Indiana Population Projections by Race and Hispanic Origin

Indiana's population will become increasingly diverse over the next 20 years as the state's Hispanic, "two or more races," Asian and black populations grow rapidly. Indiana's white and American Indian populations will grow as well, although at a more modest pace. In fact, while the state's white population will increase by 8 percent between 2005 and 2030, its share of total population will decline.

The two-or-more races category will be Indiana's fastest growing group, increasing 135 percent between 2005 and 2030 (see **Table 1**). In terms of numeric growth, Indiana's black population will exhibit the greatest increase among non-white race groups with a gain of 146,000 people. The state's Asian[1] population will grow rapidly as well, with a 54 percent rate of growth. The American Indian and Alaska Native group—Indiana's smallest race category—will add 2,700 people, equating to a 14 percent increase.

Table 1: Indiana's Projected Population Change by Race and Hispanic Origin, 2005 to 2030

	Population Estimate, 2005	Share of Total Population, 2005	Population Projection, 2030	Share of Total Population, 2030	Percent Change, 2005-2030
White	5,548,064	88.5%	6,010,300	85.6%	8%
Black	555,465	8.9%	701,500	10.0%	26%
Asian	81,802	1.3%	125,900	1.8%	54%
Two or More Races	68,084	1.1%	159,800	2.3%	135%
American Indian	18,561	0.3%	21,200	0.3%	14%
Total	**6,271,976**	**100%**	**7,018,700**	**100%**	**12%**
Non-Hispanic	5,987,066	95.5%	6,449,200	91.9%	8%

Hispanic or Latino	284,910	4.5%	569,500	8.1%	100%

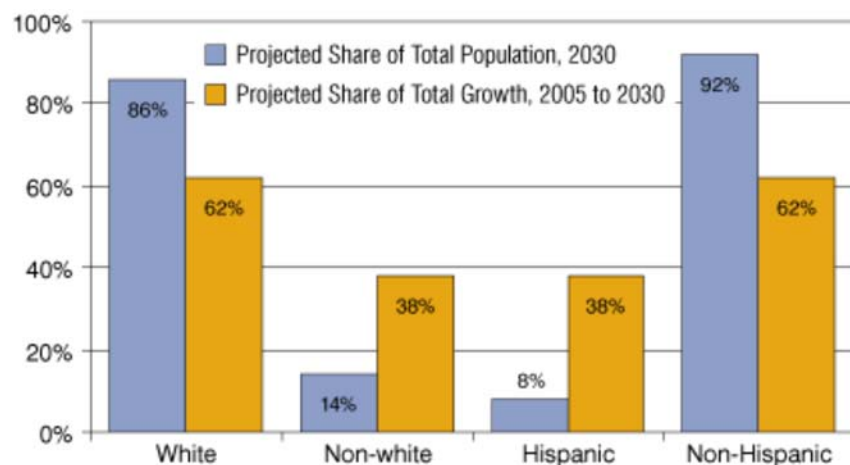Source: Indiana Business Research Center

We can expect Indiana's population with Hispanic or Latino roots to double over the next 25 years—an increase of roughly 285,000 residents. It is important to note that Hispanic figures refer to an ethnic group rather than a race and, therefore, its population can be of any race. A sum of the five race categories will provide the state's total population but the Hispanic numbers must be considered separately.

These are a few of the highlights from the recent Indiana population projections by race and Hispanic origin released by the Indiana Business Research Center. In addition to the projections by age, sex, race and Hispanic origin for the state, total population projections are available for each county that has a minimum of 2,000 residents in any race or ethnic category. The projections cover 2010 to 2040. However, since population projections are subject to error and these inaccuracies become more likely as the projection horizon increases, this article focuses on projections to 2030.

White Population Growth Slow yet Steady

Indiana's white population will top 6 million for the first time by 2030—an 8 percent growth over its 2005 estimate of 5,548,000. This nearly half-million population increase, however, will account for only 62 percent of the state's total growth over that period (**Figure 1**). With the white population likely to grow at a rate that is substantially less than its proportion of total population, the share of Indiana's residents that are white is expected to decline from 88.5 to 85.6 percent by 2030.

Figure 1: Comparison of Projected Share of Population in 2030 to Projected Share of Growth from 2005 to 2030

Source: Indiana Business Research Center

Much like overall population growth in Indiana, the white population will grow most quickly in

suburban counties around Indianapolis with Hamilton, Hendricks, Johnson, Boone and Hancock counties registering the fastest growth over this period. The quickest growing white populations outside of the Indianapolis metro area include Elkhart and LaGrange counties.

Black Population Up to 700,000 by 2030

Indiana's black population, already the state's largest non-white group, is expected to expand by more than one-quarter by 2030. This increase will bring the population from 555,500 in 2005 to slightly more than 701,500. These additional 146,000 residents will take the black share of total population from 9 percent to 10 percent. Furthermore, 20 percent of Indiana's total growth over this period is anticipated to occur in the black population.

Porter County is projected to have the state's fastest growing black population at 212 percent growth to bring the total from 3,315 to 10,300. Also at triple-digit growth will be Hamilton County at 181 percent. Counties with the largest numeric gains include Marion (66,900), Lake (13,900), Hamilton (13,700) and Allen (10,900).

Asian Population Continues to Climb

Among race groups, the Asian population will be second only to the two-or-more-races category in terms of growth rate with an increase of 54 percent between 2005 and 2030. This rate will bring the Asian population total to 125,900. Over this same period, the Asian population is expected to account for 6 percent of Indiana's total growth and its share of total population will shift from 1.3 percent to 1.8 percent.

Hamilton County has seen the strongest growth in its Asian population in recent years (this group nearly doubled between 2000 and 2005). This trend is expected to continue as the county is projected to add 11,100 Asian residents by 2030 for a total of 20,100—a 124 percent increase. This growth would move Hamilton County past Marion County to give it the state's largest Asian population. Allen County is projected to have the second highest growth rate (78 percent) which will bring its population to 11,700. Others in the top five for projected Asian population by 2030 are Marion (17,500), Tippecanoe (12,000), and Monroe (8,600) counties.

American Indian Population Small but Growing

The state's American Indian population is predicted to expand from 18,561 to 21,200. Even with this 14 percent growth, the American Indian share of total population will remain essentially unchanged at 0.3 percent. Despite the overall growth trend, the American Indian population is the only race or ethnic group among those discussed here that are expected to lose population within this projection period. After peaking at 21,500 in 2025, this population is projected to begin a period of slight population loss with a 1 percent decline between 2025 and 2030. American Indian fertility rates in recent years have been well below the state average and are a leading factor behind this trend.

Marion County is home to the state's largest American Indian population with 2,652 residents in 2005 (14 percent of the total). Marion County is forecast to add an additional 600 to this population, which translates into a 23 percent increase. The remainder of the state will grow by 13 percent.

Multiple Race Population Will Expand Rapidly

The state's population with more than one race is likely to soar in the coming decades. This population is expected to grow from its 2005 size of 68,084 to 159,800 by 2030—a 135 percent increase —the largest rate of any race or ethnic group. This increase will account for 12 percent of the state's total growth.

The primary reason for this growth is the extreme youth of this population. According to the 2005 Census population estimates, 55 percent of Indiana's multiple race population was below the age of 20 compared to 28 percent for the state on whole. Furthermore, state records from 2000 to 2005 indicate that the number of births to parents of two different races has increased each year.

Hispanic Population Expected to Double by 2030

The Hispanic population is projected to add 284,600 residents by 2030. This figure equates to a 100 percent increase over 2005 and will account for 38 percent of the state's total growth. As a share of Indiana's total, the Hispanic population is expected to jump from 4.5 percent to 8 percent in 2030. This rapid growth projection is based on recent trends in Indiana of both high rates of in-migration and fertility rates that are well above other sub-populations covered in these projections.

Nearly all counties will see relatively substantial increases in their Hispanic populations. Counties expected to have the largest numeric increases are Marion (87,800), Elkhart (33,500), and Lake (23,300). Among counties that had at least 2,000 Hispanic or Latino residents in 2005, those expected to grow most rapidly are Hamilton (202 percent), Bartholomew (183 percent), Marion (171 percent) and Hendricks (163 percent).

Age Distribution

Aging is one of the dominant demographic trends in Indiana and nationally. Each of the race and ethnic groups considered here will get older in the coming decades. However, there is a great diversity in their age distributions as illustrated by the comparison of median ages in **Figure 2**. The two or more races population is very young with a median age of 17 in 2005. This mark will climb only slightly to 19 by 2030. The black and Hispanic populations are also quite young with marks below 30 in the base year. Both will remain among the youngest sub-populations in the next 25 years. Aging will be most pronounced in the American Indian, white, and Asian populations as the first two will have median ages above 40 by 2030 and the Asian population will likely approach that mark.
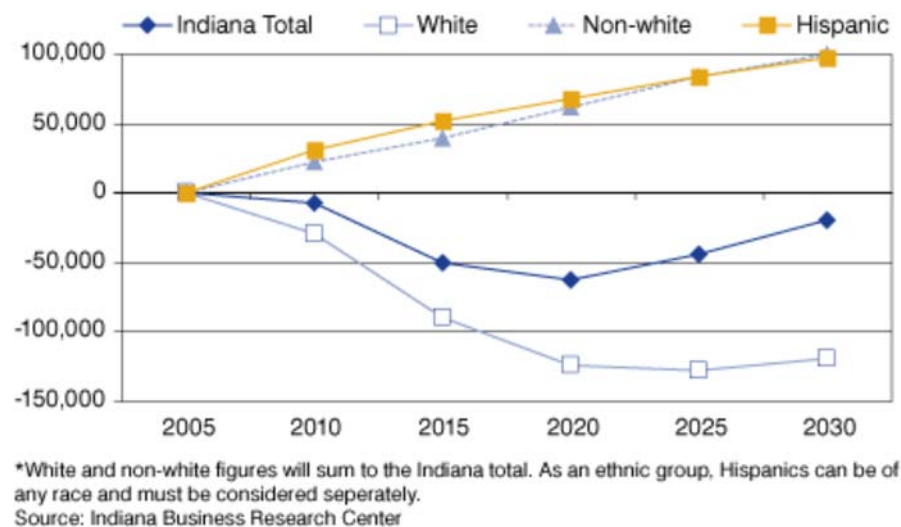
Figure 2: Projected Median Age by Race and Hispanic Origin, 2005 to 2030

