



CWICstats Dashboard Report 2nd Quarter 2011

Highlights in this issue

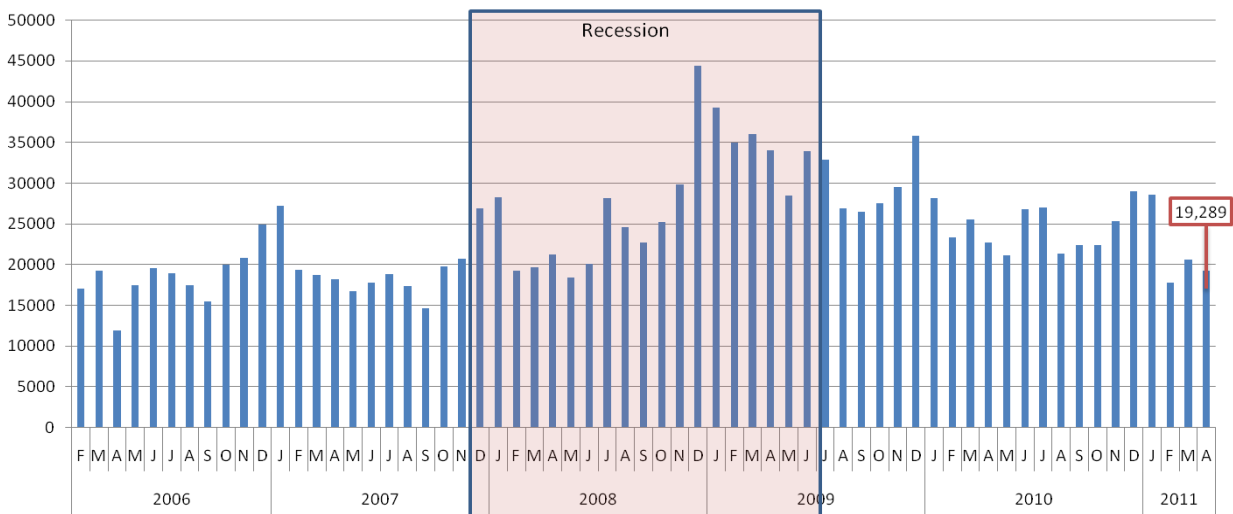
- The Chicago unemployment rate rose to 10.8% in May after three months under 10%. See below
- Initial Regular unemployment claims have trended down since 2009. See below
- A growing number of the unemployed are exhausting their UI Extended benefits. Page 4

Labor force measures	Current time period	How current compares to prior time period:	
		Immediately prior	One year prior
Chicago labor force measures (IDES: For trends, see page 6)	May 2011	April 2011	May 2010
Total in labor force	1,310,692	↑ 1,302,483	↓ 1,319,865
Total employment	1,169,535	↓ 1,178,325	↓ 1,171,274
Total unemployment	141,157	↑ 124,158	↓ 148,591
Unemployment rates (IDES: For trends, see page 6)	May 2011	April 2011	May 2010
Chicago	10.8%	↑ 9.5%	↓ 11.3%
Illinois	9.0%	↑ 8.6%	↓ 10.1%
U.S.	8.7%	↔ 8.7%	↓ 9.3%
Cook County unemployment claims (IDES: For trends, see below, pages 2-5)	April 2011	March 2011	April 2010
Initial unemployment claims	19,289	↓ 20,581	↓ 22,711

Interpreting the arrows

Green solid arrows represent an indicator that has improved compared to prior time period. For example, a *drop* in unemployment would be represented by (↓), while an *increase* in total employment would be represented by (↑). Red outlined arrows represent an indicator that has worsened compared to prior time period. A drop in the total labor force would be represented by (↓), while an *increase* in unemployment would be represented by (↑). ↔ refers to no change.

Cook County initial unemployment claims



Sources: IDES; According to the National Bureau of Economic Research, the latest recession lasted from December 2007 to June 2009.

Featured stats: Unemployment Insurance

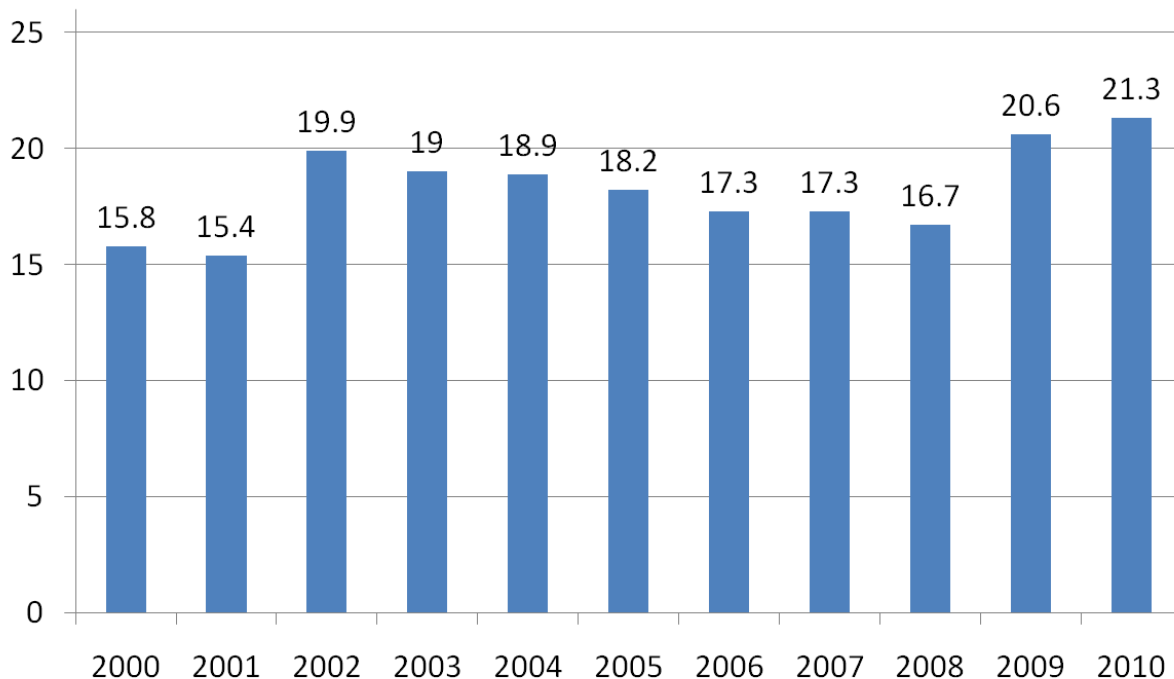
About the Federal-State Unemployment Insurance (UI) Program in Illinois

- The purpose of the program is to provide temporary financial assistance to unemployed workers. States fund the insurance program through a tax on employers. Illinois provides benefits ranging from \$51-\$531 per week, with an average of about \$320.
- Illinois provides Regular UI benefits for up to 26 weeks to eligible unemployed workers.
- In June 2008, Congress established 20 weeks of Emergency Unemployment Compensation for unemployed workers who exhaust their Regular state UI benefits. The benefit period has been extended three times: for 14 weeks, 13 weeks, and 6 weeks, allowing for a maximum of 53 weeks of Emergency benefits.
- Illinois offers up to 20 weeks of Extended benefits for eligible unemployed workers who exhaust their Emergency Unemployment Compensation benefits.
- The three programs combined offer a maximum of 99 weeks of benefits. If an unemployed worker reaches the end of any benefit period without finding work, he or she receives a "final payment" and is designated an "exhaustee" of that period of benefits.

