



INDIANA  
DEPARTMENT OF  
**WORKFORCE**  
DEVELOPMENT

# Indiana's Employment and Labor Force Estimates October 2017

*11/15/2017*

# Key Points

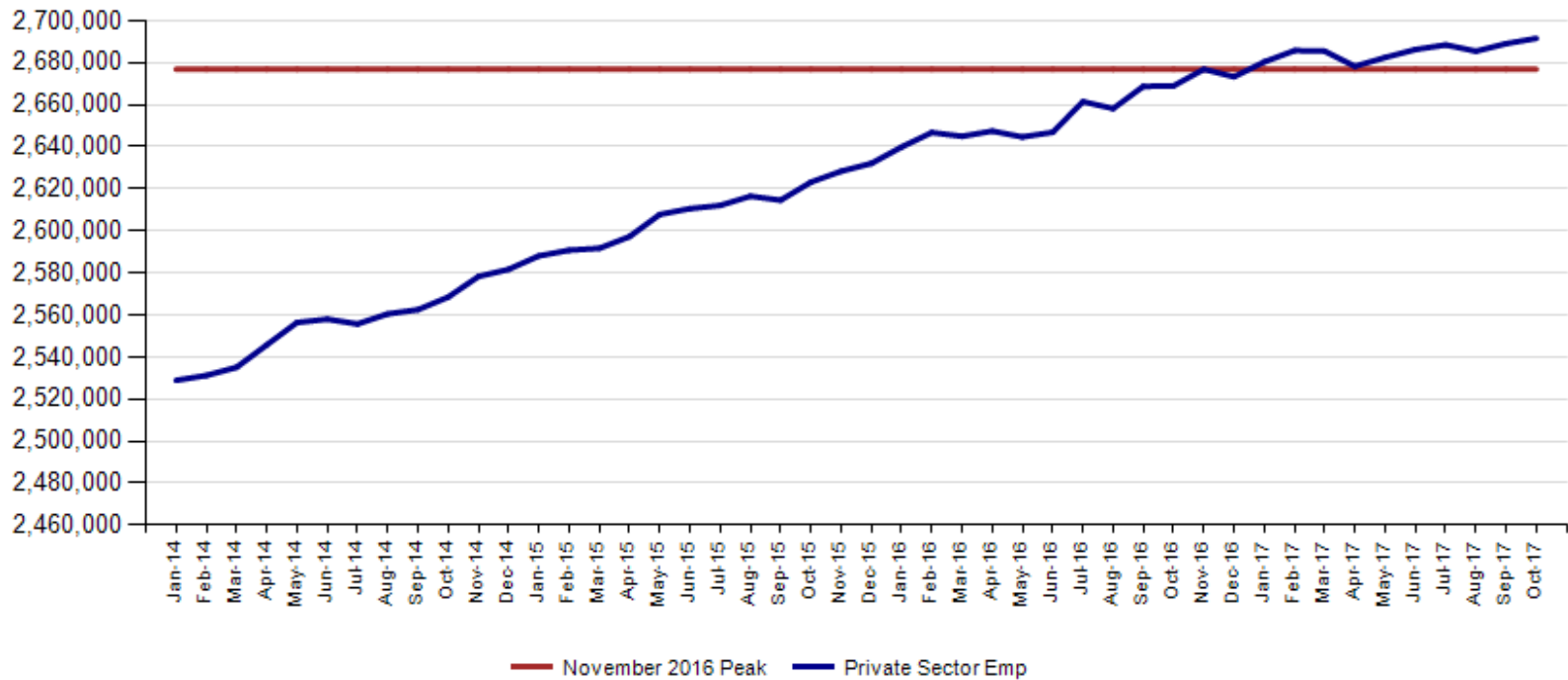
- **Indiana's unemployment rate is 3.9% in October 2017.**  
The U.S. rate is 4.1%.
- Indiana's rate has decreased 0.3 percentage points over the year from October 2016.
- Indiana's Labor Force decreased 11,694; due to a decrease in residence employment of 14,045 and an increase in unemployment of 2,351.
- Indiana's Labor Force has increased 11,951 over the year.
- Indiana's Labor Force Participation rate decreased .3 over the month and is currently 64.2%. This remains above the U.S. Labor Force Participation rate which stands at 62.7%.
- October total private employment is 14,700 above the November 2016 peak.

