

INDIANA UPDATE

BUSINESS REVIEW



A MONTHLY OVERVIEW
OF ECONOMIC TRENDS

INDIANA BUSINESS RESEARCH CENTER
INDIANA UNIVERSITY
KELLEY SCHOOL OF BUSINESS

THE AGE DISTRIBUTION OF INDIANA'S POPULATION

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Imagine that your community could choose its composition of people by age. Would you want to have lots of young people (under 15)? A host of new labor market entrants (15 to 24)? A preponderance of household builders (25 to 44)? The stability of mature workers (45 to 64)? Many folks in transition from work to retirement? Or a heavy representation of older citizens?

We do not have the explicit luxury of choice. But public and private policy can shape our communities and state. According to the latest data from the U.S. Bureau of the Census, 52% of Indiana's population was between ages 25 and 64 in 1998. If these are the prime ages of contribution to the economic well being of the community, it means (with slight exaggeration) that we have almost as many people in some form of dependency as we have persons of working age.

Our 92 counties vary greatly. As seen in the table, La Grange County has 28% of its population under age 15 while Monroe County has the lowest percentage at 15.5%. It will be noticed that in every age group the highest or lowest percentages are associated with either Monroe or Hamilton counties. This is understandable because Monroe County is home to Indiana University. Other university counties (Delaware, St. Joseph, Tippecanoe, and Vigo) are also strong in the 15 to 24 age group (see figure 2).

Hamilton County does not have the college students or the young (low earning) workers. Its strength is in the household builder ages of 25 to 44. And, as a relatively new area of development, Hamilton County has low representation of persons over 65.

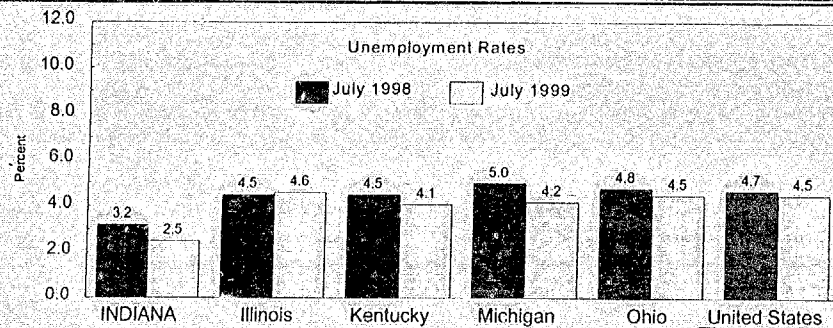
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Figure 1. Indiana's Population by Age, 1998 (Percent Distribution)

	Age Groups					
	0 - 14	15 - 24	25 - 44	45 - 64	65 - 74	75+
Indiana	21.2	14.2	30.5	21.5	6.7	5.8
Maximum Percent	28.2	28.7	35.2	26.3	8.3	8.1
County Name	La Grange	Monroe	Hamilton	Brown	Cass/Martin	Knox/Sullivan
Minimum Percent	15.5	11.2	26.0	16.9	4.5	3.4
County Name	Monroe	Hamilton	Delaware	Monroe	Hamilton	Hamilton

The Regional Employment Situation

TOTAL PERSONS EMPLOYED	JULY 1998	JULY 1999	NUMBER CHANGE	% CHANGE	RANK IN US
INDIANA	3,027,184	3,051,118	23,934	0.8%	42
Illinois	6,036,396	6,186,700	150,304	2.5%	17
Kentucky	1,870,741	1,911,100	40,359	2.2%	24
Michigan	4,831,661	4,951,148	119,487	2.5%	18
Ohio	5,495,204	5,682,657	187,453	3.4%	8
United States	132,769,000	134,800,000	2,031,000	1.5%	N/A



