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Illinois Gross State Product

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Local Illinois Developments

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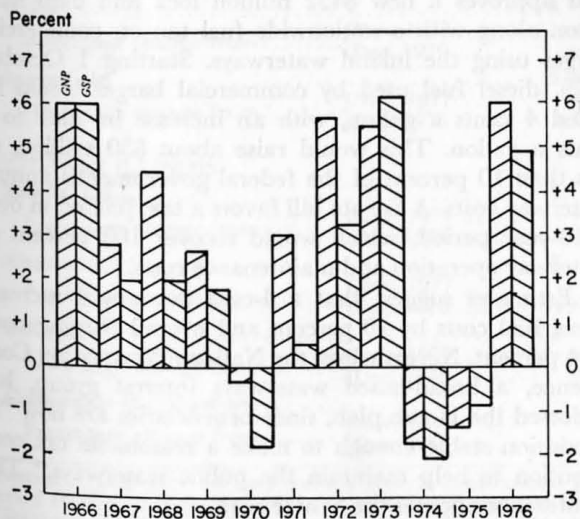
Though many Illinois residents are familiar with the concept of gross national product (GNP) and its estimates, fewer are aware of the Illinois state equivalent, the gross state product (GSP), and its magnitudes. GSP is the value of all goods and services produced in Illinois during one year. The Illinois Department of Business and Economic Development has recently released second quarter 1977 figures and revised 1976 calendar year estimates.

Illinois gross state product is estimated to have increased to a seasonally adjusted annual rate of \$107.2 billion in the second quarter of 1977, a gain of nearly \$3.1 billion over the first quarter. Manufacturing, services, and retail and wholesale trade accounted for most of the increase. Only agriculture suffered a decline.

In real (constant dollar) terms, GSP increased by \$900 million, an annual rate of increase of 5.1 percent. This rate of increase was below the 5.8 percent recorded in the first quarter.

Estimates for the most recent year show GSP for 1976 to have been 10.4 percent above the figure for 1975. In constant dollars, the 1976 figure was 4.9 percent above that for 1975. For the 1966-76 decade, the current dollar

GNP and GSP: Percentage Change from Preceding Period
(Constant dollar basis)



Bureau of Economic and Business Research

Illinois Business Indexes

Item	Dec. 1977 (1967 = 100)	Percentage change from	
		Nov. 1977	Dec. 1976
Employment — manufacturing ¹ . . .	n.a.		
Weekly earnings — manufacturing ¹ . . .	n.a.		
Consumer prices in Chicago ²	180.0	+ 0.3	+ 6.4
Life insurance sales (ordinary) ³	298.5	+11.5	+11.1
Retail sales ⁴	259.4 ^a	+17.1	+19.8
Farm prices ⁵	192.0	+ 4.3	+ 0.0
Building permits — residential ⁴ . . .	58.8	-49.1	+ 2.5
Coal production ⁶	14.5	-85.1	-84.3
Petroleum production ⁷	43.4	+ 3.3	- 2.8

¹ Ill. Dept. of Labor; ² US Bureau of Labor Statistics; ³ Life Ins. Agcy. Manag. Assn.; ⁴ US Dept. of Commerce; ⁵ Ill. Crop Rpts.; ⁶ Ill. Dept. of Mines; ⁷ Ill. Geol. Survey.
^a Preliminary. n.a. Not available.

rate of gain in 1976 was second only to 1973's 12.2 percent. These are considerably higher than the rates indicated in the previous report and are due to increases in the personal income figures published by the US Department of Commerce.

Over the 1961-76 period the average annual rate of real growth in Illinois GSP was 2.7 percent. The recession of 1970 had the effect of reducing long-term growth rates below the 4 percent level of the latter 1960s, and the 1974-75 recession further reduced the rates to less than 3 percent.

GSP estimates are also broken down by industry. The three major categories are private nonfarm, government, and agriculture. Fourth-quarter 1976 figures show the percentages of total GSP represented by these three categories to be about 88 percent, 9 percent, and 3 percent respectively. Private nonfarm includes seven subcategories which, in order of decreasing dollar magnitudes are manufacturing; wholesale and retail trade; finance, insurance, and real estate; services; transportation, communication, and public utilities; contract construction; and mining. Manufacturing, including durable and non-durable goods, is nearly twice the size of the next category and nearly 30 percent of the GSP. Government makes a contribution comparable with transportation, communication, and utilities. Agriculture weighs in slightly behind contract construction and is three to four times greater than mining.

Quarterly reports of the GSP are available on request from the Office of Research, Illinois Department of Business and Economic Development, 222 South College Street, Springfield, Illinois 62704.