The average duration of Illinois UI Regular benefits approached the 26 week maximum in 2009 and 2010. The average of 21.3 weeks in 2010 is more than the national average, which rose to just over 20 weeks in 2010.

Illinois UI stats

Illinois average duration of Regular UI benefits in weeks (26 week maximum)

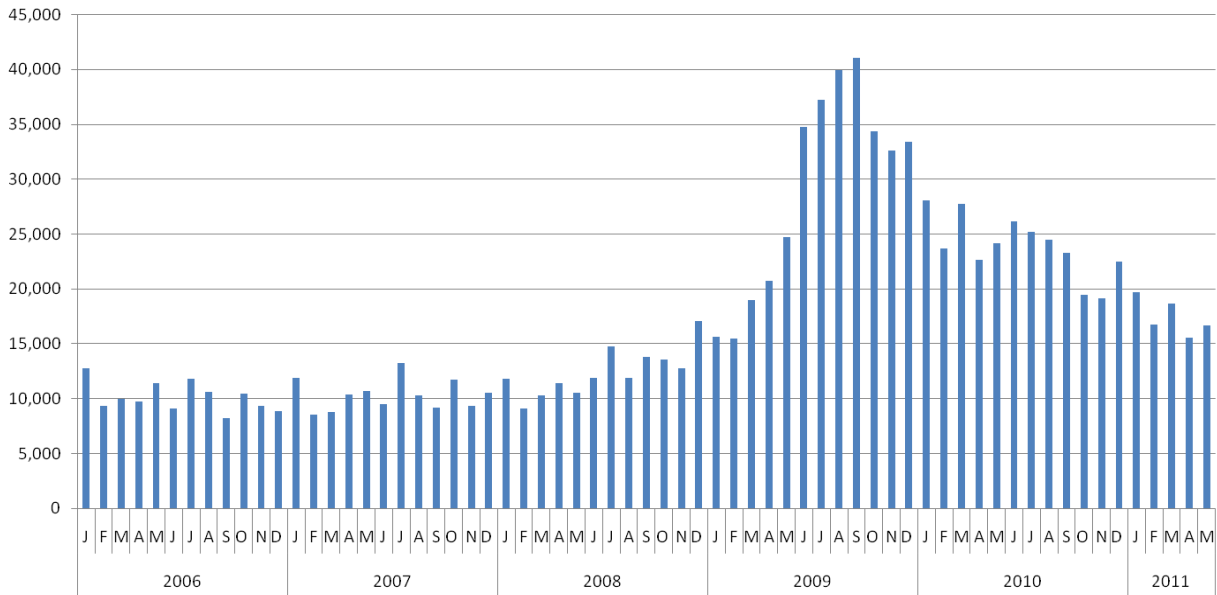


Source: IDES

Featured stats: Unemployment Insurance

In Illinois, the number of unemployed workers exhausting their Regular UI benefits without finding a job increased sharply in 2009, but has been steadily declining since then.

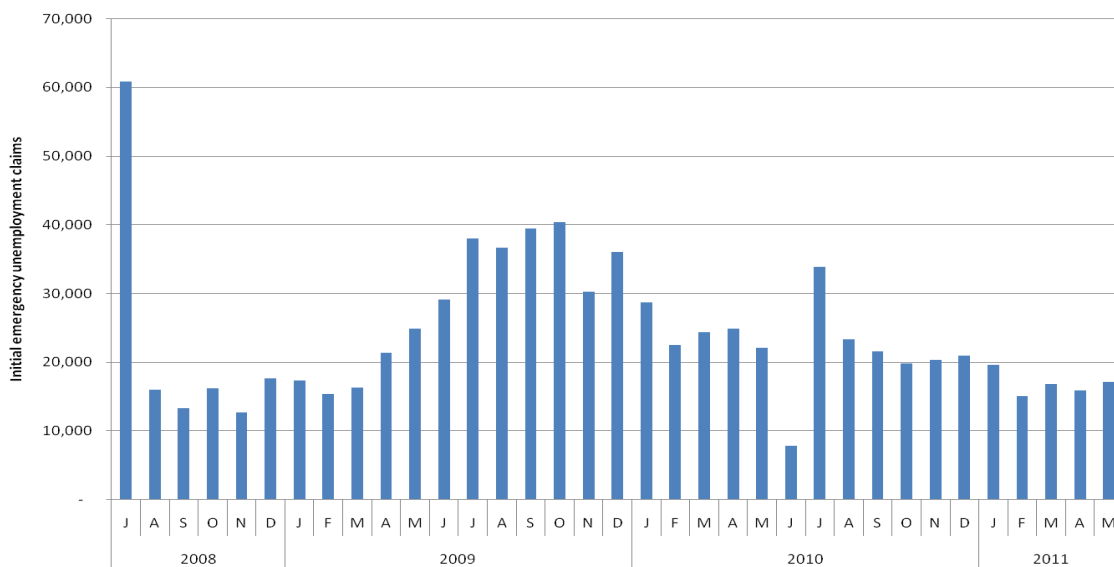
Number of unemployed workers receiving final payments of UI Regular benefit claims in Illinois 2006-2011



Source: IDES

The number of initial claims from unemployed Illinois workers for federal Emergency Unemployment Compensation was below 20,000 for the fifth consecutive month in May.

Initial Emergency Unemployment Compensation claims from Illinois 2008-2011

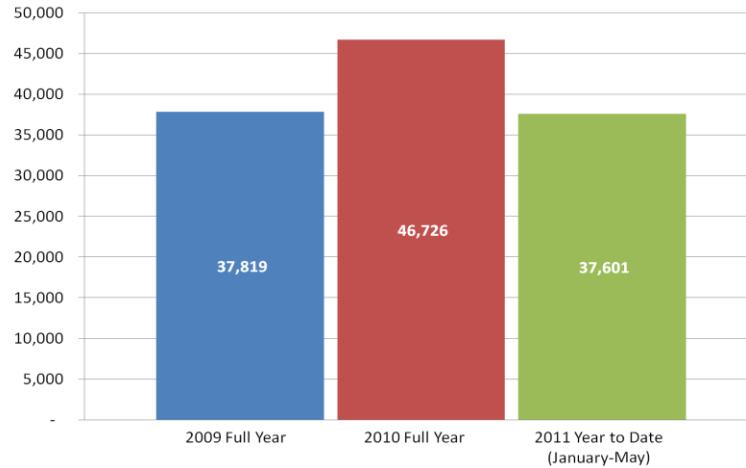


Source: U.S. Department of Labor

Featured stats: Unemployment Insurance

So far in 2011, the number of Illinois unemployed workers who have exhausted their 20 weeks of state Extended benefits without finding a job, is close to the full-year totals for 2009 and 2010.

