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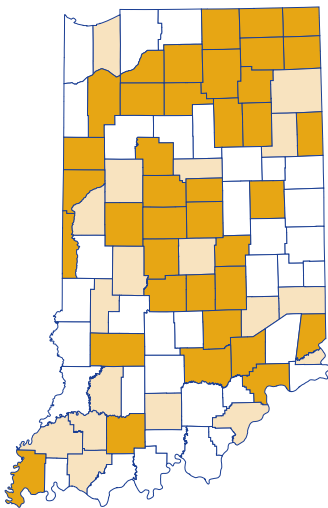
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Forecasted County GDP Growth

Forecasted Growth Rates in Gross County Product, 2008:3



United States = 2.3%; Indiana = 2.6%

- 2.7% or More (38 counties)
- 2.3% to 2.6% (18 counties)
- Less than 2.3% (36 counties)

For the third quarter of 2008, Indiana's projected growth rate in gross domestic product (GDP) is 2.6 percent, or 0.3 percentage points higher than the nation. There are 38 counties projected to grow at a faster rate than both Indiana and the United States and 36 counties projected to grow more slowly than state and nation, leaving 18 counties at about the same GDP growth rate as Indiana and the United States.

Source: IBRC, using Economy.com data

1 Hispanics Continue to Gain Population Share in Indiana

With numbers topping 315,000, Hispanics now account for 5 percent of the total population in Indiana, according to the recent 2007 population estimates from the U.S. Census Bureau. Since Census 2000, Indiana's Hispanic population has grown by nearly 100,550 people.

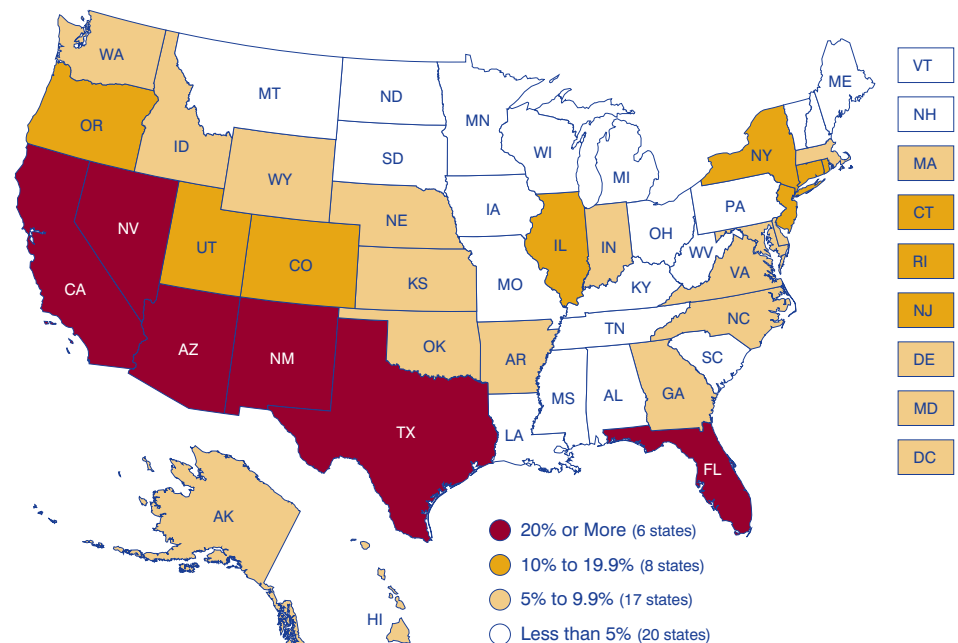
Despite this rapid growth, Indiana still has a relatively small Hispanic population compared to elsewhere in the nation (see **Figure 1**). While Hispanics account for 15 percent of the total U.S. population, Indiana ranks 31st on this measure among the 50 states and the District of Columbia.

Our 2000–2007 growth rate of 47 percent places us in the middle of the pack with a rank of 23. Nationwide, growth rates in the Hispanic population ranged from 9 percent in the District of Columbia (4,060 people) to 77 percent in South Carolina (73,850 people). On the other hand, the largest numeric increases have occurred in California, Texas and Florida, who have each seen Hispanic population growth between 1 million people and 2.25 million people since Census 2000.

A Look at Race

Figure 2 shows Indiana's latest population estimates by race.¹ The

FIGURE 1: HISPANIC POPULATION AS A PERCENT OF TOTAL POPULATION, 2007



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

vast majority of Hoosiers are white (88 percent), with approximately 572,000 blacks accounting for 9 percent of the population. Asians are a distant third with about 86,000 people, accounting for a little over 1 percent of the population.

Looking at growth rates since Census 2000, Asians led the pack, increasing roughly 42 percent (25,260 people). This was followed by a 30 percent increase (16,650 people) in those of mixed racial backgrounds. Meanwhile, the black population increased by 11 percent (55,440), while whites increased by only 3 percent (164,000 people).

If you're confused because Hispanics are not showing up in this part of this discussion, remember that the Census Bureau considers that an ethnicity, not a race. Thus, an individual can be a black Hispanic, a white Hispanic, or even an Asian Hispanic.

How do Hoosier Hispanics define their race? The population estimates are slightly problematic in this regard because many Hispanics don't think of their race in terms of black or white. In Census 2000, many Hispanics selected "Some Other Race" instead of a predefined race category; however, the annual estimates force everyone into one of the five standard categories.² Because of this imputation in the estimates data, it is much more instructive to look at the Census 2000 numbers. We find that Hoosier Hispanics view their race essentially the same way as Hispanics nationwide. As shown in **Figure 3**, nearly half (46 percent) defined themselves as white, followed closely by the 44 percent who chose the "Some Other Race" category.

