5	1.2	1.2	9.7
Manufacturing	517.4	520.2	519.9	-0.3	-0.3	2.5
Professional & Business Services	328.5	327.9	324.8	-3.1	-3.1	-3.7
Financial Activities	129.6	131.3	132.8	1.5	1.5	3.2
Construction	127.2	131.0	132.2	1.2	1.2	5.0
Leisure and Hospitality	298.3	304.6	309.3	4.7	4.7	11.0
Trade, Transportation & Utilities	578.7	592.9	590.6	-2.3	-2.3	11.9
.....Trade	439.7	447.6	446.1	-1.5	-1.5	6.4
.....Transportation, Warehousing & Utilities	139.0	145.3	144.5	-0.8	-0.8	5.5
All Other	167.4	165.7	166.3	0.6	0.6	-1.1
Total Private	2,590.3	2,633.1	2,633.8	0.7	0.7	43.5
Government (Includes Public Schools & Hospitals)	426.2	426.6	428.5	1.9	1.9	2.3
Total Nonfarm	3,016.5	3,059.7	3,062.3	2.6	2.6	45.8
United States Total Private	118,669.0	121,106.0	121,288.0	182.0	182.0	2,619.0



Total nonfarm is 45,100 over the March 2000. Manufacturing and Construction show combined losses of 173,100 over this time frame.

IN Statewide Estimates (seasonally adjusted) -- January 2016

Supersector	Private Empl. Peak March 2000	Private Empl. Trough July 2009	December 2015	January 2016	Change Since Peak	Change Since Trough	Month to Month Change
Private Educational & Health Services	330.1	411.1	459.5	457.9	127.8	46.8	-1.6
.....Private Educational Services	52.2	63.3	73.2	70.4	18.2	7.1	-2.8
.....Health Care & Social Assistance	277.9	347.8	386.3	387.5	109.6	39.7	1.2
Manufacturing	671.1	427.9	520.2	519.9	-151.2	92.0	-0.3
Professional & Business Services	260.5	255.9	327.9	324.8	64.3	68.9	-3.1
Financial Activities	145.7	130.7	131.3	132.8	-12.9	2.1	1.5
Construction	154.1	116.5	131.0	132.2	-21.9	15.7	1.2
Leisure and Hospitality	267.2	276.8	304.6	309.3	42.1	32.5	4.7
Trade, Transportation & Utilities	617.5	545.7	592.9	590.6	-26.9	44.9	-2.3
.....Trade	485.1	421.6	447.6	446.1	-39.0	24.5	-1.5
.....Transportation, Warehousing & Utilities	132.4	124.1	145.3	144.5	12.1	20.4	-0.8
All Other	166.4	158.6	165.7	166.3	-0.1	7.7	0.6
Total Private	2,612.6	2,323.2	2,633.1	2,633.8	21.2	310.6	0.7
Government (Includes Public Schools & Hospitals)	404.6	434.5	426.6	428.5	23.9	-6.0	1.9
Total Nonfarm	3,017.2	2,757.7	3,059.7	3,062.3	45.1	304.6	2.6
United States Total Private	110,875.0	108,170.0	121,106.0	121,288.0	10,413.0	13,118.0	182.0



Indiana job growth over the year is slightly under the National trend in private sector gains in January. Manufacturing continued to grow faster than the U.S. rate over the year but showed was under the US rate over the month. Leisure & Hospitality and Financial Activities grew faster than the nation over all three time frames.

IN Employment Change Compared to the U.S.

Industry	Indiana Month to Month	U.S. Month to Month	Indiana vs U.S. Change	Indiana Year-to-Date	U.S. Year-to-Date	Indiana vs U.S. Change	Indiana Year-to-Year	U.S. Year-to-Year	Indiana vs U.S. Change
Private Educational & Health Services	-0.3%	0.1%	UNDER	-0.3%	0.1%	UNDER	3.3%	3.1%	OVER
.....Private Educational Services	-3.8%	-0.6%	UNDER	-3.8%	-0.6%	UNDER	7.6%	1.6%	OVER
.....Health Care & Social Assistance	0.3%	0.2%	OVER	0.3%	0.2%	OVER	2.6%	3.4%	UNDER
Manufacturing	-0.1%	0.2%	UNDER	-0.1%	0.2%	UNDER	0.5%	0.3%	OVER
Professional & Business Services	-0.9%	0.1%	UNDER	-0.9%	0.1%	UNDER	-1.1%	3.2%	UNDER
Financial Activities	1.1%	0.2%	OVER	1.1%	0.2%	OVER	2.5%	1.8%	OVER
Construction	0.9%	0.2%	OVER	0.9%	0.2%	OVER	3.9%	4.1%	UNDER
Leisure and Hospitality	1.5%	0.3%	OVER	1.5%	0.3%	OVER	3.7%	3.1%	OVER
Trade, Transportation & Utilities	-0.4%	0.2%	UNDER	-0.4%	0.2%	UNDER	2.1%	1.8%	OVER
.....Trade	-0.3%	0.3%	UNDER	-0.3%	0.3%	UNDER	1.5%	1.7%	UNDER
.....Transportation, Warehousing & Utils	-0.6%	-0.4%	UNDER	-0.6%	-0.4%	UNDER	4.0%	1.8%	OVER
All Other	0.4%	-0.1%	OVER	0.4%	-0.1%	OVER	-0.7%	-0.5%	UNDER
Total Private	0.0%	0.2%	UNDER	0.0%	0.2%	UNDER	1.7%	2.2%	UNDER
Government (Includes Public Schools & Hospitals)	0.4%	0.0%	OVER	0.4%	0.0%	OVER	0.5%	0.3%	OVER
Total Nonfarm	0.1%	0.1%	UNDER	0.1%	0.1%	UNDER	1.5%	1.9%	UNDER

