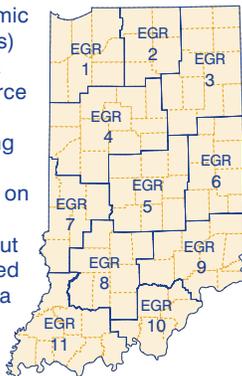


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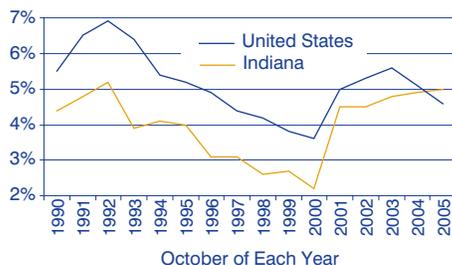
Economic Growth Regions

Each of the 11 Economic Growth Regions (EGRs) defined by the Indiana Department of Workforce Development will be featured in detail during the upcoming year. Region 1 is discussed on pages 10 and 15, and occupational data about the regions is discussed in the adjoining Indiana Strategic Skills Initiative article.



October Unemployment

Indiana's October unemployment rate surpassed the nation's for the first time in 15 years in 2005.



*Not seasonally adjusted

Indiana Strategic Skills Initiative

Built with the goal of creating new jobs and raising Hoosier income, the Strategic Skills Initiative (SSI) fights unemployment by going directly to its root causes. It is an initiative of the Indiana Department of Workforce Development, and one of its goals is to identify and alleviate shortages projected to exist in critical occupations and specific skill sets within high-wage Indiana industries. Here are some of the initial findings.

Occupational Shortages

Table 1 lists the high wage occupations that were identified by each of the economic growth regions (EGRs) as having a critical shortage of qualified workers in the next 24 months. Occupations are listed by the number of regions reporting a shortage for the occupation and the total reported shortage by 2007. High-wage

occupations are defined as those that have an average wage exceeding the statewide median wage of \$27,204 for all occupations in the current Occupational Employment Statistics (OES) survey.

Occupations in the health care services sector were reported as having the largest shortage, including registered nurses (RNs), licensed practical nurses (LPNs) and respiratory therapists. RNs ranked the highest in terms of both the number of regions reporting shortages and the total number of job vacancies expected in the next 24 months. Seven of the nine regions reporting data reported shortages for RNs for a total of 1,644 job vacancies. The only regions not reporting an RN shortage were Region 4 and Region 7. Four regions (2, 7, 8 and 10) reported a shortage for respiratory therapists for 76 job vacancies.

TABLE 1: HIGH-WAGE OCCUPATIONS WITH CRITICAL SHORTAGES IN GIVEN OCCUPATION

Occupational Title	Total Regions with Shortage	Total 2007 Shortage	Average Annual Wage
Registered Nurses	7	1,644	\$46,903
Computer-Controlled Machine Tool Operators (Metal and Plastic)	5	328	\$31,828
First-Line Supervisors/Managers of Production and Operating Workers	5	280	\$47,428
Welders, Cutters, Solderers and Brazers	4	525	\$32,065
Machinists (Metal and Plastic)	4	443	\$35,883
Respiratory Therapist	4	76	\$41,505
Licensed Practical Nurses	4	43	\$33,800
Truck Drivers, Heavy and Tractor-Trailer	3	294	\$36,153
Maintenance and Repair Workers: General	3	250	\$32,819
Industrial Maintenance Technicians	3	224	\$43,820
Maintenance Workers: Machinery	3	193	\$37,405
Inspectors, Testers, Sorters, Samplers and Weighers	3	129	\$32,312
First-Line Supervisors/Managers of Transportation and Material-Moving Machine and Vehicle Operators	2	280	\$47,792
Pharmacists	2	122	\$80,664
First-Line Supervisors/Managers of Mechanics, Installers and Repairers	2	76	\$49,820
Radiological Technicians	2	26	\$41,149

Note: Data for Regions 9 and 11 are not available.
Source: Indiana Department of Workforce Development

TABLE 2: CRITICAL TRAINING AND SKILLS REQUIRED TO PERFORM OCCUPATIONAL FUNCTIONS*

Occupation	Education/Training Required	O*NET Skills				
		Skill 1	Skill 2	Skill 3	Skill 4	Skill 5
Registered Nurses	Associate's degree	Active Listening	Reading Comprehension	Critical Thinking	Instructing	Speaking
Computer-Controlled Machine Tool Operators, Metal and Plastic	Long-term on-the-job training	Operation and Control	Operation Monitoring	X	X	X
First-Line Supervisors/Managers of Production and Operating Workers	Work experience in a related occupation	Coordination	Critical Thinking	Reading Comprehension	Speaking	Time Management
Welders, Cutters, Solderers and Brazers	Post-secondary vocational training	Operation and Control	Equipment Selection	X	X	X
Machinists (Metal and Plastic)	Long-term on-the-job training	Operation and Control	Operation Monitoring	Mathematics	Equipment Selection	Troubleshooting
Respiratory Therapist	Associate's degree	Active Listening	Instructing	Reading Comprehension	Critical Thinking	Monitoring
Licensed Practical Nurses	Post-secondary vocational training	Active Listening	Reading Comprehension	Time Management	Writing	Critical Thinking
Truck Drivers, Heavy and Tractor-Trailer	Moderate-term on-the-job training	Operation and Control	X	X	X	X

*Skills were determined to be critical to an occupation if they met a standardized score of 69 or above on O*Net's Importance Scale. An 'X' indicates that no skill met the minimum score criterion. Note: Top occupations are those that were ranked in top five either by number of regions reporting shortage or by shortage total for 2007. Source: U.S. Department of Labor

Manufacturing was a close contender with health care services, as the EGRs reported a total shortage of 1,576 for that industry sector. Five regions (2, 3, 4, 5 and 6) reported metal and plastic computer-controlled machine tool operators as having a shortage with a total of 328 job vacancies. Welders, cutters, solderers and brazers possessed the biggest shortage (525 vacancies), while metal and plastics machinists had the second highest at 443.

Of all the occupational shortages reported, pharmacists have the highest annual wage of \$80,664. First-line supervisors/managers of mechanics, installers and repairers have the second highest annual wage of \$49,820.

New and Emerging Occupations

New and emerging occupations are defined here in two ways. The first is simply a new occupation—one that cannot be adequately described within the existing Standard Occupational Classification (SOC) system. This typically occurs when the tasks and skills required of an occupation do not fit neatly into an existing classification because of fundamental changes in the way things are done in an industry. Industries experiencing technological transformation may warrant new titles

and work activities. Secondly, existing occupations may emerge into industries that have developed new technologies and processes requiring already existing occupations within the SOC system, but are new to the changed industry.

The following occupations appear to be emerging into industries where they have not appeared before and were reported as a shortage occupation in at least one EGR. These were found in at least five industries in the latest OES survey for Indiana.¹ None had been reported as existing within those industries in previous surveys. Five industry sectors were predominant in producing these emerging occupations. Those five are manufacturing, retail trade, wholesale trade, information and finance and insurance. Manufacturing is the number one sector for these emerging occupations by far. All listed occupations, except dispatchers, were newly found in at least one manufacturing industry.

Emerging Occupations:

- Compliance officers (except agriculture, construction, health and safety, and transportation)
- Compensation, benefits and job analysis specialists
- Management analysts
- Computer support specialists
- Computer systems analysts

- Sales representatives, wholesale and manufacturing (except technical and scientific products)
- Dispatchers (except police, fire and ambulance)
- Bus and truck mechanics and diesel engine specialists
- Fabric menders (except garment)
- Cutting, punching and press machine setters, operators and tenders (metal and plastic)
- Packaging and filling machine operators and tenders
- Cleaners of vehicles and equipment

Bridging Occupations to Skills in Demand

Region 6 identified emerging occupations within an emerging industry—Agribusiness (farming as a large-scale business operation combining the production, processing and distribution of agricultural products and the manufacture of farm machinery, equipment and supplies). By seeking and receiving feedback from local industry experts on technological advancements in biofuels and value-added research, Region 6 was able to identify life scientists and business operations specialists as emerging occupational groups that are expected to grow. Skills that will need to be cultivated in order to fill expected

A \$23 million initiative of the Indiana Department of Workforce Development, SSI focuses on two primary goals:

1. Identify and alleviate shortages projected to exist in critical occupations and specific skill sets within high-wage Indiana industries.
2. Instill a lasting, demand-driven approach to workforce development at the regional and local levels.

Indiana has 11 economic growth regions (EGRs) responsible for three phases of SSI:

1. Identifying occupation and skill shortages.
2. Determining the root causes of the shortages.
3. Developing solutions that are directly tied to the root causes.

For more information on SSI, go to: www.in.gov/dwd/employers/ssi.html.

shortages can be identified by looking at the Department of Labor's O*NET classification of skills by occupation. The five most common critical skills for life scientists are science, reading comprehension, critical thinking, active learning and writing. For business operations specialists, critical skills include speaking, reading comprehension, active listening, critical thinking and writing. A complete listing of O*NET skills and corresponding definitions is available at <http://online.onetcenter.org/skills>.