Looking Forward

The changing racial and ethnic make-up of Indiana's population is important

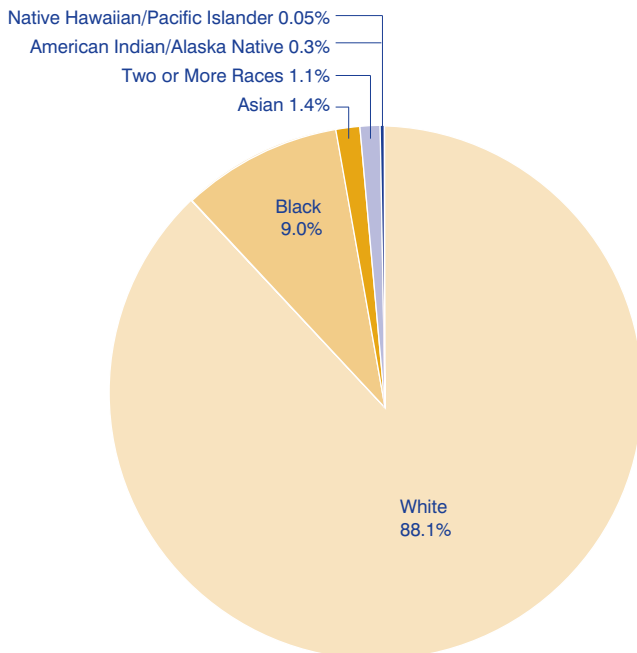
for policy makers and businesses to note. What changes can we expect in future years? In a few months, the Indiana Business Research Center will release population projections by race and ethnicity for 2010 to 2040, which can help inform the ongoing discussion.

Notes

1. These race figures are for those reporting a single race. Those reporting multiple races (e.g., black and white) are in the "Two or More Races" category (and thus are not counted in both the black and white categories).
2. When Census 2000 was edited to produce the estimates base, respondents who selected the "Some Other Race" category alone were assigned to one of the Office of Management and Budget (OMB) mandated categories using results imputed from a "donor." For those respondents who selected the "Some Other Race" category in addition to a predefined race category, those respondents appear in the single OMB race category in the estimates base instead of the "Two or More Races" category. The methodology is available at www.census.gov/popest/archives/files/MRSF-01-US1.html.

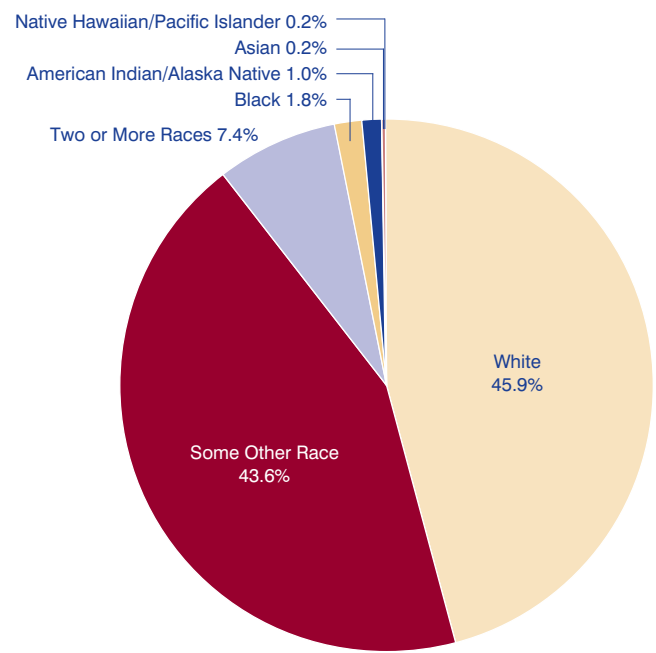
—Rachel Justis, Managing Editor, Indiana Business Research Center, Kelley School of Business, Indiana University

FIGURE 2: INDIANA'S POPULATION BY RACE, 2007



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

FIGURE 3: RACE OF HOOSIER HISPANICS, CENSUS 2000



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

Where From? Where To? Insights on Migration

Population growth and decline is a key measure of any area's vitality. The details of how such changes occur provide insights into the vitality of any area.

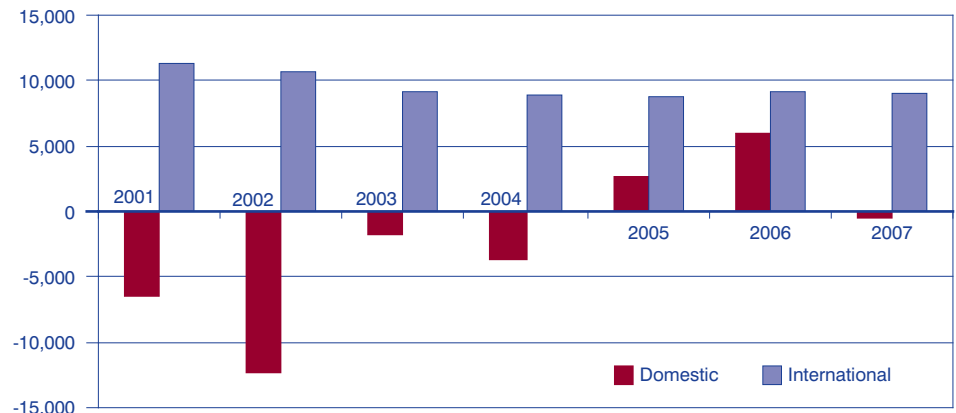
Two simple factors directly cause population growth or decline—natural increase and migration—and are described by demographers as the components of population change. The first is natural increase, which occurs when there are more births than deaths. Conversely, natural decrease occurs when there are more deaths than births. The majority of Indiana counties continue to experience natural increase, but there are 25 counties that have had natural decrease (more deaths than births) during the past seven years.

