



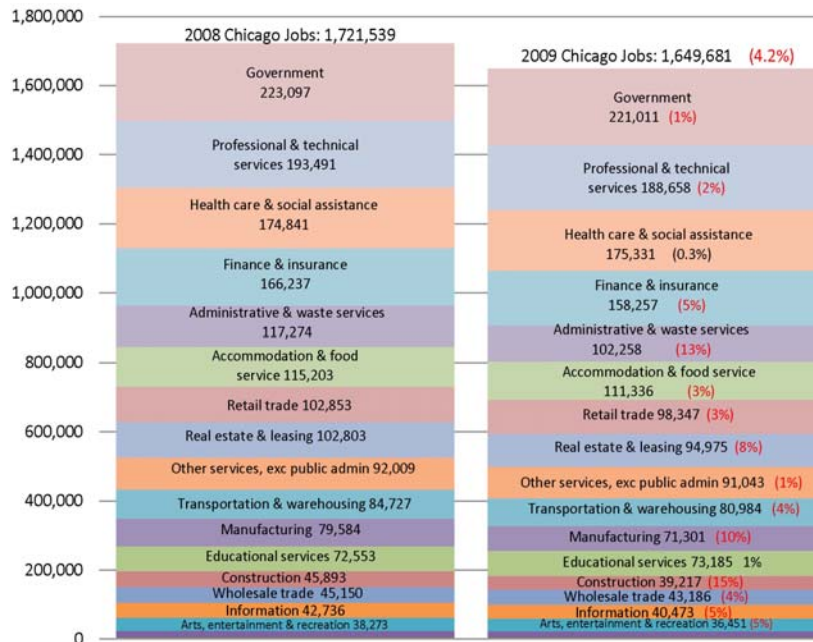
SHIFTS IN THE LOCAL ECONOMY – MAY 2010

According to the National Bureau of Economic Research, the current recession began in December 2007. Chicago saw its economy contract by roughly 72,000 jobs (4.2%) between 2008 and 2009 (Exhibit 1). The downturn affected most industries, with construction; administrative and waste services; and manufacturing experiencing the greatest losses as a percentage of total employment. The only industries that did not experience job losses, and in fact experienced modest growth, were healthcare and social assistance; and educational services.

Exhibit 1

Shift in Chicago employment landscape between the first and second years of the current recession (2008 – 2009)

Source: EMSI



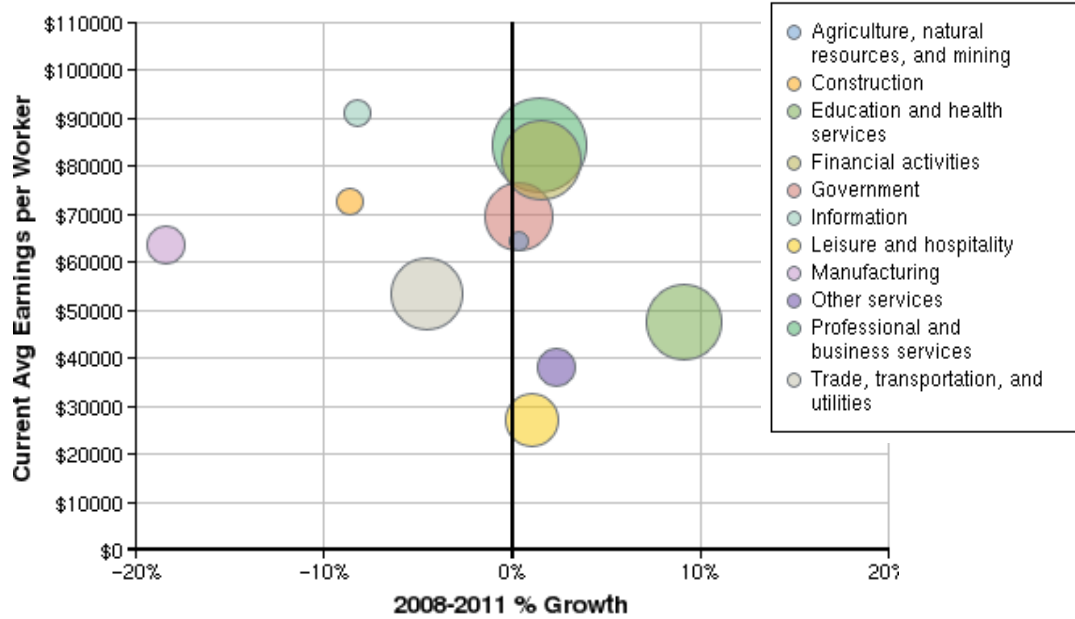
Most industries are expected to recover these job losses, and education and healthcare are will continue to grow, accounting for 60% of all projected job gains through 2011. However, as shown in Exhibit 2, the following industries are projected to experience a net job loss since the start of the recession: manufacturing; construction; information; transportation, trade, and utilities.

