INDIANA ECONOMIC ANALYSIS REPORT

INDIANA WORKFORCE DEVELOPMENT

AND ITS WorkOne CENTERS

Commissioner, Scott Sanders

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Acknowledgements

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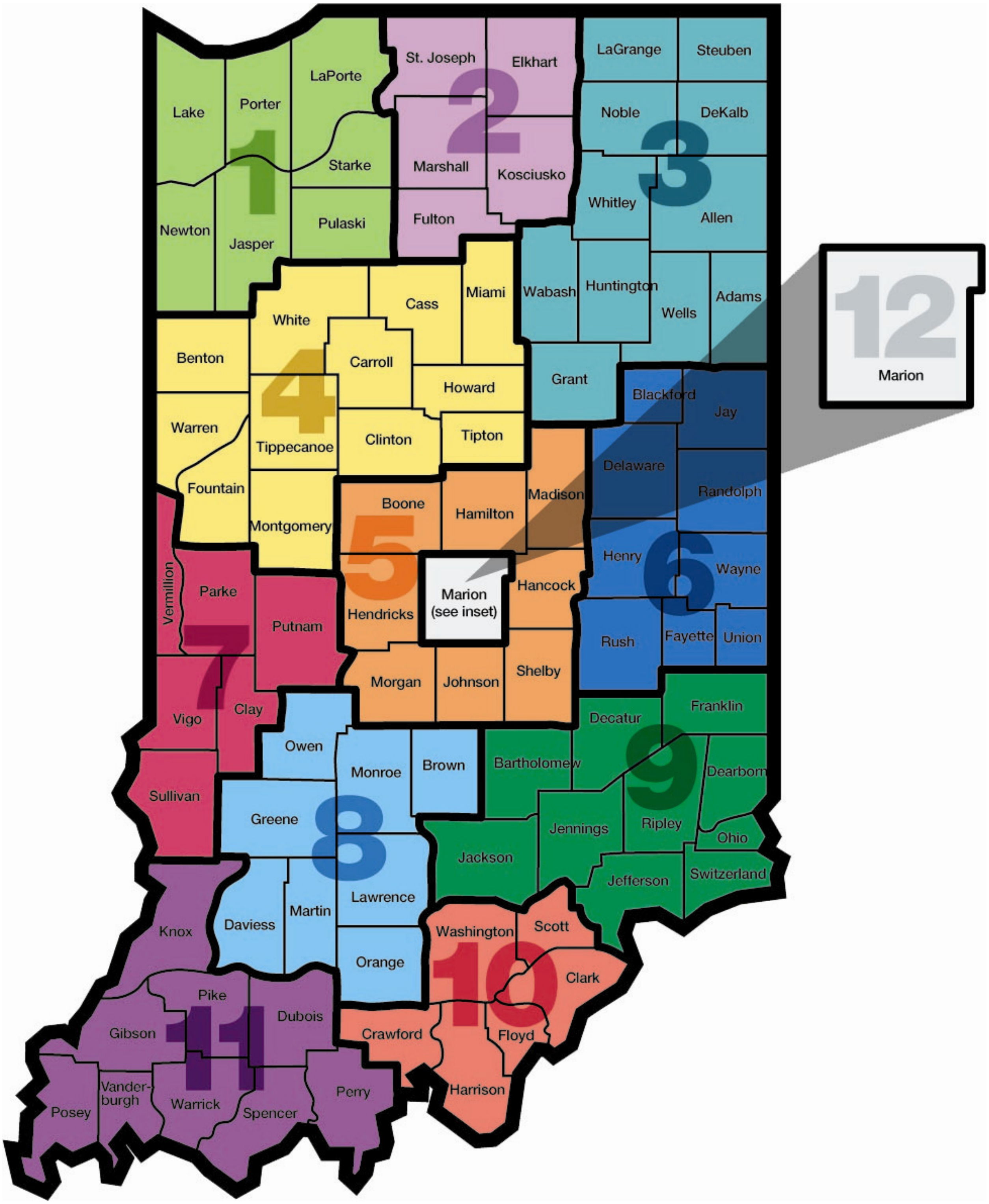
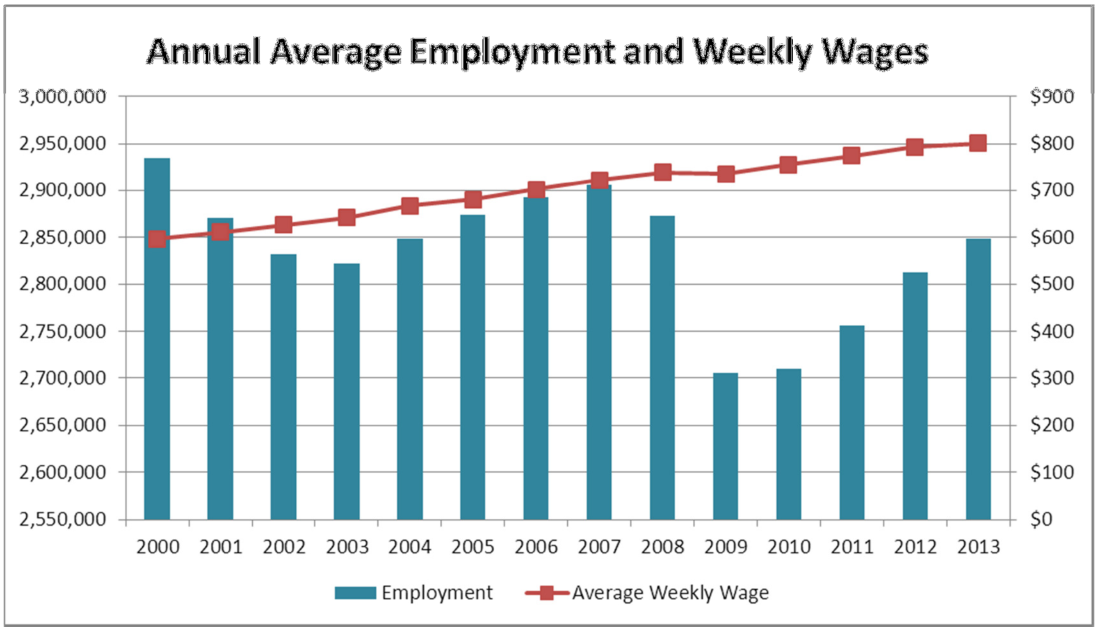
Economic Growth Regions



2013 Indiana Employment in Brief:

Indiana continues to see a steady rise in employment post-recession. The average annual employment level for all industries was 2,849,190 in 2013 after falling to 2,705,331 annually in 2009 (5% growth). Average weekly wages have risen to $801. Employment gains remain strongest in Health Care and Social Assistance. Weekly wages remain high for individuals in certain sectors of manufacturing, finance and insurance, construction, and utilities. The following charts summarize briefly Indiana's 2013 Employment from the Quarterly Census of Employment and Wage (QCEW) program.



INDIANA EMPLOYMENT, FIRMS, AND WAGES BY INDUSTRY, 2013				
Industries	**Average Annual Wage**	**Units**	**Total Annual Wages (in billions)**	**Average Employment**
Total (All Industries)	$41,658	159,323	$119	2,849,190
Wholesale Trade	$57,942	13,467	$7	117,024
Manufacturing	$56,373	8,539	$28	491,735
Construction	$53,551	14,739	$7	123,279
Public Administration	$42,730	2,877	$5	125,898
Health Care and Social Assistance	$43,077	13,102	$17	402,973
Transportation and Warehousing	$41,484	6,248	$5	130,876
Educational Services	$37,856	3,041	$9	250,151
Administrative and Waste Services	$27,902	8,836	$5	175,606
Retail Trade	$24,429	20,498	$8	316,357
Accommodation and Food Services	$14,035	12,843	$3	250,884

Source IDWD Quarterly Census of Employment and Wages

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Summary and Year in Review: Indiana

Indiana's Occupational Projections from 2012 to 2022

Occupational Projections for Indiana point to growth of 336,640 jobs by 2022, an increase of 11.9% from 2012. Indiana will need to fill an additional 665,953 jobs due to replacement or turnover for a total of 1,005,586 jobs that will need to be filled by 2022. Health Care and Social Assistance and its subgroup Ambulatory Health Care Services will continue to be the fastest growing sector over the next decade. From 2012 to 2022 Health Care and Social Assistance will grow by 92,652 jobs at a 23.8% growth rate. Ambulatory Health Care Services will account for 44,174 of those jobs at a 35.1% growth rate.

According to Indiana's 2012 to 2022 occupational projections, some of the occupations expected to experience the highest total growth in new jobs include Registered Nurses, Laborers and Freight, Stock, and Material Movers, Hand, and Retail Salespersons. Occupations with high employment levels that also have high growth rates include Personal Care Aids and Nursing Assistants. Health Care jobs will continue to dominate the growth projections for Indiana.

