

INDIANA ECONOMIC ANALYSIS REPORT



Fred Payne, Commissioner

October 2022

Acknowledgements

The Indiana Economic Analysis Report involved the following collaborators and/or contributors:

DWD/Research & Analysis

Fran Valentine, Research & Analysis Director

Holly Brauneller Divison Director

Charles Baer, Manager of Federal Studies

Craig Volle, Manager - OES/ Occupational Projections

Linda Murray, Manager - QCEW

Kimberley Moody, Economic Analyst - CES

Greg Silvey, Economic Analyst - Occupational Projections Research

Michelle Graves-Moore, Economic Analyst - LAUS

David Waldron, Research Analyst - Data Team

Amadou Traore, Research Analyst - Data team

Rachel Strange – IBRC

Contact:

Charles Baer

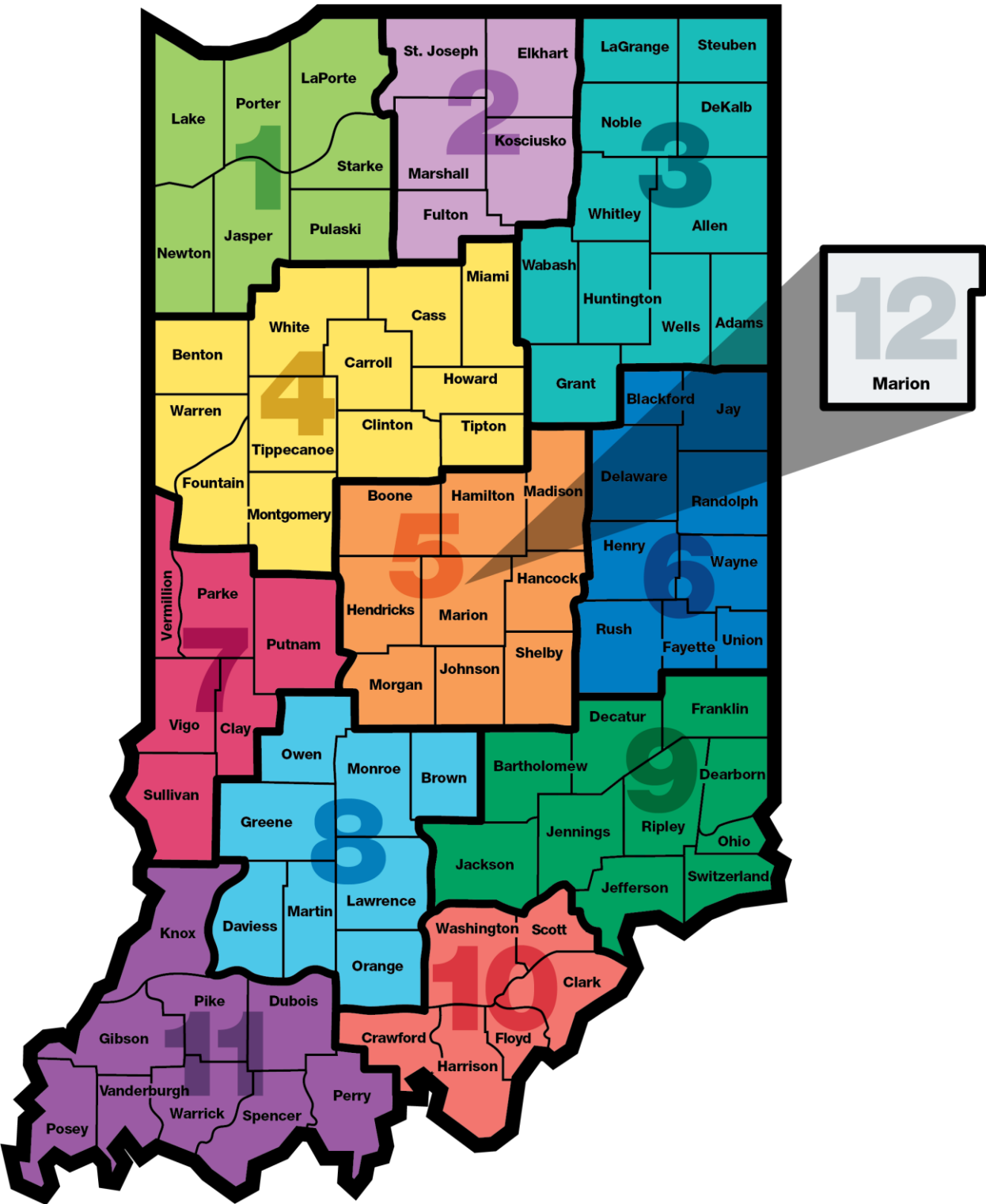
Indiana Department of Workforce Development

317-234-4772

Published October 2022

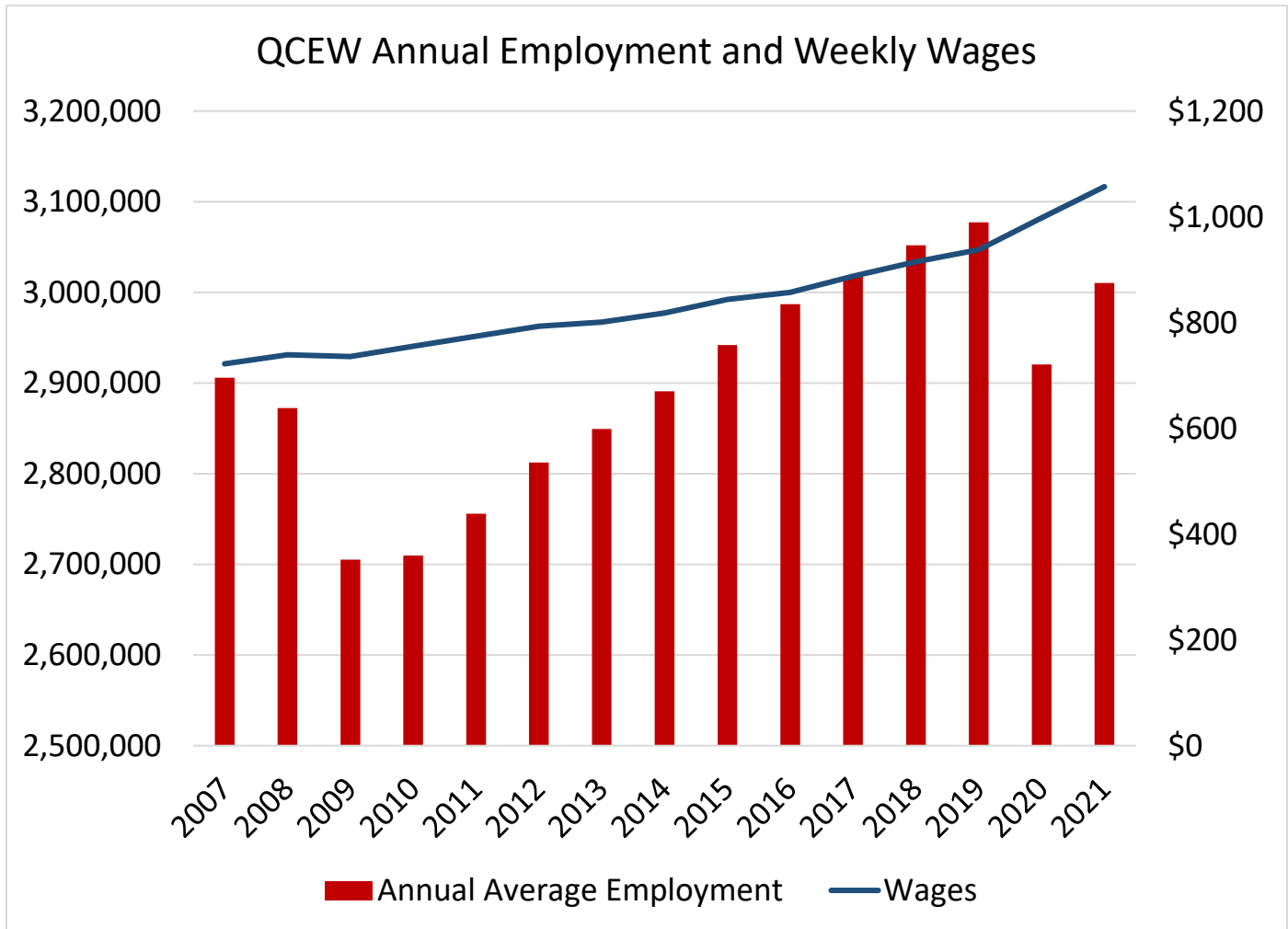
©2022 Indiana Department of Workforce Development

Economic Growth Regions



2021 Indiana Employment in Brief

After a decade of job growth, the 2020 pandemic caused a sharp decline in jobs. In 2021 average annual employment level was 2,63,905 for private employment and 3,010,407 for all public and private sectors. Those numbers are a loss of 65,728 in public and private sector jobs and 65,945 private jobs from 2019. This means Indiana had recovered more than half the job losses sustained in April 2020. 2021 average weekly wages have risen to \$1,057 for all Industries. The following charts summarize Indiana’s 2020 Employment from the Quarterly Census of Employment and Wages (QCEW) program.



Source: IDWD Quarterly Census of Employment and Wages

Summary: Current Employment Statistics and Labor Force 2021

January 2022 estimates from the Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS) indicate recovering private sector employment and decreasing unemployment from the previous year. Indiana's labor force is down 57,837 from January 2021 to January 2022. These losses are still due to the Covid-19 pandemic in 2020. Indiana's 2020 annual labor force stands at 3,322,466.

Most sectors lost recovered job losses due to the 2020 pandemic. From January 2021 to January 2022 Indiana's Total Non-Farm employment has recovered 2,200 Total Non-Farm jobs. Leisure and Hospitality recovered 26,700 jobs, Professional and Business Services recovered 19,500 and Manufacturing recovered 13,400 jobs over the year.

