



INDIANA  
DEPARTMENT OF  
**WORKFORCE**  
DEVELOPMENT

# Indiana's Employment and Labor Force Estimates September 2017

*10/17/2017*

# Key Points

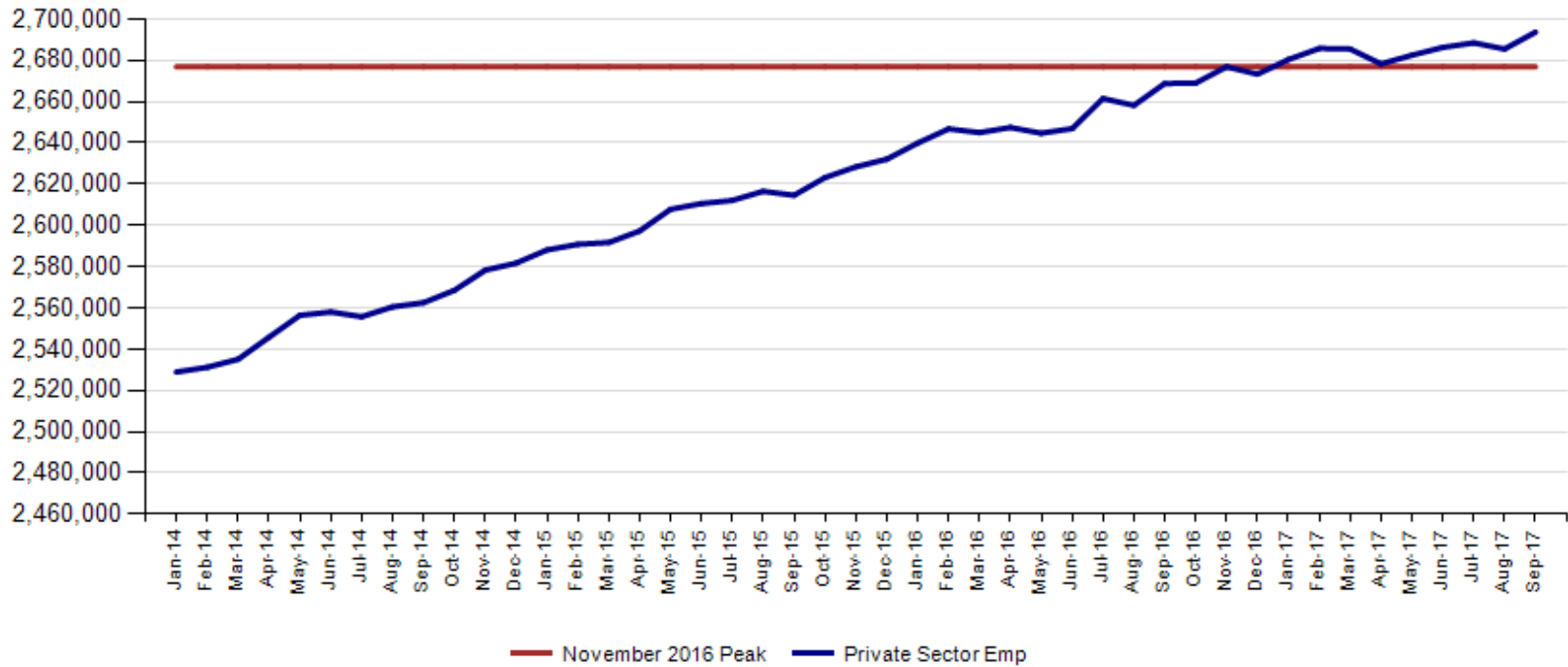
- **Indiana's unemployment rate is 3.8% in September 2017.**  
The U.S. rate is 4.2%.
- Indiana's rate has decreased 0.5 percentage points over the year from September 2016.
- Indiana's Labor Force increased 6,105 due to a decrease in employment of 3,583 and an increase in unemployment of 9,688.
- Indiana's Labor Force has increased 20,204 over the year.
- Indiana's Labor Force Participation rate increased .1 over the month and is currently 64.5%. This remains above the U.S. Labor Force Participation rate which stands at 63.1%.
- September total private employment is 16,800 above the November 2016 peak.

# Key Points

- **Indiana's total private employment increased by 8,200 over the month and had gains of 24,900 over the year.**
- **Indiana private employment now stands at 2,693,700.**
- **Trade, Transportation and Utilities had gains of 4,300 over the month.**
- **Leisure and Hospitality had gains of 1,800.**
- **Professional and Business Services had gains of 1,000.**
- **Financial Activities had gains of 600.**
- **Private, Educational & Health Services had gains of 300 jobs.**
- **Construction remained unchanged.**

**September total private employment is 16,800 above the November 2016 peak.**

**Indiana Private Sector Employment**





**September 2017 Indiana private sector employment increased by 8,200 jobs over the month and is up 24,900 over the year. Trade, Transportation & Utilities grew by 4,300. Leisure and Hospitality grew 1,800 jobs over the month.**

IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)							
Industry	September 2016	December 2016	August 2017	September 2017	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	467.5	470.0	476.1	476.4	0.3	6.4	8.9
.....Private Educational Services	71.1	71.3	71.8	74.2	2.4	2.9	3.1
.....Health Care & Social Assistance	396.4	398.7	404.3	402.2	-2.1	3.5	5.8
Manufacturing	523.0	526.9	530.3	530.5	0.2	3.6	7.5
Professional & Business Services	337.9	337.3	341.6	342.6	1.0	5.3	4.7
Financial Activities	134.5	134.8	137.6	138.2	0.6	3.4	3.7
Construction	133.3	128.8	136.1	136.1	0.0	7.3	2.8
Leisure and Hospitality	308.7	310.2	306.5	308.3	1.8	-1.9	-0.4
Trade, Transportation & Utilities	598.7	598.4	591.0	595.3	4.3	-3.1	-3.4
.....Trade	453.7	455.2	452.2	455.3	3.1	0.1	1.6
.....Transportation, Warehousing & Utilities	145.0	143.2	138.8	140.0	1.2	-3.2	-5.0
All Other	165.2	166.9	166.3	166.3	0.0	-0.6	1.1
Total Private	2,668.8	2,673.3	2,685.5	2,693.7	8.2	20.4	24.9
Government (Includes Public Schools & Hospitals)	432.8	430.6	437.2	440.4	3.2	9.8	7.6
Total Nonfarm	3,101.6	3,103.9	3,122.7	3,134.1	11.4	30.2	32.5
United States Total Private	122,566.0	123,026.0	124,362.0	124,322.0	-40.0	1,296.0	1,756.0