Top Five Skills for Indiana's Top Occupations

Education and training required for Indiana's top occupations include a mix of on-the-job training and post-secondary education. Top occupations in the health care services sector require at least an associate's degree while most occupations in manufacturing require moderate to long-term on-the-job training. Critical

TABLE 3: DESCRIPTION OF SKILLS IN HIGHEST DEMAND

Basic Skills	To facilitate learning or the more rapid acquisition of knowledge.
Active Listening	Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.
Critical Thinking	Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems.
Mathematics	Using mathematics to solve problems.
Monitoring	Monitoring/assessing performance of yourself, other individuals or organizations to make improvements or take corrective action.
Reading Comprehension	Understanding written sentences and paragraphs in work-related documents.
Speaking	Talking to others to convey information effectively.
Writing	Communicating effectively in writing as appropriate for the needs of the audience.
Resource Management Skills	To allocate resources efficiently.
Time Management	Managing one's own time and the time of others.
Social Skills	To work with people to achieve goals.
Coordination	Adjusting actions in relation to others' actions.
Instructing	Teaching others how to do something.
Technical Skills	To design, set-up, operate and correct malfunctions involving the application of machines or technical systems.
Equipment Selection	Determining the kinds of tools and equipment needed to do the job.
Operation and Control	Controlling operations of equipment or systems.
Operation Monitoring	Watching gauges, dials or other indicators to make sure a machine is working.
Troubleshooting	Determining causes of operating errors and deciding what to do about it.

Note: For a complete listing of O*NET Skills, go to <http://online.onetcenter.org/skills>
Source: U.S. Department of Labor

skills required for health care services occupations include active listening, reading comprehension, critical thinking, instructing, speaking, writing, time management and monitoring (see **Table 2**).

In contrast, critical skills for manufacturing include operation and control, equipment selection, mathematics, troubleshooting, and operation monitoring. First-line supervisors/managers of production and operating workers was closely aligned with skills required of occupations in health care services to include coordination, critical thinking, reading comprehension, speaking and time management. **Table 3** describes these high-demand skills.

Addressing Skill Gaps

As Indiana's economic growth regions proceed with determining root causes and solutions during subsequent phases of SSI, emphasis should be made on 1) the relationship between emerging high

demand/high wage occupations and the skills associated with those occupations, 2) developing career pathways, and 3) bridging the gap between supply and demand of qualified workers.

Addressing the root causes for skill shortages and developing sound solutions will be contingent on the ability of the regions to foster coalitions between industry partners, education institutions and organizations that provide supportive services to job seekers who wish to develop those skills in need. The accuracy of identifying root causes and the quality of the solutions to address these skills gaps are critical to Indiana's economic health and competitive business survival.

Notes

1. The OES survey date referenced for Indiana emerging occupations is May 2004.

—Hope Clark, Director, Research and Analysis, and Jon Wright, Advanced Economic and Market Analysis, Indiana Department of Workforce Development

A Closer Look at Indiana's College Counties

Mention Bloomington, Indiana, and what's the first thing that pops into your head? More likely than not, it will have something to do with Indiana University. West Lafayette? Why, Purdue, of course.

As students flock back to these quintessential college towns to begin the spring semester, we will examine a handful of Indiana's university communities and the demographic and economic characteristics that set college towns apart nationwide.¹

While 37 of Indiana's 92 counties possess at least one higher education institution (see **Figure 1**), the university shapes the regional character in only some. A quick way to quantify a college's influence is to look at the ratio between enrollment and population. For example, over 30 percent of Monroe County's population is enrolled at IU (see **Table 1**). This article focuses on Monroe, Tippecanoe, Delaware, Knox and Vigo counties, which have the five highest enrollment-to-population ratios statewide.

Demographic Characteristics

One doesn't need a college degree to realize that places with a university will have a younger population. More than 20 percent of Monroe County's population is between the ages of 18 and 24 (twice the state proportion), according to 2004 population estimates. Thus, the median age is 28.9 years old, or about 7 years younger than the Indiana median. However, Tippecanoe is the youngest county in the state, with a median age of 28.1 years. Knox County is the only one of the five whose median age (37.7 years) exceeds the state average.

Well Educated

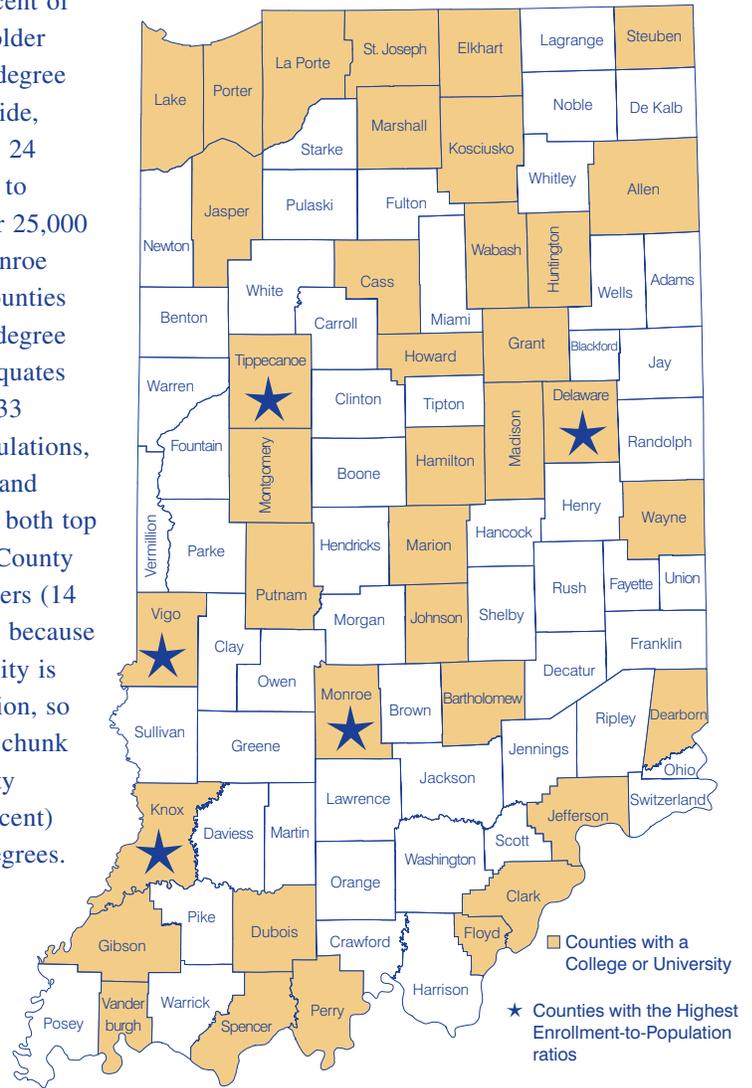
In Indiana, 19 percent of those age 25 and older have a bachelor's degree or higher; nationwide, the figure raises to 24 percent, according to Census 2000. Over 25,000 people in both Monroe and Tippecanoe counties have a bachelor's degree or higher, which equates to 40 percent and 33 percent of the populations, respectively. Vigo and Delaware counties both top 20 percent. Knox County falls below the others (14 percent), primarily because Vincennes University is a two-year institution, so a disproportionate chunk of the Knox County population (11 percent) hold associate's degrees.

Diverse

Together with some of the larger metro areas, these counties are more diverse than other areas of the state, with particularly large concentrations of Asians (includes only those classifying their race as Asian alone). For example, Monroe and Tippecanoe counties account for 4.4 percent of the total Indiana population, according to 2004 estimates; however, with nearly 13,000 Asian residents, they account for almost 18 percent of the state's Asian population.

Throughout the state, roughly one out of 100 people are Asian. Tippecanoe, Monroe and Vigo counties all exceed

FIGURE 1: INDIANA'S COLLEGE COUNTIES



Source: IBRC, using Indiana Commission for Higher Education data

that ratio, with Tippecanoe (5.2 percent) and Monroe (4.2 percent) ranking first and second among all Indiana counties. The sheer number of Asians in Tippecanoe County (7,842) ranks third in the state on a numeric basis (behind Marion and Hamilton counties), and is a far cry from the mere three Asians living in neighboring Carroll County (ranked last).

Purdue University and Indiana University, in particular, draw students and faculty internationally. Census

2000 tells us that 8.2 percent of the Tippecanoe population and 5.4 percent of the Monroe County population are foreign-born. Only 20 percent of Tippecanoe’s foreign-born population are naturalized citizens; that number is 27.2 percent in Monroe County, indicating that international students and faculty are perhaps more likely to stick around Bloomington than they are West Lafayette. However, all five college counties have lower percentages of naturalized citizens with respect to the foreign-born population than Indiana as a whole.

Where in the world are these international migrants coming from? Asia, mostly (see **Figure 2**). All five counties have a much higher proportion of Asians and a significantly smaller proportion of Latin American natives as compared to the state.

On the Move

One researcher described students and professors as “relative gypsies” due to the frequency of their relocations. Census 2000 looked at where people lived in 2000 compared to where they lived five years earlier. Nearly 15 percent of the Monroe County population age 5 and older lived in a different state in 1995; that figure was

about 13 percent for Tippecanoe County. In comparison, Indiana came in at 8 percent. Moreover, the percentage of the population 5 and over who lived in Indiana, but in a different county five years earlier was 19 percent in Tippecanoe

County, approached 21 percent in Monroe County, and was just over 10 percent for Indiana as a whole. While these two counties have the most transient populations, all five college counties in this analysis exceed (or equal, in the case of Knox County) the state average in the total proportion of its population who lived in a different county or state in 1995 as compared to 2000.

On Their Feet

College counties heavily utilize alternate transportation, according to Census 2000. For example, in Monroe County, 8.6 percent of workers age 16 and older walk to work, which

ranks first among the 92 counties and far exceeds Indiana’s 2.4 percent. Meanwhile, another 1.8 percent take public transportation, which is roughly twice the state percentage. (Granted, that leaves over 50,700 people either driving alone or carpooling, but that’s beside the point.)