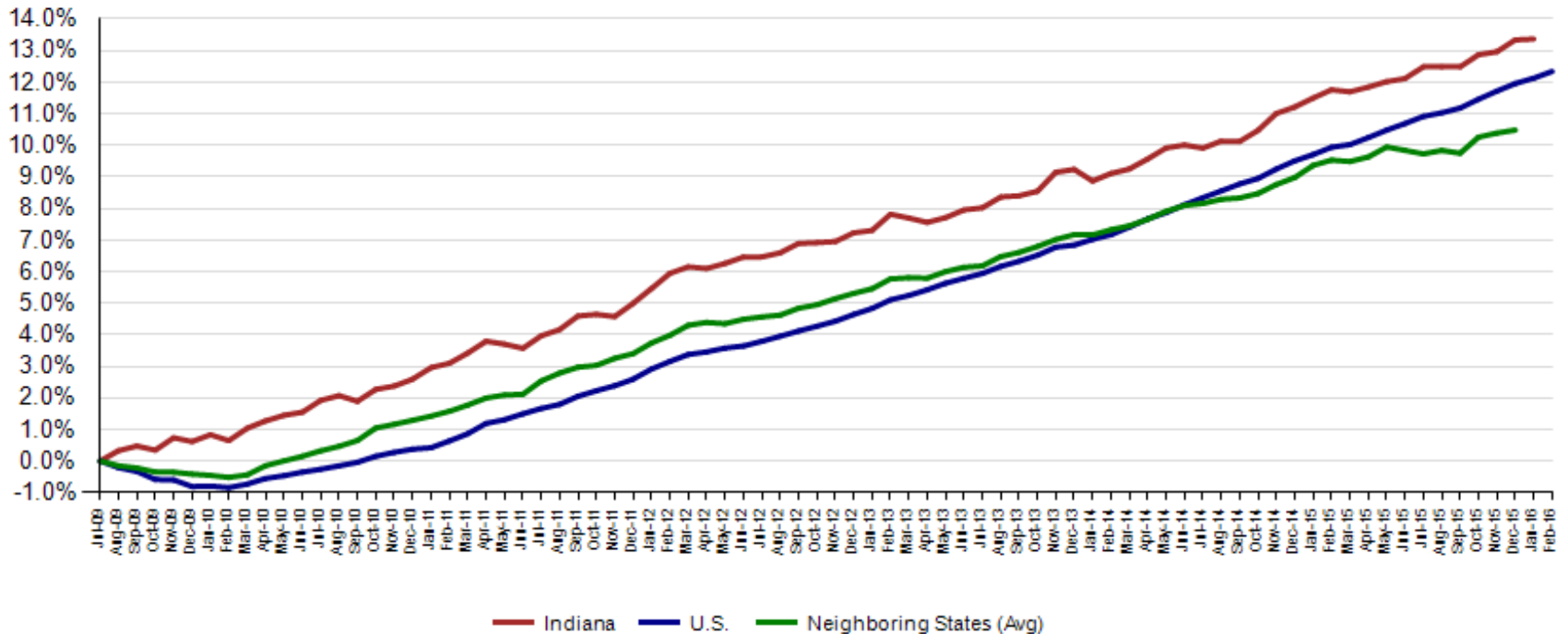


December Total Private preliminary estimates were revised downward by 9,500 and the increase from November to December was 9,500 over the month.

Revisions to December 2015 Estimates						
INDUSTRY TITLE	Nov	Dec Prel	Dec Rev	Revision	Chg from Nov	Prel Chg from Nov
Total Nonfarm	3050.0	3069.2	3059.7	-9.5	9.7	19.2
Total Private	2624.4	2633.4	2633.1	-0.3	8.7	9.0
Goods Producing	655.7	651.1	657.7	6.6	2.0	-4.6
Service-Providing	2394.3	2418.1	2402.0	-16.1	7.7	23.8
Private Service Providing	1968.7	1982.3	1975.4	-6.9	6.7	13.6
Construction	520.1	519.7	520.2	0.5	0.1	-0.4
Manufacturing	372.9	370.9	372.4	1.5	-0.5	-2.0
Trade, Transportation, and Utilities	116.6	122.7	118.0	-4.7	1.4	6.1
Wholesale Trade	328.2	330.2	329.6	-0.6	1.4	2.0
Retail Trade	141.6	152.1	145.3	-6.8	3.7	10.5
Transportation, Warehousing, and Utilities	33.1	35.5	33.2	-2.3	0.1	2.4
Information	131.8	129.2	131.3	2.1	-0.5	-2.6
Financial Activities	97.5	93.7	96.9	3.2	-0.6	-3.8
Finance and Insurance	34.3	35.5	34.4	-1.1	0.1	1.2
Real Estate and Rental and Leasing	327.3	324.1	327.9	3.8	0.6	-3.2
Professional and Business Services	109.7	109.0	109.6	0.6	-0.1	-0.7
Admin & Support & Waste Mgmt & Remediation Services	459.7	457.7	459.5	1.8	-0.2	-2.0
Education and Health Services	74.7	67.6	73.2	5.6	-1.5	-7.1
Leisure and Hospitality	126.6	124.4	126.0	1.6	-0.6	-2.2
Other Services	126.6	124.4	126.0	1.6	-0.6	-2.2
Government	425.6	435.8	426.6	-9.2	1.0	10.2

Since the low point of employment (July 2009), private sector employment growth in Indiana has surpassed the U.S. (13.4% vs. 12.1%).

