The Governor's

Economic

and

Demographic

Report

2000-2001

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Readers of *The Governor's Economic and Demographic Report* can access this information on the Kansas Division of the Budget's website at http://da.state.ks.us/budget.

Chapter 1

Economic Highlights

The National Economy

The U.S. economy began its most recent expansion in 1991 and is forecasted to continue the same upward trend through 2001. The expansion, now the longest in U.S. history by twelve months has surpassed the previous record of 166 months.

2000 U.S. Economic Review

The expansion of the U.S. economy continued in 2000. Several major factors combined to prolong the expansion. These include a 1.1 percent growth in the civilian labor force, a 1.3 percent increase in employment, and a 0.2 percentage point decrease in the unemployment rate. Table 1-1 presents major U.S. economic trends for 2000 and 2001. The unemployment rate in the U.S. has fallen in every year since 1992 when it stood at 7.5 percent. Real gross domestic product (GDP) grew at an annual rate of 5.3 percent in 2000 compared to 4.2 percent in 1999.

Table 1-1

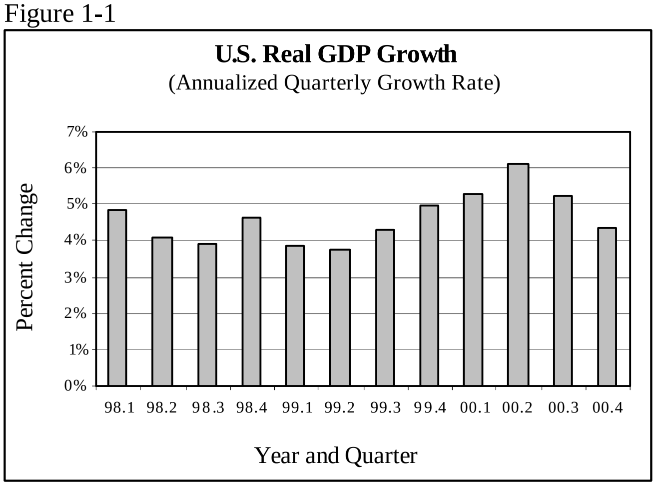
Major U.S. Economic Trends

	2000	2001
GDP Growth ($ Constant)	5.3 %	3.6 %
Personal Income Growth ($ Current)	6.4	5.8
Consumer Price Index Increase (CPI-U)	3.4	2.2
Unemployment Rate (Monthly Average)	4.0	4.4

Nominal personal income grew by 6.4 percent in 2000 compared to 5.5 percent in 1999. Inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U) increased from 2.2 percent in 1999 to a still moderate 3.4 percent rate in 1999. The increase in inflation was largely because of increases in energy prices. In fact, the core inflation rate excluding food and energy prices stood at 2.4 percent. Overall, the economy continued its expansion at a strong pace.

Gross Domestic Product. Nominal gross domestic product is the dollar value of final goods and services produced within the country during the year. Real gross domestic product is GDP adjusted for price changes (inflation) over the course of the year. U.S. nominal GDP increased at a 7.5 percent rate in 2000 compared to a 5.8 percent rate in 1999, and a 5.7 percent rate in 1998. Real GDP increased at a 5.3 percent rate in 2000 compared to a 4.2 percent rate in 1999 and a 4.4 percent rate in 1998. These increases indicate that the level of production in the U.S. economy has continued to grow at a steady rate. Figure 1-1 presents the annualized quarterly growth rate for the U.S. real GDP from the first quarter of 1998 through the fourth quarter of 2000.

Figure 1-1



Personal Income. Personal income is the dollar value of income available to households for consumption expenditures. U.S. personal income grew at a 6.4 percent rate in 2000, which is an increase from the 5.5 percent rate of growth in 1999.

Salaries and wages disbursements increased by 6.7 percent in both 1999 and 2000. Other labor income increased by 4.5 percent in 2000 compared to the 3.2 percent growth rate recorded in 1999. Fringe benefit costs are beginning to escalate largely because of rising health care costs and the growth of incentive bonuses. Proprietors' income increased at a 7.5 percent rate in 2000 compared to a 6.9 percent rate in 1999. Within proprietors' income, non-farm proprietors' income increased 8.1 percent, while farm proprietors' income fell 9.9 percent. Rents decreased at a 1.3 percent rate in 2000 compared to a 5.9 percent increase in 1999. Dividends increased at a 6.8 percent rate in 2000 compared to a 5.5 percent rate in 1999. Interest income increased at a 7.7 percent rate in 2000, after increasing only 2.4 percent in 1999. Transfer payments grew by 5.2 percent in 2000 compared to a 2.4 percent increase in 1999. Social insurance contributions increased at a 6.6 percent rate in 2000 compared to a 7.1 percent rate in 1999.

Inflation & Prices. Inflation can be measured using several methods. Two specific methods are to use the Consumer Price Index for All Urban Consumers (CPI-U) and the Gross Domestic Product (GDP) Price Index. Inflation, as measured by the CPI-U, remained moderately low in 2000 at 3.4 percent. Prior to this year, inflation had been at, or below, 3.0 percent since 1992. Inflation, as measured by the GDP Price Index, stood at 2.2 percent in 2000 compared to 1.5 percent in 1999.

Productivity. One major factor contributing to holding inflation "in check" during recent years has been strong productivity growth. Productivity growth, as measured by cyclically adjusted output per hour, rose 4.5 percent in 2000 compared with a 2.9 percent increase in the previous year. Manufacturing output per hour increased by 7.0 percent in 2000 compared to 6.4 percent in 1999.

Moderating growth, continued low inflation, and a stable unemployment rate are forecasted for the U.S. economy during 2001. The national economic expansion that began in 1991 is expected to continue through 2001, although at a slower pace. For the first five years of the expansion, real GDP grew at a rate very close to its long-run historical average of 2.8 percent. In 1997 and 1998 the growth rate accelerated to 4.4 percent and peaked at 5.3 percent in 2000.

The hotly contested presidential election is likely to have little effect on the economy in 2001. The greatest danger is that the closeness of the presidential race and the composition of Congress will result in policy gridlock in Washington. Another concern is the continued high oil and energy prices could trigger a significant increase in inflation. Also, recent earnings shortfalls in the corporate sector may add further to an already volatile stockmarket.

Although the economic expansion is expected to slow in 2001, no recession is expected. Real GDP is forecasted to grow at a very respectable 3.6 percent rate in 2001. However, the unemployment rate is forecasted to increase to 4.4 percent in 2001 compared to 4.0 percent in 2000. Nominal personal income is forecasted to increase by 5.8 percent in 2002 compared to a 6.4 percent increase in 2000. Inflation as measured by the CPI-U is expected to fall back to a more modest 2.2 percent rate in 2001, down significantly from the 3.4 percent rate of 2000.

Gross Domestic Product. U.S. nominal GDP is expected to increase 5.5 percent in 2001, while real GDP is expected to increase 3.6 percent.

Personal Income. U.S. personal income is expected to grow at a 5.8 percent rate in 2001. Salaries and wages disbursements are expected to increase 6.0 percent, while other labor income is anticipated to grow 4.6 percent. Proprietors' income is forecasted to grow 4.4 percent. Increases are expected also in rental income (2.3 percent), dividends (5.1 percent), and interest income (5.7 percent). Transfer payments are expected to increase 6.7 percent, while social insurance contributions are expected to increase 4.9 percent.

Disposable personal income is estimated to increase 6.2 percent in 2001, while real disposable personal income is expected to rise 4.5 percent. Personal taxes are expected to increase by 3.4 percent. In addition, the personal savings rate is expected remain very low at 0.4 percent in 2001.

Inflation & Prices. Unexpectedly, for the first five years of the current expansion, inflation, as measured by the CPI-U, remained low with annual increases averaging under 3.0 percent. Even more unexpectedly, the rate of inflation fell as low as 1.6 percent in 1998. Inflation has accelerated somewhat from the remarkable performance of 1998, but remains very moderate. Very tight labor market conditions continue to cause some expectations of higher inflation, but so far these pressures have not manifested themselves in large increases in consumer prices. The very low 1998 increase in the CPI-U and the higher increase in 2000 largely are because of volatile energy prices.

Productivity. A major factor in holding down inflationary pressures has been productivity increases. Cyclically adjusted output per hour is expected to increase 3.6 percent in 2001; manufacturing output per hour is expected to increase 5.9 percent. Although employment costs are forecasted to rise 4.6 percent in 2001, the productivity increase will keep labor costs and inflationary pressure from rising rapidly even though the economy is at, or near, full employment.

The Kansas Economy

Similar to the U.S., the Kansas economy also is expected to experience a respectable level of growth in 2001, but at a slower rate compared to prior years. Table 1-2 presents major Kansas economic trends for 2000 and 2001.

Table 1-2

Major Kansas Economic Trends

	2000	2001
GSP Growth ($ Constant)	4.7 %	2.7 %
Personal Income Growth ($ Current)	5.2	5.0
Employment Growth Rate (Place of Residence)	1.0	2.9
Employment Growth Rate (Place of Work)	1.8	1.1
Unemployment Rate (Monthly Average)	3.4	3.2

1999 Review

Salaries and wages constituted 54.9 percent of Kansas personal income in 1999. Salaries and wages increased at a 5.5 percent rate in 1999, much less than 8.0 percent rate of increase in 1998. Three major industries make up nearly three-fourths of salary and wage disbursements in Kansas, with services accounting for 29.7 percent of the total, while manufacturing accounted for 22.4 percent, and government for 22.0 percent.

