



CWICstats Dashboard Report 1st Quarter 2012

Highlights in this issue

Featured stats: Selected Statistics from the American Community Survey

- The median income in Chicago and Cook County has steadily declined since 2008 (Figure 1).
- Completed levels of education seem to be trending upwards for both the city and the county (Figure 2, Figure 3).
- In Chicago and Cook County, the Education, Food Service, and Hospitality job sector has demonstrated small growth since 2007 while Manufacturing and Construction have declined steadily (Figure 4).
- Home values in both the city and the county continued to decline each year since 2007, although it took until 2009 for total new housing units to start decreasing (Figure 5).
- Poverty rates for Chicago, Cook County, and Illinois climbed every year from 2007 until 2010. Chicago has had the highest rate out the three regions in each year (Figure 6).

Labor force measures	Current time period	How current compares to prior time period:	
		Immediately prior	One year prior
Chicago labor force measures	February 2012	January 2012	February 2011
Total in labor force	1,254,443	↑ 1,249,584	↑ 1,241,073
Total employment	1,131,719	↑ 1,116,571	↑ 1,110,343
Total unemployment	122,724	↓ 133,013	↓ 130,730
Cook County labor force measures	February 2012	January 2012	February 2011
Total in labor force	2,572,680	↑ 2,558,785	↑ 2,543,561
Total employment	2,339,802	↑ 2,308,485	↑ 2,295,608
Total unemployment	232,878	↓ 250,300	↓ 247,953
Unemployment rates	February 2012	January 2012	February 2011
Chicago	9.8%	↓ 10.6%	↓ 10.5%
Cook County	9.1%	↓ 9.8%	↔ 9.1%
Illinois	9.4%	↓ 9.9%	↓ 9.9%
United States	8.7%	↓ 8.8%	↓ 9.5%
Cook County unemployment insurance	January 2012	December 2011	January 2011
Initial unemployment claims	25,954	↓ 27,874	↓ 28,626

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.

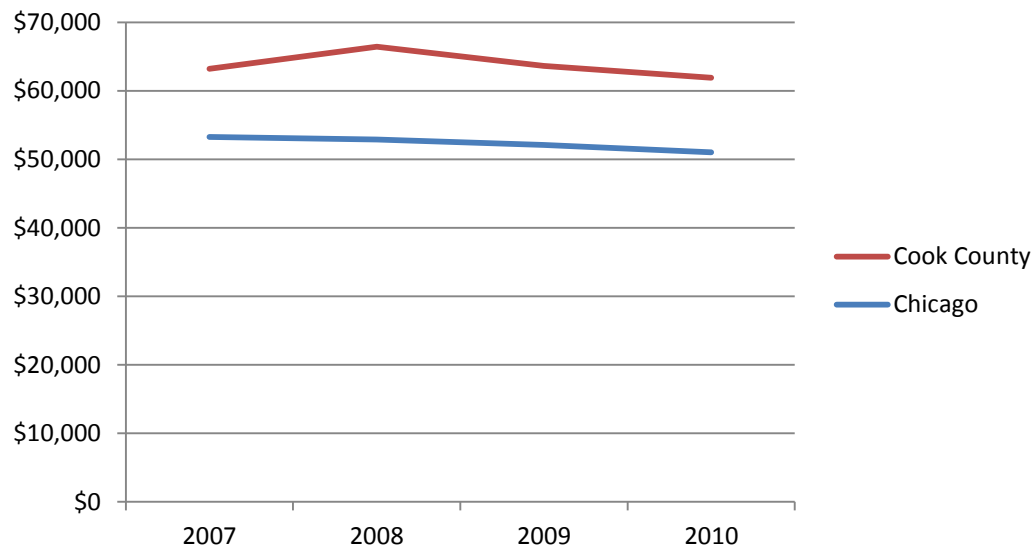


Featured stats:
Selected Statistics from Chicago and Cook County
American Community Survey 2007 - 2010

The data presented in this section are derived from the American Community Survey, which is conducted every year by the U.S. Census Bureau. The American Community Survey has strict methodological rules that inform the development of their sample estimates, but because it is a survey of a sample selected from the U.S. population, it contains sampling error. In practical terms, when reading data derived from a sample, it is important not to over-interpret small differences because the statistics derived from sampled data are estimates only.

Figure 1 shows that the median income for Chicago residents is approximately \$10,000 less than that of Cook County residents. Additionally, when viewed over time, the overall trend in median income values for both Chicago and Cook County is downward. The median income in the city of Chicago showed decreases in all four years (2007 through 2010) while the Cook County median income increased in 2008, and decreased in 2009 and 2010.

Figure 1: Median Family Income for Chicago and Cook County, 2007-2010



Note: These values are inflation adjusted for 2010 using the Personal Consumption Expenditure

The racial composition of Chicago was slightly different than the racial composition of Cook County when compared across 2008, 2009, and 2010. Whites make up about 10% more of the population of Cook County when compared to Chicago, while blacks make up about 10% more of Chicago. Additionally, there are fewer Hispanics in Cook County than in Chicago.

Figure 2: Chicago and Cook County Population by Race/Ethnicity, 2008-2010

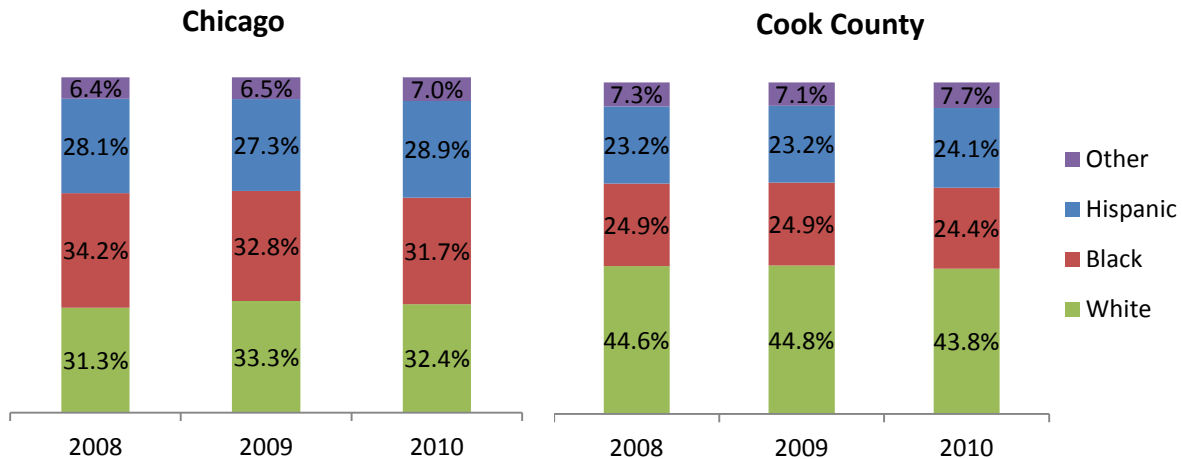


Figure 3 indicates that between 2007 and 2010 there is a negative trend in both the percentages of persons who reported less education than a high school diploma and in those who hold a high school diploma or GED in both Chicago and Cook County. A negative trend for these data indicating lower levels of educational attainment is a positive finding because, as Figure 1 shows, it signifies people are completing higher levels of education. In a geographical comparison, the residents of Cook County reported fewer people with less than high school credentials when compared to their city counterparts. These statistics are generally consistent with the national statistics that indicate that suburban areas surrounding large cities usually have higher completed levels of education.