**September 2017 estimates show Indiana has gained 370,500 in Private jobs since the July 2009 trough. Manufacturing has accounted for 103,600 of those jobs.**

IN Statewide Estimates (seasonally adjusted) -- September 2017

Supersector	Private Empl. Peak Nov 2016	Private Empl. Trough July 2009	August 2017	September 2017	Month to Month Change	Change Since Peak	Change Since Trough	% Month to Month Change
Private Educational & Health Services	472.1	411.1	476.1	476.4	0.3	4.3	65.3	0.1%
.....Private Educational Services	74.2	63.3	71.8	74.2	2.4	0.0	10.9	3.3%
.....Health Care & Social Assistance	397.9	347.8	404.3	402.2	-2.1	4.3	54.4	-0.5%
Manufacturing	524.6	426.9	530.3	530.5	0.2	5.9	103.6	0.0%
Professional & Business Services	340.7	256.9	341.6	342.6	1.0	1.9	85.7	0.3%
Financial Activities	134.9	130.7	137.6	138.2	0.6	3.3	7.5	0.4%
Construction	129.1	116.5	136.1	136.1	0.0	7.0	19.6	0.0%
Leisure and Hospitality	309.5	276.8	306.5	308.3	1.8	-1.2	31.5	0.6%
Trade, Transportation & Utilities	598.8	545.7	591.0	595.3	4.3	-3.5	49.6	0.7%
.....Trade	454.5	421.6	452.2	455.3	3.1	0.8	33.7	0.7%
.....Transportation, Warehousing & Utilities	144.3	124.1	138.8	140.0	1.2	-4.3	15.9	0.9%
All Other	167.2	158.6	166.3	166.3	0.0	-0.9	7.7	0.0%
Total Private	2,676.9	2,323.2	2,685.5	2,693.7	8.2	16.8	370.5	0.3%
Government (Includes Public Schools & Hospitals)	431.4	434.5	437.2	440.4	3.2	9.0	5.9	0.7%
Total Nonfarm	3,108.3	2,757.7	3,122.7	3,134.1	11.4	25.8	376.4	0.4%
United States Total Private	122,876.0	108,171.0	124,362.0	124,322.0	-40.0	1,446.0	16,151.0	0.0%



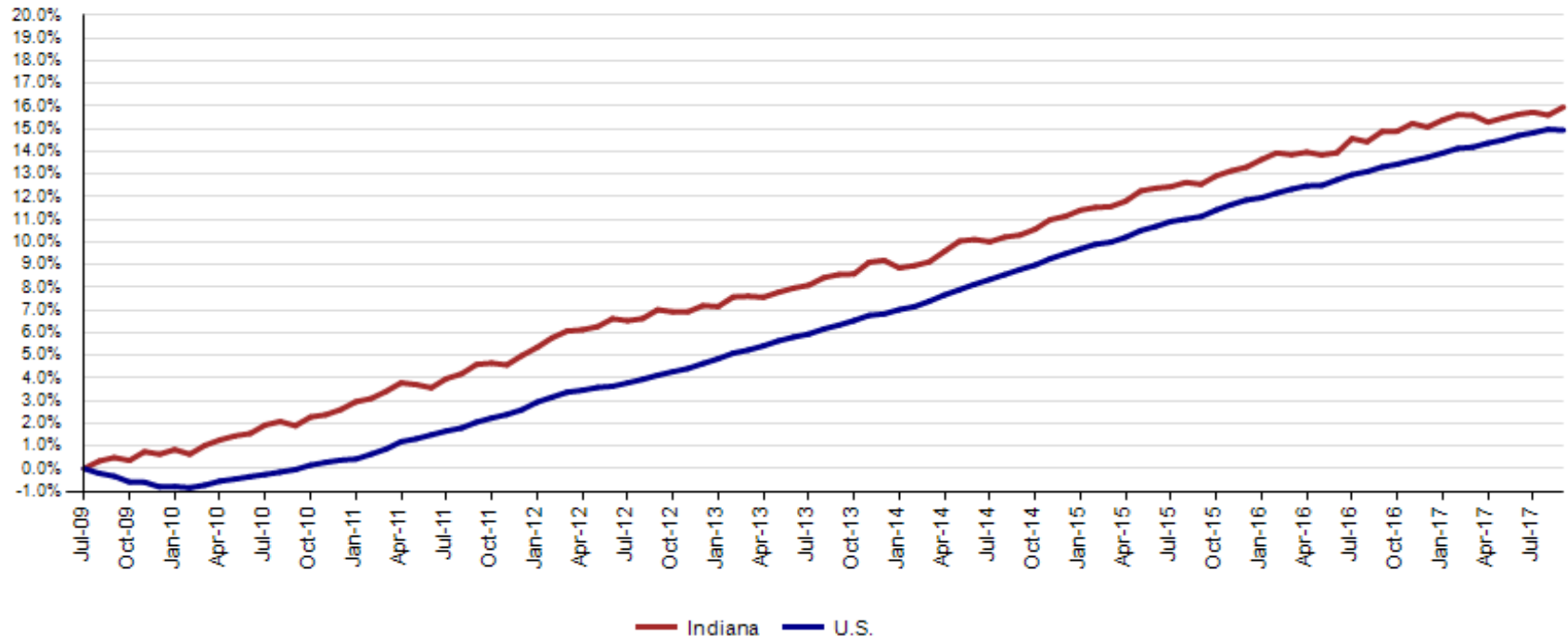
**Indiana job growth over the month exceeded the national trend in private sector gains in September. Indiana Financial Activities are growing faster than the U.S. over the month and over the year.**