Employment - Hours - Earnings

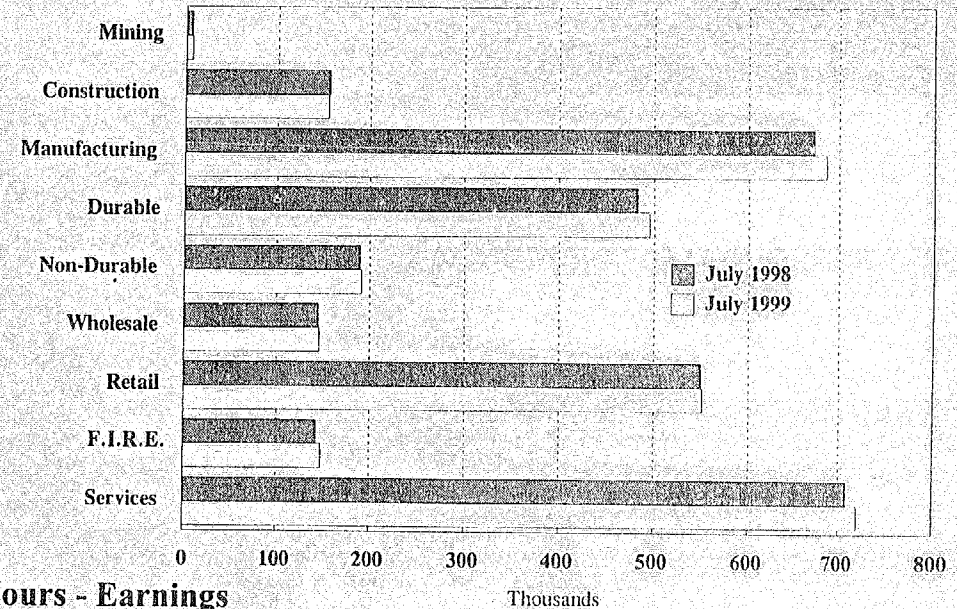
(Not seasonally adjusted)

Metropolitan Statistical Areas (MSAs) in Indiana

NON-AG WAGE & SALARIED EMPLOYMENT	JULY 1998	JULY 1999	CHANGE	
			NUMBER	PERCENT
Bloomington MSA	59,300	59,600	300	0.51%
Elkhart-Goshen MSA	120,800	123,600	2,800	2.32%
Evansville MSA	154,900	160,000	5,100	3.29%
Fort Wayne MSA	269,000	270,900	1,900	0.71%
Gary MSA	270,700	269,500	-1,200	-0.44%
Indianapolis MSA	847,100	861,300	14,200	1.68%
Kokomo MSA	49,500	52,400	2,900	5.86%
Lafayette MSA	90,300	92,300	2,000	2.21%
Muncie MSA	54,400	58,100	3,700	6.80%
New Albany Area	89,700	88,000	-1,700	-1.90%
South Bend MSA	135,600	135,700	100	0.07%
Terre Haute MSA	65,400	66,500	1,100	1.68%

Indiana's Non-Ag Employment

Total Non-Ag Employment in July 1999 was 2,921,800, up 1.4% from the same month a year ago.



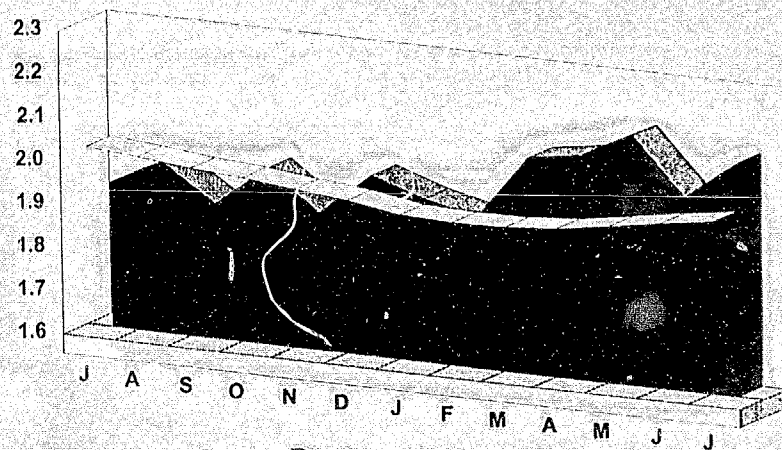
MANUFACTURING

JULY 1999	EMPLOYMENT	AVERAGE WEEKLY HOURS	AVERAGE HOURLY EARNINGS	AVERAGE WEEKLY EARNINGS
Bloomington MSA	9,400	39.3	\$13.10	\$514.83
Elkhart-Goshen MSA	63,100	39.9	\$13.13	\$523.89
Evansville MSA	34,000	44.0	\$15.36	\$675.84
Fort Wayne MSA	74,900	39.9	\$15.65	\$624.44
Gary MSA	49,500	42.9	\$20.05	\$860.15
Indianapolis MSA	130,600	44.2	\$15.54	\$686.87
Kokomo MSA	20,400	47.7	\$23.27	\$1,109.98
Lafayette MSA	22,500	42.4	\$16.38	\$694.51
Muncie MSA	10,500	45.5	\$14.97	\$681.14
New Albany Area	19,100	42.4	\$12.99	\$550.78
South Bend MSA	21,300	40.9	\$12.60	\$515.34
Terre Haute MSA	11,800	45.0	\$13.47	\$606.15

*The New Albany Area (Clark, Floyd, Harrison, Scott counties) is part of the larger Louisville MSA. Employment and earnings data based on preliminary estimates.