Other labor income, consisting largely of employer payments for health insurance and other benefits, rose 3.4 percent in 1999 compared to a 3.5 percent increase in 1998. Other labor income reached a level that was more than $4.6 billion in 1999, indicating the importance of fringe benefits in personal income growth. Proprietors' income grew at a 7.9 percent rate in 1999 compared to a 2.1 percent rate in 1998. Non-farm proprietors' income increased at a 6.1 percent rate in 1999, while farm proprietors' income increased by 18.5 percent.

Following salaries and wages, the category for dividends, interest, and rent is the second largest major source of personal income for Kansans, accounting for 20.0 percent of total personal income. Dividends, interest, and rent increased by 4.2 percent in 1999, down from 7.6 percent in 1998. Transfer payments grew more rapidly in 1999 than in 1998, increasing by 3.8 percent in 1999 compared with a 0.5 percent increase in 1998. In addition, personal contributions for social insurance increased 6.0 in both 1999 and 1998. Table 1-3 presents Kansas personal income for 1999 through 2001.

Table 1-3

Kansas Personal Income
1999 Actual, 2000 Estimate, & 2001 Forecast
Dollars in Millions

	1999 Actual	2000 Estimate	2001 Forecast	% Chg. '99-'00	% Chg. '00-'01
Sal. & Wages	$39,090	$41,005	$43,152	4.9 %	5.2 %
Other Labor	4,614	4,741	4,829	2.8	1.9
Proprietors'	6,378	6,742	7,132	5.7	5.8
Farm	1,003	987	1,041	-1.6	5.5
Nonfarm	5,375	5,755	6,091	7.1	5.8
Dividends, Int. & Rent	14,219	15,213	16,069	7.0	5.6
Transfers	8,701	9,078	9,391	4.3	3.4
Res. Adj.	1,298	1,372	1,470	5.7	7.1
Less: Soc. Ins.	(3,107)	(3,251)	(3,397)	4.7	4.5
Tot. Pers. Inc.	71,194	74,900	78,646	5.2	5.0

2000 Estimates. Moderate, but continued growth in salaries and wages; renewed growth in dividends, interest, and rent; and sustained non-farm proprietors' income growth maintained the growth of Kansas personal income in 2000. The growth rate of personal income in Kansas rose slightly to 5.2 percent in 2000 compared with 5.0 percent growth in 1999.

Personal income forecasts based on the first two quarters of the year indicate that strong gains were experienced in the areas of agricultural services (14.9

percent), construction (8.1 percent), transportation and public utilities (8.0 percent), finance, insurance and real estate, or FIRE, (7.0 percent), and government (8.3 percent). During the first half of 2000, losses were experienced in manufacturing (-1.1 percent), generally, and durable goods manufacturing (-3.1 percent), specifically.

Salaries and wages, which is the largest component of Kansas personal income, are forecasted to increase by 4.9 percent in 2000. This increase is down from a 5.5 percent growth rate in 1999 and an 8.0 percent growth rate in 1998. Other labor income is estimated to increase by 2.8 percent in 1999 compared with a 3.4 percent increase in 1998.

Proprietors' income is forecasted to increase by 5.7 percent in 2000, with farm proprietors' income falling by 1.6 percent and non-farm proprietors' income increasing by 7.1 percent. After a 4.2 percent increase in 1999, dividends, interest, and rent is estimated to increase by 7.0 percent in 2000.

Transfer payments are forecasted to increase 4.3 percent in 2000 after a 3.8 percent increase in 1999. The residence adjustment for income earned by Kansas residents from sources outside the State of Kansas is projected to increase by 5.7 percent in 2000 compared with a 2.3 percent increase in 1999.

2001 Kansas Economic Outlook

Overall, the Kansas economy is expected to experience moderating growth in 2001. Gross State Product (GSP) is forecasted to increase by 2.7 percent in 2001 compared to 4.7 percent in 2000. Personal income in Kansas is forecasted to increase by 5.0 percent in 2001 compared to 5.2 percent in 2000. Employment by place of residence is forecasted to increase by 2.9 percent in 2001 compared to 1.0 percent in 2000, while employment by place of work is forecasted to increase by 1.1 percent in 2001 compared to 1.8 percent in 2000. The unemployment rate is expected to decrease from 3.4 percent in 2000 to 3.2 percent in 2001.

The Kansas economy also is expected to grow less rapidly than the national economy in 2001. Currently, Kansas has an exceptionally low unemployment rate and little remaining capacity to expand the workforce and output. Industries driving the economic expansion in Kansas are expected to experience slow growth in 2001.

In 2001, employment is expected to increase at a modest rate. Based on the place of residence data, the Kansas civilian labor force grew at a 1.4 percent rate in 2000 compared to a 1.1 percent rate in 1999. Employment by place of residence increased by 1.0 percent in 2000 compared to 2.0 percent in 1999. In 2000, the unemployment rate in Kansas stood at 3.4 percent compared to 3.0 percent in 1999. Manufacturing employment declined by 0.4 percent in 1999 and by 0.8 percent in 2000. However, in spite of recent fluctuations, the aircraft industry is expected to remain relatively stable in the coming year. York International, an air conditioner manufacturer in Wichita, recently announced that it plans a major expansion in Wichita and expects to add up to 500 jobs over the next 3 years.

Job growth is expected to be led by job creation in the services industry. The 2001 completion of the Kansas International Speedway near Kansas City will add new jobs both in services and retailing. Construction employment likely is to receive a major boost in the future with the continuance of the $13.0 billion state comprehensive transportation program and many school bond construction programs. However, this may be offset somewhat by a slowdown in other nonresidential and residential construction as interest rates edge upward. In addition, cancellation of the proposed merger between MCI WorldCom and Sprint provides more job security at Sprint's new $920-million campus in Overland Park.

Two major Kansas health care employers announced relocation plans in 2000. First, the Menninger Clinic announced its plans to close its facilities in Topeka and relocate to Texas. Second, the pharmaceutical giant Hoechst Marion Roussel announced plans to relocate to New Jersey. These moves may be partially offset by the announcement that Quintiles Transnational Corporation plans to locate a pharmaceutical product development center in Kansas City. Also the Kansas City-based Stowers Institute for Medical Research is scheduled to open a first-class life science research center. The Midwest Research Institute (MRI) also is finalizing plans to collaborate with local universities in conducting biotech research.

The farm sector remains an ongoing concern. According to the U.S. Department of Agriculture (USDA), crop prices continue to languish. Considering all of these factors, the Kansas economy is expected to remain strong. However, recent levels of growth are expected to moderate in 2001.

Chapter 2

The National Economy

2000 U.S. Economic Review

As the year 2000 came to a close, the economic expansion, which began in March of 1991, approached its tenth anniversary. The duration of this expansion is unprecedented. As can be seen in Table 2-1, real GDP grew 5.3 percent and nominal personal income grew 6.4 percent in 2000, while inflation remained modest at 3.4 percent and the unemployment rate fell to 4.0 percent, its lowest level since the 1960s.

Table 2-1

Major U.S. Economic Trends

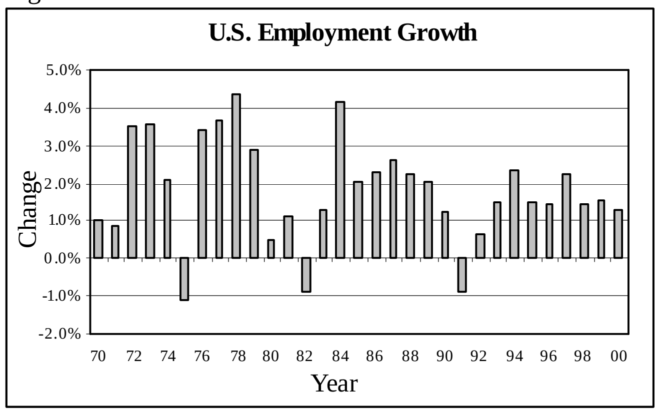
	2000
GDP Growth ($ Constant)	5.3 %
Personal Income Growth ($ Current)	6.4
Consumer Price Index Increase (CPI-U)	3.4
Unemployment Rate (Monthly Average)	4.0

The civilian labor force grew at a 1.1 percent rate in 2000. Figure 2-1 shows the U.S. civilian labor force growth rate from 1970 through 2000.

Figure 2-1

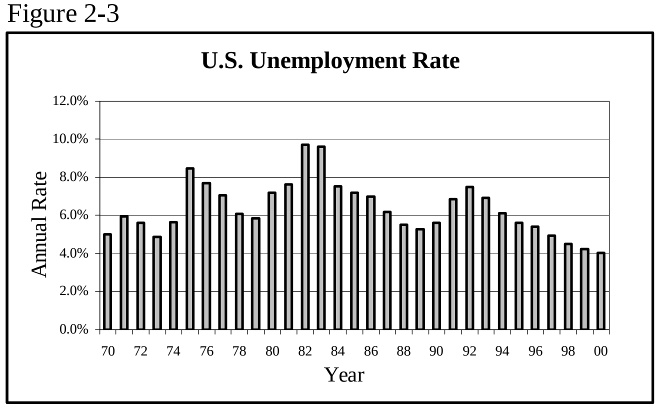
At the same time employment increased 1.3 percent in 2000, slightly less than the 1999 increase of 1.5 percent. The lowest growth rate was realized in 1975 when the growth rate was actually negative at -1.1 percent. Figure 2-2 shows the U.S. employment growth rate from 1970 through 2000.

