

June - 2021 Jobs Analysis

Deceptively good...

At face value this may appear to be a somewhat negative monthly report. The **Unemployment Rate** is up and **Non-Farm jobs** remained largely static. However, if you look closer, you will note that both **Employment** and **Unemployment** went up this month. That is only possible if our **Local Labor Force** is increasing, and it has by over a thousand individuals. This means that more people are re-entering the workforce to fill vacant positions. At this time, most of those individuals went into the Unemployment row, but the important thing is that they are ready to work.

Industry	Jun-21	May-21	Jun-20	Month Ago		Year Ago	
Labor Force Information				#	%	#	%
Labor Force	47,011	45,991	48,530	1,020	2.2 %	-1,519	-3.1 %
Employment	43,213	42,817	41,356	396	0.9 %	1,857	4.5 %
Unemployment	3,798	3,174	7,174	624	19.7 %	-3,376	-47.1 %
Percentage (Rate)	8.1 %	6.9 %	14.8 %				
Employment by Industry Information							
Total Nonfarm	48,200	48,100	45,700	100	0.2 %	2,500	5.5 %

Another deceptively positive trend that we have been observing over the last three years seems to be the equalization of wage growth in the central city region. In **2017 and into the summer of 2018**, the region was experiencing wage stagnation compared to the rest of the state. **In July of 2018, we began tracking a large spike in the average hourly wage here in Decatur** that ultimately exceeded the state wage average in the winter of 2019. Since that time, our average wage has receded somewhat but remains stable. However, while the Decatur area may have lost some ground, the average wages of our surrounding communities have risen to meet us. **In July of 2018, the average wage of the central region was \$24.03/hour; today it is \$28.85/hour.**

While the implied higher labor costs may be concerning to regional employers, ultimately, I believe this wage growth will result in greater disposable income, a higher standard of living and serve as an attraction point for more qualified labor looking to relocate in central Illinois.