Figure 3: Chicago and Cook County Population (age 25 years or more), By Levels of Educational Attainment 2007-2010

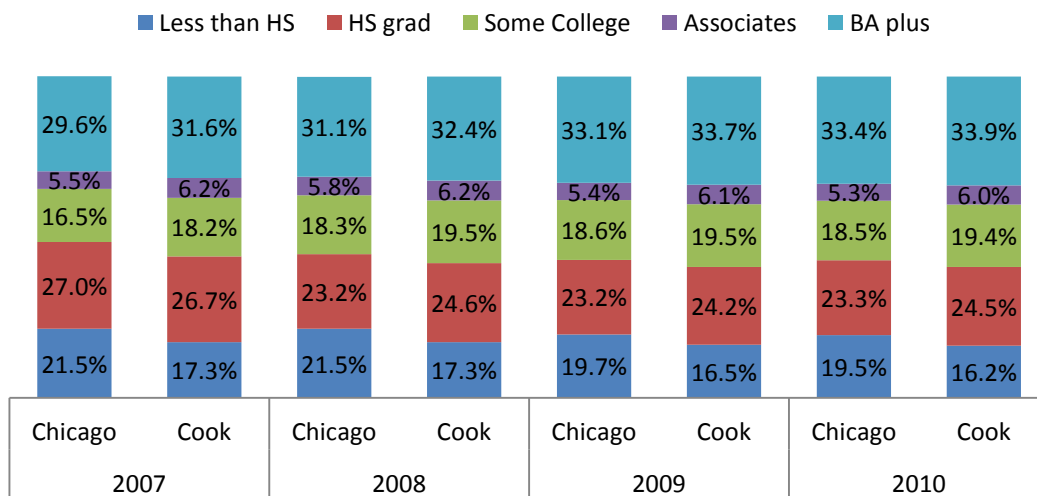
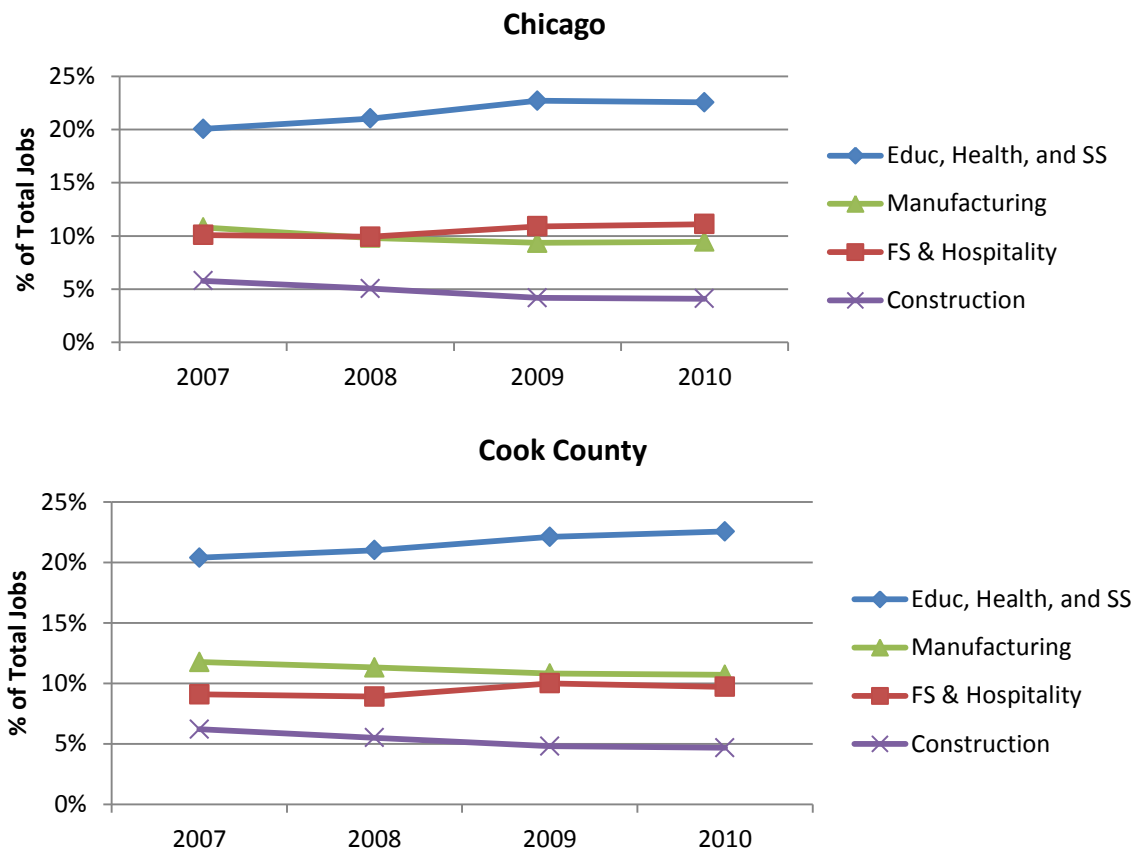


Figure 4 shows the percentage of total jobs in Chicago and Cook County in four different industries from 2007 to 2010. In both the city and the county, the percentage of jobs in Education, Health, and Social Services increased from 2007 to 2009 and either leveled off or slightly decreased in 2010. The Food Services and Hospitality workers in Chicago and Cook County remained stable at 10% and 9% in 2007 and 2008, increased one percentage point in 2009, and remained stable in 2010.

