



INDIANA
DEPARTMENT OF
WORKFORCE
DEVELOPMENT

Indiana's Employment and Labor Force Estimates

May 2018

06/13/2018



Key Points

- **Indiana's unemployment rate was unchanged over the month at 3.2% for May 2018.** The U.S. rate decreased 0.1% to 3.8%.
- Indiana's rate has decreased 0.3% over the year from May 2017.
- Indiana's Labor Force increased over the month by 15,928; due to an increase in residence employment of 13,269 and an increase in unemployment of 2,659.
- Indiana's Labor Force has increased 30,812 over the year.
- Indiana's Labor Force Participation Rate is at 64.3%. This remains above the U.S. Labor Force Participation Rate which stands at 62.7%.



Key Points

- Indiana's total private employment increased by 1,300 jobs over the month and had gains of 26,600 over the year.
- Indiana private employment now stands at 2,701,800.
- Financial Activities gained 1,300 jobs over the month.
- Trade, Transportation & Utilities gained 1,100 jobs over the month.
- Private Educational & Health Services gained 1,100 jobs over the month.
- Manufacturing gained 1,000 jobs over the month.
- Professional & Business Services lost 900 jobs over the month.
- Construction lost 1,000 jobs over the month.
- Leisure & Hospitality lost 1,900 jobs over the month.



State Time Series Analysis and Review System (**STARS**), sends each state a statistical review of their Labor Force estimates every month. This is a multi-page statistical review of each month's data. This is not published by most states.

Gen4.5 STARS Monthly Estimation Tables, Official Indiana, 2018

Table 1: Year-to-Date Benchmarked Model Estimates

Table 1a: Smoothed Seasonally Adjusted

(SSA Est. appear as the seasonally adjusted in BLS and State official publications and databases)

	Labor Force		Employment		Unemployment		
Month	Level	LFP	Level	EP	Level	Rate	Error Range ⁺
JAN	3,313,103	63.7	3,203,741	61.6	109,362	3.3	2.8- 3.8
FEB	3,315,405	63.7	3,208,242	61.7	107,163	3.2	2.7- 3.8
MAR	3,323,026	63.9	* 3,217,955	61.8	105,071	3.2	2.6- 3.7
APR	**3,335,033	* 64.1	**3,229,231	* 62.0	105,802	3.2	2.6- 3.7
MAY	**3,350,961	**64.3	**3,242,500	**62.2	108,461	3.2	2.7- 3.8



Employed persons (Current Population Survey)

Persons 16 years and over in the civilian noninstitutional population who, during the reference week, (a) did any work at all (at least 1 hour) as paid employees; worked in their own business, profession, or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of the family; and (b) all those who were not working but who had jobs or businesses from which they were temporarily absent because of vacation, illness, bad weather, childcare problems, maternity or paternity leave, labor-management dispute, job training, or other family or personal reasons, whether or not they were paid for the time off or were seeking other jobs. Each employed person is counted only once, even if he or she holds more than one job. Excluded are persons whose only activity consisted of work around their own house (painting, repairing, or own home housework) or volunteer work for religious, charitable, and other organizations.

Unemployed persons (Current Population Survey)

Persons aged 16 years and older who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime 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.

Marginally attached workers (Current Population Survey)

Persons not in the labor force who want and are available for work, and who have looked for a job sometime in the prior 12 months (or since the end of their last job if they held one within the past 12 months), but were not counted as unemployed because they had not searched for work in the 4 weeks preceding the survey. Discouraged workers are a subset of the marginally attached.

Discouraged workers (Current Population Survey)

Persons not in the labor force who want and are available for a job and who have looked for work sometime in the past 12 months (or since the end of their last job if they held one within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

Current Employment Statistics (CES) Compared to Local Area Unemployment Statistics (LAUS)

LAUS (Labor Force by Residence)

- An estimate of employment based on where the employee lives, rather than where they work
- **This is a count of people not jobs**
- Used in calculating the labor force

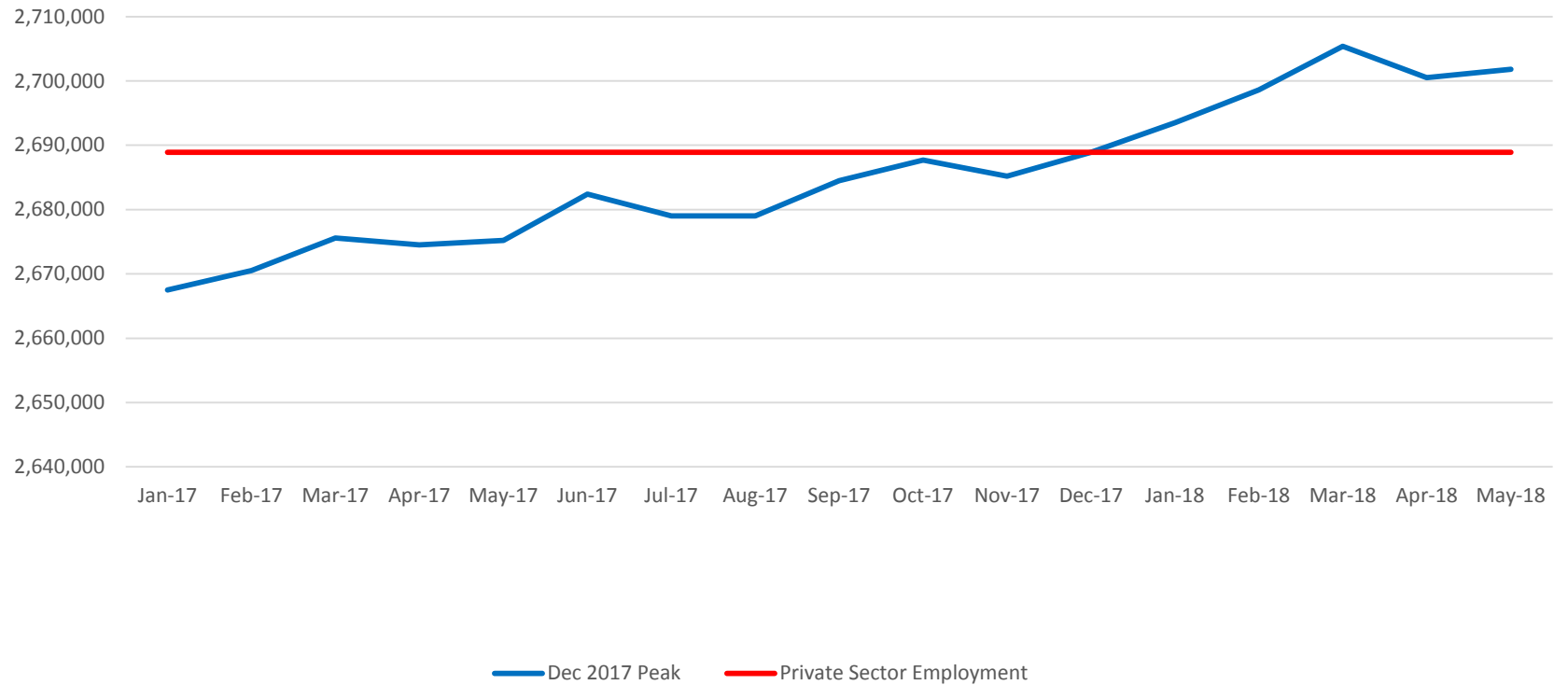
CES (Employment by Job)