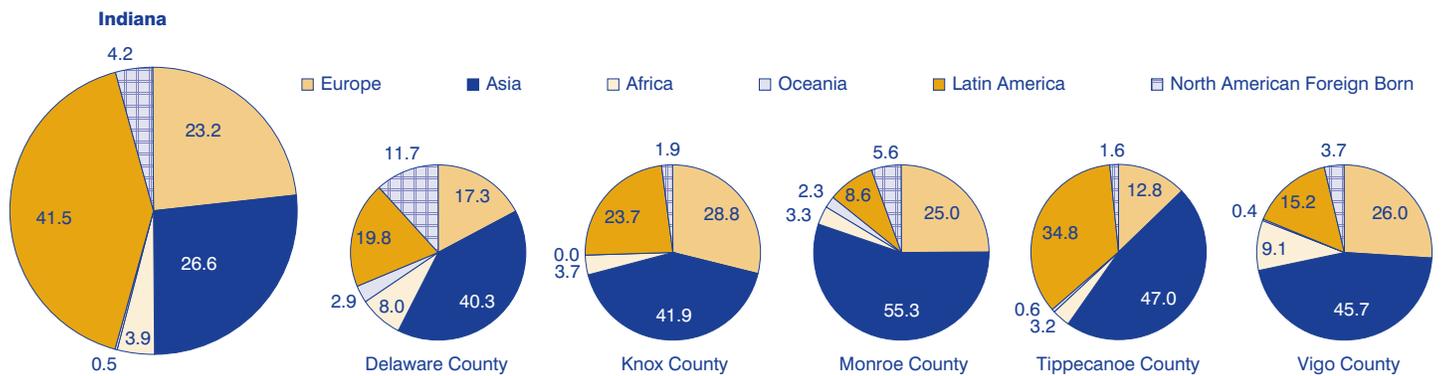
Only 4.3 percent of Hoosiers walk, use public transportation or employ other means, such as biking, to get to their job. Monroe (12.6 percent), Tippecanoe (9.9 percent) and Delaware (6.7 percent) counties rank first, second and fourth among counties on that measure. Meanwhile, Vigo and Knox counties rank 10th and 11th at 5.3 percent and 5.1 percent, respectively.

TABLE 1: ENROLLMENT TO POPULATION RATIOS BY COUNTY

Institution	Full-Time Enrollment	Population 2004	Enrollment-to-Population Ratio
Monroe County	40,006	121,013	33.06
Indiana University–Bloomington	37,901		
Ivy Tech Community College	2,105		
Tippecanoe County	42,893	152,042	28.21
Purdue University–West Lafayette	39,611		
Ivy Tech Community College	3,282		
Delaware County	22,253	117,774	18.89
Ball State University	20,119		
Ivy Tech Community College	2,134		
Knox County	6,377	38,442	16.59
Vincennes University	6,377		
Vigo County	16,771	103,195	16.25
Indiana State University	10,453		
Ivy Tech Community College	2,976		
Rose-Hulman Institute of Technology*	1,765		
Saint Mary-of-the-Woods College*	1,577		

*Private college
Source: Public universities from Indiana Commission for Higher Education; private colleges from LearnMore Resource Center

FIGURE 2: ORIGIN OF THE FOREIGN-BORN POPULATION IN INDIANA AND SELECT COLLEGE COUNTIES



Source: IBRC, using Census 2000 data

Economic Characteristics

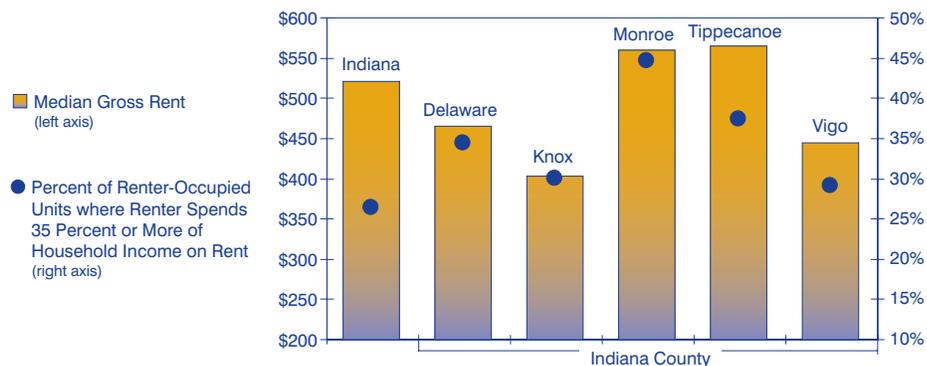
A certain degree of economic security comes from life in a college town since educational institutions are less likely to shut down and move away than a manufacturing plant. Using data for the first quarter of 2005, the number of people employed in the education sector ranges from over 14,000 in Tippecanoe County to nearly 2,000 in Knox County. The data for Monroe County is nondisclosable, but considering that Indiana University alone employs roughly 6,900 area residents, it is safe to say that education is one of the leading industries. Education is the second largest employer in Delaware County (behind health care) and Tippecanoe County (behind manufacturing). It is the third largest sector in Knox County and fourth in Vigo County.

Low Unemployment

College communities nationwide tend to have low unemployment rates on average, and Indiana's record is mixed. Looking at the 2004 averages, Monroe County had the lowest unemployment rate among the chosen college communities at 4.1 percent. Knox and Tippecanoe counties both had rates of 4.5 percent. However, Delaware and Vigo counties both exceeded the state rate at 6 percent and 7 percent, respectively. Over the past two years (2003:1 to 2005:1), Delaware, Knox and Vigo counties have lost jobs—with Delaware County's loss of over 3,200 jobs being the worst by far. Monroe and Tippecanoe counties, on the other hand, saw job increases of 4,158 and 1,124, respectively.

“A certain degree of economic security comes from life in a college town.”

FIGURE 3: MEDIAN COST OF RENT IN COLLEGE COUNTIES



Source: IBRC, using Census 2000 data

Rent and Group Housing

With a highly mobile population, it makes sense to have above average rental rates. Indeed, all five counties exceed the state average of 28.6 percent, according to Census 2000. Not surprisingly, Monroe and Tippecanoe counties have the most renter occupied housing as a percentage of all occupied housing (46 percent and 44 percent, respectively), while the remaining three counties are between 31 percent and 33 percent.

Median gross rent exceeds the state average in just Monroe and Tippecanoe counties, where the median rent is between \$560 and \$565. However, all five counties exceed the state in the percent of renter-occupied units where the gross rent is 35 percent of household income or more, and they rank first through fifth among all 92 counties on this measure. The range within the counties themselves is rather large; in Vigo County, 29 percent of its renter-occupied units have renters spending 35 percent or more of their income on rent, whereas that category encompasses 45 percent of Monroe County rentals (see **Figure 3**).

Census 2000 also provides information on the number of students living in college dormitories. This number ranges from 1,591 in Knox County to 13,288 in Tippecanoe County. Men outnumber women in dorms except in Delaware and Monroe counties. Combined, the five counties house over 37,000 people in dormitories, or about 29 percent of all students.

Conclusion

The perpetual rivalry between IU and Purdue is well-known to many a Hoosier. What may not be as recognized are the similarities between those two communities. While Delaware, Vigo and Knox counties exhibit the characteristics of college communities to varying degrees, it is Monroe and Tippecanoe counties, with their flagship state universities, who have the most in common.

Notes

1. Blake Gumprecht, “The American College Town,” *Geographical Review* (January 2003): 51-80.

—Rachel Justis, Managing Editor, Indiana Business Research Center, Kelley School of Business, Indiana University

Population Growth Matters: Latest Stats for Indiana

The Indiana economy thrives or dives because of the people who choose to live here. That choice may be the happenstance of being born here and desiring to stay, or a more deliberate one of choosing to locate here from another state or country. Such choices are often driven by opportunity as much as anything else—opportunities for education and jobs. Proximity to other places, family and friends can also drive such decisions (and proximity to the majority of major urban centers is a significant strength for Indiana).

“Even though we are still gaining in population, the numbers aren’t large enough that other states aren’t overtaking us on the size scale.”

Ultimately, for whatever reason they have chosen to live in Indiana, our residents constitute our present and future.

Monitoring change in the size and movement of our population is an important barometer of well-being. Some of us monitor these changes as an insect might gauge the shifting sands, while most don’t pay much attention. But the barometer is a good metaphor for population change, since it can presage more notable events, such as lackluster business attraction due to lack of workers. Some gives:

- Indiana’s population growth historically goes from relatively stagnant to pretty good during economic booms—such as the manufacturing renaissance of the mid to late 1990s.
- Conversely, population growth in Indiana tends to become moribund during slow or recessionary economic times. Between 1980 and 1990, for example, Indiana’s growth rate was less than 1 percent over that 10-year span, a time of

downsizing in manufacturing and general economic hard times.