The percentage of Manufacturing jobs in Chicago demonstrated a decline from a high of 11% in 2007 to a low of 9.3% in 2009, stabilizing at 9.5% in 2010. These reported decreases are relatively small in absolute numbers, but indicate an overall downward trend in Manufacturing in Chicago during these years. In Cook County, the percentage change in Manufacturing during these years was also small, but still trended downward from a high of 11.7% in 2007 to 10.7% in 2010.

The percentage of jobs in Chicago and Cook County in Construction remained a small part of the overall workforce and declined during the years examined. Construction represented approximately 6% of both the Chicago and County workforce in 2007. This percentage declined every year through 2010, when it measured 4.1% in the city and 4.7% in the county.

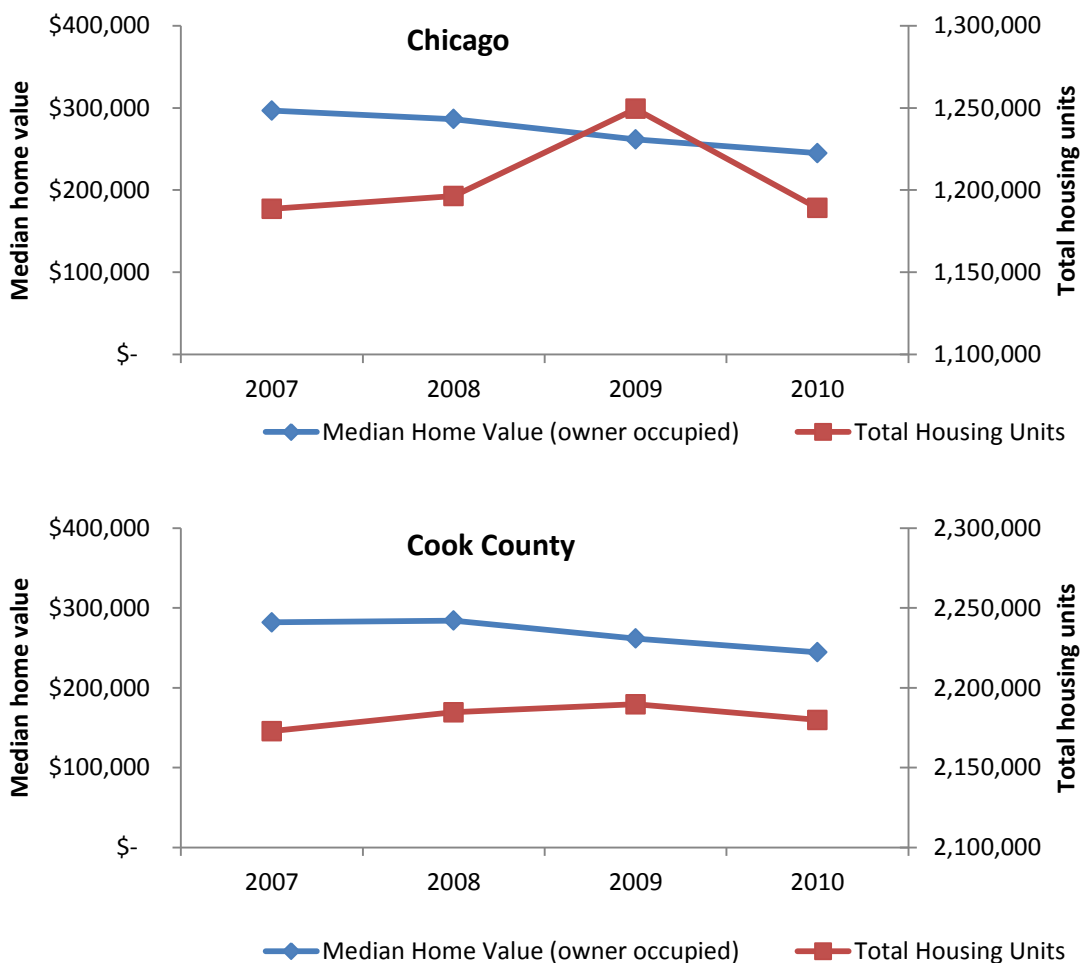
Figure 4: Selected Job Categories as a Proportion of All Jobs in the Region, 2007-2010



The effects of a weakened national economy on local home values are shown clearly in Figure 5. In Chicago, the median value of owner-occupied homes declined every year, beginning at \$297,000 in 2007 and ending at \$245,000 in 2010. Cook County median owner-occupied home values also declined. In 2007, the median home value in Cook County (\$281,000) was less than in Chicago (\$297,000), but by 2010 the two values converged to \$245,000 in Chicago and \$244,000 in Cook County.

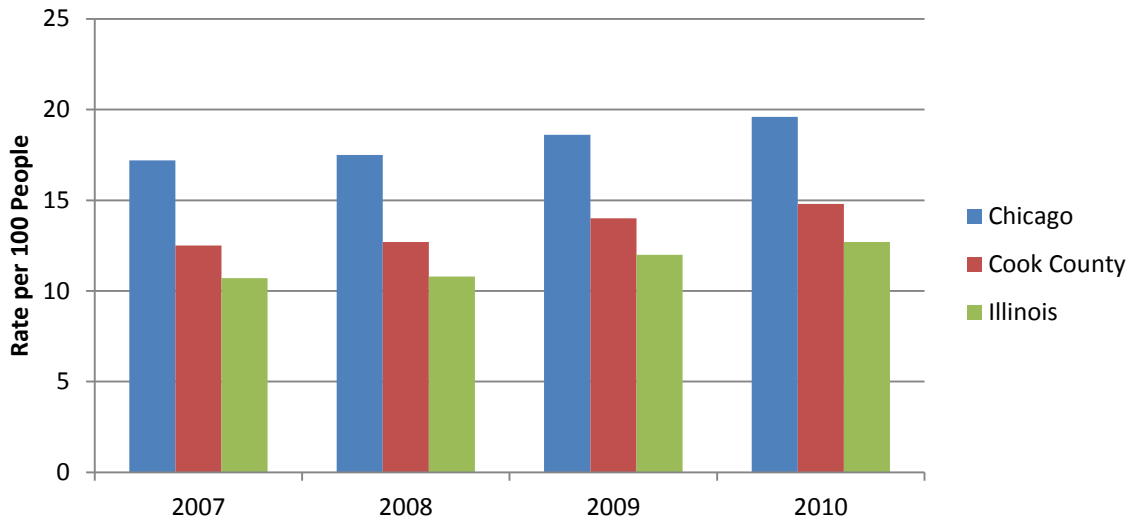
In 2007, there were just over one million housing units in Chicago and just over two million in Cook County. In both areas, the number of housing units increased from 2007 to 2009 and then declined in 2010. The number of units in Cook County increased by about 5,000 between 2008 and 2009, which was followed by a decrease of about 9,800 units in 2010. In Chicago, there was an increase of about 53,000 housing units from 2008 to 2009, followed by a decrease of about the same amount in 2010. The additional housing units in 2009 were built with the same amount of investment, but into a product that was declining in value. The continued investment in housing units and the decrease in the value of housing units graphically depict the beginning of the housing crisis in the Chicago-Cook County area.