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%	0.1%	UNDER	1.4%	1.5%	UNDER	1.9%	2.1%	UNDER
.....Private Educational Services	3.3%	0.4%	OVER	4.1%	1.8%	OVER	4.4%	2.3%	OVER
.....Health Care & Social Assistance	-0.5%	0.1%	UNDER	0.9%	1.5%	UNDER	1.5%	2.0%	UNDER
Manufacturing	0.0%	0.0%	OVER	0.7%	0.8%	UNDER	1.4%	0.9%	OVER
Professional & Business Services	0.3%	0.1%	OVER	1.6%	1.9%	UNDER	1.4%	2.6%	UNDER
Financial Activities	0.4%	0.1%	OVER	2.5%	1.3%	OVER	2.8%	1.8%	OVER
Construction	0.0%	0.1%	UNDER	5.7%	1.9%	OVER	2.1%	2.7%	UNDER
Leisure and Hospitality	0.6%	-0.7%	OVER	-0.6%	0.8%	UNDER	-0.1%	1.2%	UNDER
Trade, Transportation & Utilities	0.7%	0.1%	OVER	-0.5%	0.1%	UNDER	-0.6%	0.3%	UNDER
.....Trade	0.7%	0.0%	OVER	0.0%	-0.1%	OVER	0.4%	-0.1%	OVER
.....Transportation, Warehousing & Utils	0.9%	0.4%	OVER	-2.2%	1.0%	UNDER	-3.4%	1.9%	UNDER
All Other	0.0%	-0.1%	OVER	-0.4%	0.6%	UNDER	0.7%	0.4%	OVER
Total Private	0.3%	0.0%	OVER	0.8%	1.1%	UNDER	0.9%	1.4%	UNDER
Government (Includes Public Schools & Hospitals)	0.7%	0.0%	OVER	2.3%	0.2%	OVER	1.8%	0.1%	OVER
Total Nonfarm	0.4%	0.0%	OVER	1.0%	0.9%	OVER	1.0%	1.2%	UNDER

Since the low point of employment in July 2009, private sector employment growth in Indiana has surpassed the U.S. (15.9% vs. 14.9%).

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

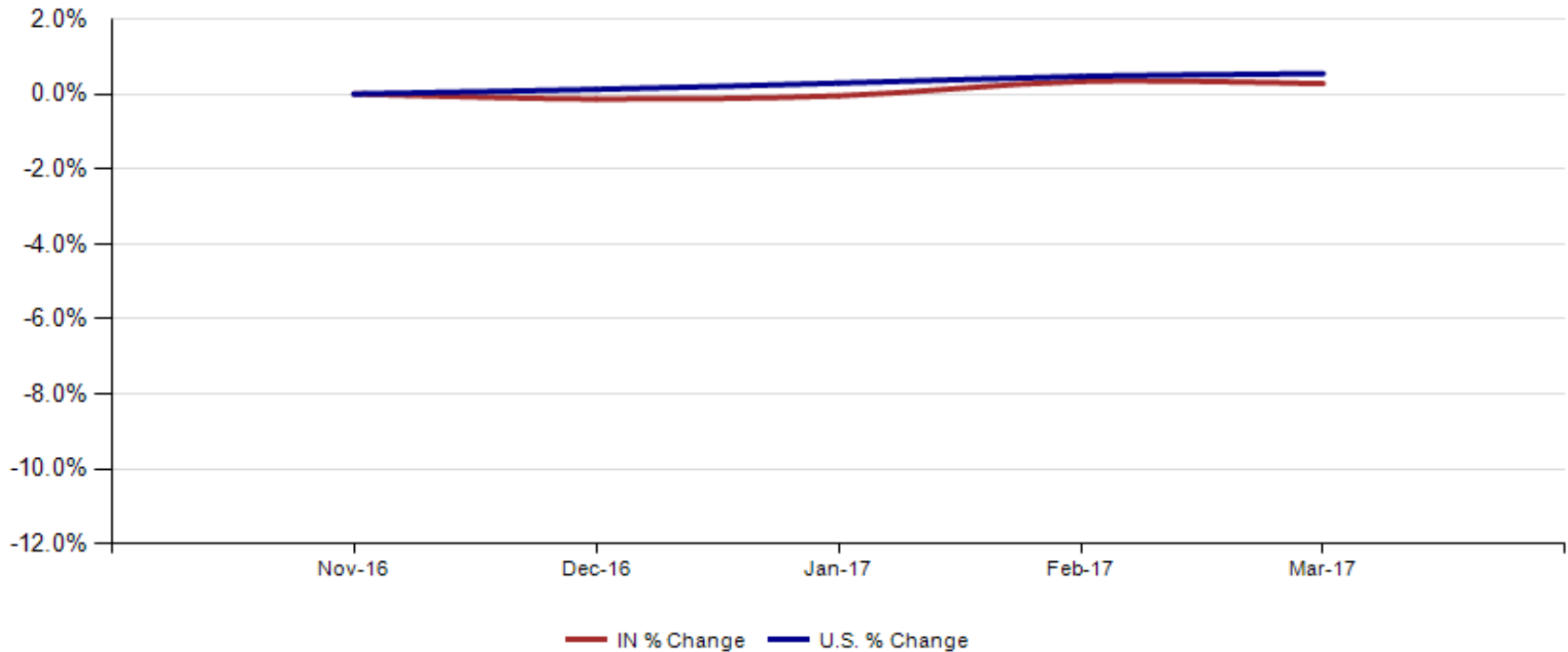






Since Indiana's high point of employment (November 2016), private sector employment growth in Indiana has lagged the U.S. (0.6% growth vs. 1.1% nationally).

Private Sector Job Growth Since the Peak of Employment in Indiana





**CES August Total Non Farm preliminary estimates were revised down by 1,100 jobs. Private employment was revised up by 1,900. The change from July to August is now a decrease of 3,900 in Total Non-Farm and a decrease of 3,000 in private employment.**

Revisions to August 2017 Estimates						
INDUSTRY TITLE	July	Aug Pre	Aug Rev	Revision	Chg from July	Pre Chg. from July
Total Nonfarm	3126.6	3125.8	3122.7	-3.1	-3.9	-0.8
Total Private	2688.5	2683.6	2685.5	1.9	-3.0	-4.9
Goods Producing	673	671.8	672.6	0.8	-0.4	-1.2
Service-Providing	2453.6	2454.0	2450.1	-3.9	-3.5	0.4
Private Service Providing	2015.5	2011.8	2012.9	1.1	-2.6	-3.7
Construction	137	136.2	136.1	-0.1	-0.9	-0.8
Manufacturing	529.8	529.4	530.3	0.9	0.5	-0.4
Trade, Transportation, and Utilities	589.9	592.5	591.0	-1.5	1.1	2.6
Wholesale Trade	118.2	117.1	117.6	0.5	-0.6	-1.1
Retail Trade	332.6	336.5	334.6	-1.9	2.0	3.9
Transportation, Warehousing, and Utilities	139.1	138.9	138.8	-0.1	-0.3	-0.2
Information	30.2	30.4	30.3	-0.1	0.1	0.2
Financial Activities	137.1	137.8	137.6	-0.2	0.5	0.7
Finance and Insurance	101.8	103.2	103.1	-0.1	1.3	1.4
Real Estate and Rental and Leasing	35.3	34.6	34.5	-0.1	-0.8	-0.7
Professional and Business Services	341.7	341.7	341.6	-0.1	-0.1	0.0
Professional, Scientific, and Technical Services	118.9	118.3	118.0	-0.3	-0.9	-0.6
Management of Companies and Enterprises	35.3	35.2	35.2	0.0	-0.1	-0.1
Admin & Support & Waste Mgmt & Remediation Services	187.5	188.2	188.4	0.2	0.9	0.7
Education and Health Services	476.1	474.0	476.1	2.1	0.0	-2.1
Educational Services	71.4	69.5	71.8	2.3	0.4	-1.9
Health Care and Social Assistance	404.7	404.5	404.3	-0.2	-0.4	-0.2
Leisure and Hospitality	310.4	305.6	306.5	0.9	-3.9	-4.8
Other Services	130.1	129.8	129.8	0.0	-0.3	-0.3
Government	438.1	442.2	437.2	-5.0	-0.9	4.1