Source: *Current Employment Statistics January 2022.*

IN Employment Change Over the Month, Year-to-Date and Over the Year (seasonally adjusted)					
Industry	January 2021	December 2021	January 2022	Month Change	Y-to-Y Change
Private Educational & Health Services	466.2	462.3	462.1	-0.2	-4.1
.....Private Educational Services	54.7	54.4	53.7	-0.7	-1.0
.....Health Care & Social Assistance	411.5	407.9	408.4	0.5	-3.1
Manufacturing	520.0	534.1	533.4	-0.7	13.4
Professional & Business Services	340.1	359.8	359.6	-0.2	19.5
Financial Activities	143.8	145.2	145.4	0.2	1.6
Construction	148.8	156.6	157.7	1.1	8.9
Leisure and Hospitality	270.5	297.9	297.2	-0.7	26.7
Trade, Transportation & Utilities	609.1	617.3	619.7	2.4	10.6
.....Trade	435.9	438.7	442.7	4.0	6.8
.....Transportation, Warehousing & Utilities	173.2	178.6	177.0	-1.6	3.8
All Other	147.5	157.1	156.7	-0.4	9.2
Total Private	2,646.0	2,730.3	2,731.8	1.5	85.8
Government (Includes Public Schools & Hospitals)	403.0	419.0	419.7	0.7	16.7
Total Nonfarm	3,049.0	3,149.3	3,151.5	2.2	102.5
United States Total Private	121,229.0	127,099.0	127,547.0	448.0	6,318.0

Table of Contents

2021 Indiana Employment in Brief	5
Section A: Economic Analysis.....	8
A1: Annual Employment and Wages (2021).....	8
2021 Annual Industry Overview	12
Industries showing the highest employment increases from 2016 to 2021	12
Industries showing decline from 2016 to 2021	13
Wages.....	14
A2: Analysis - INDemand Jobs.....	16
Average wage growth across Indiana counties	17
County-level average wage per job	17
Figure 1: Average annual wage per job, 2021	17
Figure 2: County-level distribution of average wage per job, 2021	18
Wage growth over time	18
Figure 3: Short-term change in average annual wage per job (adjusted for inflation), 2019 to 2021 ..	18
Figure 4: Long-term change in average annual wage per job (adjusted for inflation), 2011 to 2021 ...	19
Table 1: Indiana counties with highest average annual wages: Top 10	19
Figure 5: Highest and lowest average wages per job	20
Notes	20
Section B: Workforce Analysis	21
B1: Labor Force	21
Estimates.....	21
Unemployment Rates	23
B2: Workforce and Industry Composition	26
Age Distribution of the Workforce	26
Indiana Total Population by Race – 2021	28
B3: Education	29
B4: Housing	31
Homeownership Rates.....	31
Housing Permits	32

Section A: Economic Analysis

A1: Annual Employment and Wages (2021)

Indiana Employment, Firms and Wages by Industry 2021				
Industries	Average Annual Wage	Units	Total Annual Wages (in billions)	Average Employment
Total	\$54,975	178,723	165.00	3,010,407
Manufacturing	\$68,929	9,295	36.00	524,517
Health Care and Social Assistance	\$57,528	15,451	25.20	438,514
Retail Trade	\$34,135	20,801	10.70	314,003
Accommodation and Food Services	\$20,151	13,776	5.00	247,947
Educational Services	\$48,063	3,517	11.40	237,652
Administrative and Waste Services	\$40,973	10,897	7.50	183,290
Transportation and Warehousing	\$52,929	7,319	9.00	171,314
Construction	\$65,277	14,592	9.80	149,592
Professional and Technical Services	\$79,693	21,957	10.50	131,793
Public Administration	\$54,404	2,835	7.00	128,848
Wholesale Trade	\$77,356	13,693	9.40	122,016
Finance and Insurance	\$84,165	11,090	8.50	100,674
Other Services	\$38,638	13,312	3.30	84,448
Arts, Entertainment, and Recreation	\$37,920	2,366	1.40	37,332
Real Estate and Rental and Leasing	\$54,922	7,236	1.90	36,383
Management of Companies and Enterprises	\$113,689	1,248	3.90	34,002
Information	\$64,240	3,059	2.00	31,951
Agriculture, Forestry, Fishing, and Hunting	\$44,090	2,029	0.70	15,727
Utilities	\$99,940	580	1.60	15,562
Mining	\$76,967	304	0.36	4,706

Source: Quarterly Census of Employment and Wages

Major Industries, Composition

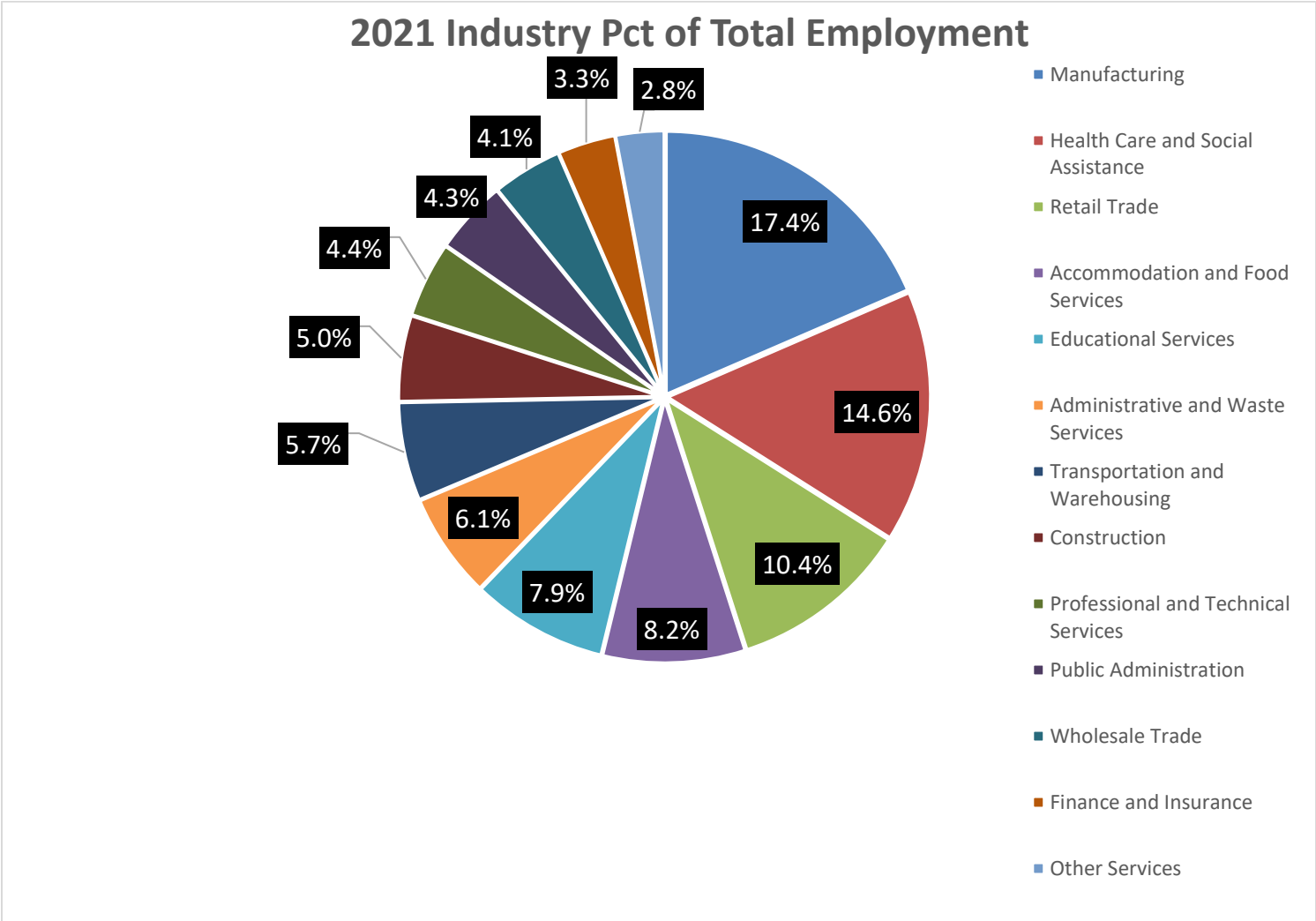


Table 1: Indiana Statewide Five- Year Employment Change

INDIANA ANNUAL AVERAGE EMPLOYMENT BY INDUSTRY				
Sorted by Total Employment gains from 2016 to 2021				
Industry	2016	2021	Change	% Change
Total	<u>2,987,123</u>	<u>3,010,407</u>	<u>23,284</u>	<u>0.8%</u>
Manufacturing	522,666	524,517	<u>1,851</u>	<u>0.4%</u>
Health Care and Social Assistance	424,569	438,514	<u>13,945</u>	<u>3.3%</u>
Retail Trade	332,323	314,003	<u>-18,320</u>	<u>-5.5%</u>
Accommodation and Food Services	266,718	247,947	<u>-18,771</u>	<u>-7.0%</u>
Educational Services	250,129	237,652	<u>-12,477</u>	<u>-5.0%</u>
Administrative and Waste Services	187,337	183,290	<u>-4,047</u>	<u>-2.2%</u>
Transportation and Warehousing	139,696	171,314	<u>31,618</u>	<u>22.6%</u>
Construction	131,686	149,592	<u>17,906</u>	<u>13.6%</u>
Professional and Technical Services	113,325	131,793	<u>18,468</u>	<u>16.3%</u>
Public Administration	128,335	128,848	<u>513</u>	<u>0.4%</u>
Wholesale Trade	118,154	122,016	<u>3,862</u>	<u>3.3%</u>
Finance and Insurance	96,907	100,674	<u>3,767</u>	<u>3.9%</u>
Other Services	86,873	84,448	<u>-2,425</u>	<u>-2.8%</u>
Arts, Entertainment, and Recreation	42,375	37,332	<u>-5,043</u>	<u>-11.9%</u>
Real Estate and Rental and Leasing	35,684	36,383	<u>699</u>	<u>2.0%</u>
Management of Companies and Enterprises	34,571	34,002	<u>-569</u>	<u>-1.6%</u>
Information	39,024	31,951	<u>-7,073</u>	<u>-18.1%</u>
Utilities	15,556	15,562	<u>6</u>	<u>0.0%</u>
Agriculture, Forestry, Fishing, and Hunting	15,146	15,727	<u>581</u>	<u>3.8%</u>
Mining	5,906	4,706	<u>-1,200</u>	<u>-20.3%</u>

