

Statewide Payroll Jobs Up Significantly For Second Consecutive Month, Unemployment Rate Down In July

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SPRINGFIELD – The Illinois Department of Employment Security (IDES) announced today that the unemployment rate fell -0.1 percentage point to 7.1 percent, while nonfarm payrolls increased +35,400 in July, based on preliminary data provided by the U.S. Bureau of Labor Statistics (BLS) and released by IDES. The June monthly change

in payrolls was revised from the preliminary report, from +12,500 to +26,100 jobs. The June unemployment rate was unchanged from the preliminary report, remaining at 7.2 percent.

The July payroll jobs estimate and unemployment rate reflects activity for the week including the 12th. The BLS has published <u>FAQs</u> for the July payroll jobs and the unemployment rate.

In July, the three industry sectors with the largest over-the-month gains in employment were: Leisure and Hospitality (+14,200), Educational and Health Services (+7,100), and Professional and Business Services (+4,200). The industry sectors that reported monthly payroll declines were: Financial Activities (-1,700) and Government (-300).

"Today's data is a positive step in the economic recovery of the state, and representative of the resiliency of Illinois workers and businesses," said Senior Advisor Andy Manar. "With federal unemployment programs ending in just under a month, IDES and the state will do what it takes to support workers and their families who need additional assistance as they recover from the pandemic and look to rejoin the workforce."

"As thousands of Illinoisans return to jobs in key sectors, today's report is welcome news and demonstrates that Illinois continues on the path to recovery," said Sylvia Garcia, Acting Director of the Department of Commerce and Economic Opportunity (DCEO)."Still, there is much more work to be done to ensure our hardest hit industries and workers can get back on their feet. That's why, under Governor Pritzker's leadership, this week we launched the \$250 million Back to Business (B2B) economic recovery program, which will offer small businesses in the hardest hit industries and communities grants of \$5,000 to \$150,000 to help offset losses, bring back workers, and take continued steps to rebuild our economy."

The state's unemployment rate was +1.7 percentage points higher than the national unemployment rate reported for July, which was 5.4 percent, down -0.5 percentage point from the previous month. The Illinois unemployment rate was down -4.9 percentage points from a year ago when it was at 12.0 percent.

Compared to a year ago, nonfarm payroll employment increased by +231,100 jobs, with gains across most major industries. The industry groups with the largest jobs increases were: Leisure and Hospitality (+71,500), Professional and Business Services (+52,200), and Trade, Transportation and Utilities (+33,300). The only industry group that reported jobs losses was Financial Activities (-3,800). In July, total nonfarm payrolls were up +4. 2 percent over-the-year in Illinois and +5.2 percent the nation.

The number of unemployed workers was down from the prior month, a -1.3 percent decrease to 437,700, and was down -40.6 percent over the same month for the prior

year. The labor force was up +0.4 percent over-the-month and up +1.0 percent over-theyear. 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 (IJL)</u>, the state's largest job search engine, which recently showed 41,102 posted resumes with 134,900 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 Unemployment Insurance Program. To see the full range of services provided by IDES, and for the latest news concerning the department, visit IDES.Illinois.gov.