PROJECTED JOB GROWTH, 2012 – 2022 Annual Growth Projections and Rate

Industries	Annual Average Growth	Annual Growth Rate (sorted by)
Total	**33,366**	**1.2%**
Health Care and Social Assistance	9,265	2.4%
Administrative and Support and Waste Management and Remediation Services	3,335	2.0%
Retail Trade	3,023	1.0%
Manufacturing	2,719	0.6%
Accommodation and Food Services	2,476	1.0%
Construction	2,390	1.9%
Educational Services	2,370	0.9%
Professional, Scientific, and Technical Services	2,066	2.1%
Transportation and Warehousing	1,577	1.4%
Wholesale Trade	1,142	1.0%

Indiana's unemployment rate dropped from a 10 year peak of 10.3 in 2009, to 7.5% annually in 2013. The rate continues to fall throughout 2014.

Indiana Statewide Labor Force Estimates

INDIANA LABOR FORCE AND UNEMPLOYMENT Non-Seasonally Adjusted
1993 - 2013

Year	Labor Force	Employment	Unemployment	Unemployment Rate
1993	2,948,331	2,800,739	147,592	5.0
1994	3,049,880	2,911,781	138,099	4.5
1995	3,112,286	2,977,440	134,846	4.3
1996	3,102,990	2,982,750	120,240	3.9
1997	3,117,935	3,014,499	103,436	3.3
1998	3,124,509	3,033,444	91,065	2.9
1999	3,136,581	3,046,922	89,659	2.9
2000	3,144,379	3,052,719	91,660	2.9
2001	3,152,135	3,020,985	131,150	4.2
2002	3,165,768	3,002,515	163,253	5.2
2003	3,165,978	2,997,847	168,131	5.3
2004	3,165,300	2,997,800	167,500	5.3
2005	3,204,160	3,032,108	172,052	5.4
2006	3,241,473	3,080,047	161,426	5.0
2007	3,230,363	3,081,532	148,831	4.6
2008	3,246,585	3,057,140	189,445	5.8
2009	3,203,777	2,872,528	331,249	10.3
2010	3,168,487	2,851,026	317,461	10.0
2011	3,170,125	2,889,997	280,128	8.8
2012	3,168,712	2,911,603	257,109	8.1
2013	3,179,935	2,940,897	239,038	7.5

Unemployment rates fell across the state in 2013, with the lowest unemployment levels in Economic Growth Region 11, the southwest region of the state.

Indiana Regional Labor Force Data

INDIANA ECONOMIC GROWTH REGIONS (EGRs), LABOR FORCE AND UNEMPLOYMENT Non-Seasonally Adjusted, 2013				
EGR	**Labor Force**	**Employment**	**Unemployment**	**Unemployment Rate**
EGR 1	393,313	358,886	34,427	8.8
EGR 2	291,998	268,870	23,128	7.9
EGR 3	363,855	337,143	26,712	7.3
EGR 4	236,182	218,552	17,630	7.5
EGR 5	956,971	890,083	66,888	7
EGR 6	155,536	142,274	13,262	8.5
EGR 7	102,338	92,959	9,379	9.2
EGR 8	153,943	142,795	11,148	7.2
EGR 9	164,213	152,516	11,697	7.1
EGR 10	143,222	132,794	10,428	7.3
EGR 11	218,366	204,028	14,338	6.6

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

Employment

Job growth continued in 2013, the largest growth was within the industry sectors of Manufacturing, Health Care & Social Assistance and Administrative Support and Waste Management Services. While manufacturing employment levels remain down from pre-recession levels of 2008, manufacturing shows positive signs of recovery in the last several years. Transportation Equipment Manufacturing shows strong growth from the recession in 2013, as auto-manufacturing rebounds to meet new demand.

Administrative Support and Waste Management Services also shows strong recovery in 2013. This sector contains the Temporary Employment Services sub-sector, which accounts for almost 45% of the sector's total employment. This coincided with the manufacturing recovery where recovery trends created demand for high utilization of temporary workers. From the annual trough in 2009 through the annual average of 2013, Manufacturing gained over 50,000 jobs, with 26,500 of these coming from Transportation Equipment Manufacturing. In the same period, Temporary Employment firms added over 35,000 workers, reflecting an on-going shift from direct employment by the industry toward the use of temporary workers to keep staffing lean and readily adjustable to changes in demand.

Private sector wages grew 1.5% overall from the fourth quarter of 2012 to the fourth quarter of 2013, with Administrative Support and Waste Management Services wages growing 7.2% and Transportation and Warehousing at 5.2%. Some smaller sectors including Agriculture, Forestry, Fishing and Hunting and Mining had large wage jumps of 14.7% and 10.3% respectively.

The highest average weekly wage percentage increases from 2008 to 2013 were within Management of Companies and Enterprises, Construction and Finance and Insurance sectors.

Unemployment

Indiana's unemployment rates rose with the first recent recession in 2001, yet remained below the U.S. average until 2005. In 2006 and 2007, the annual rates dropped for the first time since 2001, during which time the state rate matched the national rate. Beginning in 2008 and continuing through 2010, the country as a whole was gripped by an economic downturn that resulted in significant increases in both the state and national rates. Starting in 2011 Indiana's unemployment rate began to decline with the beginning of the recovery. The number of unemployed dropped from a peak of over 317,000 in 2010, to 257,109 by 2012. 2013 saw this trend continue as the unemployment rate dropped to 7.5 and the total unemployed dropped to 239,038. The annual average non-seasonally adjusted unemployment rate for Indiana at 7.5% in 2013 was the lowest annual rate since 2008. Forty-five of the ninety-two Indiana counties had non-seasonally adjusted unemployment rates lower than the non-seasonally adjusted rates of the U.S.

Workforce and Industry Composition

Indiana's labor force is also well represented by the 25-44 age group. This age group accounts for 42.5% of the Indiana workforce or 1,265,482 people. The Administrative and Support Services, Professional, Scientific, and Technical Services, and Specialty Trade Contractors industry sectors are all composed of significant percentages of Hoosiers between the ages of 25 and 44. The combined age groups of 45-54 and 55-64 account for another 39.7% of the Indiana workforce or 1,182,340 people.

Housing

From 2005 to 2012, Indiana has maintained a higher percentage of homeownership in comparison to the Midwest as a whole. In 2012, the state had a rate of 72.1% for Hoosier homeowners compared to 69.6% for the Midwest. From 2007 to 2009 the U.S. housing crisis had significant impact on home building in Indiana as the total privately owned housing permits authorized dropped dramatically. After a drop off in 2011, by 2013 there was an increase of 5,332 building permits.

Section 1 – Employment and Income

Employment

According to the Indiana Quarterly Census of Employment and Wages (QCEW) program, from 2008 to 2013, Indiana experienced significant employment shifts across several different industry sectors (Table 1). Over the past 5 years, Indiana has seen employment shift from manufacturing, to administrative and waste services. Historically, manufacturing was 18 to 20% of total employment in Indiana. The sector still comprised 17% of total employment in 2013, but diversification is occurring. There have also been significant gains in education and health care. Industry sectors are different industry groups labeled with codes by the North American Industry Classification System (NAICS). A more in depth look into the industry sectors uncovers some of the sub-sectors driving the changing employment composition.