# Key Points

- Indiana's total private employment increased by 2,500 over the month and had gains of 22,600 over the year.
- Indiana private employment now stands at 2,691,600.
- Financial Activities had gains of 3,400
- Trade, Transportation and Utilities had gains of 2,100 over the month.
- All Other category had gains of 1,400 over the month.
- Leisure and Hospitality had gains of 800.
- Professional and Business Services lost 3,000 jobs over the month
- Construction lost 2,400 jobs over the month

**October total private employment is 14,700 above the November 2016 peak.**

**Indiana Private Sector Employment**





**October 2017 Indiana private sector employment increased by 2,500 jobs over the month and is up 22,600 over the year. Financial Activities grew by 3,400. Trade, Transportation & Utilities grew by 2,100.**

IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)							
Industry	October 2016	December 2016	September 2017	October 2017	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	469.4	470.0	474.0	474.6	0.6	4.6	5.2
.....Private Educational Services	72.7	71.3	71.5	70.4	-1.1	-0.9	-2.3
.....Health Care & Social Assistance	396.7	398.7	402.5	404.2	1.7	5.5	7.5
Manufacturing	522.8	526.9	531.7	531.3	-0.4	4.4	8.5
Professional & Business Services	338.0	337.3	340.4	337.4	-3.0	0.1	-0.6
Financial Activities	134.9	134.8	138.0	141.4	3.4	6.6	6.5
Construction	130.7	128.8	136.1	133.7	-2.4	4.9	3.0
Leisure and Hospitality	308.6	310.2	308.3	309.1	0.8	-1.1	0.5
Trade, Transportation & Utilities	598.2	598.4	594.5	596.6	2.1	-1.8	-1.6
.....Trade	454.1	455.2	454.4	455.6	1.2	0.4	1.5
.....Transportation, Warehousing & Utilities	144.1	143.2	140.1	141.0	0.9	-2.2	-3.1
All Other	166.4	166.9	166.1	167.5	1.4	0.6	1.1
Total Private	2,669.0	2,673.3	2,689.1	2,691.6	2.5	18.3	22.6
Government (Includes Public Schools & Hospitals)	431.6	430.6	440.0	438.4	-1.6	7.8	6.8
Total Nonfarm	3,100.6	3,103.9	3,129.1	3,130.0	0.9	26.1	29.4
United States Total Private	122,698.0	123,026.0	124,397.0	124,649.0	252.0	1,623.0	1,951.0



**October 2017 estimates show Indiana has gained 368,400 in Private jobs since the July 2009 trough. Manufacturing has accounted for 104,400 of those jobs.**

**IN Statewide Estimates (seasonally adjusted) -- October 2017**

Supersector	Private Empl. Peak Nov 2016	Private Empl. Trough July 2009	September 2017	October 2017	Month to Month Change	Change Since Peak	Change Since Trough	% Month to Month Change
Private Educational & Health Services	472.1	411.1	474.0	474.6	0.6	2.5	63.5	0.1%
.....Private Educational Services	74.2	63.3	71.5	70.4	-1.1	-3.8	7.1	-1.5%
.....Health Care & Social Assistance	397.9	347.8	402.5	404.2	1.7	6.3	56.4	0.4%
Manufacturing	524.6	426.9	531.7	531.3	-0.4	6.7	104.4	-0.1%
Professional & Business Services	340.7	256.9	340.4	337.4	-3.0	-3.3	80.5	-0.9%
Financial Activities	134.9	130.7	138.0	141.4	3.4	6.5	10.7	2.5%
Construction	129.1	116.5	136.1	133.7	-2.4	4.6	17.2	-1.8%
Leisure and Hospitality	309.5	276.8	308.3	309.1	0.8	-0.4	32.3	0.3%
Trade, Transportation & Utilities	598.8	545.7	594.5	596.6	2.1	-2.2	50.9	0.4%
.....Trade	454.5	421.6	454.4	455.6	1.2	1.1	34.0	0.3%
.....Transportation, Warehousing & Utilities	144.3	124.1	140.1	141.0	0.9	-3.3	16.9	0.6%
All Other	167.2	158.6	166.1	167.5	1.4	0.3	8.9	0.8%
Total Private	2,676.9	2,323.2	2,689.1	2,691.6	2.5	14.7	368.4	0.1%
Government (Includes Public Schools & Hospitals)	431.4	434.5	440.0	438.4	-1.6	7.0	3.9	-0.4%
Total Nonfarm	3,108.3	2,757.7	3,129.1	3,130.0	0.9	21.7	372.3	0.0%
United States Total Private	122,876.0	108,171.0	124,397.0	124,649.0	252.0	1,773.0	16,478.0	0.2%



**Indiana job growth over the month exceeded the national trend in private sector gains in October. Indiana Financial Activities and Trade are growing faster than the U.S. over the month and over the year.**