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

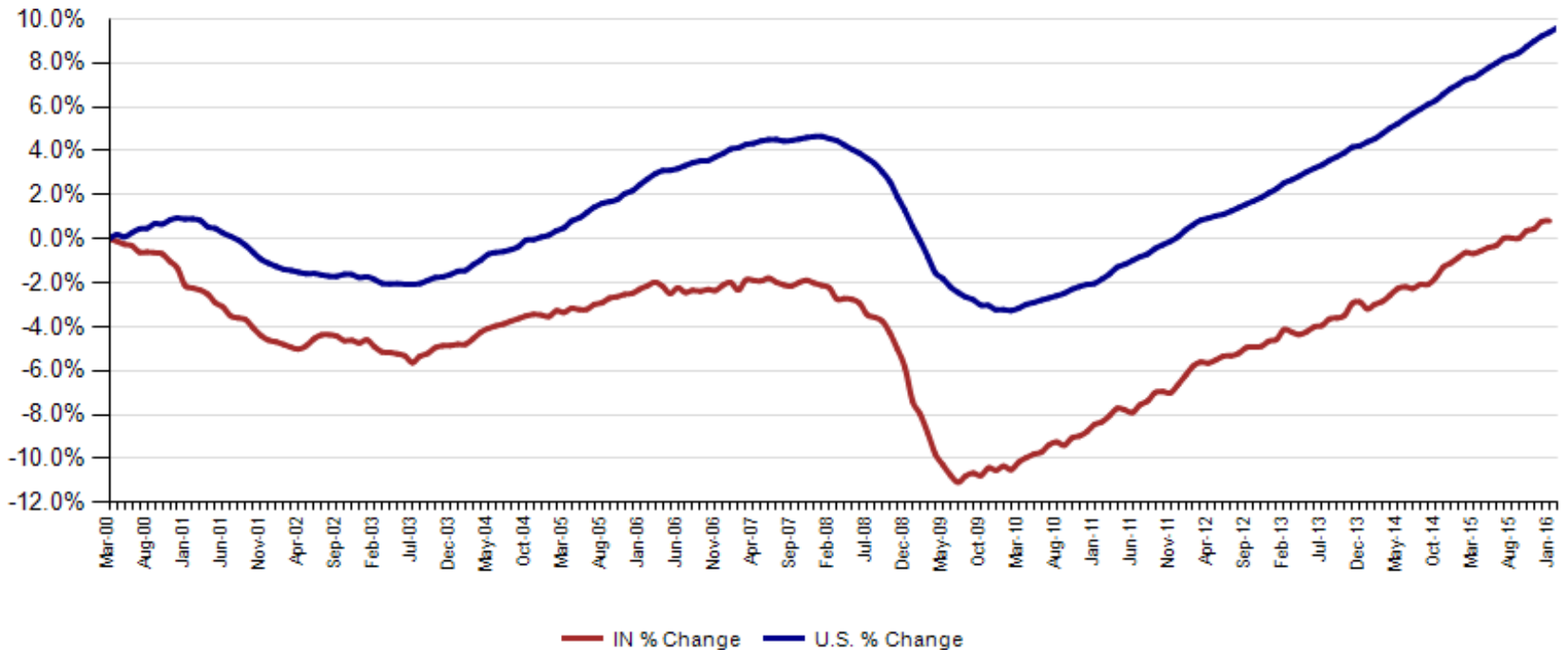


Source: Current Employment Statistics, seasonally adjusted



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).