- An estimate or count of employment based on the location of the job regardless of the worker's residence
- Also called nonag wage and salary or nonfarm employment
- **This counts jobs, not people**
- Used in Quarterly Census of Employment and Wages (QCEW) , Occupational Employment Statistics (OES) and CES data



May 2018 total private employment is 12,900 above the December 2017 peak.

Indiana Private Sector Employment





May 2018 Indiana private sector employment increased by 1,300 jobs over the month and is up 26,600 over the year. Financial Activities grew by 1,300 and Trade, Transportation and Utilities grew by 1,100 over the month. Leisure and Hospitality declined by 1,900 in May.

IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)

Industry	May 2017	December 2017	April 2018	May 2018	Month Change	Y-to-D Change	Y-to-Y Change
Private Educational & Health Services	467.4	476.7	474.8	475.9	1.1	-0.8	8.5
.....Private Educational Services	63.1	63.8	62.3	63.0	0.7	-0.8	-0.1
.....Health Care & Social Assistance	404.3	412.9	412.5	412.9	0.4	0.0	8.6
Manufacturing	530.5	532.7	535.0	536.0	1.0	3.3	5.5
Professional & Business Services	336.3	337.7	342.3	341.4	-0.9	3.7	5.1
Financial Activities	135.5	135.8	135.6	136.9	1.3	1.1	1.4
Construction	137.8	138.7	143.1	142.1	-1.0	3.4	4.3
Leisure and Hospitality	307.5	306.6	304.9	303.0	-1.9	-3.6	-4.5
Trade, Transportation & Utilities	595.7	598.1	602.8	603.9	1.1	5.8	8.2
.....Trade	451.9	452.4	456.2	457.1	0.9	4.7	5.2
.....Transportation, Warehousing & Utilities	143.8	145.7	146.6	146.8	0.2	1.1	3.0
All Other	164.5	162.6	162.0	162.6	0.6	0.0	-1.9
Total Private	2,675.2	2,688.9	2,700.5	2,701.8	1.3	12.9	26.6
Government (Includes Public Schools & Hospitals)	425.0	426.0	428.8	431.5	2.7	5.5	6.5
Total Nonfarm	3,100.2	3,114.9	3,129.3	3,133.3	4.0	18.4	33.1
United States Total Private	123,994.0	125,294.0	126,118.0	126,336.0	218.0	1,042.0	2,342.0

All Other includes: Mining and Logging, Information, Repair and Maintenance Services, Personal & Laundry Services, Religious, Grant Making, Civic, Professional and Similar Organizations.

Source: Current Employment Statistics, seasonally adjusted



May 2018 estimates show Indiana has gained 378,600 in Private jobs since the July 2009 trough. Manufacturing has accounted for 109,100 of those jobs. Construction has gained 25,600.

IN Statewide Estimates (seasonally adjusted) -- May 2018

Supersector	Private Empl. Peak Dec 2017	Private Empl. Trough July 2009	April 2018	May 2018	Month to Month Change	Change Since Peak	Change Since Trough	% Month to Month Change
Private Educational & Health Services	476.7	411.1	474.8	475.9	1.1	-0.8	64.8	0.2%
.....Private Educational Services	63.8	63.3	62.3	63.0	0.7	-0.8	-0.3	1.1%
.....Health Care & Social Assistance	412.9	347.8	412.5	412.9	0.4	0.0	65.1	0.1%
Manufacturing	532.7	426.9	535.0	536.0	1.0	3.3	109.1	0.2%
Professional & Business Services	337.7	256.9	342.3	341.4	-0.9	3.7	84.5	-0.3%
Financial Activities	135.8	130.7	135.6	136.9	1.3	1.1	6.2	1.0%
Construction	138.7	116.5	143.1	142.1	-1.0	3.4	25.6	-0.7%
Leisure and Hospitality	306.6	276.8	304.9	303.0	-1.9	-3.6	26.2	-0.6%
Trade, Transportation & Utilities	598.1	545.7	602.8	603.9	1.1	5.8	58.2	0.2%
.....Trade	452.4	421.6	456.2	457.1	0.9	4.7	35.5	0.2%
.....Transportation, Warehousing & Utilities	145.7	124.1	146.6	146.8	0.2	1.1	22.7	0.1%
All Other	162.6	158.6	162.0	162.6	0.6	0.0	4.0	0.4%
Total Private	2,688.9	2,323.2	2,700.5	2,701.8	1.3	12.9	378.6	0.0%
Government (Includes Public Schools & Hospitals)	426.0	434.5	428.8	431.5	2.7	5.5	-3.0	0.6%
Total Nonfarm	3,114.9	2,757.7	3,129.3	3,133.3	4.0	18.4	375.6	0.1%
United States Total Private	125,294.0	108,159.0	126,118.0	126,336.0	218.0	1,042.0	18,177.0	0.2%

Source: Current Employment Statistics, seasonally adjusted



May Indiana private sector showed 0.05% growth compared to the national growth of 0.1%. Most Indiana industries showed over the month gains but these were canceled out by losses in Construction and Leisure and Hospitality.

IN Employment Change Compared to the U.S.