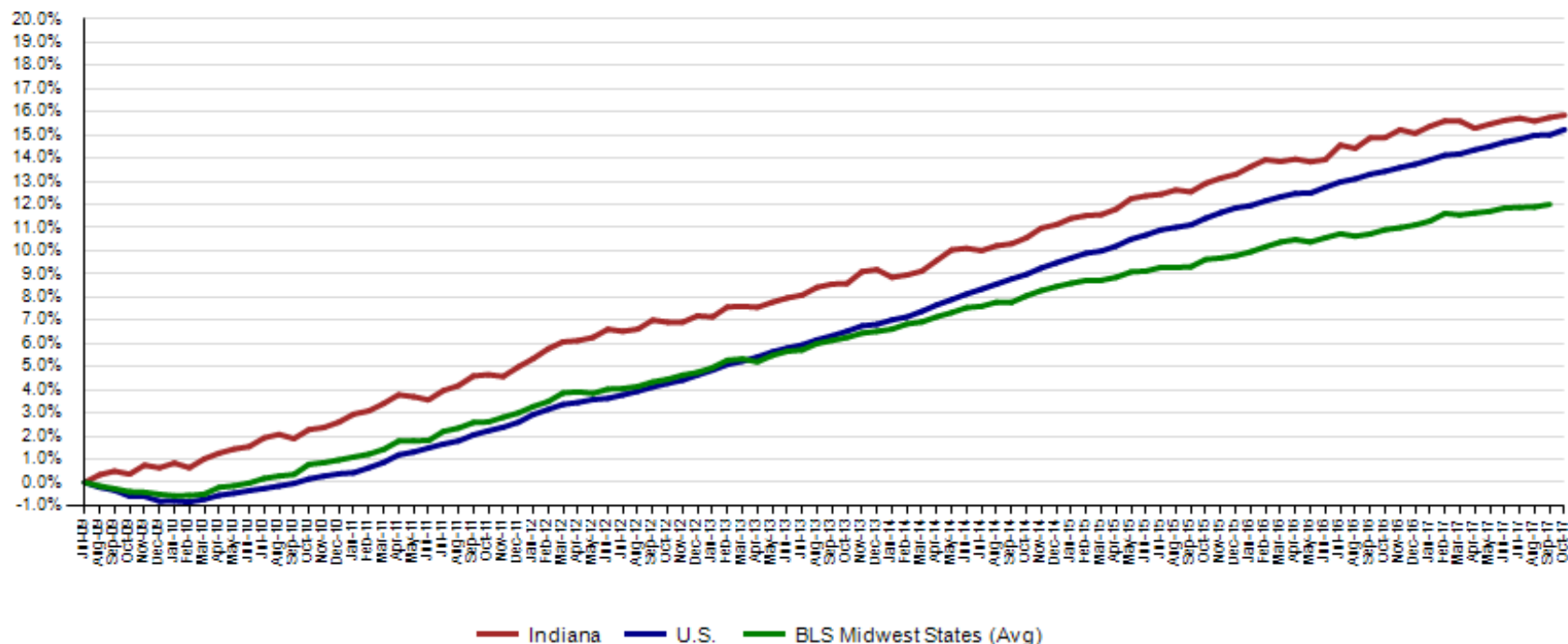
IN Employment Change Compared to the U.S.

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	0.1%	0.2%	UNDER	1.0%	1.7%	UNDER	1.1%	2.0%	UNDER
.....Private Educational Services	-1.5%	0.2%	UNDER	-1.3%	2.1%	UNDER	-3.2%	2.5%	UNDER
.....Health Care & Social Assistance	0.4%	0.2%	OVER	1.4%	1.6%	UNDER	1.9%	2.0%	UNDER
Manufacturing	-0.1%	0.2%	UNDER	0.8%	1.1%	UNDER	1.6%	1.3%	OVER
Professional & Business Services	-0.9%	0.2%	UNDER	0.0%	2.2%	UNDER	-0.2%	2.6%	UNDER
Financial Activities	2.5%	0.1%	OVER	4.9%	1.4%	OVER	4.8%	1.8%	OVER
Construction	-1.8%	0.2%	UNDER	3.8%	2.2%	OVER	2.3%	2.8%	UNDER
Leisure and Hospitality	0.3%	0.7%	UNDER	-0.4%	1.5%	UNDER	0.2%	1.8%	UNDER
Trade, Transportation & Utilities	0.4%	0.0%	OVER	-0.3%	0.2%	UNDER	-0.3%	0.4%	UNDER
.....Trade	0.3%	0.0%	OVER	0.1%	0.0%	OVER	0.3%	0.0%	OVER
.....Transportation, Warehousing & Utils	0.6%	0.1%	OVER	-1.5%	1.2%	UNDER	-2.2%	1.9%	UNDER
All Other	0.8%	0.1%	OVER	0.4%	1.0%	UNDER	0.7%	0.7%	UNDER
Total Private	0.1%	0.2%	UNDER	0.7%	1.3%	UNDER	0.8%	1.6%	UNDER
Government (Includes Public Schools & Hospitals)	-0.4%	0.0%	UNDER	1.8%	0.3%	OVER	1.6%	0.2%	OVER
Total Nonfarm	0.0%	0.2%	UNDER	0.8%	1.2%	UNDER	0.9%	1.4%	UNDER

Source: Current Employment Statistics, seasonally adjusted

Since the low point of employment in July 2009, private sector employment growth in Indiana has surpassed the U.S. (15.9% vs. 15.2%) through October 2017. BLS Region state growth was at 12% through September 2017.