Figure 2-2



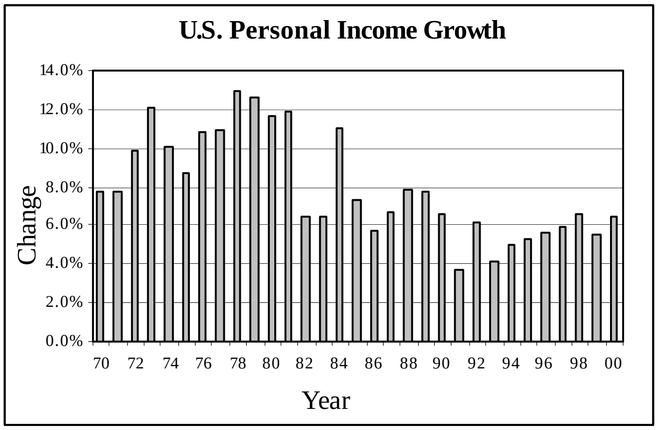
The unemployment rate in the U.S. has steadily declined every year since 1992, when it stood at 7.5 percent. 2000 was no different from the recent historical trend with the unemployment rate falling to 4.0 percent. Figure 2-3 shows the U.S. unemployment rate from 1970 through 2000.

Figure 2-3



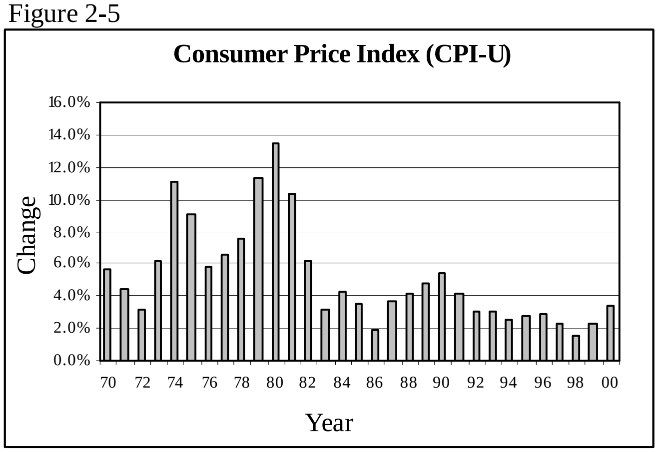
Nominal personal income grew from $7.9 trillion in 1999 to $8.3 trillion in 2000, representing a 6.4 percent growth rate. This growth rate compares with a 5.5 percent rate for 1999, when nominal personal income grew from $7.4 trillion in 1998 to $7.8 trillion in 1999. Figure 2-4 presents U.S. personal income growth from 1970 through 2000.

Figure 2-4



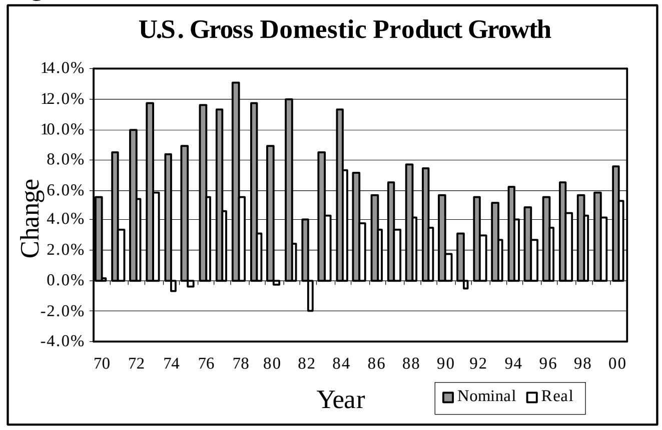
The rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased for the second year in a row in 2000. Even though inflation increased, it remained at a modest 3.4 percent in 2000. The increase in inflation is largely due to increases in gasoline and energy prices. In fact, the core inflation rate in 2000, excluding food and energy prices, stood at 2.4 percent. Figure 2-5 shows the CPI-U from 1970 through 2000.

Figure 2-5



Gross domestic product, or GDP, is the value of final goods and services produced within the country during a given year. Nominal GDP is the dollar value of the goods and services. Real GDP the value of the goods and services as adjusted for price changes (inflation) over the course of that year. Both real and nominal Gross Domestic Product (GDP) increased in 2000. Nominal GDP grew at an annual rate of 7.5 percent, while real GDP grew at an annual rate of 5.3 percent, which is the highest rate of growth since 1984. Figure 2-6 presents U.S. Gross Domestic Product growth from 1970 through 2000.

Figure 2-6



Gross Domestic Product (GDP). In 2000, U.S. nominal GDP increased at a 7.5 percent rate, up from a 5.8 percent increase in 1999. Real GDP increased at a 5.3 percent rate in 2000, up from a 4.2 percent increase in 1999. These changes indicate that the level of production in the U.S. economy is continuing to increase at a strong pace. The five major categories of GDP are consumption, investment, exports, imports, and government spending.

In terms of nominal GDP growth, overall consumption increased by 7.9 percent in 2000. Durable and nondurable goods consumption increased at rates greater than overall consumption, at 7.9 percent and 8.0 percent, respectively. However, services consumption increased slightly less than overall consumption at 7.3 percent. Overall investment also increased in 2000, experiencing a 12.0 percent growth rate. Fixed investments realized an 11.1 percent growth rate, with nonresidential investments increasing by 13.9 percent and residential investments increasing by only 2.9 percent in 2000. Both nominal exports and imports showed significant increases in 2000 of 12.4 percent and 18.1 percent, respectively. Nominal government spending had the slowest growth rate at 6.6 percent in 2000.

In terms of real GDP growth, overall consumption increased by 5.3 percent in 2000. Overall business investment also increased in 2000, experiencing an 11.0 percent growth rate. Exports and imports increased by 10.5 percent and 13.6 percent, respectively, while government spending realized a 2.6 percent growth rate. Table 2-2 presents U.S. GDP composition and growth for 1999 and 2000.

Table 2-2

U.S. GDP Composition & Growth, 1999-2000
(Dollars in Billions)

	Nominal 1999	Nominal 2000*	Percent Change
Gross Domestic Product	9,299.2	9,997.4	7.5 %
Consumption	6,268.7	6,763.2	7.9
Durables	761.3	822.4	8.0
Nondurables	1,845.5	2,013.1	9.1
Services	3,661.9	3,927.7	7.3
Investment	1,650.1	1,848.5	12.0
Fixed	1,606.8	1,785.8	11.1
Nonresidential	1,203.1	1,370.3	13.9
Structures	285.6	316.8	10.9
Equipment	917.4	1,053.5	14.8
Residential	403.8	415.5	2.9
Change in Inventory	43.3	62.7	44.8
Exports	990.2	1,112.8	12.4
Imports	1,244.2	1,469.1	18.1
Government	1,634.4	1,742.0	6.6
Federal	568.6	595.1	4.7
National Defense	365.0	375.9	3.0
Nondefense	203.5	219.2	7.7
State and Local	1,065.8	1,147.0	7.6

	Real (*$Chained 1996*) 1999	Real (*$Chained 1996*) 2000*	Percent Change
Gross Domestic Product	8,875.8	9,343.0	5.3 %
Consumption	5,978.8	6,296.5	5.3
Durables	817.8	898.1	9.8
Nondurables	1,779.4	1,872.6	5.2
Services	3,390.8	3,540.8	4.4
Investment	1,669.7	1,853.0	11.0
Fixed	1,621.4	1,778.6	9.7
Nonresidential	1,255.3	1,420.7	13.2
Structures	259.2	277.3	7.0
Equipment	1,003.1	1,154.8	15.1
Residential	368.3	366.5	-0.5
Change in Inventory	45.3	67.5	49.0
Exports	1,033.0	1,141.6	10.5
Imports	1,355.3	1,539.4	13.6
Government	1,536.1	1,575.9	2.6
Federal	540.1	547.1	1.3
National Defense	348.5	348.0	-0.1
Nondefense	191.5	198.9	3.9
State and Local	995.6	1,028.3	3.3

*Estimated

Source: U.S. Department of Commerce, Bureau of Economic Analysis, and Standard & Poor's DRI

Consumer Spending. The largest component of GDP is consumer spending. In 2000, this component was a major contributor to the continued economic expansion. Real personal consumption expenditures increased at a 5.3 percent rate in both 1999 and 2000. Table 2-3 presents U.S. personal consumption expenditure growth for 1999 and 2000.