Source: *Indiana Quarterly Census of Employment and Wages (Public and Private)*

Table 1a: Indiana Statewide One- Year Employment Change

One Year Employment Change	2020 Employment	2021 Employment	Total Change	Pct Change
Industry				
Total	2,919,380	3,010,407	91,027	3.1%
Agriculture, Forestry, Fishing and Hunting	15,851	15,727	-124	-0.8%
Mining	5,026	4,706	-320	-6.4%
Utilities	15,870	15,562	-308	-1.9%
Construction	144,033	149,592	5,559	3.9%
Manufacturing	504,340	524,517	20,177	4.0%
Wholesale Trade	119,075	122,016	2,941	2.5%
Retail Trade	306,189	314,003	7,814	2.6%
Transportation & Warehousing	163,145	171,314	8,169	5.0%
Information	32,059	31,951	-108	-0.3%
Finance and Insurance	98,854	100,674	1,820	1.8%
Real Estate and Rental and Leasing	35,910	36,383	473	1.3%
Professional, Scientific, Technical	124,387	131,793	7,406	6.0%
Management of Companies and Enterprises	33,749	34,002	253	0.7%
Admin, Support, Waste	170,202	183,290	13,088	7.7%
Educational Services	237,066	237,652	586	0.2%
Health Care and Social Services	436,256	438,514	2,258	0.5%
Arts, Entertainment, and Recreation	34,156	37,332	3,176	9.3%
Accommodation and Food Services	231,744	247,947	16,203	7.0%
Other Services (Except Public Administration)	80,939	84,448	3,509	4.3%
Public Administration	130,529	128,848	-1,681	-1.3%

2021 Annual Industry Overview

In 2021 many sectors began to recover from the losses sustained in 2020 due to the Covid-19 pandemic. Employment increased from 2020 to 2021 by 91,027 (3.1%) overall for all industries, including both public and private employment. This is measured from the Quarterly Census of Employment and Wages, annual average employer reported data. This is the most recent full year of data at the time of this report. QCEW is the best measure of true employment levels, from which other surveys (such as the CES cited in the introduction) are benchmarked annually.

Industries showing the highest employment increases from 2016 to 2021

Health Care and Social Assistance

Health care and social assistance employment has grown by 3.3% in the last 5 years with an increase of 13,945 jobs. This growth was muted due to a 10,778 decrease in 2020 due to the 2020 Covid pandemic. This sector growth includes physicians' offices, hospitals, and a wide range of providers. Wages in this industry increased by 23.4% in 2021 to an average weekly wage of \$1,106.

Transportation and Warehousing

Transportation and Warehousing has grown by 31,618 from 2016-2021. This industry has also been a target for economic development for several years. This industry grew by 22.6% during this five-year period. This industry showed annual growth in the face of the pandemic. The average weekly wages for Transportation and Warehousing grew by 19.2% to \$1,018 for 2021.

Construction

The Construction industry grew by 17,906 or 22.6% between 2016 and 2021. This sector grew slowing early in the economic recovery but has gained momentum in recent years. Construction experienced a gain of 5,559 jobs in 2021. The average weekly wages for this industry are at \$1,255 for 2021, a 19.1% increase from 2016.

Professional and Technical Services

Professional and Technical Services has shown healthy growth from 2016 to 2021. This is an industry that will be key to Indiana's future. Among the industries this sector contains are Legal Services, Architectural and Engineering, Research and Development and Computer Systems Design and Related Services. Many of these areas have been the focus of Indiana economic development. The sector has grown 18,468 jobs at a 16.3% gain over the past five years. This industry gained 7,406 jobs in 2021. The average weekly wages for 2021 for this sector are above the state average at \$1,533, a growth rate of 21.9%.

Manufacturing

Indiana manufacturers gained employment by 1,851 over this time frame. Manufacturing lost 36,812 jobs in 2020, the second largest decrease in total jobs of all industries due to the pandemic but recovered 20,177 jobs in 2021. Manufacturing pays wages greater than average, with average weekly wages of \$1,326 during 2021, 16.5% higher than 2016.

Utilities

Utilities is one of the smaller industries in Indiana. From 2016-2021 the sector did not move significantly, changing by 0.0% with 6 jobs. Utilities fell by 1.9%, losing 308 jobs during 2021. Utilities are also one of the higher paying industries, growing at a rate of 13.6% to a weekly wage of \$1,922 in 2021.

Industries showing decline from 2016 to 2021

The following industries are among those that have shown employment declines over the time frame from 2016 to 2021. This is based on the annual average employment from QCEW and includes public and private jobs. Much of this loss is due to the economic impact of the 2020 Covid-19 Pandemic.

Accommodation and Food Services

The pandemic hit the Accommodation and Food service industries hard. This industry had shown consistent growth over the last decade. The pandemic forced shutdowns of hotels and restaurants throughout the state, causing a decline at a rate of -7.0% and 18,771 jobs lost from 2016-2021. However, this industry recovered 16,203 in 2021, a rate of 7.0%. While many of these jobs are lower or middle wage jobs, this industry also includes many part time workers, and average weekly wages were just \$388 during 2021, 31.1% higher than 2016.

Educational Services

This sector lost employment by 12,477 over the five-year time frame, also representing one of the larger declines in total jobs of all industries. The pandemic played havoc on Educational Services resulting in a decline of nearly 14,000 jobs in 2020 alone. Educational Services decreased by -5.0% as an industry for Indiana. This industry's wages increased by 18.9% to an average weekly wage of \$924 during 2021.

Retail Trade

Retail Trade had the second largest decline in Indiana in terms of total employment. Along with the pandemic, pressures from online competitors have caused a decline in the Retail employment. From 2016-2021 employment fell by 18,320 for a decline of -5.5%. In 2021 retail recovered 7,814 jobs, 2.6% higher than the year before. Retail is also one of the lower paying industries with an average weekly pay of \$656, an increase of 31.1% since 2016.

Admin, Support, Waste

From 2016-2021 employment fell by 4,047 for a decline of -2.2%. A large part of this is due to the pandemic as in 2020 there was a loss of nearly 20,000 jobs. This industry recovered 13,088 jobs in 2021, growing by 7.7%. It is also one of the lower paying industries with an average weekly pay of \$788 which is a 35.4% increase from 2016.

Other Services (Except Public Administration)

This industry has declined by 2,245 over 2016-2021 at a rate of -4.8%. This loss is highly inflated as the industry lost over 8,600 jobs in 2020, though it recovered by 4.3% with 3,509 jobs. This industry includes Repair and Maintenance, Personal and Laundry Services, Religious, Grant Making, Civic, Professional & Similar Organizations and Private Households. Wages for these industries vary widely, and the weekly averages may include part time workers. From 2016 to 2021 the average weekly wage increased by 24.7% for this industry sector to \$743.

Mining

Mining is the smallest industrial sector in Indiana. Over the 2016 to 2021 time frame this industry lost 1,200 jobs or a loss of -20.3% of its total. The pandemic of 2020 had very little impact on Mining. Mining does have a very high average wage of \$1,480 which increased by 13.8%.

Information

The information sector lost 7,073 jobs at a rate of 18.1% decline from 2016 to 2021. In 2020 alone this sector lost almost 3,000 jobs. This industry is one of the few to continue to see a decline following the pandemic, with a fall in employment of 108 in 2021, a 0.3% decline from 2020. This sector includes publishing, telecommunications, and internet broadcasting which all saw moderate declines over these years. Average weekly wages were above the state average, at \$1,235 during 2021 and increased by 25.2%.

Wages

Average annual/weekly wages are affected by the ratio of full-time to part-time workers as well as the number of individuals in high-paying vs. low-paying occupations. Table 2 shows the historical annual averages from 2006-2021 with 2021 showing a 5.8% increase from 2020.

Table 2a shows percentage growth of wage changes over the last five years (2016-2021). Over this time, all sectors experienced an increase in wages. The highest increases were Administrative, Support and Waste Management and Remediation Services (36.4%) and Accommodation and Food Services (31.1%).

The slowest percentage wage increases from 2015-2020 were in Utilities (13.6%) and Mining (13.8%)

Table 2: Indiana Statewide Total Wages

Year	Employment	Average Weekly Wage	% Chg
2006	2,892,419	\$703	3.2%
2007	2,905,725	\$722	2.7%
2008	2,872,442	\$739	2.4%
2009	2,705,331	\$736	-0.4%
2010	2,709,831	\$755	2.6%
2011	2,755,826	\$774	2.5%
2012	2,812,347	\$793	2.5%
2013	2,849,311	\$801	1.0%
2014	2,890,758	\$818	2.1%
2015	2,941,991	\$844	3.2%
2016	2,987,091	\$857	1.5%
2017	3,017,933	\$888	3.6%
2018	3,052,308	\$915	3.1%
2019	3,077,240	\$938	2.5%
2020	2,920,298	\$999	6.5%
2021	3,010,407	\$1,057	5.8%

Source: DWD Quarterly Census of Employment and Wages, data not seasonally adjusted

Table 2a: Indiana Statewide Data

2021 INDIANA AVERAGE WEEKLY WAGES BY INDUSTRY (comparison to 2016, 2020 & 2021)					
NAICS Code	2016	2020	2021	% Change From 2016	% Change From 2021
Indiana State Totals	\$858	\$999	\$1,057	23.3%	5.8%
Management of Companies and Enterprises	\$1,811	\$2,023	\$2,186	20.7%	8.1%
Utilities	\$1,693	\$1,860	\$1,922	13.6%	3.3%
Mining	\$1,300	\$1,453	\$1,480	13.8%	1.9%
Finance and Insurance	\$1,278	\$1,534	\$1,619	26.7%	5.5%
Professional, Scientific, Technical	\$1,258	\$1,445	\$1,533	21.9%	6.1%
Wholesale Trade	\$1,233	\$1,395	\$ 1,488	20.7%	6.6%
Manufacturing	\$1,138	\$1,251	\$1,326	16.5%	6.0%
Construction	\$1,054	\$1,205	\$1,255	19.1%	4.2%
Information	\$987	\$1,149	\$ 1,235	25.2%	7.5%
Health Care and Social Services	\$897	\$1,041	\$1,106	23.4%	6.3%
Public Administration	\$867	\$1,013	\$1,046	20.6%	3.3%
Transportation & Warehousing	\$854	\$950	\$1,018	19.2%	7.1%
Real Estate and Rental and Leasing	\$808	\$982	\$1,056	30.7%	7.6%
Educational Services	\$777	\$893	\$924	18.9%	3.5%
Agriculture, Forestry, Fishing and Hunting	\$723	\$824	\$848	17.3%	2.9%
Arts, Entertainment, and Recreation	\$608	\$740	\$729	20.0%	-1.5%
Other Services (Except Public Administration)	\$596	\$705	\$743	24.7%	5.4%
Admin, Support, Waste	\$582	\$717	\$788	35.4%	9.9%
Retail Trade	\$511	\$605	\$656	28.5%	8.5%
Accommodation and Food Services	\$295	\$344	\$ 388	31.1%	12.7%

Source: DWD Quarterly Census of Employment and Wages

A2: Analysis - INDemand Jobs

INDIANA CAREER READY is an Indiana Department of Workforce Development website that focuses on high-demand, high-wage jobs for today and tomorrow. The INDemand focus will help ensure a long and rewarding career. The demand indicator used is based on a methodology that ranks all Indiana jobs based on future growth and wages. Whether you are searching for your first job, changing jobs, re-entering the workforce, or planning a career change make the [INDemand Jobs](#) page the cornerstone of your efforts.