# 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.



## Alternative Measures of Labor Underutilization 3<sup>rd</sup> Quarter of 2016 through 2<sup>nd</sup> Quarter of 2017 Averages

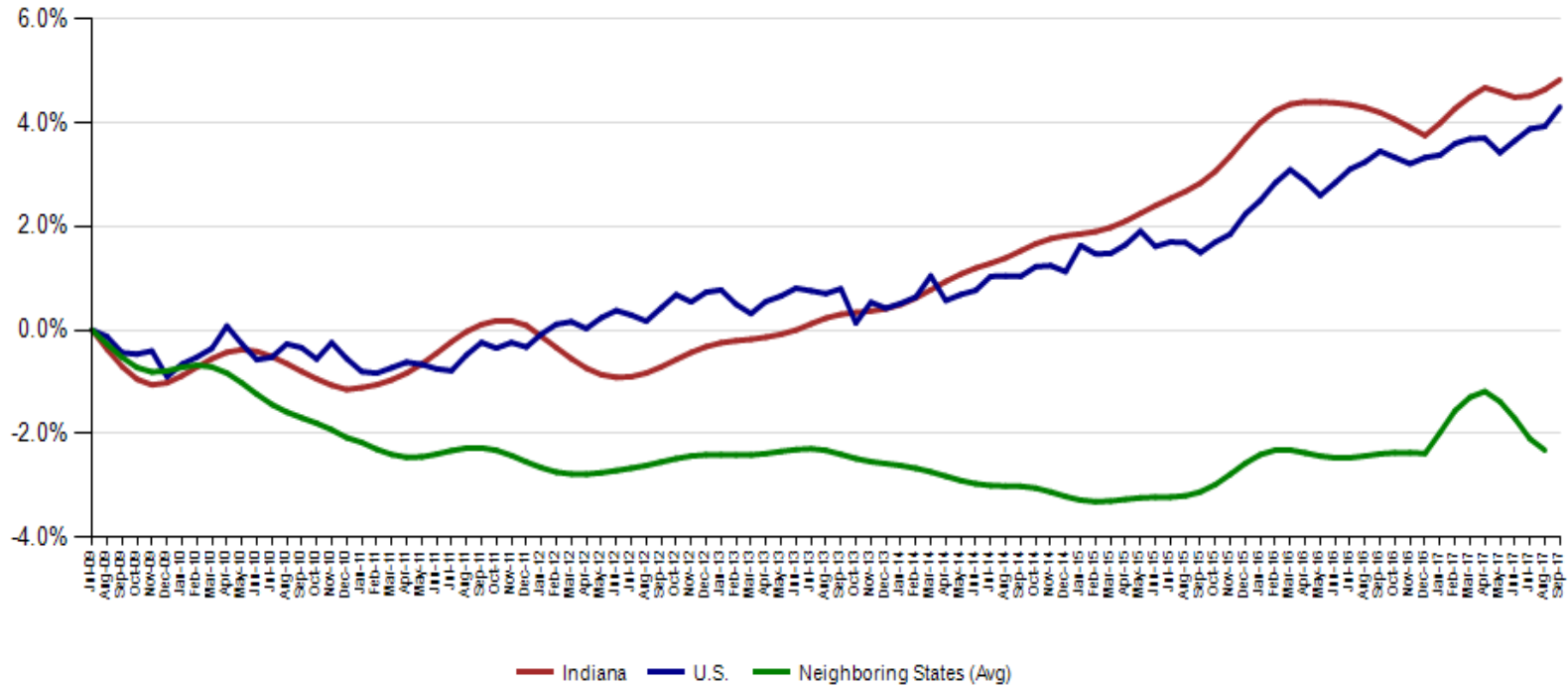
State	U-1	U-2	U-3	U-4	U-5	U-6
ILLINOIS	2.3	2.9	5.2	5.5	6.2	9.9
INDIANA	1.0	1.8	3.8	4.0	4.6	7.1
KENTUCKY	2.1	2.7	5.2	5.7	6.3	9.9
MICHIGAN	1.5	2.3	4.7	5.1	5.8	9.5
OHIO	2.1	2.5	5.1	5.3	6.1	9.5
UNITED STATES	1.8	2.3	4.7	5.0	5.7	9.2

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's August seasonally adjusted labor force is now at 3,342,602 which is a new high point and the number of employed is at 3,216,207. An estimated 126,395 individuals are currently unemployed and seeking employment.