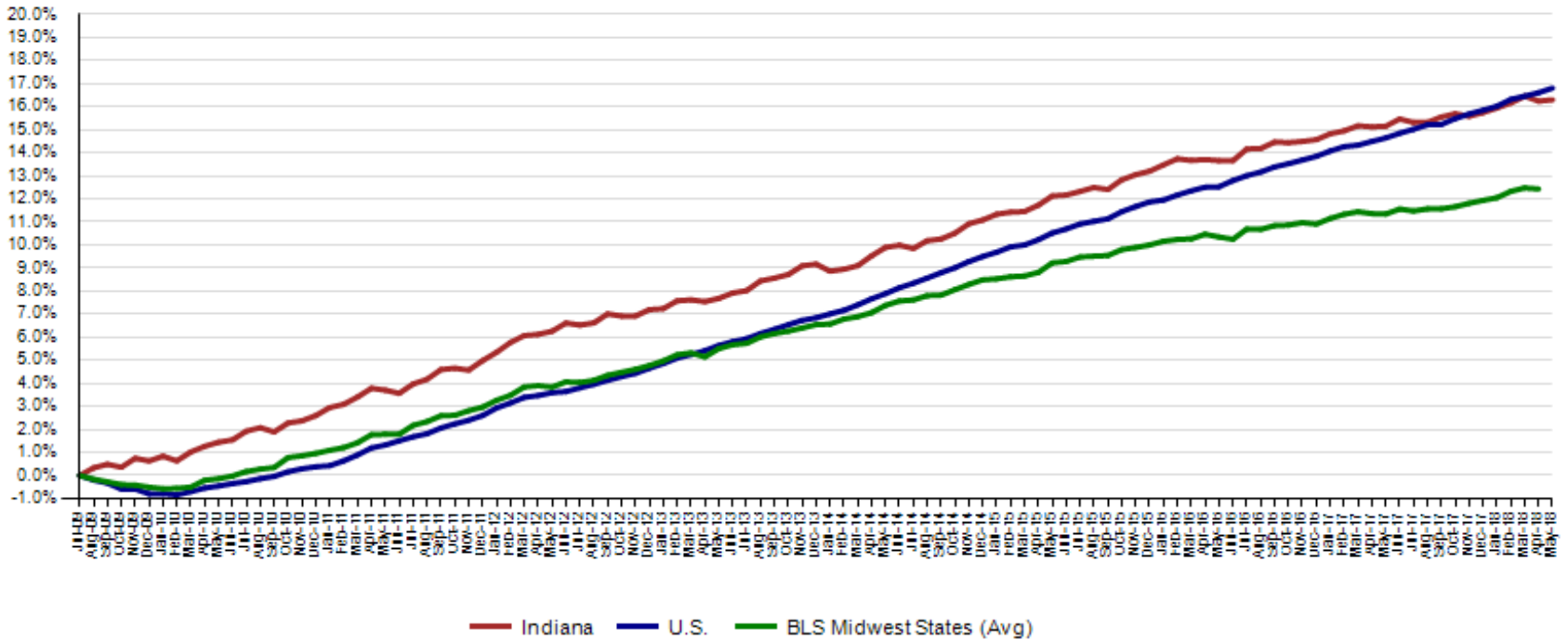
Industry	Indiana Month to Month	U.S. Month to Month	Indiana vs U.S. Change	Indiana Year-to-Date	U.S. Year-to-Date	Indiana vs U.S. Change	Indiana Year-to-Year	U.S. Year-to-Year	Indiana vs U.S. Change
Private Educational & Health Services	0.2%	0.2%	OVER	-0.2%	0.8%	UNDER	1.8%	1.9%	UNDER
.....Private Educational Services	1.1%	0.2%	OVER	-1.3%	0.4%	UNDER	-0.2%	1.3%	UNDER
.....Health Care & Social Assistance	0.1%	0.2%	UNDER	0.0%	0.9%	UNDER	2.1%	2.0%	OVER
Manufacturing	0.2%	0.1%	OVER	0.6%	0.9%	UNDER	1.0%	2.1%	UNDER
Professional & Business Services	-0.3%	0.1%	UNDER	1.1%	1.0%	OVER	1.5%	2.4%	UNDER
Financial Activities	1.0%	0.1%	OVER	0.8%	0.6%	OVER	1.0%	1.5%	UNDER
Construction	-0.7%	0.3%	UNDER	2.5%	2.0%	OVER	3.1%	4.1%	UNDER
Leisure and Hospitality	-0.6%	0.1%	UNDER	-1.2%	0.5%	UNDER	-1.5%	1.6%	UNDER
Trade, Transportation & Utilities	0.2%	0.2%	UNDER	1.0%	0.7%	OVER	1.4%	1.3%	OVER
.....Trade	0.2%	0.2%	OVER	1.0%	0.6%	OVER	1.2%	0.9%	OVER
.....Transportation, Warehousing & Utils	0.1%	0.3%	UNDER	0.8%	1.3%	UNDER	2.1%	2.7%	UNDER
All Other	0.4%	0.2%	OVER	0.0%	0.8%	UNDER	-1.2%	1.5%	UNDER
Total Private	0.0%	0.2%	UNDER	0.5%	0.8%	UNDER	1.0%	1.9%	UNDER
Government (Includes Public Schools & Hospitals)	0.6%	0.0%	OVER	1.3%	0.0%	OVER	1.5%	0.1%	OVER
Total Nonfarm	0.1%	0.2%	UNDER	0.6%	0.7%	UNDER	1.1%	1.6%	UNDER

Source: Current Employment Statistics, seasonally adjusted



Since the low point of employment in July 2009, private sector employment growth for Indiana trails the U.S. growth rate. Indiana is now at 16.3% while the U.S. is at 16.8% through May 2018