Updated Methodology

Indiana has established an occupational demand ranking system designated by “Flames.” An occupation will be assigned between 1 and 5 Flames, depending on how “in demand” that occupation is in Indiana. The methodology for the occupational demand ranking system is detailed below.

Each occupation in Indiana is designated a 1-10 score in 5 categories: Total Openings (x2), Growth Openings, Percentage Change, Real Time Labor Market Information, and Wages for both Short Term and Long Term outlook using 2021-2023 Short Term Projections and 2020-2030 Long Term Projections and Bureau of Labor Statistics wage estimates. The scoring method is determined by deciles or, in other words, a percentile system ranging from the 90th percentile and above, down to the 10th percentile and below. The averaged total for each occupation is then divided by 2 to produce an Indiana Demand Ranking in both outlooks. Lastly, both the short term and long term outlook Indiana Demand Ranking scores for each occupation are averaged to calculate the occupation’s final rating.

- 5 Categories for Short Term and Long Term Outlook
 - Total Job Openings x2 (Projected total openings, includes growth and separations)
 - Growth Openings (Occupational growth openings)
 - Percentage Change (Occupational percentage change from base year to projected year)
 - Real time labor market information (Job posting data)
 - Wages (OES Wage Estimates)

Table 3: Five Flame INDemand Jobs

SOCCode	SOCTitle	Final Score	Flames
11-1021	General and Operations Managers	5	*****
11-3031	Financial Managers	5	*****
11-9021	Construction Managers	5	*****
11-9111	Medical and Health Services Managers	5	*****
13-1111	Management Analysts	5	*****
13-1161	Market Research Analysts and Marketing Specialists	5	*****
13-2011	Accountants and Auditors	5	*****
15-1211	Computer Systems Analysts	5	*****
15-1256	Software Developers and Software Quality Assurance Analysts and Testers	5	*****
17-2112	Industrial Engineers	5	*****
23-1011	Lawyers	5	*****
29-1171	Nurse Practitioners	5	*****
41-3091	Sales Representatives of Services, Except Advertising, Insurance, Financial Services,	5	*****
49-9041	Industrial Machinery Mechanics	5	*****
51-1011	First-Line Supervisors of Production and Operating Workers	5	*****

Originally published Jan-Feb INContext: A publication of the Indiana Business Research Center at Indiana University's Kelley School of Business.

Average wage growth across Indiana counties

RACHEL STRANGE

Geodemographic Analyst, Indiana Business Research Center, Indiana University Kelley School of Business

Indiana's average annual wage per job rose to \$54,960 in 2021, ranking 34th in the U.S.¹ After adjusting for inflation, this was a 1% increase over 2020 and a 6.3% increase over 2019. This article will explore how average wage growth varied by county.

The underlying wage data come from the Quarterly Census of Employment and Wages data set produced by the U.S. Bureau of Labor Statistics.² The Indiana Business Research Center calculates the annual averages from these data and publishes them on [STATS Indiana](#). Keep in mind that these are “wages per job.” In other words, the wages earned in a specific county are not necessarily taken home by a worker who resides in that same county (so don't confuse this with county income). In addition, please note that all data used in this article are adjusted for inflation.

County-level average wage per job

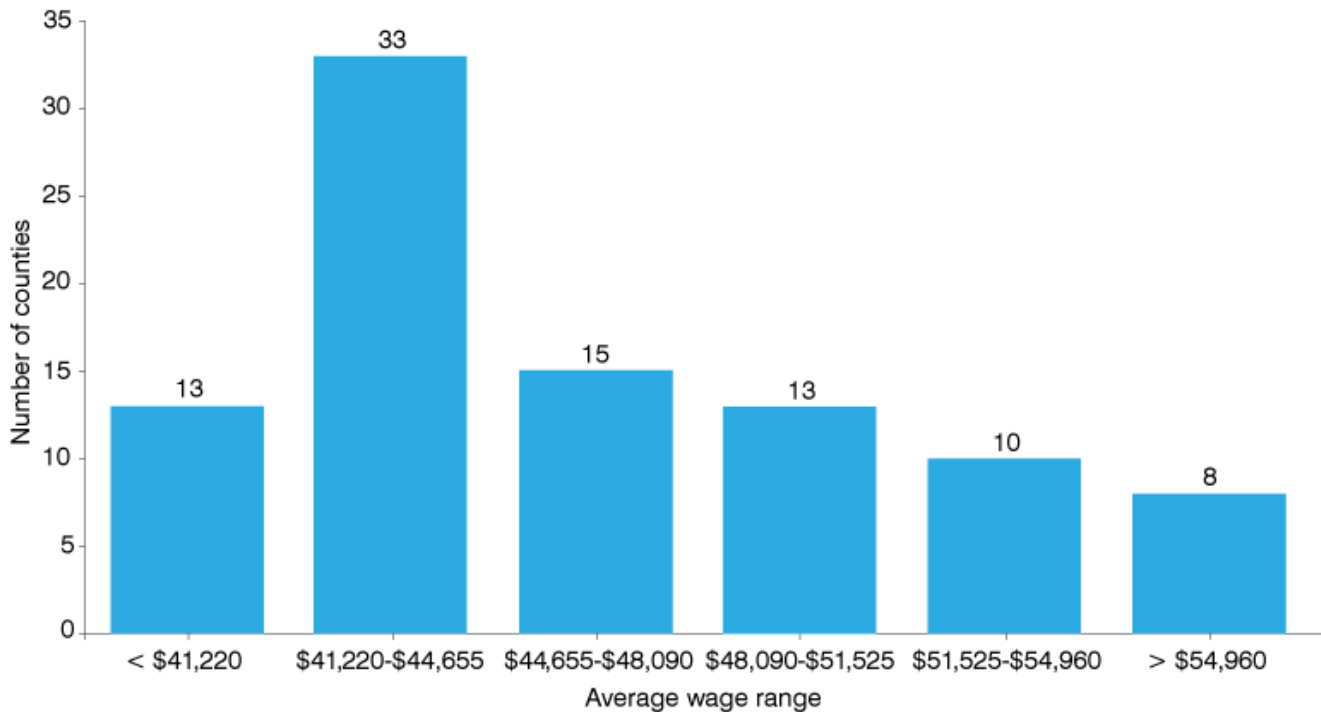
The average annual wage across Indiana in 2021 ranged from \$31,914 in Brown County to \$72,065 in Martin County (thanks to the dominance of the Crane Naval Surface Warfare Center).

Only eight of Indiana's 92 counties surpassed the statewide average of \$54,960 (see **Figure 1**). In fact, more counties (13) are at least 25% below the state average than were above it.

Figure 1: Average annual wage per job, 2021

Figure 2 further illustrates that most counties are lagging the statewide average by a substantial margin.

Figure 2: County-level distribution of average wage per job, 2021



Source: IBRC, using QCEW annual averages

Wage growth over time

As a whole, Indiana experienced a 6.3% increase in average wage per job between 2019 and 2021. Elkhart and LaGrange counties led the state on this measure, each exceeding 15% growth. In all, 34 counties surpassed the state average increase. At the other end of the spectrum, 10 counties saw their real average wage per job decline once inflation was accounted for (see **Figure 3**).

Figure 3: Short-term change in average annual wage per job (adjusted for inflation), 2019 to 2021

Figure 4 shows details regarding the long-term, 10-year change in average annual wage for all Indiana counties. Here we see a similar number of counties (31) surpassing the cumulative statewide average growth of 13.4%. Three counties (Pike, Martin and Howard) have average wages that have not kept up with inflation during this longer time frame.

Figure 4: Long-term change in average annual wage per job (adjusted for inflation), 2011 to 2021

Despite having the highest average wage in the state, Martin County is the only county among Indiana's top 10 on this measure to see declines in average wage per job (after adjusting for inflation) for both the two-year (2019-2021) and 10-year (2011-2021) periods (see **Table 1**).

