Seasonal Patterns in Employment

Figure 1. If Employment in a Typical January = 1,000
Based on Indiana 1986 to 1997

Typically, employment rises as we move forward during the year. If there were 1,000 jobs for Hoosiers in January, we would find a steady increase until May when the figure reached 1,032. There would be a slump during June and July, but by September employment would exceed the May figure and rise to a Christmas season peak of 1,046.

Figure 2. Establishment Employment
Indiana, 1986 to 1997

As we look at monthly establishment employment figures (not the number of persons working, but the most reliable number of jobs), we see the saw-toothed seasonal pattern of employment along with a clear upward trend. (See back page of this Update for more on this trend.)

Figure 3. Seasonal Patterns in Total Employment, 1986 to 1997

If employment were spread out evenly over the year, 6.33% of all employment would take place in each of the 12 months. But that is not the case, either for Indiana or the nation. While Indiana has an early summer peak in May, the nation peaks in June before going into the summer doldrums. As might be expected of a state with significant climate changes, our employment variability is greater than that of the nation.

Figure 4. Sectors With Different Seasonal Employment Patterns
Indiana, 1986 to 1997

Seasonal patterns of employment vary greatly by industry. Manufacturing in Indiana shows almost no seasonal pattern. Construction and government employment are both highly seasonal and somewhat offsetting as well. When teachers are without jobs in the summer months, construction work is peaking. Year-round schooling would eliminate much of the seasonality of public sector employment.
The Regional Employment Situation

<table>
<thead>
<tr>
<th>Total Persons Employed</th>
<th>February 1997</th>
<th>February 1998</th>
<th>Number Change</th>
<th>% Change</th>
<th>Rank to US</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIANA</td>
<td>2,985,400</td>
<td>2,586,000</td>
<td>-405,400</td>
<td>-1.4%</td>
<td>36</td>
</tr>
<tr>
<td>Illinois</td>
<td>5,736,000</td>
<td>5,236,000</td>
<td>-504,000</td>
<td>-1.4%</td>
<td>38</td>
</tr>
<tr>
<td>Kentucky</td>
<td>1,754,200</td>
<td>1,336,000</td>
<td>-418,400</td>
<td>-2.4%</td>
<td>20</td>
</tr>
<tr>
<td>Michigan</td>
<td>4,119,900</td>
<td>3,760,000</td>
<td>-358,900</td>
<td>-8.6%</td>
<td>32</td>
</tr>
<tr>
<td>Ohio</td>
<td>5,265,000</td>
<td>5,454,000</td>
<td>189,000</td>
<td>3.6%</td>
<td>21</td>
</tr>
<tr>
<td>United States</td>
<td>128,887,000</td>
<td>128,402,000</td>
<td>-454,000</td>
<td>-0.3%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Unemployment Rates

- February 1997
- February 1998

Employment - Hours - Earnings by Industry

Manufacturing

<table>
<thead>
<tr>
<th>February 1998</th>
<th>Employment</th>
<th>Average Weekly Hours</th>
<th>Average Hourly Earnings</th>
<th>Average Weekly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bloomington MSA</td>
<td>10,200</td>
<td>40.3</td>
<td>$11.98</td>
<td>$482.79</td>
</tr>
<tr>
<td>Elkhart-Goshen MSA</td>
<td>58,400</td>
<td>39.4</td>
<td>$12.28</td>
<td>$483.83</td>
</tr>
<tr>
<td>Evansville MSA</td>
<td>51,000</td>
<td>43.6</td>
<td>$14.95</td>
<td>$611.82</td>
</tr>
<tr>
<td>Fort Wayne MSA</td>
<td>75,500</td>
<td>41.7</td>
<td>$14.72</td>
<td>$613.82</td>
</tr>
<tr>
<td>Gary MSA</td>
<td>49,300</td>
<td>42.7</td>
<td>$19.21</td>
<td>$820.27</td>
</tr>
<tr>
<td>Indianapolis MSA</td>
<td>128,700</td>
<td>46.1</td>
<td>$15.65</td>
<td>$660.17</td>
</tr>
<tr>
<td>Kokomo MSA</td>
<td>20,900</td>
<td>46.1</td>
<td>$20.93</td>
<td>$1,066.73</td>
</tr>
<tr>
<td>Lafayette MSA</td>
<td>22,200</td>
<td>42.7</td>
<td>$15.91</td>
<td>$678.36</td>
</tr>
<tr>
<td>Muncie MSA</td>
<td>9,300</td>
<td>45.5</td>
<td>$19.60</td>
<td>$611.38</td>
</tr>
<tr>
<td>New Albany Area*</td>
<td>19,700</td>
<td>42.3</td>
<td>$12.40</td>
<td>$252.42</td>
</tr>
<tr>
<td>South Bend MSA</td>
<td>22,300</td>
<td>41.7</td>
<td>$12.50</td>
<td>$252.25</td>
</tr>
<tr>
<td>Terre Haute MSA</td>
<td>12,000</td>
<td>43.8</td>
<td>$14.93</td>
<td>$553.93</td>
</tr>
</tbody>
</table>

*Employment includes schools; Hours and Earnings excludes schools. *The New Albany Area (Clark, Floyd, Harrison, Scott counties) is part of the larger Louisville MSA. (Real) indicates dollars adjusted for changes in consumer prices to 1998 levels. Employment and earnings data based on preliminary and revised series provided by the Indiana Department of Workforce Development.
CURRENT TRENDS IN INDIANA'S ECONOMY
February 1997—February 1998

Raw Steel Production
American Iron and Steel Institute
Year to date: 4.2 million net tons
12-month total: 27.2 million net tons
Peak month: January 1998

Total Construction Activity ($MIL)
F.W. Dodge Construction Potentials Bulletin
Year to date: $1,161.5 million
12-month total: $9,309.3 million
Peak month: April 1997

Industrial Electricity Sales (Billions)
The 5 investor owned utilities
Year to date: 5.9 billion kwh
12-month total: 37.7 billion kwh
Peak month: January 1998

Unemployment Rate
Indiana Department of Workforce Dev.
Peak month: February 1992

New Car Registrations
R.L. Polk and Company
Year to date: 19,981
12-month total: 163,241
Peak month: May 1996

Housing Starts
F.W. Dodge Construction Potentials Bulletin
Year to date: 4,262
12-month total: 36,383
Peak month: August 1996

Moving Average
Peak = since 1992

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Millennium Madness

On the front page (figure 2), we saw an undeniable upward trend in establishment employment for Indiana. Those who are incorrigible about mysticism in numbers will see two milestones appearing to converge, if milestones can converge.

- The world is moving toward the year 2000.
- Establishment employment in Indiana is moving toward three million.

Will these events take place close to each other? As a public dis-service, and with no intention of being taken seriously, we suggest that establishment employment in Indiana will reach three million just after New Year's Day 2000. To extend this foolishness with more precision, we can expect the three millionth Hoosier job about 11:40 p.m. on January 6, 2000.

Please, don't call us when the moment arrives. The state does not collect data which would allow an enterprising reporter to verify this event. You'll just have to take our word for it.

-mjm

Figure 6. Establishment Employment, Indiana, 1986 to 1997 and Beyond

![Chart showing establishment employment in Indiana from 1986 to 1997, with a trend line indicating a projected increase to three million by the year 2000.](chart.png)