in context

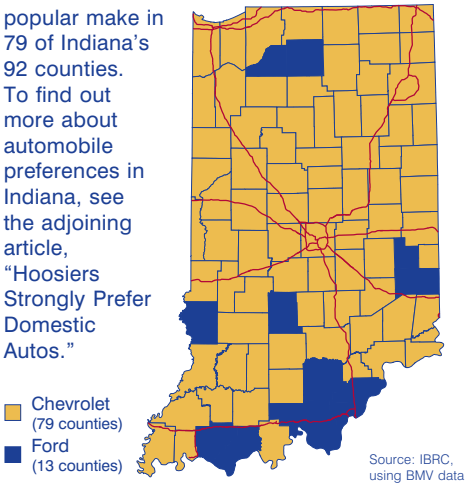
INDIANA'S WORKFORCE AND ECONOMY

OCTOBER 2006

inside

Hoosiers and their Chevrolets

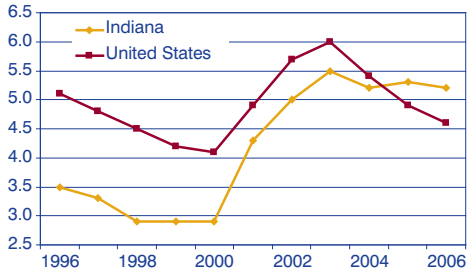
According to 2004 data recently released from the Bureau of Motor Vehicles, Chevrolet was the most popular make in 79 of Indiana's 92 counties. To find out more about automobile preferences in Indiana, see the adjoining article, "Hoosiers Strongly Prefer Domestic Autos."



Source: IBRC, using BMV data

August Unemployment

Indiana's August unemployment rate of 5.2 percent in 2006 remained 0.6 percentage points above the nation.



*not seasonally adjusted

Hoosiers Strongly Prefer Domestic Autos

Although foreign car brands continue to take U.S. market share away from domestic nameplates, Indiana drivers still show a strong proclivity to own American vehicles.

The latest data from the Indiana Bureau of Motor Vehicles (BMV) show that 80.6 percent of Indiana vehicles registered in 2004 bore the names of U.S.-based manufacturers, while 19.4 percent were foreign-based brands. This compares to 2005 national registration shares of 51 percent for domestic makes and 49 percent for foreign makes.[1]

As shown in **Table 1**, Chevrolet and Ford were the two most popular makes, together accounting for nearly a third of all vehicle registrations in Indiana. Nationally, Toyota recently overtook Ford for the number two position, but in Indiana four other domestic brands (plus the classification of "other domestic") had more vehicles registered than Toyota.[2] General Motors held four of the six top individual-make spots, with Daimler-Chrysler and Ford each providing one of the top six positions.

With a total of nearly 3.3 million registered vehicles, there are approximately 1.2 vehicles per Indiana household, or 1.9 Hoosiers per car or truck.

The distribution of vehicles by make varies greatly from county to county in Indiana. **Figure 1** shows the relative concentration of foreign-brand vehicles by county using an index where 100 equals the average concentration for the state as a whole. For instance, the foreign-brand index for Monroe County is 182, meaning that Monroe County residents are 82 percent more likely than the average Hoosier to have a foreign-

TABLE 1: INDIANA VEHICLE REGISTRATIONS BY MAKE, 2004

Make	Registrations	Percent
Chevrolet	583,994	17.7
Ford	477,547	14.5
Other Domestic	311,684	9.5
Pontiac	269,718	8.2
Buick	229,294	7.0
Oldsmobile	183,746	5.6
Dodge	173,864	5.3
Toyota	160,162	4.9
Honda	153,912	4.7
Mercury	118,314	3.6
Chrysler	113,442	3.4
Cadillac	81,760	2.5
Nissan	66,050	2.0
Other Foreign	57,330	1.7
Plymouth	51,515	1.6
Lincoln	50,447	1.5
Volkswagen	36,099	1.1
Mazda	34,636	1.1
Mitsubushi	33,577	1.0
BMW	21,733	0.7
Mercedes-Benz	21,327	0.6
Acura	12,543	0.4
Volvo	12,069	0.4
Subaru	11,855	0.4
AMC	8,293	0.3
Isuzu	8,142	0.2
Jaguar	4,866	0.1
Porsche	3,887	0.1
Total Domestic	2,653,618	80.6
Total Foreign	638,188	19.4
Total Vehicles	**3,291,806**	**100.0**

Note: Shaded cells indicate domestic brands
Source: IBRC, using Bureau of Motor Vehicles data

brand car or truck; this is the highest relative concentration of foreign-make vehicles in the state, followed closely by Hamilton and Floyd counties.

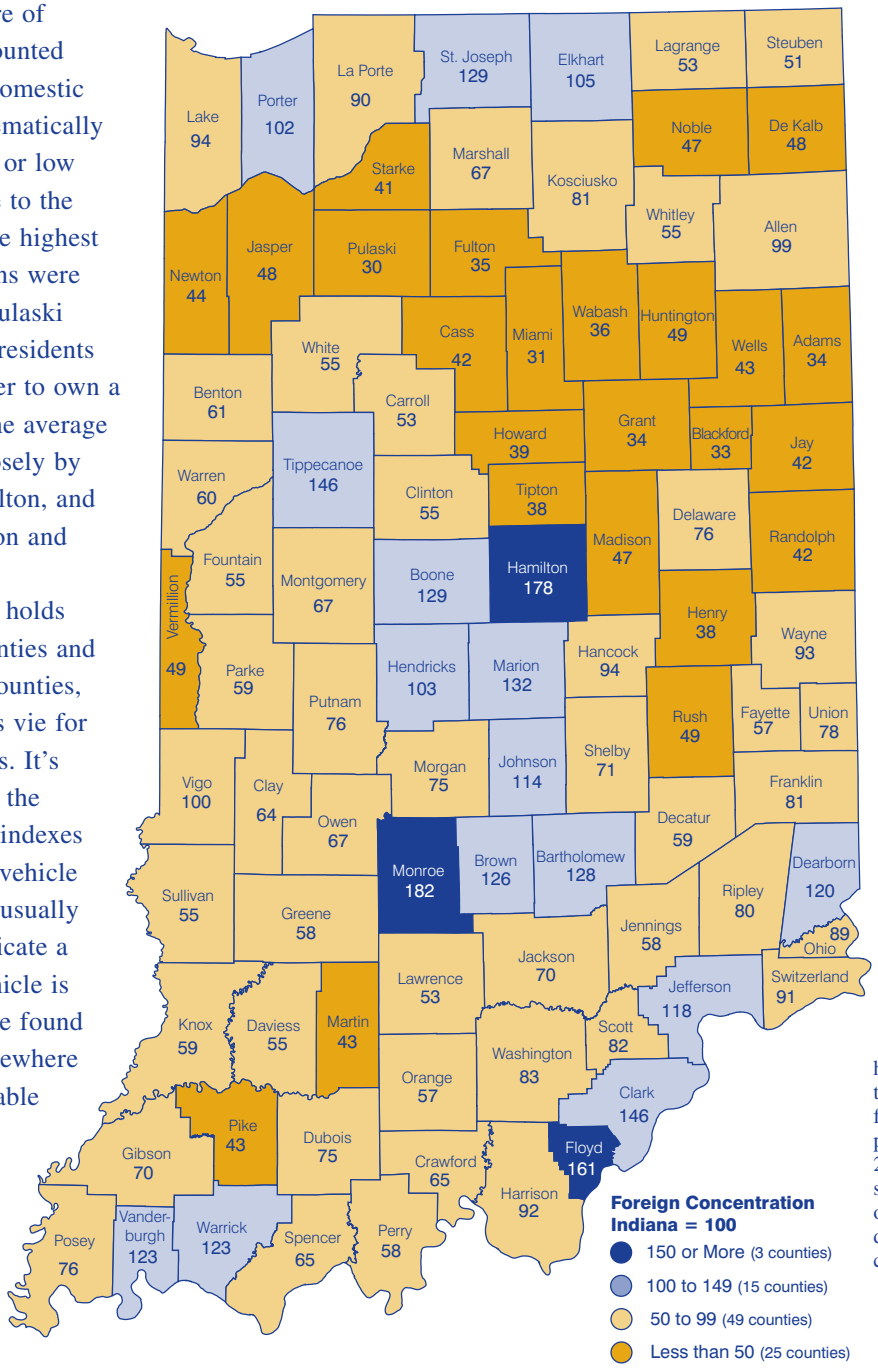
The corresponding relative-concentration indexes for domestic-make vehicles do not vary nearly so much as for foreign makes because of the overwhelming dominance of domestics in the Indiana market. The large share of total registrations accounted for by the combined domestic brands makes it mathematically unlikely for very high or low concentrations relative to the average to emerge. The highest domestic concentrations were found in Miami and Pulaski counties at 117 (their residents were 17 percent likelier to own a domestic make than the average Hoosier), followed closely by Adams, Blackford, Fulton, and Grant at 116 and Tipton and Wabash at 115.