Number of unemployed Illinois workers exhausting state Extended benefits by year

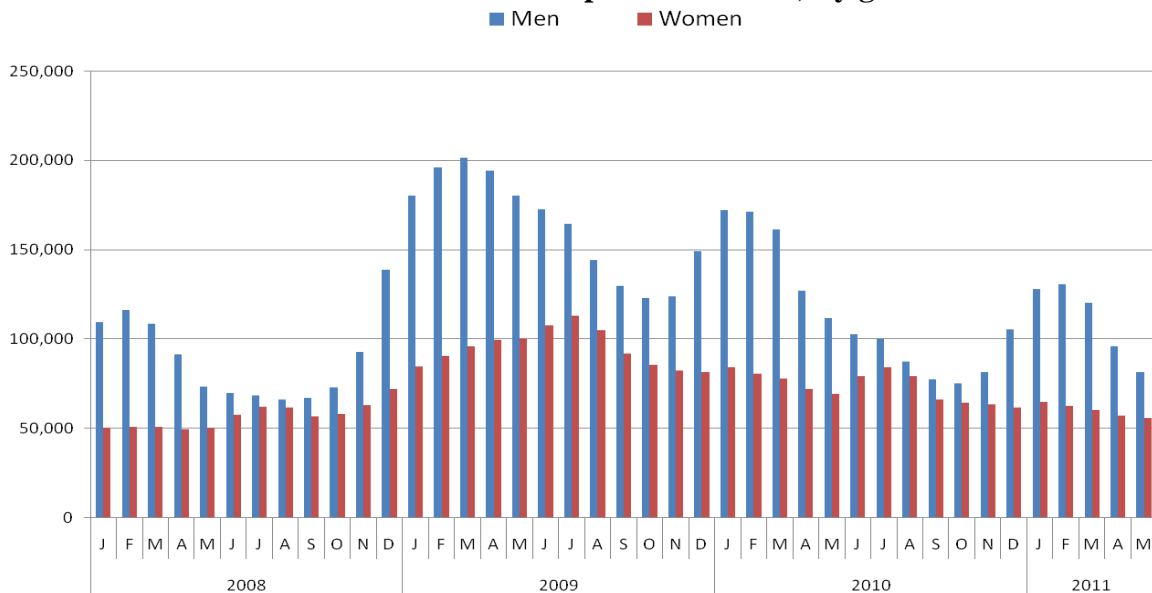


Source: U.S. Department of Labor

Cook County UI stats

The number of men claiming Unemployment Insurance has exceeded that of women each month, with the most dramatic disparities occurring in the first half of each year.

Cook County Regular Unemployment Insurance continued claimants (those claiming benefits in the current month and the previous month) by gender 2008-2011

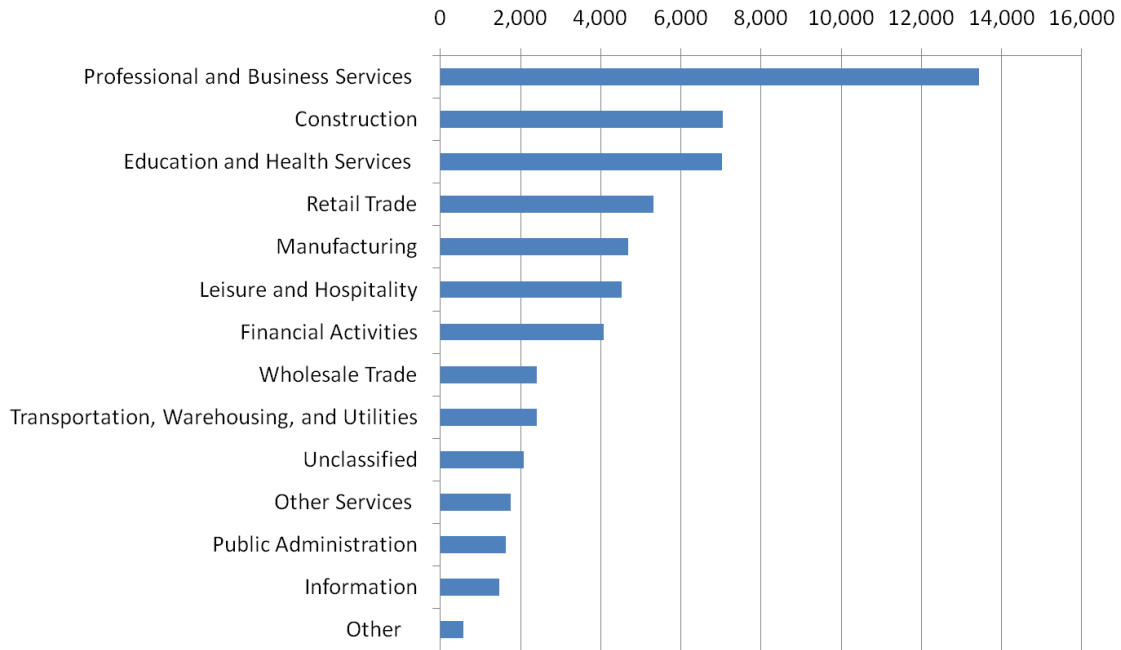


Source: IDES; continued claimants are those continuing from the previous month rather than the newly enrolled.

Featured stats: Unemployment Insurance

More than a fifth (23%) of UI claimants in May 2011 in Cook County were in the Professional and Business Services industry.

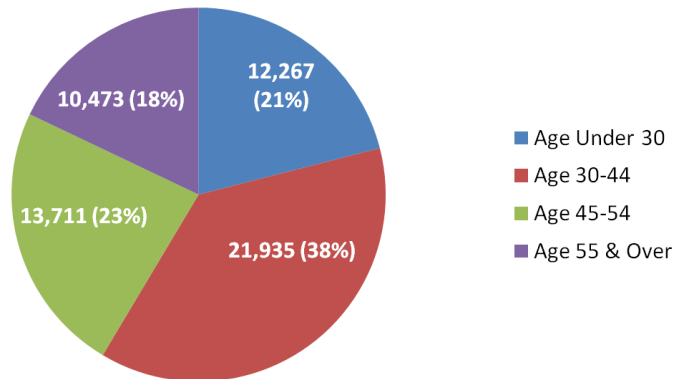
**Cook County Unemployment Insurance continued claimants by industry, May 2011
(Total = 58,389)**



Source: IDES

The largest proportion of UI claimants are those ages 30 to 44, but all age groups have a significant portion of the total.