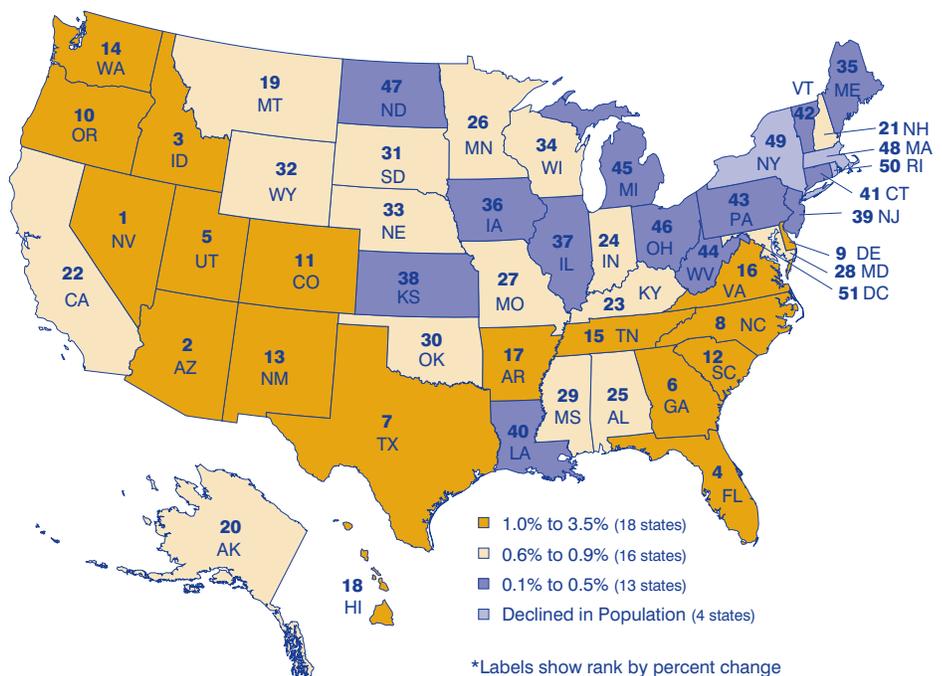
- When manufacturing jobs go away, some people leave Indiana for places such as Texas, California and Illinois. Indiana has shifted from a goods-producing to a service-providing economy (in terms of where the majority of jobs are among sectors), but jobs in the services sectors overall tend to pay less. This drives average wage and per capita personal income further below the national average.
- Business attraction has changed from attracting factories to attracting educated workers, who in turn attract often smaller but hopefully higher paying knowledge economy firms. Many states and communities are putting their emphasis on quality of life, showing their “cool

quotient” to the young, mobile and better educated.

Indiana’s growth rate since the 2000 census has slowed considerably. **Figure 1** shows the most recent percent change in population. It is a hard lesson in the zero-sum gain—even though we are still gaining in population, the numbers aren’t large enough that other states (such as Washington, which now ranks as the 14th largest state) aren’t overtaking us on the size scale. Slow isn’t fast enough and our small gains will likely be most evident come time for the 2010 census and the resulting apportionment of seats in Congress. Can this change? Of course. The winds of economic change can indeed shift in our favor. Or more realistically, development, attraction and retention efforts can take hold and shift that barometer in the upward direction.

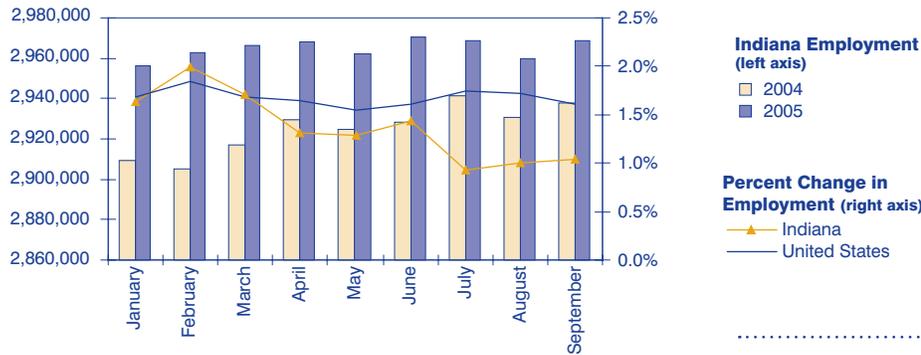
—Carol O. Rogers, Associate Director, Indiana Business Research Center, Kelley School of Business, Indiana University

FIGURE 1: PERCENT CHANGE IN POPULATION, 2004 TO 2005



Monthly Metrics: Indiana's Econ

TOTAL EMPLOYMENT, 2004 TO 2005



Note: Data are seasonally adjusted.
Source: IBRC, using Bureau of Labor Statistics data

The first half of 2005 saw the state's rate of expansion keep pace with the nation, but a drop in July widened the gap. This gap in percent change closed slightly in August and September. September had the second highest employment levels (behind June) in 2005 (October, November and December data are not yet available).

GROSS STATE PRODUCT, 2003 TO 2004

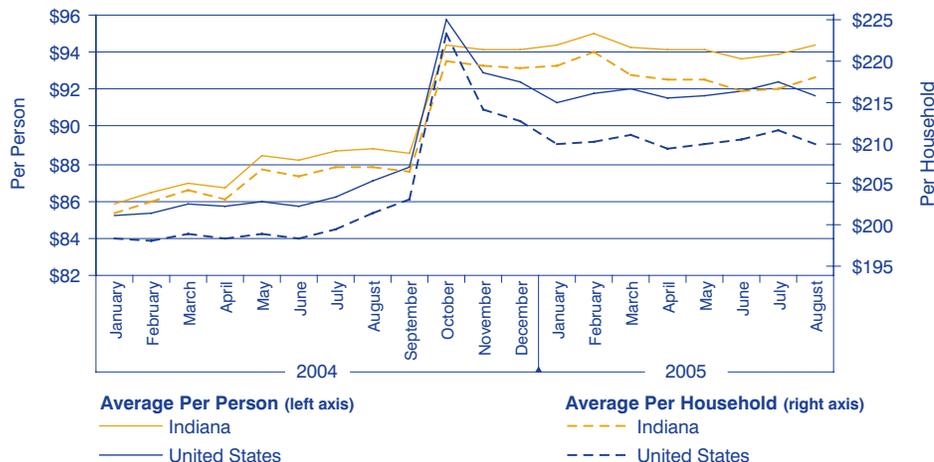
Industry	2003	2004	Indiana Change	U.S. Change
Total Gross State Product	201,263	208,834	3.8%	4.3%
Information	4,938	5,629	14.0%	9.8%
Administrative and Waste Services	4,957	5,365	8.2%	6.0%
Other Services (Except Government)	4,291	4,578	6.7%	7.1%
Utilities	4,466	4,733	6.0%	5.4%
Nondurable Goods	18,547	19,545	5.4%	2.2%
Manufacturing	58,358	61,182	4.8%	4.3%
Durable Goods	39,860	41,682	4.6%	5.8%
Private Industries	182,703	189,865	3.9%	4.6%
Accommodation and Food Services	4,218	4,376	3.7%	5.5%
Real Estate, Rental and Leasing	19,132	19,834	3.7%	4.1%
Retail Trade	14,969	15,485	3.4%	5.2%
Finance and Insurance	12,026	12,432	3.4%	7.8%
Professional and Technical Services	7,391	7,629	3.2%	4.1%
Management of Companies and Enterprises	2,273	2,341	3.0%	5.8%
Wholesale Trade	10,978	11,304	3.0%	3.3%
Transportation and Warehousing, Excluding Postal Service	6,762	6,944	2.7%	3.3%
Health Care and Social Assistance	13,395	13,732	2.5%	3.1%
Government	18,599	19,019	2.3%	2.3%
Construction	8,478	8,499	0.2%	2.2%
Arts, Entertainment and Recreation	2,608	2,612	0.2%	2.0%
Educational Services	1,211	1,201	-0.8%	-0.6%
Agriculture, Forestry, Fishing and Hunting	1,791	1,728	-3.5%	-6.4%
Mining	720	679	-5.7%	2.2%

Source: IBRC, using Bureau of Economic Analysis data

Real gross state product (GSP) for Indiana was up 3.8 percent from 2003 to 2004, while U.S. real GSP grew 4.3 percent. Indiana ranked 34th in the nation for GSP growth. The information industry experienced the largest growth both in the United States (9.8 percent) and in Indiana (14 percent).

The United States and Indiana saw reductions in GSP for the educational services, mining, and agriculture, forestry, fishing and hunting industries.

AVERAGE FOOD STAMPS PER PERSON AND PER HOUSEHOLD, 2004 TO 2005



Source: IBRC, using Indiana Family and Social Services Administration data

The state is above the national averages for food stamps per person and food stamps per household. Both the national and the state average saw a spike in October 2004. Since then, averages have fluctuated slightly. However, Indiana's figures have not seen a meaningful decline from that peak.

CHANGE IN EMPLOYMENT AND MEDIAN WAGES BY OCCUPATION, 2003 TO 2004

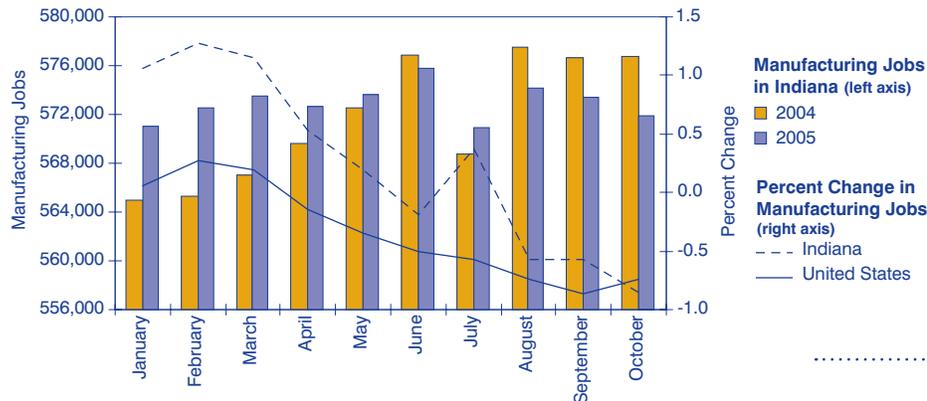
Occupation	Total Employment Percent Change		Median Wages Percent Change	
	Indiana	United States	Indiana	United States
All Occupations	1.0	1.4	1.7	2.4
Arts, Design, Entertainment, Sports and Media	8.9	4.0	3.7	1.8
Transportation and Material Moving	6.5	2.5	2.4	2.7
Healthcare Practitioners and Technical	3.9	3.4	5.2	5.2
Building and Grounds Cleaning and Maintenance	3.3	1.1	1.7	2.5
Life, Physical and Social Science	2.0	3.8	2.6	5.1
Community and Social Services	1.7	1.6	3.5	3.2
Construction and Extraction	1.7	3.3	4.6	1.8
Healthcare Support	1.4	2.2	2.5	2.0
Production	1.2	-0.5	0.8	2.2
Protective Service	1.2	2.5	3.3	3.0
Architecture and Engineering	0.9	1.3	4.4	4.3
Sales and Related	0.8	1.4	1.6	1.8
Computer and Mathematical	0.6	3.6	1.3	3.8
Food Preparation and Serving Related	0.4	3.1	0.2	2.0
Personal Care and Service	0.0	3.8	-3.3	2.4
Installation, Maintenance and Repair	-0.3	0.8	3.4	2.8
Business and Financial Operations	-1.5	4.1	0.3	2.5
Office and Administrative Support	-1.6	0.1	3.3	2.7
Legal	-1.8	3.0	-0.2	5.1
Management	-5.4	-5.5	3.1	5.2
Farming, Fishing and Forestry	-48.6	-3.5	5.2	1.8
Education, Training and Library	*	1.5	-2.2	3.1

*Estimates not released.
Source: IBRC, using Bureau of Labor Statistics data, November estimates

➤ **Indiana lags behind the nation** in median wage growth for all occupations. The nation showed a 2.4 percent increase, while Indiana gained 1.7 percent. Healthcare practitioners and technical occupations showed a 5.2 percent increase in median wages both nationally and in the state.

