National & Indiana Outlooks

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Growth in Real Output (U.S. Annual Rate)
Change in Payroll Employment (U.S., Thousands)
Change in Payroll Employment (Indiana, Thousands)

-15
-10
-5
0
5
10
15
20
25

2005 2006 2007 2008
Payroll Employment Indices (2001:1 = 100)

Graph showing the payroll employment indices for the U.S. and Indiana from 2001 to 2008. The indices are on the y-axis, ranging from 96 to 106, and the years are on the x-axis from 2001 to 2008. The graph illustrates the trend of payroll employment indices for both the U.S. and Indiana over the given period.
Labor Productivity Indices
(2001 =100)
Employment Growth by Sector (Annual Rate)

-1%  0%  1%  2%  3%  4%  5%  6%  7%

Total
Manufacturing
State & Local
Government
Retail Trade
Health Care
Prof. and Bus.
Services
Construction
Transportation
Education
Service

Data, 2004-2006
Forecast, 2006-2008
New Analyses of Interest

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The plant in Greensburg will employ ~2,000 workers. Where will they come from?

A quarter million people live within 30 miles.
### 2005 Population by Age
Decatur, Bartholomew & Shelby Counties

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Decatur</th>
<th>Bartholomew</th>
<th>Shelby</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preschool (0 to 4)</td>
<td>1,862</td>
<td>4,974</td>
<td>2,798</td>
<td>9,634</td>
</tr>
<tr>
<td>School Age (5 to 17)</td>
<td>4,819</td>
<td>14,231</td>
<td>8,287</td>
<td>27,337</td>
</tr>
<tr>
<td>College Age (18 to 24)</td>
<td>1,925</td>
<td>5,509</td>
<td>3,601</td>
<td>11,035</td>
</tr>
<tr>
<td>Young Adult (25 to 44)</td>
<td>7,073</td>
<td>20,224</td>
<td>12,174</td>
<td>39,471</td>
</tr>
<tr>
<td>Older Adult (45 to 64)</td>
<td>6,004</td>
<td>19,046</td>
<td>11,415</td>
<td>36,465</td>
</tr>
<tr>
<td>Older (65 plus)</td>
<td>3,501</td>
<td>9,556</td>
<td>5,491</td>
<td>18,548</td>
</tr>
</tbody>
</table>

87,000 working-age adults (18-64)
Three-County Labor Force
(2005 annual averages)

- 74,113 in the total labor force
- Unemployment ~5% (3,655 people)
- 10-year change in number employed:
  - Decatur: -18.0%
  - Bartholomew: -8.3%
  - Shelby: +1.3%

There’s some potential to absorb increased demand for workers.
Commuting to & from Decatur County is Likely to Shift

3,751 go there to work:

2,981 leave county:

STATS Indiana Commuting Profiles
Tax Year: 2004
Greensburg is a (modest) regional hub for manufacturing jobs.

**Mfg. jobs as % of total:**
- Decatur County: 40.6%
- Bartholomew County: 35.8%
- Shelby County: 31.6%

**Avg. manufacturing wages:**
- Decatur County: $38,013
- Bartholomew County: $52,126
- Shelby County: $41,430

Will new plant push salaries up in the region?
Many Auto Parts Supplier Jobs in the Region

The plant should stimulate lots of job growth in the surrounding area.
The American Community Survey: A Cautionary Tale

A New Information Resource for Indiana and the U.S.

