

Unemployment rate increases to 5.7% in December

January 20 2017 2:27 PM



Largest nonfarm payroll drop of the year

CHICAGO—The Illinois Department of Employment Security (IDES) announced today that the unemployment rate in December inched up +0.1 percentage points to 5.7 percent and nonfarm payrolls decreased by -16,700 jobs over the month, based on preliminary data released by the U.S. Bureau of Labor Statistics (BLS) and IDES. November job growth was revised down to show a decrease of -4,500 jobs rather than the preliminary figure of +1,700 jobs. The downward revision, coupled with the drop in December payrolls kept job growth well below the national average, with Illinois -52,500 jobs short of its peak employment level reached in September 2000.

“Nonfarm payrolls reflect the job market and this kind of drop is troubling, to say the least,” said IDES Director Jeff Mays. “It’s the largest monthly decline we’ve seen this year and the drop was across most sectors.”

“Another month of climbing unemployment numbers that are far from the national average,” said Illinois Department of Commerce & Economic Opportunity Acting Director Sean McCarthy. “Illinois needs structural reforms and a balanced budget to attract new jobs and investment in our state. We cannot repair the damage of losing 11,000 manufacturing jobs, 9,700 construction jobs and 5,800 information and financial activities jobs over the course of just one year without real changes that create growth and opportunity in our economy.”

In December, the two industry sectors with the largest gains in employment were: Financial Activities (+1,600); and Information (+300). The three industry sectors with the largest declines in employment were: Education and Health Services (-5,400); Professional and Business Services (-3,600); and Construction (-3,200).

Over the year, nonfarm payroll employment increased by +28,400 jobs with the largest gains in two industry sectors: Professional and Business Services (+31,600); and Leisure and Hospitality (+11,900). Industry sectors with the largest over-the-year declines in December include: Manufacturing (-11,000), Construction (-9,700), Information (-2,900), and Financial Activities (-2,900). The +0.5 percent over-the-year gain in Illinois is less than the +1.5 percent gain posted by the nation in December.

| | December 2016 | November 2016 | December 2015 * | 3-Month Moving Avg. | Over-the- Month Change | Over-the- Year Change |
|-----------|------------------|------------------|--------------------|---------------------------|------------------------------|-----------------------------|
| Illinois | 5.7% | 5.6% | 6.1% | 5.6% | 0.1 | -0.4 |
| U.S. | 4.7% | 4.6% | 5.0% | 4.7% | 0.1 | -0.3 |
| * Revised | | | | | | |

The state’s unemployment rate is higher than the national unemployment rate reported for December 2016, which increased to 4.7 percent. The Illinois unemployment rate is down -0.4 percentage points from a year ago when it was 6.1 percent.

The number of unemployed workers increased +1.7 percent from the prior month to 374,500, down -6.5 percent over the same month for the prior year. The labor force was little changed over-the-month (-2,500) and grew by +0.3 percent in December over the prior year. The unemployment rate identifies those individuals who are out of work and are seeking employment. An individual who exhausts or is ineligible for benefits is still reflected in the unemployment rate if they actively seek work.

To help connect jobseekers to employers who are hiring, IDES' maintains the state's largest job search engine IllinoisJoblink.com (IJL). IJL recently showed 66,429 resumes were posted and 164,675 help wanted ads were available.

| Industry Title | December* 2016 | November** 2016 | December 2015 | Over the Month Change | Over the Year Change | 3-Month Moving Avg. | Change From Previous 3-Month Mov. Avg. |
|------------------------------------|-------------------|--------------------|------------------|--------------------------------|-------------------------------|------------------------|--|
| Total Nonfarm | 6,002,600 | 6,019,300 | 5,974,200 | -16,700 | 28,400 | 6,015,200 | -6,000 |
| Mining | 9,000 | 9,000 | 9,200 | 0 | -200 | 9,000 | 0 |
| Construction | 208,100 | 211,300 | 217,800 | -3,200 | -9,700 | 211,000 | -1,900 |
| Manufacturing | 565,400 | 566,500 | 576,400 | -1,100 | -11,000 | 566,800 | -500 |
| Trade, Transportation, & Utilities | 1,203,100 | 1,204,300 | 1,198,700 | -1,200 | 4,400 | 1,203,800 | -1,700 |
| Information | 96,300 | 96,000 | 99,200 | 300 | -2,900 | 96,300 | -400 |
| Financial Activities | 377,000 | 375,400 | 379,900 | 1,600 | -2,900 | 376,000 | 500 |
| Professional and Business Services | 947,300 | 950,900 | 915,700 | -3,600 | 31,600 | 950,400 | 700 |
| Educational and Health Services | 910,300 | 915,700 | 906,600 | -5,400 | 3,700 | 913,200 | -900 |
| Leisure and Hospitality | 595,700 | 597,600 | 583,800 | -1,900 | 11,900 | 597,300 | -1,000 |
| Other Services | 256,100 | 257,700 | 254,300 | -1,600 | 1,800 | 256,800 | -800 |
| Government | 834,300 | 834,900 | 832,600 | -600 | 1,700 | 834,700 | 0 |