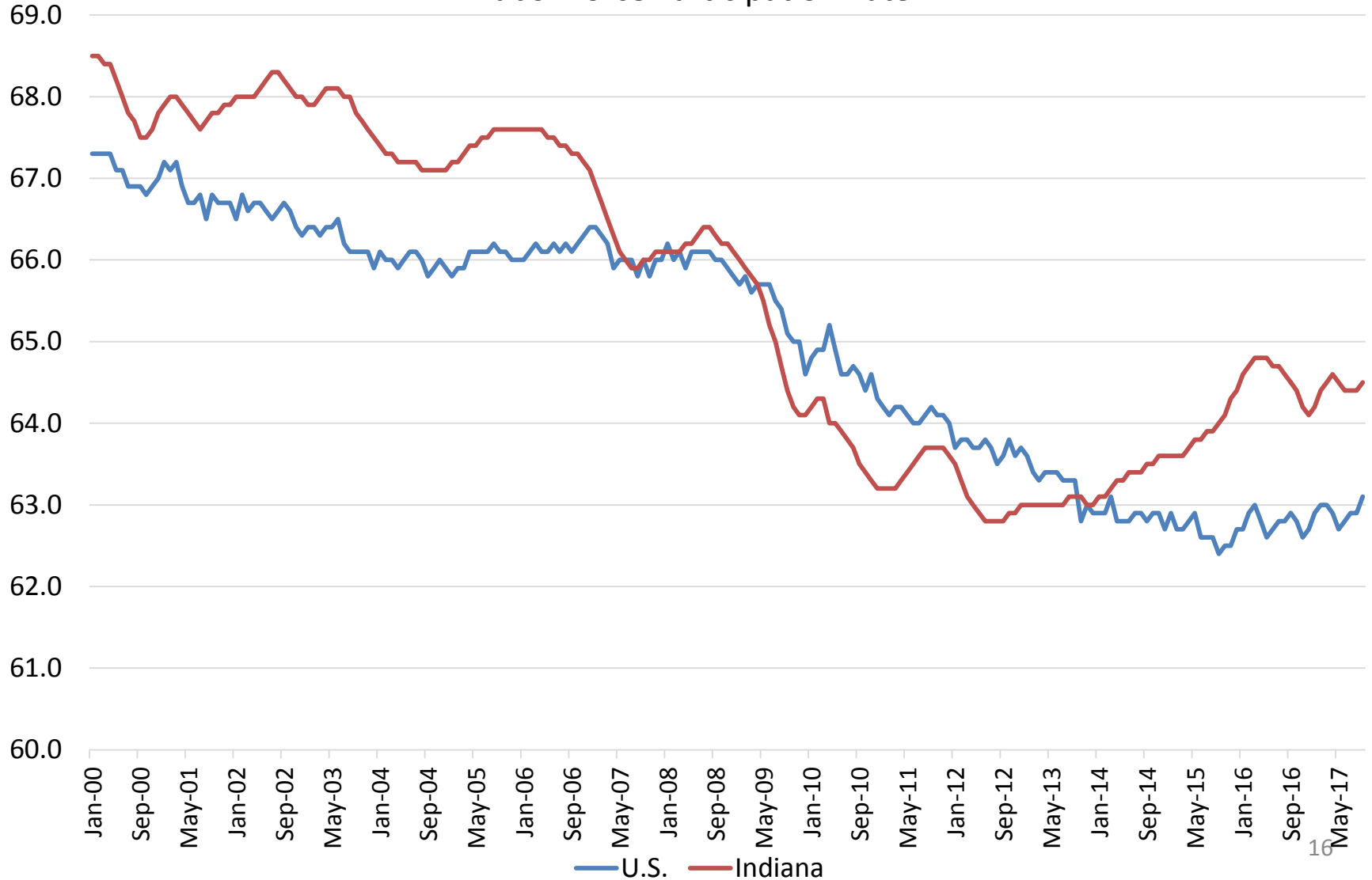
Labor Force Change Since July 2009 Indiana Trough (seasonally adjusted)





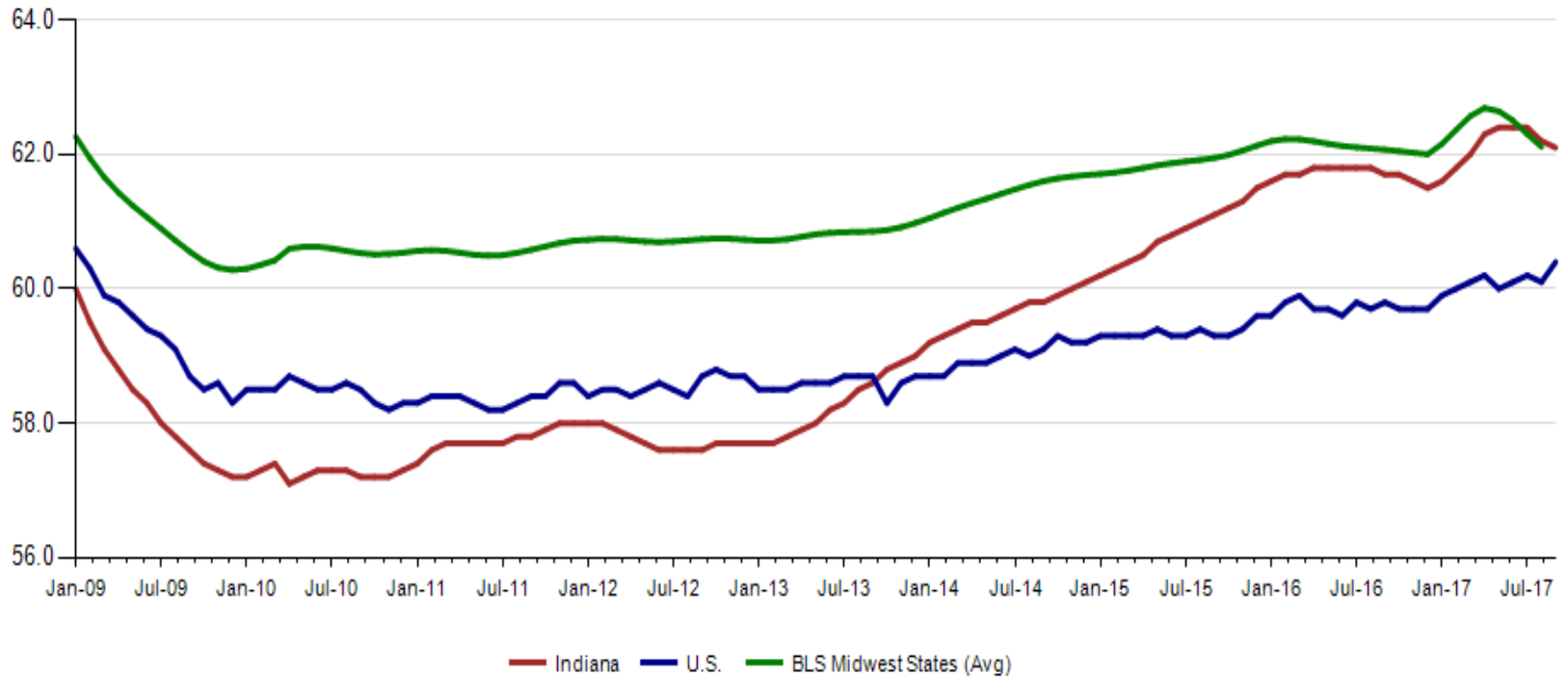
**The August Indiana labor force participation rate is currently at 64.5%  
and the U.S. Rate is 63.1%**