Table 2-3

U.S. Personal Consumption Expenditure Growth
Percent Change, Seasonally Adjusted, 1999-2000

	Expenditures 1999	Expenditures 2000
Personal Consumption	5.3 %	5.3 %
Durables	12.4	9.8
Motor Vehicles & Parts	10.7	5.7
Furniture & Household Equip.	15.0	13.1
Computers	63.2	36.4
Software	21.3	7.8
Other	11.1	11.3
Opthalmic Goods	6.7	3.1
Other Durables	12.0	14.0
Nondurables	5.6	5.2
Food & Beverages	4.1	3.8
Clothing & Shoes	9.0	8.6
Gasoline & Oil	2.3	-1.0
Fuel Oil & Coal	10.8	-1.4
Tobacco Products	-6.2	3.5
Drugs & Medicines	8.4	6.8
Other Nondurables	9.7	9.2
Services	3.7	4.4
Housing	2.6	2.5
Household Operation	4.4	4.8
Electricity	0.8	3.2
Natural Gas	0.5	1.1
Telephony	10.4	10.7
Other Household	2.4	1.0
Transportation	3.4	3.7
Leasing	4.3	4.5
Other Transportation	3.3	3.5
Medical Care	2.6	2.9
Personal Business	7.1	7.7
"Free" Financial	7.0	7.2
Other Financial	7.2	8.0
Recreation	5.3	7.5
Other Services	2.9	6.1

Source: Standard & Poor's DRI

The increase in real consumer spending was led by a 9.8 percent increase in durable goods purchases in 2000, following a 12.4 percent increase in 1999. Durable goods are products with an expected useful life of more than one year.

Expenditures on nondurable goods increased by 5.2 percent in 2000, compared to a 5.6 percent increase in 1999. Nondurables are goods with an expected useful life of one year or less. Leading the increase in 2000 were expenditures for clothing and shoes (8.6 percent) and spending for drugs and medicine (6.8 percent). In addition, spending on food and beverages rose 3.8 percent in 2000. Surprisingly, spending in 2000 actually decreased on gasoline and oil (-1.0 percent) and fuel oil and coal (-1.4 percent).

Changes in consumer spending are affected by changes in a variety of factors, including personal income, the savings rate, debt accumulation, discretionary income, and consumers' confidence in the economy. Overall consumer spending in 2000 grew by 5.3 percent, while expenditures on services grew by 4.4 percent. In 1999, expenditures on services grew by 3.7 percent. Although services expenditures grew more rapidly in 2000 than in 1999, consumer spending on services still grew less rapidly than overall consumer spending.

Housing expenditures rose only 2.5 percent in 2000, slightly less than the 2.6 percent increase in 1999. However, expenditures for household operation increased 4.9 percent in 2000 compared to a 4.4 percent increase in 1999. The increase in spending on household operation was led by a 10.7 percent increase in expenditures for telephone services in 2000, following a 10.4 percent increase in 1999. Expenditures for electricity increased by 3.2 percent and spending on natural gas increased by 1.1 percent.

In 2000, consumer expenditures for transportation increased by 3.7 percent, while spending on medical care increased by 2.9 percent. During the same year personal business expenditures rose 7.7 percent and consumer spending on recreation increased by 7.5 percent.

Business Investment. Real business investment increased by 11.0 percent in 2000 compared to a 6.6 percent growth rate in 1999. Fixed investments remained healthy with a 9.7 percent increase in 2000 following a 9.2 percent rise in 1999. Nonresidential investment also remained strong with a 13.2 percent increase in 2000 following a 10.1 percent rise in 1999. Investment in structures rebounded in 2000 with an increase of 7.0 percent after a 1.4 percent decline in 1999. Investment in equipment continued to be strong, especially with the recent inclusion of computer software into this sector. Business investment in equipment rose 15.1 percent in 2000 following a 14.1 percent gain in 1999. Residential investment fell by 0.5 percent in 2000 compared to a 6.4 percent increase in 1999. The decrease was largely because of rising mortgage interest rates. Slowing consumer demand caused inventories to rise 49.0 percent in 2000 compared to a 43.5 percent decline in 1999.

International Trade. Real exports rebounded in 2000 with a 10.5 percent increase compared to a 2.9 percent increase in 1999. Although the precipitous drop in the Asian economies in recent years has largely abated, consumer demand is only beginning to recover. On the other hand, real imports continued to increase at a double-digit pace in 2000, increasing by 13.6 percent, compared to a 10.7 percent increase in 1999. Because of this, real net exports recorded a deficit of nearly $400.0 billion in 2000.

Government Expenditures. Real government expenditures increased at a 2.6 percent pace in 2000 compared to a 3.3 percent increase in 1999. Federal government expenditures increased 1.3 percent in 2000 compared to a 2.5 percent increase in 1999. National defense expenditures actually fell 0.1 percent in 2000 compared to a 2.0 percent increase in 1999. Meanwhile, nondefense expenditures increased at a 3.9 percent rate in 2000 compared to a 3.4 percent increase in 1999. At the state and local government level expenditures increased at a 3.3 percent rate in 2000 compared to a 3.8 percent increase in 1999.

Personal Income. Personal income is the dollar value of income available to households for consumption expenditures. U.S. personal income grew at a 6.4 percent rate in 2000, up from a 5.5 percent growth rate in 1999.

Salaries and wages increased by 6.7 percent in both 1999 and 2000. Other labor income increased 4.5 percent in 2000 compared to a 3.2 percent growth rate in the previous year. Surprisingly, fringe benefit costs have not accelerated greatly despite increasing health care costs and the growth of bonuses in 2000. Proprietors' income increased at a 7.5 percent rate in 2000 compared to a 6.9 percent rate in 1999. Rental income fell 1.3 percent in 2000 compared to a 5.9 percent increase in 1999. Dividend income increased at a 6.8 percent rate in 2000 compared to a 5.5 percent rate increase in 1999. Interest income increased at a 7.7 percent rate in 2000 compared to a 2.4 percent rate in 1999. Transfer payments grew 5.2 percent in 2000 compared to a 2.4 percent increase in 1999. Social insurance contributions increased at a 6.6 percent rate in 2000 compared to a 7.1 percent rate in 1999. Personal taxes increased at an 11.6 percent rate in 2000 compared to a 7.6 percent increase in 1999. Disposable personal income, that is, personal income less personal taxes, increased by 5.5 percent in 2000 compared to 5.0 percent in 1999, and real disposable personal income rose 3.0 percent in 2000 compared to a 3.2 percent increase in 1999. Table 2-4 presents U.S. personal income composition and growth from 1999 to 2000.

Table 2-4

U.S. Personal Income Growth, 1999-2000
(Dollars in Billions)

	1999	2000*	Percent Change
Personal Income	$ 7,789.7	$ 8,290.0	6.4 %
Salaries & Wages	4,470.0	4,770.2	6.7
Private	3,745.6	4,008.3	7.0
Government	724.4	761.9	5.2
Other labor income	501.0	523.5	4.5
Proprietors' income	663.5	713.0	7.5
Farm	25.3	22.8	(9.9)
Non-farm	638.2	690.2	8.1
Rents	143.4	141.5	(1.3)
Dividends	370.3	395.5	6.8
Interest	963.7	1,037.6	7.7
Transfers	1,006.3	1,058.3	5.2
Less:			
Personal Contributions for Social Insurance	338.5	360.7	6.6
Personal Taxes	1,152.0	1,286.1	11.6
Equals:			
Disposible Personal Income	6,637.7	7,003.9	5.5
Less: Personal Outlays			
Personal Outlays	6,054.7	6,490.1	7.2
Personal Consumption Expenditures	6,268.6	6,763.2	7.9
Interest	194.8	212.1	8.9
Personal Foreign Transfers	26.6	28.7	7.9
Equals:			
Personal Savings	147.6	--	(100.0)
Real Disposible Pers. Income	6,331.0	6,520.7	3.0
Personal Saving Rate	2.2	--	(100.0)

* Estimated

Source: U.S. Department of Commerce, Bureau of Economic Analysis, and Standard & Poor's DRI

Personal Savings. The level of personal savings fell essentially to zero in 2000. This unprecedented decline compares to a 44.4 percent decrease in 1999. Simultaneously, the personal savings rate also fell to zero in 2000 compared to a 47.6 percent decline in 1999.

Inflation & Prices. Inflation, as measured by the CPI-U, remained relatively low at 3.4 percent in 2000. Inflation has now been at, or below, 3.0 percent since 1992. Inflation, as measured by the GDP Price Index, stood at 2.2 percent in 2000 compared to 1.5 percent in 1999. Table 2-5 presents price changes in various sectors of the economy as measured by various components of the GDP Price Index.