Cook County Unemployment Insurance continued claimants by age, May 2011

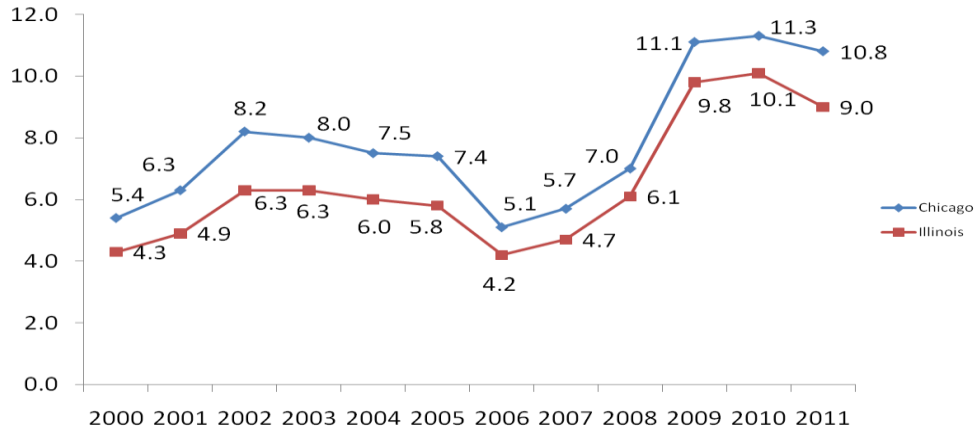


Source: IDES

Job stats

Unemployment rates in May dropped moderately in Chicago and more than a full percentage point in Illinois compared to the same time the previous year. Both drops mark the first declines in the unemployment rate since 2006. As noted on page 1, however, the May 2011 unemployment rate is an increase versus April 2011.

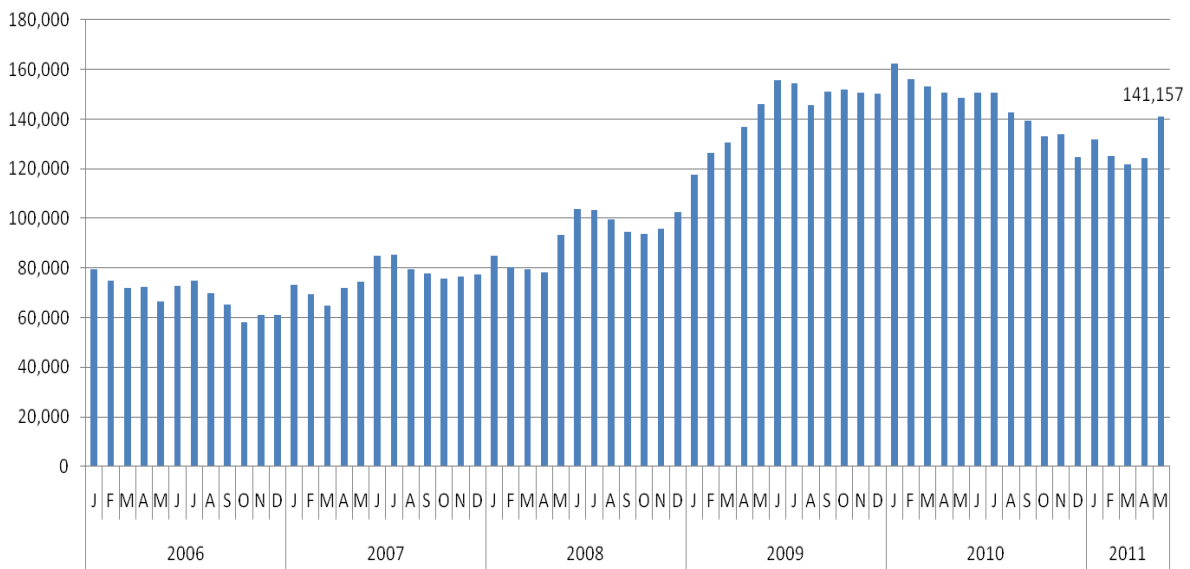
Chicago and Illinois unemployment rates for the month of May from 2000-2011



Source: IDES, not seasonally adjusted

The number of unemployed in Chicago spiked in May to the highest level since the summer of 2010.

Number of unemployed in Chicago 2006-2011

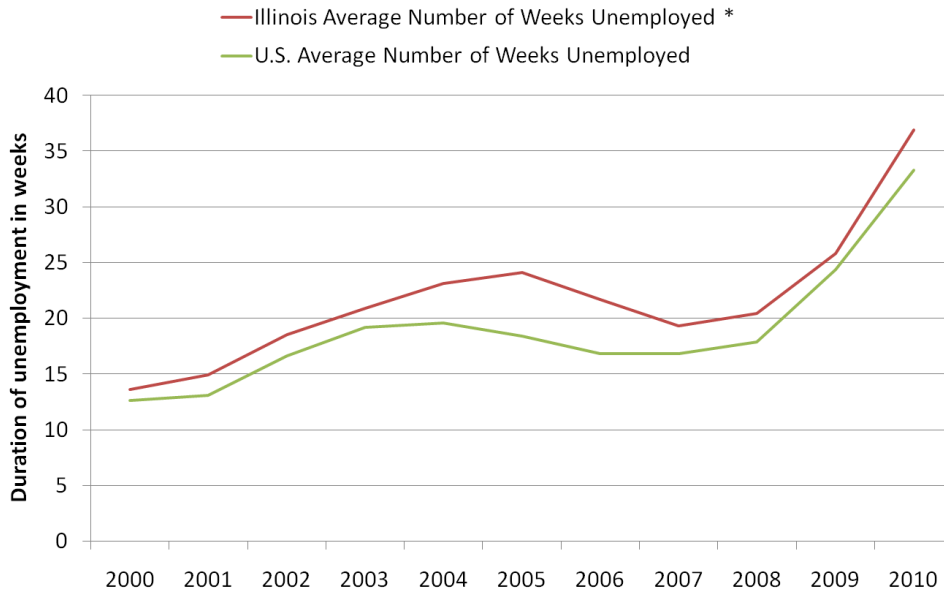


Source: IDES

Job stats

The average number of weeks unemployed in Illinois was almost 37 weeks in 2010, compared to just over 33 for the U.S.