Private Sector Job Growth Since the Peak of Employment in Indiana

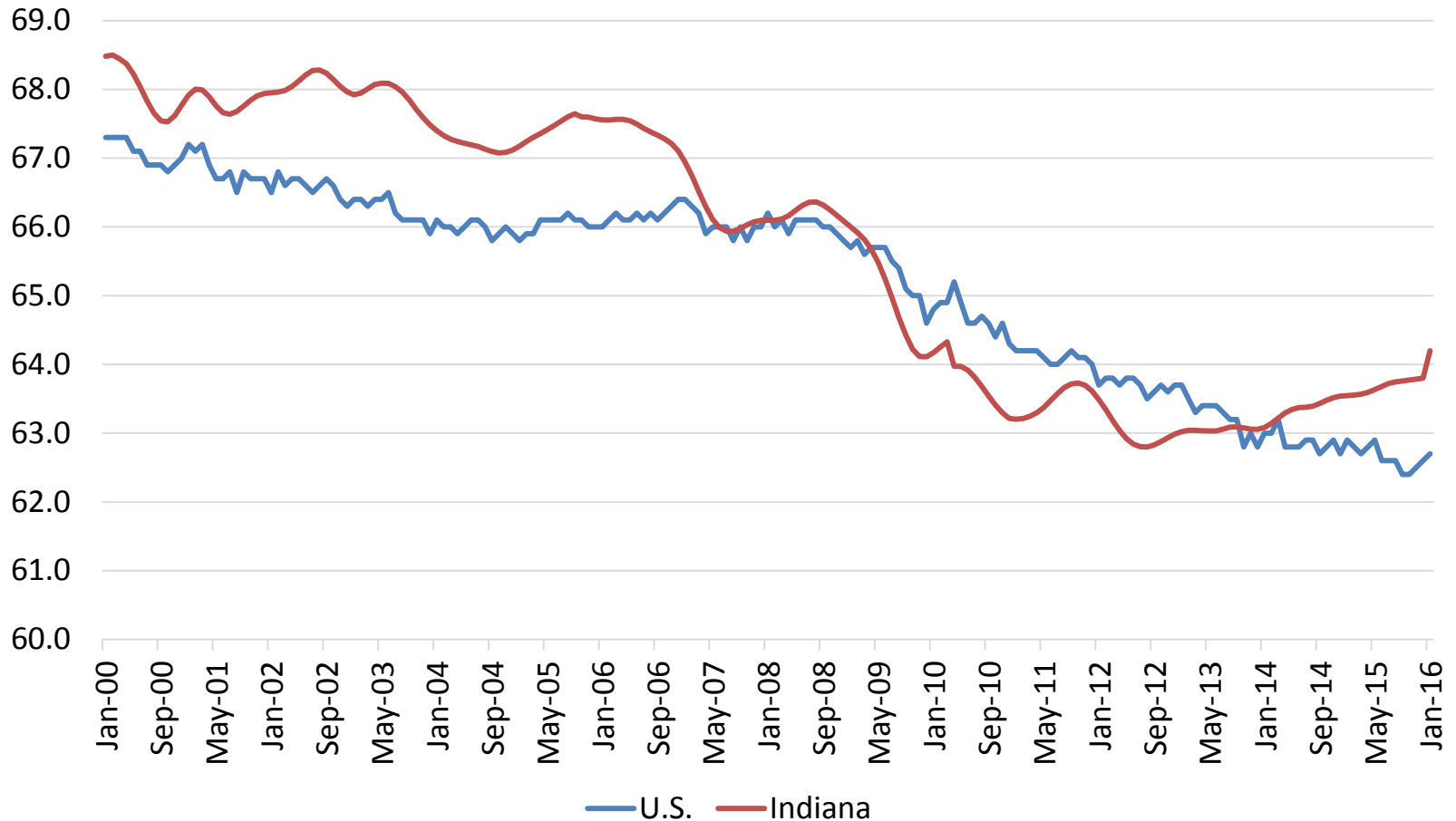


Source: Current Employment Statistics, seasonally adjusted



Indiana's Labor Force is up 51,014 over the year, and has gained 116,696 since January 2013. Indiana's labor force stands at 3,299,908. The Indiana labor force participation rate is at 64.2 for January. This is the highest it has been since March of 2010. This is still 4.3 below the January 2000 LFP of 68.5.