Table 1: Indiana counties with highest average annual wages: Top 10

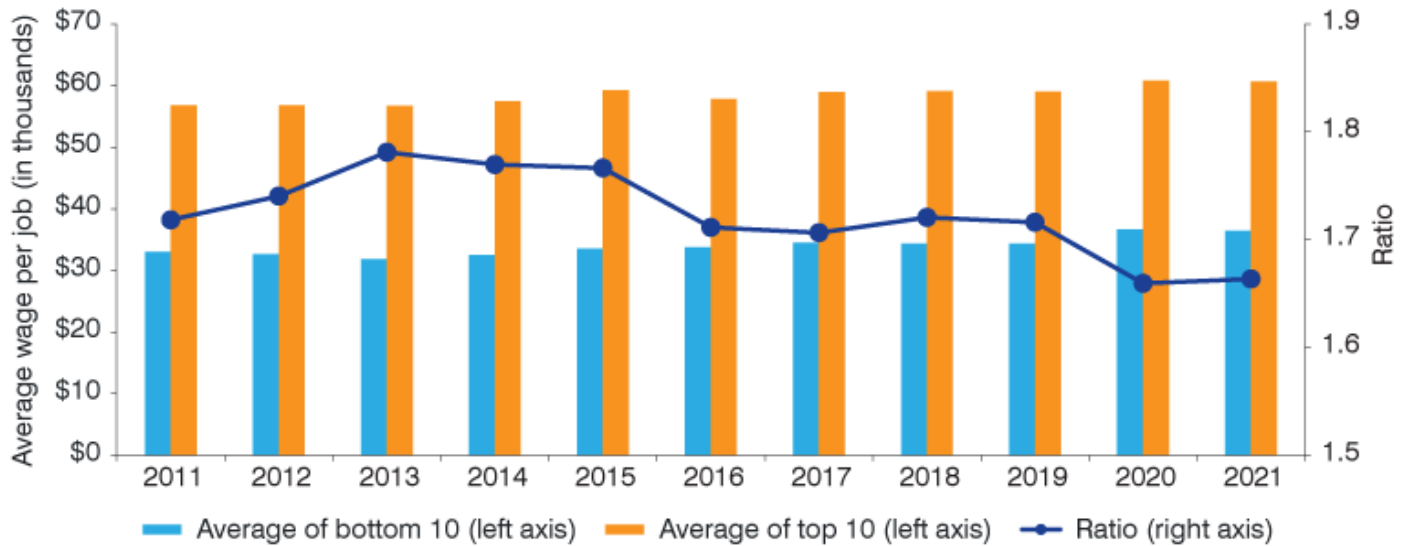
County	2021	2-year percent change	10-year percent change
Martin	\$72,065	-5.2%	
Marion	\$66,395	5.9%	
Hamilton	\$62,879	7.4%	
Bartholomew	\$61,587	1.5%	
Elkhart	\$61,231	19.8%	
Posey	\$61,099	-1.9%	
Gibson	\$56,543	1.3%	
DeKalb	\$55,468	8.0%	
Lake	\$54,772	5.9%	
Kosciusko	\$54,190	1.1%	

Source: IBRC, using inflation-adjusted QCEW annual averages

Are the counties with the highest wages diverging from those with the lowest wages over time? One simple way to explore this question is to calculate the average for the top and bottom counties and compare the ratio. When doing so, we see that the spread between the highest and lowest counties is actually decreasing slightly over time (see **Figure 5**). The counties at the bottom of the list aren't

necessarily falling further behind the leaders—but they aren’t gaining that much ground either.

Figure 5: Highest and lowest average wages per job



Source: IBRC, using inflation-adjusted QCEW annual averages

As our economy continues to adapt to this current period of high inflation, it will be increasingly important for economic developers and policymakers to stay informed on how well average wages are holding up over time. The IBRC will continue to monitor this issue, and you can find all the current data on STATS Indiana’s [Employment and Earnings page](#).

Notes

1. View the inflation-adjusted data with rankings on StatsAmerica’s [States in Profile](#).
2. The fourth quarter data for 2021 used to calculate the annual averages are preliminary numbers.

Section B: Workforce Analysis

B1: Labor Force

Estimates

Indiana's unemployment rate dropped from a twenty-year peak of 10.5% in 2009, to 3.6% in 2021. The 2020 Covid-19 pandemic would abruptly change this trend by more than doubling the 2020 unemployment rate. In 2021 the unemployment rate returned to the levels near what Indiana had from 2017-2019. The decline in labor force due to the 2020 pandemic continued to slightly by losing an additional 1,281 people.

Table 4: Indiana Labor Force and Unemployment, non-seasonally adjusted 2001-2021 annual averages

INDIANA LABOR FORCE AND UNEMPLOYMENT 2001-2021 (NON-SEASONALLY ADJUSTED)				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2001	3,143,985	3,010,490	133,495	4.2
2002	3,161,709	2,997,963	163,746	5.2
2003	3,178,568	3,011,507	167,061	5.3
2004	3,165,247	2,993,991	171,256	5.4
2005	3,202,215	3,029,258	172,957	5.4
2006	3,235,980	3,075,761	160,219	5.0
2007	3,202,589	3,054,548	148,041	4.6
2008	3,244,790	3,053,593	191,197	5.9
2009	3,216,535	2,880,173	336,362	10.5
2010	3,175,885	2,854,843	321,042	10.1
2011	3,189,011	2,904,397	284,614	8.9
2012	3,172,556	2,911,925	260,631	8.2
2013	3,193,683	2,953,672	240,011	7.5
2014	3,228,524	3,036,685	191,839	5.9
2015	3,266,392	3,109,791	156,601	4.8
2016	3,331,821	3,186,420	145,401	4.4
2017	3,333,693	3,217,049	116,644	3.5
2018	3,385,707	3,270,727	114,980	3.4
2019	3,393,763	3,282,443	111,320	3.3
2020	3,322,829	3,083,159	239,670	7.2
2021	3,321,548	3,203,166	118,382	3.6

Source: Local Area Unemployment Statistics (LAUS), Non-Seasonally Adjusted

Indiana & U.S. Labor Force, 2007-2022 (in 1000s)

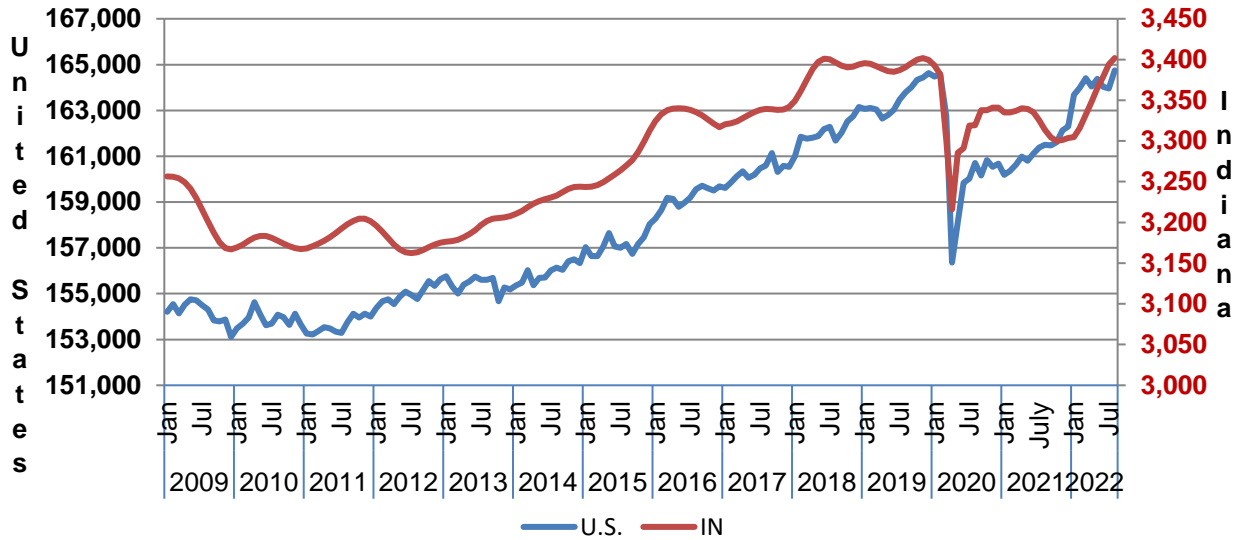


Table 5: Indiana Regional Labor Force Data

INDIANA ECONOMIC GROWTH REGIONS (EGRs), LABOR FORCE AND UNEMPLOYMENT (N.S.A.), 2021				
EGR	Labor Force	Employment	Unemployed	Unemployment Rate
EGR 1	389,917	369,470	20,447	5.2
EGR 2	319,243	308,837	10,406	3.3
EGR 3	379,720	367,449	12,271	3.2
EGR 4	242,383	233,675	8,708	3.6
EGR 5	560,988	546,396	14,592	3.5
EGR 6	148,894	143,662	5,232	3.5
EGR 7	94,540	90,913	3,627	3.8
EGR 8	150,069	145,445	4,624	3.1
EGR 9	166,828	161,857	4,971	3.0
EGR 10	151,605	146,948	4,657	3.1
EGR 11	220,289	213,539	6,750	3.1
EGR 12	497,073	474,976	22,097	4.4

Source: DWD, Local Area Unemployment Statistics (LAUS) Region 5 EGR data in this publication includes Marion County, Region 12.