Source: Indiana Business Research Center
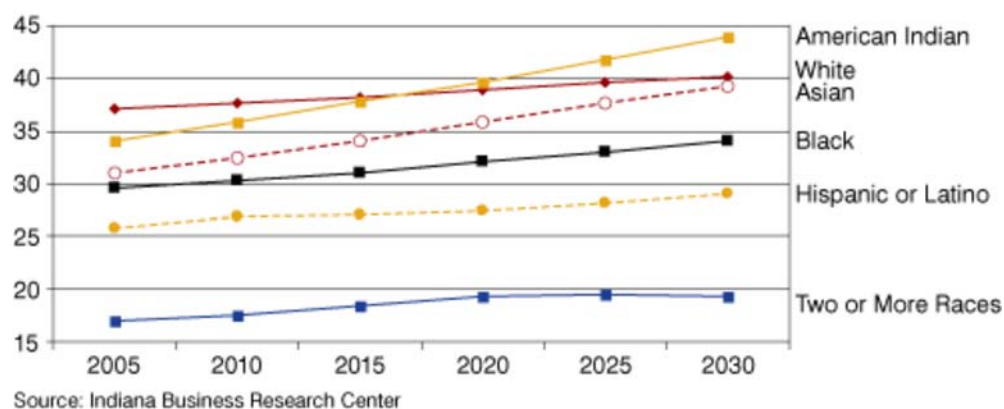
From an economic development perspective, the 25-to-54 age group is a key demographic that covers the prime working years. **Figure 3** indicates that if recent trends persist, the state can expect to lose population in this age group because of the aging baby boom generation (who were between the ages of 41 and 59 in 2005).The loss is projected to trough in 2020 when the population in this age group will be 62,400 people below its 2005 level. The 25-to-54 age group will recover somewhat after 2020 to reach a level that is 19,000 people below the base year. Losses in the white population will primarily drive this decline, but persistent growth among minority populations will blunt its effects up to 2020 and spur the subsequent rebound.

Figure 3: Projected Cumulative Population Change for those Age 25 to 54, 2005 to 2030*

*White and non-white figures will sum to the Indiana total. As an ethnic group, Hispanics can be of any race and must be considered seperately.
Source: Indiana Business Research Center

Indiana in Perspective

While it is true that Indiana's racial and ethnic composition will shift, the state is—and will remain—much less diverse than the nation. A comparison of the Indiana projections to national projections[2] produced by the U.S. Census Bureau reveals that Indiana's share of total population that is white is projected to be a full 9 percentage points higher than the nation (see **Figure 4**). Each of the other race and ethnic groups will hold a higher proportion nationally—most notably the Hispanic population, which is expected to make up 23 percent of the U.S. population in 2030 compared to 8 percent in Indiana.

Figure 4: Projected Share of Total Population in the United States and Indiana, 2030
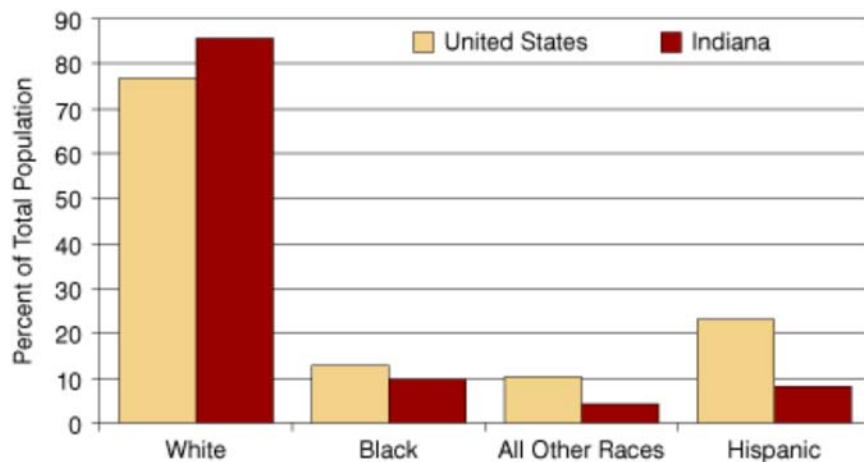
Source: Indiana Business Research Center

For more on the Indiana population projections by race and Hispanic origin, please visit ....

Notes

1. Due to the small population of Native Hawaiian and Pacific Islanders in Indiana, this race group was combined with Asian for these projections.
2. National projections were produced in 2008 and based on Census 2000 figures. The Indiana projections are based on 2005 population estimates.

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Indiana's Leading Export Industries

For the past few years, the Indiana Business Research Center has provided reports about Indiana's exports to the Indiana Economic Development Corporation. This article, derived from the 2008 report, focuses on Indiana's exports in three industries: 1) vehicle and parts, 2) industrial machinery and 3) pharmaceutical products. These industries are notable because the vehicle and industrial machinery industries account for the vast majority of Indiana exports, while the pharmaceutical products industry is the fastest growing export industry.[1]

Vehicles

Figure 1 shows the share of U.S. vehicle exports in 2007 for destination countries with export purchases greater than $200 million. While Canada captured 46.5 percent of this export category in 2007 and Mexico captured 12.5 percent, the relative share for these two countries has been declining recently. Other destination countries have become more important markets. For example, Germany's share increased from 7 percent in 2006 to 7.9 percent in 2007.

Figure 1: Exports of Vehicles and Parts (Excluding Railway), 2007 Destination Countries for U.S. Exports of Greater than $200 Million
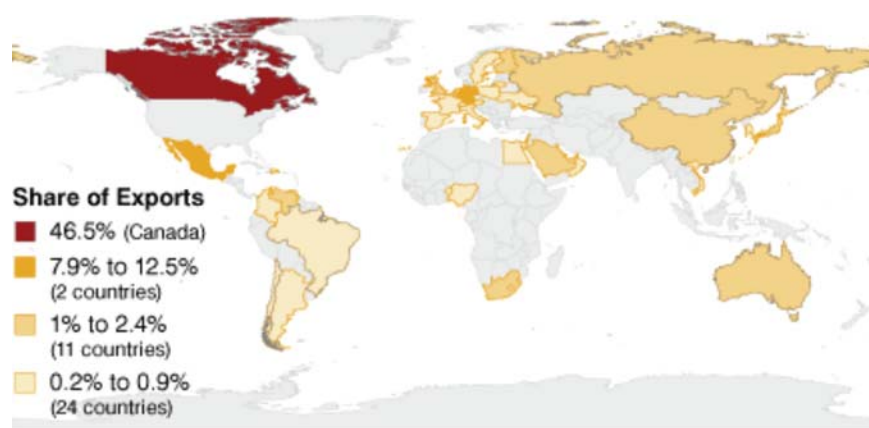
Source: IBRC, using WISER Trade data

Figure 2 presents the source of these vehicle and parts exports on a state-by-state basis. With an 18.6 percent share of U.S. vehicle and parts exports, Michigan's exports are more than twice as great as the runner-up state of Ohio. Indiana ranks fifth, contributing 6.1 percent of U.S. exports of vehicles and parts. Texas and Illinois rank third and fourth, respectively.

Figure 2: Share of U.S. Vehicle Exports (Excluding Railway), 2007
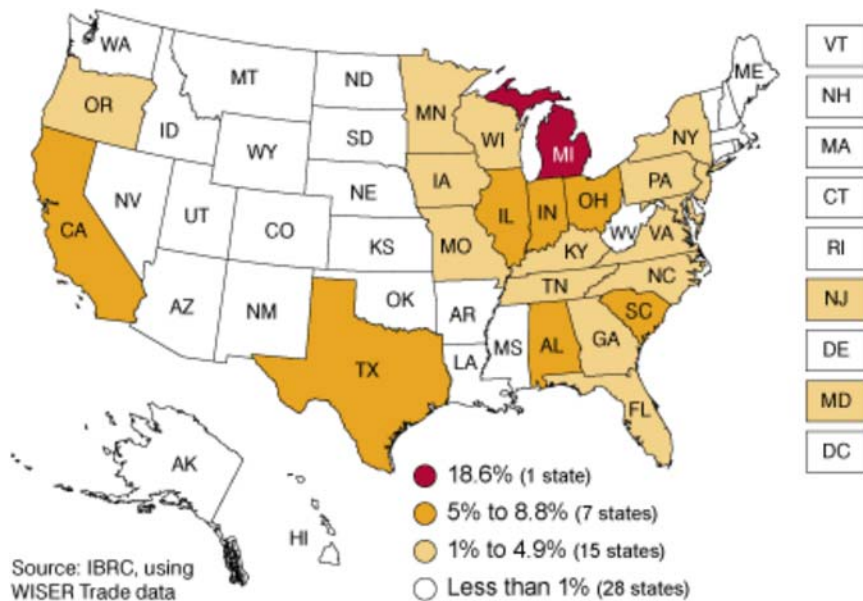
Whether Indiana can maintain the number five spot into the future is an open question. **Figure 3** shows a significant re-alignment of vehicle exports among the states. The top five states have had similar growth rates from 2001 to 2007, but the states ranked sixth through eleventh have had growth rates that are twice those of the Great Lake states (and Texas).
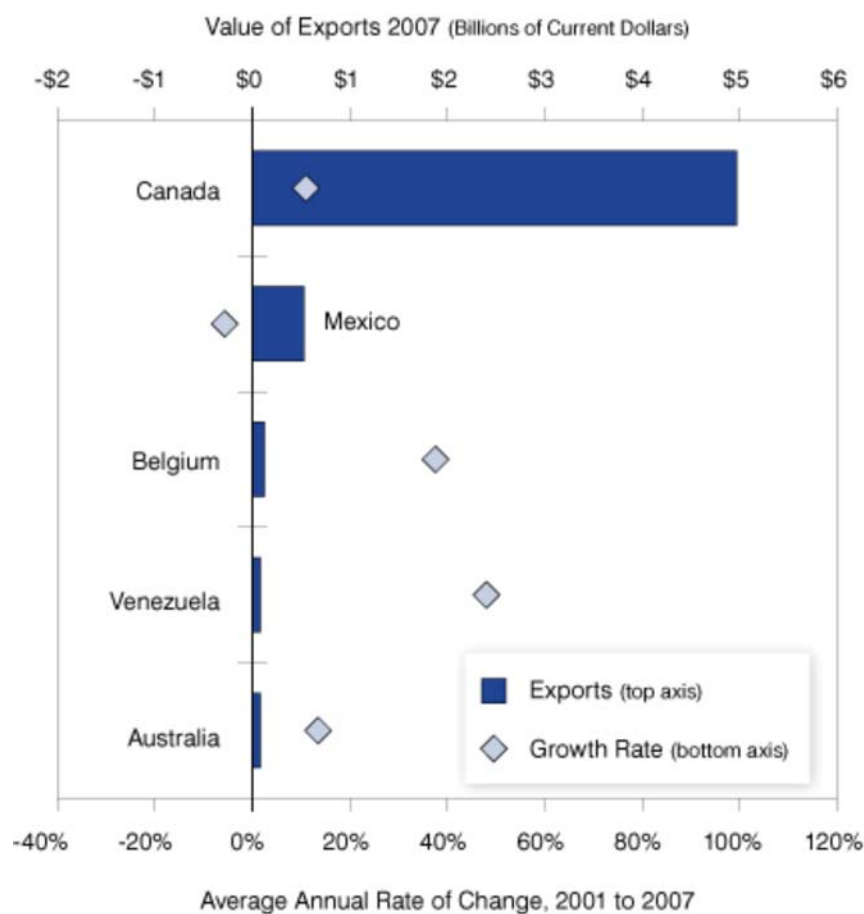
Figure 3: Leading States in the Export of Vehicles and Parts (Excluding Railway), 2001 to 2007

