

Regional Perspective: Economic Growth Region 6

Economic Growth Region (EGR) 6 is located in east-central Indiana and consists of nine counties that make up 5.5 percent of the state's population: Blackford, Delaware, Fayette, Henry, Jay, Randolph, Rush, Union and Wayne counties. Of the nearly 345,000 people who live in EGR 6, 19.4 percent reside in Muncie (Delaware County), the region's largest city and home to Ball State University. Richmond (Wayne County), New Castle (Henry County) and Connersville (Fayette County) are the only other cities in the region that make up more than 2 percent of the region's population, with 10.9 percent, 5.5 percent and 4.2 percent, respectively. (see **Figure 1**)

While the state of Indiana has seen an increase in population of nearly 3 percent from July 2000 to July 2005, the nine-county region that makes up EGR 6 experienced a decline of 2.2 percent (7,671 people). The region actually grew in terms of natural increases (births minus deaths); however, migration patterns show that six of the nine counties have not

TABLE 1: CHANGE IN JOBS IN EGR 6 AND INDIANA, 2001:3 TO 2005:3

Industry	EGR 6			Indiana		
	2005:3	Change	Percent Change	2005:3	Change	Percent Change
Total	126,851	-10,631	-7.7	2,879,527	7,553	0.3
Management of Companies and Enterprises	722	184	34.2	26,175	-372	-1.4
Arts, Entertainment and Recreation	1,462	261	21.7	49,948	289	0.6
Utilities	452	75	19.9	16,508	11	0.1
Accommodation and Food Services	11,279	664	6.3	240,761	9,681	4.2
Public Administration	6,350	235	3.8	131,786	646	0.5
Health Care and Social Services	20,360	390	2.0	348,193	26,688	8.3
Professional, Scientific and Technical Services	2,693	45	1.7	90,212	4,221	4.9
Wholesale Trade	3,423	38	1.1	122,664	-473	-0.4
Educational Services	10,396	47	0.5	207,280	11,293	5.8
Finance and Insurance	3,527	-152	-4.1	100,555	-4,378	-4.2
Retail Trade	16,191	-1,553	-8.8	332,377	-13,955	-4.0
Other Services (Except Public Administration)	3,631	-413	-10.2	84,382	-2,485	-2.9
Construction	4,883	-563	-10.3	156,147	-367	-0.2
Information	1,713	-228	-11.7	47,446	-4,000	-7.8
Agriculture, Forestry, Fishing and Hunting	495	-67	-11.9	14,289	-1,137	-7.4
Real Estate, Rental and Leasing	1,139	-203	-15.1	39,072	-9	0.0
Manufacturing	27,348	-6,417	-19.0	572,432	-39,048	-6.4
Administrative, Support and Waste Management	3,941	-1,141	-22.5	163,665	22,953	16.3
Transportation and Warehousing	3,708	-2,212	-37.4	128,179	-1,730	-1.3

Source: IBRC, using Bureau of Labor Statistics data

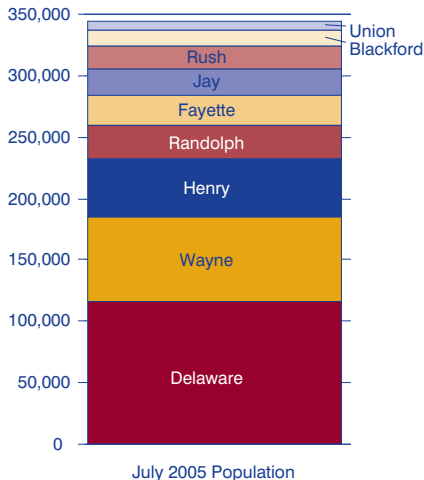
experienced net in-migration for the past five years (see **Figure 2**).

Jobs and Wages

Region 6 jobs have taken a nosedive over the past four years, especially compared to the state. From the third quarter of 2001 to the same time in 2005, EGR 6 experienced a loss of 10,631 jobs (a 7.7 percent decrease); Indiana managed to gain more than

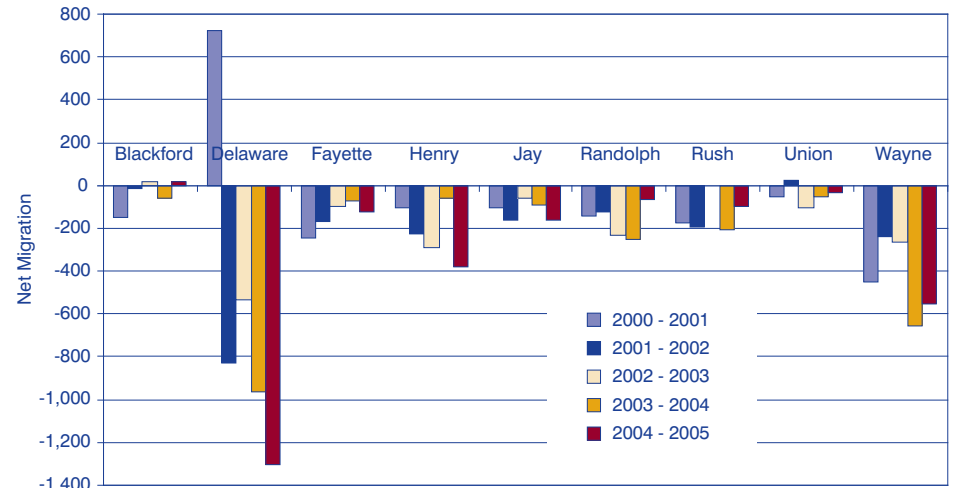
7,500 jobs for a 0.3 percent increase over that same period of time. Nine major industry classifications actually posted gains in the region, but these gains were not nearly enough to offset the other ten industries' losses (see **Table 1**). As for the job losses at the regional level, manufacturing made up the majority (more than 6,400) but remains the largest major industry sector in the region with 21.6 percent