Private Sector Job Growth Since the Low Point of Employment in Indiana



Source: Current Employment Statistics, seasonally adjusted



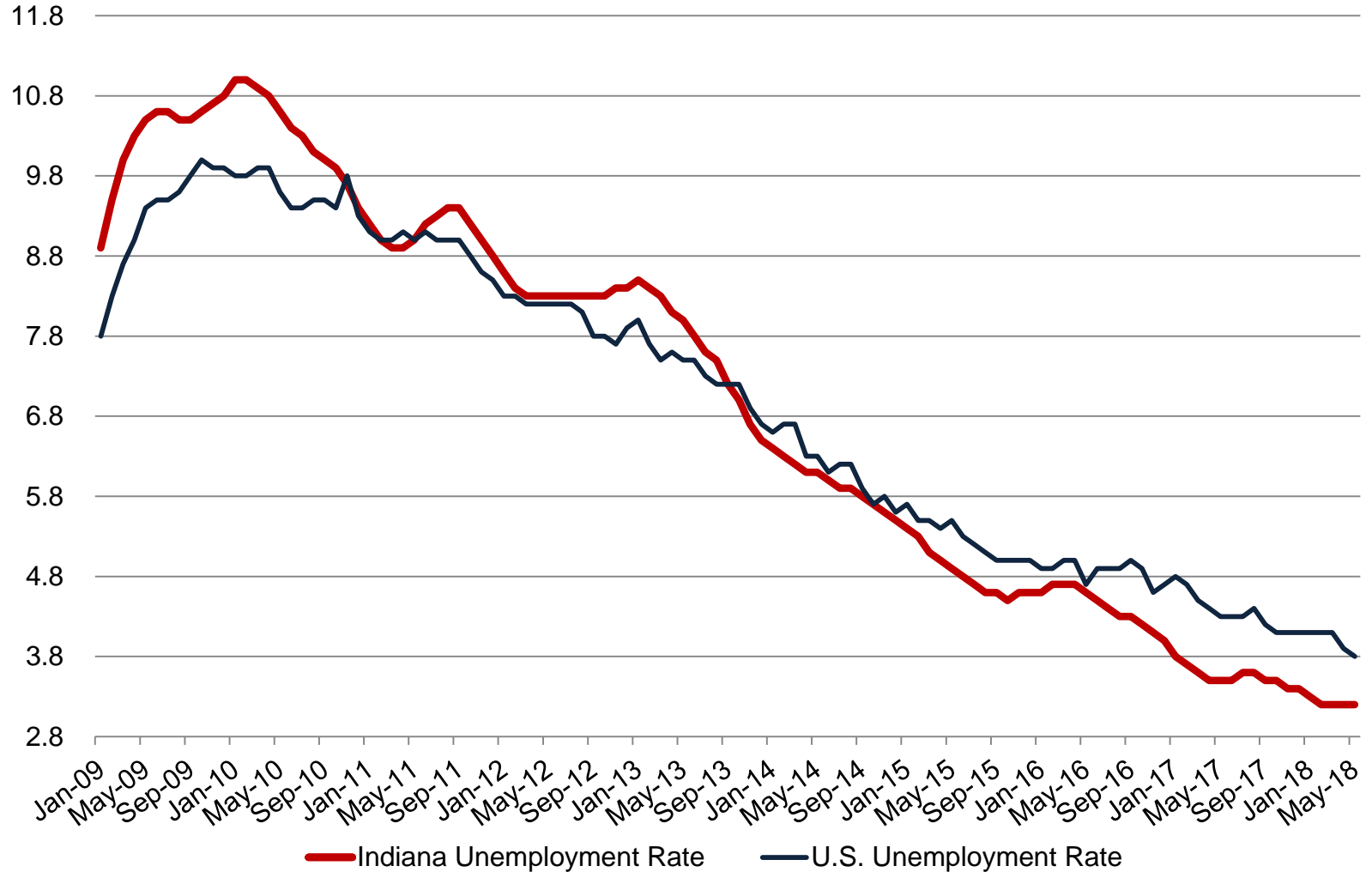
CES April Total Non Farm preliminary estimates were revised up 2,800 jobs. Private employment was revised up by 2,100 jobs. The change from March to April is now a decrease of 2,900 in Total Non-Farm and a decrease of 4,900 in private employment.

Revisions to April 2018 Estimates						
INDUSTRY TITLE	Mar	Apr Prev	Apr Rev	Revision	Chg from Mar	Pre Chg from Mar
Total Nonfarm	3132.2	3126.5	3129.3	2.8	-2.9	-5.7
Total Private	2705.4	2698.4	2700.5	2.1	-4.9	-7.0
Goods Producing	686.9	685.2	684.5	-0.7	-2.4	-1.7
Service-Providing	2445.3	2441.3	2444.8	3.5	-0.5	-4.0
Private Service Providing	2018.5	2013.2	2016.0	2.8	-2.5	-5.3
Construction	146.1	143.8	143.1	-0.7	-3.0	-2.3
Manufacturing	534.7	535.1	535.0	-0.1	0.3	0.4
Trade, Transportation, and Utilities	604.9	602.4	602.8	0.4	-2.1	-2.5
Wholesale Trade	119.2	119.4	119.1	-0.3	-0.1	0.2
Retail Trade	339.0	336.7	337.1	0.4	-1.9	-2.3
Transportation, Warehousing, and Utilities	146.7	146.3	146.6	0.3	-0.1	-0.4
Information	29.0	29.0	29.0	0.0	0.0	0.0
Financial Activities	135.6	135.3	135.6	0.3	0.0	-0.3
Finance and Insurance	99.6	99.3	99.3	0.0	-0.3	-0.3
Real Estate and Rental and Leasing	36.0	36.0	36.3	0.3	0.3	0.0
Professional and Business Services	341.0	339.2	342.3	3.1	1.3	-1.8
Professional, Scientific, and Technical Services	114.7	114.8	115.5	0.7	0.8	0.1
Management of Companies and Enterprises	35.4	35.1	35.2	0.1	-0.2	-0.3
Admin & Support & Waste Mgmt & Remediation Services	190.9	189.3	191.6	2.3	0.7	-1.6
Education and Health Services	475.6	474.6	474.8	0.2	-0.8	-1.0
Educational Services	63.2	62.2	62.3	0.1	-0.9	-1.0
Health Care and Social Assistance	412.4	412.4	412.5	0.1	0.1	0.0
Leisure and Hospitality	306.7	306.0	304.9	-1.1	-1.8	-0.7
Other Services	125.7	126.7	126.6	-0.1	0.9	1.0
Government	426.8	428.1	428.8	0.7	2.0	1.3