Labor Force Participation Rate



**Indiana's employment to population September 2017 rate is 62.1%. The September U.S. employment to population rate is 60.4% The BLS Midwest Regional States held at 62.1% (August 2017).**

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







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

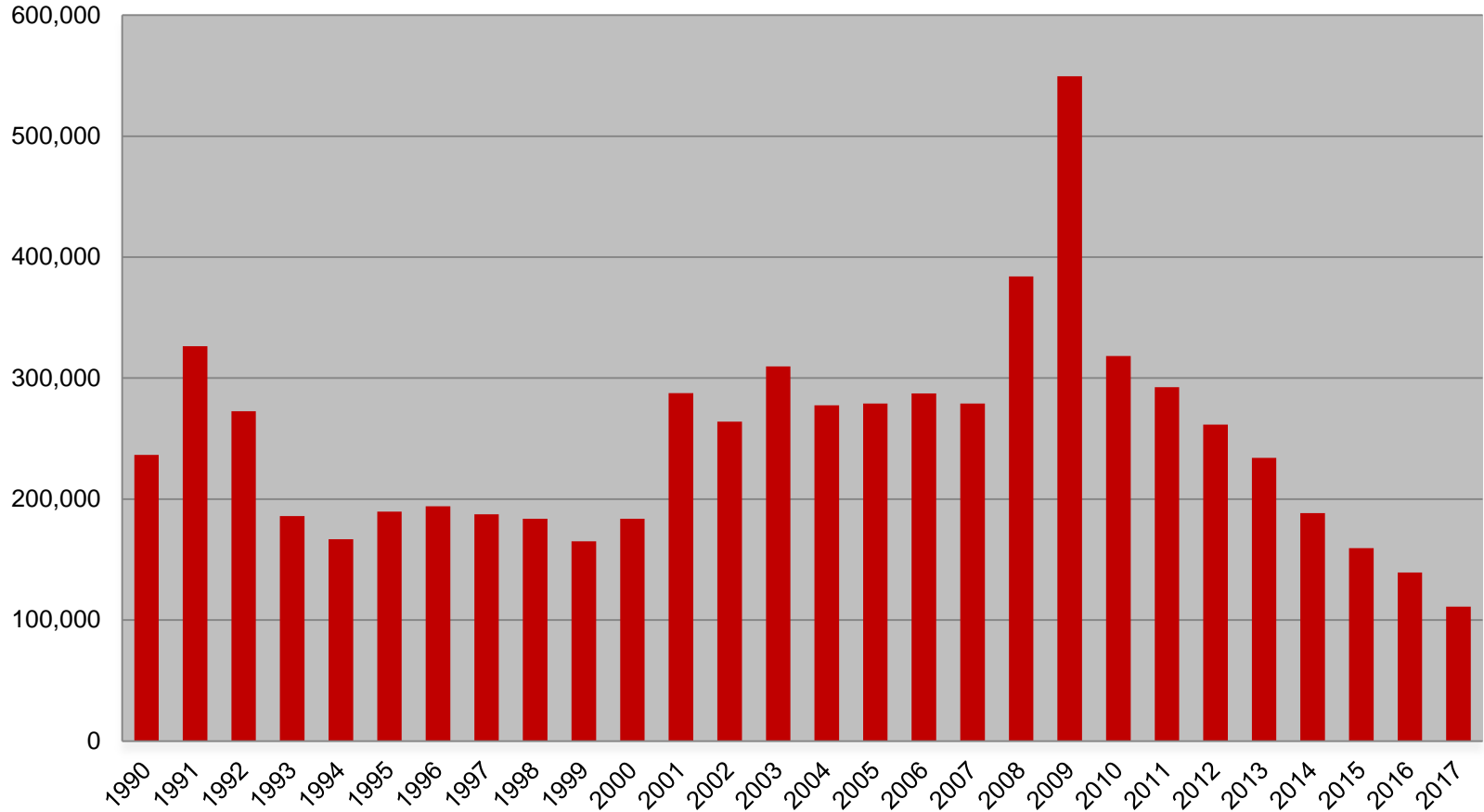
	September 2016	August 2017	September 2017	Monthly change	Yearly change
Indiana	4.3%	3.5%	3.8%	0.3%	-0.5%
U.S.	4.9%	4.4%	4.2%	-0.2%	-0.7%
Illinois	5.8%	5.0%	5.0%	0.0%	-0.8%
Kentucky	5.0%	5.4%	5.2%	-0.3%	0.2%
Michigan	5.0%	3.9%	4.3%	0.4%	-0.7%
Minnesota	4.0%	3.8%	3.7%	-0.1%	-0.3%
Ohio	5.0%	5.4%	5.3%	-0.1%	0.3%
Wisconsin	4.2%	3.4%	3.5%	0.1%	-0.7%

\*2016 Benchmark



## Weekly Initial Claims – Week 40

Total aggregated UI claims for the first 40 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