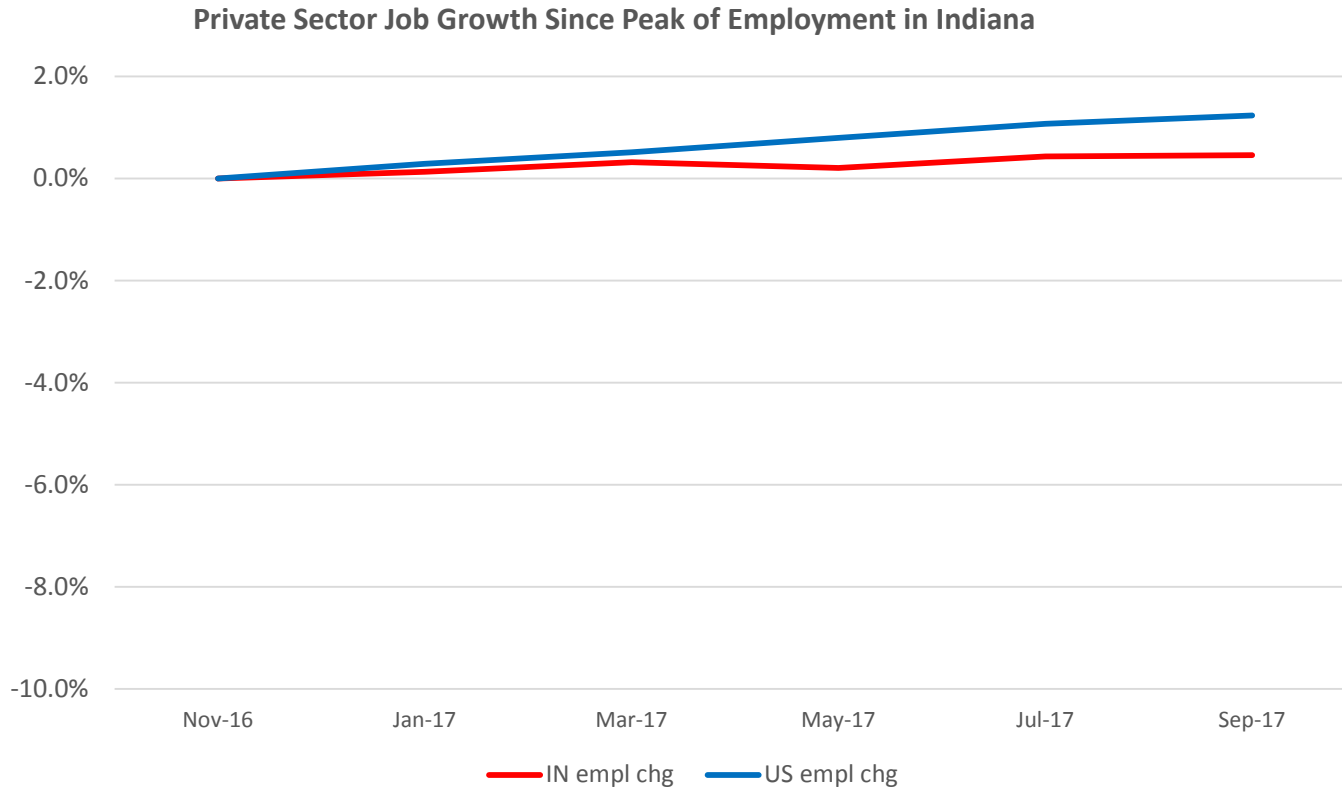
Private Sector Job Growth Since the Low Point of Employment in Indiana







Since Indiana's high point of employment (November 2016), private sector employment growth in Indiana has lagged the U.S. (0.5% growth vs. 1.4% nationally).



**CES September Total Non Farm preliminary estimates were revised down by 5,000 jobs. Private employment was revised down by 4,600. The change from August to September is now an increase of 6,400 in Total Non-Farm and a increase of 3,600 in private employment.**