Indiana and U.S. Seasonally Adjusted Unemployment Rate

Indiana and Nation trending towards historic lows

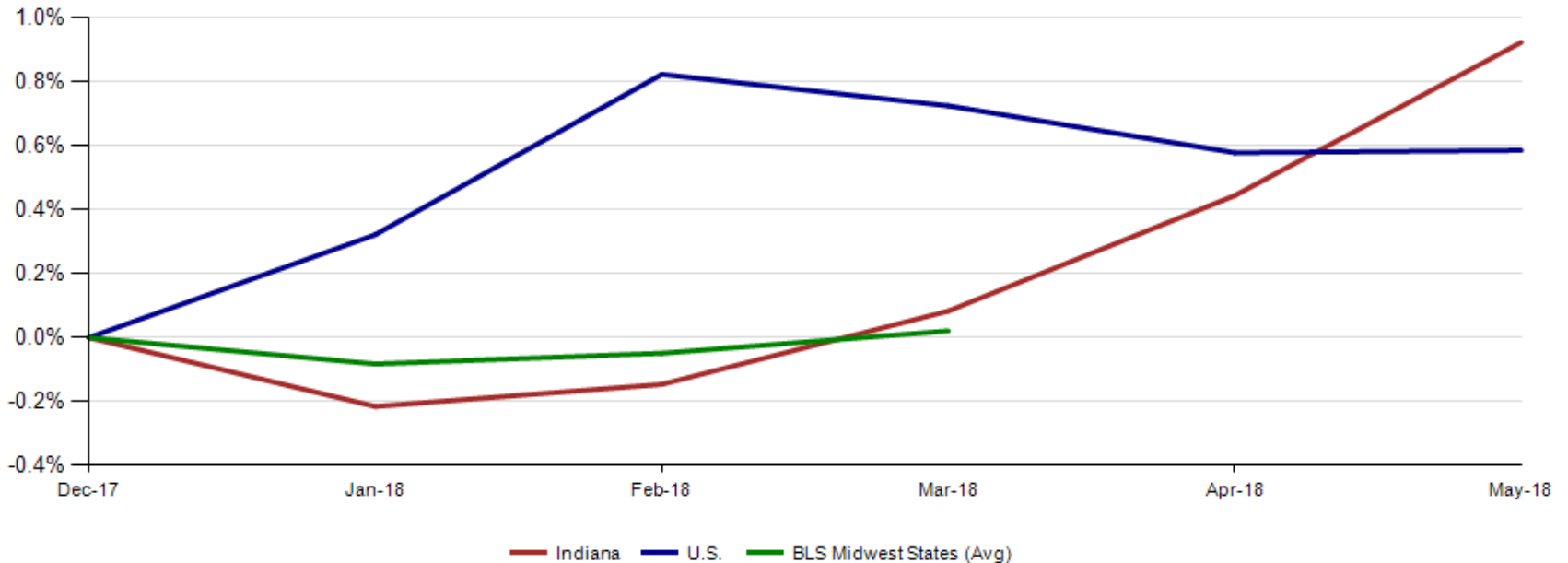


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Indiana's May seasonally adjusted labor force is now at 3,350,961 up 15,928 from April. The number of employed is at 3,242,500 an increase of 13,269 over the month. An estimated 108,461 individuals are currently unemployed and seeking employment.

Labor Force Change Since December 2017 Indiana Peak (seasonally adjusted)



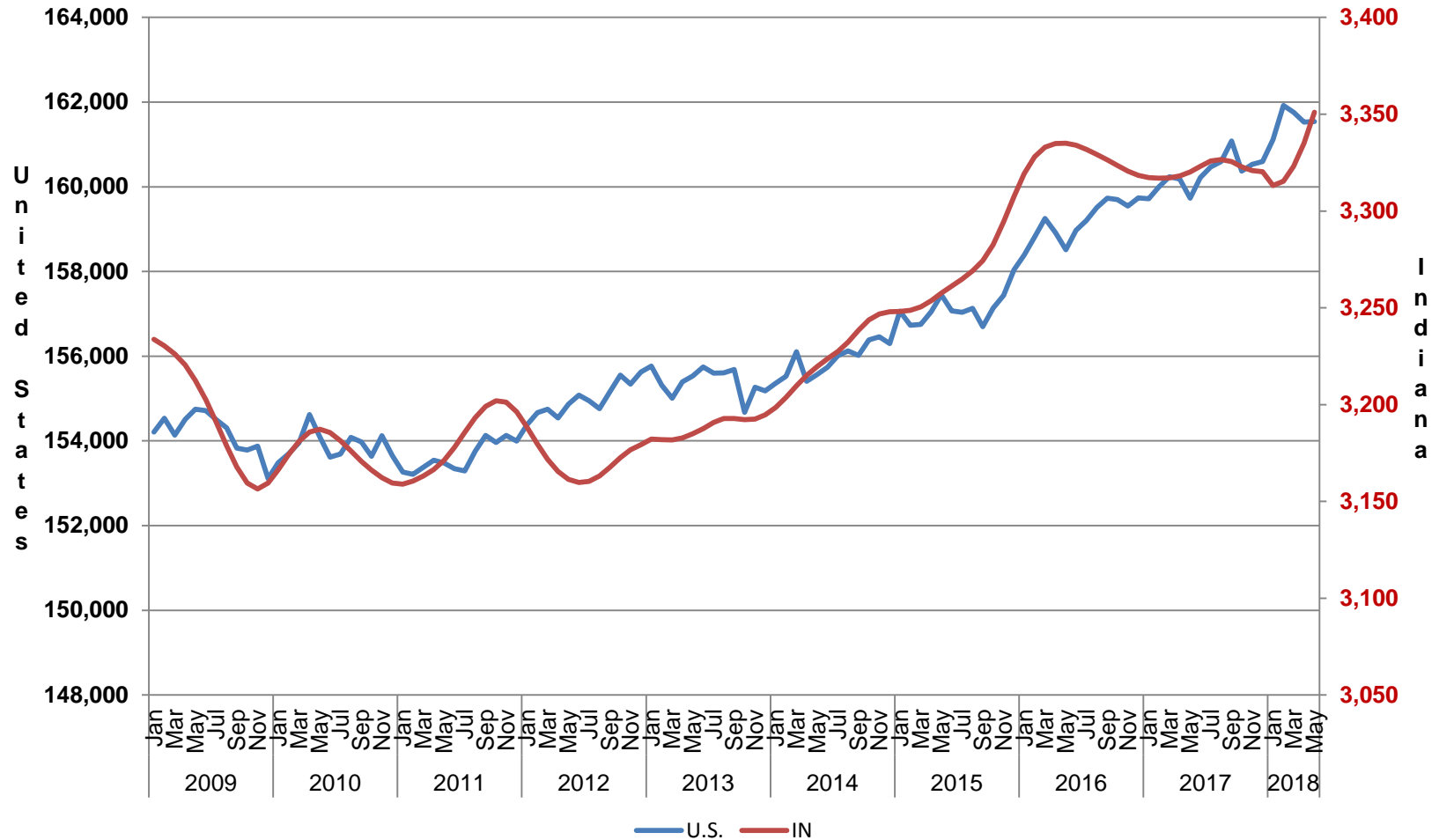


Indiana: Not in Labor Force by Gender and Age June 2017-May 2018

Current Population Survey, Bureau of Labor Statistics (in 1000s)