Value of Exports 2007 (Billions of Current Dollars)

Source: IBRC, using WISER Trade data
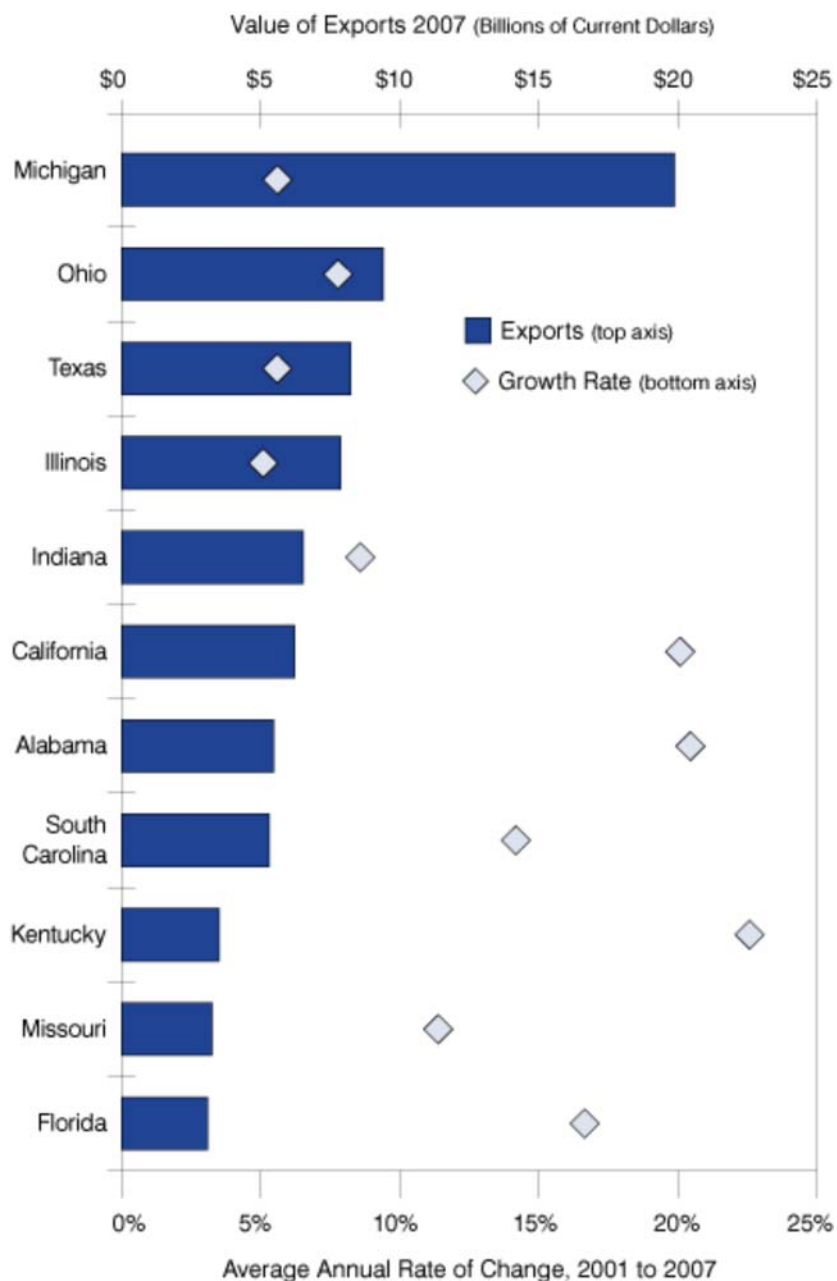
Figure 4 shows how the top five destinations for Indiana's vehicle exports compare. As noted above, Canada has been the largest market and most consistent export market for Indiana's vehicles and parts. While the Mexican market received over $500 million in Indiana vehicle exports in 2007, the market has not been consistent. In 2004, exports to Mexico jumped nearly $250 million, only to tumble by nearly $190 million the following year. Since 2001, Indiana exports of vehicles and parts to Mexico have fallen at an average rate of 5.7 percent a year. The destination countries that are smaller markets have erratic growth rates and volumes. For example, the Netherlands and Austria dropped out of the top five destinations in 2006 to be replaced by Venezuela and Australia in 2007.

**Figure 4: Indiana's Top Five Export Destinations for
Vehicles and Parts (Excluding Railway), 2007**

Value of Exports 2007 (Billions of Current Dollars)
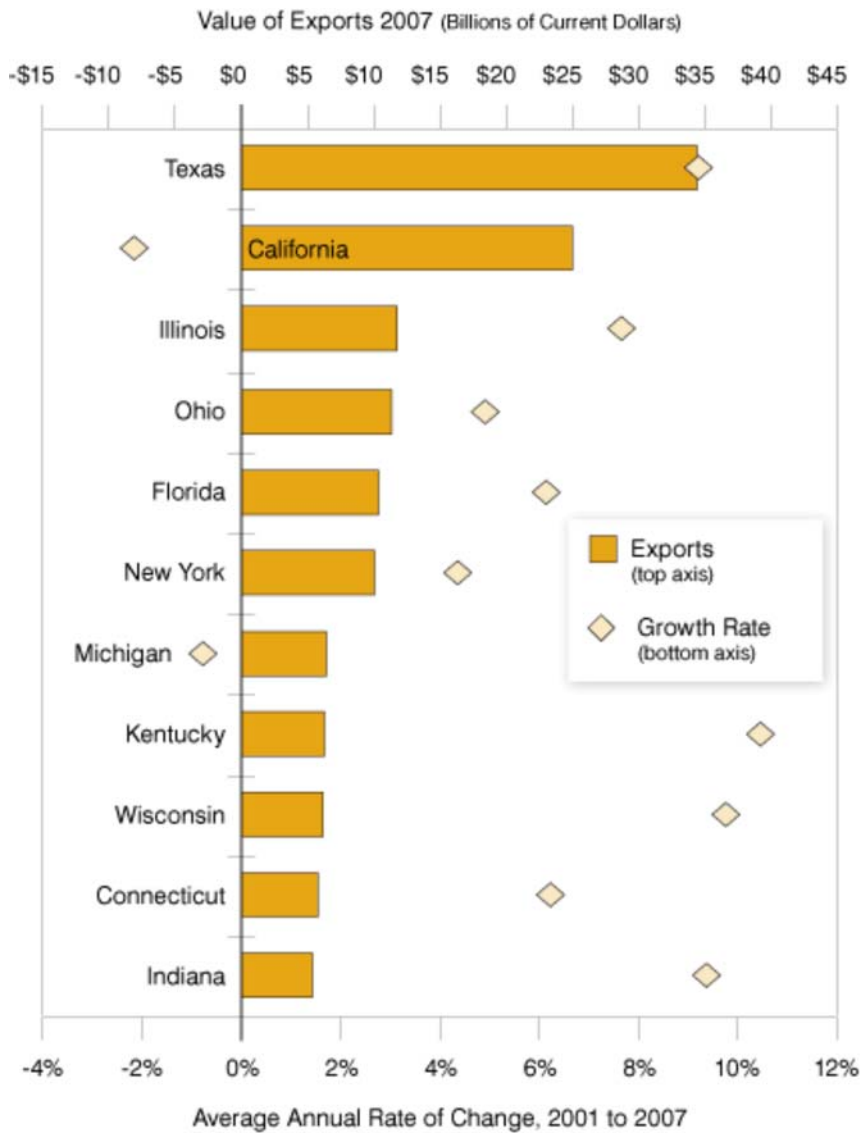

Average Annual Rate of Change, 2001 to 2007

Source: IBRC, using WISER Trade data

While vehicles and parts is Indiana's largest export category, the export of industrial machinery grew rapidly in 2007 and the gap between the first and second ranking is closing.
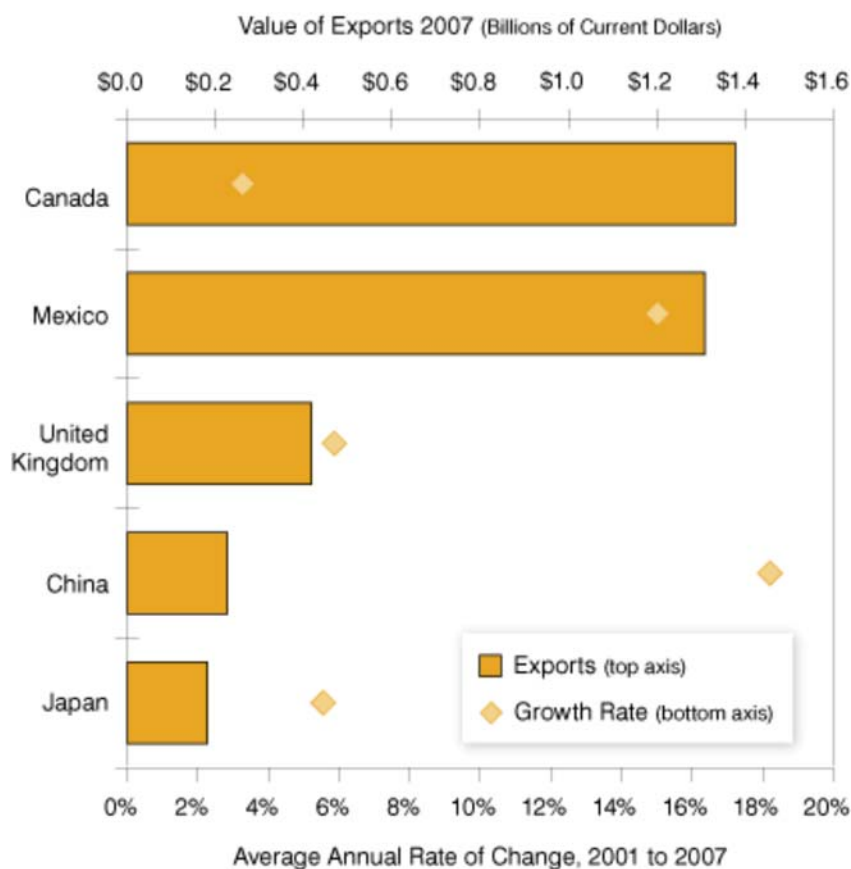
Industrial Machinery

Figure 5 presents export value and growth among the top state exporters of industrial machinery. Indiana remained just out of the top 10 in 2007, despite a 25.9 percent increase over 2006. **Figure 6** plots the 2007 value of exports and the 2001–2007 rate of growth for industrial machinery exports to Indiana's top five destinations. In 2007, China overtook Japan to become Indiana's fourth-largest machinery export destination. Exports to China increased at an 18.2 percent annual rate of change from 2001 to 2007. Brazil, another developing-country powerhouse, just missed the top five after nearly doubling its machinery exports from Indiana between 2006 and 2007.