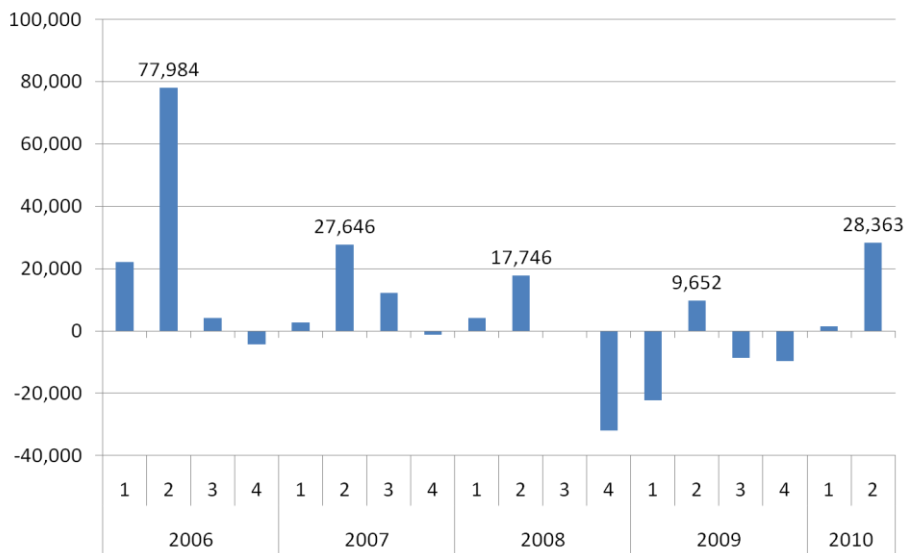
Average number of weeks unemployed, Illinois and U.S. by year



Source: U.S. Census Bureau. Note: this chart is about the unemployed who may or may not be receiving Unemployment Insurance. *Because the data come from estimates from the Current Population Survey, the Illinois values are subject to relatively large sampling error.

Job flow in Chicago in the 2nd quarter of 2010 was the highest since before the recession.

Chicago job flow by quarter 2006-2010
(the change in the absolute number of employees at businesses from one period to the next)

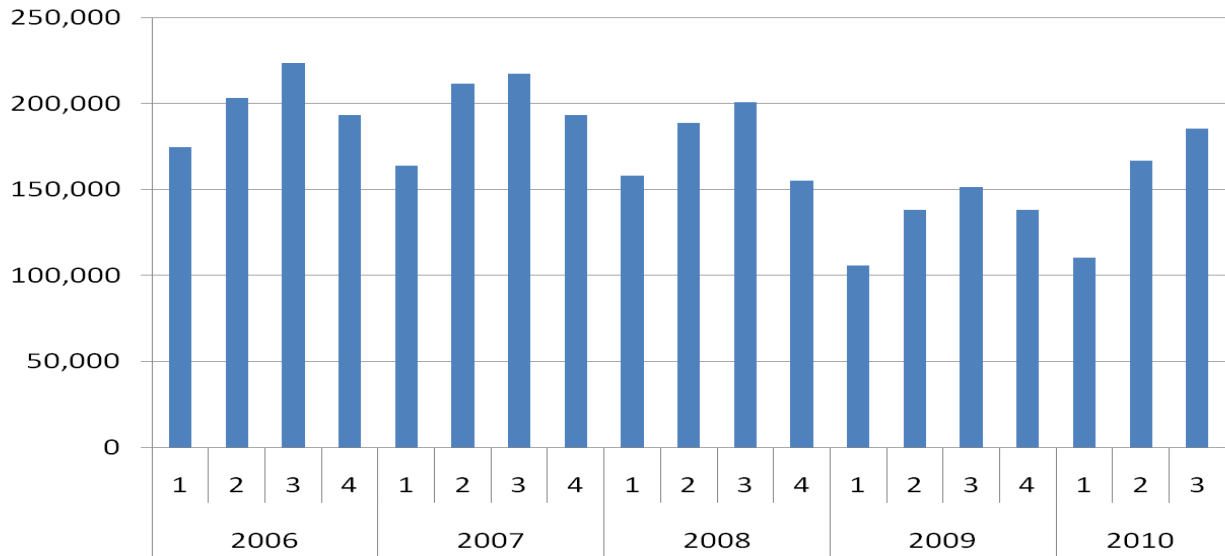


Source: IDES. Note: There is a one-year lag in the data for job flow.

Job stats

The number of new hires in Chicago in the 3rd quarter of 2010 increased approximately 34,000 over the same quarter in the previous year.

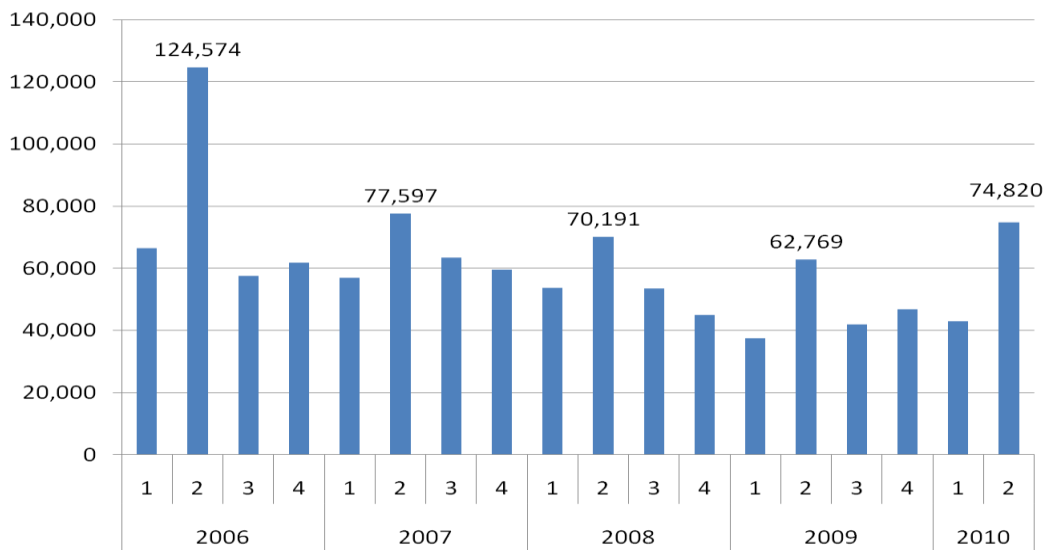
Chicago new hires by quarter 2006-2010



Source: IDES. Note: There is a one-year lag in the data for new hires.

While the 2nd quarter shows the largest growth in job creation each year, job creation in the 2nd quarter of 2010 was the highest in three years and is beginning to approximate pre-recession levels.