	Total	Age			Sex	
		16 to 24	25 to 54	55 years	Men	Women
		years	years	and over		
Indiana						
Total not in the labor force	1,843.0	313.9	402.2	1,126.8	745.8	1,097.2
Do not want a job now	1,742.2	281.5	370.0	1,090.7	699.5	1,042.7
Want a job	100.8	32.4	32.2	36.1	46.3	54.5
Did not search for work in previous year	70.7	19.2	21.9	29.6	30.9	39.8
Searched for work in previous year	30.1	13.2	10.3	6.5	15.4	14.7
Not available to work now	6.0	2.4	2.3	1.3	1.8	4.1
Available to work now	24.1	10.8	8.1	5.2	13.6	10.5
Reason not currently looking:						
Discouragement over job prospects	9.4	2.9	4.1	2.5	7.4	2.0
Reasons other than discouragement	14.7	8.0	4.0	2.8	6.2	8.5

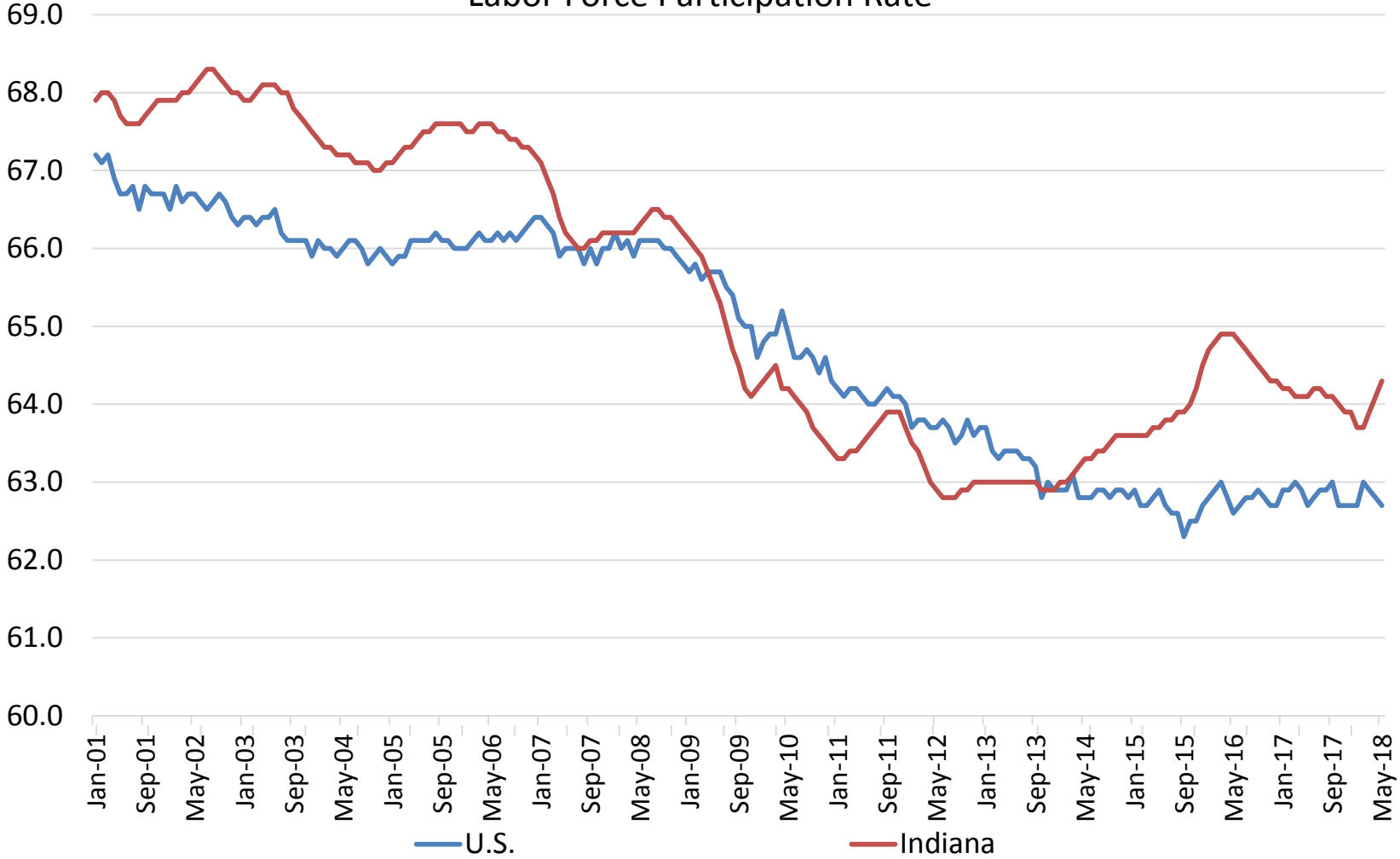
Indiana & U.S. Labor Force, 2007-2018 (in 1000s)





The May Indiana labor force participation rate is at 64.3% and the U.S. rate is at 62.7%.

