

## Job Watch: Indiana Employment Trends

Nonseasonally adjusted employment estimates for December 2004 (see **Figure 1**) show that Indiana posted an over-the-year (OTY) job gain of 15,500 jobs or 0.5 percent, ranking it 43 out of 50 states and the District of Columbia. Ohio, Illinois and Michigan all posted smaller OTY job gains.

Although the trade, transportation and utility sector comprised the largest share of total employment (19.7 percent), it also had the largest job loss (-2,900 jobs or -0.5 percent). This sector will continue to be negatively impacted in the coming months as ATA sheds more jobs due to its bankruptcy filing and restructuring. The construction, education and health services sectors helped offset this loss with a net gain of 12,400 jobs, or approximately 40 percent of the total nonfarm employment gain. Indiana's manufacturing sector also saw an

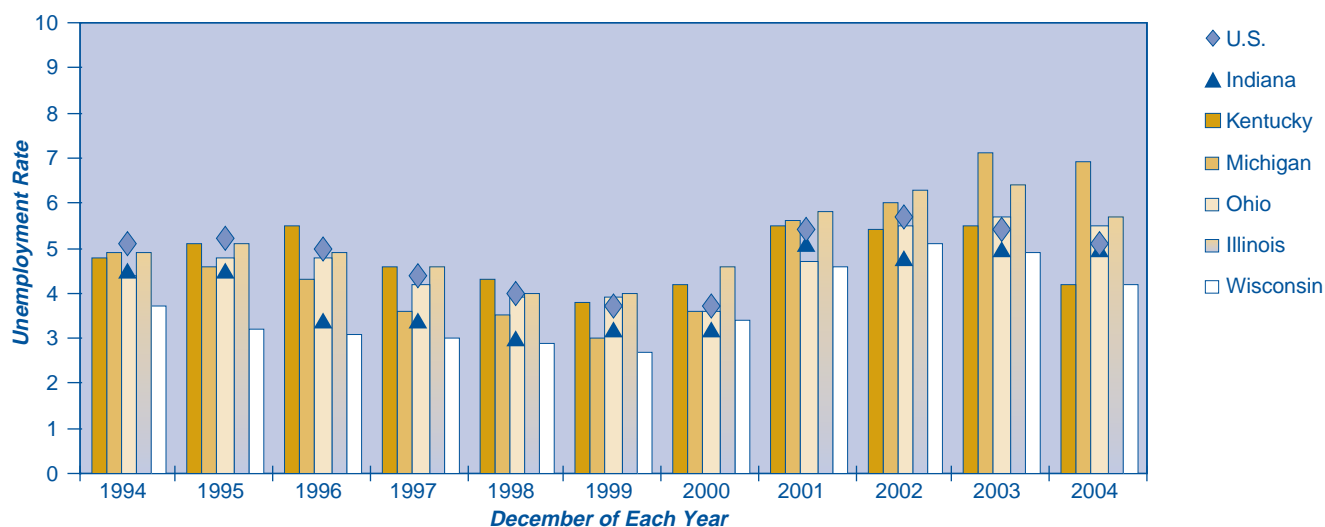
**Table 1: Job Changes by Industry, 2003 to 2004 (Second Quarter Comparison)**

NAICS Sectors	Indiana		United States	
	Job Change	Percent Change	Job Change	Percent Change
<b>Total</b>	<b>30,574</b>	<b>1.1</b>	<b>1,467,088</b>	<b>1.1</b>
Administrative, Support and Waste Management	10,639	7.5	314,470	4.1
Mining	264	4.0	18,825	3.8
Construction	5,078	3.5	236,939	3.4
Professional, Scientific and Technical Services	2,904	3.4	125,242	1.9
Agriculture, Forestry, Fishing and Hunting	236	2.0	14,664	1.2
Educational Services	4,527	1.9	97,191	0.8
Real Estate and Rental and Leasing	626	1.7	26,519	1.3
Transportation and Warehousing	1,994	1.6	29,202	0.6
Accommodation and Food Services	3,691	1.6	284,875	2.7
Health Care and Social Services	4,753	1.4	297,193	1.9
Utilities	184	1.2	-8,951	-1.1
Wholesale Trade	1,257	1.1	38,698	0.7
Arts, Entertainment and Recreation	286	0.6	43,337	1.9
Public Administration	673	0.5	11,395	0.3
Information	241	0.5	-82,062	-2.5
Other Services (except Public Administration)	196	0.2	11,395	0.3
Manufacturing	-1,519	-0.3	-259,451	-1.8
Retail Trade	-2,458	-0.7	157,679	1.1
Management of Companies and Enterprises	-489	-1.8	37,121	2.2
Finance and Insurance	-2,277	-2.2	15,459	0.3

Source: IBRC, using data from the U.S. Bureau of Labor Statistics

**Figure 1: Ten Years of Unemployment Rates in Indiana and Neighboring States, 1994 to 2004**

Wisconsin's rates tend to be lower and Michigan's rates tend to be higher than Indiana's



Source: IBRC, using data from the U.S. Bureau of Labor Statistics

increase of 1,300 jobs or 0.2 percent, ranking 20th out of 51.