In arts, design, entertainment, sports and media occupations, Indiana saw an 8.9 percent increase in employment, while the United States saw a 4.0 percent change. The transportation and material moving sector showed a significant difference between the state and the nation: a 6.5 percent change for Indiana and a 2.5 percent change in the nation.

MANUFACTURING EMPLOYMENT, 2005



Note: Data are seasonally adjusted.
Source: IBRC, using Bureau of Labor Statistics data

➤ **Manufacturing jobs in Indiana** declined slightly in September and October, while the nation saw a slight increase. In October, Indiana saw a 0.8 percent decline in employment, while the nation dropped 0.7 percent. This was the first time in 2005 that Indiana fell below the United States in percentage change.

SELECTED PATENT CLASSES, 2004

Patent Class	Number of Patents	2004 Rank	Number of Patents	2003 Rank	Percent of United States
Drug, Bio-Affecting and Body Treating Compositions (includes Class 514)	70	1	99	1	4.3%
Internal-Combustion Engines	35	2	28	4	4.6%
Metal Working	29	3	25	6	2.8%
Electrical Connectors	28	4	22	10	6.1%
Prosthesis (i.e., Artificial Body Members), Parts Thereof, or Aids and Accessories Thereof	25	5	18	12	3.6%
Measuring and Testing	24	6	23	9	2.3%
Land Vehicles	22	7	27	5	1.7%
Stock Material or Miscellaneous Articles	22	7	16	19	3.3%
Power Plants	21	9	18	12	2.4%
Surgery (instruments)	21	9	24	8	4.7%
Data Processing: Vehicles, Navigation and Relative Location	21	9	25	6	3.5%

Source: IBRC, using United States Patent and Trademark Office data

➤ **Drug, bio-affecting and body** treatment compositions continue to be the top patents registered with the United States Patent and Trademark Office, with a total of 70 patents—down from the 99 patents in 2003. Internal combustion engine patents improved its ranking from fourth in 2003 to second in 2004. Overall, patents dropped slightly from 1,382 in 2003 to 1,277 in 2004.

Economic Growth Region 1: Northwest Indiana

The Indiana Department of Workforce Development recently defined 11 economic growth regions (EGRs) across Indiana. Region 1, located in northwest Indiana includes Jasper, Lake, La Porte, Newton, Porter, Pulaski and Starke counties. These seven counties constitute 13.8 percent of Indiana's total population with nearly 840,000 people (see **Figure 1**). Lake and Porter counties have contributed more than 88 percent of the growth in the EGR's population over the past year, while La Porte and Newton counties have been slowly declining in population since 2000.

In contrast to the overall population gains in Lake County, three of its four largest cities declined from 2000 to 2004. Combined, Gary and Hammond, with populations of nearly 100,000 and 80,000, respectively, lost about 6,000 people during that time. Meanwhile, relatively smaller cities in the county and region were gaining in popularity: in EGR 1, 56.6 percent of growth

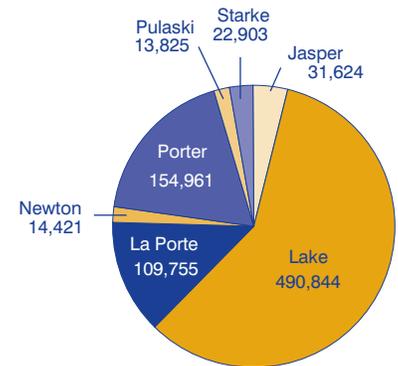
occurred in cities with populations between 20,000 and 36,000.

Jobs

In the first quarter of 2005, there were 16,210 establishments supplying over 310,000 jobs in the seven-county region. Manufacturing and health care and social services had more than 40,000 employees each, but they were on opposite ends of the spectrum in terms of change in jobs from the first quarter of 2001. Retail trade came in at a close third in the region with more than 39,000 jobs. While the retail trade sector experienced a 4.1 percent decline from its 2001 level, it performed 2.7 percentage points better than Indiana's 6.8 percent decline.

Manufacturing had the highest number of jobs in the region but lost more than 10,000 jobs (a 17.7 percent decline) from the first quarter of 2001 to the first quarter of 2005. The health care industry made up 13.7 percent of total jobs for the region as a result of the 4,319 jobs added during the same

FIGURE 1: POPULATION DISTRIBUTION, 2004



Source: IBRC, using U.S. Census Bureau data

period (an 11.3 percent increase). With similar trends, Indiana experienced an 8.7 percent increase in health care and social services jobs and a decrease in the manufacturing industry by 9.7 percent. **Table 1** shows which industries gained in both Indiana and the region and which ones lost jobs. Overall, the region encountered a drop of 5,264 jobs during the four-year period.

Wages and Income

An overall increase in wages in both the region and the state attempt to offset the large number of jobs lost. Region 1 has increased its wages from the first quarter of 2001 to the same quarter in 2005 by \$53, or \$10 more than the state for the same period. Weekly manufacturing wages increased by \$196 in the region from the first quarter in 2001 to the first quarter of 2005, raising the average weekly wage for manufacturing in the seven-county region to \$1,094. That amount is \$160 more than Indiana's average weekly wage for the manufacturing industry, compared to a difference of only \$68 four years prior.

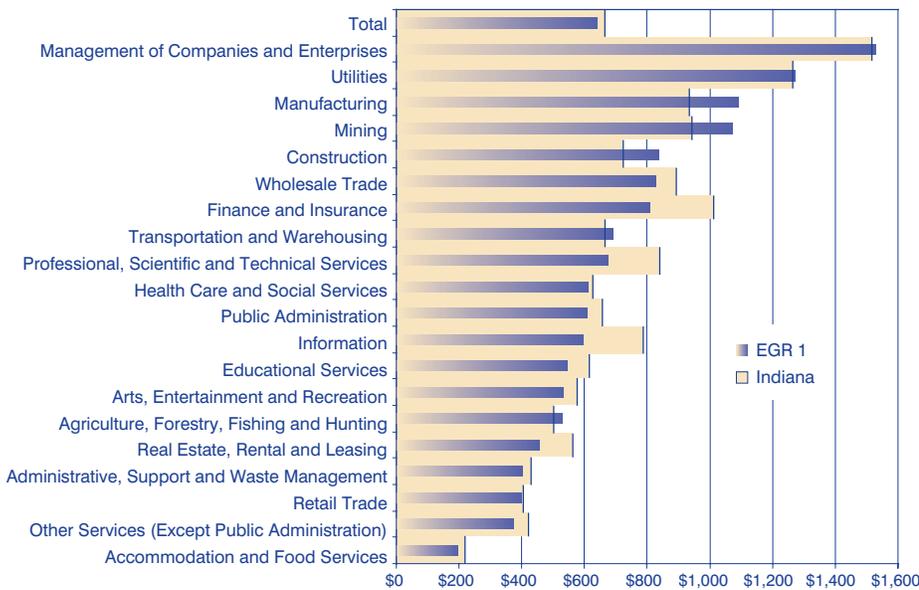
The largest difference between average weekly wages for the region and the state was in the finance and insurance industry. Indiana's average weekly wage was \$1,012 for the

TABLE 1: CHANGE IN JOBS IN EGR 1 COMPARED TO INDIANA*, 2001:1 TO 2005:1

Industry	EGR 1			Indiana		
	2005:1	Change Since 2001:1	Percent Change	2005:1	Change Since 2001:1	Percent Change
Total	310,519	-5,264	-1.7	2,817,662	-27,778	-1.0
Management of Companies and Enterprises	1,599*	310	24.0	26,230	-600	-2.2
Arts, Entertainment and Recreation	9,564*	1,040	12.2	38,812	-415	-1.1
Health Care and Social Services	42,651	4,319	11.3	341,266	27,254	8.7
Professional, Scientific and Technical Services	9,229	705	8.3	92,787	3,584	4.0
Administrative, Support and Waste Management	13,697	903	7.1	146,172	17,690	13.8
Accommodation and Food Services	24,690	1,577	6.8	224,942	8,553	4.0
Construction	18,028	855	5.0	133,766	373	0.3
Transportation and Warehousing	12,962	463	3.7	124,742	-2,933	-2.3
Agriculture, Forestry, Fishing and Hunting	1,490	38	2.6	10,218	168	1.7
Educational Services	30,258*	613	2.1	251,304	18,824	8.1
Finance and Insurance	7,890	43	0.5	99,965	-5,406	-5.1
Other Services (Except Public Administration)	11,331	52	0.5	82,485	-2,521	-3.0
Public Administration	16,407	-355	-2.1	124,880	2,533	2.1
Retail Trade	39,165	-1,676	-4.1	323,880	-23,506	-6.8
Wholesale Trade	10,753	-679	-5.9	119,557	-4,300	-3.5
Real Estate, Rental and Leasing	3,537	-239	-6.3	36,154	-49	-0.1
Utilities	1,733*	-222	-11.4	16,202	-427	-2.6
Mining	350*	-61	-14.8	6,281	129	2.1
Information	4,145	-748	-15.3	46,831	-5,120	-9.9
Manufacturing	49,412	-10,653	-17.7	570,528	-61,274	-9.7

