

PART THREE: ECONOMIC GROWTH REGIONS

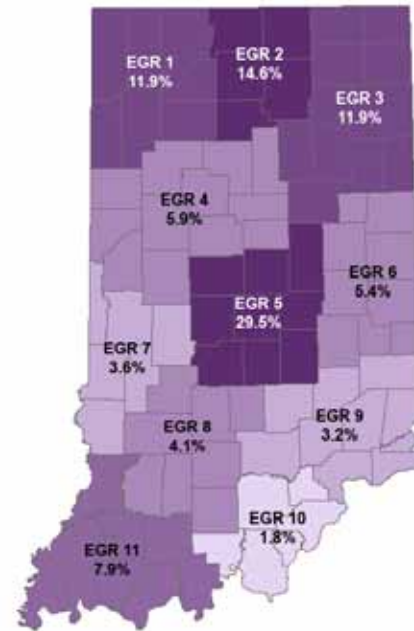
VIII. INTRODUCTION TO ECONOMIC GROWTH REGIONS

Indiana is divided into 11 Economic Growth Regions (EGRs), as illustrated on page 6. Though certain patterns hold true for most regions, there is a considerable amount of variation in employment, wages, and growth among the 11 different regions.

Employment and Payroll: Although nonprofit employment and payroll differ across the 11 regions, nonprofits are still a considerable economic force in most regions. Most regions' nonprofit sectors are larger than several key industries in terms of both total employees and total payroll, with the notable exception being EGR 10 (Southeast). Nonprofit employment in this region was smaller than that in all of the key industries examined (construction, transportation and warehousing, wholesale trade, and accommodation and food service) except one (wholesale trade), and nonprofit payroll in EGR 10 was similarly smaller than that for each of these same industries.

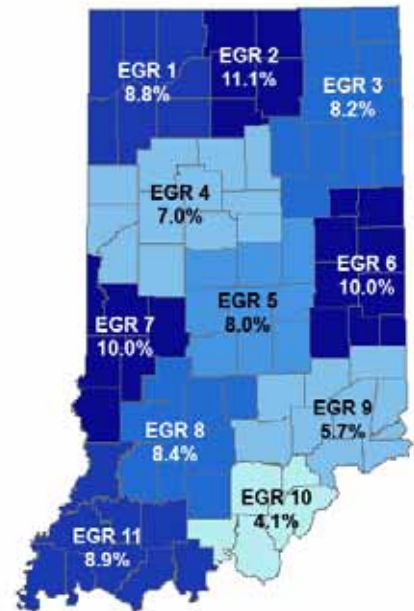
- As Figure 38 shows, the distribution of Indiana's nonprofit employment among the 11 regions varies considerably.
 - EGR 5 (Central) had the greatest share of the state's nonprofit employment, with 29.5 percent. The region with the next highest share was EGR 2 (North Central), with 14.6 percent.
 - EGR 10 (Southeast) had the smallest proportion of the state's nonprofit employment, with only 1.8 percent.
 - Among the rest of the regions, EGR 1 (Northwest) and EGR 3 (Northeast) each had 11.9 percent of the state's nonprofit employment. The remaining regions – EGR 4 (Northwest Central), EGR 6 (East Central), EGR 7 (West Central), EGR 8 (South Central), EGR 9 (Southeast Central), and EGR 11 (Southwest) – each had between 3 and 8 percent of the total.

Figure 38: Distribution of Indiana's nonprofit sector by Economic Growth Region, 2005



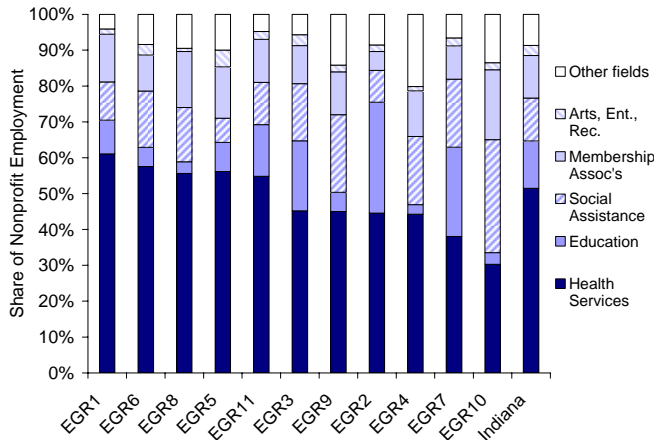
- Individual regions' nonprofit share of total employment varied between a low of 4.1 percent in EGR 10 (Southeast) to a high of 11.1 percent in EGR 2 (North Central). See Figure 39. The statewide share was 8 percent.

Figure 39: Nonprofit Share of Total Employment, by Economic Growth Region, 2005



Nonprofit Industries: The distribution of nonprofit employment across industries varies by region. See Figure 40.