Figure 5: Leading States in the Export of Industrial Machinery, 2001 to 2007

Value of Exports 2007 (Billions of Current Dollars)

Source: IBRC, using WISER Trade data

Figure 6: Indiana's Top Five Export Destinations for Industrial Machinery

Value of Exports 2007 (Billions of Current Dollars)
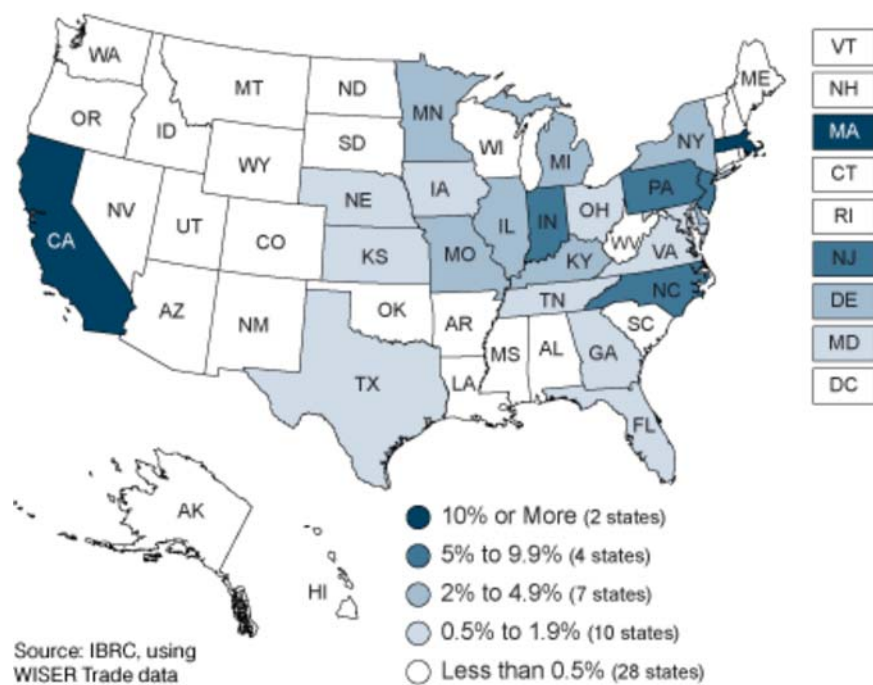
Average Annual Rate of Change, 2001 to 2007

Source: IBRC, using WISER Trade data

Hidden in this "top five" presentation is that the larger market for Indiana industrial machinery is much more diverse and exports to those other destination countries have surged. Taken together, Indiana exports to Canada, Mexico, the United Kingdom, China and Japan—about 65 percent of the export market—grew by 16 percent from 2006 to 2007. The next five destination countries —representing about 21 percent of machinery exports from Indiana—grew by 30 percent from 2006 to 2007. The remaining destination countries purchased 42 percent more industrial machinery from Indiana in 2007 than they did in 2006.
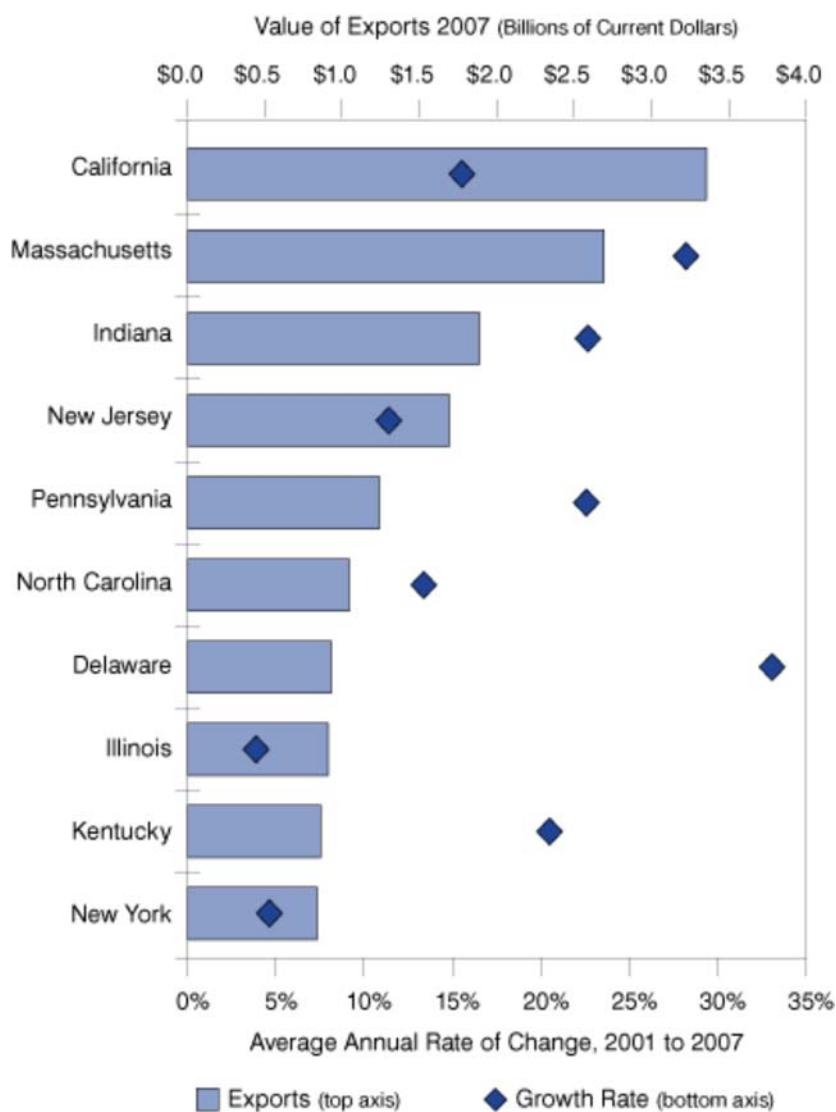
Pharmaceuticals

Leading pharmaceutical exporting states are shown in **Figure 7**. California and Massachusetts are the leaders among the states with 16.9 percent and 13.6 percent of pharmaceutical exports, respectively. (While Puerto Rico contributes 32 percent of the nation's pharmaceutical exports, it is not included in the state rankings.) With 9.5 percent of the state share of pharmaceutical exports, Indiana ranks third. In addition to its third place ranking among the states, Indiana has had faster than average growth in exports and its growth rate ranks third among the top pharmaceutical states, just edging out Pennsylvania for the 2001–2007 period (see **Figure 8**).

Figure 7: Share of U.S. Pharmaceutical Exports, 2007

Figure 8: Leading States in the Export of Pharmaceuticals, 2001 to 2007

Value of Exports 2007 (Billions of Current Dollars)


Exports (top axis)   ◆ Growth Rate (bottom axis)

Source: IBRC, using WISER Trade data

Figure 9 presents the top five export destinations for Indiana's pharmaceuticals. There is, by all appearances, great strength in the European market. Four of the top five export destinations for Indiana's pharmaceuticals are in Europe (see **Figure 10**). There is a note of caution for evaluating the size of the pharmaceutical markets: Demand and sales for these products can be erratic. Spain, for example, imported $189 million worth of pharmaceutical products in 2002 from the United States. By 2004, that total had more than doubled to $467 million. In 2006, U.S. exports of pharmaceuticals to Spain had fallen to $231 million. Then, in 2007, came another dramatic change. The total value of U.S. pharmaceuticals exported to Spain jumped 334 percent to total over $1 billion.