*These totals exclude county data that are not available due to nondisclosure requirements. Source: IBRC, using U.S. Census Bureau Covered Employment and Wages data

FIGURE 2: EGR 1 AVERAGE WEEKLY WAGE BY INDUSTRY SECTOR, 2005:1



Source: Indiana Department of Workforce Development

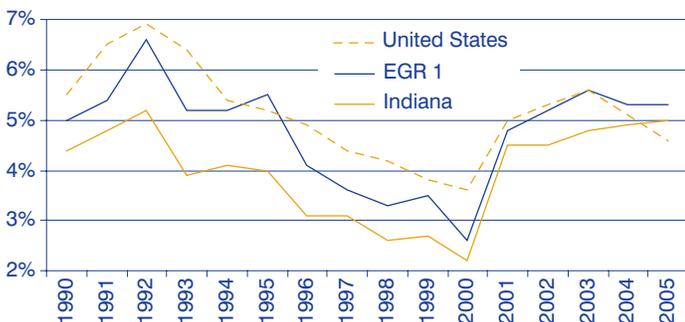
industry, while Region 1 only paid an average of \$806 per week, a difference of \$206 (see **Figure 2**).

Housing

Region 1 accounted for 12.9 percent of Indiana's total housing units in 2004 (347,412 units). On a percentage basis, both Jasper and Porter counties added more housing than the state of Indiana from July 2000 to July 2004. Lake County constituted more than 49 percent of that change in housing units during the same period for the region. By 2004, Lake County had more than 200,000 units making up 58.4 percent of total housing units in the region.

From 1990 to 2004, EGR 1 contributed 15 percent of the overall

FIGURE 3: UNEMPLOYMENT RATES, OCTOBER OF EACH YEAR



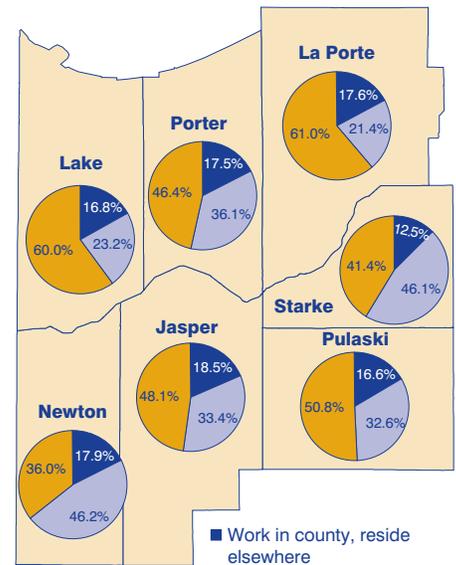
Note: Data not seasonally adjusted
Source: STATS Indiana

growth in building permits issued across Indiana. Indiana issued 134 fewer permits in 2004 than it did in 2003. Meanwhile, the seven-county region remained steady in the number of building permits issued. All but Starke County had the majority of their permits for single-family units, with at least 80 percent of the permits issued. Both Newton and Pulaski counties had 100 percent of their permits issued for single-family units. Starke County, on the other hand, had 63.2 percent of its permits issued for five-or-more family units and only 31.6 percent allocated to single-family units.

Unemployment

The region has historically remained higher than, but in line with, the state in terms of the unemployment rate (see **Figure 3**). In October 2005, the region's unemployment rate stayed steady at 5.3 percent when compared to October 2004. This

FIGURE 4: EGR 1 COMMUTING PATTERNS



Note: Percentages represent workers that either reside in or work in each county
Source: IBRC, using U.S. Census Bureau data

was higher than both the state and the nation by 0.3 percentage points and 0.7 percentage points, respectively.

Commuting

Nearly 250,000 residents (76.6 percent of the workforce) in EGR 1 work and reside in the same county. Meanwhile, the 68,000 EGR 1 residents that commute out of the region make up 18.6 percent of the labor force. **Figure 4** shows the region's commuting patterns at the county level. Not surprisingly, 71.7 percent of commuters who travel out of the region travel to Cook County, Ill., home of Chicago.

According to the latest data from the Bureau of Motor Vehicles, more drivers in EGR 1 are likely to drive a Chevrolet than any other type of vehicle. Of the nearly 440,000 vehicles registered in the region, 17.3 percent are Chevrolets and 15.5 percent are Fords. As far as luxury vehicles go, 17.3 percent of all Jaguars registered in Indiana can be found in EGR 1, with the majority of those located in Lake County.

—Molly Marlatt, Research Associate, Indiana Business Research Center, Kelley School of Business, Indiana University

The Pet Industry: Another View of Economic Well-Being

We may soon have to broaden our definition of consumer to include our furry friends.

The pet industry has become more prevalent over the last five years and might even be considered a “watch industry” for the nation’s economic well-being in terms of disposable income (since having a pet is not a necessity, nor are the kinds of pet care services that are spreading across the country). In 1988, 56 percent of households owned a pet as compared to 63 percent today, according to the

American Pet Products Manufacturers Association.¹

In 2002, the nation had 360,000 paid employees working in industries devoted to pet care and maintenance and generated \$38 billion in sales (see **Table 1**). The average establishment with paid employees engaged in pet services was a small business employing nine people in both the United States and Indiana. Veterinary services had the lion’s share of employment for the nation and the state in this industry (66 percent) and pet

and pet supply stores followed with a fifth of the employment. In the nation, there were 101,000 establishments in the pet industry with 46 percent of those businesses operating pet care businesses.

The pet care industry code includes pet boarding, sitting, grooming and training services. **Table 2** looks at the different product lines contained in the pet care industry for employers with paid employees and is highlighted in **Tables 1** and **3**. It is apparent that pet grooming and boarding

TABLE 1: U.S. PET INDUSTRY, 2002

Industry	Employees	Percent of Total	Establishments	Percent of Total	Sales (Thousands)	Payroll (Thousands)	Revenue per Establishment (Thousands)	Employees per Establishment
Grand Total	n/a	n/a	101,381	n/a	38,175,062	n/a	377	n/a
Firms with No Paid Employees—(Self-Employed)								
Pet Industry	n/a	n/a	59,704	100	1,811,362	100	30	n/a
Vets	n/a	n/a	12,057	20	593,246	33	49	n/a
Pet Stores and Pet Supply Stores	n/a	n/a	7,853	13	400,686	22	51	n/a
Pet Care	n/a	n/a	38,816	65	761,857	42	20	n/a
Animal Food Manufacturing	n/a	n/a	978	2	55,573	3	57	n/a
Firms with Paid Employees								
Pet Industry	360,454	100	41,677	100	36,363,700	7,734,938	873	9
Vets	238,731	66	25,642	62	16,623,278	5,590,538	648	9
Pet Stores and Pet Supply Stores	73,536	20	7,626	18	7,592,596	1,024,916	996	10
Pet Care	33,734	9	8,167	20	1,485,589	484,468	182	4
Dog and Cat Food Manufacturing	14,453	4	242	1	10,662,237	635,016	44,059	60

Source: U.S. Census Bureau

TABLE 2: U.S. PET CARE INDUSTRY PRODUCT LINES

Pet Care Industry	Establishments	Sales/Receipts/Revenue with Line (Thousands)	Receipts/Revenue (Thousands)	Line Sales as Percent of Establishment Sales	Line Sales as a Percent of Total NAICS Sales
Pet and Animal Services	8,147	1,466,165	1,452,076	99	99
Pet Grooming and Boarding Services	7,067	1,282,792	1,138,065	88.7	77.6
Pet Training Services	1,224	363,345	112,158	30.9	7.7
Other Pet Care/Animal Services	1,172	256,418	136,641	53.3	9.3
Sale of Pet/Animal Supplies	2,559	625,862	65,212	10.4	4.4

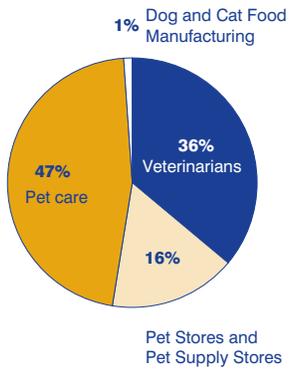
Note: Businesses with multiple product lines will get counted in each category, resulting in a percent greater than 99.
Source: U.S. Census Bureau

TABLE 3: INDIANA PET INDUSTRY, 2002

Industry	Employees	Percent of Total	Establishments	Percent of Total	Sales (Thousands)	Payroll (Thousands)	Revenue per Establishment (Thousands)	Employees per Establishment
Grand Total	n/a	n/a	2,162	n/a	1,009,070	n/a	467	n/a
Businesses with No Paid Employees—(Self-Employed)								
Pet Industry	n/a	n/a	1,247	100	38,077	100	31	n/a
Vets	n/a	n/a	204	16	16,478	43	81	n/a
Pet Stores and Pet Supply Stores	n/a	n/a	191	15	6,413	17	34	n/a
Pet Care	n/a	n/a	835	67	14,125	37	17	n/a
Animal Food Manufacturing	n/a	n/a	17	1	1,061	3	62	n/a
Firms with Paid Employees								
Pet Industry	8,391	100	915	100	970,993	166,652	1,061	9
Vets	5,555	66	579	63	364,363	117,253	629	10
Pet Stores and Pet Supply Stores	1,652	20	160	17	154,085	20,907	963	10
Pet Care	672	8	169	18	29,415	8,939	174	4
Dog and Cat Food Manufacturing	512	6	7	1	423,130	19,553	60,447	73