The second factor is migration—either into or out of an area. Migration figures are commonly shown as a net figure, the calculation of gross in-migration (people moving into an area) and gross out-migration (people moving out of that area). If net migration is positive, there are more people moving into an area than moving out. Since 2000, Indiana has experienced steady in-migration of people from other countries. During that same time, domestic migration (from other states in the nation) was a net-out between 2001 and 2004, with net-in occurring since 2005. That is, during the early years of the 2000s, more people from Indiana moved to other states than moved to Indiana, but we experienced a turnaround in 2005 and 2006, with more people from other states moving into Indiana (see **Figure 1**).

IRS Data Clue Us Into “Where”

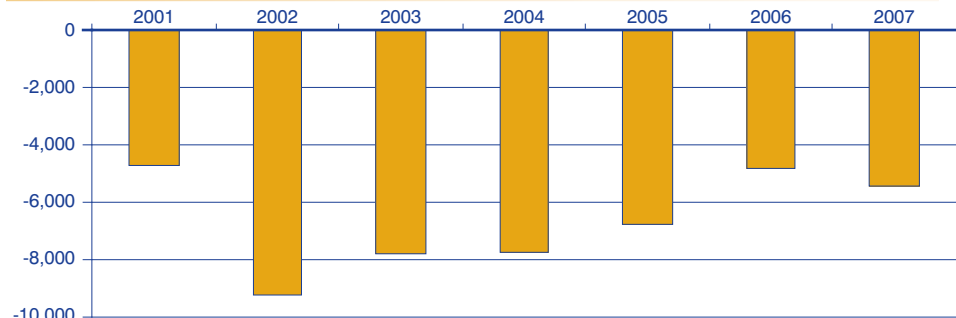
For many of us, the most useful information shows us the specific

FIGURE 1: INDIANA'S NET MIGRATION, 2001 TO 2007



Source: IBRC, using Internal Revenue Service data

FIGURE 2: MARION COUNTY DOMESTIC MIGRATION, 2001 TO 2007



Source: IBRC, using Internal Revenue Service data

localities to which our residents either come from or go to. To find out, we turn to information from, of all places, the Internal Revenue Service (IRS). Why? Well, they match addresses from year-to-year on our annual income tax returns, which then reveals our residence from one year to the next. While not perfect, it provides us with gross measures of migration for those who report income. We will use Marion County, Indiana's largest county and one of its most dynamic in terms of migration, as an example of using IRS data to reveal those specifics. First, some caveats:

- Based on federal income tax returns
- Not everyone files returns
- Roughly equivalent to “households” (returns) and “people” (exemptions)

- Use as trend, but don't try to equate to the previous census numbers (which utilize the IRS data as part of the estimation process)
- Data in this article are based on the latest IRS statistics available (tax year comparison of 2005 to 2006)

Marion County, with its population of nearly 900,000, is the largest county in the state and the 55th largest in the nation (out of 3,141 counties). It has nearly 400 square miles of land and a population density of 2,200 people per square miles, the most densely populated county in the state. As the largest county, it is no surprise that thousands of people move into and out of the county each year.

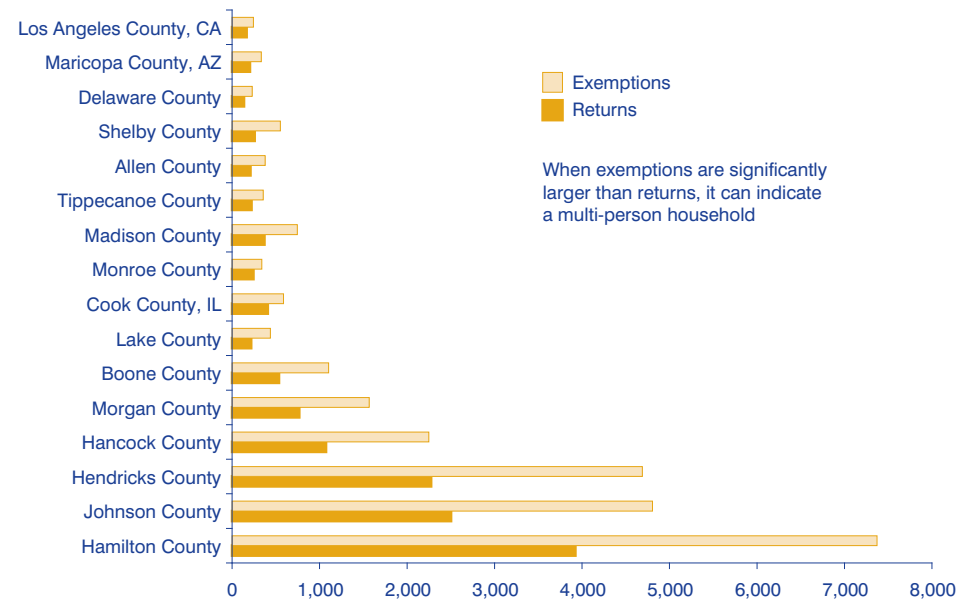
Since 2000, Marion County has experienced domestic out-migration, with more people moving out of the county than moving in (see **Figure 2**).