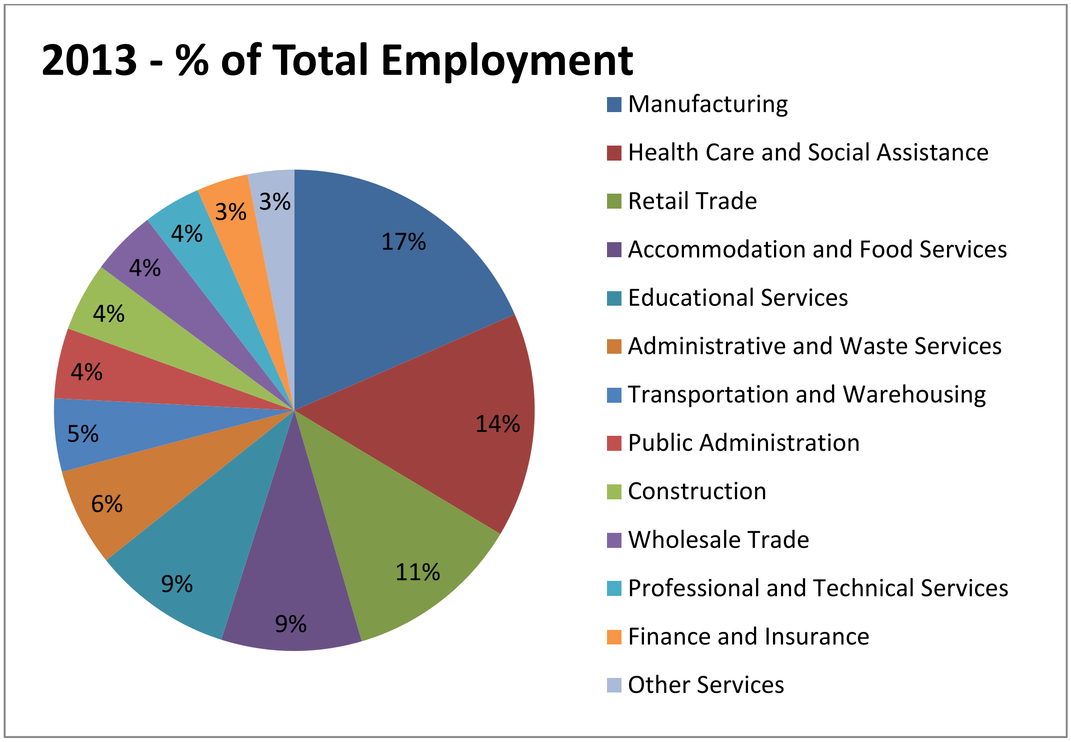


Table 1 Indiana Statewide 5 Year Employment Change

INDIANA ANNUAL AVERAGE EMPLOYMENT BY INDUSTRY Sorted by Total Employment (2008 and 2013)			
	2008	**2013**	**% Change**
State Totals	2,871,984	2,849,190	-0.8%
Manufacturing	521,547	491,735	-5.7%
Health Care and Social Assistance	370,429	402,973	8.8%
Retail Trade	322,377	316,357	-1.9%
Accommodation and Food Services	242,603	250,884	3.4%
Educational Services	251,412	250,151	-0.5%
Administrative and Waste Services	158,501	175,606	10.8%
Transportation and Warehousing	130,692	130,876	0.1%
Public Administration	132,058	125,898	-4.7%
Construction	144,479	123,279	-14.7%
Wholesale Trade	124,846	117,024	-6.3%
Professional and Technical Services	98,837	102,800	4.0%
Finance and Insurance	98,610	92,624	-6.1%
Other Services	84,276	82,841	-1.7%
Arts, Entertainment, and Recreation	44,694	42,285	-5.4%
Information	46,586	42,216	-9.4%
Real Estate and Rental and Leasing	35,630	33,731	-5.3%
Management of Companies and Enterprises	28,944	31,056	7.3%
Utilities	16,568	16,118	-2.7%
Agriculture, Forestry, Fishing, and Hunting	12,488	14,292	14.4%
Mining	6,407	6,692	4.4%

Source IDWD Quarterly Census of Employment and Wages

Industries showing gains from 2008 to 2013:

Accommodation and Food Services

The Accommodation and Food Services sector increased from 242,603 in 2008 to 250,884 in 2013, a gain of 3.4%. The Food Services and Drinking Places sub-sector made up the majority of the increase gaining 8,038 jobs, a 3.6% increase.

Administrative Support and Waste Services

Employment grew by 17,105 from 2008 to 2013 in this sector, resulting in a 10.8% increase. Between 2004 and 2007, employment within the sector grew by 13,492. Significant employment loss occurred between 2008 and 2009 with jobs decreasing by 18,379, corresponding to dramatic job losses in the Manufacturing sector. This industry group includes temporary employment services and labor leasing.

Agriculture, Forestry, Fishing, and Hunting
Employment in this sector increased from 12,488 to 14,292 during 2008 to 2013. The Animal Production sub-sector continued to be the main contributor to this growth with an increase of (17%) growth rate over this time period.

Health Care and Social Assistance
The Health Care and Social Assistance sector grew by 32,544 workers since 2008, an 8.7% gain. The sub-sector of Ambulatory Health Care Services had the largest percentage gain at 15%, adding 17,186 jobs overall. The sub-sector Nursing and Residential Care Facilities was second in employment growth with an increase of 5,138 workers between 2008 and 2013.

Management of Companies and Enterprises
This sector grew by 2,112 workers from 2008 to 2013, a 7.3% growth rate. The most significant gains occurred between 2012 and 2013 with a percentage increase of 6.7%.

Mining
Employment in the Mining sector has grown modestly for this time period with a 4.4% increase. Among the three sub-sectors, The Support Activities for Mining sub-sector experienced the largest gain, adding 246 employees from 2008 to 2013.

Professional and Technical Services
The Professional and Technical Services sector rose 4.0%, increasing by 3,963 employees from 2008 to 2013.

Industries showing decline from 2008 to 2013:

Arts, Entertainment, and Recreation
This sector experienced a moderate drop from 2008 to 2013 with a 5.4% decrease. The Amusements, Gambling and Recreation sub-sector went from 33,522 workers in 2008 to 32,355 workers in 2013, a 3.4% drop. The most significant drop within the overall sector occurred from 2009 to 2010, with employment falling from 44,031 to 42,652, a 3.2% decrease. This decrease was attributed to a loss of 1,070 workers in the Amusements, Gambling, and Recreation sub-sector.

Construction
Employment in the Construction sector declined nearly 2,000 from 2012 to 2013. It is still well below pre-recession 2007 levels. Construction experienced an employment decrease from 2008 to 2013 falling from 144,479 to 123,279 a 14.3% drop. The most significant loss in this sector occurred from 2008 to 2009, 16% decrease. Of the three sub-sectors, Specialty Trade Contractors experienced the largest decrease in employment, with an overall loss of 16,289 employees.

Educational Services

The Educational Services sector decreased in employment by 1,261 between 2008 and 2013, a 0.5% decline. The Elementary and Secondary Schools sub-sector lost 6,321 workers during the period. In contrast, the Colleges, Universities, and Professional Schools sub-sector experienced a 4.6% growth rate by adding 3,122 workers.

Finance and Insurance

The Finance and Insurance sector experienced a moderate decrease from 2008 to 2013 with a drop of 6.1%. The most notable numeric loss occurred in the sub-sector of Credit Intermediation and Related Activities which dropped by 3,300 workers, a 7% decrease.

Information

The Information sector has seen a decline since 2008. Over the period, this sector has dropped by 4,370 for a 9.4% decrease. The largest numerical decrease was in the sub-sector of Telecommunications, which experienced a loss of 1,927 jobs, a 12.7% decline. The miscellaneous sub-sector of Data Processing, Hosting and Related Services experienced a gain from 2008 to 2013, adding 968 employees.

Manufacturing

From 2008 to 2013 manufacturing employment dropped from 521,547 to 491,735. The overall decrease of 29,812 over 5 years represents a decline of 5.7%. This sector has shown recovery over the last three years but is still below pre-recession levels. This decline occurred between the recession years of 2008 and 2009 with an overall employment loss of 79,540. Manufacturing sector is made up of 21 sub-sectors. Of these sub-sectors, four experienced employment gains from 2008 to 2013 led by Leather and Allied products which grew at a 54.3% and an employment increase of 351 employees in this relatively small sector. Other Manufacturing sectors that also gained employment were: Food Manufacturing (2.9%), Beverage, Tobacco Product Manufacturing (17.5%) and Petroleum and Coal Products Manufacturing (1.7%). Of those experiencing a loss over the period, the largest decline occurred in Computer and Electronic Product Manufacturing, with a reduction in employment of 4,350 (-21.3%).

Other Services

Included in the Other Services sector are the sub-sectors of: Repair and Maintenance, Personal and Laundry Services, Member Associations and Organizations, and Private Households. This sector decreased by 1,435 workers between 2008 and 2013.

Public Administration

The Public Administration sector declined by 6,160 employees between 2008 and 2013, representing a decline of 4.7%.

Real Estate and Rental and Leasing

The Real Estate and Rental and Leasing sector fell by 1,899 employees from 2008 to 2013, a 5.3% decrease. Two of the three sub-sectors within this industry experienced losses. The sub-sector of Real Estate saw a 2.2% increase in employment, adding 525 employees. However, the sub-sector of Rental and Leasing Services experienced the largest numeric drop with a loss of 2,395 workers, a 19.6% decrease.

Retail Trade

Retail Trade has experienced some recovery in 2011. 2013 but is still down from 2008 levels. Out of the 12 sub-sectors, 8 dropped in employment from 2008 through 2013. The largest increase occurred in the sub-sector of Non-Store Retailers with an employment increase of 5,521, a 72% increase. The largest decrease occurred in the sub-sector of Clothing and Clothing Store Accessories Stores with an employment drop of 3,396, a 13.9% decrease.

Transportation and Warehousing

From 2008 to 2013, employment in this sector saw an increase of 184 workers, a 0.1% increase. Over the time period, the Warehousing and Storage sub-sector saw a 13.1% increase in employment, adding 2,885 employees. The Truck Transportation sub-sector experienced the largest numeric decrease in employment with a loss of 1,381 workers, a 2.5% decline.