FIGURE 1: EGR 6 POPULATION DISTRIBUTION



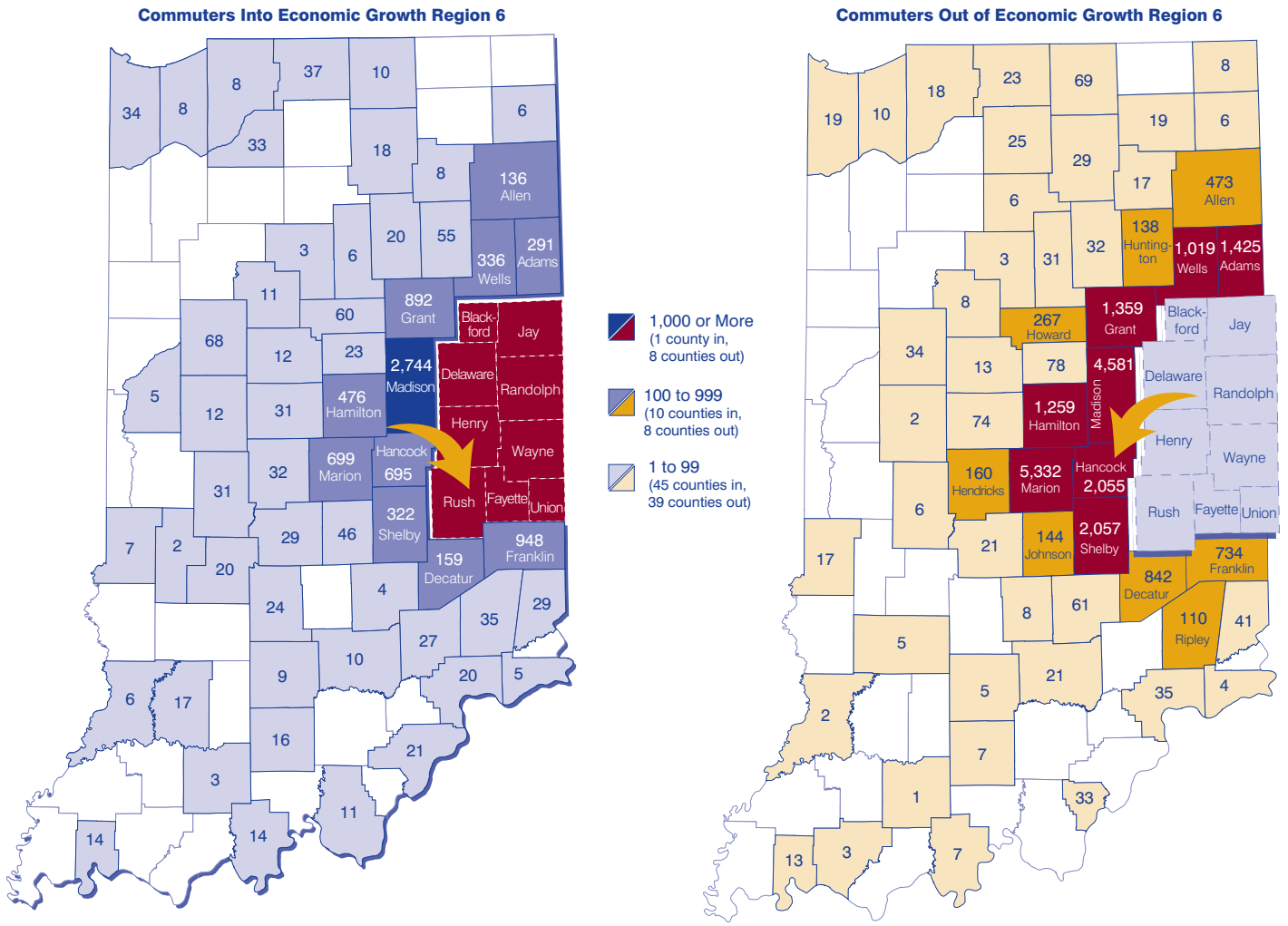
Source: IBRC, using U.S. Census Bureau data

