



JOBS VS. NUMBER EMPLOYED

Any discussion of the economy requires distinguishing between the number of jobs and the number of persons employed. Jobs data are based on reports sent to the Indiana Department of Workforce Development from business establishments throughout the state. These **establishment** data tell us how many jobs are held in Indiana, but not how many people are working in Indiana. Nor do they tell us how many Hoosiers are working. These monthly surveys and quarterly reports are subject to revision at the end of each year. Further processing of these data, incorporating additional information from the Internal Revenue Service and other sources, yields annual estimates of employment by place of work from the U.S. Bureau of Economic Analysis (BEA).

The number of Indiana residents employed is based on surveys of **households**. These surveys are conducted monthly by the U.S. Bureau of the Census for the U.S. Bureau of Labor Statistics. From these data we get estimates of the labor force and the unemployment rate.

Establishment data (jobs) and the number employed may differ for many reasons. For example, Hoosiers may not work in Indiana. In the Chicago, Cincinnati, and Louisville areas, many residents of Indiana work out of state. Their employment is reported as jobs held in those states, but they are counted as employed Indiana residents.

In addition, one person may hold more than one job. If Mary B. works two jobs, establishment data will report that fact while the household data will indicate only one person employed. Alternatively, if Harry J. is self-employed and has no employees, he is counted as employed, but his job is not included in monthly or quarterly establishment employment, yet it will appear in the comprehensive annual data from BEA.

How different are the numbers? The difference between the number of persons employed and the number of jobs is growing, both in the U.S. and in Indiana. Figure 1 shows these data for the Hoosier state. Not only has the absolute difference grown (from 257,000 in 1980 to 522,000 in 1997), but the percentage difference has expanded from 9.8% to 14.9% over that interval. Nationally, that gap has increased from 13% to 17%.

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FIGURE 1. INDIANA EMPLOYMENT, 1980 TO 1997

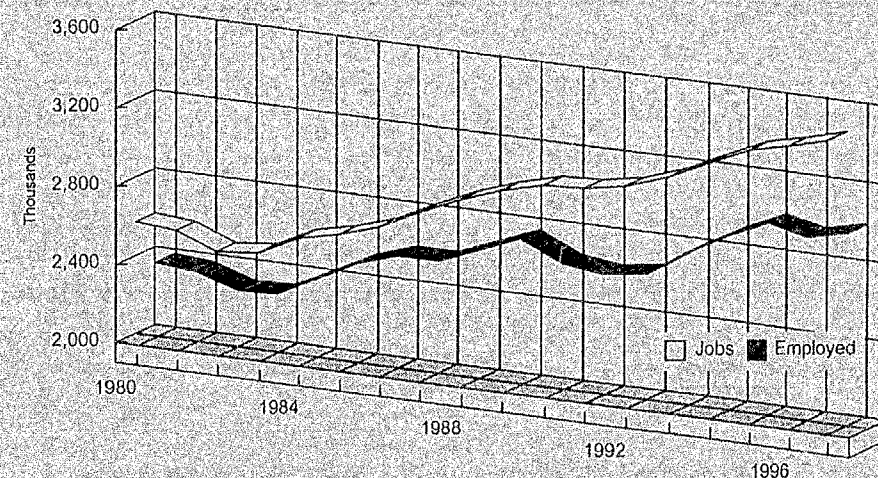
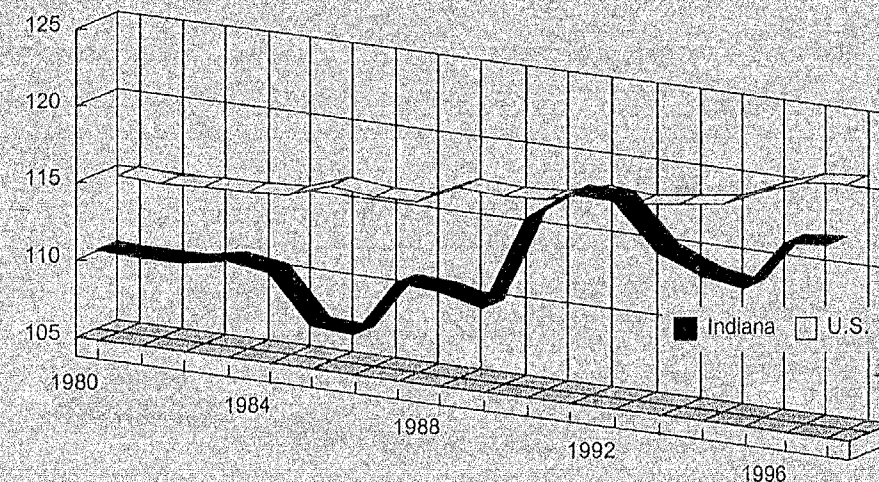


