

Unemployment inches higher in Chicago metro area



The Chicago metro area's unemployment rate inched up in April to 6.5 percent, marking the fifth consecutive month of increases. (Antonio Perez / Chicago Tribune)

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The Chicago metro area's [unemployment rate](#) inched up in April to 6.5 percent, marking the fifth consecutive month of increases, but the trend could point to the improving health of the local economy as the labor force grows to a historic high.

While the national unemployment rate clocked in at 5 percent in April, steady from the prior month, the 6.5 percent unemployment rate for the Chicago-Naperville-Arlington Heights metropolitan area was up from 6.3 percent in March and has been static or growing since August 2015, when it hit a post-recession low of 5.6 percent, according to the Illinois Department of Employment Security.

But the area's labor force also has been growing steadily since last summer as more people started to look for work. The Chicago metro area added more than 100,000 people to its labor force since August to reach 3.87

million, marking the largest workforce since 1994, the earliest data available.

"I think increased consumer sentiment is causing people to return to the workforce," said Brian Peterson, associate policy analyst at the Chicago Metropolitan Agency for Planning. "People are thinking the job market is improving."

In a separate analysis published this week that looked at unemployment trends in the Chicago Metropolitan Statistical Area — a somewhat larger geographic region that encompasses 14 counties, including parts of Wisconsin and Indiana — the planning agency noted that the region's growing unemployment rate has coincided with a sharp increase in the number of people working or seeking work. The labor force for the Chicago MSA hit 5 million in March, the largest since the Bureau of Labor Statistics started tracking it in the early 1990s, it said.

In addition, in Illinois, the number of discouraged and underemployed workers has fallen by about 40 percent since 2010, with a particularly steep drop in the number of people involuntarily working part-time because they couldn't get full-time jobs.

"That's very good news," Peterson said.

As the workforce grows, there is usually a lag before the unemployment rate starts to improve, he added.

IDES makes adjustments to its month-to-month data for the Chicago metro area to take into account predictable seasonal fluctuations in the job market. It also reports year-over-year unemployment rate changes for the rest of the state that are not seasonally adjusted.

According to a Thursday report from IDES, in April all Illinois metropolitan areas experienced year-over-year unemployment rate increases for the third consecutive month.

The city of Chicago's unadjusted unemployment rate was 6.9 percent in April, up from 6.3 percent in April 2015.

The highest unemployment rate in the state is in Danville, at 7.5 percent, and the lowest is in Springfield, at 5.1 percent, based on unadjusted rates.

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