Utilities

The Utilities sector declined slightly in employment from 2008 to 2013 with a decrease of 450, nearly a 2.7% reduction.

Wholesale Trade

The Wholesale Trade sector saw a decrease of 7,822 workers from 2008 to 2013, a 6.3% decline. Over the time period, the Electronic Markets & Agents & Brokers sub-sector experienced a growth of 41.4%. The sub-sector Merchant Wholesalers, Durable Goods saw the largest decline (-10.9%).

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. All twenty of Indiana's industry sectors had an increase in annual average wages from 2008 to 2013 (Table 2a below). Some sectors experienced a more dramatic percentage change while other sectors were a little more modest in their increase. The Management of Companies and Enterprises sector had the largest percentage increase with a 15.4% change from 2008 to 2013 and Construction increased by 14.5%. The Finance and Insurance and Agriculture, Forestry, Fishing, and Hunting also posted high percentage increases at 13.3% and 12.9% respectively. The lowest percentage increase was within the Arts, Entertainment, and Recreation sector at 0.2% for the five year period. The latter sector has a high proportion of part-time workers and it is therefore hard to truly estimate average wage increases and decreases.

Table 2 Indiana Statewide Total Payrolls

PRIVATE SECTOR 2012 to 2013 WAGE CHANGE BY QUARTER (sorted by Q4 Payroll)					
	Q1 Chg	**Q2 Chg**	**Q3 Chg**	**Q4 Chg**	**2013 Q4 Payroll**
Total Private	2.8%	3.2%	3.3%	1.5%	$26,687,863,922
Manufacturing	2.1%	2.6%	3.0%	1.1%	$7,009,132,276
Health Care & Social Assist	5.6%	4.5%	2.6%	0.6%	$4,156,170,675
Retail Trade	0.6%	2.5%	3.0%	0.6%	$2,003,186,413
Wholesale Trade	1.1%	3.1%	3.1%	2.0%	$1,804,124,806
Construction	3.1%	-2.0%	-5.2%	-4.2%	$1,760,650,723
Professional & Technical Services	5.2%	8.0%	9.6%	5.0%	$1,692,868,298
Finance & Insurance	1.6%	4.1%	4.8%	-2.1%	$1,411,949,386
Admin & Support & Waste Mgmt	2.4%	2.7%	4.9%	7.2%	$1,331,739,401
Transportation & Warehousing	3.5%	4.0%	4.3%	5.2%	$1,218,976,440
Accomm. & Food Services	1.1%	3.9%	3.0%	2.4%	$898,713,607
Management of Companies	6.1%	9.2%	16.8%	5.6%	$645,801,636
Other Services	3.1%	3.5%	3.1%	1.8%	$604,999,488
Information	2.3%	2.7%	3.8%	1.9%	$481,014,096
Educational Services	0.6%	1.6%	4.4%	1.6%	$460,270,636
Arts, Entertainment & Recreation	3.5%	-0.4%	1.7%	0.1%	$338,281,537
Real Estate	2.2%	2.3%	4.4%	3.2%	$320,918,256
Utilities	5.0%	3.3%	1.4%	1.6%	$287,535,464
Agriculture, Forestry	4.1%	4.7%	10.5%	14.7%	$138,506,052
Mining	-1.5%	3.9%	2.9%	10.3%	$122,817,114

Source IDWD Quarterly Census of Employment and Wages- Not adjusted for seasonal changes

Table 2a Indiana Statewide Data

INDIANA AVERAGE WEEKLY WAGES BY INDUSTRY (2008 and 2013) Sorted by % Change			
	2008	2013	% Change
Indiana State Totals	$739	$801	8.5%
Management of Companies and Enterprises	$1,393	$1,607	15.4%
Construction	$908	$1,040	14.5%
Finance and Insurance	$1,018	$1,153	13.3%
Agriculture, Forestry, Fishing, and Hunting	$583	$658	12.9%
Utilities	$1,359	$1,523	12.1%
Real Estate and Rental and Leasing	$635	$704	10.9%
Mining	$1,120	$1,237	10.5%
Accommodation and Food Services	$244	$268	9.8%
Information	$836	$918	9.8%
Professional and Technical Services	$1,036	$1,133	9.4%
Wholesale Trade	$1,009	$1,096	8.6%
Health Care and Social Assistance	$755	$819	8.5%
Public Administration	$753	$816	8.4%
Manufacturing	$1,007	$1,083	7.6%
Other Services	$493	$530	7.5%
Retail Trade	$437	$468	7.1%
Administrative and Waste Services	$501	$529	5.6%
Educational Services	$688	$724	5.2%
Transportation and Warehousing	$754	$791	4.9%
Arts, Entertainment, and Recreation	$564	$565	0.2%

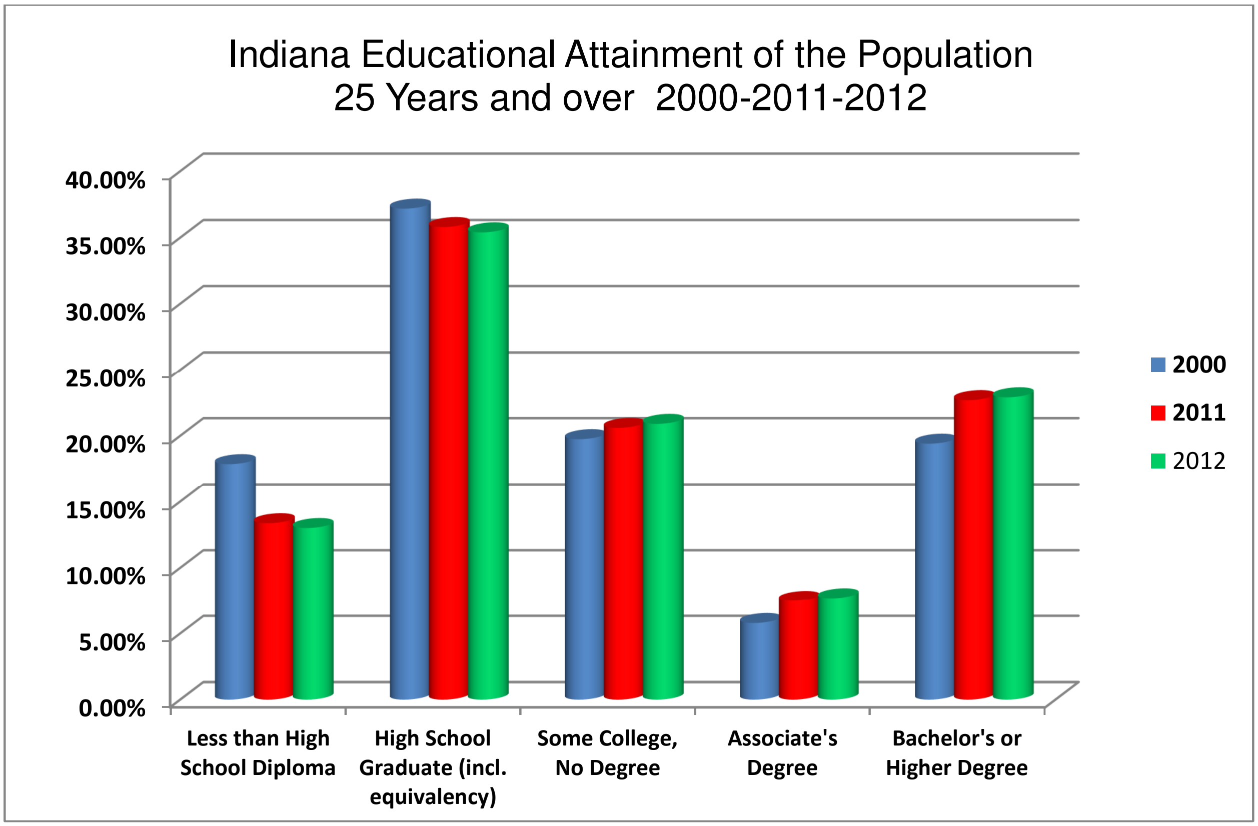
Source IDWD Quarterly Census of Employment and Wages
Not adjusted for seasonal changes

Section 2 - Education

Educational Attainment and Population

Indiana is the 16th most populous state in the United States. The capital and largest city is Indianapolis. Estimates from 2008 to 2012 American Community Survey compared with Census data from 2000 indicate that between 2000 and 2012, the number of individuals obtaining post-secondary education has continued to increase relative to the overall population. In 2012 the % of the total population 25+ with a 4 year degree or more had risen to 22.9% from 19.4% in 2000. Figure 1 below illustrates the numbers of those with some college yet no degree, Associate's degrees and Bachelor's or higher degrees continue to inch up compared to the levels of 2000.