Job creation in Chicago by quarter 2006-2010

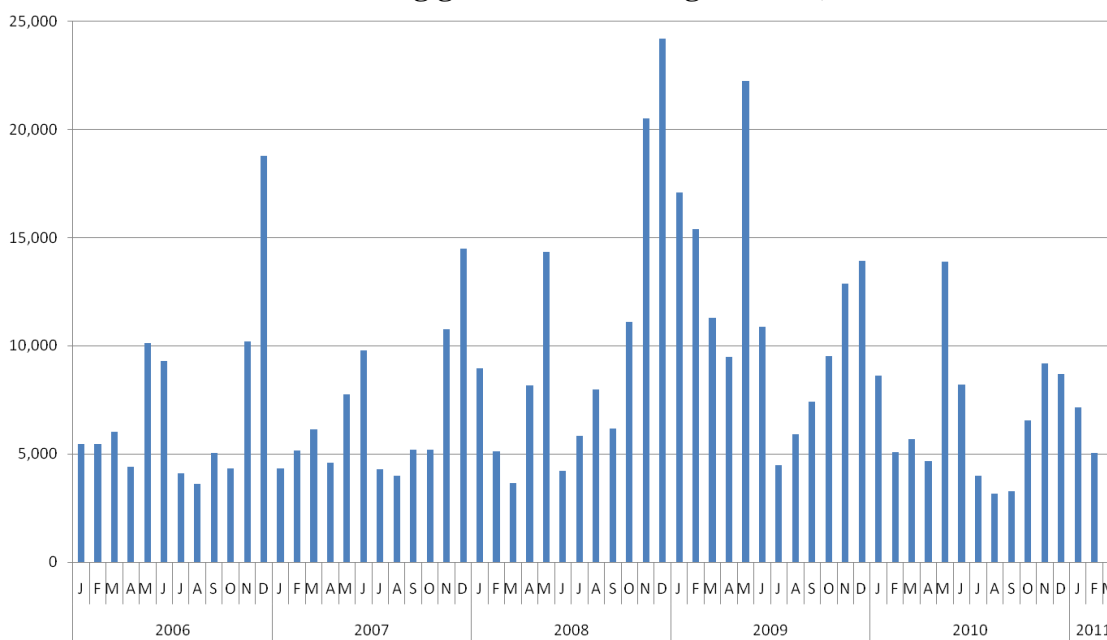


Source: IDES. Note: there is a one-year lag in the data for job creation.

Business stats

There were less than 2,500 workers separated in mass layoffs in March 2011, the lowest number over the last five years.

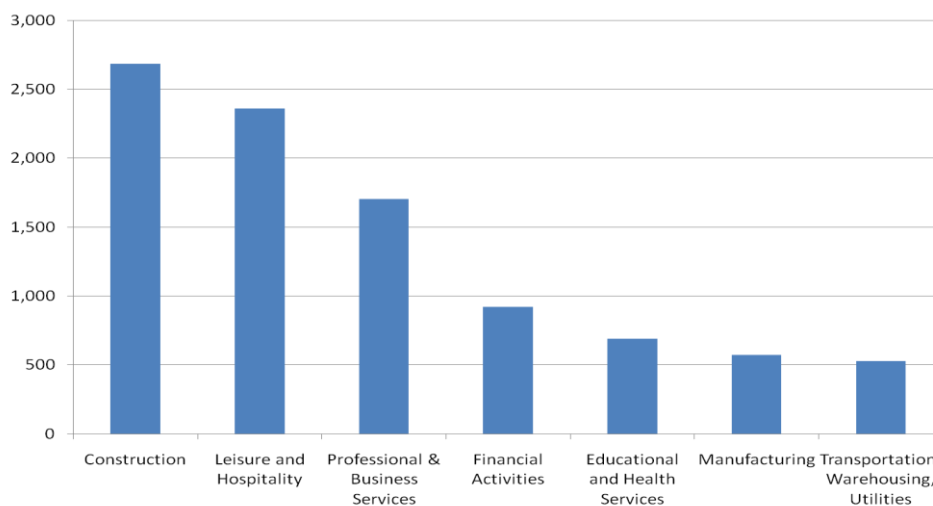
Workers separated in mass layoffs in Illinois 2006-2011 (layoffs that included at least 50 separations and lasted more than 30 days, excluding government and agriculture)



Source: IDES

There were more separations in the Construction industry in 2010 than any other industry in Chicago.

Total number of workers separated in Chicago by industry, 2010 (workers employed in the previous quarter, but not in the current quarter)

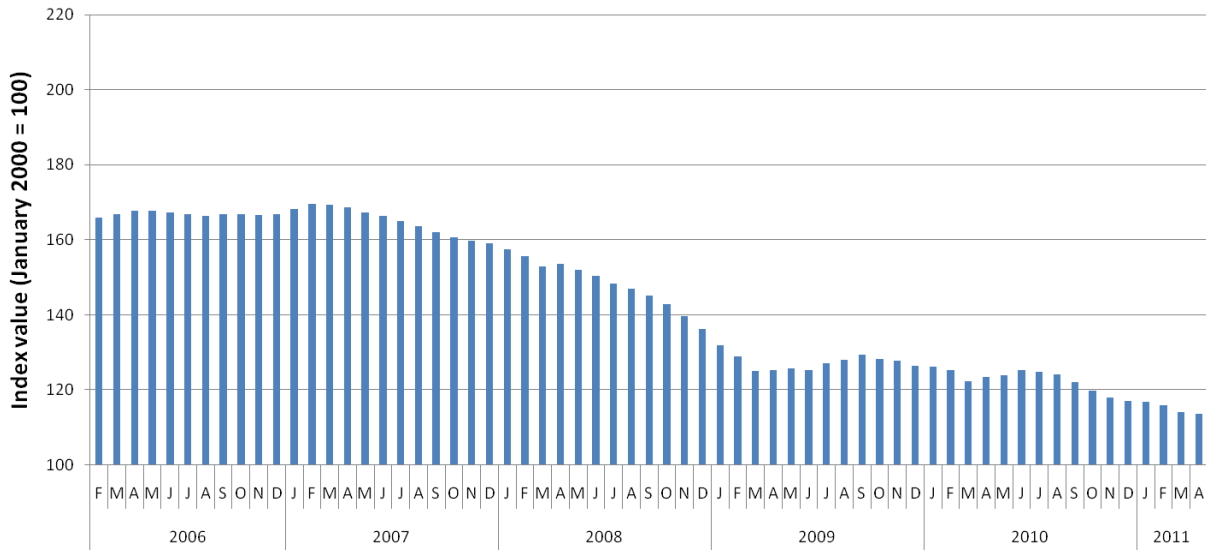


Source: IDES

Business stats

Chicago area home prices continued to decline over the last quarter.