FIGURE 2: NET MIGRATION OF COUNTY POPULATION WITHIN EGR 6, JULY OF EACH YEAR



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

FIGURE 4: EGR 6 COMMUTING PATTERNS

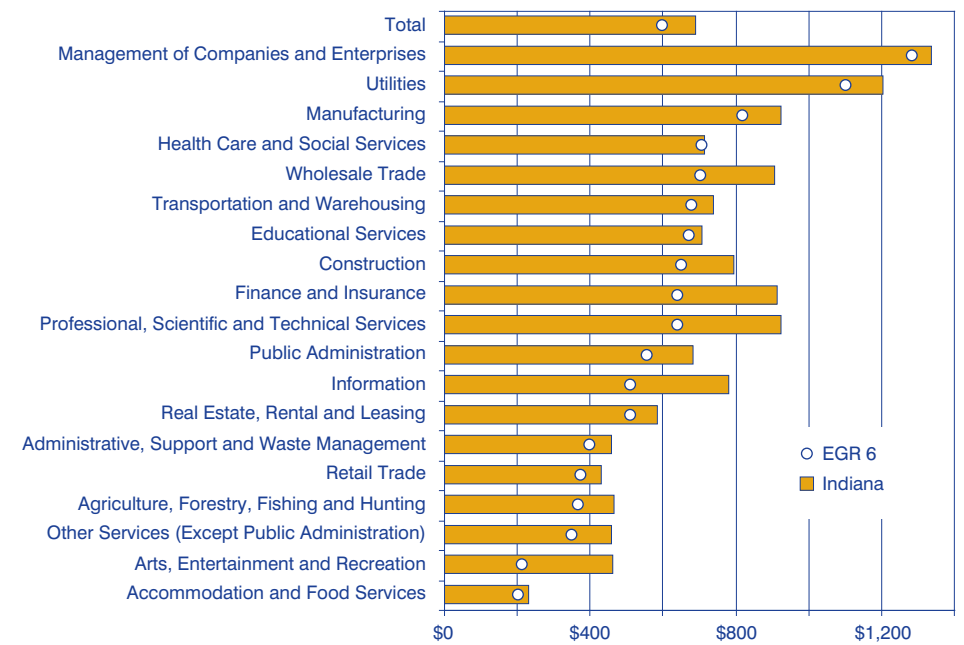


Source: IBRC, using U.S. Census 2000 data

of all jobs, compared to 19.9 percent at the state level.

One possible explanation for the decrease in the region's population and jobs could be related to the wages paid across all industry sectors. The only industry in which Region 6 paid more than the state was the health care and social services industry, and that was only by an average of \$1 per week. Even the management of companies and enterprises industry, which paid the highest average weekly wages in the region, paid \$44 less per week than Indiana overall. The biggest difference in wages was in the professional, scientific and technical services industry, with Indiana paying a higher average weekly wage by \$278

FIGURE 3: AVERAGE WEEKLY WAGES, 2005:3



Source: IBRC, using Bureau of Labor Statistics data

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TABLE 2: INTRA-REGIONAL COMMUTING, 2000

From	To								
	Blackford	Delaware	Fayette	Henry	Jay	Randolph	Rush	Union	Wayne
Blackford	3,654	802		4	406	20			2
Delaware	491	45,116	10	623	570	316		16	168
Fayette		22	8,095	33			491	211	986
Henry	5	1,467	173	12,712	18	54	522		704
Jay	185	1,027			6,231	223		2	38
Randolph	55	2,342	10	131	571	6,721	1	32	1,071
Rush		26	242	282			4,318	8	41
Union		1	241	10	4	7	10	1,263	790
Wayne		246	1,105	472	18	319	65	176	28,611

Source: IBRC, using U.S. Census 2000 data

(see **Figure 3**). This industry classification includes jobs such as legal, accounting, engineering and advertising services.

Commuting

Of the approximately 143,200 people in the EGR 6 workforce (those who work in the region, but live anywhere), 94 percent were also residents, according to Census 2000 data. There are just over 27,300 workers who live in Region 6 but commute elsewhere for work. Where are these workers going? Not surprisingly, the counties nearest the region are receiving the most workers (see **Figure 4**). Of Indiana's 92 counties, eight received at least 1,000 workers from the region and 28 did not receive workers from EGR 6 at all. Another 3,756 workers were sent out of state to neighboring Ohio. Meanwhile, only one county outside the region (neighboring Madison County) sent more than 1,000 workers into EGR 6 to work.

As far as intra-regional commuting is concerned, Delaware County received the most workers from fellow EGR counties with more than 5,900 workers coming in from the other eight counties. At the same time, Union County (the smallest county in both population and area) received the fewest workers from the rest of the region (see **Table 2**). Randolph County sent out more than any other regional county, over half of which went to Delaware County; and Rush County contributed the fewest workers to the rest of the region.

Conclusion

All in all, Economic Growth Region 6 has been struggling over the past few years. Most likely, the decrease in jobs has contributed to the decrease in population. Meanwhile, lower average wages compared to the rest of the state aren't likely to attract more people into the area, resulting in the higher number of people leaving the region to find work compared to those coming into EGR 6.

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