Unemployment Rates

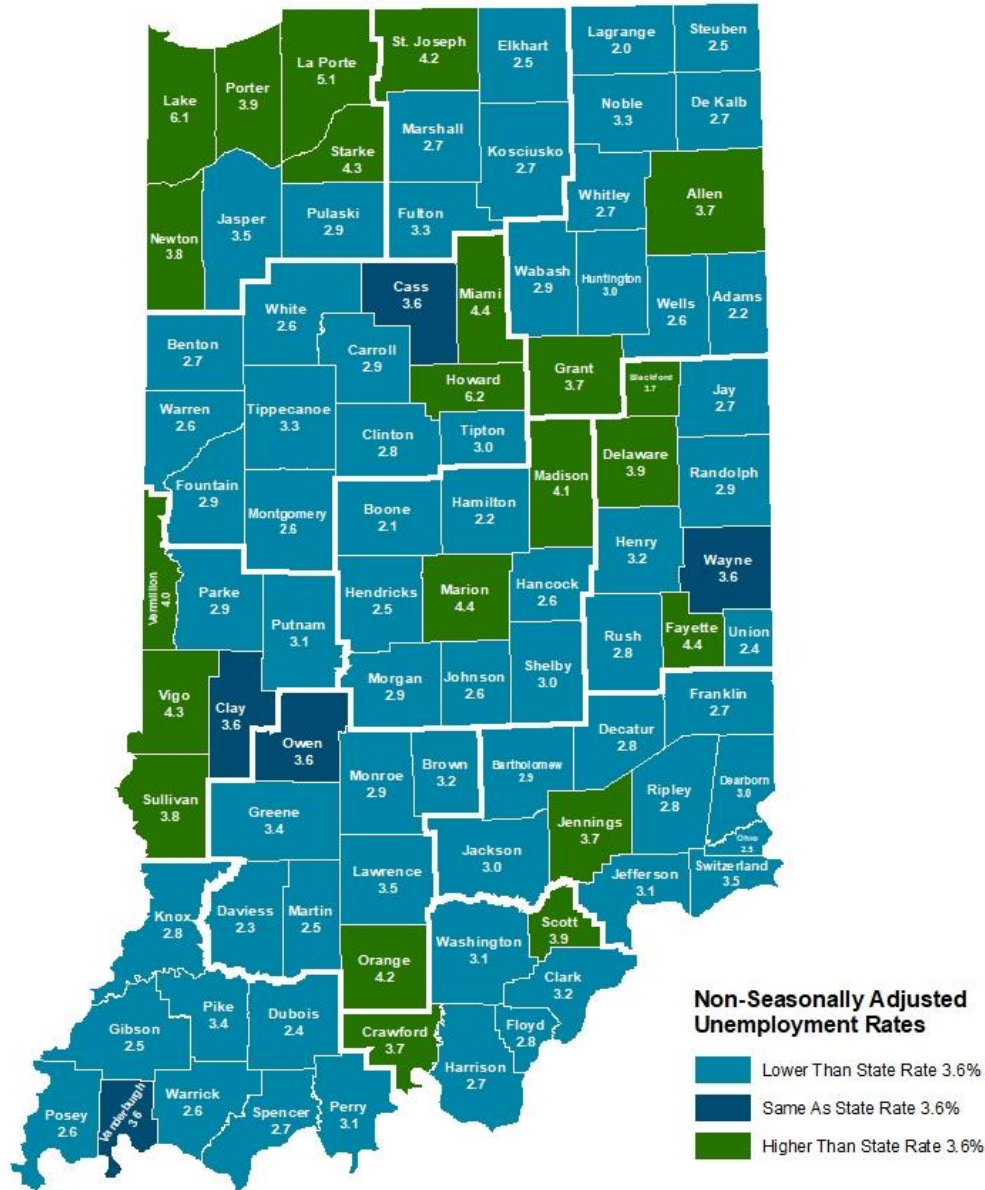
Indiana's annual unemployment rate dropped every year from 2010 to 2019. The Indiana unemployment rate was below or equal to the national rate from September 2013 to March 2020. This stopped abruptly in April 2020 due to the pandemic and economic shut down. Since April 2020 the Indiana rate has declined steadily and has been below the national unemployment rate since May 2020. Indiana's annual unemployment rate was 3.6%.

Table 5: Indiana Unemployment Rates, Non-Seasonally Adjusted (Annual Averages of Monthly Data)

2001-2021 INDIANA UNEMPLOYMENT RATES, NON-SEASONALLY ADJUSTED (ANNUAL AVERAGES OF MONTHLY DATA)		
Year	Indiana	U.S.
2001	4.2	4.7
2002	5.2	5.8
2003	5.3	6.0
2004	5.4	5.5
2005	5.4	5.1
2006	5.0	4.6
2007	4.6	4.6
2008	5.9	5.8
2009	10.5	9.3
2010	10.1	9.6
2011	8.9	8.9
2012	8.2	8.1
2013	7.5	7.4
2014	5.9	6.2
2015	4.8	5.3
2016	4.4	4.9
2017	3.5	4.4
2018	3.4	3.9
2019	3.3	3.7
2020	7.2	8.1
2021	3.6	5.3

The map below illustrates the variances in unemployment rates across the state. 2021 saw a return to county low unemployment rates following a jump in 2020.

County Unemployment Rates 2021 Annual Averages



Source: DWD, Local Area Unemployment Statistics

Unemployment Claims by Industry

The manufacturing and construction industries historically have been leading industries with unemployment claims.

Figure 6: Indiana 2022 Claims by Industry

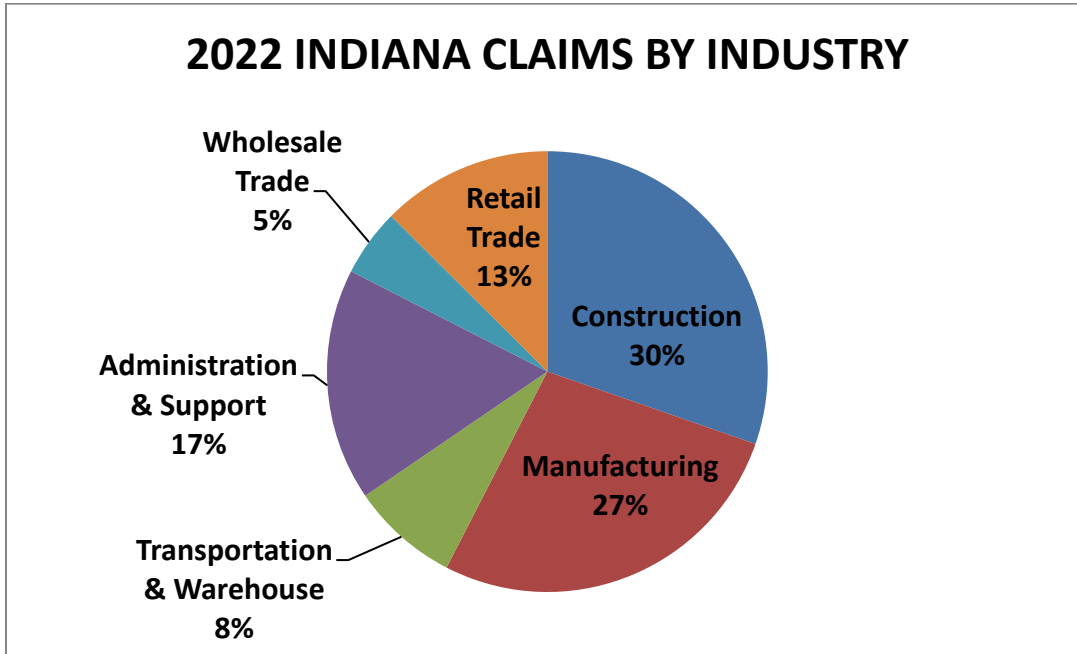
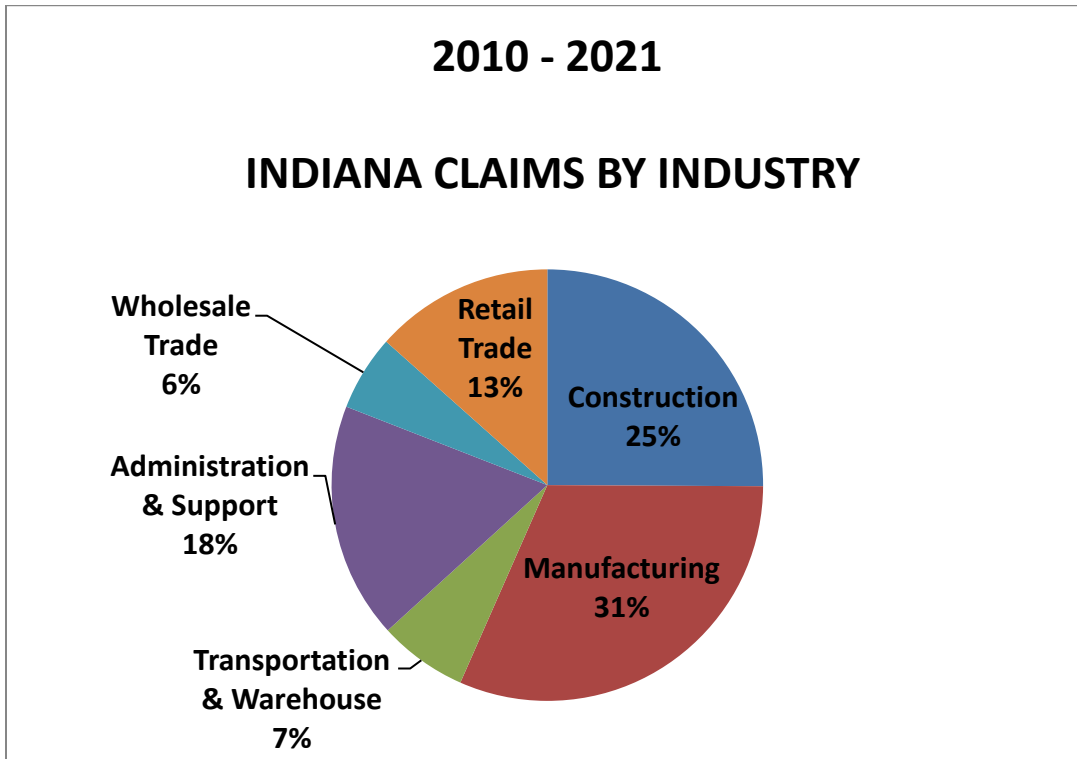