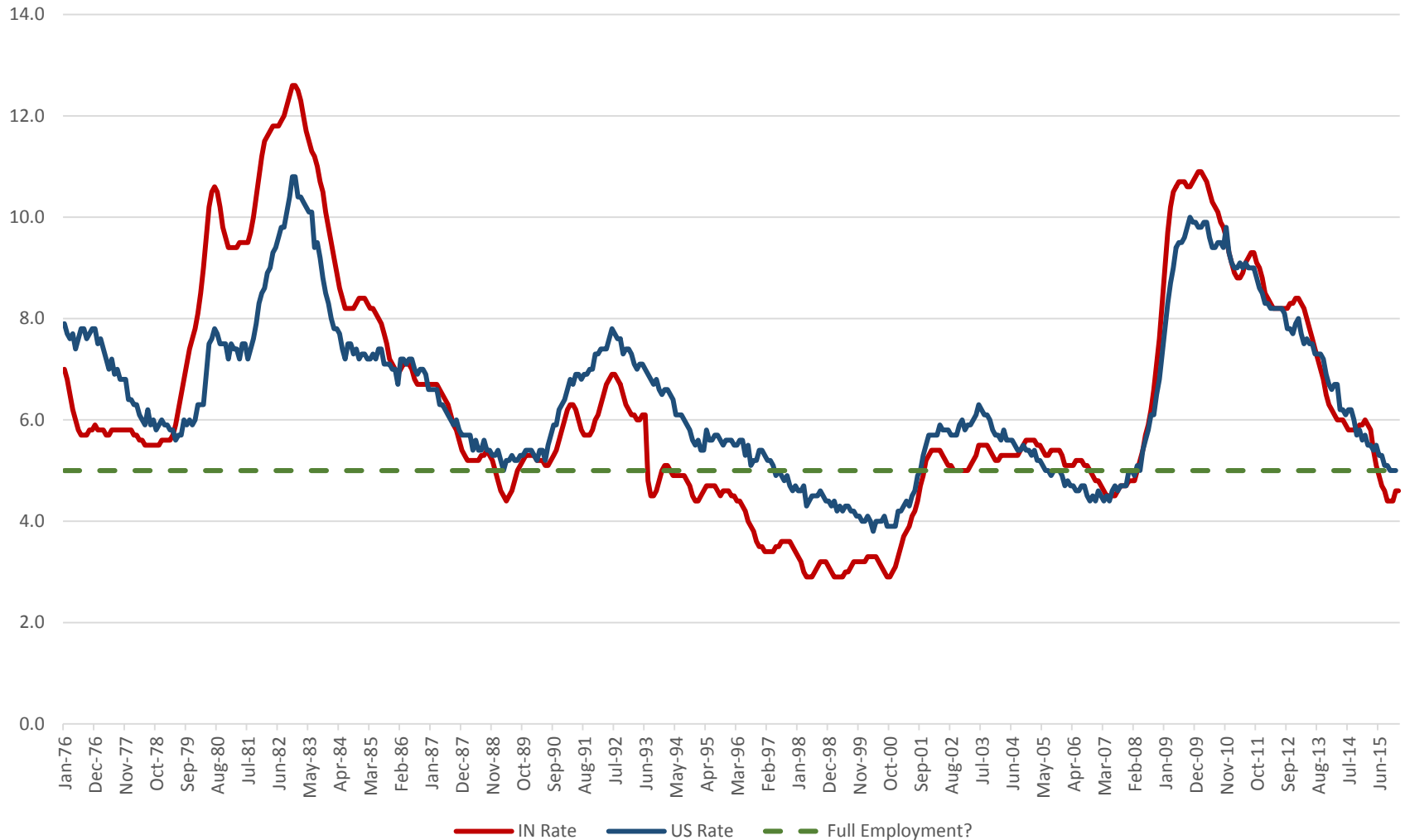
Labor Force Participation Rate





Historical IN and US Unemployment Rate Comparison

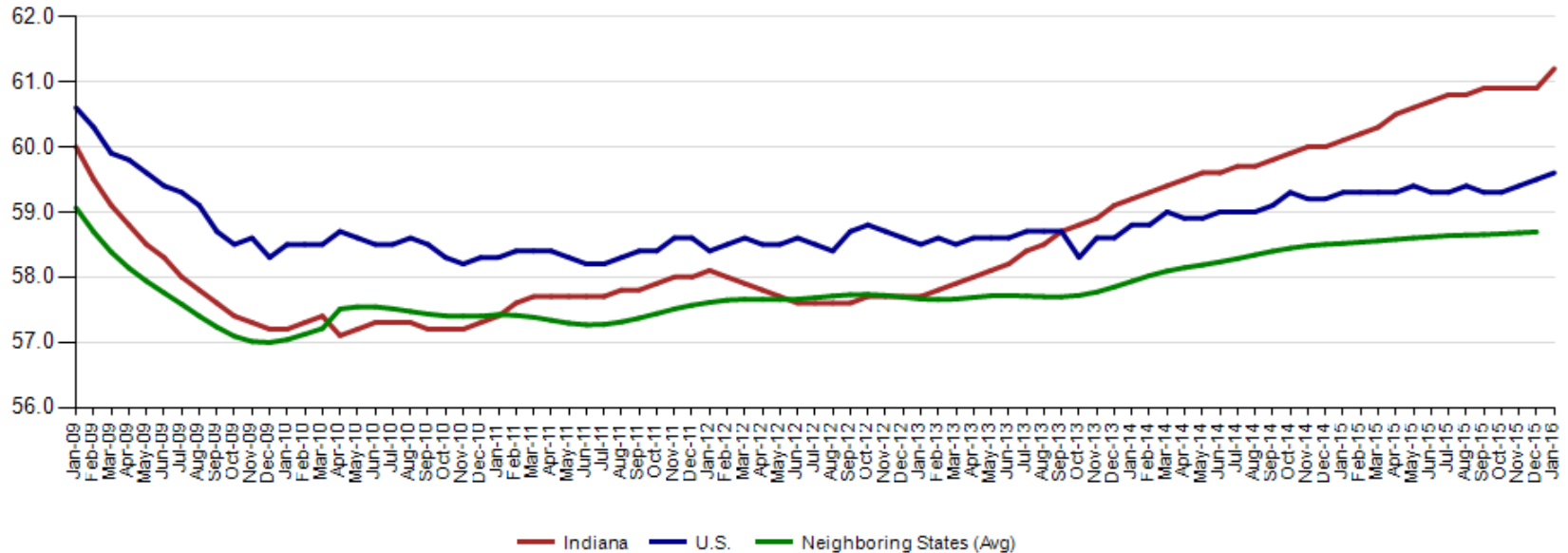
IN and US Rate Comparison





Indiana's employment to population ratio continued to increase to 61.2 in January. This is an increase of 1.1 over the year. The US employment to population rate increased by 0.1 to 59.6 in January. Indiana's border states employment to population ratio was 58.7 in December.

Employment to Population Ratio (seasonally adjusted)



Source: Local Area Unemployment Statistics

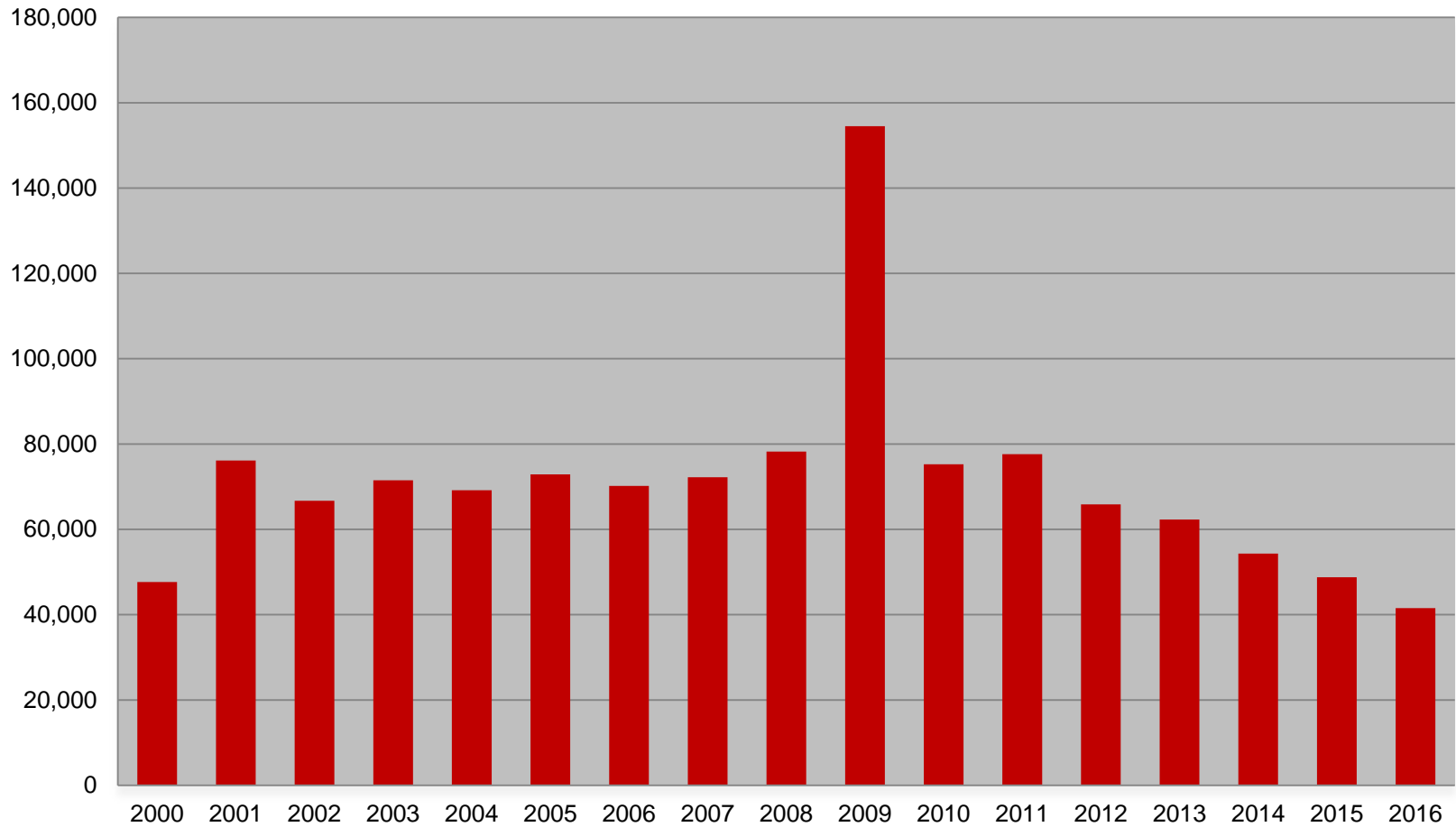


Midwest Comparison Rates: Seasonally Adjusted Over the Year and Over the Month (confidential and preliminary)

