Employment is the big story nationally. Many communities are faced with the difficult task of attracting more jobs. Anderson and Madison County are no exception. The competitive environment brings new demands for creativity and accommodation for communities like ours. The task is not only to attract new jobs but to find ways to retain those jobs that are already in the community.

Total employment in Madison County rose last year, as more Madison County residents were working in 2002 compared to 2001. That number rose from 61,620 to 61,920 (an increase of 300). However, many of those in the labor force found employment in other counties, as the number of jobs in Madison County fell from 45,174 in 2001 to 44,228 in 2002 (a loss of 946). This means more people are working, but fewer of them are finding their jobs in Madison County. Net commuting rose by 1,246.

With the increase in the number of people working, we might make the incorrect assumption that the unemployment rate fell. The unemployment rate in 2001 was 4.8 percent for Madison County, rising to 5.9 percent in 2002. The increase in the number of people working (300) was offset by an increase in the number of people who were unable to find employment (800). With the national economy performing in a rather sluggish fashion, we might have expected the unemployment rate in Madison County to rise above the national level. The 5.9 percent rate for Madison County was only 0.1 percent higher than the national rate for 2002 (5.8 percent). For 2003, the local unemployment rate is running slightly below the national figures. This outcome is somewhat surprising given our historically high rates of unemployment during recessions and national slowdowns (see Figure 1). The changing mix of local employment and the uniqueness of automotive labor contracts are the likely explanation for the variation away from these historic trends.

There were significant losses in the county in terms of manufacturing employment. Over the past ten years, manufacturing employment fell from 15,054 in 1992 to 8,928 in 2002. That averages to about 613 lost jobs per year. For 2002, the net loss was 691. In October 2003, over four hundred automotive workers accepted retirement from the local Anderson plants. It is obvious that this trend will continue. The only thing we do not know is the pace of the attrition. Fortunately, job losses have been spread over the past twenty years, helping to avoid the potentially devastating impact of total plant closings.

Still, one in five jobs in the county is in manufacturing. It would be a mistake to ignore the impact of manufacturing on the short-term economic performance of this community. There is a substantial retirement base from the historic presence of manufacturing that supports spending and income in the area. Also, the average manufacturing wages that are paid locally are some of the highest in the state. Last year, the average manufacturing wage paid in Anderson was $53,900. Indiana’s average manufacturing wage was only $51,494 in 2002. If we take the nearly nine thousand manufacturing jobs in the county and multiply by the average wage of $43,949, we get some idea of the total impact of manufacturing wages on county income ($481 million).

Some sectors in the county did show employment gains. Employment in education and health services rose over the 2002 numbers (228), as did leisure and hospitality (247).

Income in the county continues to lag behind income for the state, which lags behind income growth for the country. That

Figure 1
Unemployment During Recessions

Note: Due to methodological changes, data for 1994 and later are not comparable with earlier data.
A booming housing construction market continues to characterize the Bloomington economy. Year-to-date estimates from the U.S. Census Bureau indicate continuing growth (see Figure 1). Added to recent commercial and retail construction throughout the community, Monroe County has been well satisfied with its recent economic performance.

However, in the context of the U.S. economy and in comparison to other college communities, Bloomington does not have the same luster. Figure 2 shows that the Bloomington metropolitan area (Monroe County) had a 1.8 percent increase in housing units authorized compared to an 8.5 percent increase in the nation’s other metro areas. Among the 330 metro areas for which we have data, Bloomington ranked 199th. Although several college communities rank lower than Bloomington, there are also others outperforming Bloomington by substantial rates, notably one that is fixed in our thoughts: Lubbock, Texas.

Despite this continuing addition to the housing stock of the community, many argue that the Bloomington area does not offer sufficient affordable housing. Because of Indiana University, a sizable portion of the demand for housing in Bloomington is not only rented but purchased with funds from outside the area. As parents become more able to subsidize their children’s housing, as tax laws encourage ownership of housing by the affluent, and as student loans increase the amount of funding available for students, young people are able to crowd out less-affluent resident families in the area. Although this may seem inequitable, it may not be bad for Bloomington if suitable housing is available in nearby communities.

**Figure 1**
Estimated Housing Units Authorized in Monroe County, September Year-to-Date

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<td>988</td>
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*Data is not seasonally adjusted

**Figure 2**
Percent Change in Residential Units Authorized, September 2002 to September 2003*

*Data is not seasonally adjusted