Source: U.S. Census Bureau

FIGURE 1: INDIANA PET BUSINESSES, 2002



Source: IBRC, using U.S. Census Bureau data

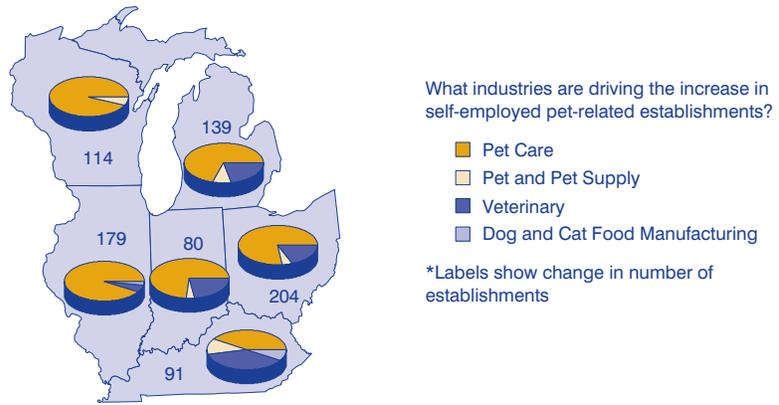
services is the biggest moneymaker for businesses in the pet care industry. Pet grooming and boarding services boasts 77 percent of the sales for this NAICS code and of those businesses claiming to have pet grooming and boarding services, 89 percent of total sales is derived from pet grooming and boarding. Also, some pet and pet supply stores offer boarding and grooming services and this constitutes 3.9 percent of their sales.

The 50 largest firms only comprised 1.2 percent of all the businesses in the pet care industry, indicating a lot of small players in the market. However, revenue is more concentrated with 15 percent of sales coming from the 50 largest firms.

There are 1,748 grocery and related-product merchant wholesalers that have pet food as a product line and generate \$13.5 billion from pet food sales. Of those wholesalers with pet food as a product line, 15 percent of their total sales come from pet food.

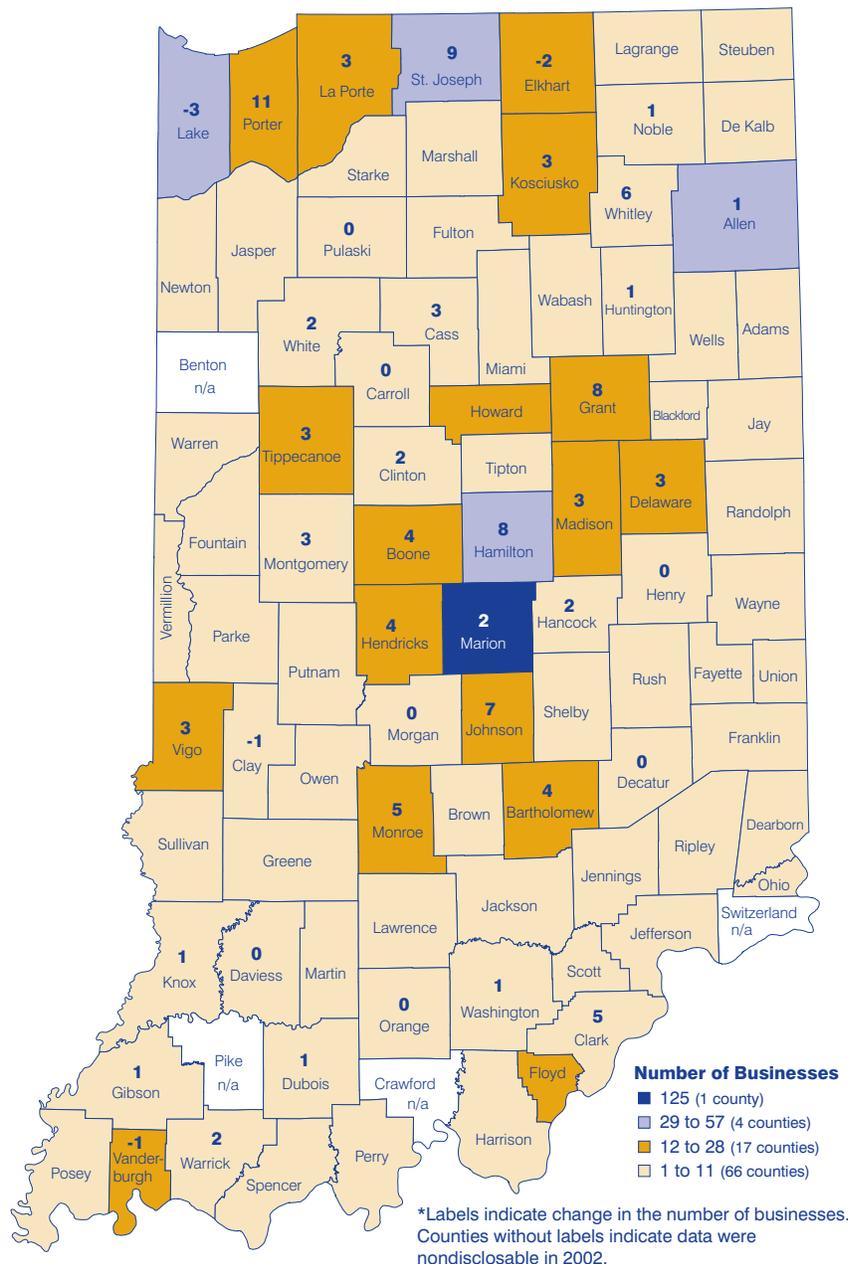
Indiana had approximately 8,400 paid employees working in pet-related industries that generated \$1 billion in sales for the year. Dog and cat food manufacturers employed the greatest number of employees and generated the most revenue per establishment (see **Table 3**). Like the nation, Indiana's greatest number of businesses is in pet care and are individuals operating

FIGURE 2: GROWTH IN SELF-EMPLOYED BUSINESSES IN THE PET INDUSTRY, 2002 TO 2003



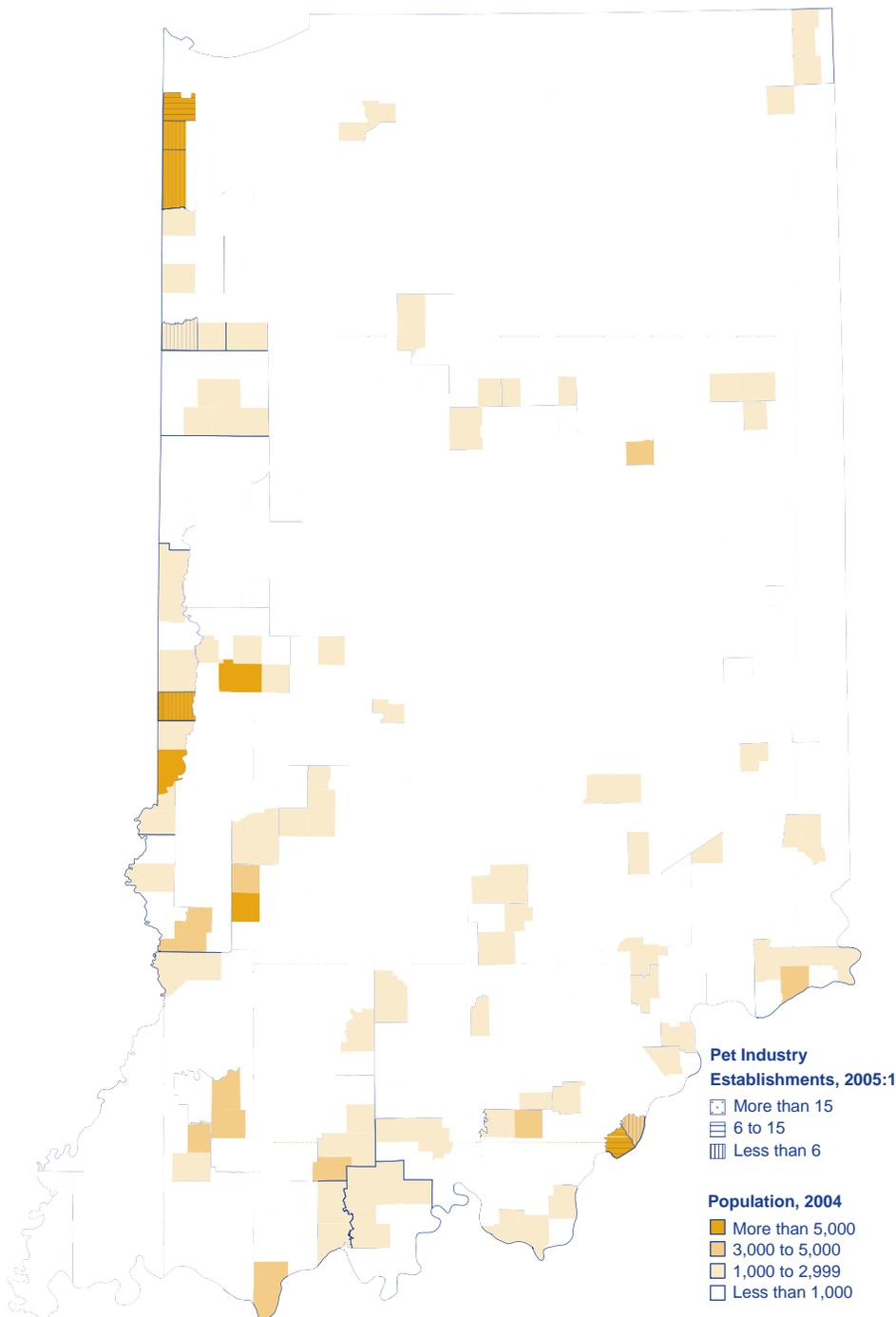
Source: IBRC, using U.S. Census Bureau data

FIGURE 3: CHANGE IN NUMBER OF BUSINESSES, 2002:1 TO 2005:1



Source: IBRC, using Bureau of Labor Statistics data

FIGURE 4: POPULATION AND PET INDUSTRY ESTABLISHMENTS



Source: IBRC, using U.S. Census Bureau and Bureau of Labor Statistics data

their own pet-sitting, boarding and grooming services (see **Figure 1**). The pet industry has grown significantly over the past five years as evidenced by the unavailability of veterinary services and pet care data in the 1997 economic census.