The majority of migrating Marion County income tax filers moved north to Hamilton County between 2005 and 2006, and this has also been the case for other years in this decade. Indeed, the majority of migrating people moving out of the county moved to surrounding counties, including Hancock, Hendricks, Johnson, Morgan and Boone counties (see **Figure 3**). Indeed, of migrations of hundreds or more, the only non-Indiana counties that Marion County folks migrated to were Cook County, Illinois (Chicago), Maricopa County, Arizona (Phoenix), and Los Angeles County, California (L.A.).

Pick a County, Any County

These data are available via STATS Indiana for all U.S. counties—as well as at the state level of aggregation—at www.stats.indiana.edu/topic/migration.asp (see the section labeled

FIGURE 3: MOVING FROM MARION TO OTHER COUNTIES, 2006 TAX RETURNS



Source: IBRC, using Internal Revenue Service data

“IRS Nationwide Migration Flow Files”), so you’ll be able to conduct similar analysis for whatever area interests you. For both the county-level and state-level data, there are two Excel files for each state—one measuring in-migration and one measuring out-migration; thus, you’ll need both to calculate a net figure. **Table 1** uses

Adams County (due to its limited migration) to illustrate what the fields in the county-to-county migration inflow file mean as a way to help get you started.

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

TABLE 1: COUNTY-TO-COUNTY MIGRATION INFLOW INTO ADAMS COUNTY, 2005 TO 2006

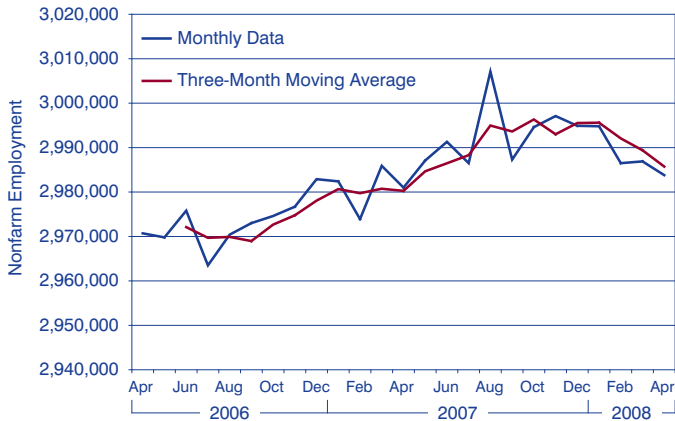
Migration into Indiana		Migration From				Roughly equivalent to households	Roughly equivalent to people
State	County	State	County	State	State Totals, County Totals and County-by-County Detail	Number of Returns	Number of Exemptions
18	001	96	000	IN	Adams County Tot Mig-US & F	437	836
18	001	96	000	IN	Adams County Tot Mig-US	437	836
18	001	97	001	IN	Adams County Tot Mig-Same S	290	554
18	001	98	000	IN	Adams County Tot Mig-Diff S	147	282
18	001	98	000	IN	Adams County Tot Mig-Foreign	d	d
18	001	18	001	IN	Adams County Non-Migrants	11,673	29,653
18	001	18	003	IN	Allen County	80	152
18	001	18	179	IN	Wells County	58	112
18	001	18	075	IN	Jay County	41	77
18	001	39	161	OH	Van Wert County	23	42
18	001	58	000	SS	Other Flows - Same State	111	213
18	001	59	000	DS	Other Flows - Diff State	124	240

County in question

Source: IBRC, using Internal Revenue Service data

Monthly Metrics: Indiana's Workforce Dashboard

TOTAL NONFARM EMPLOYMENT IN INDIANA



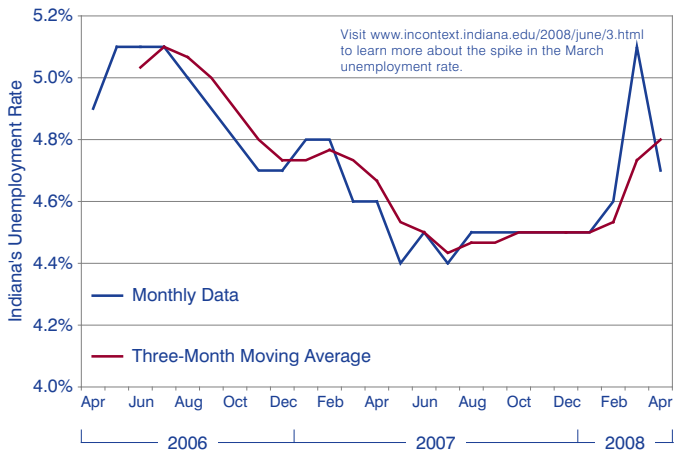
*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

CHANGE IN EMPLOYMENT BY INDUSTRY SUPER-SECTOR, 2007 TO 2008*

Industry	Indiana		United States
	Change in Jobs	Percent Change	Percent Change
Total Nonfarm	2,800	0.1	0.3
Educational and Health Services	12,500	3.2	3.0
Natural Resources and Mining	200	2.9	4.0
Information	900	2.3	-0.8
Government	9,000	2.1	1.0
Other Services	600	0.5	0.7
Professional and Business Services	1,500	0.5	0.9
Leisure and Hospitality	-300	-0.1	2.4
Trade, Transportation and Utilities	-2,200	-0.4	-0.2
Financial Activities	-600	-0.4	-1.0
Manufacturing	-14,700	-2.7	-2.3
Construction	-4,100	-2.7	-5.0

