

State Job Picture? It's a Wash

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A new report on the state's job picture tells an optimistic tale of quantity, but reveals continued worry over quality.

Employment growth in Illinois is at its highest rate in 10 years, and median income is up slightly. Despite the gains, the state continues to bleed higher-paying jobs, finds the annual report from Northern Illinois University's Office for Social Policy Research and the Center for Tax and Budget Accountability.

The number of workers in the state grew by more than 135,000 from 2005 to 2006. That represents the largest job expansion recorded in Illinois since 1994. The state's total employment increased by more than 2 percent, which exceeded national and Midwestern rates.

The growth reduced the state's unemployment rate by 1.1 percentage points, the second-largest drop in the nation.

The report also found 2005 median household income showed only a modest gain of \$775, after a sharp decline in the early years of the decade. Even so, the gain outpaced national growth.

But the state continued to lose jobs from the high-paying manufacturing sector.

"Since 1990, we've been losing about 15,000 manufacturing jobs a year on average," said Paul Kleppner, one of the NIU researchers on the report. "This time around, it was only 8,900, so that's something of an improvement."

The loss of jobs in the high-paying information sector continued, with 2,000 jobs lost. Since 2001, there has been a nearly 21 percent loss of such jobs.

The higher-paying jobs lost were replaced by jobs in the service sector.

"We have seen some decent job growth in the better-paying service jobs," Kleppner said. "So all of the service jobs that are being created are not in the bottom rung of the service industry."

In the past year, Illinois added 64,400 service sector jobs. Such jobs grew by 2.2 percent, exceeding the nation's 1.9 percent and the Midwest's 1.8 percent rates.

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