

Statewide Unemployment Rate Unchanged, Payroll Jobs Down in May

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SPRINGFIELD – The Illinois Department of Employment Security (IDES) announced today that the unemployment rate remained at 7.1 percent, while nonfarm payrolls were down -7,900 in May, based on preliminary data provided by the U.S. Bureau of Labor

Statistics (BLS) and released by IDES. The April monthly change in payrolls was revised from the preliminary report, up slightly from +300 to +1,600 jobs. The April preliminary unemployment rate was unchanged from the preliminary report, remaining at 7.1 percent.

The May payroll jobs estimate and unemployment rate reflects activity for the week including the 12th. The BLS has published \underline{FAQs} for the May payroll jobs and the unemployment rate.

In May, the three industry sectors with the largest over-the-month gains in employment were: Leisure and Hospitality (+6,300), Manufacturing (+2,000) and Educational and Health Services (+1,900). The industry sectors that reported the largest monthly payroll declines were: Government (-10,000), Construction (-5,600) and Financial Activities (-1,300).

"With the move to Phase 5 last week, Illinois is positioned to fully reopen and restore industries impacted by the Covid-19 pandemic," **said Deputy Governor Dan Hynes.** "IDES will continue to support claimants while focusing on assisting employers and jobseekers to reconnect dislocated workers to the workforce."

"Illinois is on the path to recovery, as evidenced by last week's reopening of all sectors of the economy, and by steady improvements seen by key industries in monthly labor reports this year," **said DCEO Acting Director Sylvia Garcia.** "Under Governor Pritzker's leadership, we are working alongside lawmakers and leaders across numerous industries to lay a strong foundation for a recovery that will support us all. In the coming months, we'll deploy additional economic relief included in the State's recently passed budget that helps heavily impacted industries fully reopen, prepares more individuals to return to work and accelerates a recovery for all our communities."

The state's unemployment rate was +1.3 percentage points higher than the national unemployment rate reported for May, which was 5.8 percent, down -0.3 percentage point from the previous month. The Illinois unemployment rate was down -8.3 percentage points from a year ago when it was at 15.4 percent.

Compared to a year ago, nonfarm payroll employment increased by +390,600 jobs, with gains across most major industries. The industry groups with the largest jobs increases were: Leisure and Hospitality (+137,400), Trade, Transportation and Utilities (+97,000) and Professional and Business Services (+52,500). The industry groups with jobs losses were: Financial Activities (-1,700) and Mining (-200). Illinois nonfarm payrolls were up +7.3 percent over-the-year as compared to the nation's +8.9 percent over-the-year growth in May.

The number of unemployed workers fell slightly from the prior month, a -0.4 percent decrease to 436,800, and was down -53.9 percent over the same month for the prior year. The labor force was up +0.2 percent over-the-month and about unchanged (0.0 percent) over-the-year. The unemployment rate identifies those individuals who are out of work and seeking employment. An individual who exhausts or is ineligible for benefits is still reflected in the unemployment rate if they actively seek work.

In May 2020, Governor Pritzker launched <u>Get Hired Illinois</u>, a new one-stop-shop website to help connect job seekers with hiring employers in real time. The site features virtual job fairs, no-cost virtual training, and includes <u>Illinois Job Link</u> (IJL), the state's largest job search engine, which recently showed 37,834 posted resumes with 123,496 available jobs.

Seasonally Adjusted Unemployment Rates

Illinois Seasonally Adjusted Nonfarm Jobs – by Major Industry

- 1976-2020 seasonally adjusted labor force data for Illinois, and all other states, have been revised as required by the U.S. Bureau of Labor Statistics (BLS). The monthly historical revisions to state labor force estimates reflect new national benchmark controls, state working-age population controls, seasonal factors, as well as updated total nonfarm jobs and unemployment benefits claims inputs. Illinois labor force data were also smoothed to eliminate large monthly changes as a result of volatility in the monthly Current Population Survey (CPS) and national benchmarking. For these reasons, the comments and tables citing unemployment rates in previous news releases/materials may no longer be valid.
- Monthly seasonally adjusted unemployment rates for Illinois and the Chicago-Naperville-Arlington Heights Metropolitan Division are available <u>here</u>.
- Monthly 2016-2020 seasonally adjusted nonfarm payroll employment data for Illinois have been revised. To control for potential survey error, the estimates are benchmarked annually to universal counts derived primarily from unemployment insurance tax reports.
- Not seasonally adjusted jobs data with industry detail are available <u>here</u>. "Other Services" include activities in three broad categories: personal and laundry; repair and maintenance; and religious, grant making, civic and professional organizations. Seasonally adjusted data for subsectors within industries are not available.

About the Department of Employment Security

The Illinois Department of Employment Security (IDES) provides vital employment services to Illinois workers, employers, and job seekers with resources including Job Fairs and Illinois Job Link, analyzes and disseminates actionable Labor Market

Information, and administers the <u>Unemployment Insurance Program</u>. To see the full range of services provided by IDES, and for the latest news concerning the department, visit <u>IDES.Illinois.gov</u>.