Table 2-5

U.S. Personal Consumption Price Changes
Percent Change, Seasonally Adjusted, 1999-2000

	Prices	
	1999	2000
Personal Consumption	1.8 %	2.4 %
Durables	(2.4)	(1.6)
Motor Vehicles & Parts	0.3	0.5
Furniture & Household Equip.	(5.7)	(4.3)
Computers	(32.8)	(23.2)
Software	(8.4)	(2.0)
Other	(2.7)	(2.4)
Opthalmic Goods	1.0	3.0
Other Durables	(2.1)	(1.7)
Nondurables	2.3	3.7
Food & Beverages	2.0	2.4
Clothing & Shoes	(1.7)	(1.5)
Gasoline & Oil	8.9	27.4
Fuel Oil & Coal	1.5	35.7
Tobacco Products	29.1	11.2
Drugs & Medicines	3.7	3.3
Other Nondurables	(0.7)	(0.2)
Services	2.4	2.7
Housing	3.0	2.9
Household Operation	(0.1)	1.7
Electricity	(0.7)	1.9
Natural Gas	0.6	15.3
Telephony	(2.5)	(3.4)
Other Household	2.9	3.4
Transportation	1.4	2.9
Leasing	(0.3)	0.5
Other Transportation	1.7	3.3
Medical Care	2.4	2.9
Personal Business	2.6	2.4
"Free" Financial	2.4	4.8
Other Financial	2.7	0.7
Recreation	2.9	3.7
Other Services	3.3	2.7

Source: Standard & Poor's DRI

Based on components of the GDP Price Index, the price of durable goods fell 1.6 percent in 2000 compared to a 2.4 percent decrease in 1999. Within the durable goods category, the price of motor vehicles and parts rose 0.5 percent in 2000 compared to a 0.3 percent increase in 1999. The price of furniture and household equipment fell 4.3 percent in 2000 compared to a 5.7 percent decline in 1999. The price decreases recorded in this category are driven largely by declines in the cost of home computers and the recent inclusion of personal computer software into this category. In fact, the price of computers fell 23.2 percent in 2000 following a 32.8 percent decline in 1999. The price of computer software fell 2.0 percent in 2000 after an 8.4 decline in 1999.

On the other hand, the price of nondurable goods increased 3.7 percent in 2000 compared to a 2.3 percent increase in 1999. The increase in the cost of nondurable goods was fueled by large increases in energy costs. First, the price of fuel oil and coal rose 35.7 percent in 2000 after a modest 1.5 percent increase in 1999. Second, the price of gasoline and oil rose 27.4 percent in 2000 compared to an 8.9 percent increase in 1999. The increase in fuel cost was driven largely by increased demand and cuts in supply implemented by the Organization of Oil Exporting Countries (OPEC). Food prices increased by 2.4 percent in 2000 compared to a 2.0 percent increase in 1999, while the cost of drugs and medicines increased by 3.3 percent in 2000 compared to a 3.7 percent increase in 1999. The price of clothing and shoes fell by 1.5 percent in 2000 after a 1.7 percent decrease in 1999.

The price of services increased at a 2.7 percent rate in 2000, compared to a 2.4 percent increase in 1999. The price of housing rose at a 2.9 percent rate in 2000 slightly less than the 3.0 percent increase in 1999. The price of household operation rose 1.7 percent in 2000 after a 0.1 decline in 1999. This increase was fueled by a 15.3 percent increase in natural gas prices in 2000 compared to a 0.6 percent increase in 1999. The cost of electricity increased 1.9 percent in 2000 compared to a 0.7 percent decline in 1999. However, the price of telephone services fell by 3.4 percent in 2000 after a 2.5 percent decline in 1999. The price of transportation rose 2.9 percent in 2000 compared to a 1.4 percent increase in 1999. The price of price of medical care increased 2.9 percent in 2000 compared to a 2.4 percent increase in 1999. The cost of personal business rose 2.4 percent in 2000 after a 2.6 percent increase in 1999. Finally, the price of recreation increased 3.7 percent in 2000 after a 2.9 percent increase in 1999.

Productivity. One major factor contributing to holding inflation in check in recent years has been strong productivity growth. Productivity growth, as measured by cyclically adjusted output per hour, rose 4.5 percent in 2000 compared with a 2.9 percent increase in the previous year. Manufacturing output per hour increased by 7.0 percent in 2000 following a 6.4 percent increase in 1999.

2001 U.S. Economic Outlook

The national economic expansion that began in 1991 is expected to continue, but at a slower pace, through 2001. For the first five years of the expansion, real GDP grew at a rate very close to its long-run historical average of 2.8 percent. Since 1997, real GDP growth has not been below 4.0 percent.

Although the economic expansion is expected to slow in 2001, no recession is expected. Real GDP is forecasted to slow to 3.6 percent in 2001, down from a solid 5.3 percent growth rate in 2000. The unemployment rate is expected to increase somewhat from 4.0 in 2000 to 4.4 percent in 2001. Nominal personal income is forecasted to increase by 5.8 percent in 2001 compared to a 6.4 percent increase in 2000. The CPI is expected to increase 2.2 percent in 2001, much less than the 3.4 percent increase in 2000. Overall, moderate growth, continued low inflation, and a stable unemployment rate are anticipated for the U.S. economy during 2001. Table 2-6 presents the major U.S. economic forecasts for 2001.

Table 2-6

Major U.S. Economic Trends

	2001
GDP Growth ($ Constant)	3.6 %
Personal Income Growth ($ Current)	5.8
Consumer Price Index Increase (CPI-U)	2.2
Unemployment Rate (Monthly Average)	4.4

The robust growth in the U.S. economy in recent years has been driven by strong consumer spending and fueled largely by the rapid growth in stock market wealth. However, the accelerated growth in the stock market came to an abrupt halt in 2000. Many traditional models of stock valuation still hint that the market is currently overpriced. Stock prices have continued to be highly volatile, especially in light of the contested presidential election. If the closeness of the presidential and congressional races results in gridlock in Washington, this may have negative consequences for the economy. These factors are major risks to the forecast of continued strong economic growth in 2001.

Gross Domestic Product. At the national level, nominal GDP is expected to increase 5.5 percent in 2001. Real GDP is expected to increase 3.6 percent in 2001. Table 2-7 presents the nominal U.S. GDP composition and growth estimates for 2000 and the forecast for 2001.

Table 2-7

U.S. GDP Composition & Growth, 2000-2001
(Dollars in Billions)

	Nominal 2000*	Nominal 2001**	Percent Change
Gross Domestic Product	9,997.4	10,551.6	5.5 %
Consumption	6,763.2	7,149.2	5.7
Durables	822.4	842.6	2.5
Nondurables	2,013.1	2,126.8	5.6
Services	3,927.7	4,179.8	6.4
Investment	1,848.5	1,937.1	4.8
Fixed	1,785.8	1,890.2	5.8
Nonresidential	1,370.3	1,477.0	7.8
Structures	316.8	329.4	4.0
Equipment	1,053.5	1,147.6	8.9
Residential	415.5	413.2	-0.6
Change in Inven.	62.7	46.9	-25.2
Exports	1,112.8	1,225.2	10.1
Imports	1,469.1	1,591.8	8.4
Government	1,742.0	1,831.9	5.2
Federal	595.1	627.2	5.4
National Defense	375.9	392.1	4.3
Nondefense	219.2	235.1	7.3
State and Local	1,147.0	1,204.7	5.0
	Real (*$Chained 1996*) 2000*	**Real (*$Chained 1996*) 2001****	**Percent Change**
Gross Domestic Product	9,343.0	9,677.4	3.6 %
Consumption	6,296.5	6,549.6	4.0
Durables	898.1	929.9	3.5
Nondurables	1,872.6	1,958.2	4.6
Services	3,540.8	3,676.8	3.8
Investment	1,853.0	1,908.3	3.0
Fixed	1,778.6	1,853.9	4.2
Nonresidential	1,420.7	1,508.3	6.2
Structures	277.3	278.5	0.4
Equipment	1,154.8	1,246.3	7.9
Residential	366.5	358.7	-2.1
Change in Inven.	67.5	46.8	-30.7
Exports	1,141.6	1,256.3	10.0
Imports	1,539.4	1,666.6	8.3
Government	1,575.9	1,612.6	2.3
Federal	547.1	558.5	2.1
National Defense	348.0	353.6	1.6
Nondefense	198.9	204.6	2.9
State and Local	1,028.3	1,053.5	2.5

*Estimated
**Forecasted

Source: U.S. Department of Commerce, Bureau of Economic Analysis, and Standard & Poor's DRI

Consumer Spending. Since the last recession in 1991, consumer spending has consistently increased at a more rapid pace than disposable income. Table 2-8 presents U.S. Personal Consumption Expenditure Growth estimates for 2000 and the forecasts for 2001. The result as been that the savings rate has continued to fall, which means that most of the spending growth has been supported by capital gains returns and/or consumer credit. Thus, moderation in consumer spending will dampen economic growth in 2001. In fact, the savings rate was effectively zero in 2000. Volatility in financial markets will slow the flow of

Table 2-8

U.S. Personal Consumption Expenditure Growth
Percent Change, Seasonally Adjusted, 2000-2001

	Expenditures 2000	Expenditures 2001
Personal Consumption	5.3 %	4.0 %
Durables	9.8	3.5
Motor Vehicles & Parts	5.7	(1.3)
Furniture & Household Equip.	13.1	7.5
Computers	36.4	37.0
Software	7.8	10.5
Other	11.3	5.1
Opthalmic Goods	3.1	1.5
Other Durables	14.0	6.9
Nondurables	5.2	4.6
Food & Beverages	3.8	2.5
Clothing & Shoes	8.6	6.2
Gasoline & Oil	(1.0)	3.8
Fuel Oil & Coal	(1.4)	(4.6)
Tobacco Products	3.5	2.2
Drugs & Medicines	6.8	10.5
Other Nondurables	9.2	7.7
Services	4.4	3.8
Housing	2.5	2.1
Household Operation	4.8	5.8
Electricity	3.2	3.3
Natural Gas	1.1	0.8
Telephony	10.7	10.7
Other Household	1.0	4.5
Transportation	3.7	2.1
Leasing	4.5	(0.7)
Other Transportation	3.5	2.5
Medical Care	2.9	3.9
Personal Business	7.7	3.6
"Free" Financial	7.2	5.7
Other Financial	8.0	2.1
Recreation	7.5	6.7
Other Services	6.1	5.7

Source: Standard & Poor's DRI

capital into the real estate market, which has already substantially outpaced the demographic demand for new construction.