Exhibit 2

Projected industry growth through 2011

Source: EMSI

Note: Bubble size represents 2008 jobs in each sector.



The industry projections in Exhibit 2, and the occupation projections in Exhibit 3 below, seem to follow the observed trends in the local economy: occupations requiring postsecondary education (such as teachers and nurses) are growing, while manual occupations that traditionally required no more than a high school diploma (such as material movers and retail clerks) are shrinking. To see how Chicago compares to the rest of the country, in both historical and projected industry trends, see the charts in the appendix at the end of this document.

Exhibit 3

Chicago living wage occupations with the highest projected job growth /decline through 2011

Source: EMSI

Note: Occupations with an Jobs with an average wage below \$11.03 (Chicago's living wage) were not included

| Chicago Projections 2008 – 2011 | |
|--|--|
| Biggest Job Gains | Biggest Job Losses |
| Home health aides (+2,536) | Laborers & material movers, hand (-3,311) |
| Financial analysts & advisors (+2,103) | Miscellaneous assemblers & fabricators (-1,688) |
| Elementary & middle school teachers (+1,808) | Retail salespersons (-1,551) |
| Registered nurses (+1,298) | Miscellaneous production workers (-1,468) |
| Security guards & gaming surveillance officers (+1,080) | Sales representatives, wholesale & manufacturing, technical & scientific products (-909) |

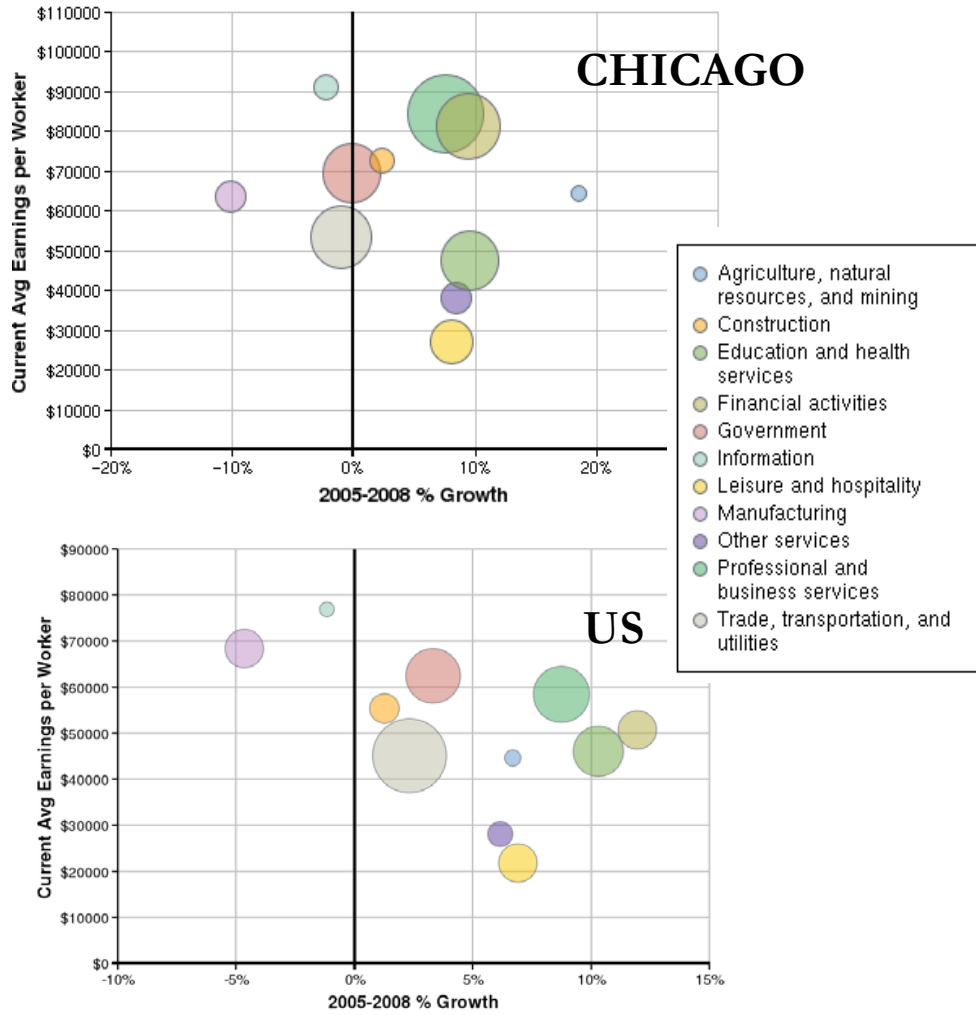
APPENDIX

Appendix A

Local and national historical industry trends, 2005-2008.

Source: EMSI

Note: Bubble size represents 2005 jobs in each sector.



Appendix B

Local and national **projected** industry trends, 2008-2011.

Source: EMSI

Note: Bubble size represents 2008 jobs in each sector.