Although Chevrolet holds the top spot in 79 counties and Ford in the other 13 counties, other individual makes vie for the runner-up positions. It's interesting to examine the relative-concentration indexes by county for various vehicle brands, looking for unusually high numbers that indicate a particular make of vehicle is much more likely to be found in that county than elsewhere in the state. The full table of makes-by-counties is too large to include in this article, but it is available on the STATS Indiana website at www.stats.indiana.edu/vehicles.html.

Henry County, for instance, has indexes of 249, 268 and 289 for Chrysler, Dodge and Plymouth vehicles, respectively, the top concentrations in the state for these stable-mate brands. This may reflect that county's heritage as a producer of Chrysler products and supplier to that firm and perhaps the continued presence of retirees who qualify for employee discounts. It may also reveal a persistent brand loyalty years after local production of those vehicles ended.

Hamilton County also has very high relative concentrations for several makes, but probably for different reasons. Hamilton County has the state's highest relative concentrations of five foreign brands: Acura (327), BMW (324), Jaguar (226), Mercedes (262), and Porsche (304). Dealers for these brands are not found in many parts of the state, but are present in this county, and Hamilton County residents tend to have the higher incomes needed to buy such brands.

FIGURE 1: CONCENTRATION OF FOREIGN VEHICLES BY COUNTY, 2004



Note: Vigo County shows a foreign index of 100. However, this is due to rounding, and the county actually leans slightly toward the domestic concentration
Source: IBRC, using Bureau of Motor Vehicles data

Notes

1. Source: R.L. Polk and Company. In this article, foreign and domestic refer to the location of the makers' headquarters. In fact, much of the production and assembly of foreign-based automakers occurs at plants in the United States.
2. Only the makes reported separately by BMV are specified; others are lumped into the "other domestic" and "other foreign" categories.

—Jerry Conover, Director, Indiana Business Research Center, Kelley School of Business, Indiana University

How Do Education, Age and Gender Relate?

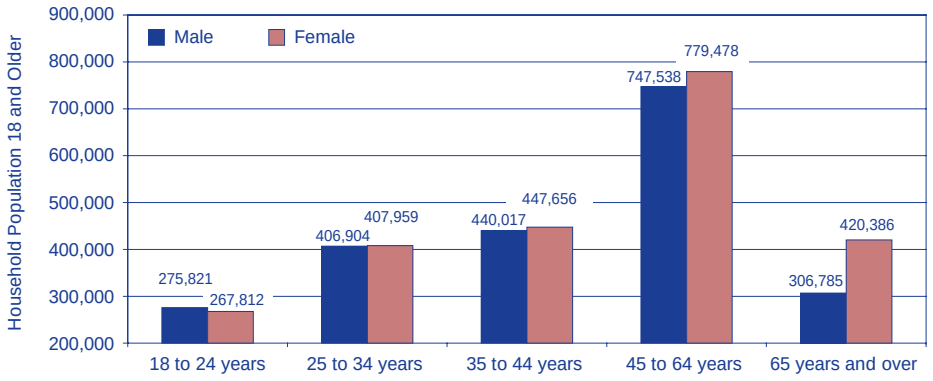
Last month, we briefly overviewed the new educational attainment data from the 2005 American Community Survey (ACS). This month, we delve into educational attainment by age.

To view this data by age, it is first useful to know what Indiana's age distribution looks like (see **Figure 1**). Indiana's age breakdown closely mirrors the nation, with the 45 to 64 age group as the largest age cohort. The genders are roughly equal, with the exception of the oldest group: eighteen percent of Hoosier women age 18 or older are senior citizens (age 65 or older), compared to just 14 percent of Hoosier men. As mentioned with all ACS products, the survey is based on household population and does not include those living in group quarters. For example, for the youngest age group, students living in dormitories are not counted; for the oldest age group, senior citizens living in nursing homes are not included in these estimates.

In Indiana, 37 percent of the household population age 18 or older earned a high school diploma and did not pursue higher education (see **Figure 2**). Twenty-eight percent had some college experience or earned an associate's degree, while 20 percent received a bachelor's degree or higher. An additional 16 percent were not high school graduates. **Figure 3** looks at the percentage of each age group that has attained each level of education.

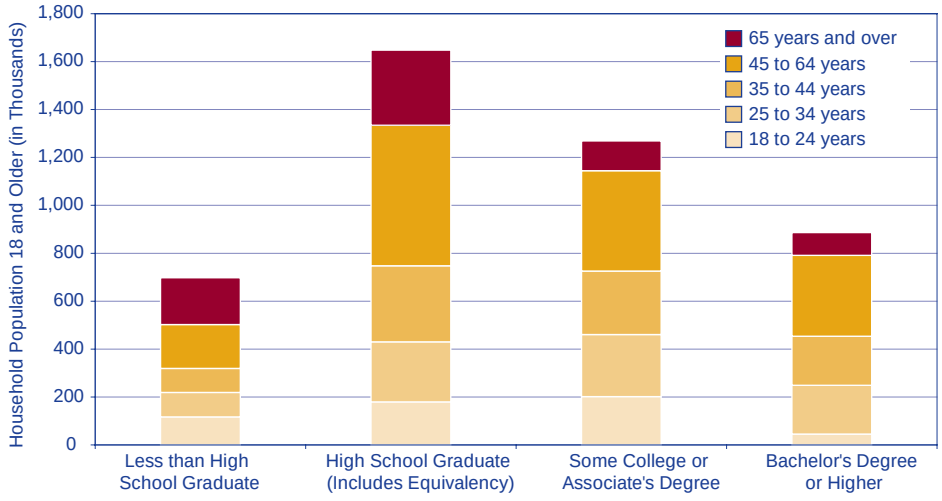
Less than High School Graduate: Not suprisingly, one finds that the oldest and youngest age groups have the highest percentages not completing high school. While 22 percent of those in the 18 to 24 age group do not have a diploma, that is most likely attributable to a fair number of the youngest of that cohort still attending high school.

FIGURE 1: **Indiana's Age Distribution by Sex, 2005**



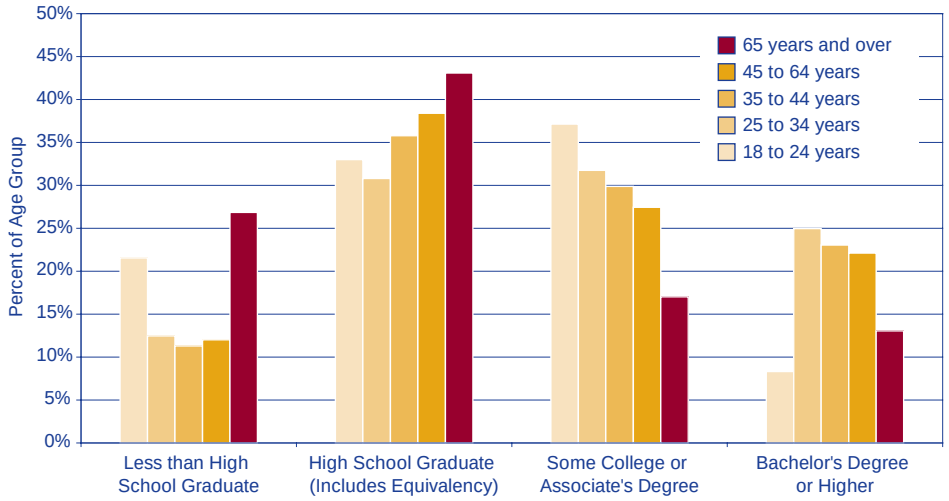
Source: IBRC, using U.S. Census Bureau data