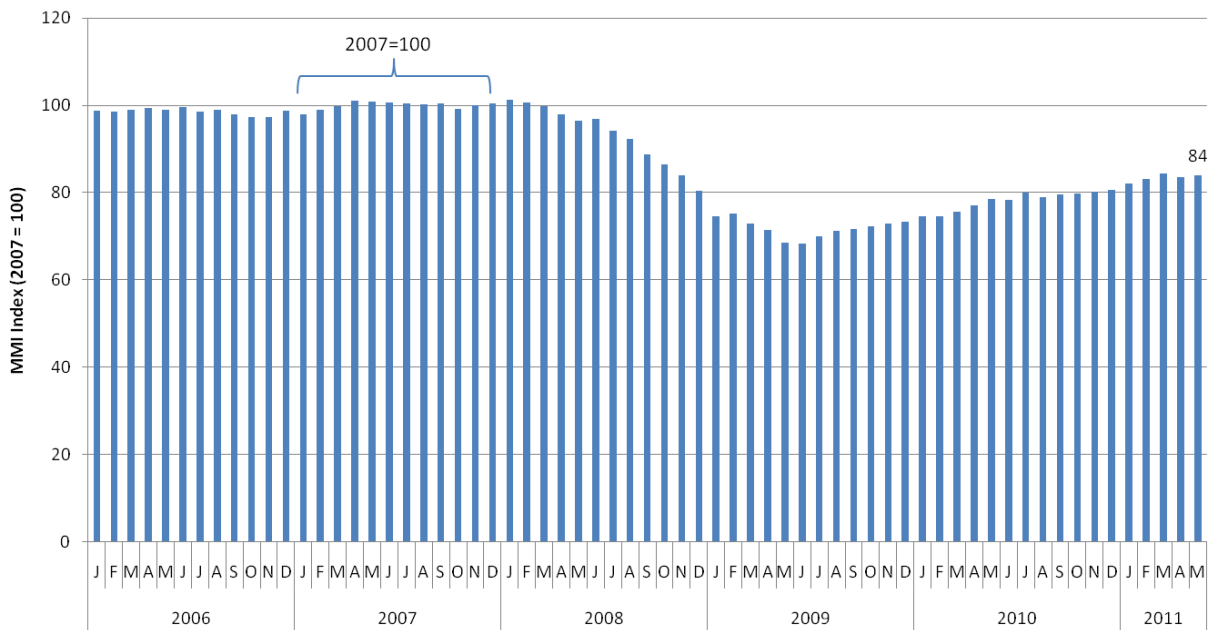
Case-Shiller Home Price Index 2006-2011



Source: Standard and Poor's Case-Shiller Home Price Index

The Midwest Manufacturing Index measure of regional industrial activity has been trending up for two straight years. Despite steady improvement, the output in May 2011 was only 84% of output in 2007.

Midwest Manufacturing Index 2006-2011 (2007=100)

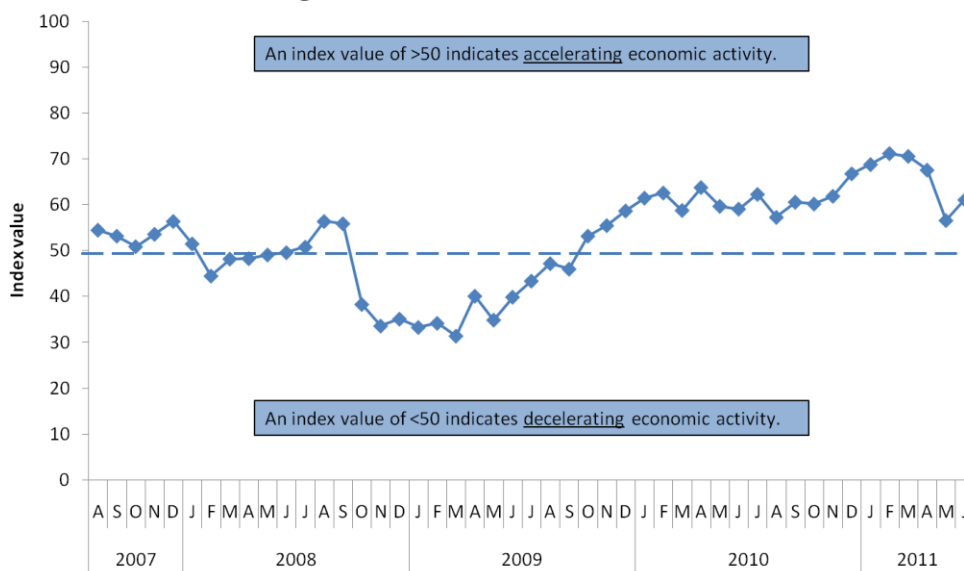


Source: Federal Reserve Bank of Chicago

Business stats

The survey of Chicago area purchasing managers found growth has accelerated every month since September 2009. The rate of acceleration slowed in the last few months.

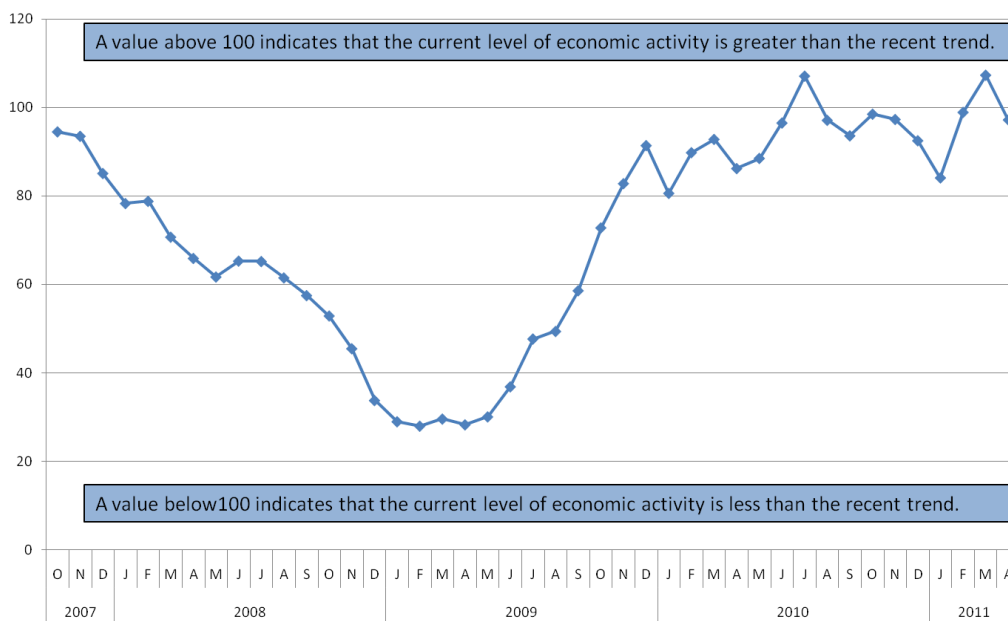
Chicago Business Barometer 2007-2011



Source: Institute of Supply Management-Chicago

The Chicago Business Activity Index dropped slightly in April due to “sluggish private demand,” according to the University of Illinois.