• A few facts gleaned from the more than 1,000 tables now available
• PLUS a few cautions
What We Can Learn from ACS

Children with working parents
IN – 68% | US – 66%

Children under six with working parents
IN – 63% | US – 60%
## Where Our Household Income Comes From

<table>
<thead>
<tr>
<th>Source</th>
<th>Indiana</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work earnings</td>
<td>81%</td>
<td>80%</td>
</tr>
<tr>
<td>Social Security</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Retirement Income</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Supplemental Security</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Cash Public Assistance</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Food Stamps</td>
<td>9%</td>
<td>8%</td>
</tr>
</tbody>
</table>
What We Do

- **Construction, extraction, maintenance and repair occupations**: 10%
- **Sales and office occupations**: 25%
- **Service occupations**: 16%
- **Production, transportation, material moving occupations**: 20%
- **Management, professional, and related occupations**: 29%
How We Get to Work – in 2005, Gas Wasn’t the Issue

- Drove Alone: 2,357,220
- Carpoled: 267,109
- Walked: 54,512
- Public transportation: 26,111
- Other means: 43,892
- Worked at home: 86,567
## Married, Divorced, Etc.

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Number 15+</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never married</td>
<td>1,226,809</td>
<td>25.7%</td>
</tr>
<tr>
<td>Now married</td>
<td>2,639,333</td>
<td>55.3%</td>
</tr>
<tr>
<td>Separated</td>
<td>70,879</td>
<td>1.5%</td>
</tr>
<tr>
<td>Widowed</td>
<td>290,870</td>
<td>6.1%</td>
</tr>
<tr>
<td>Divorced</td>
<td>542,120</td>
<td>11.4%</td>
</tr>
</tbody>
</table>
Areas with 65,000 or more population

- Counties
- Cities
- School districts
- Townships
- Metro and Micro areas

Beginning in 2008, ACS data for State Legislative Districts, more counties and towns
About ACS: Information Coverage

- Demographic Characteristics
  - Race and ethnicity
  - Origins and language
  - Age and sex
  - Education
  - Marital status
  - Grandparents as caregivers
  - Veterans status
  - Disability status
  - Household size
  - Citizenship and year of entry

- Economic Characteristics
  - Income
  - Poverty
  - Employment status
  - Occupation
  - Industry
  - Journey to work

- Housing Characteristics
  - Housing occupancy
  - Units in structure
  - Year structure built
  - Rooms
  - Bedrooms
  - Housing ownership or rental status
  - Year householder moved into unit
  - Vehicles available
  - House heating fuel
  - Selected characteristics
  - Occupants per room
  - Value
  - Mortgage status and selected monthly owner costs
  - Gross rent

Dates:
- August 15, 2006
- August 29, 2006
- October 3, 2006
Now for the Cautions

1. The ACS collects data for all 12 months of the year, not for just a single point in time. It’s an average

2. It samples ONLY people living in households It doesn’t include folks in college, nursing homes, jails, etc.

2005 Population Estimate: 6,271,973
2005 ACS Estimate: 6,093,372

178,601
So what does *Household Only* population mean?

Difference between the Annual Population estimates and American Community Survey estimates

Who is missing from the American Community Survey?

- College Students
- Prisons, Half-Way Houses, Seminaries, Shelters
- Nursing Homes, Retirement Communities
- Group Homes
- Young Adult (25 to 44)
- Older Adult (45 to 64)
- Older (65+)
## What’s in the Sample