FIGURE 2: **Hoosier Education by Age, 2005**



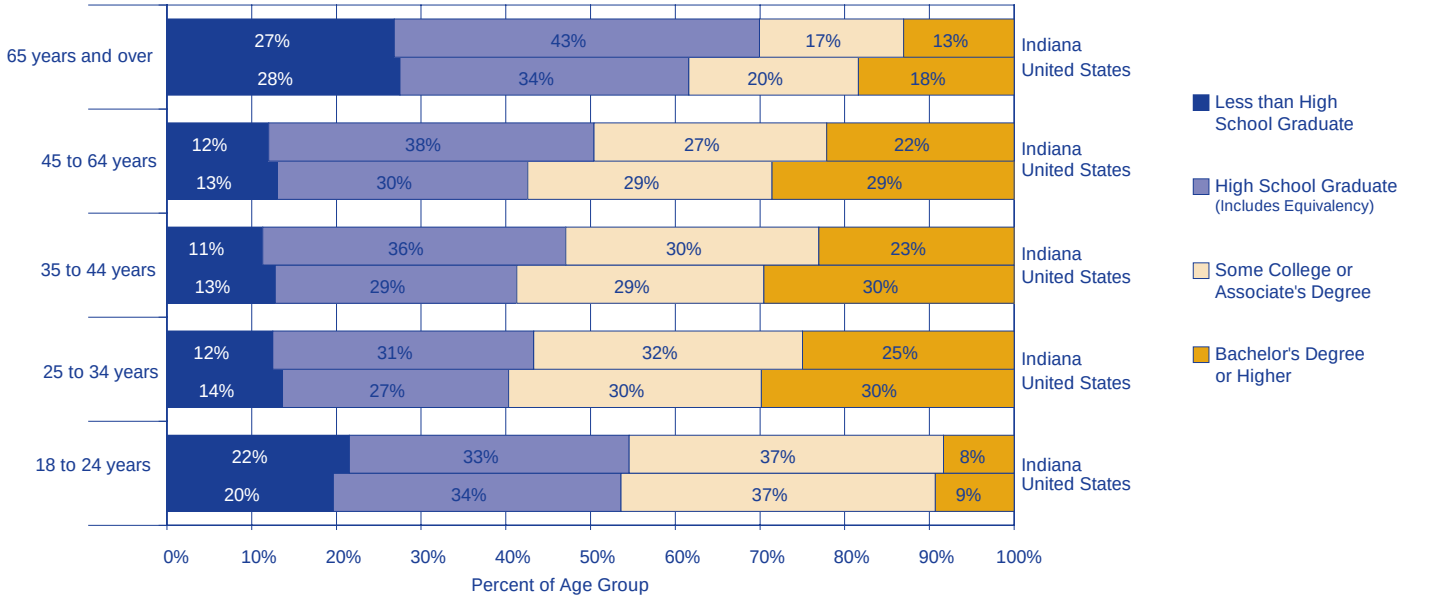
Source: IBRC, using U.S. Census Bureau data

FIGURE 3: **Percent of Age Group with Specified Educational Attainment, 2005**



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

FIGURE 4: **EDUCATIONAL COMPARISON BY AGE IN INDIANA AND THE UNITED STATES, 2005**



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

Meanwhile, the 27 percent of those over age 65 without a diploma can be explained by an era where a high school diploma was not mandatory for a good job. The age group with the lowest percentage falling in this category was the 35 to 44 group (11 percent).

High School Graduate or Equivalent: When looking at this indicator, one must realize that it is not all the high school graduates in an age group; rather it includes just those who earned a diploma (or GED) but did not go on to college. The 65 and over age group had the highest percentage (43 percent) in this category, mainly because fewer people in that generation attended college.

Some College or Associate's Degree: Whereas 37 percent of 18-to 24-year-olds have some college or an associate's degree, that number drops with each successive age group to a low of 17 percent for those 65 or older.

Bachelor's Degree or Higher: At just 8 percent of the age group, those under age 25 are the least likely to have a bachelor's degree or more—perhaps indicating that people are taking longer to get through college. In comparison, 25 percent of those between age 25 and 34 earned a bachelor's or advanced degree.

Nationwide Comparison

How does Indiana stack up against the nation? In both the nation and state, 16 percent of the population age 18 or older are not high school graduates. However, while 54 percent of those 18 or older have at least some college experience nationwide, that number falls to 48 percent in Indiana—a difference of 6 percentage points.

> *"For each age group, Indiana had a smaller percentage with at least some college experience than the United States as a whole. That gap grew larger as the age group grew older."*

In fact, for each age group, Indiana had a smaller percentage with at least some college experience than the United States as a whole (see **Figure 4**). That gap was larger with the older age groups. For example, the gap was just 1 percentage point for the 18 to 24 age group, but was 8 percentage points for both the 45 to 64 age group and the 65 and older group. Thus, while Indiana's young adults have at least pursued higher education at about the same rate as their peers nationwide, it is the middle-aged and older Hoosiers who are less likely than their U.S. peers to have attended college. However, looking only at the completion of a bachelor's degree or higher, Indiana lags the nation by 5 to 6 percentage points for all age groups (with the exception of those under 25, where the gap is just 1 percentage point).

Breakdown by Gender

Looking at higher education for Indiana's total population age 18 or older, women account for 54 percent of all those with some college or an associate's degree. For a bachelor's degree or higher, it is a 50-50 split between the genders. However, the picture is much more interesting when breaking these data down by age groups (see **Table 1**).

Bachelor's Degree or Higher: Women tend to be more educated than their male counterparts in three of the five age classifications. It is only for those age 45 or older that men account for a higher proportion of those with a bachelor's or advanced degree than women. For those over 65, it is not all that surprising, given the societal norms of the time, to find men holding 57 percent of the bachelor's and advanced degrees even though they only make up 42 percent of that age group.

However, for the youngest age group (those under 25), 60 percent of those with a bachelor's degree or higher are women. For the 25 to 34 age group, women make up 53 percent of the bachelor's or advanced degree category.

Adding it all up, there are 241,994 Hoosier women younger than 45 with a bachelor's degree or higher, compared to just 211,359 men—a difference exceeding 30,600.

> *"For the youngest age group (those under 25), 60 percent of those with a bachelor's degree or higher are women."*

Less than High School Graduate: At the other end of the spectrum, a higher percentage of young men have less than a high school degree than is the case for young women. For those between 18 and 24, men accounted for 56 percent of the roughly 117,100 individuals in that age group who did not graduate from high school. Of course, part of that disparity may trace back to "academic redshirting," with boys starting kindergarten somewhat later than girls and thus being a little older at high school graduation. However, the numbers are the same in the 25 to 34 age group, with men accounting for 56 percent of those not graduating from high school or obtaining a GED.

Nationwide, much has been written about how boys are falling behind girls academically. Here in Indiana, these data seem to support that notion, indicating that Hoosier women in the younger age categories are more likely to have achieved academic success than their male counterparts.