The tight labor market and low inflation have allowed consumers to realize significant gains in real purchasing power. However, the slowing economy will dampen this trend. In addition, a softening labor market and moderating stock market gains will decelerate consumer spending. The personal saving rate is forecasted to remain low at 0.4 percent. Real disposable income is expected to increase by 4.5 percent in 2001, while real consumer spending is expected to increase only 4.0 percent.

Durable goods consumption is expected to increase 3.5 percent in 2001, while nondurable goods consumption is expected to increase by 4.6 percent. Consumption of services is expected to increase 3.8 percent in 2001.

Although consumer confidence is estimated to be below its 2000 level, it is expected to remain relatively high in 2001. This does not necessarily mean that consumers are anticipating an imminent recession. It signals that consumers expect the economy to slow.

Durable goods will remain the dominant component in the growth of consumer spending. In real terms, consumer spending on durable goods is expected to increase by 3.5 percent in 2001. The key growth sector in recent years has been computers. Spending on furniture and household equipment, which includes personal computers and software, is expected to rise 7.5 percent in 2001. Consumer spending on computers is expected to increase 37.0 percent in 2001, while spending on software is expected to increase 10.5 percent. Purchases of motor vehicles and parts are expected to fall 1.3 percent in 2001.

Expenditures for nondurable goods are forecasted to increase 4.6 percent in 2001. Food and beverage expenditures are expected to increase 2.5 percent, clothing and shoe expenditures are expected to increase 6.2 percent, gasoline and oil expenditures are expected to increase 3.8 percent, and expenditures on drugs and medicines are expected to increase 10.5 percent in 2001. However, expenditures for fuel oil and coal are expected to decrease 4.6 percent in 2001.

Expenditures for services also are forecasted to increase 3.8 percent in 2001. Housing expenditures are expected to increase 2.1 percent in 2001, while expenditures for housing operations are expected to increase 5.8 percent. Within housing operations, expenditures for electricity are expected to increase 3.3 percent, expenditures for natural gas are expected to increase 0.8 percent, while expenditures for telephone services are expected to increase 10.7 percent. Transportation expenditures are expected to increase 2.1 percent. Expenditures on medical care are expected to increase 3.9 percent. Expenditures for personal business services are expected to increase 3.6 percent. Recreation expenditures are expected to increase 6.7 percent.

Business Investment. Investment in equipment is expected to remain strong in 2001. First, the recent inclusion of computer software into this category will bolster the growth rate. Second, tight labor markets will provide incentive for firms to substitute capital for labor when possible. Real business investment is expected to increase 3.0 percent in 2001.

Fixed investment is expected to increase 4.2 percent. Nonresidential investment is forecasted to rise 6.2 percent, while residential construction is expected to decline 2.1 percent in 2001. Within nonresidential investment, spending on structures is expected to increase 0.4 percent, while spending on equipment is expected to increase 7.9 percent. Inventories are anticipated to fall 30.7 percent.

International Trade. Real exports are expected to increase 10.0 percent, while real imports are expected to increase by 8.3 percent in 2001. Exports are expected to continue to recover as Asian markets rebound. However, imports are expected to continue increasing more rapidly than exports. Stronger growth in Europe in 2000, combined with slower economic growth and a declining stock market in the U.S., is making Europe relatively more attractive. In addition, surging oil prices also added significantly to the U.S. trade deficit in 2000. The result is that real net exports are expected to continue recording a deficit of over $400.0 billion.

Government Expenditures. Real government expenditures are expected to increase by 2.3 percent in 2001. Overall, federal government expenditures are expected to increase by 2.1 percent. Specifically, national defense expenditures are anticipated to increase 1.6 percent, while nondefense expenditures are expected to increase by 2.4 percent. State and local government expenditures are forecasted to increase by 2.5 percent.

Personal Income. Personal income in the U.S. is forecasted to grow at a 5.8 percent rate in 2001, with all sources expecting increases. As shown in Table 2-9, salary and wage disbursements are expected to increase 6.0 percent, other labor income is expected to increase 4.6 percent, proprietors' income is expected to increase 4.4 percent, rents are expected to increase 2.3 percent, dividends are expected to increase 5.1 percent, interest income is expected to increase 5.7 percent, transfer payments are expected to increase 6.7 percent, while social insurance contributions are expected to increase 4.9 percent. Personal taxes (3.4 percent), disposable personal income (6.2 percent), and real disposable personal income (4.5 percent) are also forecasted to grow.

Personal Savings. In 2001, the level of personal savings and the rate of personal savings are only expected to increase marginally. In fact, the personal savings rate is expected to remain very low at 0.4 percent.

Inflation & Prices. For the duration of the current expansion, inflation, as measured by the CPI-U, remained low, with annual increases averaging less than 3.0 percent. Since the remarkable performance of 1998, inflation has accelerated somewhat, but still remains low. Table 2-10 presents price changes in various sectors of the economy as measured by various

Table 2-9

U.S. Personal Income Growth, 2000-2001
(Dollars in Billions)

	2000*	2001**	Percent Change
Personal Income	$ 8,290.0	$ 8,767.8	5.8 %
Salaries & Wages	4,770.2	5,056.6	6.0
Private	4,008.3	4,256.8	6.2
Government	761.9	799.8	5.0
Other labor income	523.5	547.4	4.6
Proprietors' income	713.0	744.6	4.4
Farm	22.8	20.7	(9.2)
Non-farm	690.2	723.8	4.9
Rents	141.5	144.7	2.3
Dividends	395.5	415.6	5.1
Interest	1,037.6	1,096.4	5.7
Transfers	1,058.3	1,129.5	6.7
Less:			
Personal Contributions for Social Insurance	360.7	378.2	4.9
Personal Taxes	1,286.1	1,330.2	3.4
Equals:			
Disposible Personal Income	7,003.9	7,437.6	6.2
Less:			
Personal Outlays	6,490.1	7,003.9	7.9
Personal Consumption Expenditures	6,763.2	7,149.2	5.7
Interest	212.1	225.7	6.4
Personal Foreign Transfers	28.7	30.5	6.3
Equals:			
Personal Savings	--	32.2	--
Real Disposible Pers. Income	6,520.7	6,813.8	4.5
Personal Saving Rate	--	0.4	--

* Estimated
** Forecasted

Source: U.S. Department of Commerce, Bureau of Economic Analysis, and Standard & Poor's DRI

Table 2-10

U.S. Personal Consumption Price Changes
Percent Change, Seasonally Adjusted, 2000-2001

	Prices 2000	Prices 2001
Personal Consumption	2.4 %	1.6 %
Durables	(1.6)	(1.0)
Motor Vehicles & Parts	0.5	0.9
Furniture & Household Equip.	(4.3)	(3.3)
Computers	(23.2)	(19.8)
Software	(2.0)	(1.1)
Other	(2.4)	(1.7)
Opthalmic Goods	3.0	2.3
Other Durables	(1.7)	(1.2)
Nondurables	3.7	1.0
Food & Beverages	2.4	2.1
Clothing & Shoes	(1.5)	(0.9)
Gasoline & Oil	27.4	(4.2)
Fuel Oil & Coal	35.7	(4.6)
Tobacco Products	11.2	4.6
Drugs & Medicines	3.3	2.9
Other Nondurables	(0.2)	1.1
Services	2.7	2.5
Housing	2.9	2.1
Household Operation	1.7	1.4
Electricity	1.9	2.2
Natural Gas	15.3	7.5
Telephone	(3.4)	(2.4)
Other Household	3.4	3.1
Transportation	2.9	2.6
Leasing	0.5	0.5
Other Transportation	3.3	3.0
Medical Care	2.9	2.9
Personal Business	2.4	2.7
"Free" Financial	4.8	3.5
Other Financial	0.7	2.1
Recreation	3.7	3.1
Other Services	2.7	2.3

Source: Standard & Poor's DRI

components of the GDP Price Index. Very tight labor market conditions continue to cause some expectation of higher inflation. However, to date these pressures have not manifested themselves in large increases in consumer prices. The higher increases in 1999 and 2000 are largely due to volatile energy prices.

The core inflation rate is eventually expected to increase in response to an increasingly tighter labor market and increasing import costs. However, overall inflation is still expected to remain below 3.0 percent. In addition, continuing productivity growth also is holding down inflationary pressures. Inflation, as measured by the CPI-U, is expected to remain low in 2001 at 2.2 percent. Inflation, as measured by GDP price index, also is expected to remain low at 1.8 percent in 2001.