Figure 7: Indiana 2010-2021 Claims by Industry

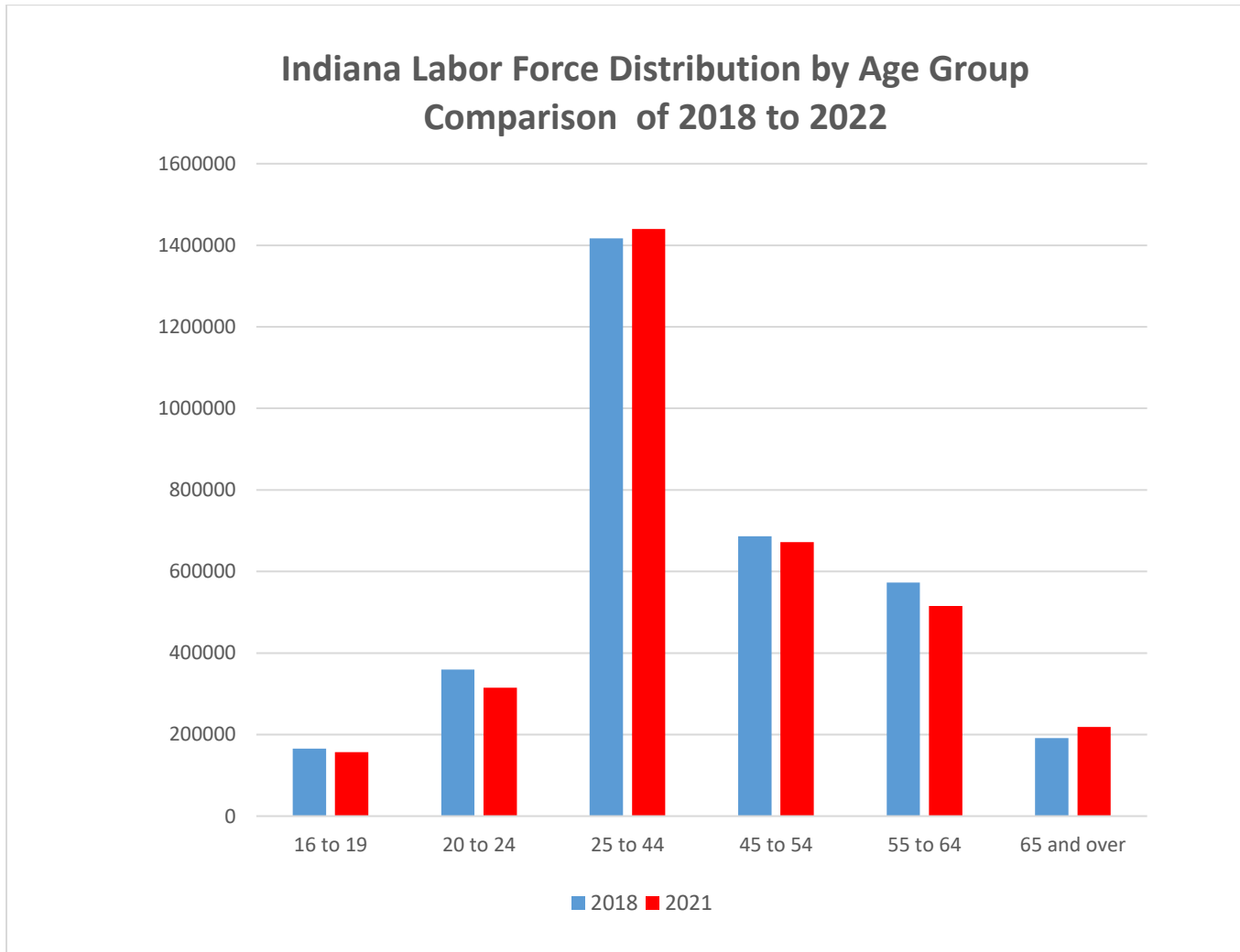


B2: Workforce and Industry Composition

Age Distribution of the Workforce

The age distribution of Indiana’s workforce is shown in Figure 8. Between the 2018 and 2022 estimates of the age distribution, Indiana’s workforce increased for 25 to 44 years of age but decreased in every other category.

Figure 8: Indiana Labor Force Distribution by Groups



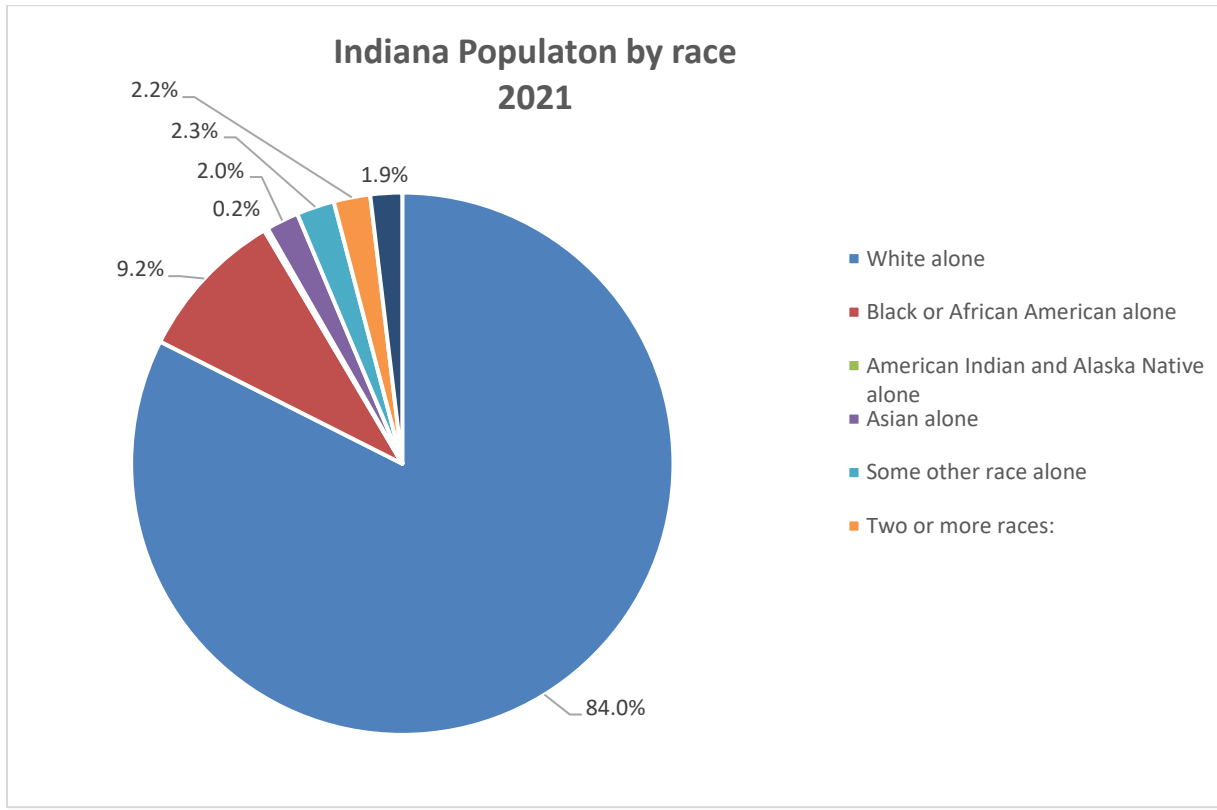
Race and Gender Distribution of the Labor Force

Population group	Civilian non-institutional population	Civilian labor force 2021					
		Employed				Unemployed	
		Total	Percent of population	Total	Percent of population	Total	Rate
Total	5,316	3,318	62.4	3,193	60.1	125	3.8
Men	2,578	1,796	69.7	1,725	66.9	71	4.0
Women	2,738	1,521	55.6	1,468	53.6	54	3.5
White	4,560	2,833	62.1	2,741	60.1	93	3.3
White, men	2,230	1,544	69.3	1,492	66.9	52	3.4
White, women	2,330	1,289	55.3	1,248	53.6	41	3.1
Black or African American	481	306	63.5	279	58.0	26	8.6
Black or African American, men	219	159	72.6	144	65.6	15	9.6
Black or African American, women	262	147	55.9	136	51.7	11	7.5
Hispanic or Latino ethnicity	338	230	68.0	222	65.6	8	3.5
Hispanic or Latino ethnicity, men	186	145	78.2	140	75.5	5	3.4

Source: CPS Annual Averages 2021

Please note some races and genders are omitted due to small sample size.

Indiana Total Population by Race – 2021

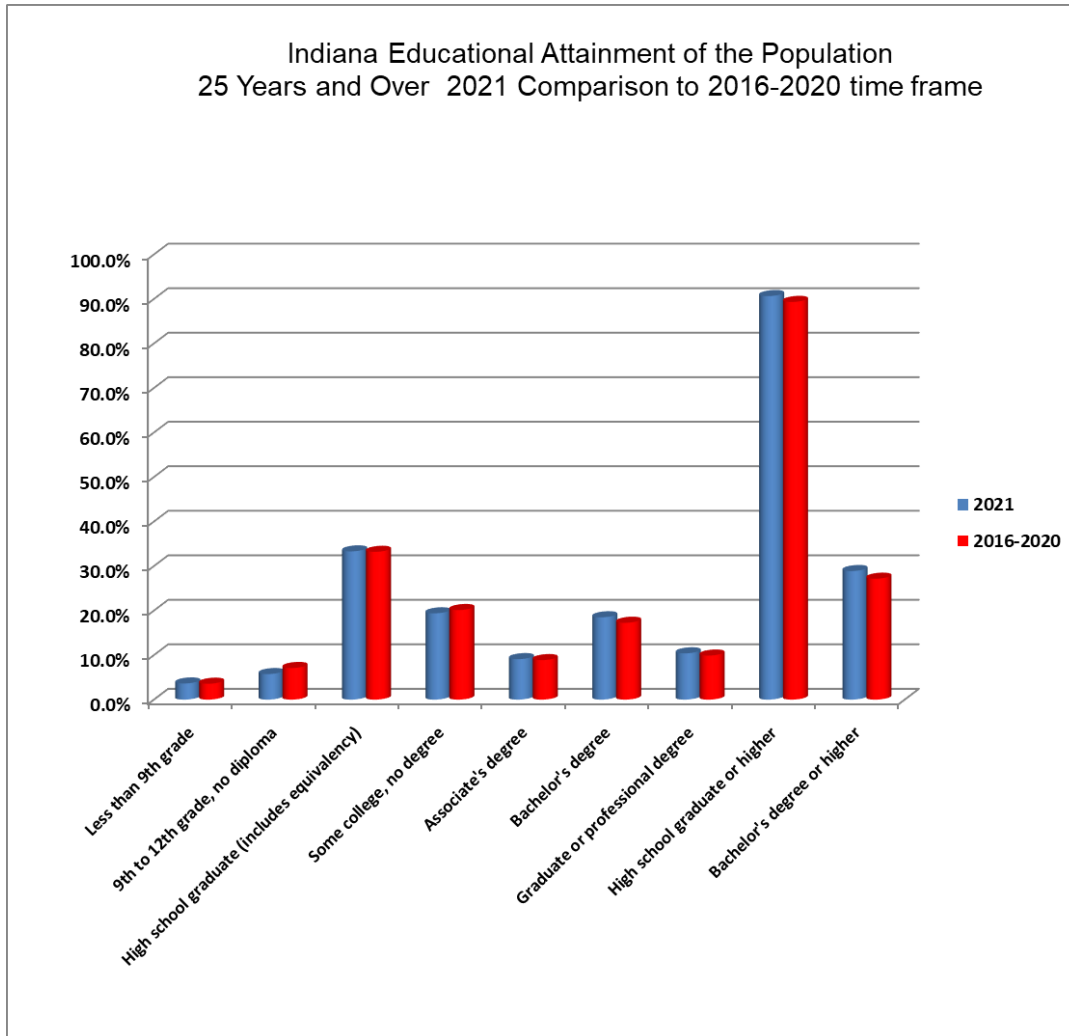


B3: Education

Rates of educational attainment continue to rise Indiana. In 2021 the percent of the population 25 and older with at least a Bachelor’s degree rose to 28.9% compared to the prior five year average of 27.2%.