Figure 1



Source: U.S. Bureau of Census, American Community Survey (ACS 2011 and 2012 5-Year Estimates)

Table 3

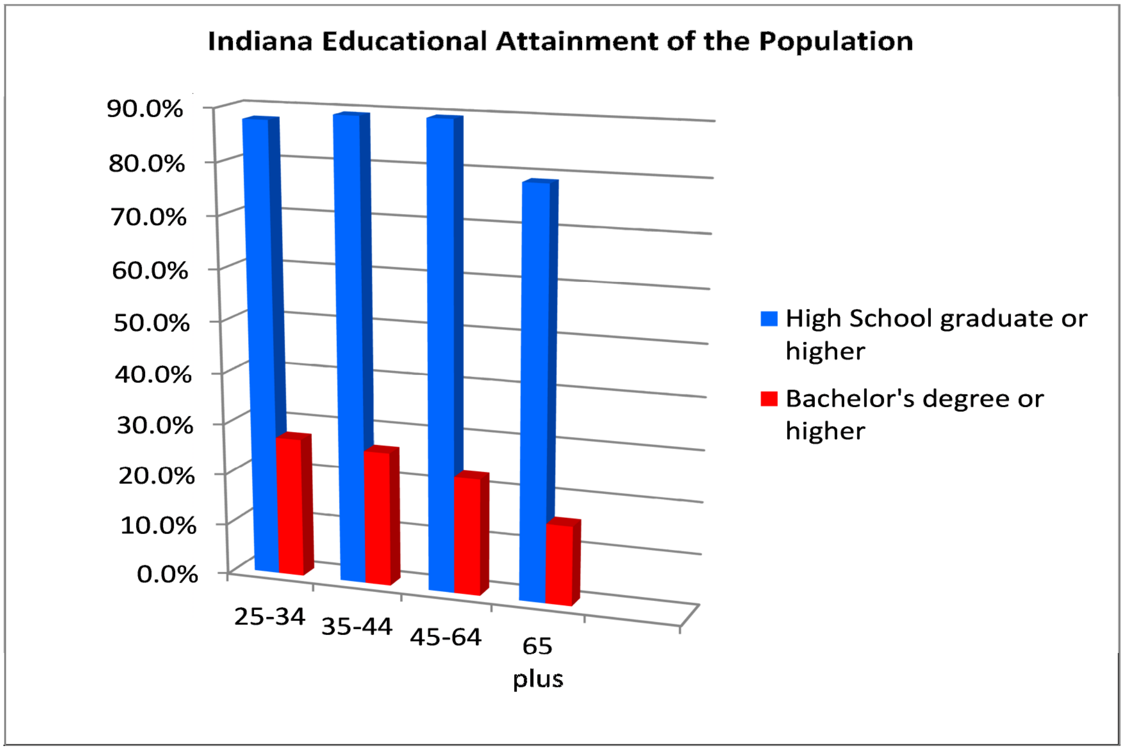
EDUCATION ATTAINMENT, IN 2000 to 2012						
	2000	**Pct. Of Pop. 25+**	**2011**	**Pct. Of Pop. 25+**	**2012**	**Pct. Of Pop. 25+**
Total Population 25+	3,893,278	100%	4,199,481	100%	4,229,138	100%
Less than High School Graduate	695,540	17.9%	561,212	13.4%	549,788	13.0%
High School Graduate (incl. equivalency)	1,447,734	37.2%	1,504,338	35.8%	1,497,115	35.4%
Some college less than Bachelor's	994,391	25.5%	1,181,194	28.1%	1,213,763	28.7%
Bachelor's or Higher Degree	755,613	19.4%	952,737	22.7%	968,473	22.9%

Source: U.S. Census Bureau & American Community Survey, 5 Year Estimates

Indiana’s excellent state colleges and universities attract students from around the country. These schools aid in research and development efforts, assist in the formation of small business “incubators” and award advanced degrees in fields as varied as engineering, economics and pharmacy. In 2012, based on a National Science Foundation (NSF) survey, among the nation’s universities, Indiana ranked 14th in the nation in Science and Engineering doctorates awarded. Indiana University, Purdue University and the University of Notre Dame have all been included in the Forbes top 30 rankings of the top business schools. These schools receive high ratings in many other publications such as US News & World Report and Business Insider.

Educational attainment for Bachelor’s degree or higher is lower among older adults versus younger (Figure 2). Of those in the 25-34 year age group, 27.3% hold a bachelor’s degree while only 15.6% in the 65+ age group have attained a bachelor’s degree. As the baby-boomers increasingly shift to the 65+ age group, the share of individuals with bachelor’s degrees and above will likely continue to increase.

Figure 2



Source: U.S. Bureau of Census, American Community Survey (ACS)

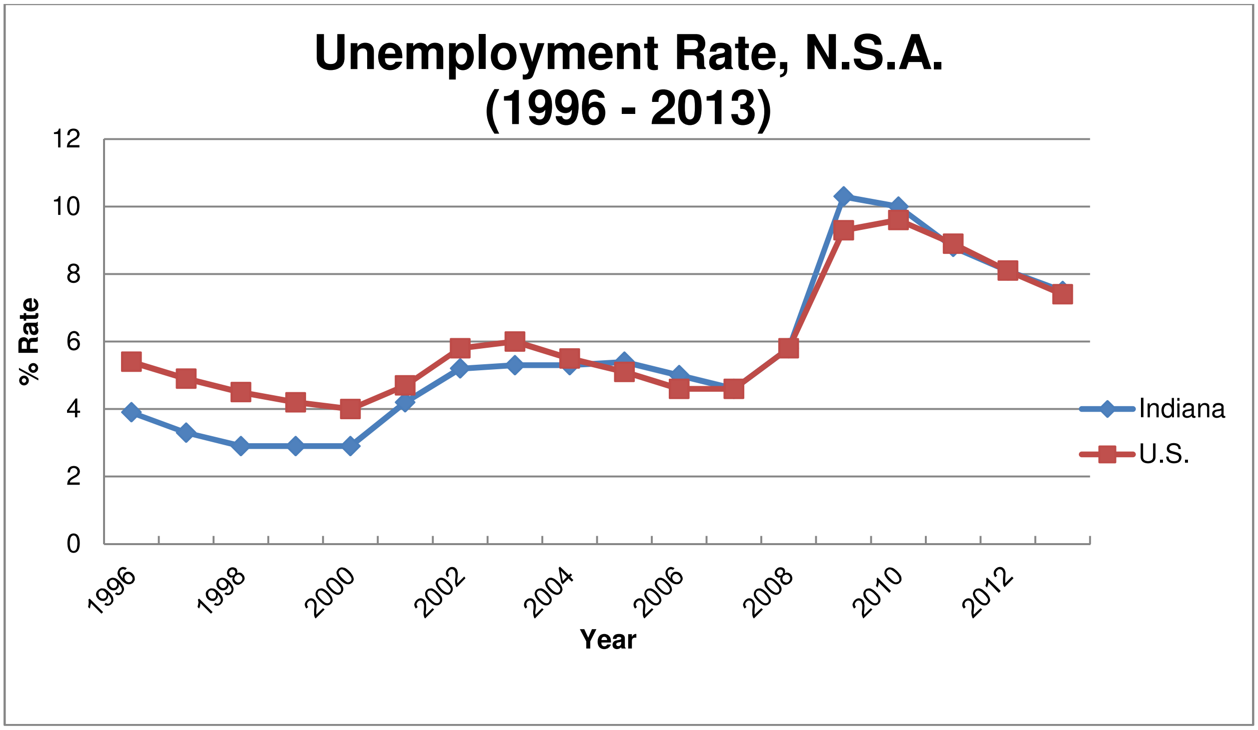
Section 3 – Labor Force

Unemployment Rates
Table 4 Indiana Statewide

2013 INDIANA UNEMPLOYMENT RATES, NON-SEASONALLY ADJUSTED (ANNUAL AVERAGES OF MONTHLY DATA)		
Year	**Indiana**	**U.S.**
1993	5.0	6.9
1994	4.5	6.1
1995	4.3	5.6
1996	3.9	5.4
1997	3.3	4.9
1998	2.9	4.5
1999	2.9	4.2
2000	2.9	4.0
2001	4.2	4.7
2002	5.2	5.8
2003	5.3	6.0
2004	5.3	5.5
2005	5.4	5.1
2006	5.0	4.6
2007	4.6	4.6
2008	5.8	5.8
2009	10.4	9.3
2010	10.1	9.6
2011	9.0	8.9
2012	8.4	8.1
2013	7.5	7.4