Figure 5: Chicago and Cook County Home Values and Housing Units 2007-2010



According to the 2010 U.S. Census Bureau, a family of four was considered to be living below the poverty line when their income was less than \$22,314. One result of contraction in the American economy was an increase in the number of people living in poverty. Chicago, Cook County, and the state of Illinois are no exceptions to this trend. Figure 6 shows that the rate of people living below the federal poverty level steadily increased every year (2007-2010). The city of Chicago consistently had higher poverty rates than either Cook County or the state of Illinois for the years examined. Additionally, Cook County measured higher poverty rates than Illinois for the same time period.

Figure 6: Poverty Rate (ages 18-64)



The distribution of a language other than English spoken at home in Chicago and Cook County were similar and changed little during the period of time under review (2007-2010). Table 1 shows that approximately two-thirds of residents in Chicago and Cook County speak English only and one-third speak some other primary language. Of those whose primary language was not English, there were slightly more residents of Chicago who reported speaking English “very well,” when compared to residents of Cook County. Additionally, there may be a downward trend in the percentage of Chicago non-English speaking residents who reported speaking English “very well” (17.5% in 2007 to 16.3% in 2010). This same category of residents in Cook County remained around 15-16% for all 4 years.

Table 1: Primary Language Spoken at Home (Ages 5 and older) 2007-2010

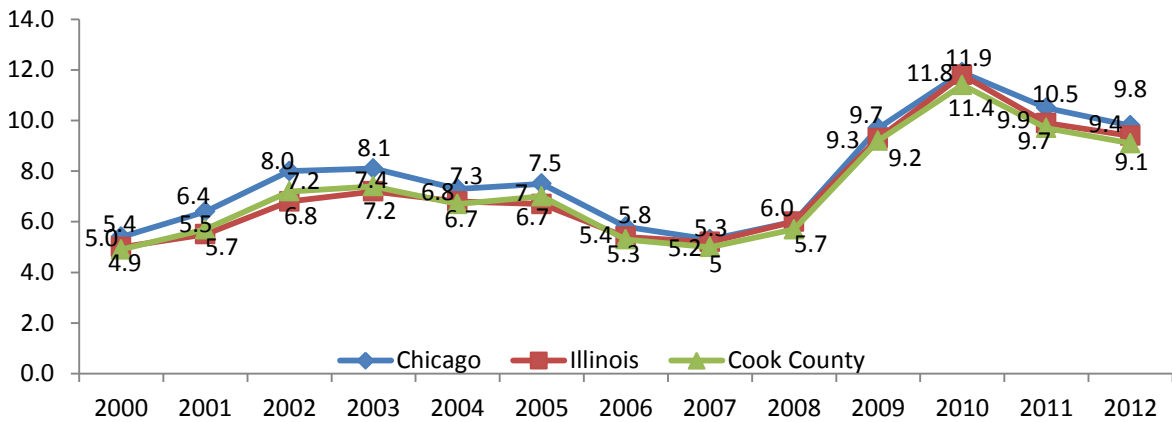
% Other than English:	2007	2008	2009	2010
Chicago	36.1	36.0	34.3	35.2
Cook County	33.7	34.1	33.4	34.2
For “other” population, % that speak English “very well”:				
Chicago	17.5	17.2	15.7	16.3
Cook County	15.8	15.5	15.1	15.5



Job stats

The unemployment rate during February of 2012 decreased to about the same levels reported in 2009 in Chicago, Cook County, and Illinois. During this first quarter of 2012, Chicago had the highest unemployment rate, followed by the state, and then the county.

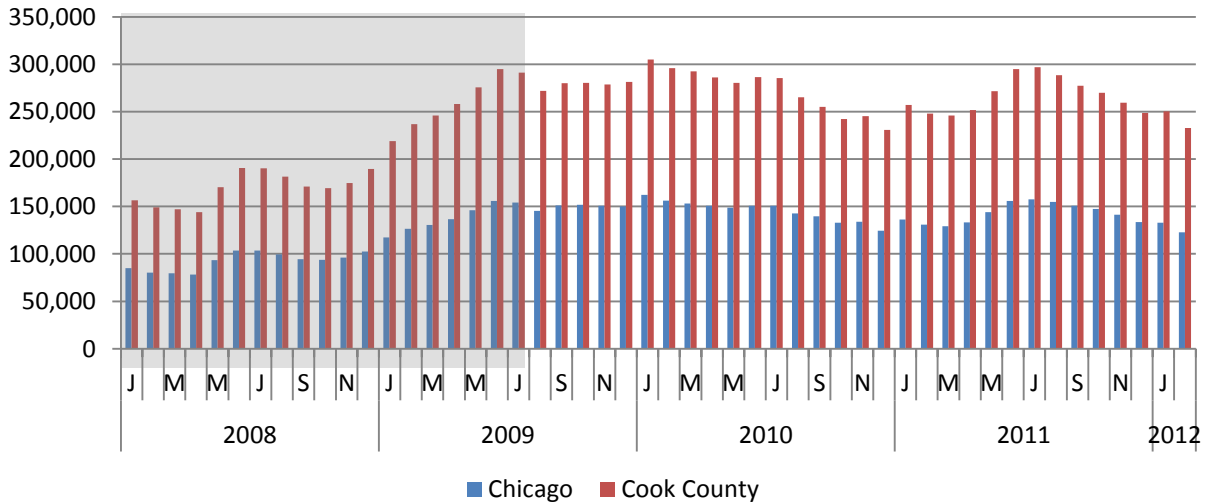
Figure 1: Chicago, Cook County, and Illinois Unemployment Rates for the Month of February, 2000-2012



Source: IDES, not seasonally adjusted

The number of unemployed persons in Chicago and Cook County decreased from June 2011 until the end of the year, a similar trend that continued during the first months of 2012. These data show a reversal of the trend that shaped the beginning months of 2011.