Figure 9: Indiana's Top Five Export Destinations for Pharmaceutical Products

Value of Exports 2007 (Billions of Current Dollars)
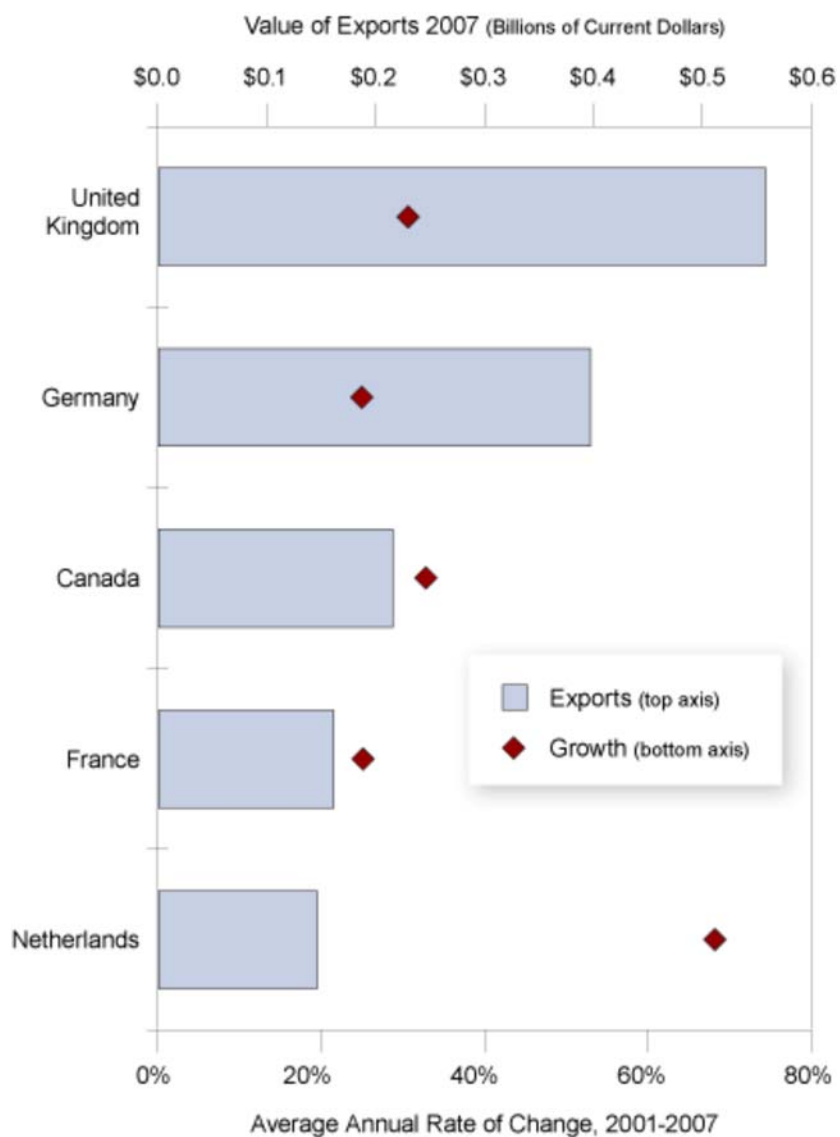
Source: IBRC, using WISER Trade data

Figure 10: Exports of Pharmaceutical Products, 2007 Destination Countries for U.S. Exports of Greater than $50 Million

Value in Millions

$3,187 to $3,684 (4 countries)

$986 to $2,244 (6 countries)

$314 to $816 (7 countries)

$52 to $215 (17 countries)
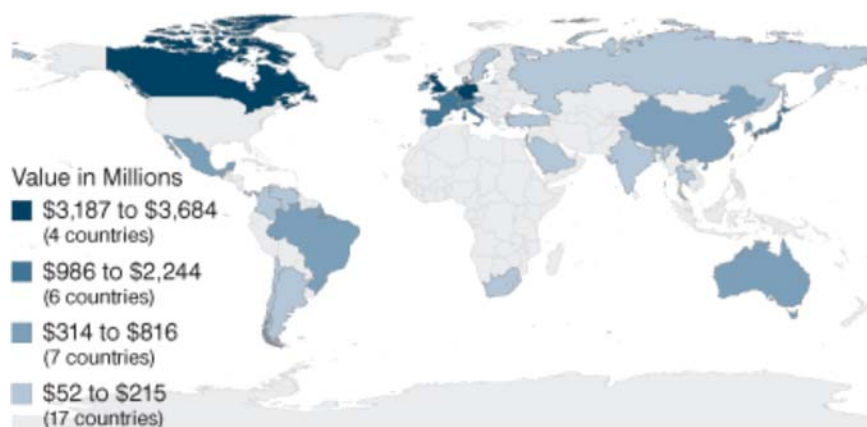
Source: IBRC, using WISER Trade data

Conclusion

Vehicles and machinery remain Indiana's top two export commodities and both have had an expansion in their export sales in recent years. The rapid growth of pharmaceutical product exports—23 percent growth at an average annual rate since 2001—has made it Indiana's fourth largest export commodity and therefore worth watching. To learn more about Indiana's exports overall and to learn about each of the other industry exports shown in **Table 1**, read the full report online at www.stats.indiana.edu/topic/exports.asp.

Table 1: Indiana's Top 10 Export Industries

Industries[a]	Exports[b] 2007	Percent Change[c] 2006-2007	Percent Change[c] 2001-2007
Vehicles and Parts (Excluding Railway)	$6,534	10.5%	8.6%
Industrial Machinery (Including Computers)	$5,363	23.1%	9.4%
Electric Machinery and Electronics	$2,019	12.0%	7.4%
Pharmaceutical Products	$1,887	11.2%	22.7%
Organic Chemicals	$1,655	10.9%	10.0%
Optical and Medical Instruments	$1,556	5.8%	9.5%
Iron, Steel and Articles Thereof	$1,172	25.0%	17.8%
Plastics and Articles Thereof	$936	-7.2%	7.0%
Miscellaneous Chemical Products	$657	-3.8%	7.4%
Aluminum and Articles Thereof	$433	16.2%	7.9%

a. Industries defined by the Harmonized System of Commodity classifications
b. Value of exports in millions
c. Average annual growth rate

Note

1. All data are from WISER Trade.

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incontext

# The Lafayette Metro Story: Told by STATS Indiana

This is the eighth in a series of articles on Indiana's metropolitan statistical areas (metros). All the data used in this article can be found using the USA Counties and Metros Side-by-Side feature on STATS Indiana (www.stats.indiana.edu).

The Area

The Lafayette metro area in Indiana consists of three Hoosier counties: Benton, Carroll and Tippecanoe. These three counties made up 3 percent of Indiana's 2007 population with more than 192,000 residents. The Lafayette metro growth rate has been mostly on par with the U.S. growth rate, experiencing an increase in population of 21 percent since 1990 (the U.S. rate during that time was 21.2 percent).

The median age in the Lafayette metro (29.2) is much lower than the state median age (36.3) and the national median age (36.4). Looking at the population by age data, we see a disproportionate number of college-age students in the Lafayette metro because of Purdue University in Tippecanoe County (see **Figure 1**). The metro's population by age data looks almost identical to the numbers shown in Figure 1 of the Bloomington metro article.[1] It is for the same reason that per capita personal income (PCPI) numbers look so low for the Lafayette metro. In 2006, PCPI in the metro was about $27,700. Compare that to Indiana at $32,288 and the United States at $36,714. The close proximity of a major university also contributes to the higher percentage of residents with a bachelor's degree or higher (see **Figure 2**).

Figure 1: Population by Age as a Percent of the Total Population, 2006
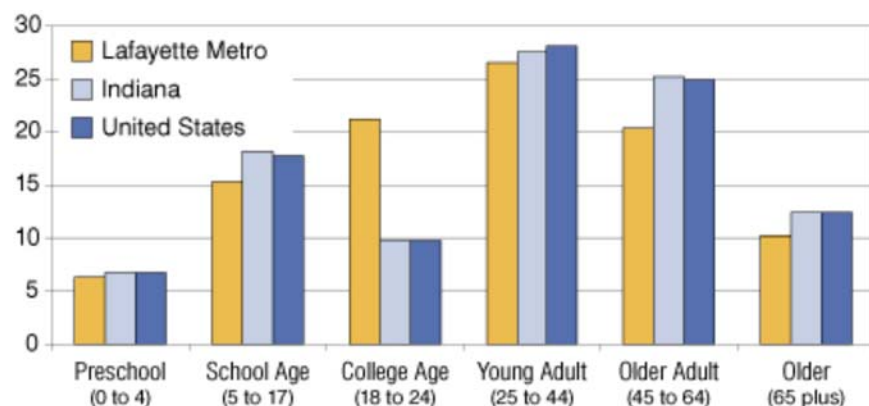
Source: IBRC, using U.S. Census Bureau data

Figure 2: Educational Attainment as a Percent of All Adults 25 and Older by Geography, 2000

Source: IBRC, using U.S. Census Bureau data
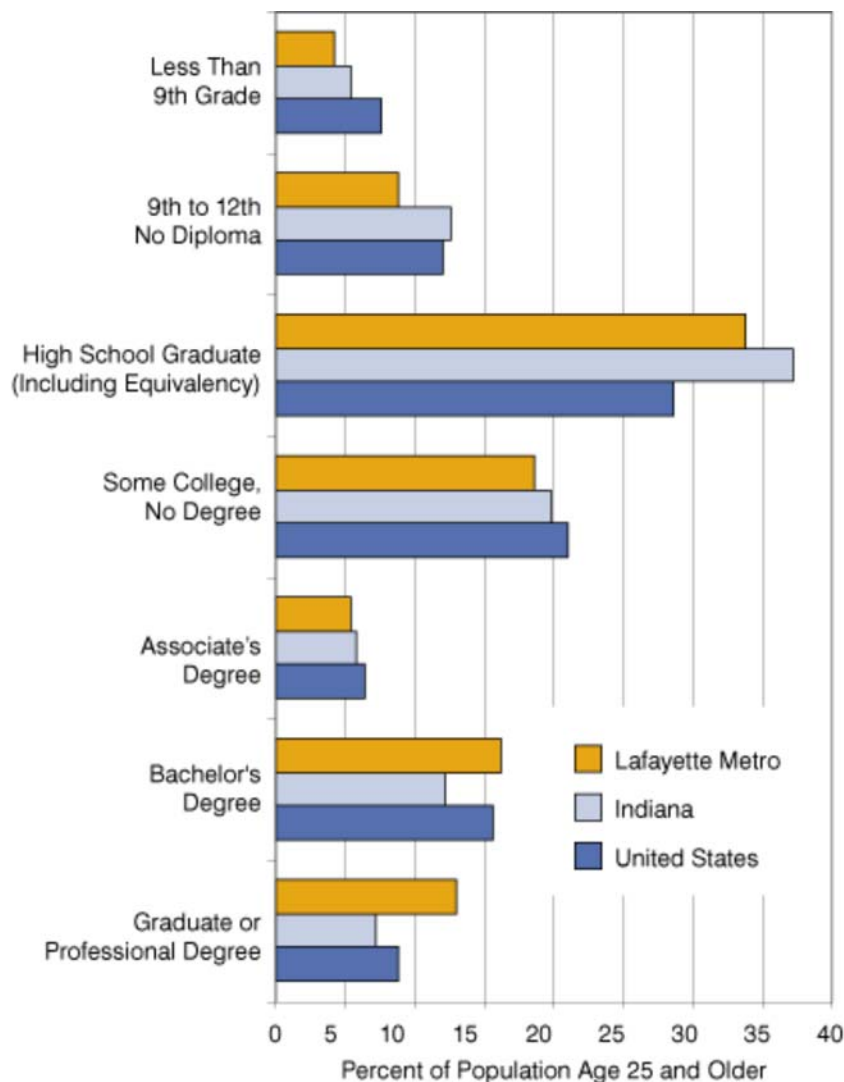
Students also affect housing in the Lafayette metro. Of the occupied housing units in the metro, 40.2 percent were renter-occupied. The nation had about one-third of its occupied housing units filled with renters and Indiana only had 28.6 percent. We see the same pattern when looking at residential building permits filed in 2007. The metro had a lower proportion of single-family permits than both the state and nation and a higher proportion of permits for five or more families.

