INDIANA BUSINESS REVIEW UPDATE

A MONTHLY OVERVIEW OF ECONOMIC TRENDS
INDIANA BUSINESS RESEARCH CENTER
INDIANA UNIVERSITY SCHOOL OF BUSINESS

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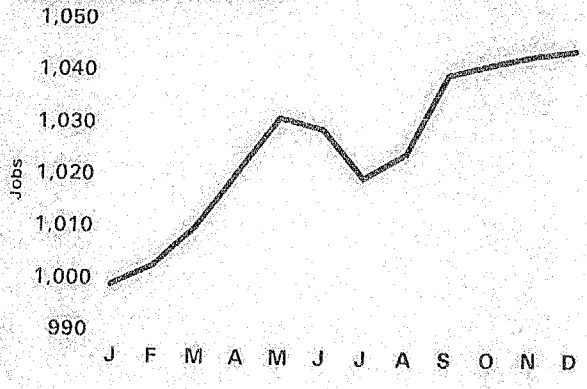
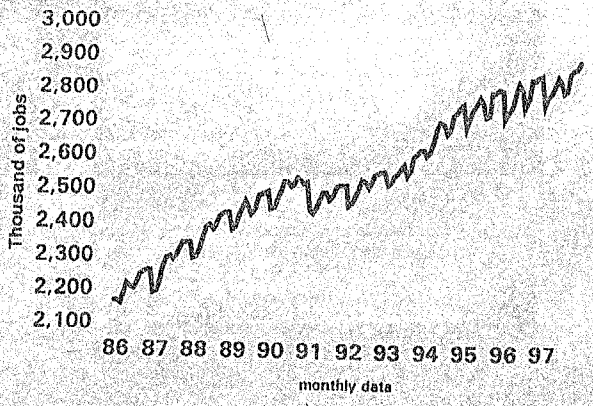
SEASONAL PATTERNS IN EMPLOYMENT

Figure 1. If Employment in a Typical January = 1000
Based on Indiana 1986 to 1997



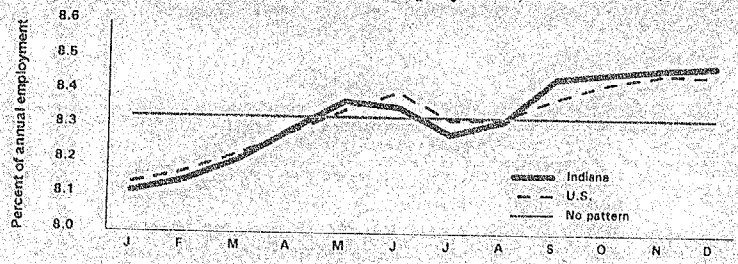
Typically, employment rises as we move forward during the year. If there were 1,000 jobs for Hoosiers in January, we would find a steady increase until May when the figure reached 1,032. There would be a slump during June and July, but by September employment would exceed the May figure and rise to a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

Figure 2. Establishment Employment
Indiana, 1986 to 1997



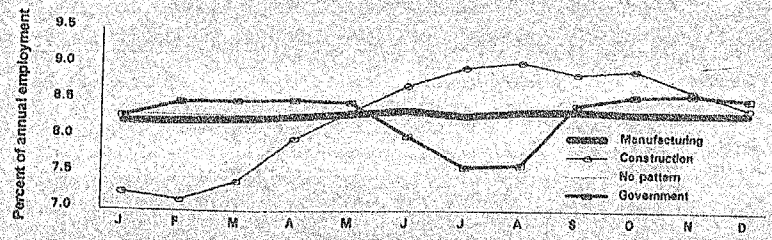
As we look at monthly establishment employment figures (not the number of persons working, but the most reliable number of jobs), we see the saw-toothed seasonal pattern of employment along with a clear upward trend. (See back page of this Update for more on this trend.)

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



If employment were spread out evenly over the year, 8.33% 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.