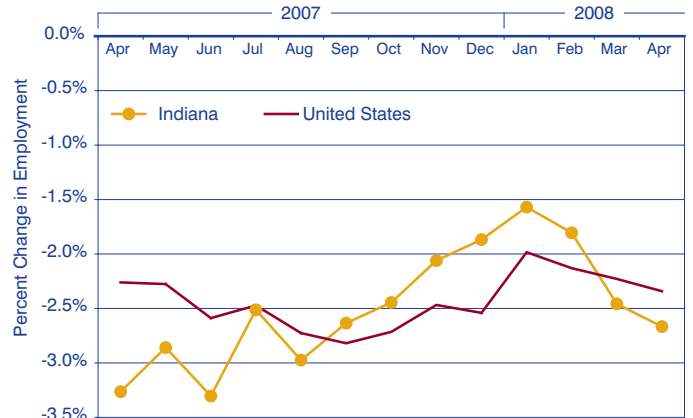
*April of each year, seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics data

INDIANA'S UNEMPLOYMENT RATE



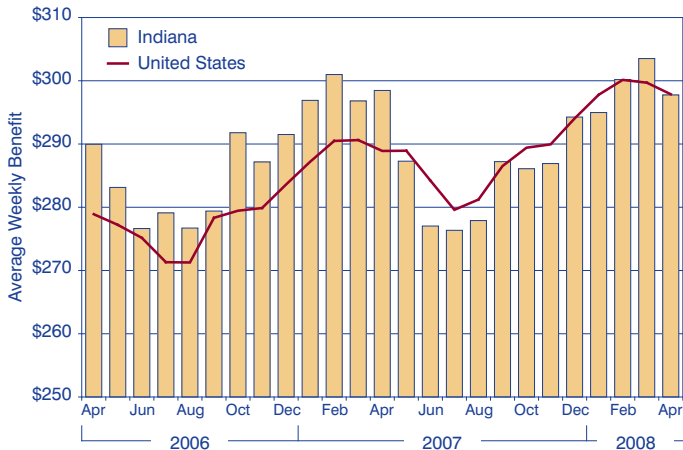
*seasonally adjusted
Source: Current Employment Statistics

OVER-THE-YEAR PERCENT CHANGE IN MANUFACTURING EMPLOYMENT*



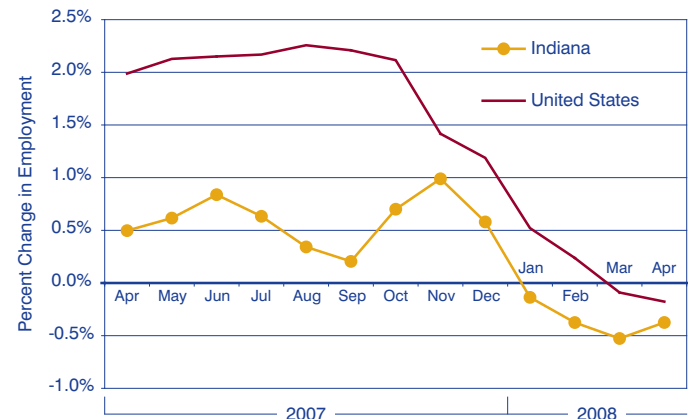
*seasonally adjusted
Source: IBRC, using Bureau of Labor Statistics and Indiana Department of Workforce Development data