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

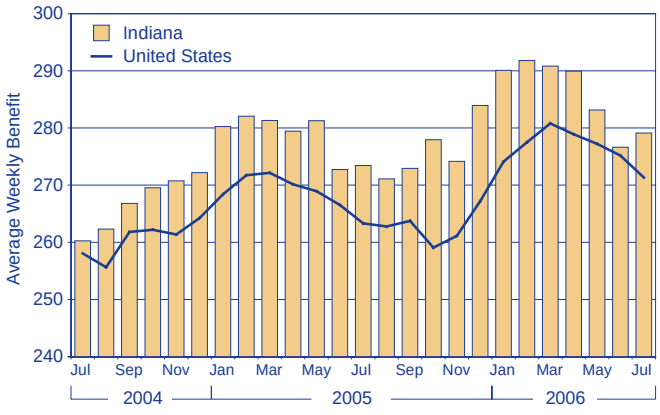
TABLE 1: **Gender Breakdown of Education by Age, 2005**

Age and Attainment	Number		Percent of Attainment	
	Men	Women	Men	Women
Total Population Age 18 or Older	2,177,065	2,323,291	48	52
Less than high school graduate	345,117	352,672	49	51
High school graduate (includes equivalency)	799,509	848,253	49	51
Some college or associate's degree	589,154	679,529	46	54
Bachelor's degree or higher	443,285	442,837	50	50
18 to 24 years	275,821	267,812	51	49
Less than high school graduate	65,237	51,885	56	44
High school graduate (includes equivalency)	97,090	82,330	54	46
Some college or associate's degree	95,304	106,541	47	53
Bachelor's degree or higher	18,190	27,056	40	60
25 to 34 years	406,904	407,959	50	50
Less than high school graduate	56,531	45,106	56	44
High school graduate (includes equivalency)	136,325	114,661	54	46
Some college or associate's degree	119,281	139,458	46	54
Bachelor's degree or higher	94,767	108,734	47	53
35 to 44 years	440,017	447,656	50	50
Less than high school graduate	53,055	47,194	53	47
High school graduate (includes equivalency)	168,055	149,550	53	47
Some college or associate's degree	120,505	144,708	45	55
Bachelor's degree or higher	98,402	106,204	48	52
45 to 64 years	747,538	779,478	49	51
Less than high school graduate	88,662	94,864	48	52
High school graduate (includes equivalency)	279,569	306,900	48	52
Some college or associate's degree	201,044	218,144	48	52
Bachelor's degree or higher	178,263	159,570	53	47
65 years and over	306,785	420,386	42	58
Less than high school graduate	81,632	113,623	42	58
High school graduate (includes equivalency)	118,470	194,812	38	62
Some college or associate's degree	53,020	70,678	43	57
Bachelor's degree or higher	53,663	41,273	57	43

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

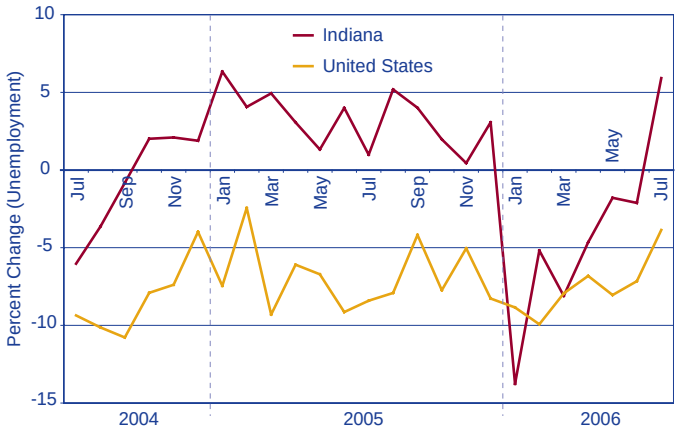
Monthly Metrics: Indiana's Economic Indicators

Average Benefits Paid for Unemployment Insurance Claims



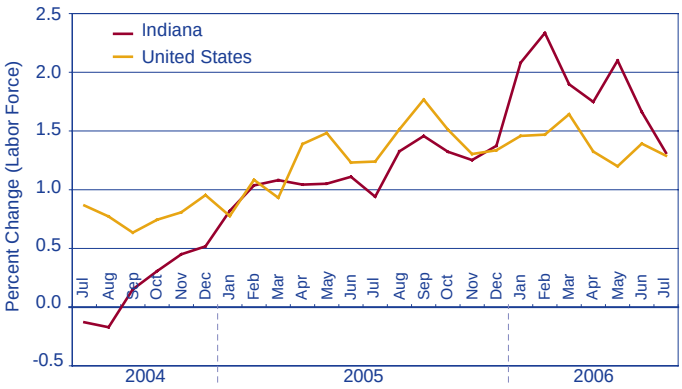
Source: U.S. Department of Labor

Percent Change in Unemployment from the Previous Year*



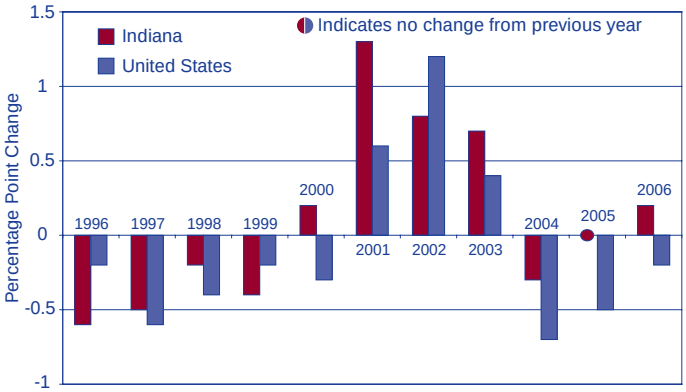
*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

Percent Change in Labor Force from Previous Year*



*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

Change in Unemployment Rate From July of Previous Year*



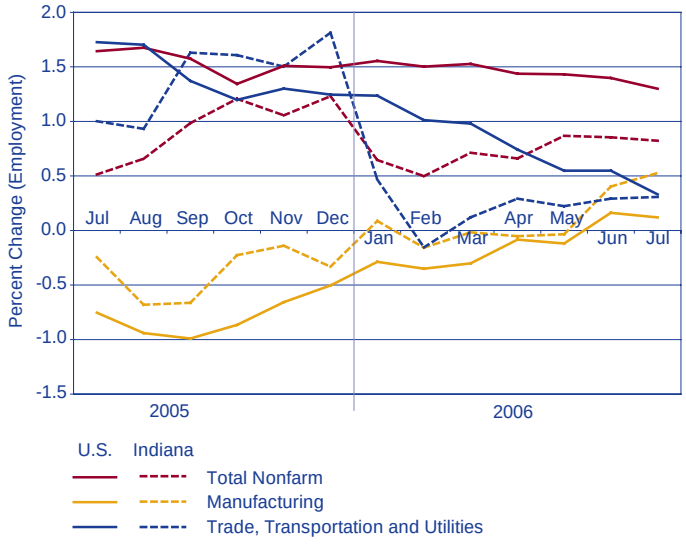
*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

Change in Employment by Industry Super-Sector, 2005 to 2006*

Industry	Indiana		United States
	Change in Jobs	Percent Change	Percent Change
Total Nonfarm	24,300	0.8	1.3
Financial Activities	2,900	2.1	2.2
Leisure and Hospitality	4,300	1.5	1.9
Information	600	1.5	-0.3
Natural Resources and Mining	100	1.4	9.6
Educational and Health Services	5,400	1.4	2.1
Professional and Business Services	1,800	0.7	2.7
Other Services	700	0.6	0.1
Manufacturing	3,000	0.5	0.1
Trade, Transportation and Utilities	1,800	0.3	0.3
Government	100	0.0	0.5