Chicago Business Activity Index 2007-2011

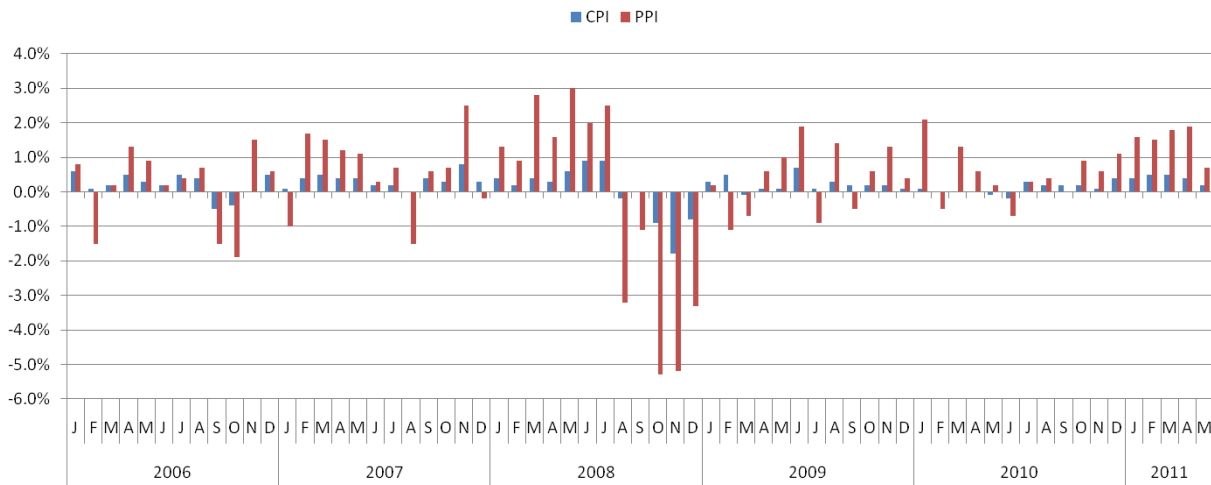


Source: University of Illinois Regional Economic Analysis Laboratory (REAL)

Business stats

May was the first month this year that the Producer Price Index change was below one percent. The Consumer Price Index rate of change has been well below one percent so far this year.

Consumer Price Index and Producer Price Index 2006-2011



Source: Bureau of Labor Statistics

Definitions, Sources, and Notes

Front page

IDES develops unemployment rates for metropolitan areas, counties and cities through a complex, multi-step process that includes a variety of data inputs, such as total non-farm employment estimates, unemployment insurance claims, population and employment data from the Census Bureau and employment and unemployment controls used to adjust for groups not covered by the Unemployment Insurance system.

- **Total in labor force** Included are all persons in the civilian non-institutional population classified as either employed or unemployed.
- **Total employed** includes those who, during the reference week (the week including the twelfth day of the month), (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if he or she holds more than one job.
- **Unemployed** as measured by IDES are those individuals who had no employment during the reference week, were available for work (except for temporary illness) and had made specific efforts to find employment some time 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.
- **Unemployment rate** is the total unemployed as a percent of the civilian labor force. The rates are not seasonally adjusted.
- **Initial unemployment claims** come from the **Illinois Department of Employment Security (IDES)** administrative data. They are requests for determination of insured status (new claim) or notices filed when a break in job attachment has occurred (additional claim). Insured status refers to qualifying base period wages with an insured employer and the determination of the individual's weekly benefit amount.

Featured stats

Unemployment Insurance statistics are provided by IDES and the U.S. Department of Labor (DOL).

- **Regular benefits** are cash benefits first provided to unemployed workers. Illinois funds the benefits through a tax on employers. The maximum duration of regular benefits is 26 weeks. For more information, see: <http://workforcesecurity.doleta.gov/unemploy/uifactsheet.asp>.
- **Emergency Unemployment Compensation** was established by Congress in 2008. It provides federally funded benefits to unemployed workers once the workers have exhausted the benefits provided regular state UI programs. For more information, see: <http://workforcesecurity.doleta.gov/unemploy/pdf/euc08.pdf>

- **Extended Benefits** are for unemployed workers in periods of higher overall unemployment. The Illinois Extended Benefits program currently follows the emergency federal program. IDES does not produce public statistics on Extended Benefits. For more information, see: http://www.ides.state.il.us/pdf/ui/eb/EB_FAQ.pdf

Job stats

- **Average duration of unemployment** comes from the U.S. Census Bureau's Current Population Survey. Because the figures are estimates based on a sample, there may be a relatively large sampling error.
- The **job change** statistics below come from Local Employment Dynamics (LED), a partnership between IDES and the U.S. Census Bureau to develop information about local workforce and labor market conditions. This information is built from sources that cover more than 90% of total wage and salary civilian jobs, primarily state and federal administrative records. Exclusions to this coverage include federal government workers, agricultural workers, domestic workers, and the self-employed.
- **Net job flow** is the total difference in employment at businesses from one period to the next.
 - **New hires** is the number of current employees who were not employed by their current employer in the previous quarter.
 - **Job creation** is the number of new jobs created by expansion of existing firms or establishment of new firms within the area.

Business stats

- **Mass layoffs** are all layoffs reported to **IDES** in which 50 or more employees were separated for 30 or more days. It excludes government and agriculture.
- The **Case-Shiller Home Price Index** is published monthly by **Standard and Poor's**. It measures the seasonally adjusted changes in residential home values in 20 Metropolitan Statistical Areas.
- The **Midwest Manufacturing Index** is produced by the **Federal Reserve Bank of Chicago**. It is the composite measure of hours worked in manufacturing companies in 15 industries in Illinois, Michigan, Wisconsin, Iowa, and Indiana.
- The **Chicago Business Barometer** is a seasonally adjusted index produced by the **Institute for Supply Management – Chicago**. It is based on a survey of Chicago area purchasing managers who may work for local, national, or multinational companies.
- The **Chicago Business Activity Index** is produced by the **University of Illinois Regional Economics Application Laboratory**. It measures the business cycle status of the six-county Chicago area. It tends to lead the local business cycle by three-to-four months. For more information, see: <http://www.real.illinois.edu/>
- The **Consumer Price Index** measures the seasonally adjusted average change in prices paid for a market basket of goods and services by urban consumers as calculated by BLS.
- The **Producer Price Index** measures the seasonally adjusted average change over time in the selling prices received by domestic producers for their commodities produced as calculated by BLS.

This report was prepared by the CWICstats team from Chapin Hall at the University of Chicago.

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The Chicago Workforce Investment Council (CWIC) is a non-profit organization created in 2009 to ensure that Chicago has a skilled and educated workforce to keep our businesses, economy, communities, and families healthy and productive. CWIC monitors over \$300 million of public investment in education and workforce training, and coordinates resources to ensure these investments support the overall health of our economy.

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