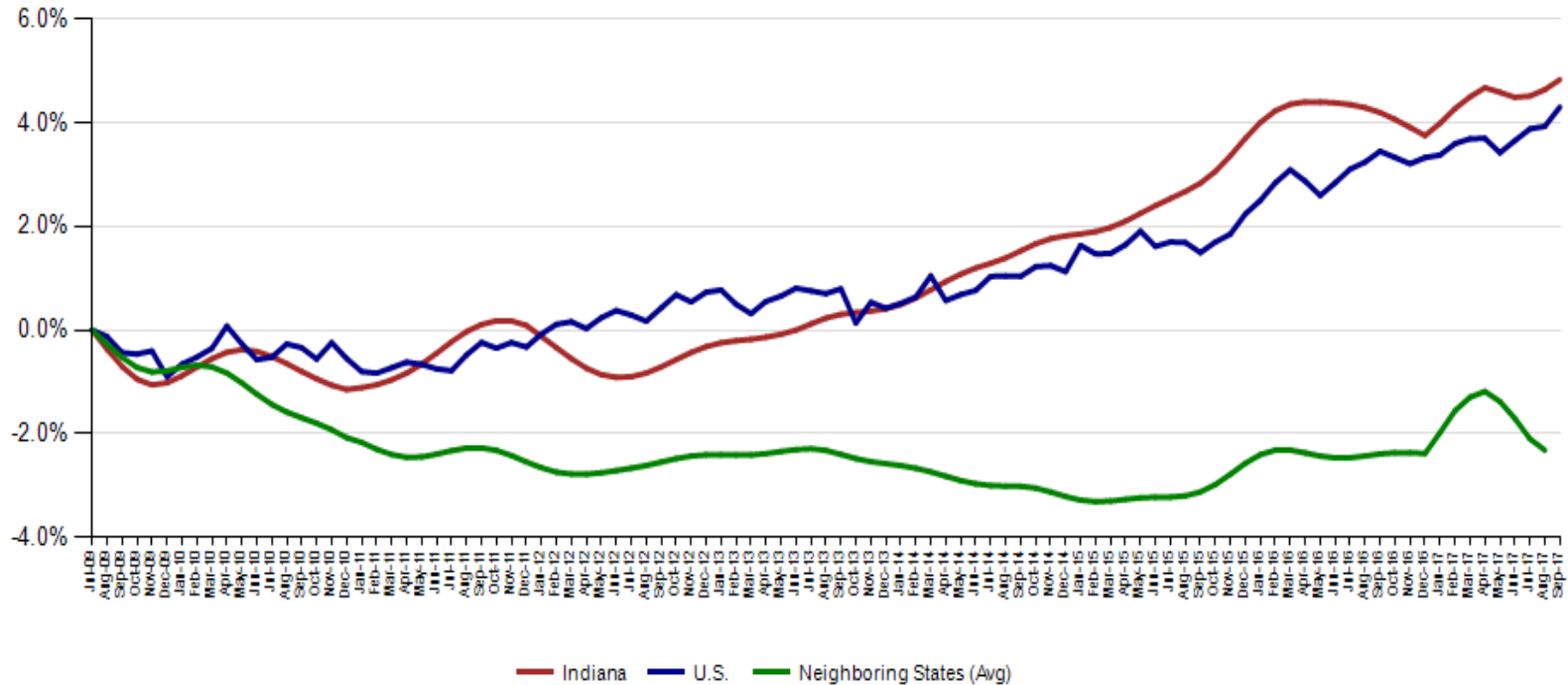


Revisions to September 2017 Estimates						
INDUSTRY TITLE	Aug	Sep Pre	Sep Rev	Revision	Chg from Aug	Pre Chg from Aug
Total Nonfarm	3122.7	3134.1	3129.1	-5.0	6.4	11.4
Total Private	2685.5	2693.7	2689.1	-4.6	3.6	8.2
Goods Producing	672.6	672.9	674.1	1.2	1.5	0.3
Service-Providing	2450.1	2461.2	2455.0	-6.2	4.9	11.1
Private Service Providing	2012.9	2020.8	2015.0	-5.8	2.1	7.9
Construction	136.1	136.1	136.1	0.0	0.0	0.0
Manufacturing	530.3	530.5	531.7	1.2	1.4	0.2
Trade, Transportation, and Utilities	591.0	595.3	594.5	-0.8	3.5	4.3
Wholesale Trade	117.6	119.9	119.4	-0.5	1.8	2.3
Retail Trade	334.6	335.4	335.0	-0.4	0.4	0.8
Transportation, Warehousing, and Utilities	138.8	140.0	140.1	0.1	1.3	1.2
Information	30.3	30.0	30.0	0.0	-0.3	-0.3
Financial Activities	137.6	138.2	138.0	-0.2	0.4	0.6
Finance and Insurance	103.1	103.8	103.9	0.1	0.8	0.7
Real Estate and Rental and Leasing	34.5	34.4	34.1	-0.3	-0.4	-0.1
Professional and Business Services	341.6	342.6	340.4	-2.2	-1.2	1.0
Professional, Scientific, and Technical Services	118.0	117.0	116.9	-0.1	-1.1	-1.0
Management of Companies and Enterprises	35.2	35.3	35.3	0.0	0.1	0.1
Admin & Support & Waste Mgmt & Remediation Services	188.4	190.3	188.2	-2.1	-0.2	1.9
Education and Health Services	476.1	476.4	474.0	-2.4	-2.1	0.3
Educational Services	71.8	74.2	71.5	-2.7	-0.3	2.4
Health Care and Social Assistance	404.3	402.2	402.5	0.3	-1.8	-2.1
Leisure and Hospitality	306.5	308.3	308.3	0.0	1.8	1.8
Other Services	129.8	130.0	129.8	-0.2	0.0	0.2
Government	437.2	440.4	440.0	-0.4	2.8	3.2



**Indiana’s October seasonally adjusted labor force is now at 3,330,102 down 11,694 from September. The number of employed is at 3,201,376 down 14,045 over the month. An estimated 128,726 individuals are currently unemployed and seeking employment.**