The price of durable goods is expected to fall 1.0 percent in 2001. Overall the price of furniture and household equipment is expected to fall 3.3 percent. The cost of computers is expected to drop 19.8 percent, while the cost of software is expected to fall 1.1 percent. The price of motor vehicles and parts is anticipated to rise 0.9 percent.

The price of nondurable goods also is forecasted to increase 1.0 percent in 2001. Specifically, food and beverage prices are expected to increase 2.1 percent and the price of drugs and medicines are expected to increase 2.9 percent. On the other hand, the price of clothing and shoes is expected to fall 0.9 percent, the cost of gasoline and oil is expected drop 4.2 percent, and the cost of fuel oil and coal is expected to drop 4.6 percent.

The price of services is expected to increase 2.5 percent in 2000. The price of housing is expected to increase by 2.1 percent, while the price of household operation is expected to rise by 1.4 percent. Within household operations, electricity costs are expected to increase 2.2 percent, natural gas prices are expected to increase 7.5 percent, while the cost of telephone services is expected to fall 2.4 percent. Transportation costs are anticipated to increase by 2.6 percent. The cost of medical care is expected to increase by 2.9 percent. The cost of personal business services is expected to increase 2.7 percent. Finally, the price of recreation is expected to increase 3.1 percent.

Productivity. A major factor in holding down inflationary pressures has been productivity increases. Cyclically adjusted output per hour is expected to increase 3.6 percent in 2001, while manufacturing output per hour is expected to increase 5.9 percent. Although employment costs are forecasted to rise 4.6 percent in 2001, the productivity increase will tend to keep labor costs and associated inflationary pressure from rising rapidly even though the economy is at, or near, full employment.

Chapter 3

Kansas Employment Changes & Personal Income

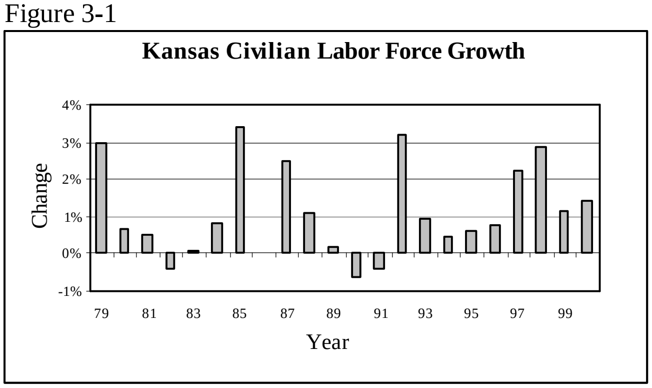
2000 Kansas Employment Trends

Employment data are compiled in two ways: by place of residence and by place of work. Employment by place of residence is based on a sample survey of households. From the sample survey, the civilian labor force is determined. Once the civilian labor force is determined, then employment, unemployment, and the unemployment rate are derived. Others such as children, retirees, military personnel, and those who are not actively seeking work are not considered to be part of the civilian labor force. Place of work data are compiled from information primarily obtained from firms directly as part of the unemployment insurance program. Place of work data are further categorized by industry. Table 3-1, which is shown on the following page, presents Kansas employment details, both by place of residence and by place of work, from 1998 through 2000.

Employment by Place of Residence

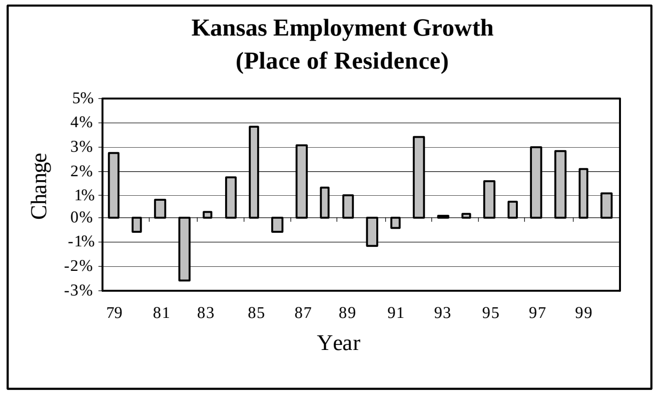
In 2000, the Kansas civilian labor force grew at a 1.4 percent rate, which is slightly more than the 1.1 percent growth rate realized in 1999. Figure 3-1 presents trends in the Kansas civilian labor force from 1979 through 2000.

Figure 3-1



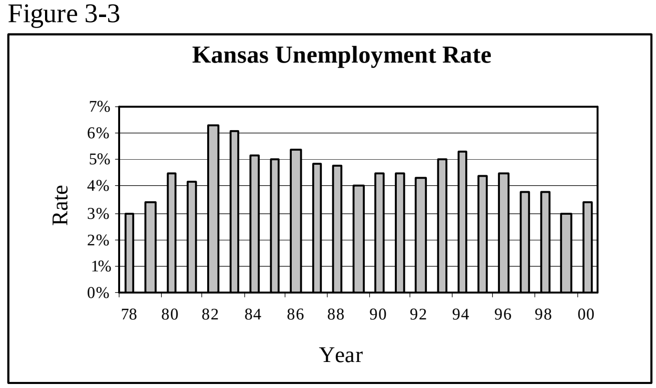
In 2000, Kansas employment, as measured by place of residence grew at a rate of 1.0 percent, while in 1999 the state's employment as measured by place of residence grew at a 2.0 percent rate. Figure 3-2 presents Kansas employment trends by place of residence from 1979 through 2000.

Figure 3-2



In 2000, average monthly unemployment in Kansas rose to 49,000 from its 1999 level of 43,000. Figure 3-3 presents the Kansas unemployment rate from 1978 through 2000.

Figure 3-3



As shown in the graph, the average monthly unemployment rate in Kansas increased from the 1999 level of 3.0 percent to 3.4 percent in 2000. Nevertheless, the Kansas unemployment rate has been consistently below the U.S. unemployment rate since 1971. Although the Kansas unemployment rate increased in 2000, many sectors were still left to battle for scarce workers.

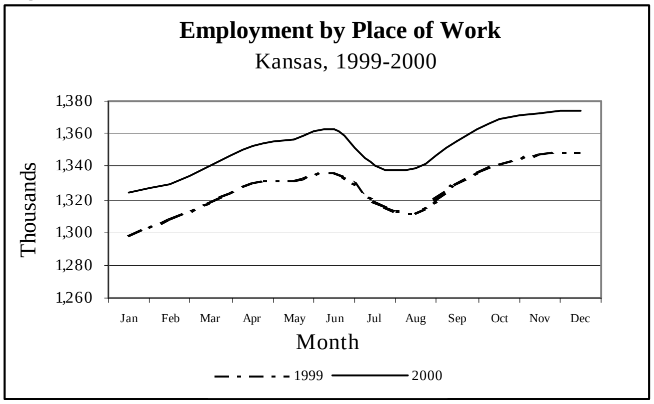
Table 3-1

Kansas Employment, 1999-2000

	1999	2000	% Change 98-99	% Change 99-00
Place of Residence Data				
Civilian Labor Force	1,434,000	1,454,000	1.1	1.4
Employment	1,391,000	1,405,000	2.0	1.0
Unemployment	43,000	49,000	(20.4)	14.0
Unemployment Rate	3.0	3.4	(0.8)	0.4
Place of Work Data				
All Industries	1,327,000	1,351,100	1.1	1.8
Goods Producing Industries	285,200	288,000	0.8	1.0
Mining	6,400	6,600	(13.5)	3.1
Oil & Gas Extraction	5,000	5,300	(16.7)	6.0
Construction	65,600	69,900	6.7	6.6
Manufacturing	213,200	211,500	(0.4)	(0.8)
Durable Goods	126,400	124,700	(1.2)	(1.3)
Stone, Clay & Glass Products	6,300	6,300	1.6	--
Primary Metal Industries	3,600	3,200	(12.2)	(11.1)
Fabricated Metal Products	10,800	10,900	(1.8)	0.9
Machinery (incl. Electric)	31,700	30,900	(5.4)	(2.5)
Transportation Equipment	60,200	59,200	1.2	(1.7)
Aircraft & Parts	49,000	48,000	--	(2.0)
Nondurable Goods	86,800	86,900	0.7	0.1
Food & Kindred Products	33,200	33,700	2.2	1.5
Meat Products	19,500	19,800	4.3	1.5
Grain Mill Products	4,100	4,100	2.5	--
Apparel & Other Textile Prod.	3,300	3,400	--	3.0
Printing & Publishing	22,300	21,800	(3.9)	(2.2)
Chemicals & Allied Products	7,300	7,100	4.3	(2.7)
Petroleum/Coal & Rubber/Plastics	14,400	13,000	0.7	(9.7)
Service Producing Industries	1,041,800	1,063,100	1.2	2.0
Transportation, Comm., & Public Utilities	77,800	79,900	4.3	2.7
Railroad Transportation	6,300	5,600	(7.4)	(11.1)
Trucking & Warehousing	22,600	23,500	0.9	4.0
Elect., Gas & Sanit. Serv.	10,100	9,900	(2.9)	(2.0)
Total Trade	318,700	322,900	(0.1)	1.3
Wholesale Trade	77,000	77,500	(0.4)	0.6
Retail Trade	241,700	245,400	0.0	1.5
General Merchandise Stores	35,000	36,500	1.7	4.3
Food Stores	35,100	35,300	0.3	0.6
Auto. Deal. & Serv. Stations	27,100	27,200	0.7	0.4
Apparel & Accessory Stores	10,700	10,600	(8.5)	(0.9)
Fin., Ins., & Real Estate	63,000	63,900	1.6	1.4
Dep. & Nondep. Credit Inst.	25,600	25,900	1.6	1.2
Insurance Carriers	11,900	11,800	(1.7)	(0.8)
Services	342,600	352,200	2.6	2.8
Hotels & Other Lodging Places	11,100	11,300	1.8	1.8
Personal Services	12,800	13,400	3.2	4.7
Government	239,700	244,200	(0.0)	1.9
Federal Government	25,800	26,600	(2.6)	3.1
State & Local Government	213,900	217,600	0.2	1.7
Farm Employment	56,000	54,300	13.6	(3.0)

Employment by Place of Work. There are two broad classifications of employment by place of work: the goods producing industries and the services producing industries. This section will present an overview of employment in the goods producing industries by subcategory, while the following section will present employment in the services producing industries in the same manner. Overall employment by place of work in Kansas increased at a 1.8 percent rate in 1999 compared to a 1.1 percent rate in 1998. Figure 3-4 presents Kansas employment trends by place of work for 1999 and 2000.