From 2002 to 2004, the nation has gained 1,667 pet industry private businesses (excluding self-employed individuals), 790 of which are pet care businesses. This is a 4.0 percent increase for the pet industry and a 9.7 percent increase for the pet care

industry. Indiana, on the other hand, is growing slower with 16 new private businesses overall (1.8 percent change), 11 of which are pet care businesses (7.1 percent change). Indiana's average annual pay for workers in this industry (\$20,520) is also \$4,208 less than the nation and the pay gap has widened by \$1,692 since 2002. **Figure 2** shows which industries are leading the growth in the pet industry for the self-employed with their own operation. The majority of new pet businesses are in the pet care industry in the Midwest. There were 80 new establishments in Indiana, 60 of which were in pet care.

In the first quarter of 2005, there were 939 pet industry establishments in Indiana, excluding those who were self-employed. **Figure 3** shows the state's distribution of establishments covered by unemployment insurance in the pet industry. The greatest number of businesses are found in Marion County, followed by Hamilton, Lake and Allen counties. Porter County had the greatest net increase in the number of new pet establishments (11).

Figure 4 shows all of the pet establishments in the state and the population estimates for townships. Assuming that a greater township population would mean a greater pet population, this map may be useful for a new business in the pet industry trying to locate within the state.

Notes

1. American Pet Products Manufacturer's Association (APPMA): 2005/2006 National Pet Owners Survey.

—Amber Kostelac, Data Manager, Indiana Business Research Center, Kelley School of Business, Indiana University

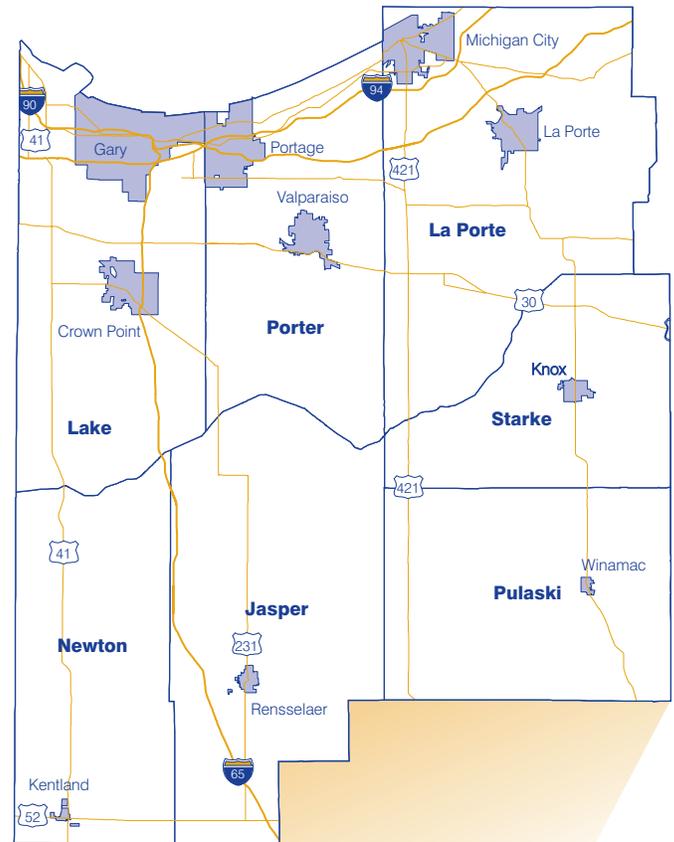
Around and 'Round the Mulberry Bush: Intra-Region Employment Commuting in Economic Growth Region 1

Economic Growth Region (EGR) 1 includes Jasper, Lake, La Porte, Newton, Porter, Pulaski and Starke counties, and is home to firms that employ 313,320 Hoosiers (annual average for 2004). It boasts a population of 838,333, second only to Region 5 (the Indianapolis region) in terms of population and follows Region 5 and Region 3 (the Fort Wayne region) in employment. Region 1 has some of Indiana's most populous counties along with some of the least populous. Lake and Porter counties' populations are in the top 10, while Newton and Pulaski are in the bottom 10 (based on 2000 census data). Sharing borders with both Illinois and Michigan, Region 1 sends some of its workforce out of state, in addition to county-to-county commuting within Indiana. An examination of the counties' commuting patterns reveals that an average of 23 percent of the region's workforce commute outside their residence county to work, while the remaining 77 percent reside and work within the same county. Newton County has the highest rate of commuting at 40 percent, while La Porte has the lowest at 16 percent. Four of the seven counties have rates within 10 percent of the average (see **Table 1**). La Porte has the highest rate of in-county employment for its residents (84 percent), while Newton County has the lowest (60 percent). Four of the six counties are within 10

percent of the regional average for in-county employment.

The breakout of commuters into those who commute within the region, those who commute out of state, and those who commute to other Indiana counties outside the region shows more variance, with Lake County sending 84 percent of its commuting workers out of state, compared to 3 percent for Pulaski County and 4 percent for Starke County. Both extremes make sense geographically, considering Lake County's proximity to Chicago and the interior position of Starke and Pulaski counties. Intra-regional commuting, excluding Lake County, varies from 43 percent to 75 percent of those workers who commute out of their residence county for their employment. Conversely, Starke and Pulaski counties have the highest rate of extra-region Indiana commuting, while Lake and Porter counties have the lowest (see **Table 2**).

Table 3 provides the detailed breakout for each county of the



workplace commuting within the region, based on summary data on place of residence and place of principal work activity collected via the 2003 Indiana individual tax returns. Lake County obviously enjoys the largest number of workers commuting in from surrounding counties, followed by Porter County at less than 50 percent

(continued on page 16)

TABLE 1: EMPLOYMENT, WAGES AND COMMUTING PATTERNS

	Jasper	Lake	La Porte	Newton	Porter	Pulaski	Starke	EGR 1
2004 Average Employment	11,635	190,988	44,666	4,217	53,023	4,543	4,248	313,320
2004 Annual Wages (Covered Employment)	\$29,013	\$35,378	\$30,065	\$27,286	\$34,883	\$30,268	\$23,909	\$33,962
2004 Population	31,624	490,844	109,755	14,421	154,961	13,825	22,903	838,333
Persons Commuting Out of Residence County	5,942	53,856	10,861	3,678	33,773	1,905	5,394	115,409
Employed in Residence County	71%	81%	84%	60%	66%	78%	62%	77%
Commuting Out of Residence County	29%	19%	16%	40%	34%	22%	38%	23%

Source: Indiana Department of Revenue aggregated county data, U.S. Census Bureau and Bureau of Labor Statistics

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(continued from page 15)

TABLE 2: PERCENT OF COMMUTERS FOLLOWING A SPECIFIC COMMUTING PATTERN

Commuting Pattern	Jasper	Lake	La Porte	Newton	Porter	Pulaski	Starke	EGR 1
Within EGR 1	74%	13%	55%	68%	75%	43%	45%	39%
Out of State	14%	84%	15%	22%	21%	3%	4%	47%
Within Indiana, But Out of EGR 1	12%	3%	30%	10%	3%	54%	51%	14%

Source: Indiana Department of Revenue aggregated county data

TABLE 3: INTRA-REGION COMMUTING BY COUNTY

		County of Principal Work Activity							Total*
		Jasper	Lake	La Porte	Newton	Porter	Pulaski	Starke	
County of Residence	Jasper		2,851	77	375	966	107	23	4,399
	Lake	253		1,157	108	5,535	<10	12	7,065
	La Porte	35	1,828		<10	3,974	<10	114	5,951
	Newton	715	1,664	15		115	<10	<10	2,509
	Porter	386	21,587	3,418	21		11	66	25,489
	Pulaski	229	111	88	14	168		209	819
	Starke	130	506	742	<10	800	241		2,419
	Total	1,748	28,547	5,497	518	11,558	359	424	48,651

*Totals do not include cells with values less than 10.
Source: Indiana Department of Revenue

of the Lake County level, then La Porte County at about half the level of Porter County. Jasper County exports 4,399 workers to other counties within the region, 74 percent of all its commuting workers, while the remaining counties experience immigration of less than 1,000 workers each.

Taken together, the percentage of residents who work in their home county and the significant rate of intra-regional commuting would suggest more inter-relatedness for the counties in Region 1 than might first be apparent based on location and population. Given the likelihood that consumer spending will occur in places where the consumers either live or work, it seems likely that many wage and salary dollars earned by the region's residents will be re-circulating within the region.

—Vicki Seegert, Manager, Advanced Economic and Market Analysis Group, Indiana Department of Workforce Development

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