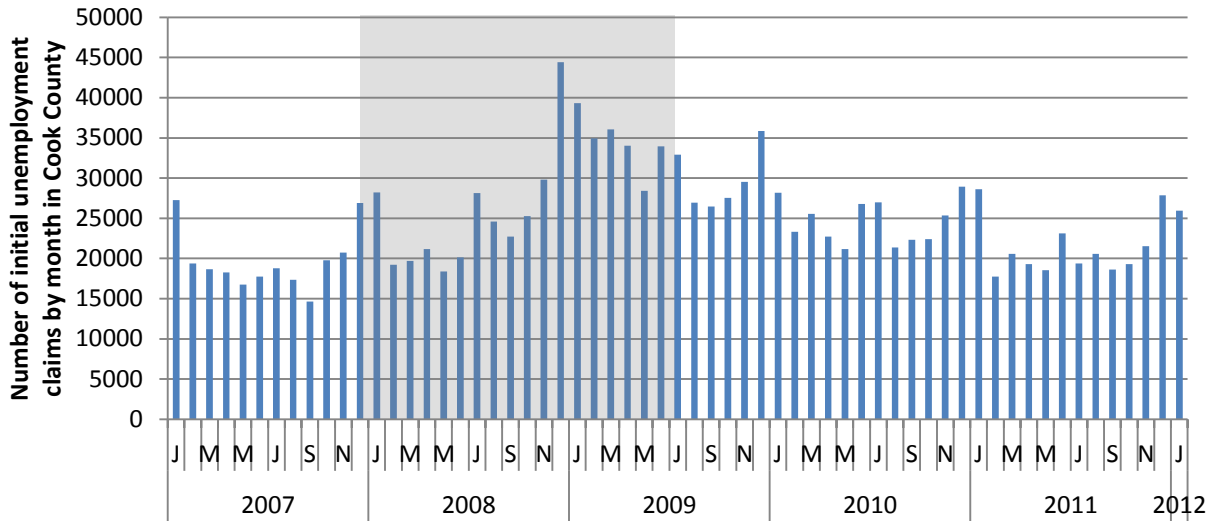
Figure 2: Number of Unemployed in Chicago and Cook County 2008-2012



Source: IDES, not seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

The number of initial unemployment insurance claims in Cook County climbed to 27,874 in December 2011 and 25,954 in January 2012. However, the number of claims in these two months is lower than the number reported at the same time period about twelve months before.

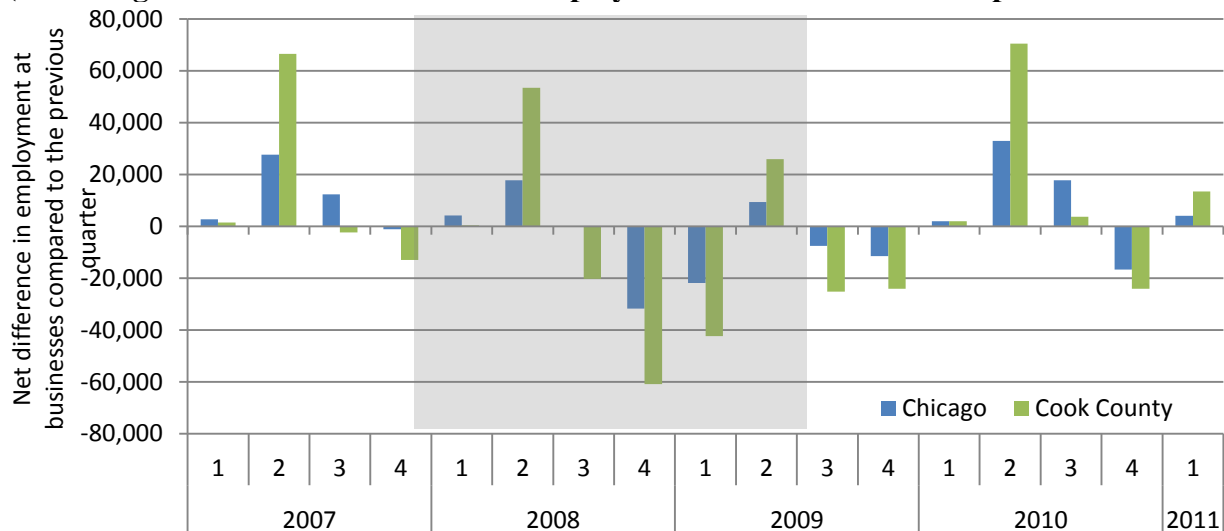
Figure 3: Initial Unemployment Insurance Claims in Cook County 2007-2012



Source: IDES, not seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

During the first quarter of 2011, both Chicago and Cook County gained jobs, 4,085 and 13,479 respectively. The job growth in Cook County during 1st quarter of 2011 was the best 1st quarter growth since the beginning of 2007. The same is true for Chicago the one exception of the first quarter in 2008.

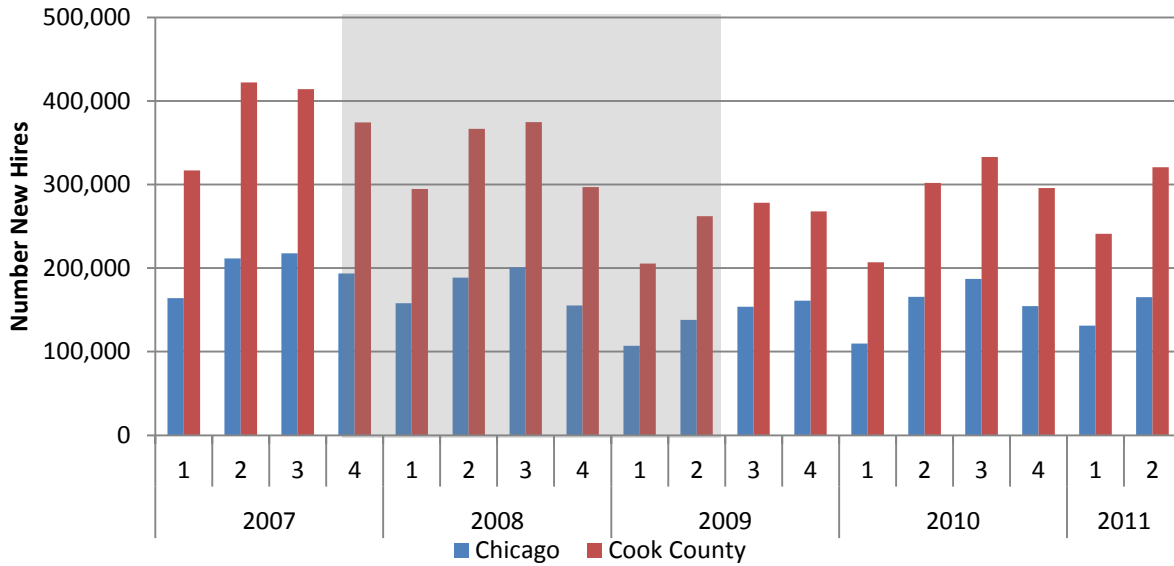
Figure 4: Chicago and Cook County Job Flow by Quarter 2007-2011
(the change in the absolute number of employees at businesses from one period to the next)



Source: IDES, not seasonally adjusted. Note: There is a one-year lag in the data for job flow. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

During the 2nd quarter of 2011, the number of new hires in the city and the county increased to about 165,000 and 321,000, respectively.

