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MORE THAN A HALF-MILLION JOBS PROJECTED FOR ILLINOIS BY 2012

More than a Third of Expected Jobs Will Yield High Wages; State's Workforce Will Need Additional Training, Higher Education

(CHICAGO)—Illinois is expected to create more than 575,000 jobs by 2012 – an increase that would surpass even the robust job growth that took place during the boom of the 1990s – according to a new study by the State of Working Illinois Project released today. The study forecasts that more than a third of these jobs will be high-wage, paying more than \$56,000 per year. The expected 213,384 high-wage jobs will account for 37 percent of Illinois' total employment growth, while only 20 percent of new jobs will be in the lowest-wage categories.

Projections for the more than 700 occupations that were analyzed in the report indicate that more than 374,000 of the jobs, or 65 percent, will be new and that the remaining 35 percent of the jobs will be replacements (due to retirements from the workforce).

“The expected flow of high-wage jobs is great news for the state, but there is no guarantee that these jobs will become a realization until our workforce is adequately trained to take on these new occupations, says Paul Kleppner, one of the main researchers from Northern Illinois University (NIU). “In fact, without proper training and education for our workers, we'll continue to see a greater gap between high-skill, high-wage jobs and lower paying jobs needing fewer skills.”

The Future of High-Wage Jobs in Illinois assesses the current and future employment and income patterns in the state:

- **Post-secondary education will yield higher earnings.** Among current workers who hold an associate degree or more, 73 percent fall into the two highest-wage categories, while only 5.2 percent are low-wage workers.
- **Low-wage workers have limited education.** Nearly 70 percent of those whose education falls short of an associate degree fall into the three lowest low-wage categories.

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- **Jobs that require short term on the job training will make up the single largest category of job growth over the 2002-2012 period.** This represents 32 percent of total projected job growth, and all of the jobs requiring this minimal level of training will fall into the three lower-wage categories.
- **Better paying jobs will be in high-skilled service industries.** Occupations in the growing industries of information, finance and insurance, professional, scientific and technical services, and management of companies and enterprises will offer better-than-average earnings. These jobs will be skewed toward those with post-secondary education.
- **Adequate education and training will be critical to fill the influx of new jobs.** More than 70 percent of the new high-wage jobs require at least an associate degree. Jobs that require a bachelor's degree will comprise the second largest category of job growth.

“The challenge Illinois faces is producing a workforce that is adequately trained and educated to meet the requirements of higher skilled jobs in high growth industries,” says Matt Eskew co-researcher from NIU. “The data show that if workers don’t have a college degree they can’t expect to earn better-than-average annual incomes for the rest of their careers. At the same time, we also need to work on training lower skilled workers in an effort to boost their earnings, as college may not be a possibility for them anymore.”

Despite the positive employment outlook that is projected for Illinois, the study also notes recent job patterns that demonstrate economic concern. Between 2002 and 2005, the state lost nearly 400,000 jobs. In addition, more than half of Illinoisans are failing to earn a living wage. Over 3 million working Illinoisans fell below the living wage standard for a single parent with one child (at least \$31,886) in 2004.

The researchers developed a classification system for the state’s 770 occupations, based on median annual income. Working from definitions used by the U.S. Bureau of Labor Statistics, the six categories range from Very High-Wage (\$86,060) to Very Low-Wage (\$14,470). The report also analyzed employment projections developed by the Illinois Department of Employment Security.

The study is the first in a series of reports that will track employment issues stemming from the 2005 *State of Working Illinois* report which was developed by the Center for Tax and Budget Accountability, and the Office of Social Policy Research and the Regional Development Institute of Northern Illinois University and funded by The Joyce Foundation.

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The State of Working Illinois is a joint project of the Center for Tax and Budget Accountability and Northern Illinois University (Office of Social Policy Research and Regional Development Institute) with data and assistance from the Illinois Department of Employment Security to provide Illinois policy makers with an ongoing series of reports containing sound information on issues related to work and economic development in Illinois. For more information and for a copy of the report visit: www.stateofworkingillinois.niu.edu.