**Labor Force Change Since July 2009 Indiana Trough (seasonally adjusted)**





# The October Indiana labor force participation rate decreased by .3 to 64.2% and the U.S. Rate is 62.7%.

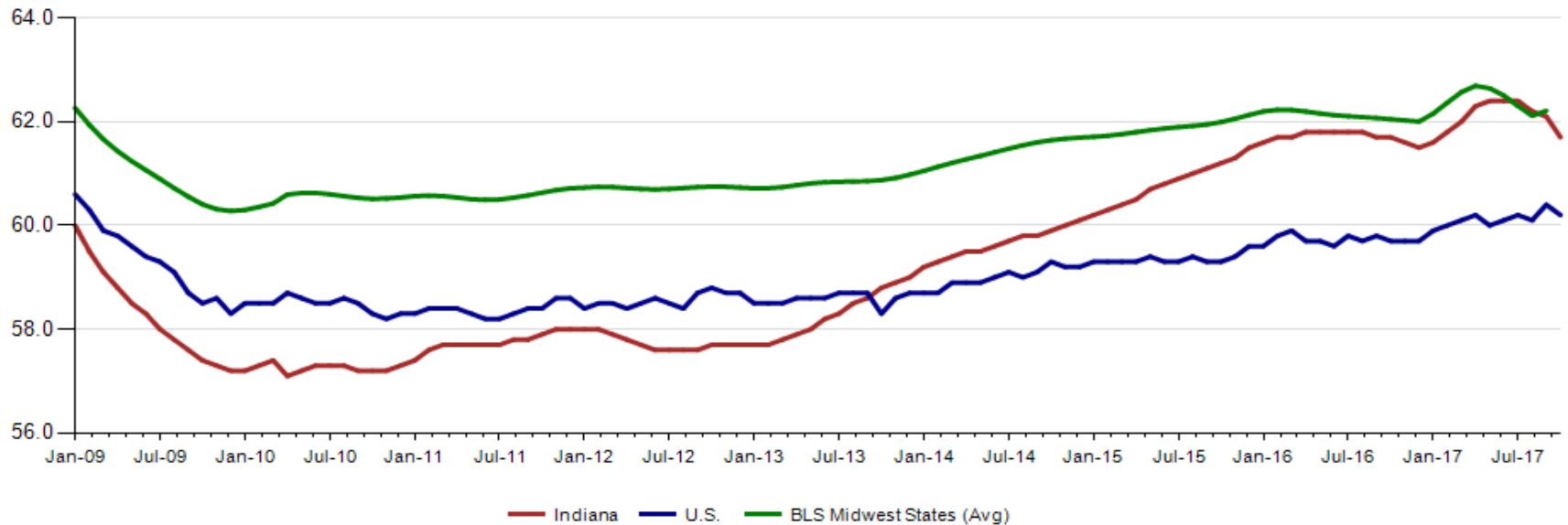
## Labor Force Participation Rate





**Indiana's employment to population for October 2017 rate is 61.7%. The October U.S. employment to population rate is 60.2% The BLS Midwest Regional States held at 62.2% (September 2017).**

**Employment to Population Ratio (seasonally adjusted)**





## Alternative Measures of Labor Underutilization 4<sup>th</sup> Quarter of 2016 through 3rd Quarter of 2017 Averages

State	U-1	U-2	U-3	U-4	U-5	U-6
ILLINOIS	2.3	2.9	5.0	5.4	6.1	9.5
INDIANA	1.0	1.9	3.7	4.0	4.4	6.9
KENTUCKY	2.1	2.8	5.3	5.7	6.3	9.4
MICHIGAN	1.5	2.3	4.8	5.1	5.8	9.6
OHIO	2.1	2.4	5.1	5.3	6.0	9.3
UNITED STATES	1.8	2.2	4.5	4.8	5.5	8.9

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.