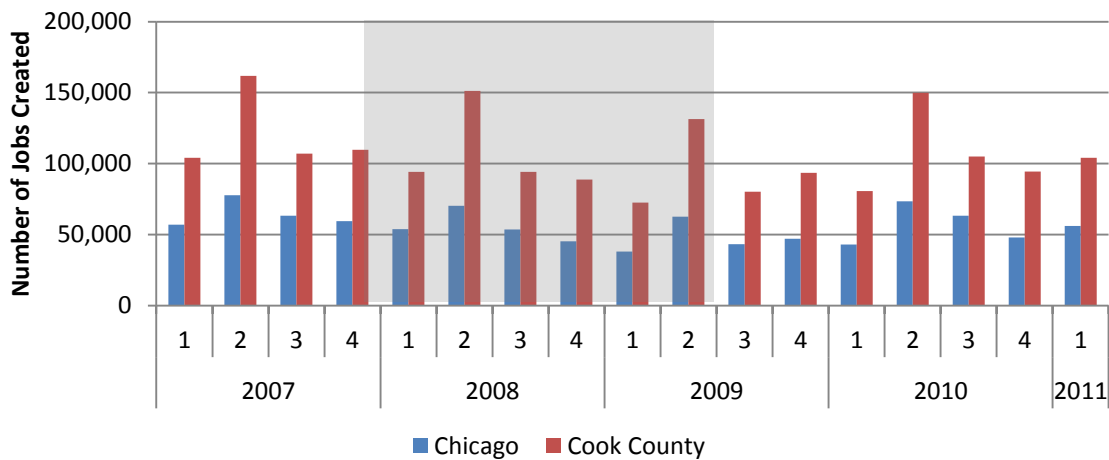
Figure 5: Chicago and Cook County new hires by quarter 2007-2011



Source: IDES not seasonally adjusted. Note: There is a one-year lag in the data for new hires. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

The 4th quarter of 2010 was very similar to that of the year before. The 1st quarter of 2011 experienced more job creation compared to the first quarter the year before.

Figure 6: Job Creation in Chicago and Cook County by Quarter 2007-2011

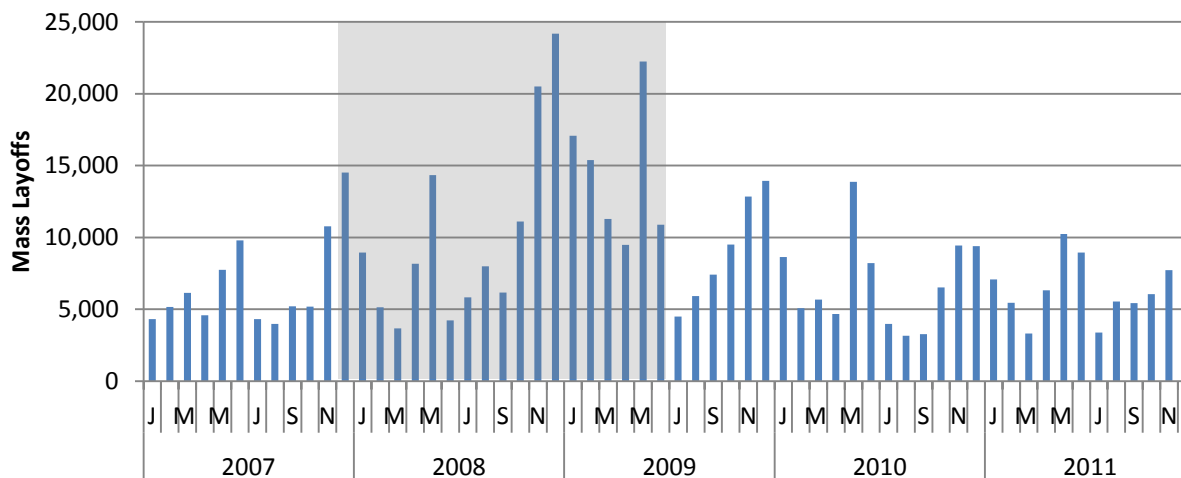


Source: IDES not seasonally adjusted. Note: there is a one-year lag in the data for job creation. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

Business stats

In Illinois, mass layoffs were more than 10,000 during December 2011, up from 7,724 in November and 6,057 in October of the same year. The final figure in 2011 is a jump from the number of mass layoffs in the last month of 2010.

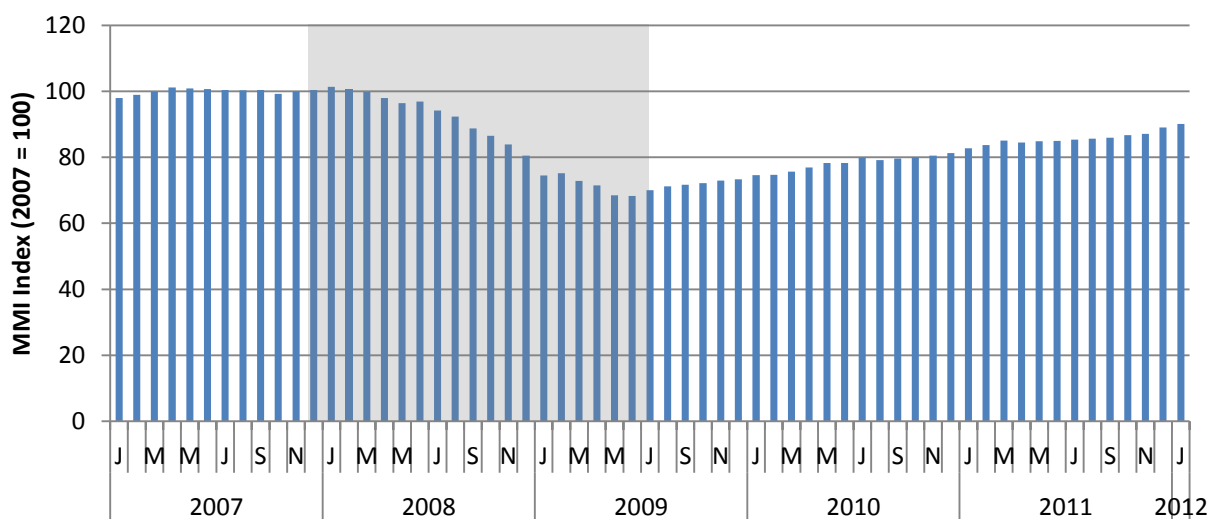
Figure 1: Workers Separated in Extended Mass Layoffs in Illinois 2007-2011
(layoffs that included at least 50 separations and lasted more than 30 days, excluding government and agriculture)



Source: IDES, not seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

The statistics derived from the Midwest Manufacturing Index, which measures industrial activity, has been on a steady rise since May 2009. Nevertheless, it has not yet reached the 2007 pre-recession level.