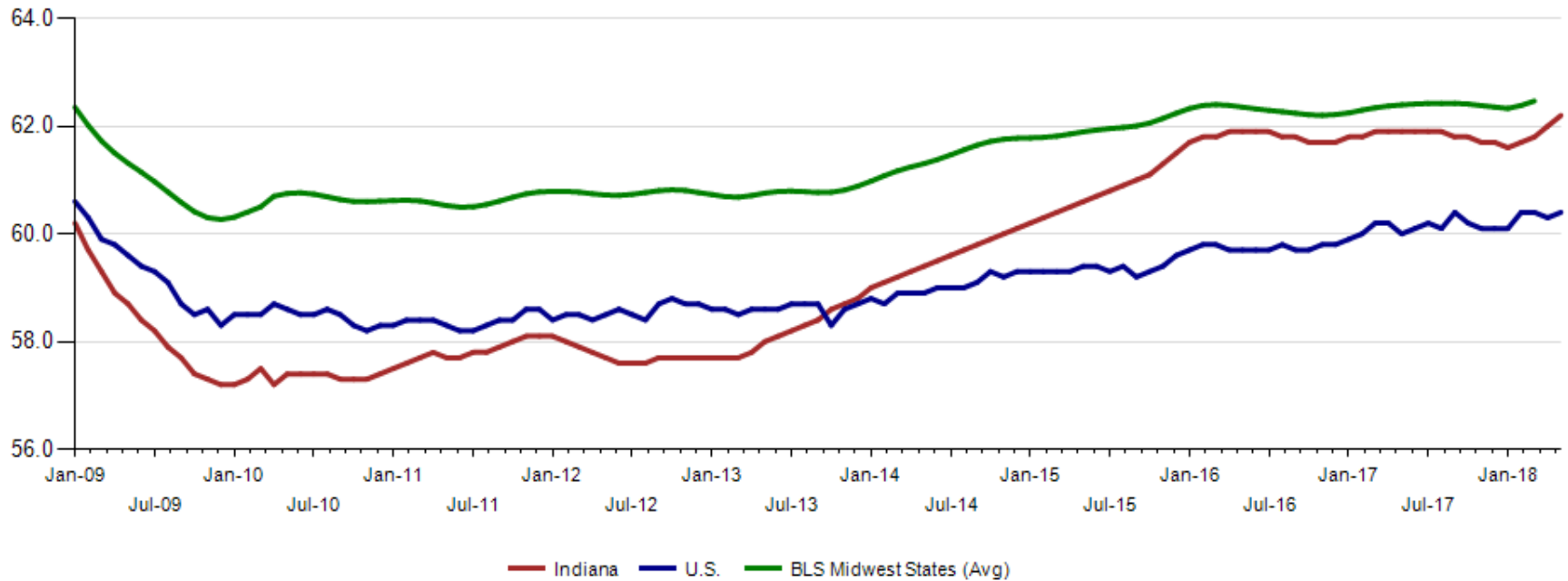
Labor Force Participation Rate





Indiana's employment to population rate for May 2018 is 62.2%. The May U.S. employment to population rate is 60.4% and the Midwestern states employment to population is at 62.5%. (April)

Employment to Population Ratio (seasonally adjusted)





Midwest Comparison Rates: Seasonally Adjusted Over the Year and Over the Month (**confidential and preliminary**)

	May 2017	April 2018	May 2018	Monthly change	Yearly change
Indiana	3.5%	3.2%	3.2%	0.0%	-0.3%
U.S.	4.3%	3.9%	3.8%	-0.1%	-0.5%
Illinois	4.9%	4.4%	4.3%	-0.1%	-0.6%
Kentucky	5.1%	4.0%	4.1%	0.1%	-1.0%
Michigan	4.4%	4.7%	4.6%	-0.1%	0.2%
Minnesota	3.5%	3.2%	3.1%	-0.1%	-0.4%
Ohio	5.1%	4.3%	4.3%	0.0%	-0.8%
Wisconsin	3.3%	2.8%	2.8%	0.0%	-0.5%

*2017 Benchmark

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Alternative Measures of Labor Underutilization Second Quarter of 2017 through First Quarter of 2018 Averages

State	U-1	U-2	U-3	U-4	U-5	U-6
ILLINOIS	2.1	2.7	4.7	5.1	5.7	9.2
INDIANA	0.8	1.7	3.4	3.7	4.2	6.8
KENTUCKY	1.6	2.3	4.8	5.0	5.5	8.1
MICHIGAN	1.5	2.1	4.5	4.8	5.4	9.0
OHIO	1.6	2.2	4.7	4.9	5.5	8.7
UNITED STATES	1.6	2.1	4.2	4.5	5.1	8.3

The six state measures are based on the same definitions as those published for the U.S.:

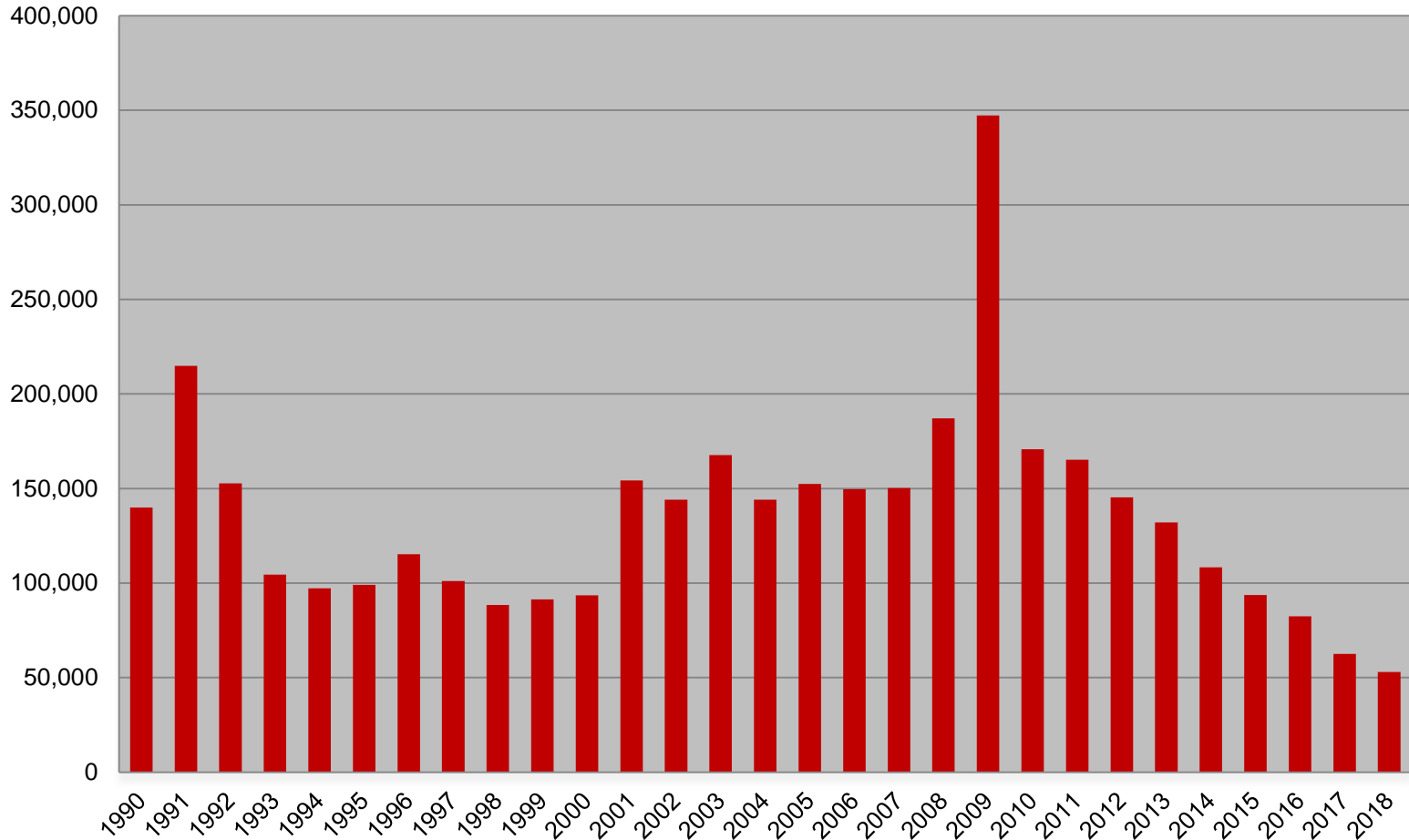
- U-1, persons unemployed 15 weeks or longer, as a percent of the civilian labor force;
- U-2, job losers and persons who completed temporary jobs, as a percent of the civilian labor force;
- U-3, total unemployed, as a percent of the civilian labor force (this is the definition used for the official unemployment rate);
- U-4, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers;
- U-5, total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers; and
- U-6, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

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Weekly Initial Claims – Week 21

Total aggregated UI claims for the first week of each year as reported to ETA.