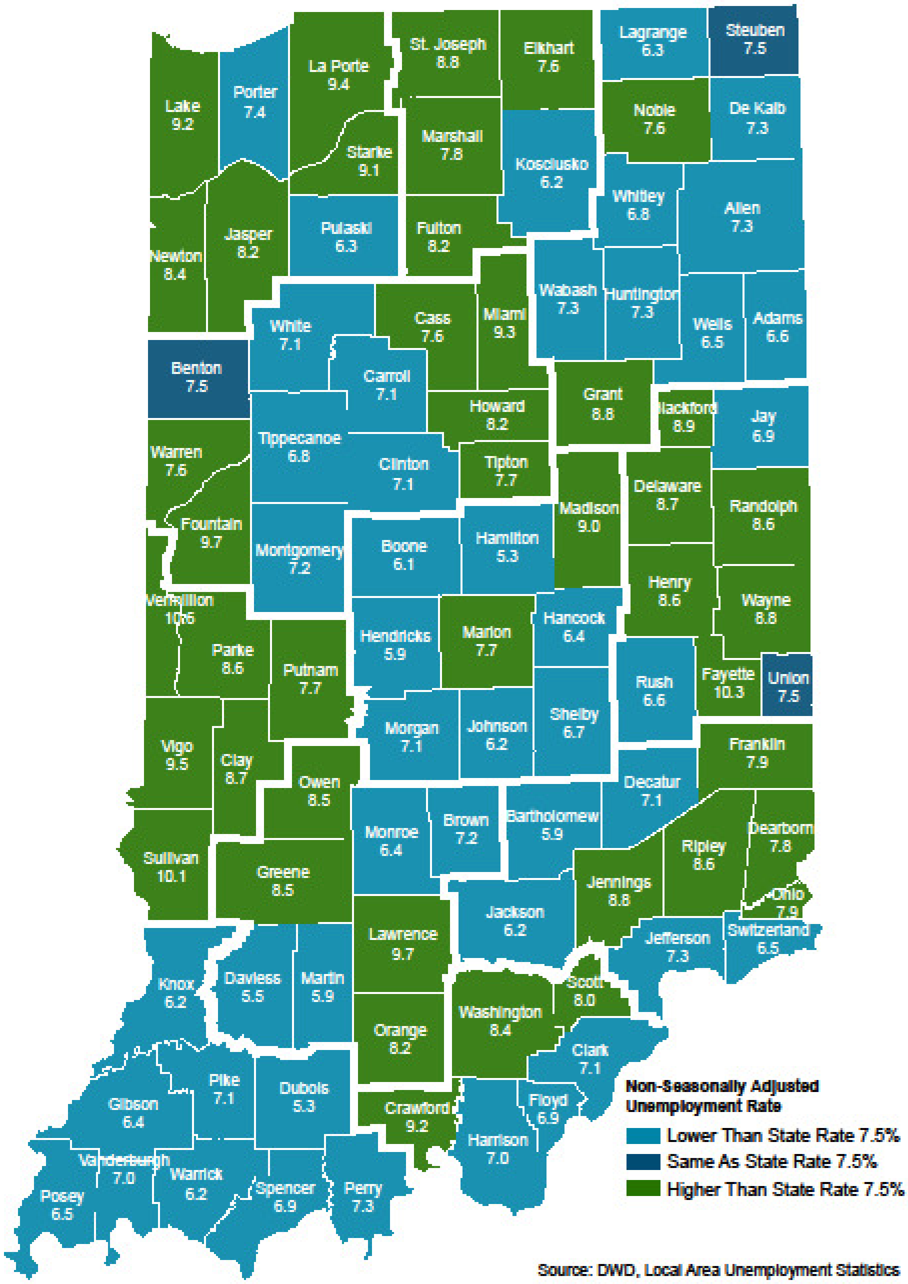
Over the decade from 1993 to 2004, Indiana's unemployment rate was below the national average. Although a national recession was a contributor to a rate climb beginning in 2001, the Hoosier state still managed to outperform the nation for the next four years. The unemployment rate went above the national average in 2005 and 2006, but rebounded with a 4 point decrease in 2007 to match the U.S. average. Both the state and national rates have seen a significant decrease beginning in 2011 and continuing through 2013. In 2013 Indiana trailed the US rate by a scant 0.1 percentage point. See Figure 4.

Figure 4



The following map is a comparison of unemployment rates for Indiana counties to the state rate as a whole. All rates are non-seasonally adjusted.

County Unemployment Rates
Annual Averages 2013



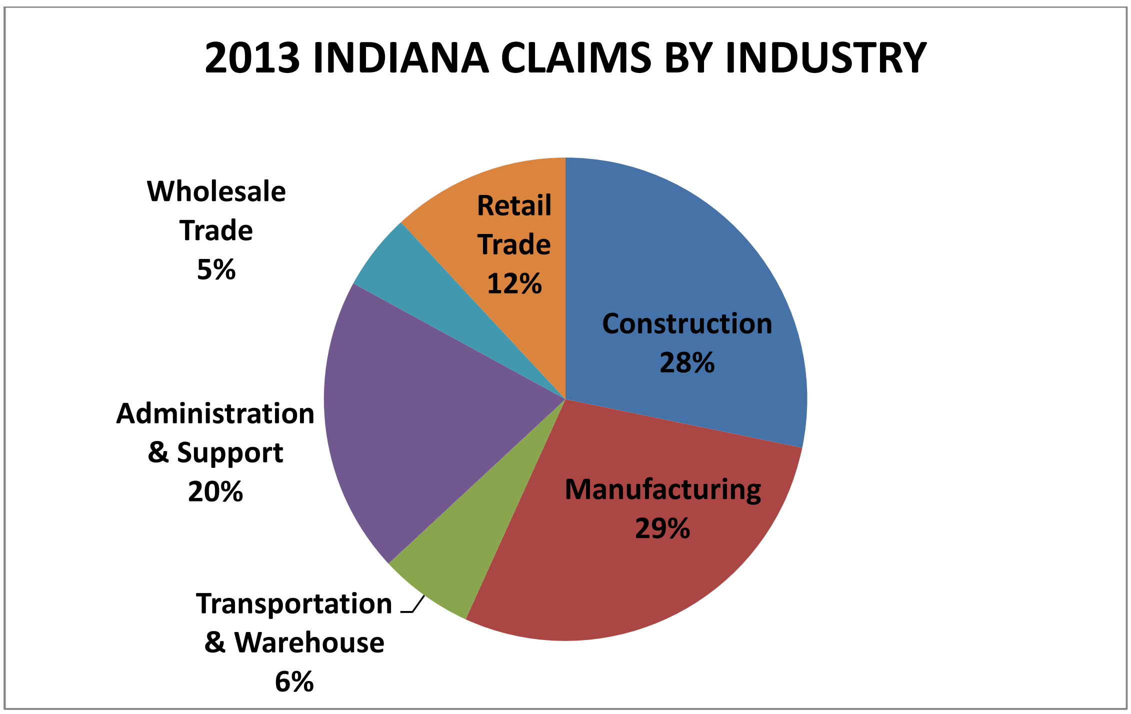
Region 5 EGR data in this publication includes Marion County Region 12.

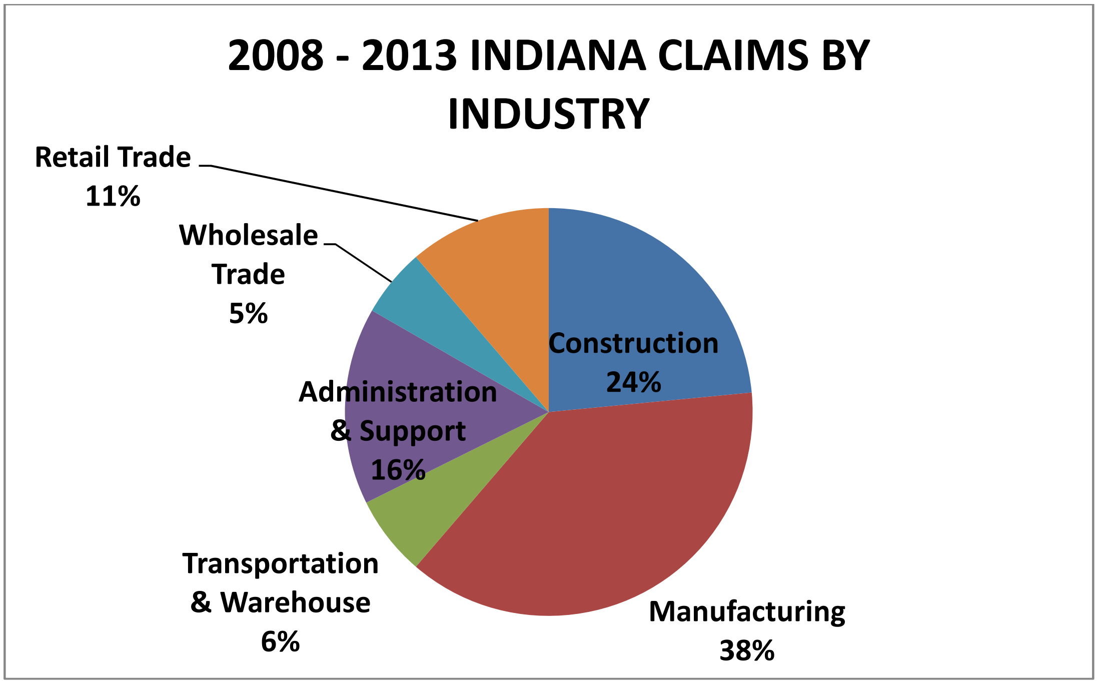
The annual average unemployment rates for 2013 varied from region to region. Several of the counties in the central and southwest parts of the state had rates lower than the state rate of 7.5. Many west central counties were among those experiencing rates higher than the state rate of 7.5. These are regions of the state with higher concentrations of manufacturing and therefore suffered from substantial layoffs during the recession.