The percent of the population without a high school diploma fell from 10.7 in the 2016-20 five year window to 9.4% in 2021, but there are still significant portions of Indiana’s population without a high school diploma. Certain areas of the state illustrate greater numbers at risk and in need of continued higher education programs.

Chart 6: Indiana Educational Attainment in from 2016 to 2020 aggregate compared to 2021



Adults Age 18 to 64 without a High School Diploma or HSE, 2020

Indiana = 434,105 adults
(10.7% of total age group)

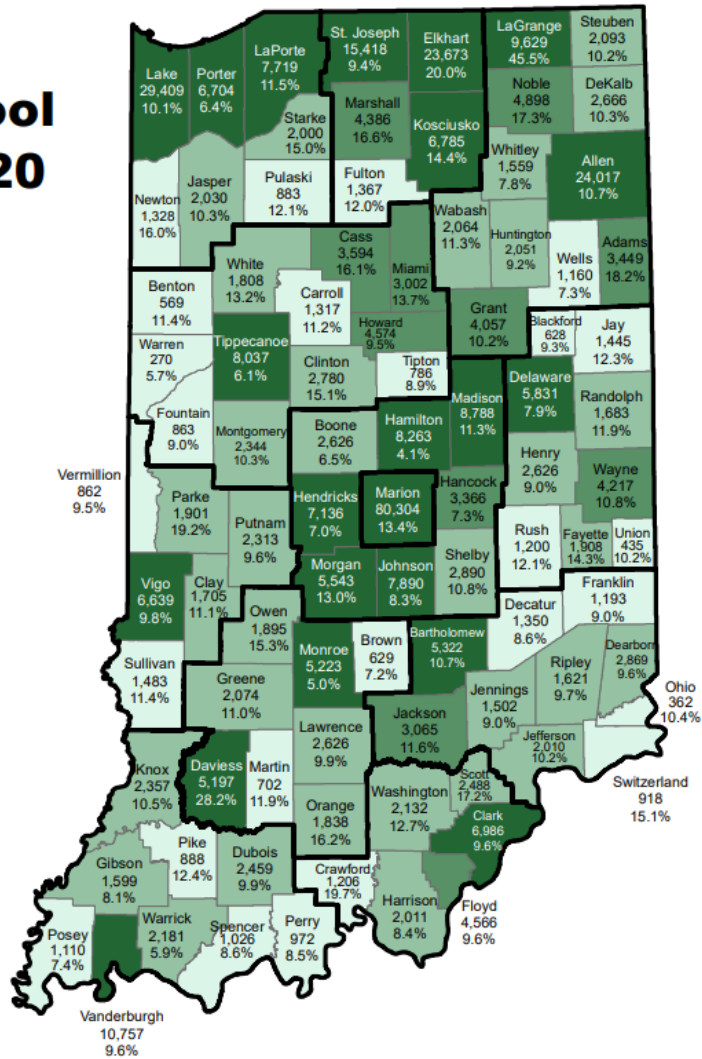
Number of Adults

- 270 - 1,500 (26)
- 1,501 - 3,000 (33)
- 3,001 - 5,000 (11)
- 5,001 - 80,304 (22)

Economic Growth Region

Labels also show the percent of adults in this age group without a high school diploma or high school equivalency (HSE).

Map produced by the Indiana Business Research Center, using the American Community Survey 2016-2020 five-year estimates that were released by the U.S. Census Bureau in March 2022.



Source: 2010 Census and 2016, 2017 ACS 5-year estimates

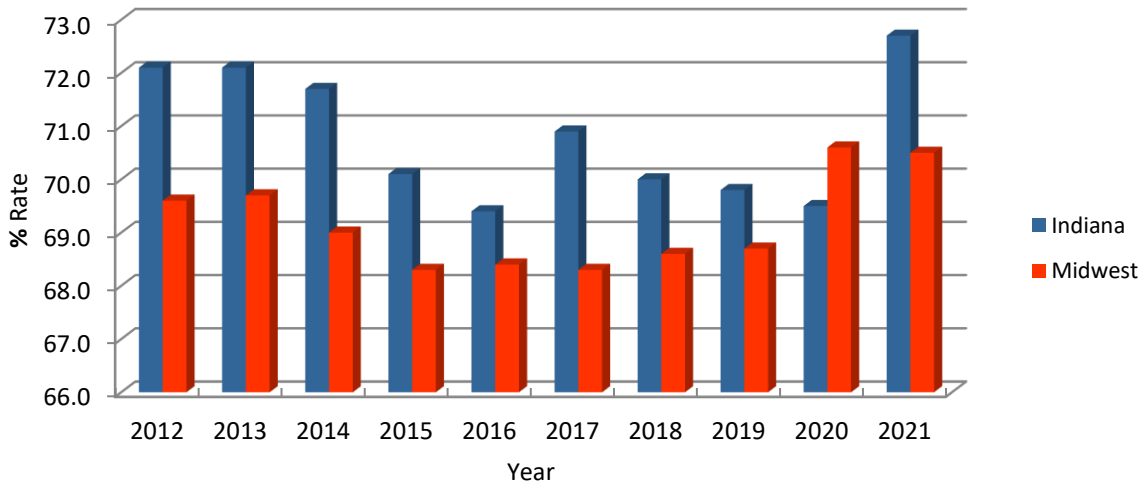
B4: Housing

Homeownership Rates

According to data from the U.S. Bureau of Census’s Housing Vacancy Survey (HVS), from 2012 to 2021 Indiana maintained a higher percentage of homeownership in comparison to the Midwest region. In 2020 and 2021 Indiana had an increase in homeownership. In 2021, the state finished with a homeownership rate of 73% compared to the Midwest’s 70.5%. For a year by year comparison, see Figure 7.

Figure 9: Indiana and Midwest Homeownership Rates 2011-2021

Indiana and Midwest Homeownership Rates
(2012 - 2021)



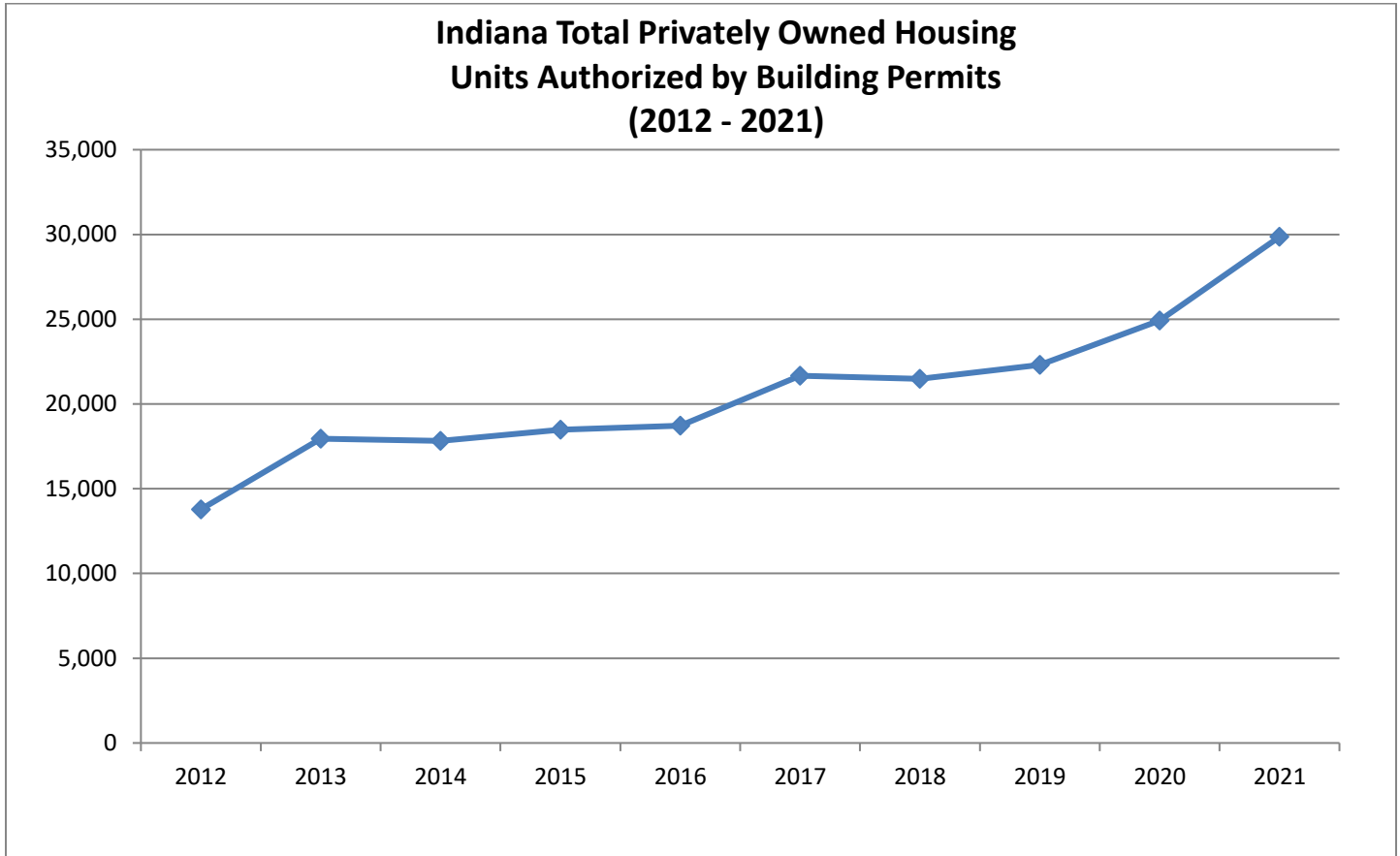
Source: U.S. Bureau of Census, Housing Vacancy Survey (HVS)

Midwest: Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

Housing Permits

Indiana number of home building permits continued to increase in 2021. In 2021 there were 29,860 home building permits compared to 2020 with 24,919. As shown in Figure 8, the trend of home building permits increasing has been steady over the past decade.

Figure 8: Indiana Total Privately Owned Housing Units Authorized by Building Permits, 2012-2021



Source: U.S. Bureau of Census