AVERAGE BENEFITS PAID FOR UNEMPLOYMENT INSURANCE CLAIMS



Source: IBRC, using U.S. Department of Labor data

OVER-THE-YEAR PERCENT CHANGE IN TRADE, TRANSPORTATION AND UTILITIES EMPLOYMENT*



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

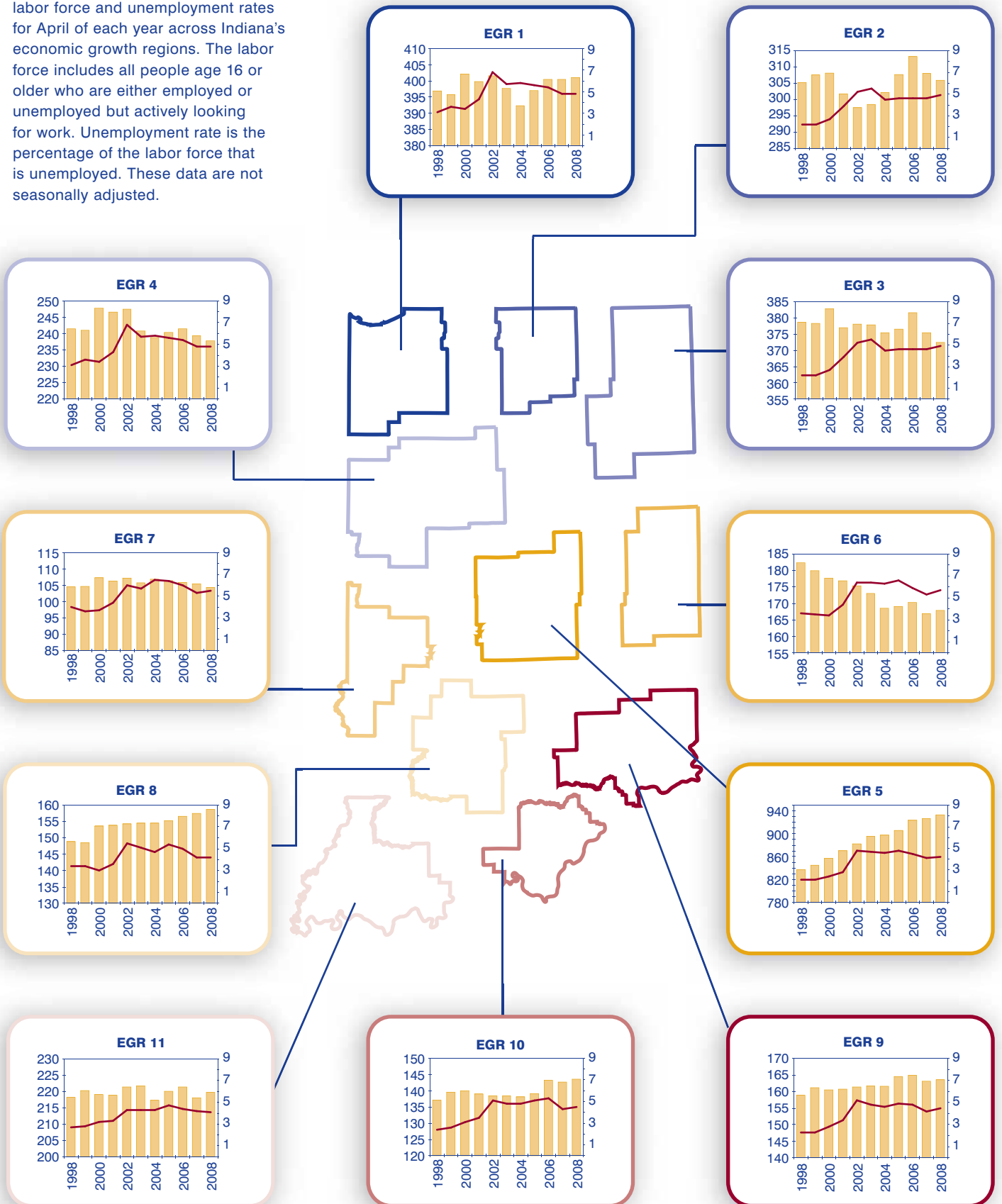
Regional Labor Force and Unemployment Rates

The graphs on this page show the labor force and unemployment rates for April of each year across Indiana's economic growth regions. The labor force includes all people age 16 or older who are either employed or unemployed but actively looking for work. Unemployment rate is the percentage of the labor force that is unemployed. These data are not seasonally adjusted.

April of Each Year
(not seasonally adjusted)

■ Labor Force in
Thousands (left axis)

— Unemployment Rate
(right axis)



The Columbus Metro Story: Told by STATS Indiana

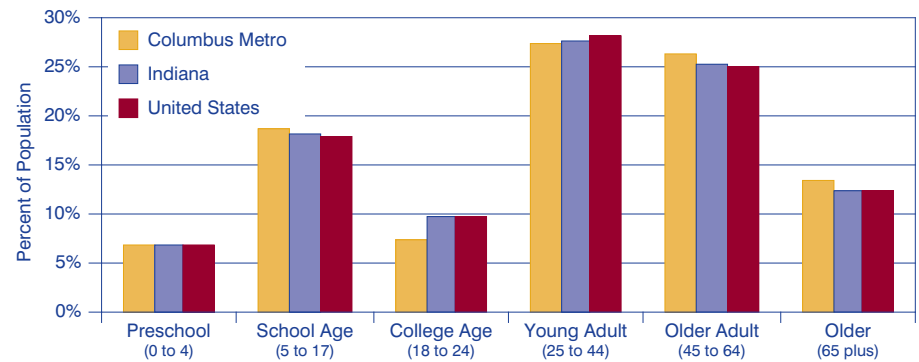
This article is the sixth in a series of Indiana metro articles and will focus on the Columbus metro. All the data used in this writing are available using the USA Counties and Metros Side-by-Side feature on STATS Indiana (www.stats.indiana.edu).

The Area

Bartholomew County in and of itself is the Columbus metropolitan statistical area (metro). In 2007, about 74,750 people resided in the Columbus metro, a 17.4 percent increase since 1990. This growth rate is faster than Indiana (14.5 percent) but not as fast as the United States (21.2 percent) over that same time period. It is important to keep in mind for areas as small as the Columbus metro that higher percent changes are often due to a relatively small base (in this case, population).

The Columbus metro has a slightly older population than Indiana and the United States (see **Figure 1**). In fact, the median age for Bartholomew County was 37.7 in 2006, more than a year older than the Indiana median age of 36.3 and the U.S. median age of 36.4. If we dig a little deeper into the USA Counties and Metros Side-by-Side data, we get a better picture of the types of households living in the metro. The Columbus metro has a higher percentage of households classified

FIGURE 1: POPULATION BY AGE IN THE COLUMBUS METRO, INDIANA AND THE UNITED STATES, 2006



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

as family households than does the state or nation. Single parents make up 8.1 percent of total households in the metro, while that number climbs to 9.1 percent in Indiana and 9.2 percent in the United States (see **Figure 2**).