	January 2015	December 2015	January 2016	Monthly change	Yearly change
Indiana	5.4%	4.6%	4.6%	0.0%	-0.8%
U.S.	5.7%	5.0%	4.9%	-0.1%	-0.8%
Illinois	6.0%	6.1%	6.3%	0.3%	0.2%
Kentucky	5.3%	5.7%	5.8%	0.1%	0.5%
Michigan	6.0%	5.1%	4.9%	-0.2%	-1.1%
Ohio	5.1%	4.8%	4.9%	0.1%	-0.2%



Weekly Initial Claims – 8 weeks aggregate





Regular UI Claims – Reference Week (12th of the month) Input to LAUS Unemployment Rate Model Declines over the month - and over the year

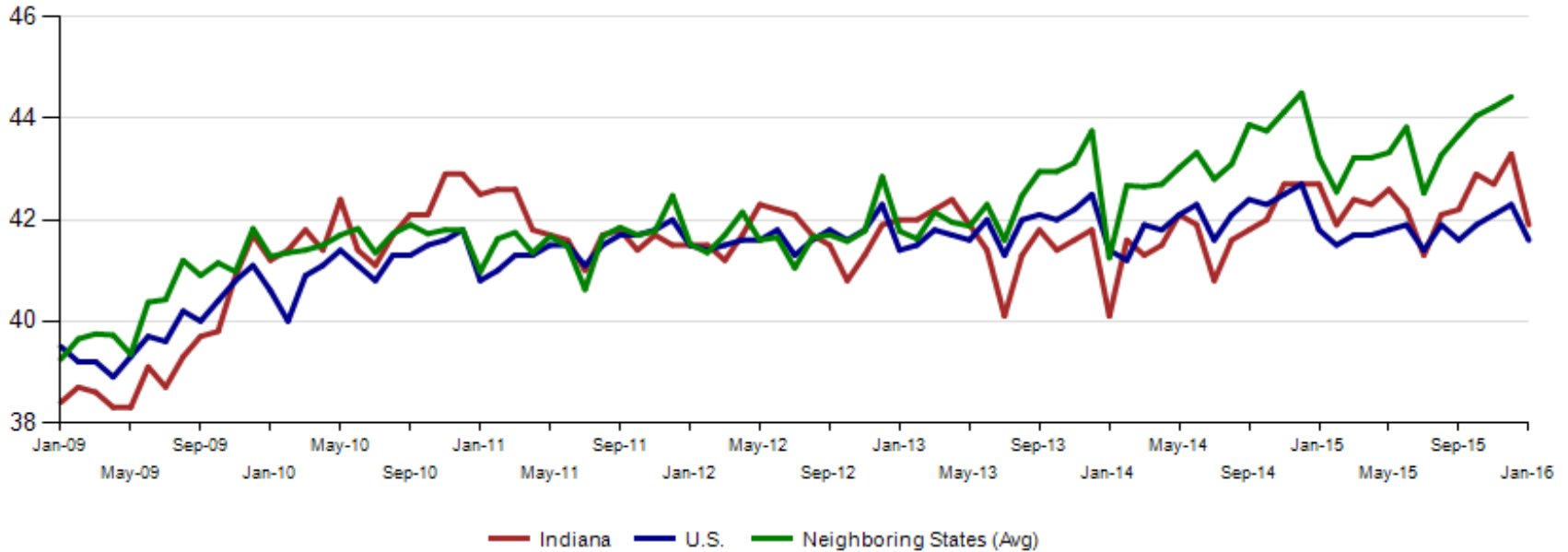
Without earnings – Reference week claims

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	OTM Change	OTY Change
JANUARY	65,898	71,296	75,294	150,888	105,910	84,706	71,042	63,223	49,377	41,333	36,490	10,241	(4,843)
FEBRUARY	67,347	75,432	78,068	154,388	103,432	80,852	69,570	60,183	52,316	39,282			
MARCH	59,716	64,936	74,759	157,257	93,469	71,696	60,752	54,578	45,928	35,755			
APRIL	48,103	53,325	64,948	143,842	74,481	59,036	51,652	48,548	39,717	25,597			
MAY	46,779	46,002	55,480	141,174	66,779	54,680	46,328	42,997	32,460	22,807			
JUNE	45,533	46,350	57,228	136,670	67,996	55,021	46,820	41,722	29,524	22,030			
JULY	53,424	51,141	72,032	121,336	69,447	58,031	47,268	44,597	30,845	22,341			
AUGUST	45,021	43,887	61,985	103,509	62,976	51,710	42,134	39,998	26,061	21,472			
SEPTEMBER	41,247	42,500	61,548	92,680	58,280	46,824	41,955	39,563	23,685	20,941			
OCTOBER	42,487	42,313	67,306	86,275	58,317	46,909	39,467	37,778	23,768	19,917			
NOVEMBER	43,868	45,362	81,466	82,451	58,846	51,201	41,018	38,517	25,315	21,199			
DECEMBER	53,566	54,201	109,651	91,814	65,279	55,104	46,371	42,484	30,982	26,249			



Average weekly hours for Indiana manufacturing workers fell from 43.3 in December to 41.9 in January. Nationally, manufacturing weekly hours also fell by 0.7 from 42.3 to 41.6. For December, Midwest neighboring states manufacturing workers averaged 44.4 hours per week. Hours above 42.0 weekly are considered a positive economic indicator as employers typically cut hours before jobs.