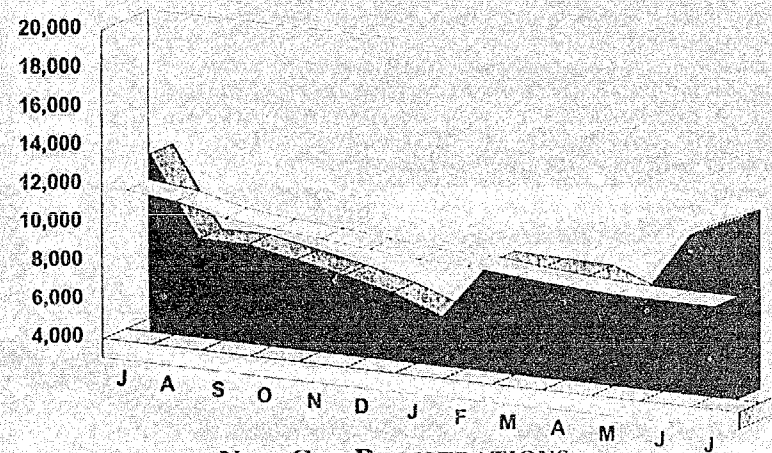
Current Trends in Indiana's Economy

July 1998 – July 1999



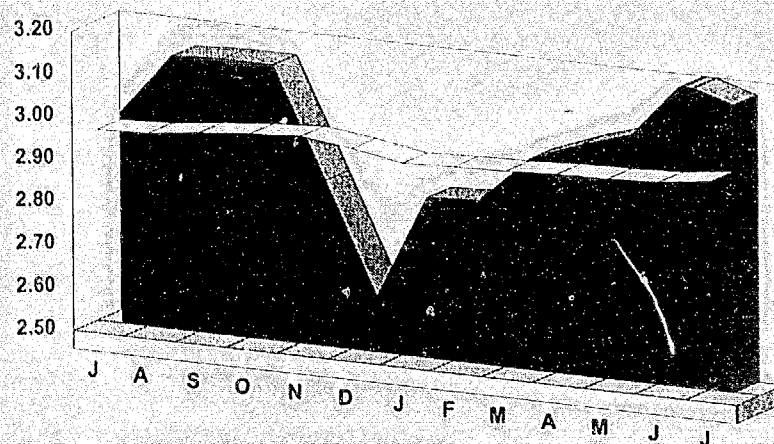
RAW STEEL PRODUCTION

American Iron and Steel Institute
 Year to date: 14.5 million net tons
 12-month total: 24.4 million net tons
 Peak month: January 1998



NEW CAR REGISTRATIONS

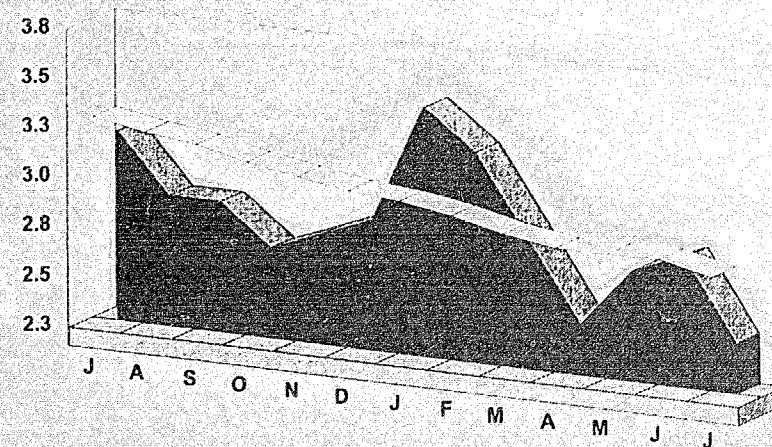
R.I. Polk and Company
 Year to date: 69,573
 12-month total: 112,071
 Peak month: May 1996



INDUSTRIAL ELECTRICITY

SALES (BILLIONS)

The 5 investor owned utilities
 Year to date: 21.2 billion kwh
 12-month total: 36.2 billion kwh
 Peak month: June 1999