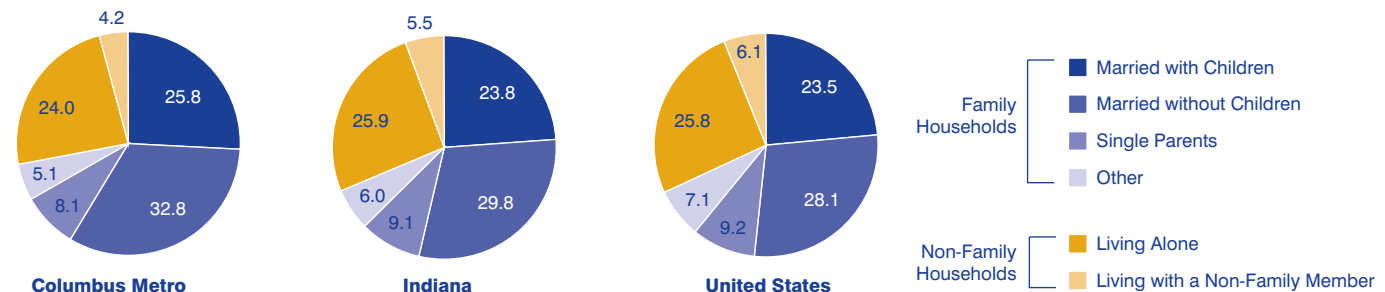
Compared to the state and nation, the Columbus metro is densely populated, with about 184 people per square mile. Statewide, that figure is slightly lower at 177 people per square mile, and the United States averages 85 people per square mile. The metro's poverty rate (10 percent) is 2.2 percentage points lower than the state and 3.3 percentage points lower than the nation. Bartholomew County and Indiana both had higher high school graduation

percentages than the United States. The Columbus metro led on this measure, with 83.8 percent of the population 25 and older holding at least a high school diploma. In Indiana, the percent of

Bartholomew County and Indiana both had higher high school graduation percentages than the United States.

adults 25 and older with at least a high school diploma was slightly lower than the metro, coming in at 82.1 percent. For the United States, about eight of every 10 people in the 25-and-older category held a high school diploma.

FIGURE 2: TYPE OF HOUSEHOLDS IN THE COLUMBUS METRO, INDIANA AND THE UNITED STATES, 2000



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

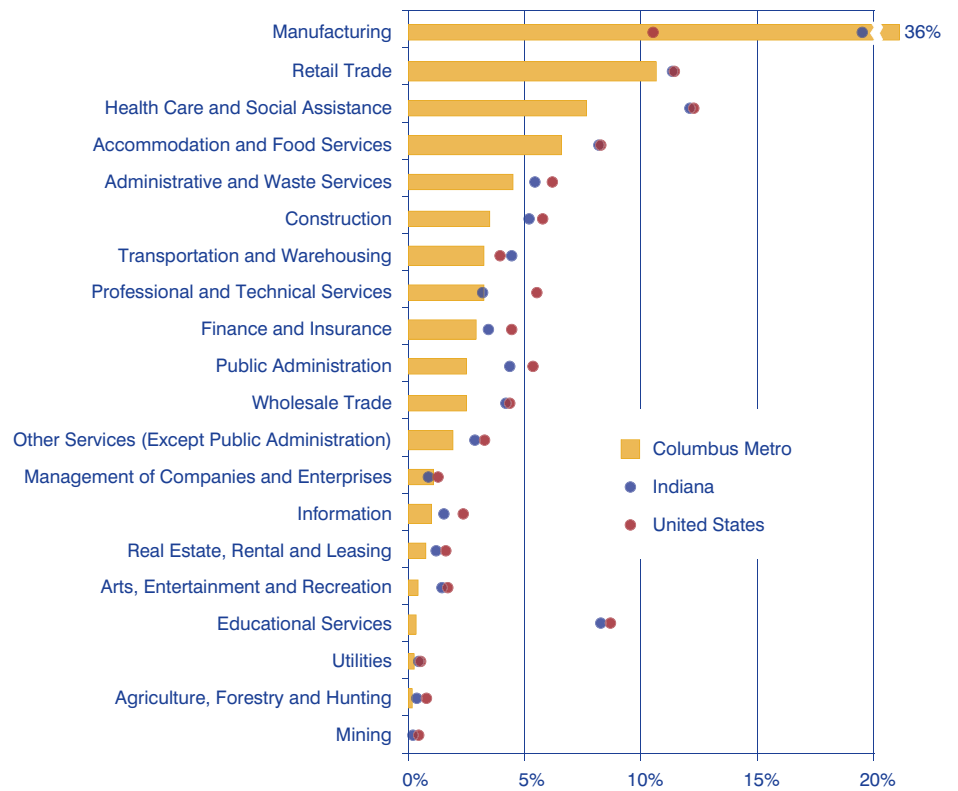
Jobs and Wages

There were about 42,600 jobs in the Columbus metro in 2006. A whopping 36 percent of those jobs were in the manufacturing industry, by far the largest sector in the metro. Compare that number to Indiana's 19.6 percent of total employment in the manufacturing industry and the nation's 10.6 percent. As **Figure 3** shows, retail trade was the second largest sector in Bartholomew County, employing slightly more than 4,500 workers (10.7 percent of total covered employment). Health care and social assistance, while still among the top three industry sectors, only employed 7.7 percent of workers in the metro compared to slightly more than 12 percent at both the state and national levels.

Management of companies and enterprises paid the most among major industry sectors in the Columbus metro, averaging nearly \$70,000 per year. However, this wage did not stack up so well against Indiana and U.S. wages for the industry, which paid \$73,747 and \$88,823, respectively. This seems to be a common theme among Columbus metro wages. Nine of the county's 20 major industries paid less than 75 percent of U.S. wages for that industry (see **Figure 4**). Manufacturing was the stronghold of the metro and was the only industry at the metro level to pay more on average than Indiana or the United States. Overall, total covered wages in the Columbus metro were \$40,107, higher than Indiana's \$36,553 but only 94.3 percent of U.S. wages.