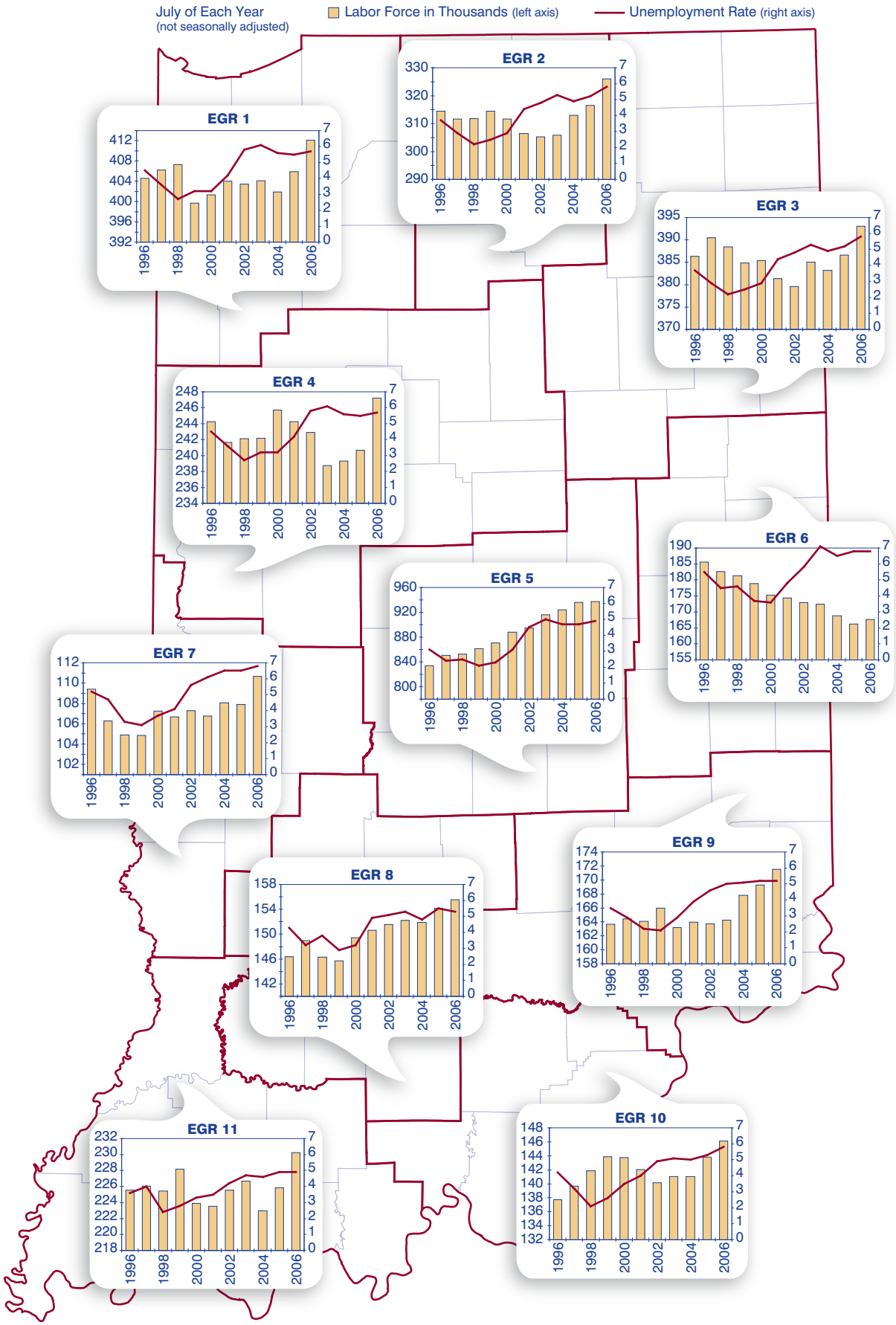
*July of each year, seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

Over-the-Year Percent Change in Employment by Super-Sector*

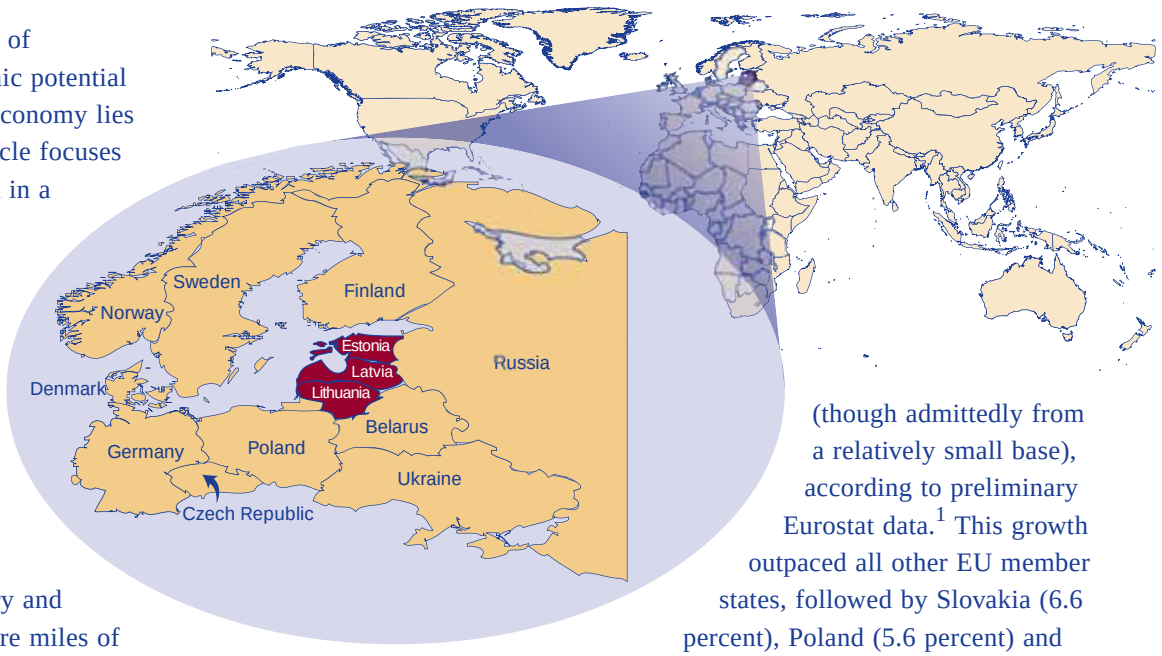


*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics and Indiana Department of Workforce Development data

Regional Labor Force and Unemployment Rates



Baltic States and Indiana



A significant amount of unrealized economic potential in today's global economy lies in Eastern Europe. This article focuses on Lithuania and is the first in a multi-part series to explore the economic relationship of the three Baltic States (see "Rapid Change in the Baltics" below) with the United States, and Indiana in particular.

The Republic of Lithuania is the largest of the three Baltic States in terms of population, territory and economy. With 25,212 square miles of land, it is a little smaller than Indiana, but larger than Belgium, Denmark, the Netherlands and West Virginia.

A little less than 3.6 million people live in Lithuania, which is located between Latvia, Belarus, and Poland, just West of Russia. Lithuanians make up 83 percent of the population, with large groups of Polish and Russians, in addition to other ethnic groups.

On March 11, 1990, Lithuania was the first of the Soviet republics to declare independence. After major economic restructuring, Lithuania was admitted to NATO in the spring of 2004 and a few months later to the European Union (EU).

Economy

Between the second quarter of 2006 and the same quarter a year earlier, Lithuania's gross domestic product (GDP) grew an astounding 9 percent (though admittedly from a relatively small base), according to preliminary Eurostat data.[1] This growth outpaced all other EU member states, followed by Slovakia (6.6 percent), Poland (5.6 percent) and Sweden (5 percent). For comparison, the EU averaged over-the-year GDP growth of 2.8 percent and the United States came in at 3.6 percent for the same time period.

More than 80 percent of Lithuanian enterprises have been privatized and the economic climate is well-suited for foreign direct investment (FDI). In fact, since gaining independence, FDI has increased 18.6 percent (using 2005 data). Roughly 37 million people live

Rapid Change in the Baltics

The Baltic States (Lithuania, Latvia and Estonia) earn their name because they border the Baltic Sea. After gaining their independence from the Soviets in the early 1990s, the Baltic States faced a long and difficult road of reforms, rapidly shifting from a command economy to a market economy. That, along with the speedy democratization of the region, opened doors to a number of international economic and political organizations.

One of the greatest achievements of the Baltic States was the accession to the European Union (EU) in 2004. Negotiations between the Baltic States and the EU started in 2000 and were completed in 2002, resulting in EU accession treaties. The EU membership benefits were instant: participation opened borders to Baltic labor migration and liberalized and intensified trade between Baltic States and the rest of the EU members. The Baltic Region became more attractive to foreign investors. (For now, the Baltic States are mostly the recipients of foreign direct investment rather than investors themselves.)

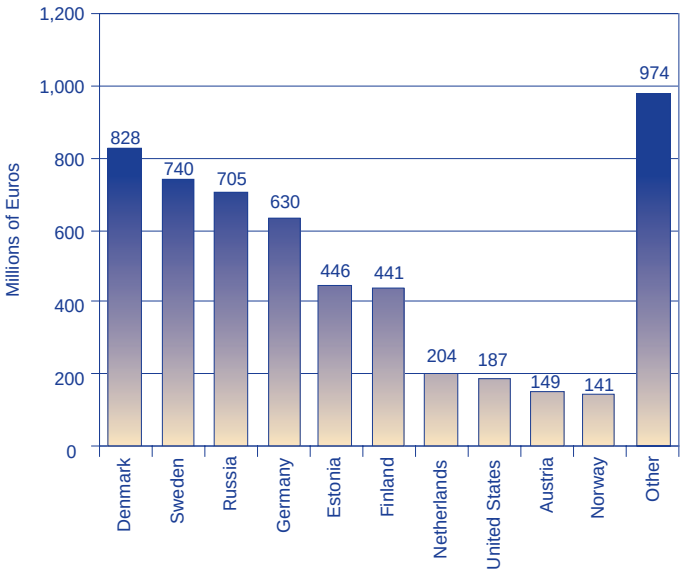
Inflation remains a problem for the Baltic States, which have some of the highest rates in the region. In July 2006, they far surpassed the EU average, which had annual inflation of 2.4 percent (Lithuania: 4.4 percent, Estonia: 4.5 percent, and Latvia: 6.9 percent).