Jobs and Wages

Figure 3 shows that jobs in the Lafayette metro have generally followed the state and national trends. Percent changes from the previous year were a little more volatile in the metro than the state or nation, but some of that can be expected given the smaller denominator in the smaller geography.

Figure 3: Percent Change in Jobs from the Previous Year

Source: IBRC, using U.S. Bureau of Labor Statistics data
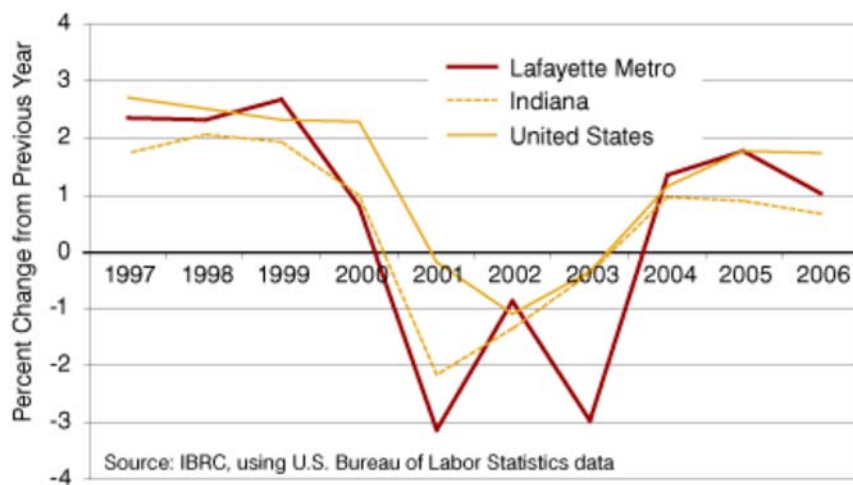
As far as jobs are concerned, the usual industries are among the top three in the Lafayette metro, Indiana and the United States: manufacturing, retail trade, and health care and social assistance. About one in every five workers in both the metro and Indiana had a manufacturing job in 2006. That figure dropped by nearly half for the United States, where slightly more than one in every 10 workers had a manufacturing job (see **Figure 4**).

**Figure 4: Jobs as a Percent of Total Covered
Employment in the Lafayette Metro, Indiana and the
United States, 2006**
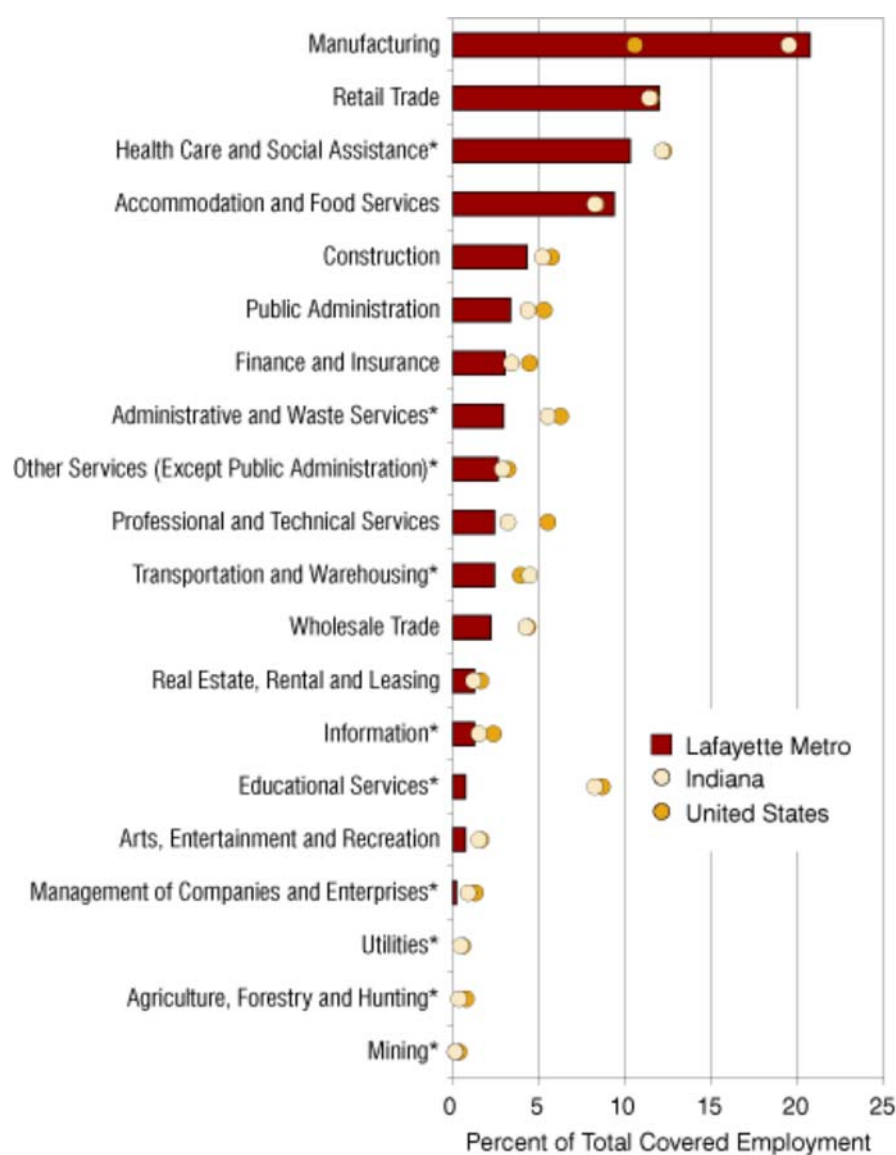
*nondisclosable for at least one ownership level
Source: IBRC, using U.S. Bureau of Labor Statistics data

Wages in the Lafayette metro were consistently lower than the state and nation from 1996 to 2006. Looking only at the industries where nondisclosure didn't kick in, we see that the largest differences between the metro and the United States were in the finance and insurance and professional and technical services industries. Workers in finance and insurance averaged about $35,500 more per year nationwide than those in the Lafayette metro. For professional and technical services, workers in the metro averaged about $41,300 per year compared to $68,400 at the national level. If we ignore nondisclosure, we find that agriculture, forestry and hunting was the only industry in the metro to pay higher wages than the United States. When compared to Indiana, however, there were three industries in the metro that paid higher wages: agriculture, forestry and hunting; transportation and warehousing; and health care and social assistance (see **Figure 5**).

Figure 5: Average Wage per Job by Industry, 2006
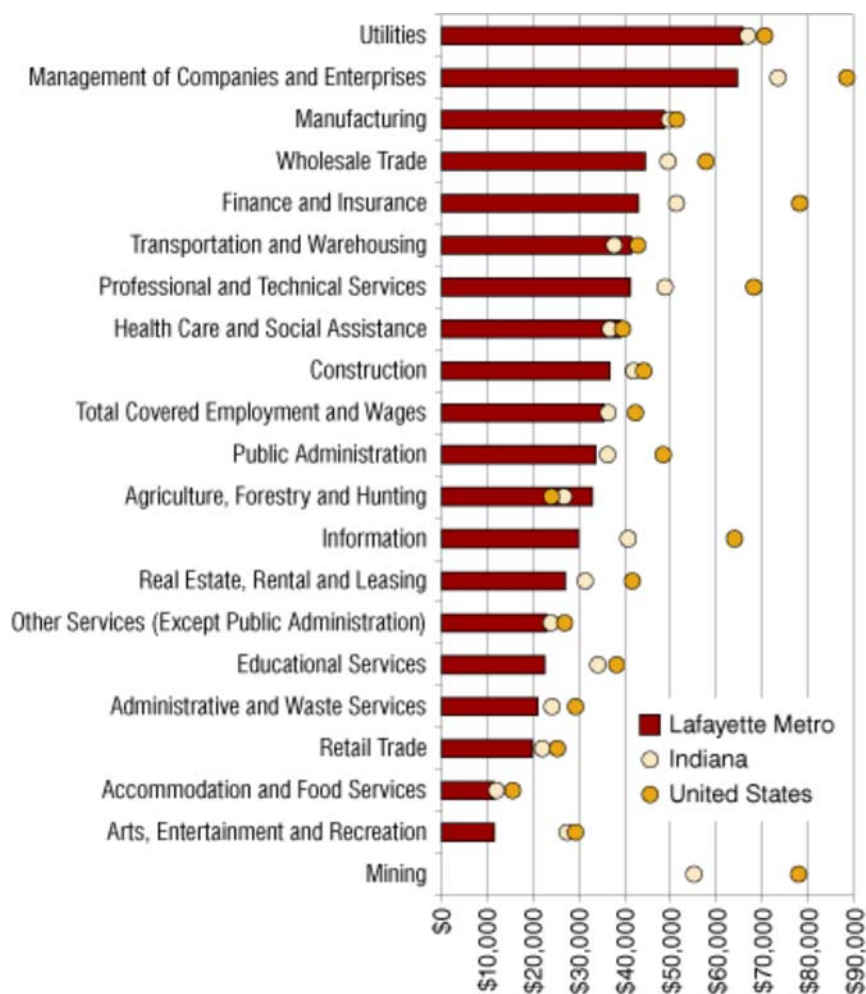
Source: IBRC, using U.S. Bureau of Labor Statistics data

Conclusion

The large student population in the Lafayette metro affects the regional economy. Again, we see a younger population when compared to the nation, a higher percentage of workers in accommodation and food services, and lower reported wages. If compared to similar college-town metros, the Lafayette metro appears fairly typical.

Notes

1. Molly Manns, "The Bloomington Metro Story: Told by STATS Indiana," *InContext*, April 2008. Available online at www.incontext.indiana.edu/2008/april/6.html.

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Changing Trends: Cities and Towns Gaining Population

Earlier this year, we wrote that unincorporated areas have grown faster than cities and towns since 2000.[1] However, with the recent release of the 2007 sub-county population estimates, we see a different trend emerging.