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

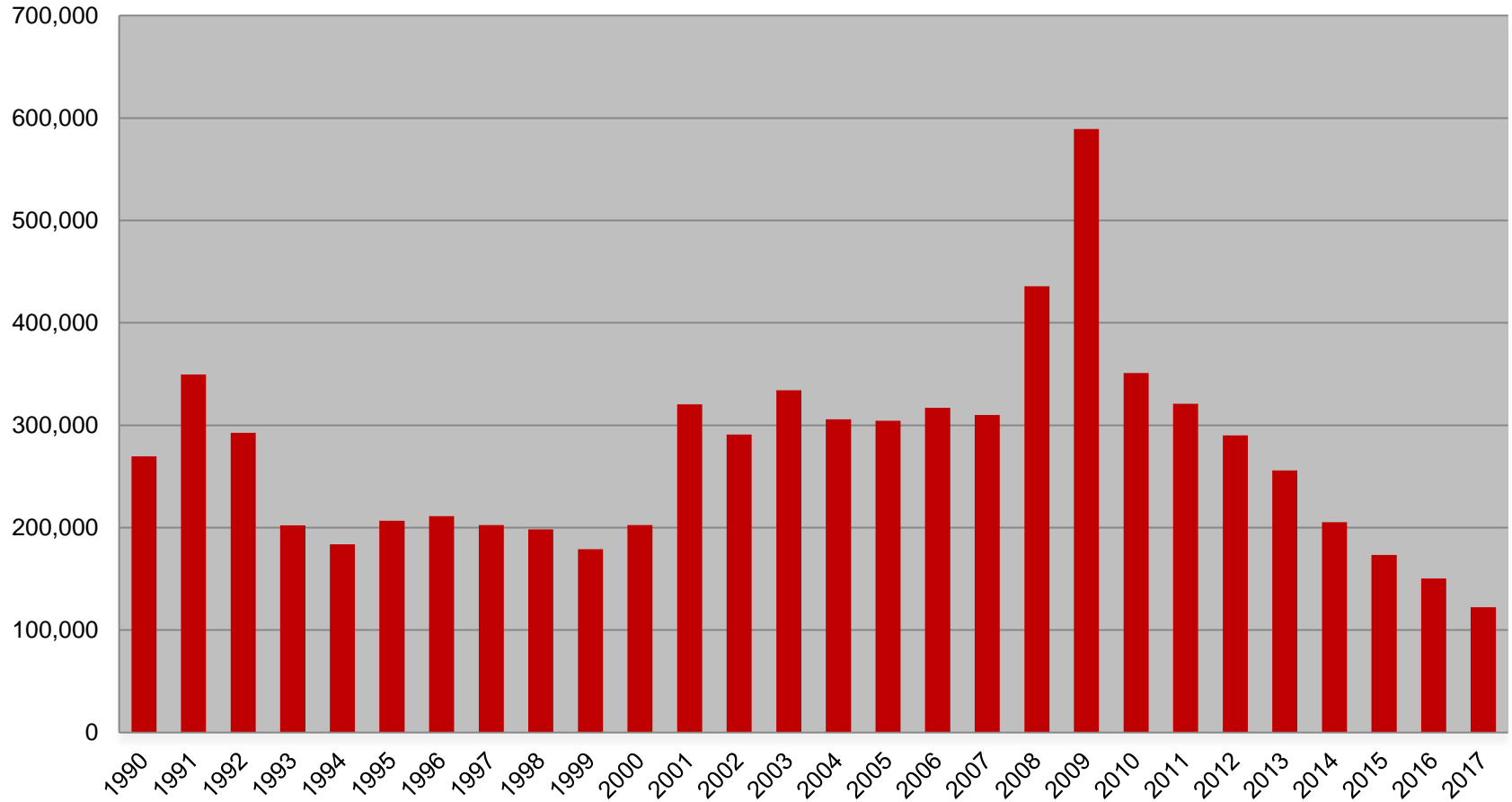
	October 2016	September 2017	October 2017	Monthly change	Yearly change
Indiana	4.2%	3.8%	3.9%	0.1%	-0.3%
U.S.	4.8%	4.2%	4.1%	-0.1%	-0.7%
Illinois	5.8%	5.0%	4.9%	-0.1%	-0.9%
Kentucky	4.9%	5.2%	5.0%	-0.2%	0.1%
Michigan	5.0%	4.3%	4.5%	0.2%	-0.5%
Minnesota	4.0%	3.7%	3.3%	-0.4%	-0.7%
Ohio	5.0%	5.3%	5.1%	-0.2%	0.1%
Wisconsin	4.2%	3.5%	3.4%	-0.1%	-0.8%

\*2016 Benchmark



## Weekly Initial Claims – Week 44

Total aggregated UI claims for the first 44 weeks of each year as reported to ETA.







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

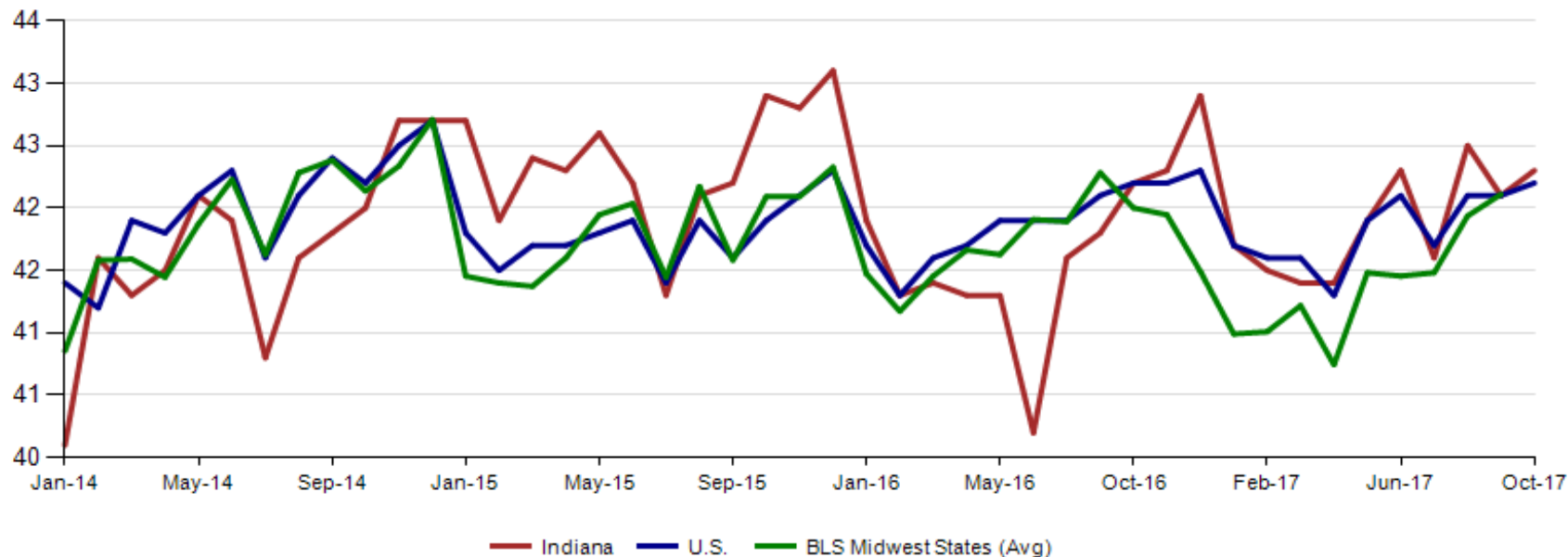
## Without earnings – Reference week claims