FIGURE 2. JOBS PER 100 PERSONS



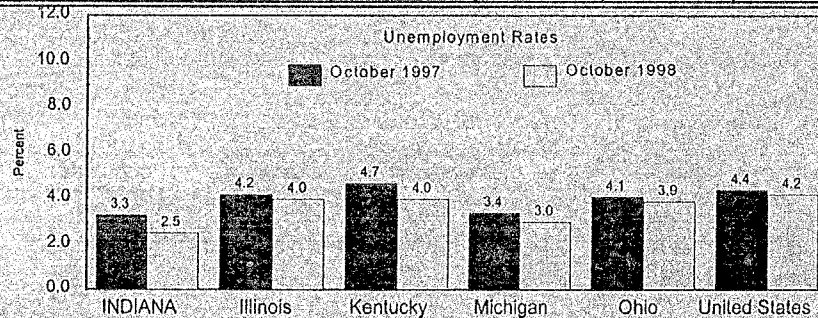
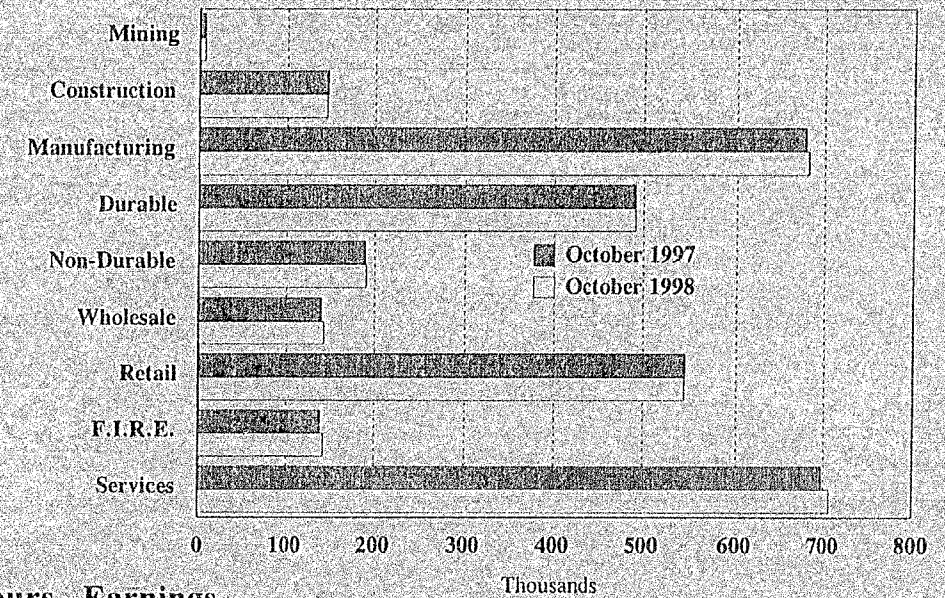
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The Regional Employment Situation

TOTAL PERSONS EMPLOYED	OCTOBER 1997	OCTOBER 1998	NUMBER CHANGE	% CHANGE	RANK IN US
INDIANA	3,018,100	3,036,000	17,900	0.6%	42
Illinois	5,890,500	5,938,500	48,000	0.8%	37
Kentucky	1,840,500	1,863,000	22,500	1.2%	34
Michigan	4,833,800	4,931,600	97,800	2.0%	21
Ohio	5,533,200	5,601,300	68,100	1.2%	33
United States	130,671,000	132,424,000	1,753,000	1.3%	N/A

Indiana's Non-Ag Employment

Total Non-Ag Employment in October 1998 was 2,920,700, up 0.6% since the same month a year ago.



Employment - Hours - Earnings (Not seasonally adjusted)