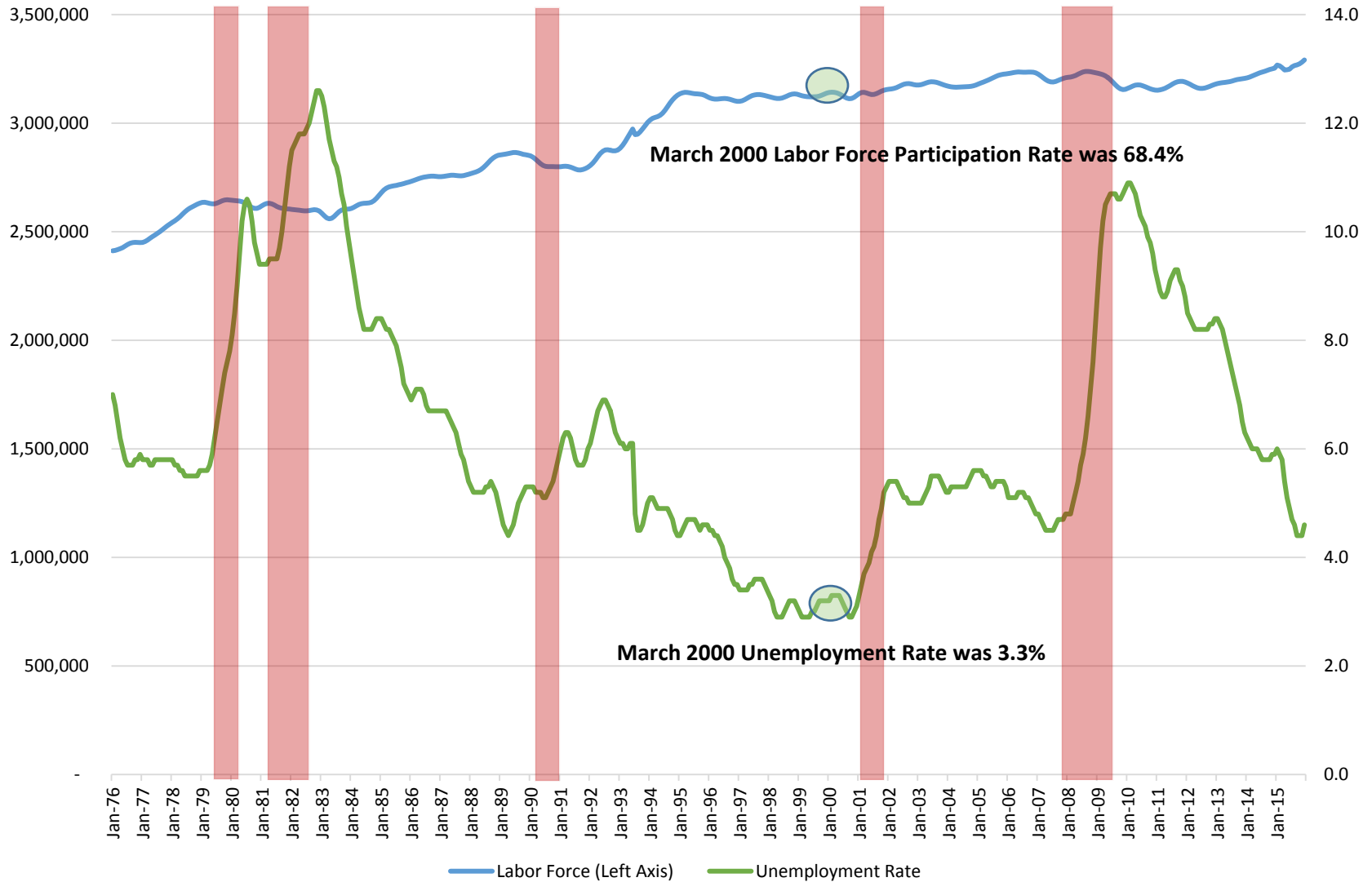
Avg. Weekly Manufacturing Production Hours (non seasonally adjusted)





The Labor Force has grown by 157,842 since March 2000
While the working age population has grown by 313,000
This is a slight improvement from December.

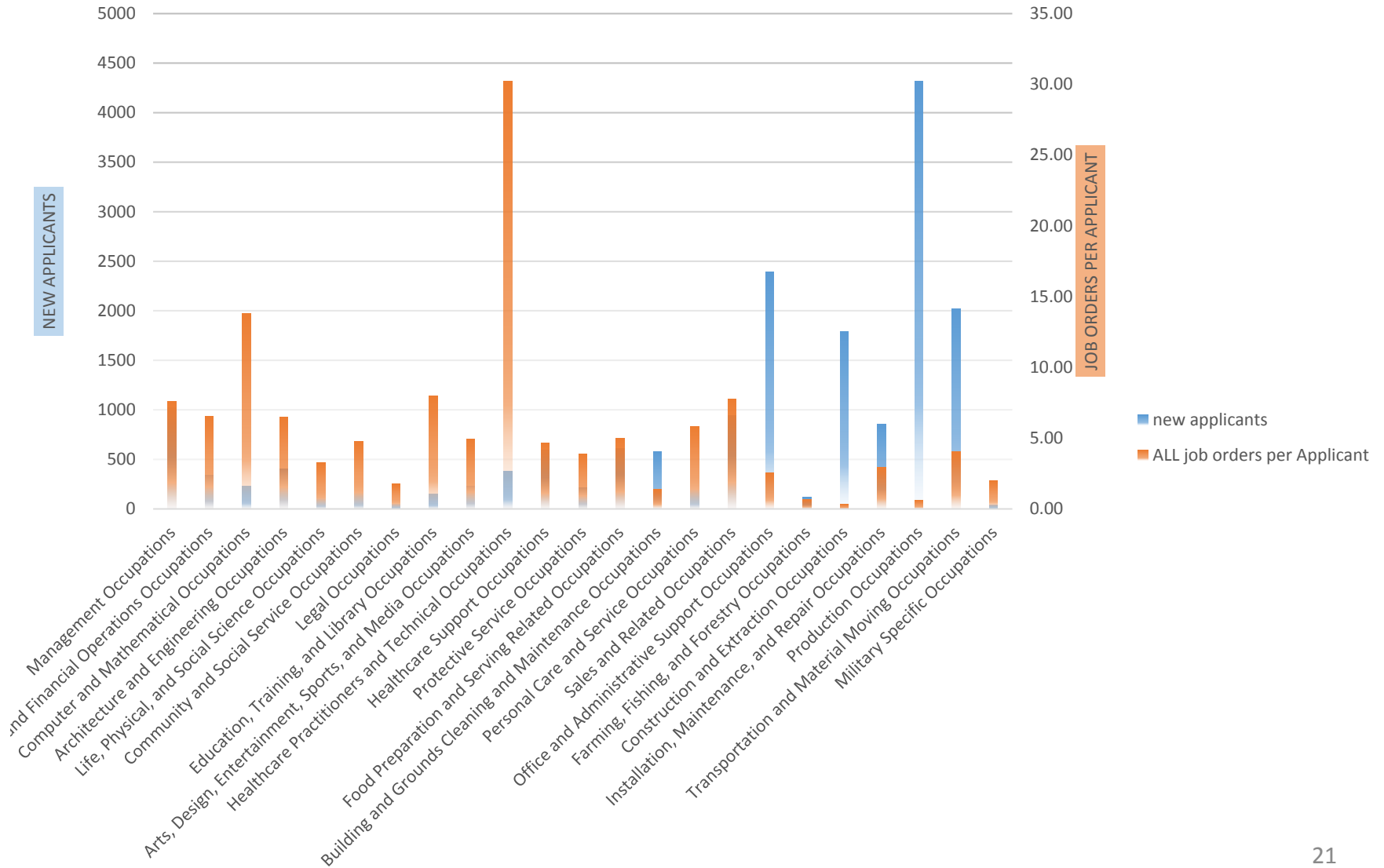
Indiana Labor Force Levels and the Unemployment Rate