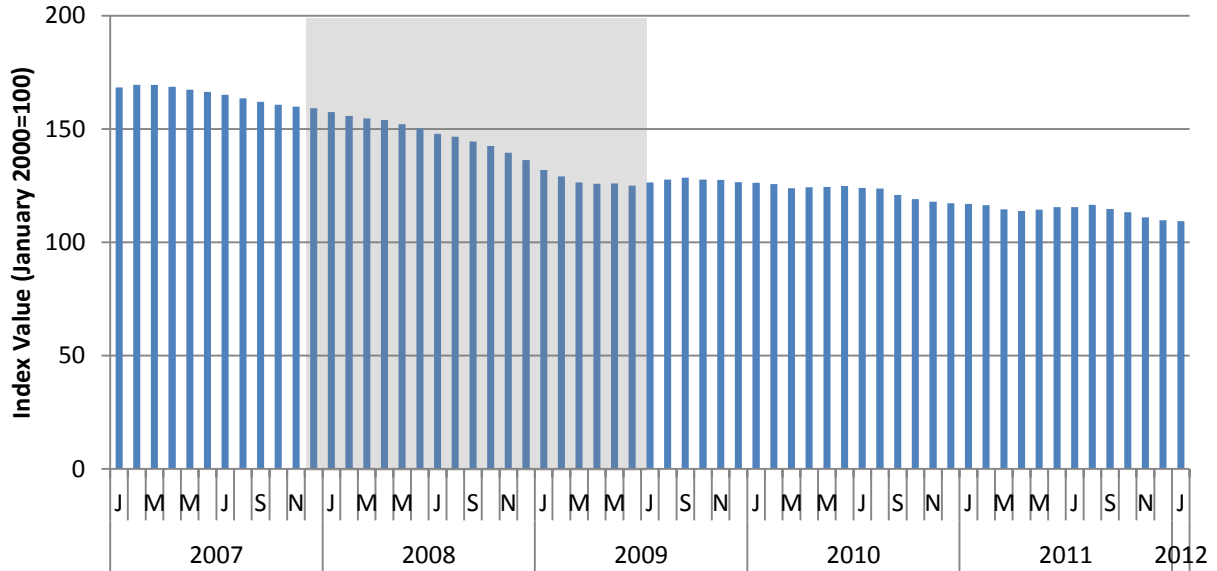
Figure 2: Midwest Manufacturing Index 2006-2012



Source: Federal Reserve Bank of Chicago, seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

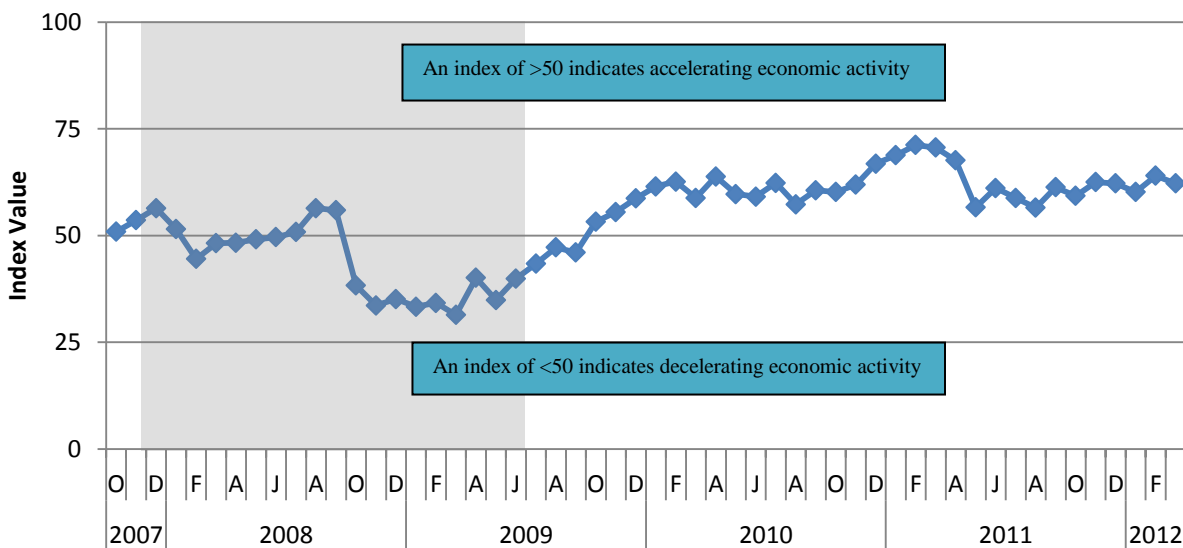
The Case-Shiller Home Price Index for the Chicago Metro Area continues to report decreasing values of residential home values in January 2012, a decline that started in March of 2007.

Figure 3: Chicago Area Case-Shiller Home Price Index 2007-2012



The ISM-Chicago Business Survey, a regional view of the national economy, is a time-tested, market-moving report. The Chicago Business Barometer, summarizing current business activity, is also known as Chicago Purchasing Manager Index, and is considered to be a leading indicator of the US economy. The March Chicago Business Barometer paused after February's ten month high. While slowing, the Chicago Business Barometer marked its fifth month above 60, a 2-1/2 year period of expansion and improved trend data.