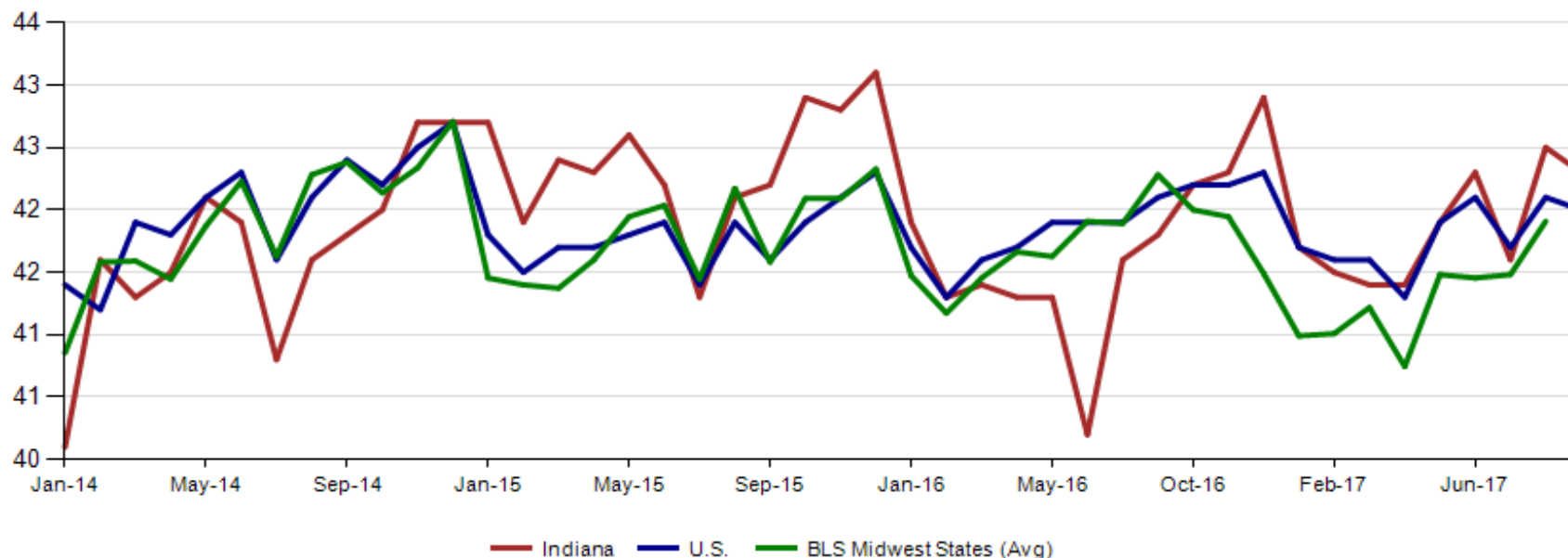
## Without earnings – Reference week claims

	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	14,182	(1,510)	(5,190)
OCTOBER	42,487	42,313	67,306	86,275	58,317	46,909	39,467	37,778	23,768	19,917	19,143			
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			



**September 2017 average weekly hours for Indiana manufacturing production decreased by 0.2 hours to 42.3. Indiana is now ahead of the national manufacturing weekly hours of 42.0. BLS Region states were at 42.6 hours (August data).**

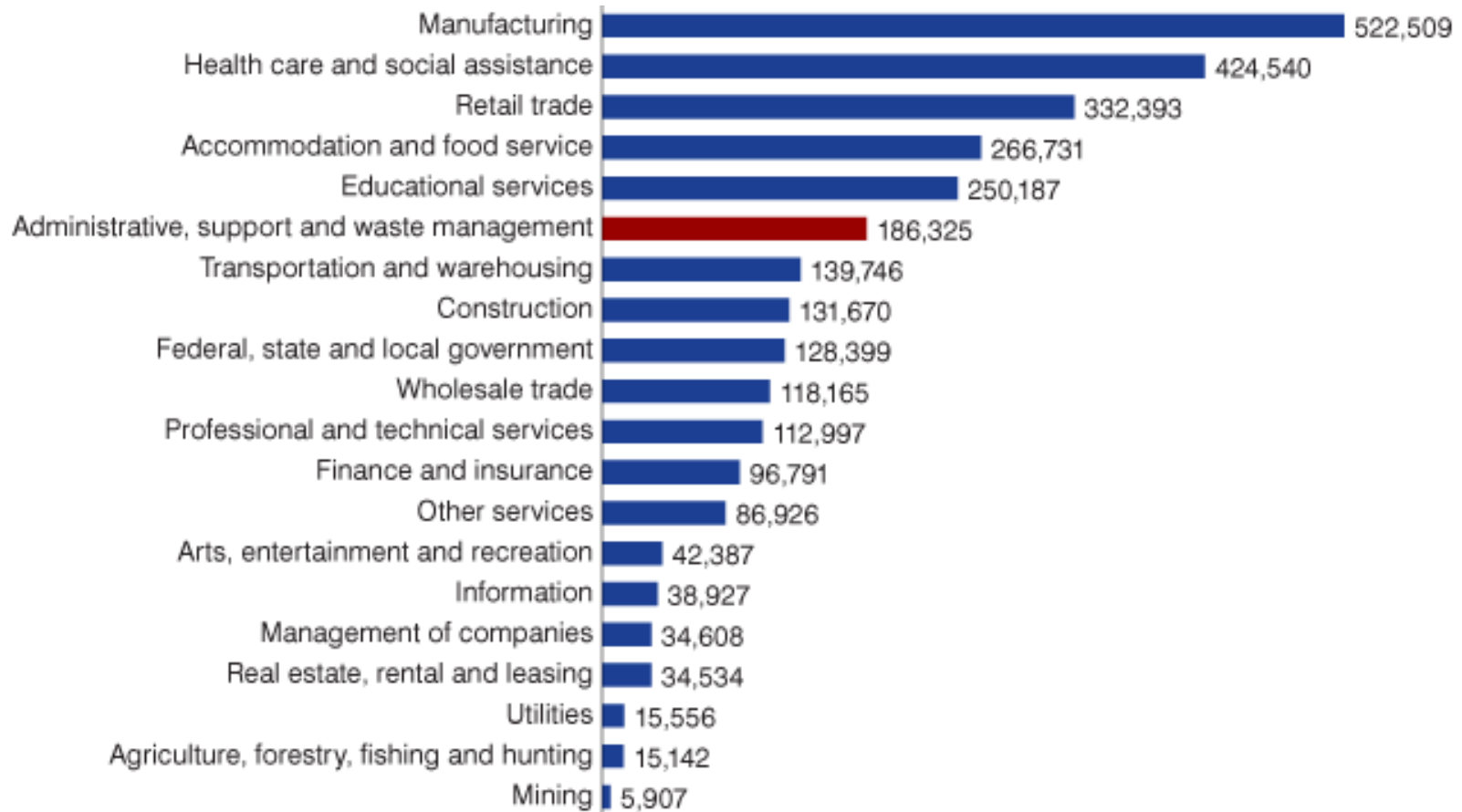
**Avg. Weekly Manufacturing Production Hours (non seasonally adjusted)**



# Labor Force Terms & Concepts

- **Civilian Labor Force**
  - **16+ years old**
  - **Employed + Unemployed**
  - **Does NOT include military personnel**
  