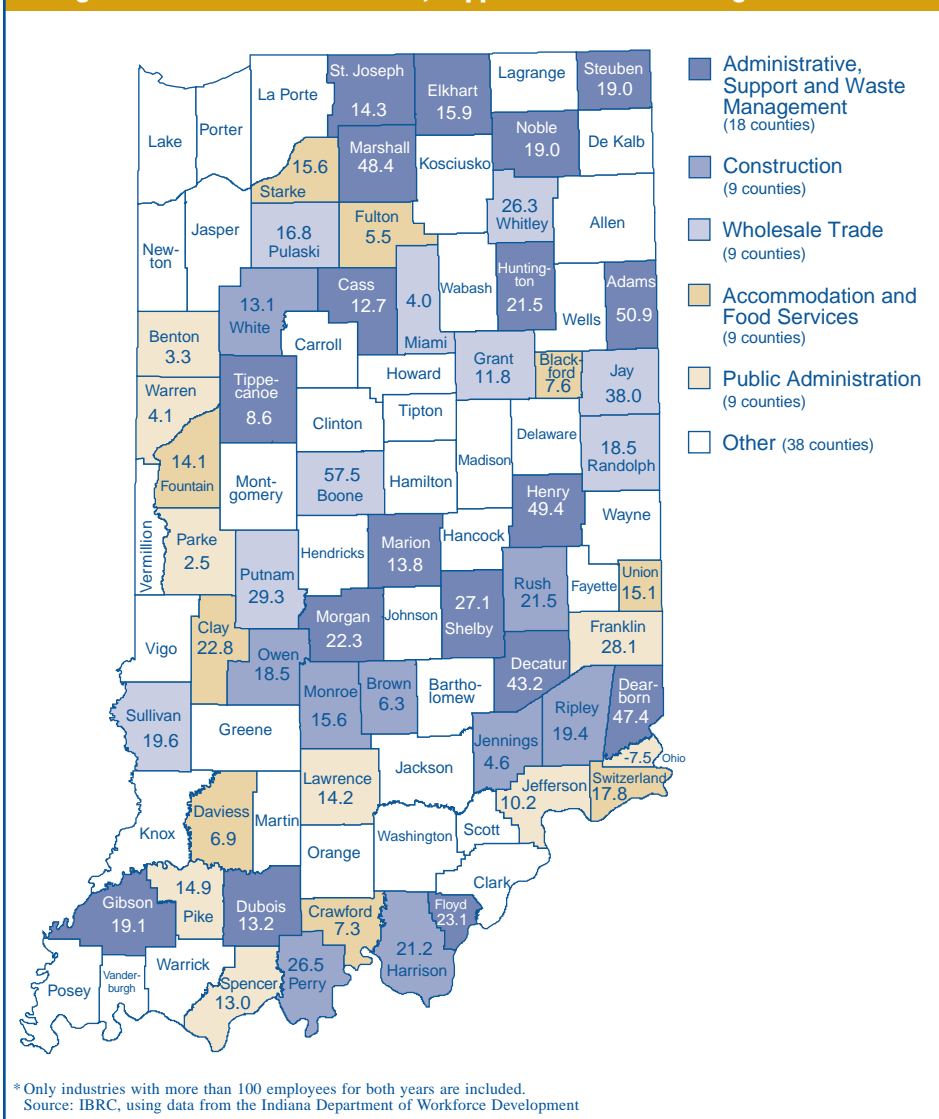
At 5 percent, the state's unemployment rate was the 17th highest in the nation. Indiana shared this distinction with three other states: Alabama, Colorado and North Carolina. The District of Columbia had the highest unemployment rate (8.7 percent) and Hawaii had the lowest (2.7 percent).

Figure 1 provides a historical perspective on unemployment rates in the United States, Indiana and neighboring states. Historically, Wisconsin's rates tend to be lower and Michigan's rates tend to be higher than Indiana's. Additionally, when looking at annual averages, Indiana's rates have long remained below the nation. The greatest percentage point spread occurs with a strong economy, while the gap closes during difficult economic times. Also interesting to note is that Indiana's December rate is within 0.4 percentage points of the state's annual average 87 percent of the time.

Table 1 shows OTY job changes by industry. The employment bases in Indiana and the nation expanded by 1.1 percent, and the state accounted for 2.1 percent of the nation's growth in jobs. The administrative, support and waste management sector performed best in terms of growth. Nationwide, the manufacturing sector experienced the largest job loss, while Indiana's biggest industry loss numerically was in the retail trade sector. The Hoosier finance and insurance sector took the biggest hit on a percentage basis, while the information sector took the biggest hit nationwide.

**Figure 2: Industries with Most Percent Growth by County, 2003:2 to 2004:2\***

**Most growth was in administrative, support and waste management**



## Breakdown by County

Figure 2 looks at the largest percent growth in industries employing more than 100 people over the year (in an attempt to exclude very small industries with large percent swings). The administrative, support and waste management sector was the leading industry in approximately one-fifth of Indiana's 92 counties. In Ohio County, just one industry had more than 100 jobs, public administration, and that

sector actually declined. In fact, the accommodation and food services sector, with 75 jobs, was the only industry in Ohio County that grew.

For more detailed data, visit [www.stats.indiana.edu](http://www.stats.indiana.edu) and check out the "Data Tables" section for employment and earnings.

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