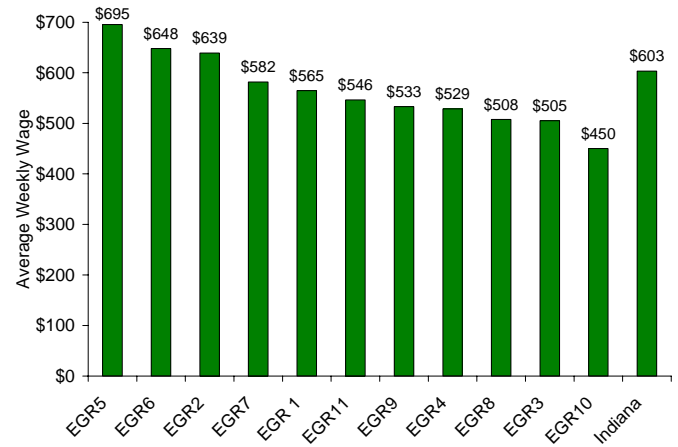
Figure 40: Distribution of nonprofit employment by industry, by region, 2005



- Most regions followed the statewide pattern of health dominance. Statewide, health services accounted for 51 percent of nonprofit employment, and in most regions, health services accounted for between 40 and 60 percent of nonprofit employment. The notable exception was EGR 10 (Southeast), in which only 30 percent of nonprofit employment was in the health services industry. EGR 10 was the only region in which health services did not have the largest share of nonprofit employment – social assistance organizations did, accounting for 31 percent of the region’s total nonprofit employment.
- Statewide and in all regions, arts, entertainment, and recreation organizations accounted for the smallest share of nonprofit employment. The statewide share was 3 percent, and each regional percentage was between 1 and 5 percent.
- The rankings of the three middle industries – education, social assistance, and membership associations – varied by region.

Wages: Nonprofit average weekly wages in each region varied from a high of \$695 in EGR 5 (Central) to a low of \$450 in EGR 10 (Southeast). The statewide average nonprofit weekly wage was \$603. See Figure 41.

Figure 41: Nonprofit average weekly wages, by region, 2005

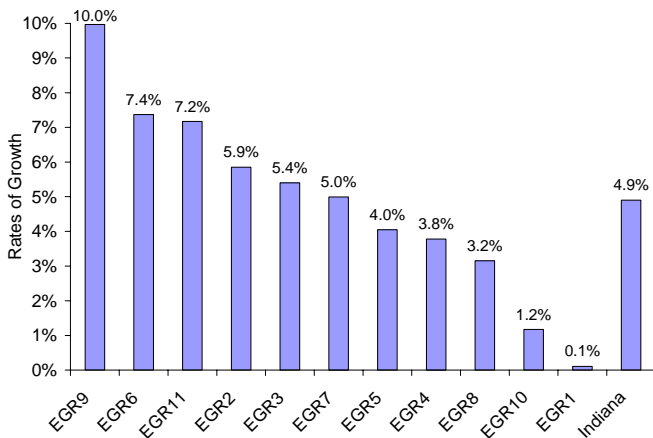


- In most regions, nonprofit average weekly wages were lower than for-profit and government average weekly wages. However, there are three exceptions:
 - In EGR 6 (East Central), nonprofit average weekly wages were higher than both for-profit and government average weekly wages.
 - In EGR 2 (North Central), nonprofit average weekly wages were higher than government average weekly wages (but still lower than for-profit average weekly wages).
 - In EGR 7 (West Central), nonprofit average weekly wages were higher than for-profit average weekly wages (but still lower than government average weekly wages).

Growth in Employment: Rates of growth in nonprofit employment between 2001 and 2005 varied from a high of 10.0 percent in EGR 9 (Southeast Central) to a low of 0.1 percent in EGR 1 (Northwest). The statewide growth rate for nonprofit employment over this four-year period was 4.9 percent. See Figure 42.

- In the majority of the EGRs, overall nonprofit growth rates from 2001 to 2005 were higher than overall for-profit and government growth rates. However, five EGRs differed from this pattern.
 - In EGR 1 (Northwest), EGR 4 (Northwest Central), EGR 5 (Central), and EGR 8 (South Central), nonprofit overall growth rates were smaller than the government rates (but larger than the for-profit rates).

Figure 42: Rates of growth in employment, by region, 2001-2005



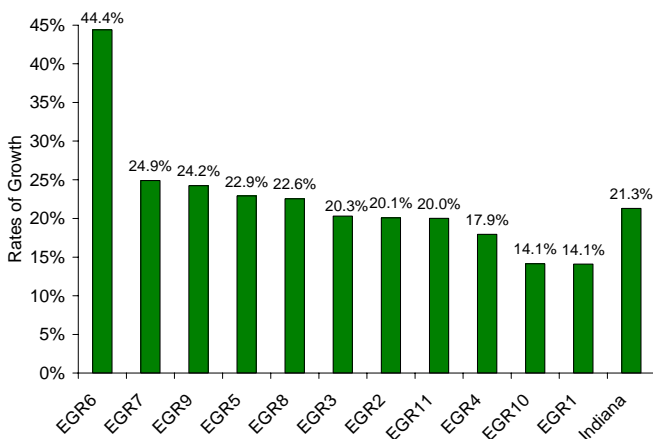
those in the remaining regions, where growth rates ranged between 14 and 25 percent.

- In all EGRs, overall nonprofit payroll growth rates were larger than both for-profit and government growth rates.

- In EGR 10, the nonprofit and for-profit overall growth rates were the same (1.8 percent for each sector). This growth rate is larger than the government growth rate (the government sector shrank by 1.4 percent during between 2001 and 2005).

Growth in Payroll: Rates of growth in nonprofit payroll between 2001 and 2005 varied from lows of 14.1 percent in EGRs 1(Northwest) and 10 (Southeast) to a high of 44.4 percent in EGR 6 (East Central). The statewide growth rate was 21.3 percent.²⁸ See Figure 43.

Figure 43: Rates of growth in payroll, by region, 2001-2005



- At 44 percent, the rate of growth in EGR 6 (East Central) payroll was considerably higher than

²⁸ These rates of growth are not adjusted for inflation. For comparison, the inflation rate between 2001 and 2005 was approximately 10 percent.