Metropolitan Statistical Areas (MSAs) in Indiana

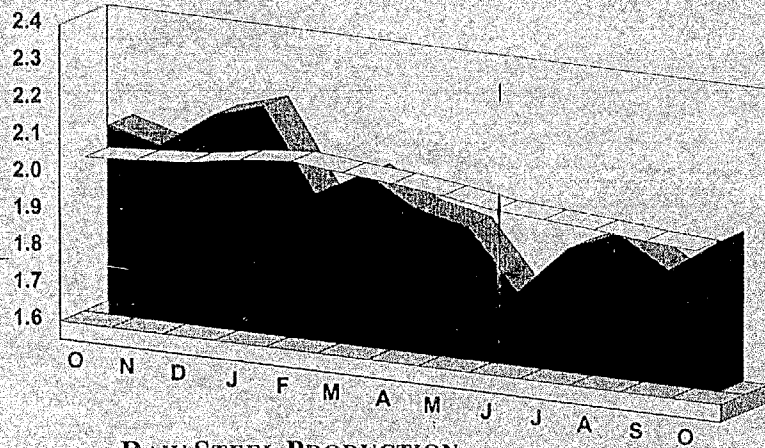
NON-AG WAGE & SALARIED EMPLOYMENT	OCTOBER 1997	OCTOBER 1998	CHANGE	
			NUMBER	PERCENT
Bloomington MSA	67,200	66,400	-800	-1.2%
Elkhart-Goshen MSA	116,300	118,100	1,800	1.5%
Evansville MSA	154,600	155,300	700	0.5%
Fort Wayne MSA	271,100	272,100	1,000	0.4%
Gary MSA	265,100	268,000	2,900	1.1%
Indianapolis MSA	839,300	859,700	20,400	2.4%
Kokomo MSA	51,900	54,600	2,700	5.2%
Lafayette MSA	94,400	96,600	2,200	2.3%
Muncie MSA	60,700	60,800	100	0.2%
New Albany Area*	88,600	90,200	1,600	1.8%
South Bend MSA	134,300	137,100	2,800	2.1%
Terre Haute MSA	69,300	69,200	-100	-0.1%

MANUFACTURING	OCTOBER 1998	EMPLOYMENT	AVERAGE WEEKLY HOURS	AVERAGE HOURLY EARNINGS	AVERAGE WEEKLY EARNINGS
Elkhart-Goshen MSA	59,500	39.4	\$12.64	\$498.02	
Evansville MSA	31,700	43.6	\$13.93	\$607.35	
Fort Wayne MSA	73,400	41.5	\$14.44	\$599.26	
Gary MSA	49,400	41.0	\$18.49	\$758.09	
Indianapolis MSA	126,900	43.3	\$15.11	\$654.26	
Kokomo MSA	21,200	51.9	\$20.69	\$1,073.81	
Lafayette MSA	22,100	43.1	\$15.75	\$678.83	
Muncie MSA	9,700	45.0	\$14.47	\$651.15	
New Albany Area*	19,900	43.0	\$12.79	\$549.97	
South Bend MSA	23,000	41.5	\$12.64	\$524.56	
Terre Haute MSA	12,200	46.8	\$14.26	\$667.37	

*The New Albany Area (Clark, Floyd, Harrison, Scott counties) is part of the larger Louisville MSA. Employment and earnings data based on preliminary and revised series provided by the Indiana Department of Workforce Development.