If one looks at the full 2000–2007 time span, unincorporated areas still come in at the top, with an increase of roughly 153,000 people (7.3 percent) compared to nearly 112,000 people (2.8 percent) in cities and towns.[2] However, if one focuses on the 2005–2007 time span, cities and towns have the edge, as shown in **Figure 1**, increasing by almost 62,000 people (1.5 percent) while unincorporated areas grew by slightly more than 26,000 (1.2 percent).

Figure 1: Numeric Growth in Incorporated and Unincorporated Areas, 2000 to 2007
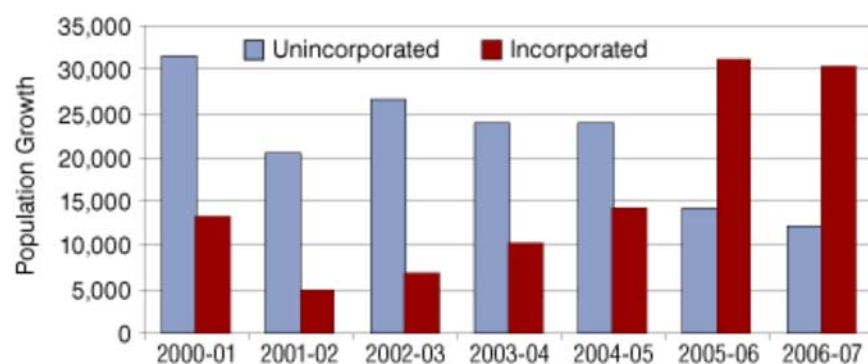
Source: IBRC, using U.S. Census Bureau data

Indeed, for the first five years of the decade, growth in unincorporated areas outpaced incorporated places on both a numeric and percentage basis, but since 2005, the trend has changed dramatically (see **Table 1**).

Table 1: Change in Population for Incorporated and Unincorporated Areas

Year	Unincorporated			Incorporated		
	Population	Numeric Change	Percent Change	Population	Numeric Change	Percent Change
2000*	2,092,427	n/a	n/a	3,988,094	n/a	n/a

2001	2,124,022	31,595	1.5%	4,001,503	13,409	0.3%
2002	2,144,614	20,592	1.0%	4,006,488	4,985	0.1%
2003	2,171,168	26,554	1.2%	4,013,351	6,863	0.2%
2004	2,195,164	23,996	1.1%	4,023,699	10,348	0.3%
2005	2,219,071	23,907	1.1%	4,038,050	14,351	0.4%
2006	2,233,349	14,278	0.6%	4,069,297	31,247	0.8%
2007	2,245,471	12,122	0.5%	4,099,818	30,521	0.8%

*using the Census 2000 population base
Source: U.S. Census Bureau

Where Is the Growth?

Since 2005, the fastest growth in incorporated areas has been concentrated in five of the Indianapolis suburban counties (see **Figure 2**). In fact, the incorporated growth in Hendricks, Hamilton, Hancock, Johnson and Boone counties (32,458 people) accounts for 29 percent of the statewide growth in cities and towns. Three of those counties are also among the top five from a numeric perspective, which includes Hamilton, Marion, Hendricks, Johnson and Lake counties. If looking at this set of five counties, they account for 36 percent of the statewide growth in cities and towns. Overall, 50 of Indiana's 92 counties have seen growth in their incorporated places since 2005, with 25 counties growing by more than 1 percent.

**Figure 2: Percent Change in Population in
Incorporated and Unincorporated Areas by County,
2005 to 2007**

Incorporated

County	Value
Lake	0.9
Porter	3.7
LaPorte	0.3
St. Joseph	0.3
Elkhart	2.0
LaGrange	0.3
Steuben	-0.1
Starke	0.6
Marshall	1.3
Kosciusko	2.3
Noble	1.4
DeKalb	0.6
Newton	-1.8
Jasper	4.6
Pulaski	0.4
Fulton	1.0
Whitley	2.7
Allen	1.3
Benton	-0.8
White	-1.7
Cass	-1.7
Wabash	-1.8
Huntington	-1.6
Wells	-0.2
Adams	-0.4
Warren	-2.7
Tippecanoe	3.7
Carroll	-1.3
Miami	-0.9
Howard	-0.7
Grant	-1.7
Blackford	-2.7
Jay	0.3
Fountain	-0.4
Montgomery	0.1
Clinton	0.1
Tipton	1.9
Madison	0.2
Delaware	-1.0
Randolph	-2.0
Vermillion	-0.6
Boone	5.8
Hamilton	8.8
Henry	-1.5
Wayne	-1.0
Parke	-1.3
Hendricks	9.8
Marion	0.9
Hancock	7.9
Rush	-1.5
Fayette	-1.6
Union	0.4
Putnam	0.1
Morgan	2.0
Johnson	7.1
Shelby	2.8
Franklin	0.9
Vigo	0.7
Clay	-0.1
Owen	-0.9
Decatur	0.4
Dearborn	1.0
Sullivan	-0.6
Greene	-1.1
Monroe	1.7
Brown	-2.3
Bartholomew	1.4
Ripley	-0.8
Ohio	-2.5
Jennings	-0.5
Switzerland	-1.8
Knox	-0.7
Daviess	0.7
Martin	-0.9
Lawrence	0.4
Jackson	1.3
Jefferson	1.8
Scott	-0.7
Orange	0.8
Washington	1.2
Clark	3.3
Gibson	-1.2
Pike	-0.1
Dubois	1.4
Crawford	-1.5
Floyd	1.6
Harrison	0.0
Posey	-1.6
Vanderburgh	0.3
Warrick	0.7
Spencer	0.6
Perry	-0.4

Legend:
- More than 5%
- 2.1% to 5.0%
- 1.1% to 2.0%
- 0.1% to 1.0%
- 0% or Less

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

Similarly, 50 counties experienced growth in their unincorporated areas, with half of those growing by more than 1 percent. Growth in unincorporated areas outpaced that of cities and towns for the 34 counties shown in **Figure 3**.

**Figure 3: Counties Where Unincorporated Areas are Growing Faster than Cities and Towns, 2005 to 2007**
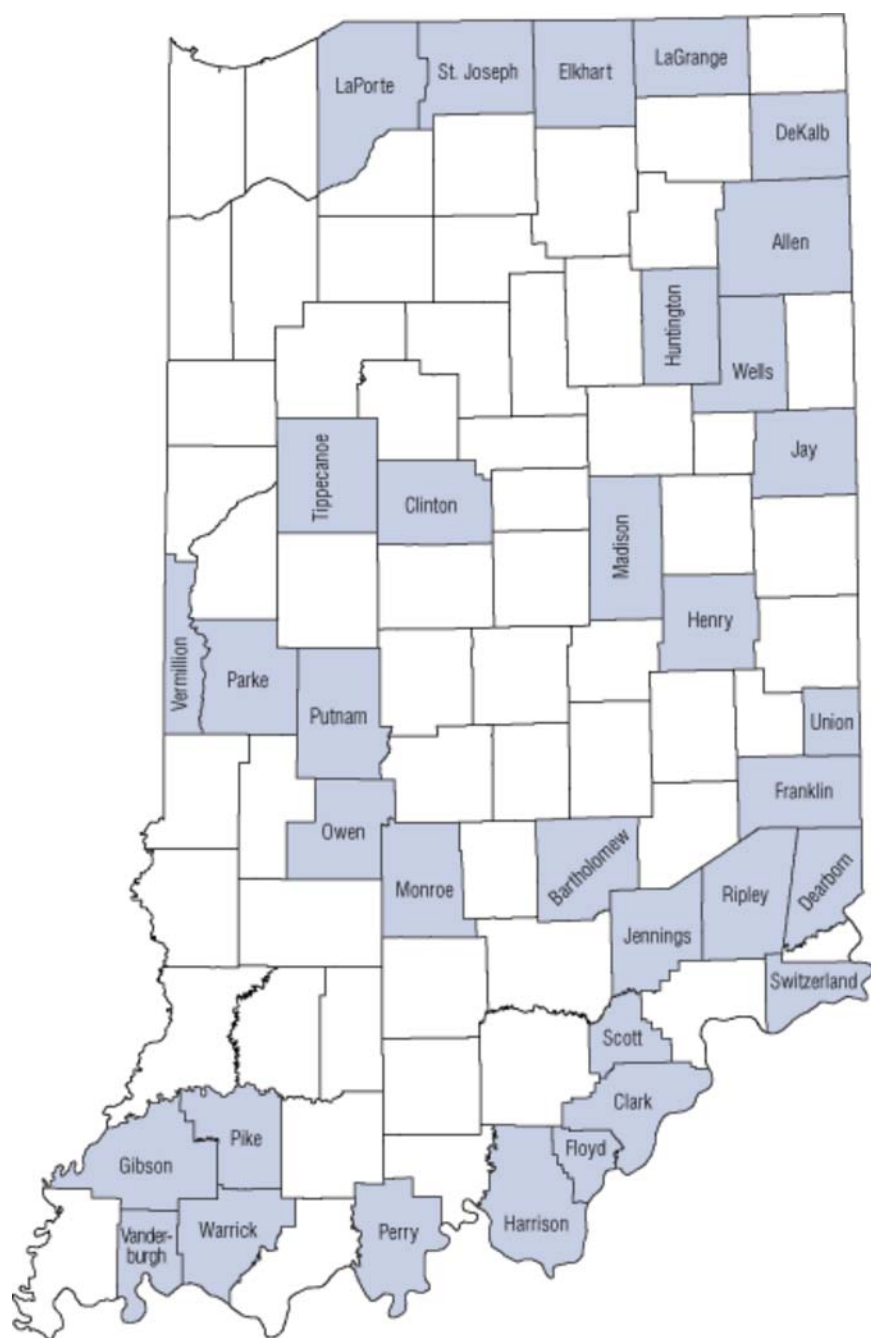
Source: IBRC, using U.S. Census Bureau data

How Have the Growth Rates Changed?

Since we cannot directly compare the 2000–2005 percent change to the 2005–2007 change (because of the different number of years involved), we must calculate the annual average rate of change. For the state as the whole, the annualized rate was 0.6 percent for the first five years of the decade and 0.7 percent for the 2005–2007 time span. The annual rate for incorporated places increased from 0.2 percent to 0.8 percent, while the rate for unincorporated areas declined from 1.2 percent to 0.6 percent (see **Figure 4**).