- **Unemployment rate**
  - **Unemployed ÷ Labor Force**  
Expressed as %
  
- **Labor Force Participation rate**  
Labor Force ÷ Working Age Population

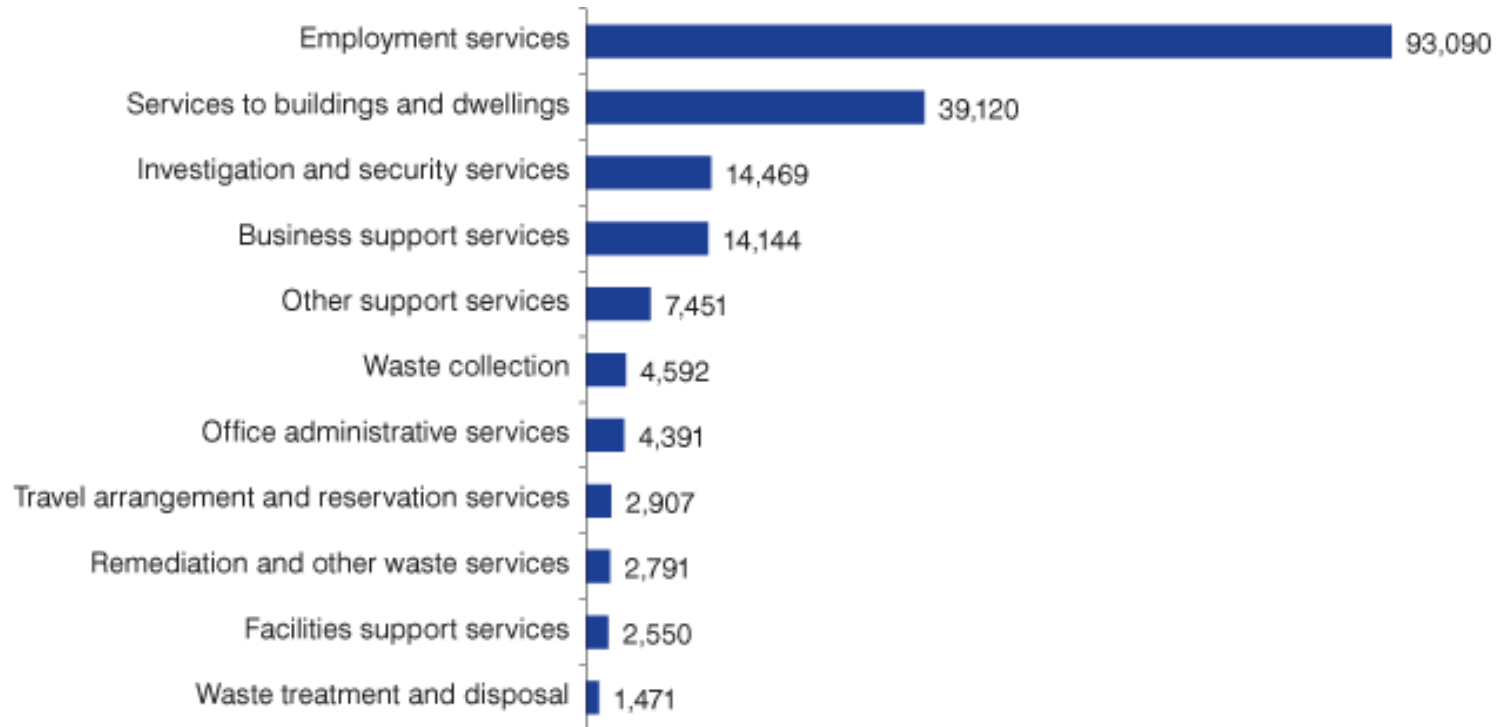
## Indiana's employment by sector, 2016



Source: U.S. Bureau of Labor Statistics, using Quarterly Census of Employment and Wages data

## IBRC INContext analysis of the Administrative, Support, Waste Management and Remediation Services sector.

### Indiana employment by industry group within the administrative and waste management sector, 2016



Note: When summed, employment totals in this chart differ from the sector total in Figure 1 due to disclosure issues.

Source: U.S. Bureau of Labor Statistics, using Quarterly Census of Employment and Wages data

## Change in Indiana's administrative and waste management sector employment

Industry Group	15-year change (2001-2016)		5-year change (2011-2016)	
	Numeric	Percent	Numeric	Percent
<b>Sector Total</b>	<b>51,952</b>	<b>38%</b>	<b>24,085</b>	<b>15%</b>
Employment services	31,117	50%	10,675	13%
Services to buildings and dwellings	8,763	29%	5,670	17%
Business support services	3,005	27%	2,454	21%
Office administrative services	2,614	147%	1,529	53%
Investigation and security services	2,658	23%	1,052	8%
Waste collection	1,371	43%	923	25%
Facilities support services	1,787	234%	512	25%
Other support services	615	9%	400	6%
Remediation and other waste services	927	50%	374	15%
Travel arrangement and reservation services	-735	-20%	307	12%
Waste treatment and disposal	-170	-10%	188	15%

Note: This table is sorted by five-year numeric change.

Source: U.S. Bureau of Labor Statistics, using Quarterly Census of Employment and Wages data



# Indiana Annual wages gains/losses by Industry 2015 to 2016

INDIANA AVERAGE WEEKLY WAGES BY INDUSTRY (2015 and 2016 comparison)			
	2015	2016	% Change From 2015
Indiana State Totals	\$43,905	\$44,597	1.6%
Administrative and Waste Services	\$29,097	\$30,260	4.0%
Educational Services	\$39,101	\$40,412	3.4%
Professional and Technical Services	\$63,484	\$65,403	3.0%
Management of Companies and Enterprises	\$91,508	\$94,171	2.9%
Accommodation and Food Services	\$14,952	\$15,365	2.8%
Agriculture, Forestry, Fishing, and Hunting	\$36,658	\$37,573	2.5%
Wholesale Trade	\$62,573	\$64,107	2.5%
Other Services	\$30,270	\$30,980	2.3%
Construction	\$53,742	\$54,827	2.0%
Retail Trade	\$26,054	\$26,566	2.0%
Health Care and Social Assistance	\$45,780	\$46,635	1.9%
Real Estate and Rental and Leasing	\$41,296	\$42,008	1.7%
Arts, Entertainment, and Recreation	\$31,200	\$31,598	1.3%
Public Administration	\$44,542	\$45,100	1.3%
Information	\$50,774	\$51,314	1.1%
Manufacturing	\$59,029	\$59,217	0.3%
Finance and Insurance	\$66,385	\$66,441	0.1%
Transportation and Warehousing	\$44,385	\$44,396	0.0%
Utilities	\$88,302	\$88,011	-0.3%
Mining, Quarrying, and Oil and Gas Extraction	\$68,700	\$67,439	-1.8%