Unemployment Claims by Industry

Manufacturing and Construction sectors account for 57% of the claims for unemployment insurance filed in Indiana during 2013.These industries are especially vulnerable during difficult economic times. The industry group administration and support accounted for another 20% of the total UI Claims. During the 2008 to 2013 time frame manufacturing and construction accounted for 62% of all UI Claims. 38% of all claims were concentrated in manufacturing due to the recession. Construction accounted for 24% of all UI claims from 2008-13. (See Figures 5 & 6)

Figure 5 & 6




2008 - 2013 INDIANA CLAIMS BY INDUSTRY
Retail Trade 11%
Wholesale Trade 5%
Construction 24%
Administration & Support 16%
Transportation & Warehouse 6%
Manufacturing 38%

Section 4 - Occupations

Jobs in Demand

The occupations expected to see the most growth in new jobs from 2012 to 2022 are listed below in Table 5. Registered nurses continue to top the list, as well as many service-support occupations which will continue to see high demand for jobs. In many cases, these occupations see a lot of turnover and therefore the total openings appear high in demand. The state also releases data on High Wage and High Demand, or Hot Job listings. These listed jobs below better inform career planning initiatives that point students and workers to careers with higher wages and increased stability. See table 6 below.

Table 5 Indiana Statewide

	Occupational Title	2012 Employment	2022 Projection	Total Growth	Rate	BLS Education/Training Classification
	Total, All Occupations	2,812,246	3,145,910	333,664	11.9%	-
1	Registered Nurses	59,265	69,748	10,483	17.7%	Associate's degree
2	Laborers and Freight, Stock, and Material Movers, Hand	58,298	67,222	8,924	15.3%	Less than High School
3	Retail Salesperson	88,944	97,573	8,629	9.7%	Less than High School
4	Combined Food Preparation and Serving Workers, Including Fast Food	79,306	87,707	8,401	10.6%	Less than High School
5	Office Clerks, General	52,850	59,944	7,094	13.4%	High School diploma or equivalent
6	Team Assemblers	64,219	70,849	6,630	10.3%	High school diploma or equivalent
7	Nursing Assistants	31,565	37,493	5,928	18.8%	Postsecondary vocational training
8	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	42,564	48,447	5,883	13.8%	Less than High School
9	Waiters and Waitresses	49,628	54,917	5,289	10.7%	Less than High School
10	Personal Care Aides	20,120	25,263	5,143	25.6%	Less than High School

Hoosier Hot 50 Jobs

The 2014 Hoosier Hot 50 Jobs is a list of high growth rate occupations (both short-term and long-term) with wages at or above the state median. The occupations are ranked according to a single index of weighted occupational measures of growth and opportunity. The three sources used to determine the 2014 Hoosier Hot 50 jobs list are: Indiana 2012-2022 Long Term Occupational Projections, Indiana 2013-2015 Short Term Occupational Projections, and the Indiana Occupational Employment Statistics Wage Survey 2013 (OES). The four areas of measure are: Long Term Growth 2012-2022 (numeric and percent change), Short Term Growth 2013-2015 (numeric and percent change), Long and Short Term Job Openings (openings due to growth plus openings due to worker replacements), and Indiana 2013 OES Occupational Median Wages. Table 6 below shows the Top 10 listing of the Hoosier Hot 50 Jobs.

Table 6

	Job Title	2012	2022	Annual Openings	Annual Change	Average Wage	Education
1	Registered Nurses	59,265	69,748	2,197	1.8%	$58,320	Associate's Degree
2	K-12 Teachers	65,417	72,210	2,221	1.0%	$51,173	Bachelor's/Master's degree
3	Truck Drivers	45,004	49,651	1,185	1.0%	$40,990	Short Term on the Job Training
4	Sales Representatives, Wholesale and Manufacturing	30,637	33,891	922	1.1%	$53,790	Moderate on the Job Training
5	General and Operations Managers	29,500	32,758	878	1.1%	$107,460	Bachelor's degree
6	Licensed Practical Nurses	19,055	23,268	886	2.2%	$40,070	Postsecondary Vocational Training
7	Postsecondary Teachers	31,690	34,696	779	1.0%	$72,349	Bachelor's/Master's Degree
8	Accountants and Auditors	19,555	21,896	813	1.2%	$64,880	Bachelor's Degree
9	First-Line Supervisors of Office and Administrative Support Workers	23,376	26,041	821	1.1%	$49,920	High School diploma or equivalent
10	Electricians	14,452	16,684	495	1.5%	$59,110	High School diploma or equivalent

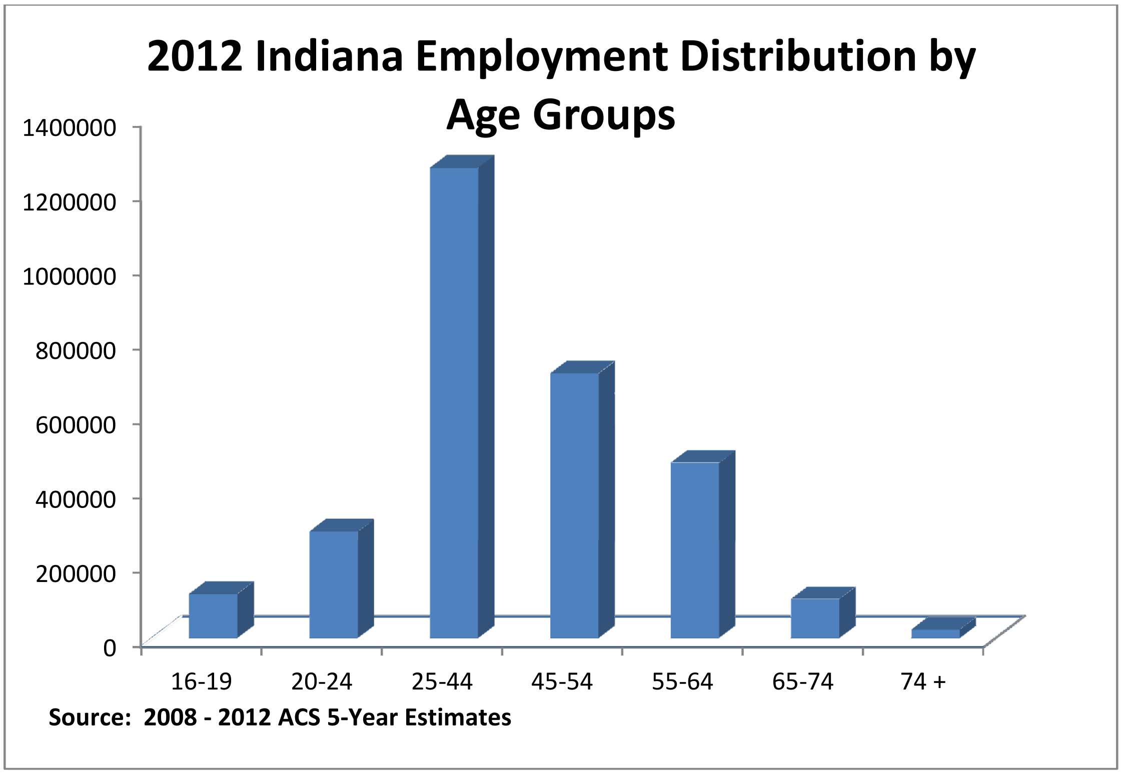
Source: IDWD, Occupational Projections

Section 5 – Workforce and Industry Composition

Age Groups of the Workforce

Indiana's workforce distribution is shown in Figure 6. According to 2008 to 2012 American Community Survey (ACS) data, the two youngest age groups were composed of somewhat modest employment before spiking dramatically at the 25-44 age range. Specific data shows that 1.265 million Indiana workers were between the ages of 25 and 44; 711,659 of the workers were between the ages of 45 and 54; and 470,681 of the workers were between the ages of 55 and 64. These numbers decrease significantly as many of Indiana's employees enter the most common age ranges (65+) for retirement.