According to the initial plan of the EU and the Baltic States, they were supposed to adopt the euro and become part of the Euro area on January 1, 2007 (after meeting certain requirements). However, lowering inflation was one requirement, so joining the Euro area will likely be in 2009 for Lithuania and Latvia and at least that long for Estonia.

FIGURE 1: **POPULATION OF COUNTRIES WITHIN A 300-MILE RADIUS OF VILNIUS, 2005**

Source: IBRC, using ESRI world data

FIGURE 2: **CUMULATIVE FDI BY COUNTRY, JANUARY 1, 2006**



Source: Lithuanian Department of Statistics (www.std.lt)

within a 300-mile radius of Vilnius (Lithuania's capital), meaning it has big economic potential in Eastern Europe (see **Figure 1**). Many are investing in Lithuania in order to access the broader EU and Russian markets.

Lithuania ranks 15 out of 155 countries with regard to its investment climate, indicating that the regulatory environment is quite conducive to business. The World Bank report *Doing Business in 2006: Creating Jobs* indicates that Lithuania provides some of the easiest conditions for starting and developing businesses in the region.[2] On average, entrepreneurs can expect the process to take 26 days to go through eight steps to launch a business, at a cost equal to 3.3 percent of gross national income per capita; meanwhile, in Europe and Central Asia, it takes an average of 32 days, almost 10 steps, and costs 14.1 percent of income per capita.

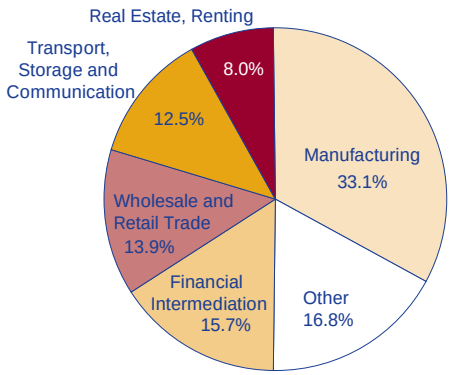
Volvo, SAAB, Volkswagen, Siemens, Renault, Samsung, Ikea, Adidas, Mars Inc., and Coca-Cola are just a few of the companies that have expanded operations into Lithuania. Indianapolis-based Eli Lilly also has a distribution presence in the country.

Denmark, Sweden, Russia, Germany, Estonia, Finland, the Netherlands and the United States are the major investment partners (see **Figure 2**). The dominant FDI activities for 2005 were manufacturing, wholesale and retail trade, financial intermediation, transportation and communication, and real estate (see **Figure 3**).

Trade

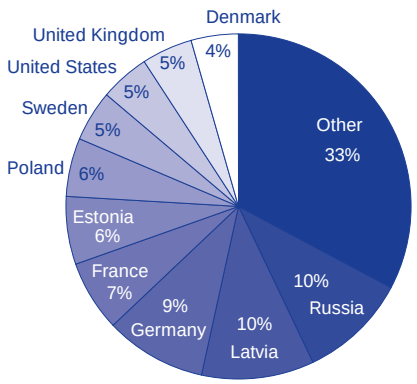
In 2005, Lithuanian exports grew 27.1 percent from the previous year, while imports into the nation increased 25 percent. Lithuania is a member of World Trade Organization, enabling it to conduct trade with other global partners under unified terms and conditions. Even though Russia is one of Lithuania's main trading partners, it heavily orients its trade toward Western Europe (see **Figures 4** and **5**). Mineral products made up the bulk of exported

FIGURE 3: **PERCENT OF TOTAL FDI BY ACTIVITY, JANUARY 1, 2006**



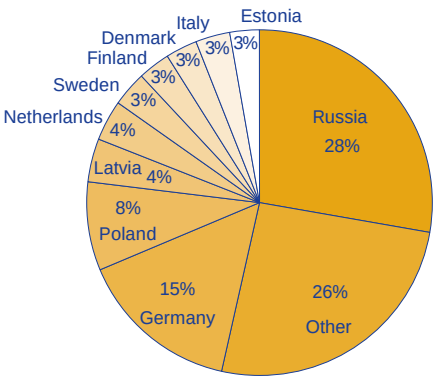
Source: Lithuanian Department of Statistics (www.std.lt)

FIGURE 4: **EXPORTS FROM LITHUANIA TO EACH COUNTRY, 2005**



Source: Lithuanian Department of Statistics (www.std.lt)

FIGURE 5: **IMPORTS INTO LITHUANIA FROM EACH COUNTRY, 2005**



Source: Lithuanian Department of Statistics (www.std.lt)

items (28 percent), with machinery, textiles, transportation and chemicals rounding out the top five in exports. Looking at imports, mineral products once again came in at the top of the list (26 percent), with machinery, vehicles, chemicals and metals in the top five.

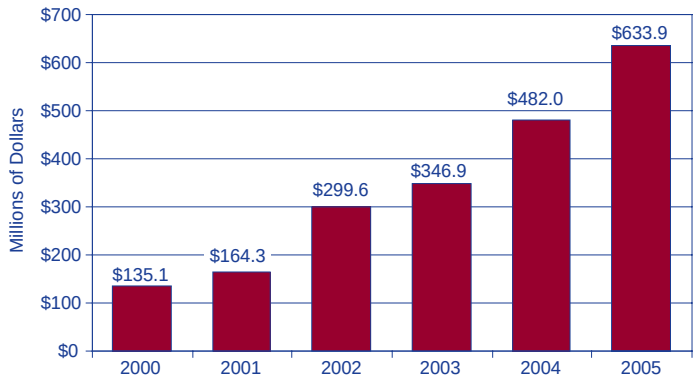
Trade between Lithuania and the United States is rapidly growing. In 2005, the United States imported $633.9 million of Lithuanian products (see **Figure 6**). The main imported goods were mineral fuel, oil, mineral wax, wood and articles of wood, furniture, bedding, lamps, apparel articles and accessories, photo, and medical and surgical instruments.

Unfortunately, it is complicated to obtain information about the actual imports into Indiana due to the multiple locations of entry into the United States, but we can look at what Indiana exported to Lithuania (see **Figure 7**).

Indiana ranked 15th among states, with a total of $4.7 million in goods exported to Lithuania in 2005. Leading the nation at about $45 million were New Jersey (whose imports tripled from $16 million) and Illinois (who actually fell from a record high of $61 million in the previous year).

Economists and politicians have high expectations regarding Lithuania's potential. Some of them draw analogies with Ireland and its success in the European Union. Lithuania and Ireland have many similarities in history, nature and character, especially in their passion for work and innovation. For its success, *The Economist*, a leading source of economic news and information, labeled Lithuania the "Baltic Tiger."[3] Time will show if Lithuania can repeat the economic growth story of Ireland, the Celtic tiger, which has not only caught up with, but has eclipsed other European nations.

FIGURE 6: **IMPORTS FROM LITHUANIA TO THE UNITED STATES**



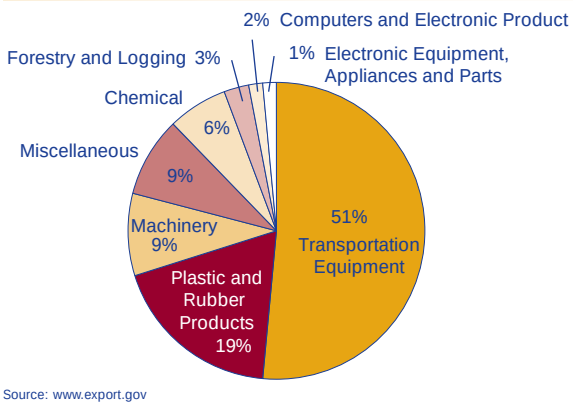
Source: U.S. Census Bureau

Migrating from Lithuania

Outbound migration from Lithuania to elsewhere in the world has intensified, with a current rate of -0.71 per 1,000. Coupled with a low birth rate, the labor force remains one of the biggest problems to all three Baltic States. The Baltic States attempt to remain attractive to investors by increasing the level of education of its population.