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	January 2016	New BMK	Total Nonfarm Concentration	Change Since Peak	Gap between LF Growth Since 2000
Private Educational & Health Services	330.1	11%	457.9	472.4	15%	127.4	-14.53
.....Private Educational Services	52.2	2%	70.4	72.6	2%	16.8	-2.23
.....Health Care & Social Assistance	277.9	9%	387.5	399.8	13%	110.6	-12.30
Manufacturing	671.1	22%	519.9	536.4	17%	-148.7	-16.50
Professional & Business Services	260.5	9%	324.8	335.1	11%	64	-10.31
Financial Activities	145.7	5%	132.8	137.0	4%	-15.8	-4.21
Construction	154.1	5%	132.2	136.4	4%	-31.2	-4.20
Leisure and Hospitality	267.2	9%	309.3	319.1	10%	39.3	-9.82
Trade, Transportation & Utilities	617.5	20%	590.6	609.3	19%	-16.9	-18.74
.....Trade	485.1	16%	446.1	460.3	15%	-36.1	-14.16
.....Transportation, Warehousing & Utilities	132.4	4%	144.5	149.1	5%	19.2	-4.59
All Other	166.4	6%	166.3	171.6	5%	1	-5.28
				0.0			
Total Private	2,612.6	87%	2,633.8	2717.4	86%	19.1	-83.58
Government (Includes Public Schools & Hospitals)	404.6	13%	428.5	442.1	14%	27.7	-13.60
Total Nonfarm	3,017.2		3,062.3	3,166.6		46.8	-104.30





Internal Indiana Career Connect job orders have increased from just under 4,000 December 2014, to 8,346 in January 2016. Health care, Admin & Support & Waste Mgt. and Retail Trade are the industries with the most ads for January 2016.

NAICS title	Jan-2016			Prior Year			Current Year			Change over Prior Year			Current Year Including External			Current Duration (days)
	November	December	January	November	December	January	November	December	January	November	December	January	November	December	January	January
Total	3,720	3,888	4,929	7,160	7,246	8,346	92%	86%	69%	45,077	54,527	53,676				55
Health Care and Social Services	708	845	1,090	1,715	1,854	1,893	142%	119%	74%	9,227	10,604	10,285				42
Admin. & Support & Waste Mgt. & Rem. Services	504	461	717	869	926	1,221	72%	101%	70%	5,528	7,348	7,535				53
Retail Trade	235	245	350	648	715	701	176%	192%	100%	6,564	8,135	7,268				43
Manufacturing	851	793	985	1,251	1,309	1,621	47%	65%	65%	3,272	3,689	4,166				55
Transportation & Warehousing	296	218	283	363	363	464	23%	67%	64%	5,382	6,539	4,113				59
Finance and Insurance	177	178	177	168	198	254	-5%	11%	44%	2,227	2,733	3,122				108
Professional, Scientific, and Technical Services	182	266	283	588	466	615	223%	75%	117%	2,376	2,624	2,953				71
Accommodation and Food Services	88	86	128	151	192	143	72%	123%	12%	2,054	3,058	2,735				66
Educational Services	104	79	154	127	126	98	22%	59%	-36%	1,735	1,883	2,191				67
Wholesale Trade	123	144	159	363	322	330	195%	124%	108%	1,564	1,669	1,648				41
Information	73	88	79	214	205	219	193%	133%	177%	1,486	1,627	1,627				42
Public Administration	75	85	101	207	146	211	176%	72%	109%	1,124	1,511	1,570				69
Other Services(Except Public Administration)	116	118	113	175	124	151	51%	5%	34%	689	999	1,381				104
Management of Companies and Enterprises	7	5	6	21	19	32	200%	280%	433%	598	759	1,234				66
Real Estate and Rental and Leasing	43	48	43	81	85	93	88%	77%	116%	671	759	812				65
Construction	76	120	144	100	99	155	32%	-18%	8%	261	274	540				81
Utilities	42	58	48	68	56	93	62%	-3%	94%	186	184	286				51
Arts, Entertainment, and Recreation	4	13	20	16	12	17	300%	-8%	-15%	63	59	138				65
Agriculture, Forestry, Fishing and Hunting	9	13	26	20	14	21	122%	8%	-19%	40	30	41				90
Mining	4	10	14	8	6	3	100%	-40%	-79%	23	34	20				32
Unallocated	3	15	9	7	9	11	133%	-40%	22%	7	9	11				150