### Figure 4: Indiana's Annual Rate of Change, 2000 to 2007
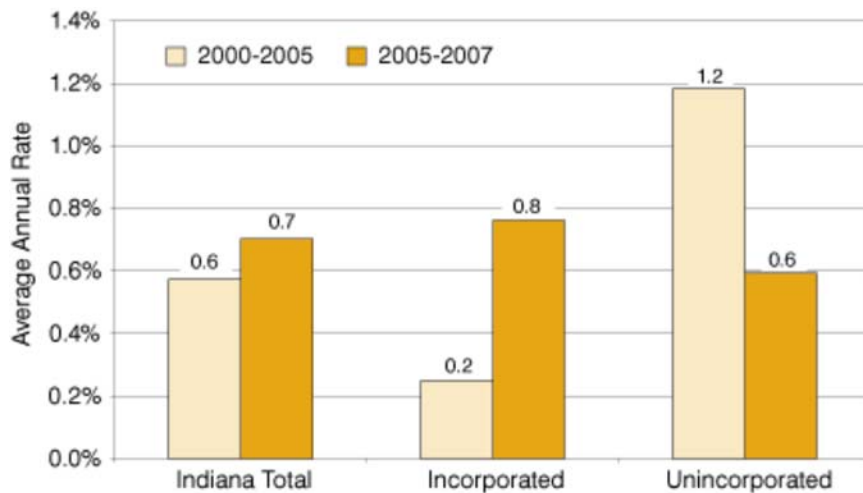
Source: IBRC, using U.S. Census Bureau data

When looking at the county-level in **Figure 5**, we see that incorporated areas in 41 counties grew faster on average in the 2005–2007 time span than earlier in the decade. (It is worth pointing out, however, that in some cases this "growth" might be better described as a recovery due to the larger losses experienced in the 2000–2005 period.) An additional 24 counties experienced a slower decline in their cities and towns than in prior years. Meanwhile, we see 70 counties with either a slower growth or a faster decline in their unincorporated areas when compared to the 2000–2005 rates. However, 14 counties have seen faster growth in their unincorporated areas in recent years when compared to 2000–2005 growth.

Figure 5: Change in Annual Growth Rate from 2000–2005 and 2005–2007
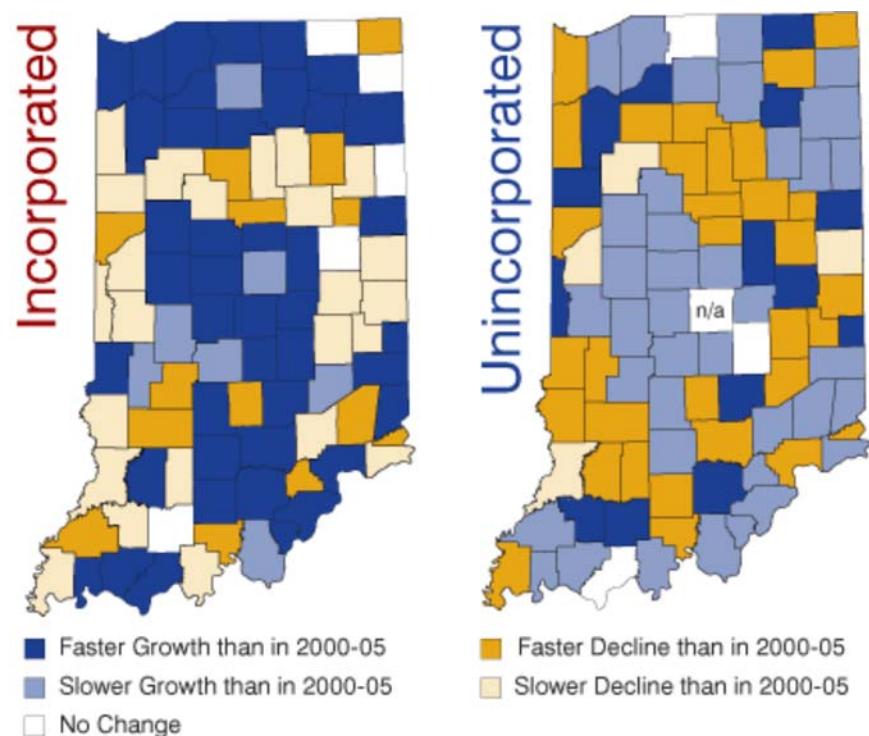
Source: IBRC, using U.S. Census Bureau data

What is causing this new trend? Could it be that high gas prices are enticing more people to live closer to their jobs? Or perhaps the housing slump is creating some bargains in the city even as new construction on the outskirts slows down. Unfortunately, these data do not give us all the answers, but they do point to a shift in where Hoosiers call home.

Notes

1. Rachel Justis, "Increasing Unincorporation," *InContext*, March 2008, www.incontext.indiana.edu/2008/march/2.html.
2. These estimates are adjusted for boundary changes, such as annexations, so the resulting numbers reflect actual demographic changes and not changes due to shifting boundaries.

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incontext

On Labor Force, Employment and Jobs

Amid the disasters of floods and tornadoes, the ever fluctuating price of oil, and the continuing financial shocks centered on Wall Street, Indiana has marked some significant employment milestones that bear noting and watching.

Milestone 1

Since the well-publicized pre-recession peak in May 2000, Indiana has had more than 3 million jobs in its economy 12 times since the recession in 2001—most recently in May of this year (see **Figure 1**). To view volume, we are considering the estimate in absolute terms (and not with adjustment for seasonality, which can mask the actual "volume" of jobs we seek to measure here).

Figure 1: Job Peaks in Indiana, 1990 to May 2008

Note: Data are not seasonally adjusted
Source: BLS Current Employment Statistics
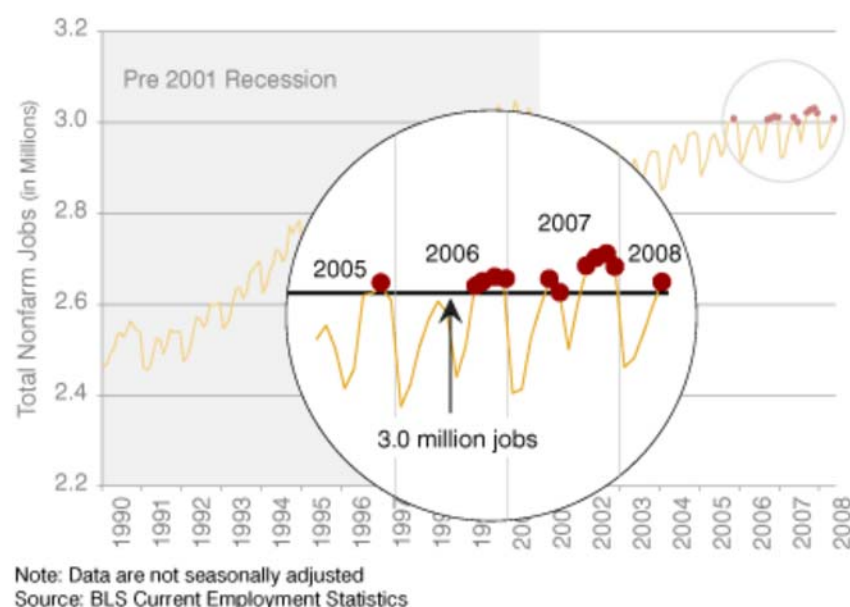
Milestone 2

The second milestone was topping 3.28 million people in our labor force in July, an important measure for businesses looking for places to locate with ample labor supply (see **Figure 2**). Of those 3.2 million residents, nearly 3.1 million were employed as of July 2008.

Figure 2: Indiana's Labor Force, 1990 to 2007
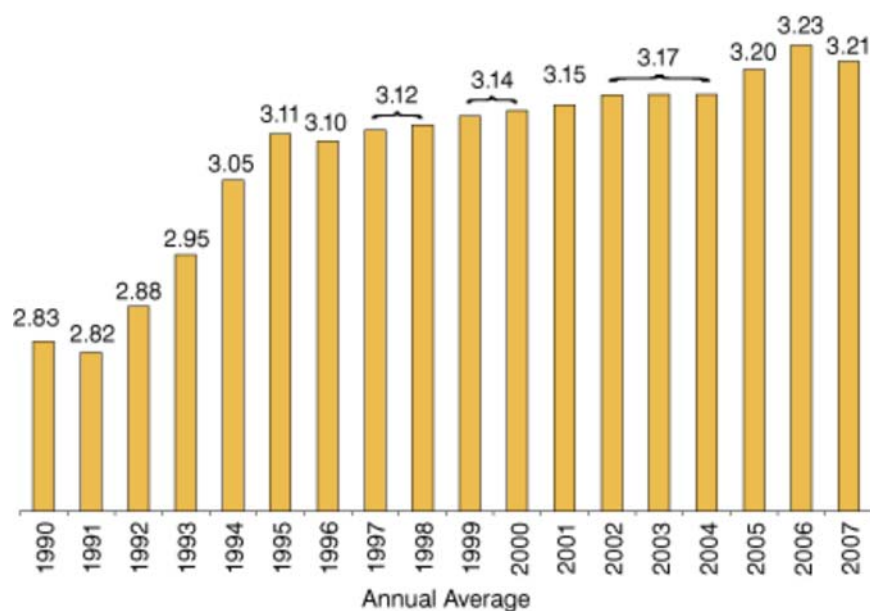
Note: Labels show labor force in millions
Source: Bureau of Labor Statistics

Worth watching: the strong trend we observe in the data to hover close to and in some months go over the 3 million job mark. As always, we will monitor these and other economic measures within the pages of *InContext*.

Okay, Some Definitions Are in Order

Jobs are held by people, but aren't a count of people. One way to consider this is that you have two jobs, an astronaut by day and an EMT by night. You are one person, but you have two jobs. So we call the "employment by place of work" number jobs. Monthly job counts are tracked by the Current Employment Statistics of the Indiana Department of Workforce Development and the U.S. Bureau of Labor Statistics and are often referred to as CES. The CES numbers published at the national and state level are available with or without adjustment. This article focuses on not-seasonally adjusted numbers so as to capture the volume of jobs, as mentioned above.

How many people are working or are available to work is also important to measure. The federal definition of the resident labor force is the number of people working and those who are without a job but actively seeking work. This is a people number—you either work or you are actively seeking to work in order to be part of this number. The figures are part of the resident labor force estimates, also put out monthly by the Indiana Department of Workforce Development and the U.S. Bureau of Labor Statistics. These estimates are sometimes referred to as the LAUS numbers and yield the well-monitored unemployment rate. There is more to these estimates than the rate—these numbers represent people in our state who work or want to work and, once again, measure the size of our labor force.

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