CURRENT TRENDS IN INDIANA'S ECONOMY

October 1997—October 1998



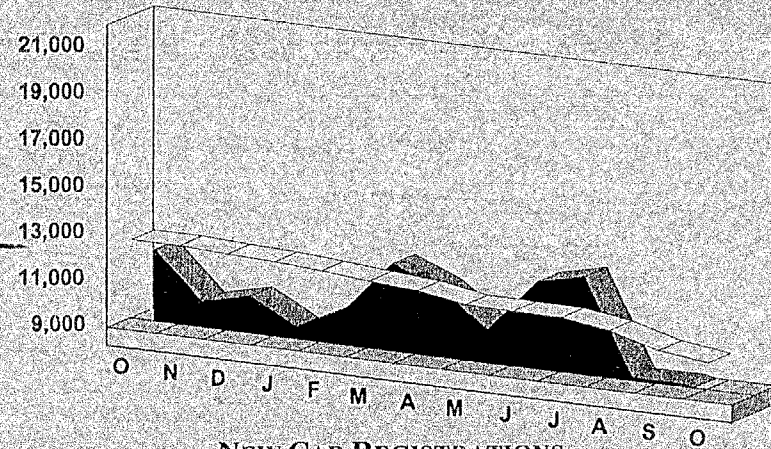
RAW STEEL PRODUCTION

American Iron and Steel Institute

Year to date: 19.9 million net tons

12-month total: 24.1 million net tons

Peak month: January 1998



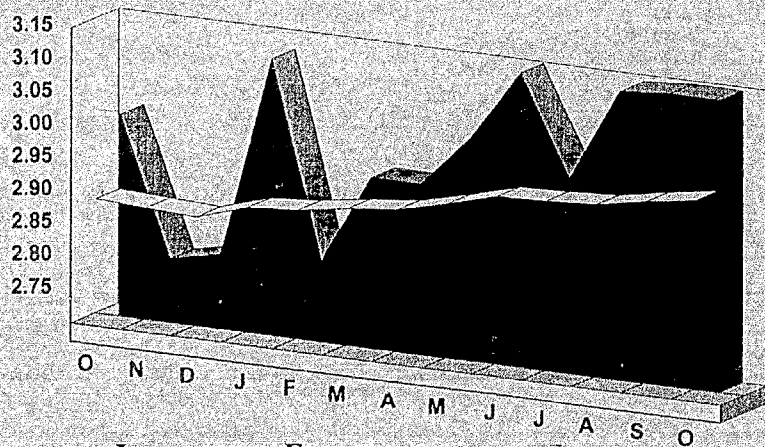
NEW CAR REGISTRATIONS

R.L. Polk and Company

Year to date: 107,905

12-month total: 128,564

Peak month: May 1996



INDUSTRIAL ELECTRICITY

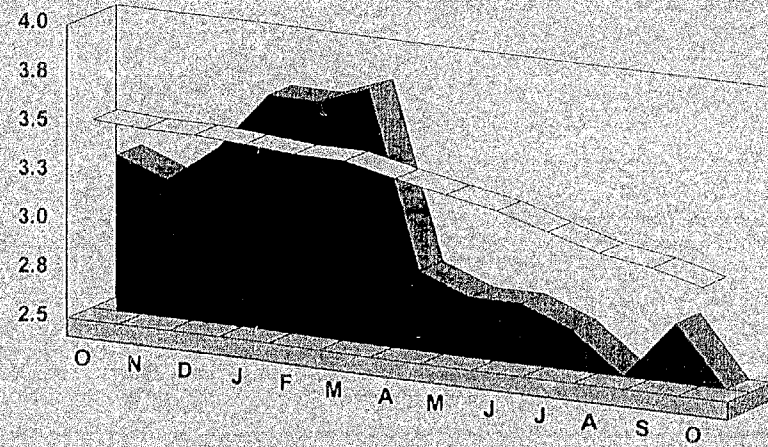
SALES (BILLIONS)

The 5 investor owned utilities

Year to date: 30.5 billion kwh

12-month total: 36.1 billion kwh

Peak month: June 1998



UNEMPLOYMENT RATE

Indiana Department of Workforce Dev.

Peak month: February 1992

Moving Average



Peak = since 1992

Monthly



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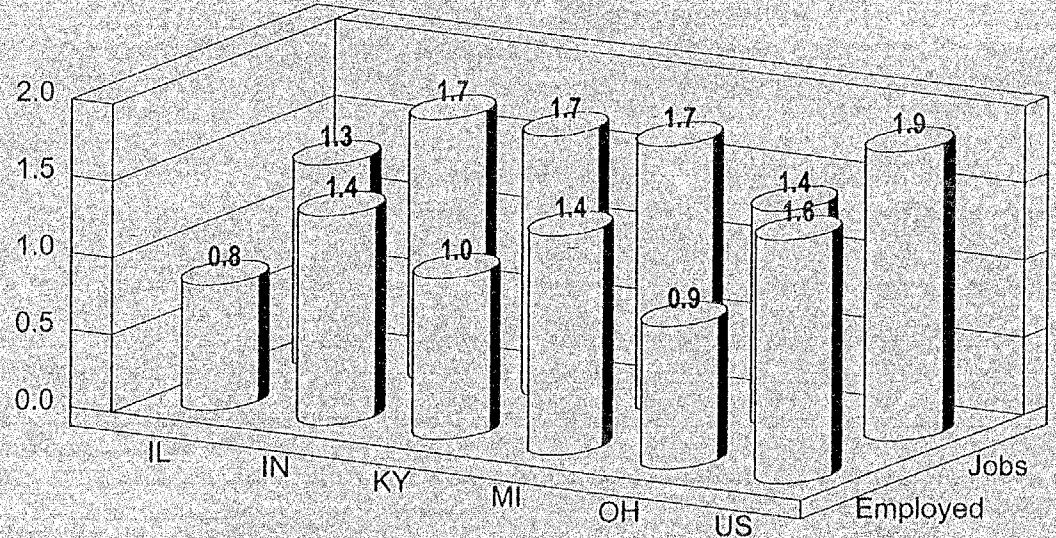
These data *suggest* that more people were holding two jobs in 1997 than they did in 1980. In Indiana, in 1980, there were 111 jobs for every 100 employed persons; this figure rose to 118 by 1997. National data show the same trend, rising from 115 jobs per 100 employed persons in 1980 to 121 in 1997 (see figure 2, page 1).

In Indiana, the average annual growth of jobs (1.7%) has outpaced the growth of persons employed (1.4%) between 1980 and 1997. The same findings hold for the nation and our four neighboring states (see figure 3).

Although it is tempting to draw the conclusion that multiple job-holding is on the rise, the differences in methodology used in deriving these data make it difficult to assert the truth of this position. Another possibility is that more Hoosier jobs are held by people who live out of state. But this could not be a factor in the entire nation. Perhaps the household count is failing to include some workers who either hide their existence (illegal immigrants or persons on the run from the police) or hide the fact that they are employed (retired persons or those seeking to evade the IRS). The Census of 2000 may shed light on these issues.

-mjm

FIGURE 3. AVERAGE ANNUAL RATES OF GROWTH, 1980 TO 1997



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