<table>
<thead>
<tr>
<th>County</th>
<th>ACS 2005</th>
<th>Number in Sample</th>
<th>Number of Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allen</td>
<td>3,194</td>
<td>2,260</td>
<td></td>
</tr>
<tr>
<td>Bartholomew</td>
<td>650</td>
<td>499</td>
<td></td>
</tr>
<tr>
<td>Clark</td>
<td>905</td>
<td>659</td>
<td></td>
</tr>
<tr>
<td>Delaware</td>
<td>1,128</td>
<td>824</td>
<td></td>
</tr>
<tr>
<td>Elkhart</td>
<td>1,447</td>
<td>1,057</td>
<td></td>
</tr>
<tr>
<td>Floyd</td>
<td>631</td>
<td>492</td>
<td></td>
</tr>
<tr>
<td>Grant</td>
<td>806</td>
<td>559</td>
<td></td>
</tr>
<tr>
<td>Hamilton</td>
<td>1,738</td>
<td>1,299</td>
<td></td>
</tr>
<tr>
<td>Hendricks</td>
<td>1,046</td>
<td>751</td>
<td></td>
</tr>
<tr>
<td>Howard</td>
<td>799</td>
<td>603</td>
<td></td>
</tr>
<tr>
<td>Johnson</td>
<td>1,049</td>
<td>773</td>
<td></td>
</tr>
<tr>
<td>Kosciusko</td>
<td>870</td>
<td>628</td>
<td></td>
</tr>
<tr>
<td>Lake</td>
<td>4,165</td>
<td>2,786</td>
<td></td>
</tr>
<tr>
<td>LaPorte</td>
<td>1,152</td>
<td>840</td>
<td></td>
</tr>
<tr>
<td>Madison</td>
<td>1,396</td>
<td>996</td>
<td></td>
</tr>
<tr>
<td>Marion</td>
<td>8,426</td>
<td>5,575</td>
<td></td>
</tr>
<tr>
<td>Monroe</td>
<td>1,093</td>
<td>769</td>
<td></td>
</tr>
<tr>
<td>Morgan</td>
<td>627</td>
<td>436</td>
<td></td>
</tr>
<tr>
<td>Porter</td>
<td>1,233</td>
<td>957</td>
<td></td>
</tr>
<tr>
<td>St. Joseph</td>
<td>2,342</td>
<td>1,683</td>
<td></td>
</tr>
<tr>
<td>Tippecanoe</td>
<td>1,388</td>
<td>1,008</td>
<td></td>
</tr>
<tr>
<td>Vanderburgh</td>
<td>1,609</td>
<td>1,188</td>
<td></td>
</tr>
<tr>
<td>Vigo</td>
<td>1,004</td>
<td>718</td>
<td></td>
</tr>
<tr>
<td>Wayne</td>
<td>723</td>
<td>534</td>
<td></td>
</tr>
</tbody>
</table>
Bottom line:

1. Use the numbers but exercise caution.

2. If you don’t understand something, call or e-mail us:

   ibrc@iupui.edu

Explore the data:
http://factfinder.census.gov
Indiana’s Logistics Future

Roger Schmenner
Associate Dean
Kelley School of Business, Indianapolis
A series of trends will shape Indiana’s logistics future.

- Supply chains are longer, more complex, and more synchronized than ever before.
- Transportation is less costly, quicker, and more reliable.
- Supply chain control – tracking, tracing, accounting for, redirecting on the fly, communicating up and down the chain – will get better and better.
- Companies are holding fewer buffer inventories and bullwhip effects have been understood and managed better.
- Bottlenecks are inevitable in the transport and logistics system and economic growth will uncover them.
- Most transportation/logistics jobs are good paying jobs, both in transport itself and in warehousing/distribution. Logistics accounts for about 10% of the state’s GDP and 8+% of its workforce.

Roger Schmenner, Kelley School of Business, Indianapolis
The implications of these trends are not all good for Indiana.

“Location, location, location” won’t hack it any more. Being the Crossroads of America won’t be enough. Simple warehousing and single modes of transportation will not grow like more complex arrangements – e.g., value-adding downstream links in the supply chain and multimodal transportation links.

We have got to add more value and we have to add flexibility to dampen the fragility that complex, stretched, low inventory supply chains can imply. It will increasingly be “Location, technology, flexibility”.

As bottlenecks occur, the system of transportation will get more diffuse and less classic “hub and spoke”. Indiana as a crossroads state will become less and less important.

Roger Schmenner, Kelley School of Business, Indianapolis
Selected strategies need to be considered, such as ...

- Steal from Chicago. As increasing congestion bottlenecks Chicago, we can re-direct some of that business to Indiana. But, to do so means that we need to match what Chicago has done over the years, and Indiana’s infrastructure is not there yet.

- Become more multimodal. This will be expensive, but it can be a significant growth area for the state.

- Invest in supply chain control technologies to see what they could mean for Indiana manufacturers and for other Hoosier shippers.

Roger Schmenner, Kelley School of Business, Indianapolis
Discussion