Lithuanian migration to the United States started as two major waves during the two world wars, and a third wave that started in the early 1990s continues today. Unfortunately, it is impossible to accurately track the number of Lithuanian immigrants residing and working in the United States. However, Census 2000 does tell us that almost 660,000 people in the United States reported Lithuanian ancestry, with about 10,051 of those living in Indiana.

FIGURE 7: **INDIANA'S EXPORTS TO LITHUANIA, 2005**



Source: www.export.gov

Notes

1. Statistical Office of the European Communities, available online at http://ec.europa.eu/eurostat/.
2. World Bank and International Finance Corporation, "Doing Business in 2006: Creating Jobs," available online at www.doingbusiness.org/documents/DoingBusines2006_fullreport.pdf.
3. "Baltic Tiger," *The Economist*, 17 July 2003, available online at www.economist.com/displayStory.cfm?story_id=1929205.

Additional Resources

- *Washington Diplomat*, available online at www.washdiplomat.com.
- Ministry of Economy of The Republic of Lithuania, "Review of Economic and Social Situation in the Republic of Lithuania in 2005" February 2006.
- European Union, available online at www.europa.eu.
- Advantage Lithuania: Lithuanian Development Agency, available online at www.businesslithuania.com.
- Ministry of Economy of The Republic of Lithuania, available online at www.ukmin.lt.
- Lithuanian Department of Statistics, available online at www.std.lt.
- Audrius Bruzga, "Lithuania in the Baltic Sea Rim after EU Enlargement" Bimonthly Review 5 of *Baltic Rim Economies*, available online at www.tukkk.fi.

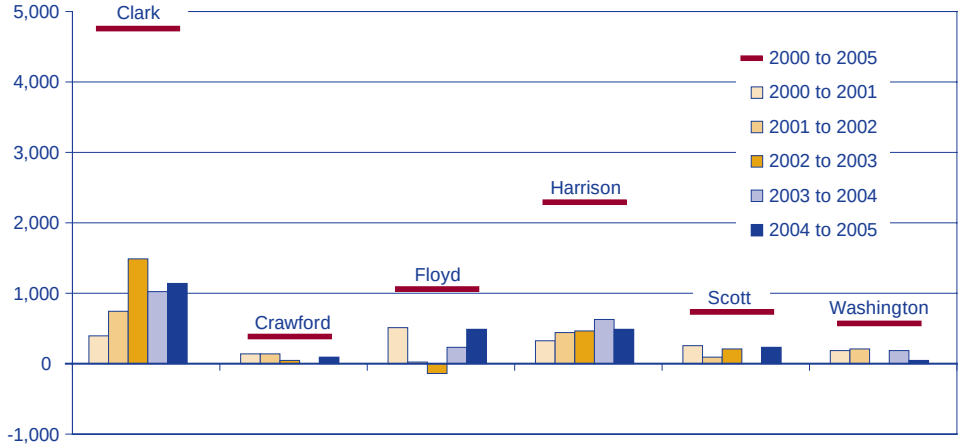
—Edita Ubartaite, International Development Manager, Indiana Economic Development Corporation

Regional Perspective: Economic Growth Region 10

Four of the six counties in Economic Growth Region (EGR) 10 border Kentucky (Clark, Crawford, Floyd and Harrison); the remaining two counties are Scott and Washington. These six counties make up 4.4 percent of Indiana's population (about 273,340 people). That figure is up slightly from 1990, when the region made up only 4.3 percent of Hoosiers. From 2000 to 2005, EGR 10 grew by about 10,000 people. Only Floyd and Washington counties saw any kind of decrease over that time, and both of those were experienced from July 2002 to 2003 (see **Figure 1**).

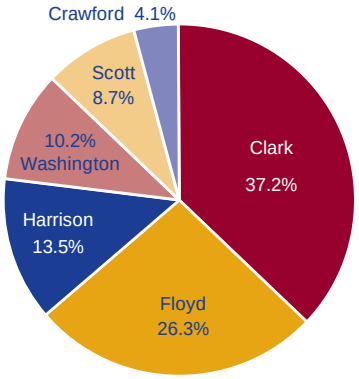
In 2005, Clark and Floyd counties made up more than their fair share of the population, with 37.2 percent and 26.3 percent, respectively. Meanwhile, Crawford County had the smallest population in the region with about 11,200 people, making up only 4.1 percent of the region (see **Figure 2**). Three cities in EGR 10 had a higher population than all of Crawford County: New Albany, the county seat of Floyd County, with 36,772 people; Jeffersonville, the county seat of Clark County, with 28,621 people; and Clarksville in Clark County with more than 21,000 residents.

FIGURE 1: **Population Change for Counties in EGR 10**



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

FIGURE 2: **Population Distribution EGR 10**



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

TABLE 1: **Change in Jobs in EGR 10 and Indiana, 2001:4 to 2005:4**

Industry	EGR 10			Indiana		
	2005:4	Change Since 2001	Percent Change	2005:4	Change Since 2001	Percent Change
Total	102,774	3,400	3.4	2,909,311	44,204	1.5
Health Care and Social Services	12,178	1,415	13.1	349,731	26,716	8.3
Construction	6,130	901	17.2	152,130	1,654	1.1
Administrative, Support and Waste Management	4,681	739	18.7	162,971	26,231	19.2
Retail Trade	14,235	722	5.3	341,224	-13,494	-3.8
Accommodation and Food Services	8,597	690	8.7	234,925	10,247	4.6
Finance and Insurance	3,219	526	19.5	100,449	-4,138	-4.0
Mining	290	143	97.3	6,472	-420	-6.1
Wholesale Trade	2,601	133	5.4	122,561	963	0.8
Professional, Scientific and Technical Services	1,984	50	2.6	91,747	5,781	6.7
Real Estate, Rental and Leasing	1,050	7	0.7	37,808	537	1.4
Agriculture, Forestry, Fishing and Hunting	246	-13	-5.0	11,676	179	1.6
Utilities	477	-29	-5.7	16,392	78	0.5
Arts, Entertainment and Recreation	586	-51	-8.0	42,075	-938	-2.2
Transportation and Warehousing	6,309	-108	-1.7	130,762	2,254	1.8
Management of Companies and Enterprises	163	-114	-41.2	26,383	580	2.2
Other Services (Except Public Administration)	2,523	-140	-5.3	82,897	-1,875	-2.2
Information	868	-142	-14.1	46,761	-3,811	-7.5
Educational Services	7,181	-163	-2.2	253,715	15,088	6.3
Public Administration	5,259	-273	-4.9	125,665	1,340	1.1
Manufacturing	20,022	-2,062	-9.3	572,089	-23,038	-3.9

Source: IBRC, using Bureau of Labor Statistics data

Jobs

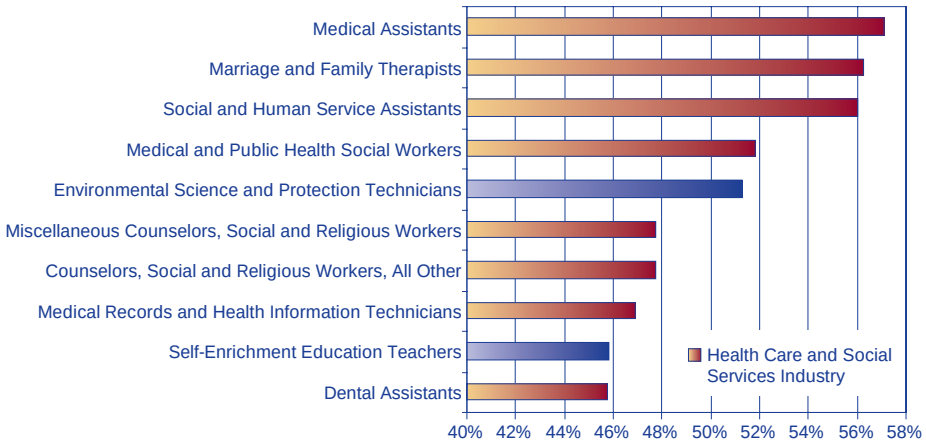
There were 5,741 establishments supplying 102,774 jobs in EGR 10 in the fourth quarter of 2005. The total number of jobs in the region increased 3.4 percent since 2001. Meanwhile, Indiana saw a 1.5 percent increase in jobs during that same time.