UNEMPLOYMENT RATE

Indiana Department of Workforce Dev.
 Peak month: February 1994

Moving Average



Peak = since 1994

Monthly



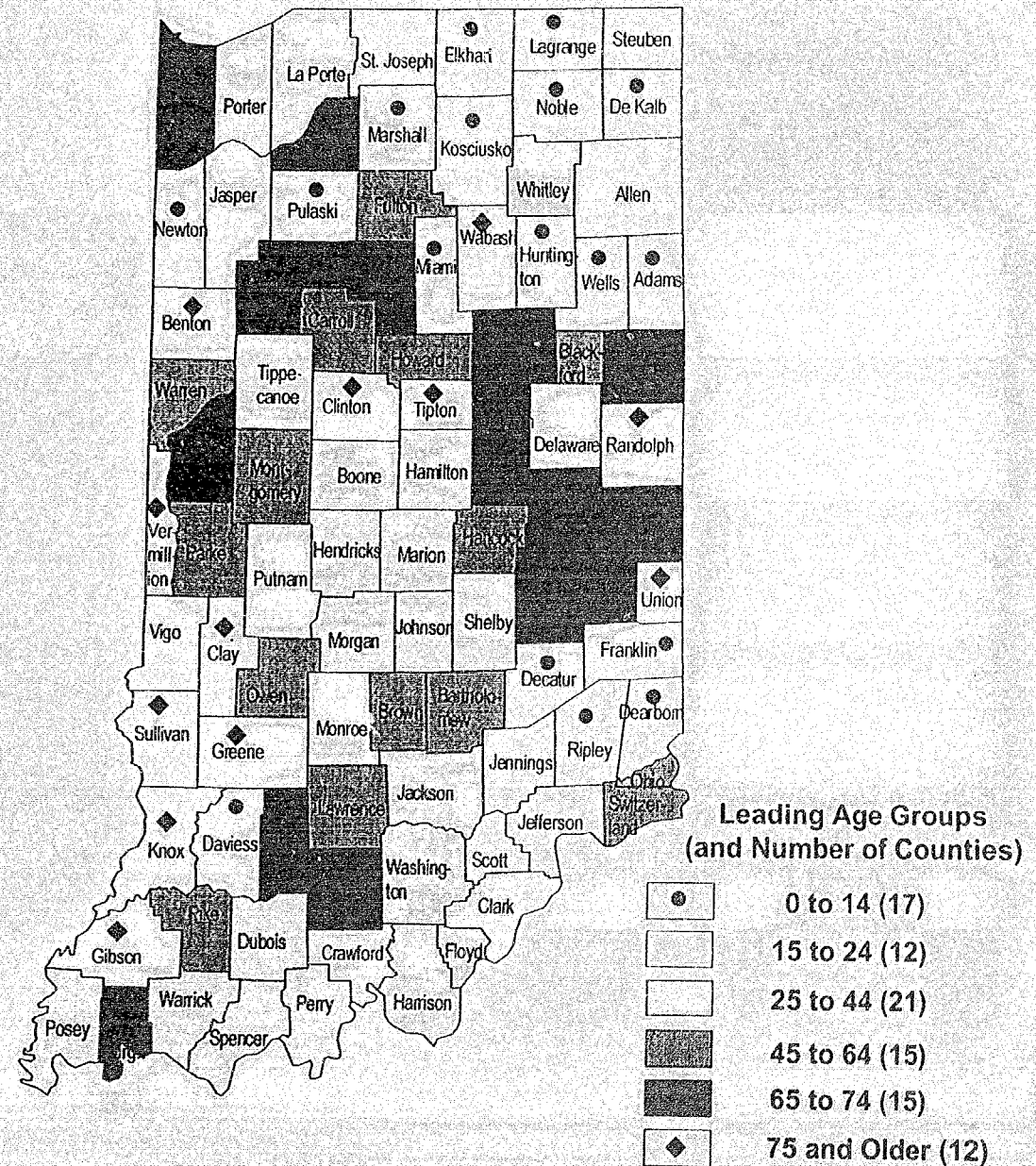
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The accompanying map is as easy to understand, as it is to misinterpret. Each county is designated as belonging to a group that has strength in a particular age group. Strength here does not mean that the particular age group dominates the county, but that the county's highest ranking in the state occurs in that age group. An example would help. Randolph County is classified as a county where the population 75 and older is featured. This age group has 7.5% of Randolph's population while those who are 25 to 44 years old total 27.5% of the county's residents. But Randolph ranks 13th in the state in percent of population age 75 and older while its rank in terms of those 25 to 44 is 83rd.

Generally speaking, the counties with their highest rank in the 25 to 44 age group are the major centers of employment or adjacent suburban areas. Those counties with their highest rank in the 45 to 64 age group tend to be stable economies. Counties that are highly ranked in persons 65 and older probably have been struggling in terms of economic development. Note the careful wording: probably have been. Gibson County, for example, now has the Toyota plant, but demographics change slowly. It may be a decade or more before we can note the effect of that factory on the broad characteristics of the county.

-mjm

Figure 2. Indiana Counties By Leading Age Group



Support for this publication is provided by the Indiana Department of Commerce and the State of Indiana. Back issues are available at www.iupui.edu/it/ibrc. The IBRC is a partner in the Indiana Data Center Program with the Indiana State Library, Dept. of Commerce and U.S. Census Bureau. **UPDATE Staff:** Terry Creeth, managing editor; Morton J. Marcus, contributor; and Michael Hollingsworth, graphic design. For social and economic data for and about Indiana visit www.stats.indiana.edu.