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	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	36,555	33,137	8,538	(3,418)
FEBRUARY	67,347	75,432	78,068	154,388	103,432	80,852	69,570	60,183	52,316	39,282	36,909	32,463	(674)	(4,446)
MARCH	59,716	64,936	74,759	157,257	93,469	71,696	60,752	54,578	45,928	35,755	32,439	32,141	(322)	(298)
APRIL	48,103	53,325	64,948	143,842	74,481	59,036	51,652	48,548	39,717	25,597	23,895	21,998	(10,143)	(1,897)
MAY	46,779	46,002	55,480	141,174	66,779	54,680	46,328	42,997	32,460	22,807	22,300	19,431	(2,567)	(2,869)
JUNE	45,533	46,350	57,228	136,670	67,996	55,021	46,820	41,722	29,524	22,030	22,025	16,722	(2,709)	(5,303)
JULY	53,424	51,141	72,032	121,336	69,447	58,031	47,268	44,597	30,845	22,341	22,326	15,775	(947)	(6,551)
AUGUST	45,021	43,887	61,985	103,509	62,976	51,710	42,134	39,998	26,061	21,472	20,737	15,692	(83)	(5,045)
SEPTEMBER	41,247	42,500	61,548	92,680	58,280	46,824	41,955	39,563	23,685	20,941	19,372	14,334	(1,358)	(5,038)
OCTOBER	42,487	42,313	67,306	86,275	58,317	46,909	39,467	37,778	23,768	19,917	19,143	14,057	(277)	(5,086)
NOVEMBER	43,868	45,362	81,466	82,451	58,846	51,201	41,018	38,517	25,315	21,199	19,547			
DECEMBER	53,566	54,201	109,651	91,814	65,279	55,104	46,371	42,484	30,982	26,249	24,599			



**October 2017 average weekly hours for Indiana manufacturing production increased by 0.2 hours to 42.3. Indiana is now ahead of the national manufacturing weekly hours of 42.2. BLS Region states were at 42.1 hours (September data).**

**Avg. Weekly Manufacturing Production Hours (non seasonally adjusted)**



# Current Employment Statistics (CES) compared to Local Area Unemployment Statistics (LAUS)

## LAUS (Labor Force by Residence)

- An estimate of employment based on where the employee lives, rather than where they work
- This is a count of people not jobs
- Used in calculating the labor force

## CES (Employment by Job)

- An estimate or count of employment based on the location of the job regardless of the worker's residence
- Also called nonag wage and salary or nonfarm employment
- This counts jobs, not people
- Used in Quarterly Census of Employment and Wages (QCEW) , Occupational Employment Statistics (OES) and CES data

### **Employed persons (Current Population Survey)**

Persons 16 years and over in the civilian noninstitutional population who, during the reference week, (a) did any work at all (at least 1 hour) as paid employees; worked in their own business, profession, or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of the family; and (b) all those who were not working but who had jobs or businesses from which they were temporarily absent because of vacation, illness, bad weather, childcare problems, maternity or paternity leave, labor-management dispute, job training, or other family or personal reasons, whether or not they were paid for the time off or were seeking other jobs. Each employed person is counted only once, even if he or she holds more than one job. Excluded are persons whose only activity consisted of work around their own house (painting, repairing, or own home housework) or volunteer work for religious, charitable, and other organizations.

### **Unemployed persons (Current Population Survey)**

Persons aged 16 years and older who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.

### **Marginally attached workers (Current Population Survey)**

Persons not in the labor force who want and are available for work, and who have looked for a job sometime in the prior 12 months (or since the end of their last job if they held one within the past 12 months), but were not counted as unemployed because they had not searched for work in the 4 weeks preceding the survey. Discouraged workers are a subset of the marginally attached.

### **Discouraged workers (Current Population Survey)**

Persons not in the labor force who want and are available for a job and who have looked for work sometime in the past 12 months (or since the end of their last job if they held one within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

# Labor Force Terms & Concepts

## ▪ Discouraged Workers

- Harder to define and sometimes undercounted.
- Generally are on long-term layoff with no immediate prospects.

## ▲ Underemployed

- ▲ Also hard to define and count.
- ▲ Basically can be anyone working below their skill level.
- ▲ Might be underemployed by choice.