Manufacturing, retail trade, and health care and social services were the three industries in EGR 10 that each supplied at least 10,000 jobs, making up 45.2 percent of the region's total number of jobs. Therefore, it isn't surprising that two of the three largest employers in the region are hospitals (Clark Memorial and Floyd Memorial). The other is Beach Mold and Tool, a manufacturer of plastics and plastic products.[1]

While manufacturing was among the top three industries to supply jobs, it also saw the largest numeric decrease in jobs from 2001:4 to 2005:4—at both the regional and state level. Meanwhile, health care and social services saw the largest numeric increase during that

> *"Region 10 increased its average weekly wages from 2001:4 to 2005:4 by $58, paying out $599 per week in wages but still lagging Indiana's average weekly wages by $106."*

FIGURE 3: **TEN FASTEST GROWING OCCUPATIONS IN EGR 10 BASED ON PERCENT GROWTH, 2002 TO 2012**



Source: IBRC, using Indiana Department of Workforce Development data

same time in both EGR 10 and Indiana (see **Table 1**). According to projections from the Indiana Department of Workforce Development, this trend is likely to continue, with eight of the top 10 fastest growing occupations from 2002 to 2012 included in the health care and social services industry (see **Figure 3**). The remaining two occupations were in the professional, scientific and technical services industry and the educational services industry, respectively.

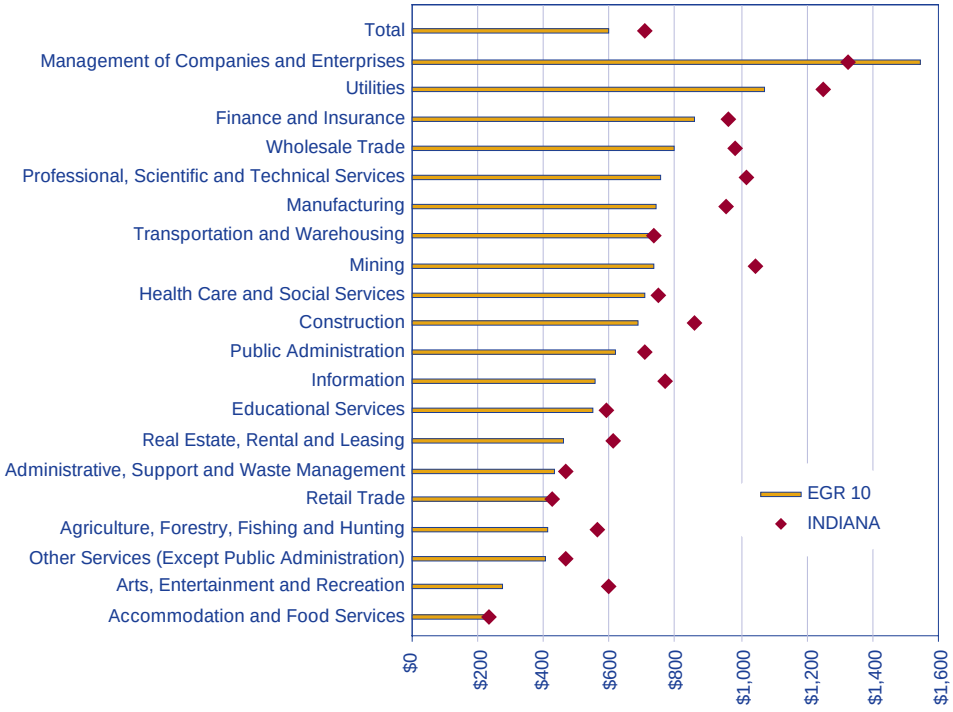
Wages

Region 10 increased its average weekly wages from 2001:4 to 2005:4 by $58, paying out $599 per week in wages but still lagging Indiana's average weekly wages by $106. The biggest difference was seen in the arts, entertainment and recreation industry, where the state paid $322 more per week than Region 10 paid. Only two industries in EGR 10 paid an average weekly wage higher than that of the state (see **Figure 4**).

There were also two industries at the regional level that decreased in average weekly wages from 2001 to 2005: mining and educational services. Meanwhile, all industries increased wages at the state level.

Average weekly wages paid at the regional level ranged from $1,542 in management of companies and enterprises down to $224 in accommodation and food services. Indiana overall followed a similar pattern with management of companies and enterprises paying the most and accommodation and food services paying the least.

FIGURE 4: **DIFFERENCE IN AVERAGE WEEKLY WAGES IN INDIANA AND EGR 10, 2005:4**



Source: IBRC, using Bureau of Labor Statistics data

Commuting

Of the 128,930 people who make up the regional labor force (defined as those who live in the region and work anywhere), only 47.7 percent choose to work in the same county in which they live and 66.7 percent stay within EGR 10 boundaries. Just over 3,100 people commute into the region for work while

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(continued from page 11)

about 42,900 people live in the region but commute outside of it to work.

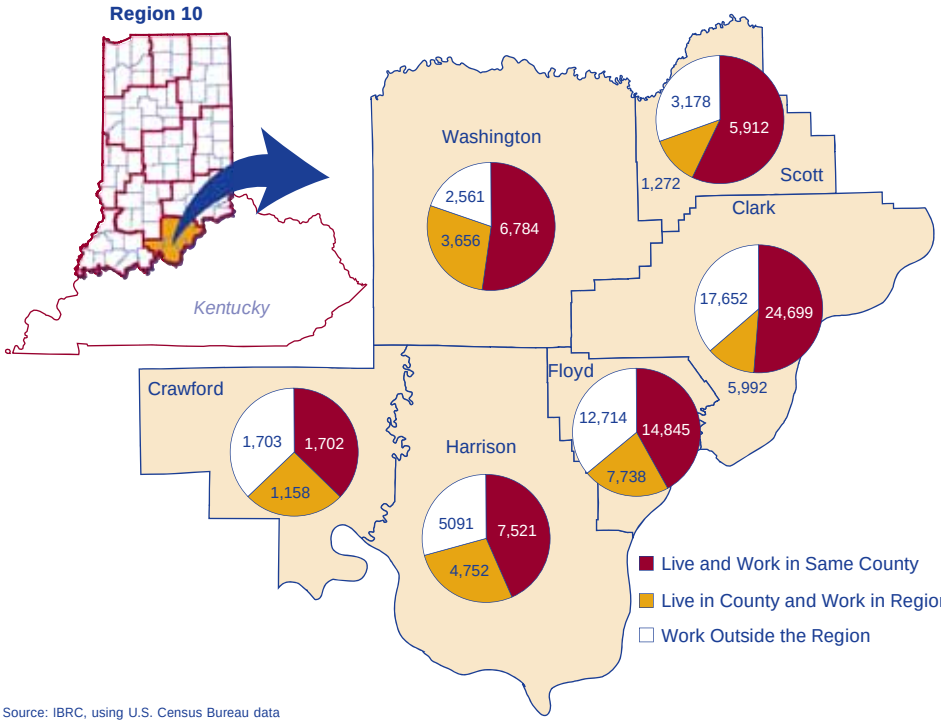
Figure 5 shows the county-level commuting patterns. Floyd County sends out more workers to other parts of the region (7,738) than any other county in EGR 10 while Clark County sent the most workers outside the six-county region (17,652). Of those workers who work in Region 10 but live elsewhere, neighboring Orange County contributes the highest number of workers (824).

Notes

1. The database maintained by the Indiana Department of Workforce Development contains listings of nearly 12 million U.S. employers. The employer information is provided by infoUSA.

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

FIGURE 5: **EGR 10 Commuting Patterns**



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