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Regular UI Claims – Reference Week (12th of the month) Input to LAUS Unemployment Rate Model Declines over the month - and over the year

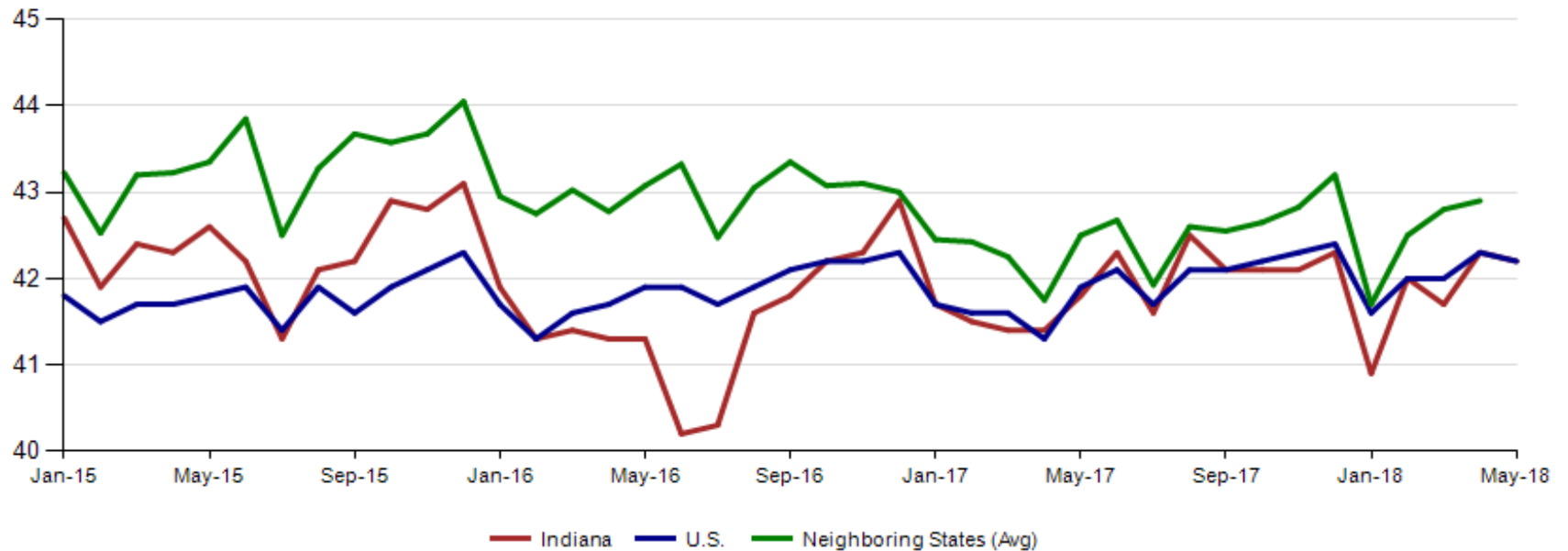
Without earnings – Reference week claims

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	OTM Change	OTY Change
JANUARY	150,888	105,910	84,706	71,042	63,223	49,377	41,333	36,555	33,137	24,968	7,623	(8,169)
FEBRUARY	154,388	103,432	80,852	69,570	60,183	52,316	39,282	36,909	32,463	25,879	911	(6,584)
MARCH	157,257	93,469	71,696	60,752	54,578	45,928	35,755	32,439	32,141	21,171	(4,708)	(10,970)
APRIL	143,842	74,481	59,036	51,652	48,548	39,717	25,597	23,895	21,998	17,618	(3,553)	(4,380)
MAY	141,174	66,779	54,680	46,328	42,997	32,460	22,807	22,300	19,431	14,616	(3,002)	(4,815)
JUNE	136,670	67,996	55,021	46,820	41,722	29,524	22,030	22,025	16,722			
JULY	121,336	69,447	58,031	47,268	44,597	30,845	22,341	22,326	15,775			
AUGUST	103,509	62,976	51,710	42,134	39,998	26,061	21,472	20,737	15,692			
SEPTEMBER	92,680	58,280	46,824	41,955	39,563	23,685	20,941	19,372	14,334			
OCTOBER	86,275	58,317	46,909	39,467	37,778	23,768	19,917	19,143	14,266			
NOVEMBER	82,451	58,846	51,201	41,018	38,517	25,315	21,199	19,547	14,347			
DECEMBER	91,814	65,279	55,104	46,371	42,484	30,982	26,249	24,599	17,345			



May 2018 average weekly hours for Indiana manufacturing production fell by 0.1 to 42.2. National manufacturing also fell by 0.1 to 42.2 weekly hours. Midwest Region states were at 42.9 hours (April 2018 data).

Avg. Weekly Manufacturing Production Hours (non seasonally adjusted)



Source: Current Employment Statistics, not seasonally adjusted

INTRODUCING THE NEW **SEPARATIONS METHODOLOGY**

- Used to project **occupational demand**.
- It incorporates **past data, patterns** and **trends** to generate occupational projections.
- It accounts for factors beyond retirement as a reason to exit the workforce, such as a career change or promotion into management.
- States will begin preparing long-term projections using the Separations methodology in **January 2018**, and will **finalize occupation results** in **June 2018**.

PROJECTIONS MANAGING
PARTNERSHIP

SEPARATIONS IN ACTION



MEET ALLIE



The Separations methodology captures the changes in Allie's career and accounts for them in employment projections.



Separations Methodology Example

Old REPLACEMENT METHOD



+



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New SEPARATIONS METHOD



+



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