

## Employment Growth Reflects Geographic Differences

In the past year, Indiana's employment grew by 1.7%, up slightly from the annual rate of 1.5% over the past five years. (All data refer to the month of February.) The fastest-growing sector has been services in both time periods (see Figure 1). The 1999-2000 period was distinguished by the strong performance of manufacturing, wholesale and retail trade relative to

the longer 1995-2000 period. These disparities by sector, however, are less than the geographic disparities within the state (see Figure 2).

The 11 metropolitan areas of the state (with 77% of total employment) have averaged a 1.75% annual growth rate over the past five years, while the non-metro areas have grown at about half that rate at 0.85%. In the past year, the disparity increased as metro areas grew by 2.2% and non-metro area employment decreased by 0.4%.

The New Albany area (a portion of the Louisville MSA) led the state with a 3.2% increase over the past five years, followed by Indianapolis and Lafayette. The minor decreases shown for Terre Haute and Muncie may be treated as approximating "no change" because they are based on relatively small samples. The Kokomo and Elkhart-Goshen areas were the growth leaders in the past year, with only South Bend not increasing in number of jobs.

Figure 1: Growth in Indiana Employment by Sector

Source: Indiana Department of Workforce Development

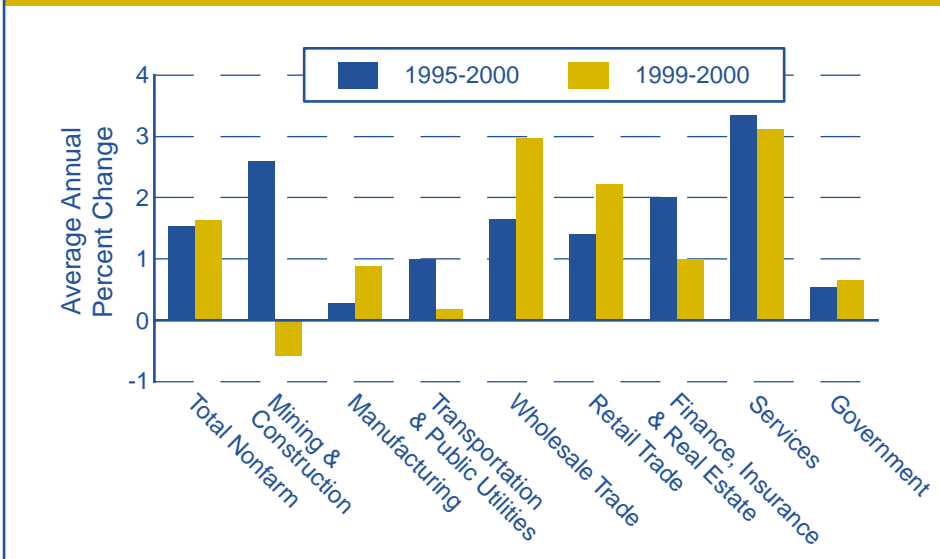


Table 1: Industry Growth Leaders

Sector	1995 to 2000	1999 to 2000
Total	New Albany (3.2%)	Kokomo & Elkhart-Goshen (4.9%)
Mining & Construction	Kokomo (7.2%)	Elkhart-Goshen (16.3%)
Manufacturing	Lafayette (2.3%)	Muncie (6.3%)
Transportation & Public Utilities	New Albany (5.8%)	Fort Wayne (5.3%)
Wholesale Trade	Bloomington (9.5%)	Bloomington (15.8%)
Retail Trade	Lafayette (2.7%)	Terre Haute (4.9%)
Finance, Insurance & Real Estate	Indianapolis (3.4%)	Lafayette (8.3%)
Services	New Albany (5.3%)	Kokomo (13.3%)
Government	New Albany (3.8%)	Lafayette (5.6%)

### Sector Leaders

New Albany's employment growth rate led all MSAs in three of the eight sectors from 1995 to 2000. Lafayette also captured the top spot in two other sectors (see Table 1). In the past year, employment growth has been broadly dispersed, with eight different metro areas taking the lead in different sectors.

### Metro/Non-metro Differences

Although metro areas have more than three-quarters of all Hoosier employment, they host slightly more than two-thirds of manufacturing jobs (see Figure 3). The metro areas' greatest hold on employment is in the financial sector, where they account for more than 86% of jobs.

Figure 2: Growth in Indiana Employment by Area

Source: Indiana Department of Workforce Development

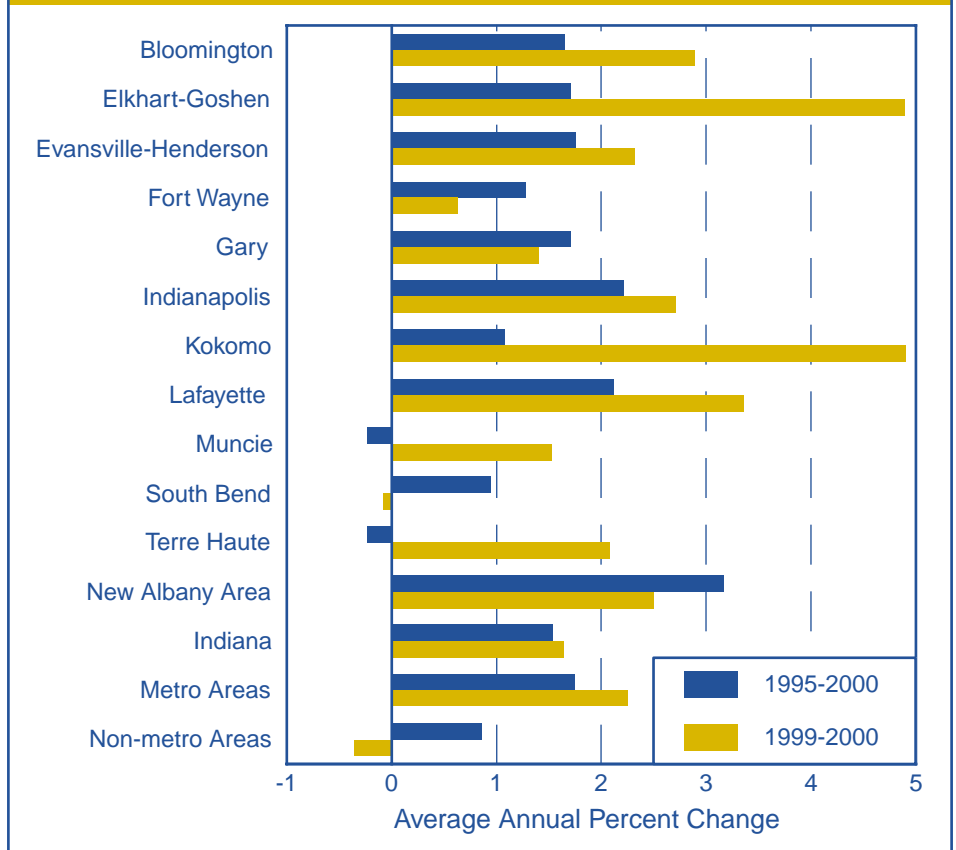


Figure 3: Industry Share of Employment by Area, February 2000

Source: Indiana Department of Workforce Development