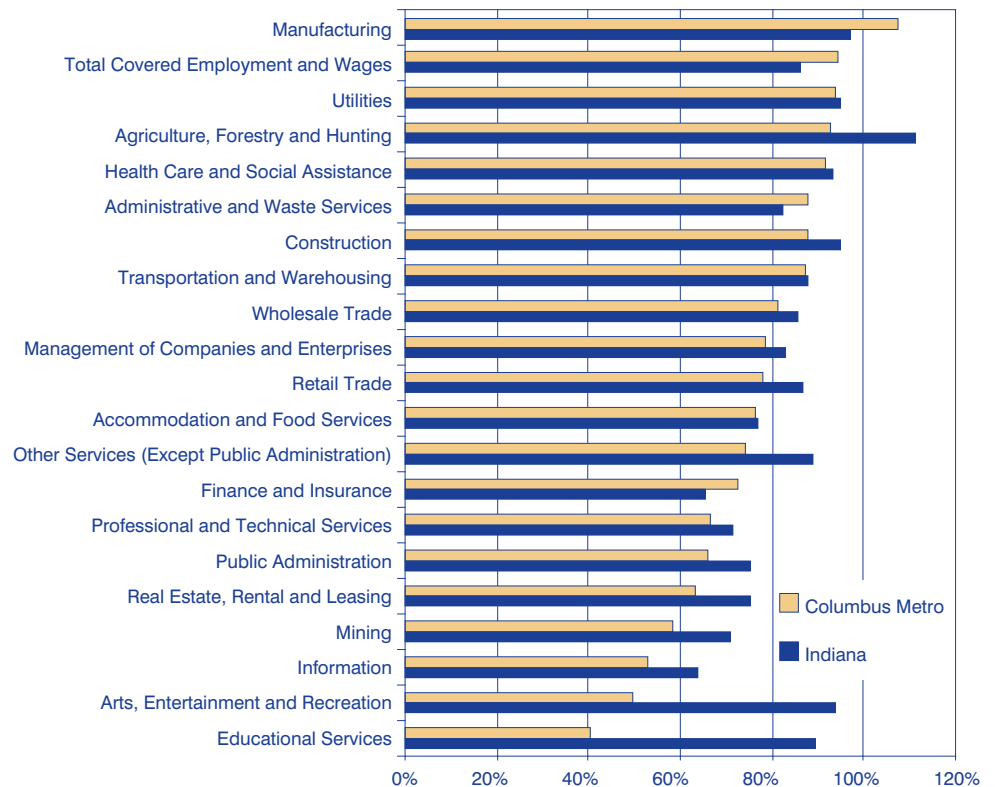
While looking at the jobs and wages data, we must keep in mind a few facts behind the numbers. For Quarterly Census of Employment and Wages (QCEW) data from the Bureau of Labor Statistics, some data are simply not published or not available.

FIGURE 3: JOBS AS A PERCENT OF TOTAL COVERED EMPLOYMENT, 2006



Note: Mining was 0.1 percent of total covered employment in 2006 and is not visible in this graph at its current scale
Source: IBRC, using Census of Employment and Wage data

FIGURE 4: WAGES IN THE COLUMBUS METRO AND INDIANA AS A PERCENT OF U.S. WAGES, 2006



Source: IBRC, using Census of Employment and Wage data

Digital Connections

InContext

Current workforce and economic news with searchable archives.

www.incontext.indiana.edu

Hoosiers by the Numbers

Workforce and economic data from the Department of Workforce Development's research and analysis division.

www.hoosierdata.in.gov

STATS Indiana

Award-winning economic and demographic site provides thousands of current indicators for Indiana and its communities in a national context.

www.stats.indiana.edu

Indiana Economic Digest

The news behind the numbers, the Digest is a unique partnership with daily newspapers throughout Indiana providing access to daily news reports on business and economic events.

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There are four different types of ownership for these data: private, local government, state government and federal government. When aggregated, they fall under the “total covered employment” category. However, the nondisclosure requirements for each type of ownership vary by area, meaning that data may not be disclosable at the local government level in Bartholomew County. For example, in the numbers discussed above for the Columbus metro, BLS nondisclosure requirements result in the exclusion of local government data in the following industries: health care and social assistance; transportation and warehousing; professional and technical services; real estate, rental and leasing; information; and arts, entertainment and recreation. Likewise, state government data are nondisclosable for the public administration industry and both state and local government data are nondisclosable for the educational services industry.

What does all this mean? While it is useful to compare jobs and wages across geographies, one must use caution when doing so. For example, educational services wage data for Columbus appear to be only 40.5 percent of U.S. wages. Does this mean teachers in Columbus earn less than half of what their U.S. counterparts make? The answer is no. If we go back to the BLS ownership breakouts, we find that the U.S. numbers include data from every ownership type and the Bartholomew County numbers only

include private data. As a result, data in these specific cases are not directly comparable across geographies and warrant additional research.

Conclusion

The Columbus metro appears to be performing fairly well, increasing population at a faster pace than the state overall while maintaining a relatively low poverty rate and high percentages of its adult population that have earned a high school diploma or more. Manufacturing is especially prominent in the metro, providing more than one-third of all jobs in the area (more than the next five industries combined). The good news is that manufacturing also pays well in the

Manufacturing is especially prominent in the Columbus metro, providing more than one-third of all jobs in the area.

metro and is the only industry in Bartholomew County that pays higher average annual wages than the United States. Although the manufacturing sector is a stronghold for the Columbus metro's jobs and wages, it is somewhat alarming that more than half of all the industry sectors in the area pay less than 80 percent of U.S. wages, since large swings in the manufacturing economy could easily be magnified in the metro.

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