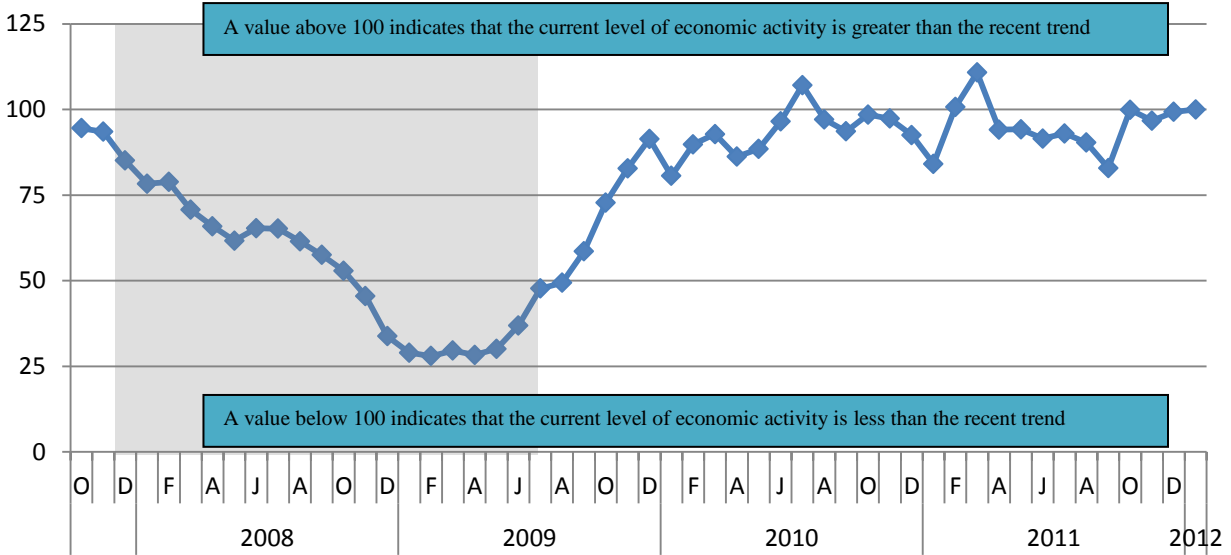
Figure 4: Chicago Business Barometer 2008-2012



Source: Institute of Supply Management-Chicago, seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

The University of Illinois' business activity index was reported as 100 in the first month of 2012, continuing the upward trend that began in November 2011. The level is at the highest point since a spike in March of 2011, although a continued increasing trend would be the first since the end of the NBER-dated recession.

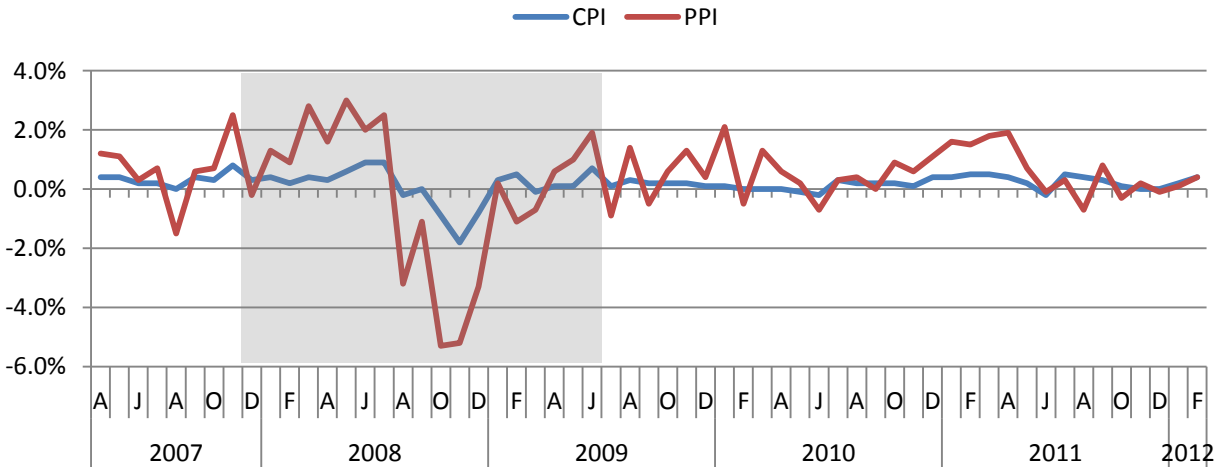
Figure 5: Chicago Business Activity Index 2008-2012



Source: University of Illinois Regional Economic Analysis Laboratory (REAL), seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

The CPI and the PPI converged during the beginning months of 2012, showing almost no growth or decline in December of 2011, and then starting to grow in the first two months of 2012 (0.4% in February). The growth indicated during the beginning of 2012 is relatively low, but could be the beginning of more consistent inflation as we grow out of the recession.

Figure 6: Consumer Price Index and Producer Price Index, Monthly Inflation 2007-2012



Source: Bureau of Labor Statistics, seasonally adjusted. The NBER-dated recession from December 2007 to June 2009 is shaded in gray.

Definitions, Sources, and Notes

Employment Data

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

All data are from the 2007 through 2010 American Community Survey, which is conducted by the Census Bureau each year. In order to access the data, we used the American FactFinder website, which is run by the U.S. Census Bureau.

- **American Community Survey** is an ongoing survey produced by the Census Bureau that provides data every year for a representative sample of the country and local areas.
- **Sampling error** is an interval of the highest and lowest value of the given estimate, when taking into account that only a sample of the population was used to gather the data.
- **Educational Attainment** is the highest level of education achieved by the respondent. We collapsed the categories to include Less than a High School diploma, Graduated High School, At Least Some College (including Associates' degrees), and At Least a Bachelor's Degree.
- **Median Family Income** is the median income of all the members of a family, which is defined as the head of household and the groups of persons related to the head of household.
- **Poverty Rate** is the number of people, per 100, that are defined as living below the poverty threshold. The poverty threshold is determined by certain standards that vary by family size and composition, set by the Social Security Administration.

Job stats

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 **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, seasonally adjusted.
- **Home Price Index** is the Case-Shiller Home Price Index published by **Standard and Poor's**. It measures the seasonally adjusted changes in residential home values in 20 Metropolitan areas.
- 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 working for local, national, or multinational firms.

- 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 two-to-three 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.

Financial support for Chapin Hall’s CWICstats Chicago workforce research and data initiative has been provided by the Chicago Workforce Investment Council, The Chicago Community Trust, the Searle Funds at The Chicago Community Trust, The Boeing Company, the Ford Foundation, The Joyce Foundation, The Annie E. Casey Foundation, the Lloyd A. Fry Foundation, and the Steans Family Foundation.

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.

For more information contact CWIC at:
60 West Randolph, Suite 200
Chicago, IL 60601
Tel 312-553-4430



CHICAGO WORKFORCE
INVESTMENT COUNCIL