Figure 7



As many young Hoosiers complete their college educations, there is a resulting surge in the employment concentration within the 25-34 age groups. Yet the percentage of Indiana workers in the 25-34 age group is higher for some industry sectors than others. Listed in (Table 7) are the top 5 industry sectors with the highest concentration of workers in the 25-34 age group during 2012.

Table 7 Sectors with Highest Percentage of Employment 25-34

TOP 5 SECTORS IN PERCENTAGE EMPLOYED FOR (25-34 AGE GROUP)			
NAICS Sector	**Ave. Annual Employment (25-34 Age Group)**	**Ave. Annual Employment (All Age Groups)**	**% of (25-34 Age Group) Employed in Sector**
Administrative and Support Services	41,943	161,799	25.9%
Professional, Scientific, and Technical Services	24,940	101,727	24.5%
Ambulatory Health Care Services	29,976	126,678	23.7%
Hospitals	27,304	115,352	23.7%
Nursing and Residential Care Facilities	18,232	77,723	2.5%

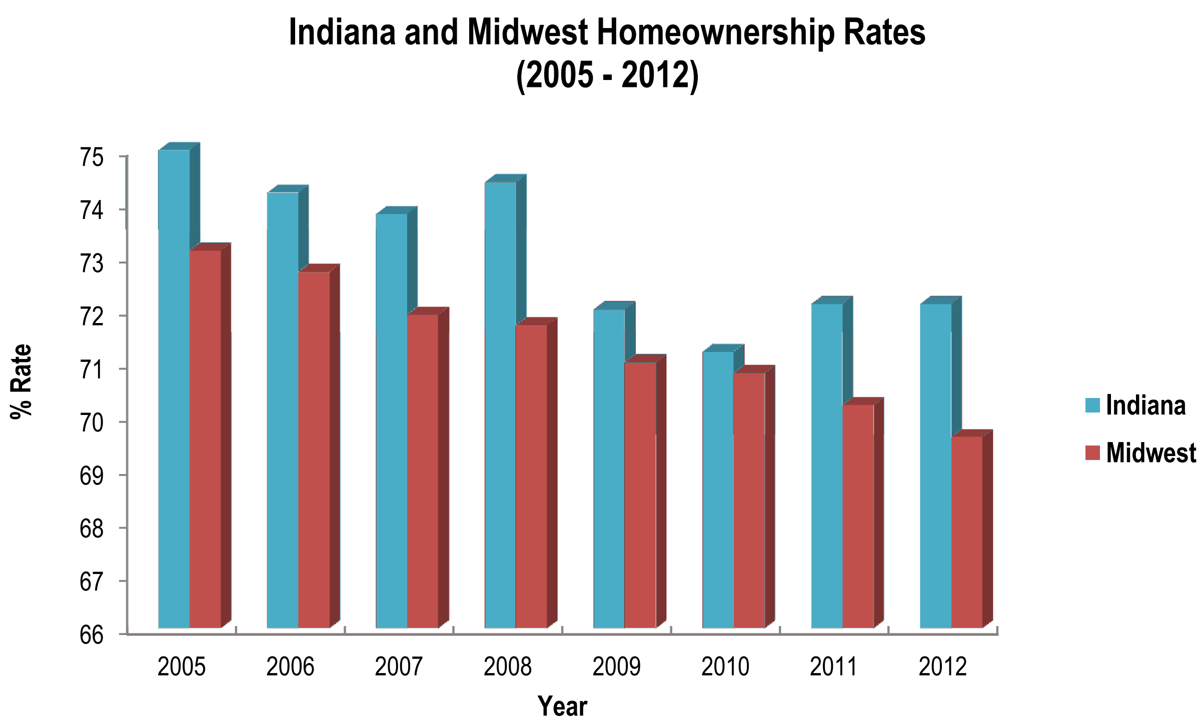
Source: U.S. Bureau of Census, Local Employment Dynamics (LED)

Section 6 – Housing

Homeownership Rates

According to data from the U.S. Bureau of Census's Housing Vacancy Survey (HVS), from 2005 to 2012 Indiana maintained a higher percentage of homeownership in comparison to the Midwest region as a whole. In 2005, Indiana had a rate of 75.0% in comparison to the Midwest's 73.1%. Indiana maintained the higher rate during the entire time frame from 2005-2012. In 2012, the state finished with a homeownership rate of 72.1% to the Midwest's 69.6%. For a year by year comparison, see Figure 7.

Figure 7



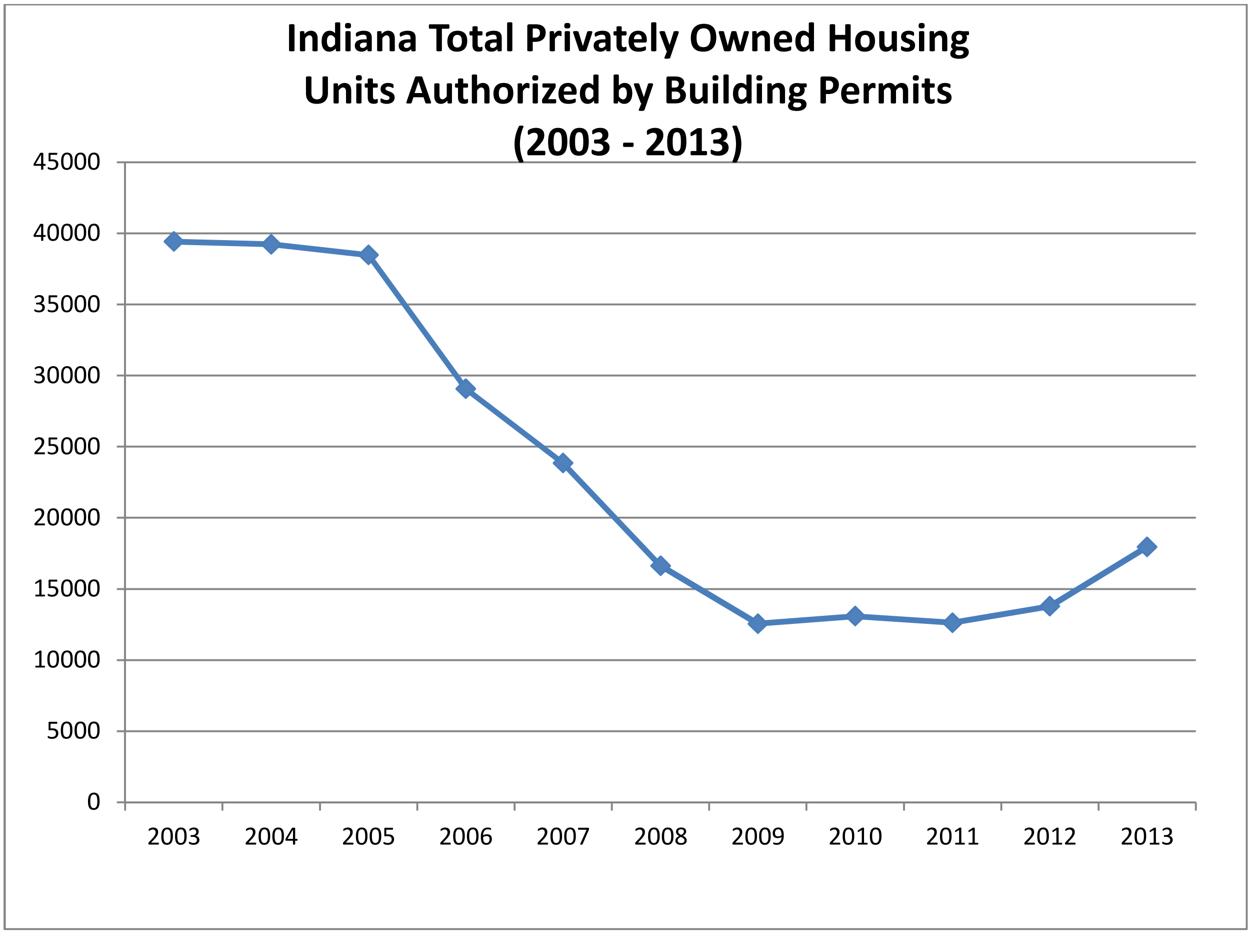
Source: U.S. Bureau of Census, Housing Vacancy Survey (HVS)

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

Housing Permits

From 2005 through 2009, the number of home building permits declined sharply. Much of this decline was a result of the nationwide financial crisis that began in late 2007. In 2010, the trend subsided and for the first time in four years the number of home building permits increased, albeit modestly. As shown in Figure 8, in 2012, the number of home building permits increased to 13,781. The upward growth continued in 2013, with the building permits rising to 17,950.

Figure 8



Source: U.S. Bureau of Census