Figure 3-4

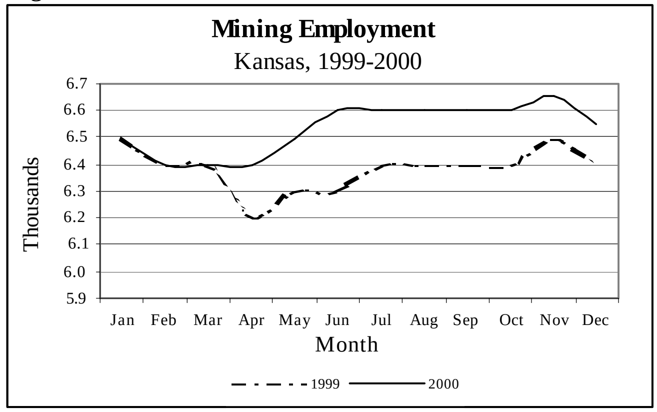


Goods Producing Industries

Employment in the goods producing industries increased at a 1.0 percent rate in 2000 compared to a 0.8 percent rate in 1999. Within the goods producing industries, employment in mining increased 3.1 percent and employment in construction increased 6.6 percent. However, employment in manufacturing decreased by 0.8 percent.

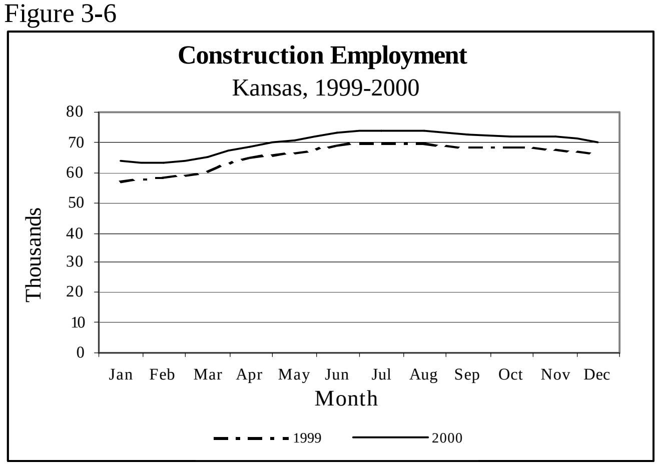
Mining. Mining employment increased by 3.1 percent in 2000, which is a significant improvement when compared to the 13.5 percent decrease in 1999. Employment in oil and gas extraction, a key subcomponent of the mining sector, recovered somewhat in 2000 increasing by 6.0 percent compared to a 16.7 percent decline in 1999. Although a recent increase in oil prices has stimulated some oil field exploration and a corresponding increase in employment, many producers have been taking a "wait and see" attitude. The producers remain reluctant to take action until they are more confident that prices will remain at the higher level. Figure 3-5 presents trends in mining employment for 1999 and 2000.

Figure 3-5



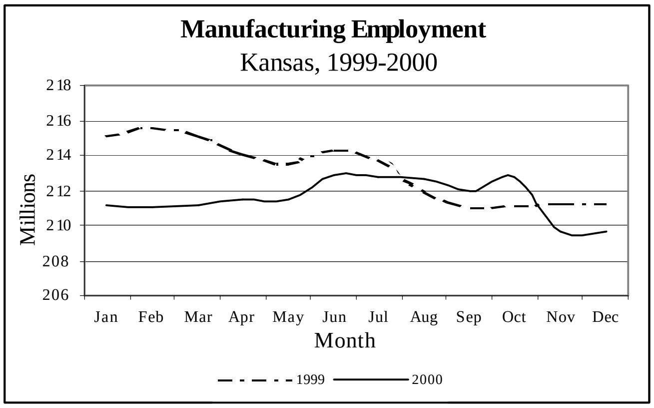
Construction. Construction employment grew at a 6.6 percent rate in 2000 compared to a 6.7 percent rate in 1999. This particular industry sector is affected greatly by the seasons and the weather. For this reason, it is important to remember that when analyzing construction employment changes the inherent seasonal nature of the industry should be considered. Figure 3-6 presents trends in construction employment in Kansas for 1999 and 2000.

Figure 3-6



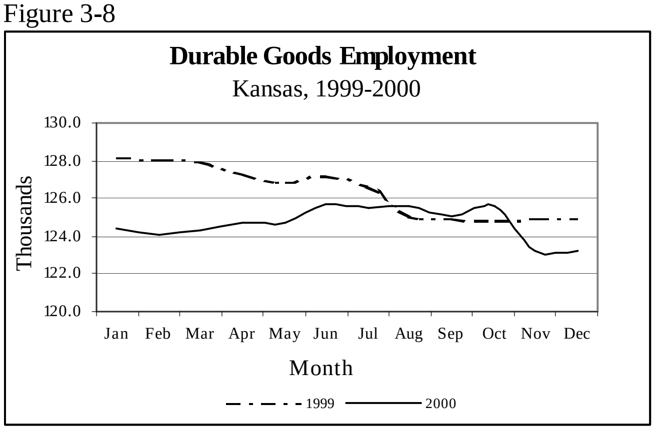
Manufacturing. Manufacturing employment declined by 0.8 percent in 2000 compared to a 0.4 percent decrease in 1999. The decrease in manufacturing employment is largely due to the aftermath of restructuring at the Boeing Company in Wichita. Although manufacturing employment dropped in 2000, overall manufacturing employment has remained relatively stable. The relative strength is substantiated by the fact that manufacturing employment decreased by only 1,700 out of a base of over 200,000 workers from 1999 to 2000. Figure 3-7 presents trends in manufacturing employment for 1999 and 2000.

Figure 3-7



Defining the overall trend in manufacturing employment, durable goods manufacturing employment decreased by 1.3 percent in 2000 compared to a 1.2 percent decline in 1999. Durable goods are defined as goods with an expected useful life of more than one year. Figure 3-8 presents the yearly trends in durable goods manufacturing employment, by month, for both 1999 and 2000.

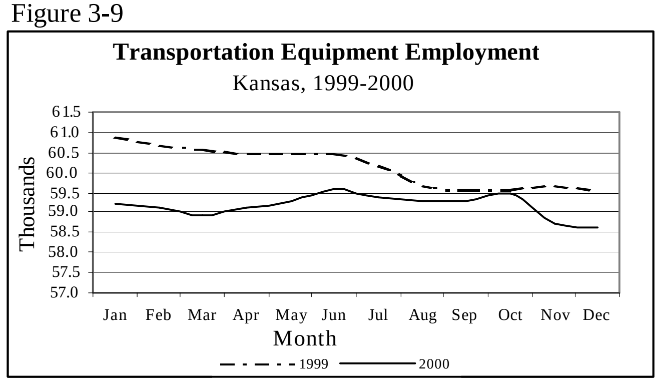
Figure 3-8



Five important subsectors within the durable goods manufacturing sector are stone, clay, and glass products; primary metal industries; fabricated metal products; machinery (which includes electric product manufacturing); and transportation equipment. Of these subsectors, only fabricated metal products (0.9 percent) showed an increase in employment in 2000. Employment declines were experienced in the primary metal industries (-11.1 percent), machinery (-2.5 percent), and transportation equipment (-1.7 percent). Employment in stone, clay, and glass products manufacturing remained steady.

Employment trends in transportation equipment, a subcomponent of durable goods manufacturing, are important for four reasons. First, transportation equipment manufacturing is a major exporting subsector within the Kansas economy. Second, aircraft and related parts manufacturing is a major subcategory of the transportation equipment manufacturing subsector. Third, the Wichita metropolitan area's economy is driven largely by aircraft related manufacturing. Fourth, the manufacturing industry in Kansas is driven largely by manufacturing employment in the Wichita metropolitan area. For these reasons, employment changes in transportation equipment manufacturing potentially have a significant effect on the Kansas economy as a whole. Figure 3-9 presents trends in overall transportation and equipment manufacturing employment for 1999 and 2000.

Figure 3-9

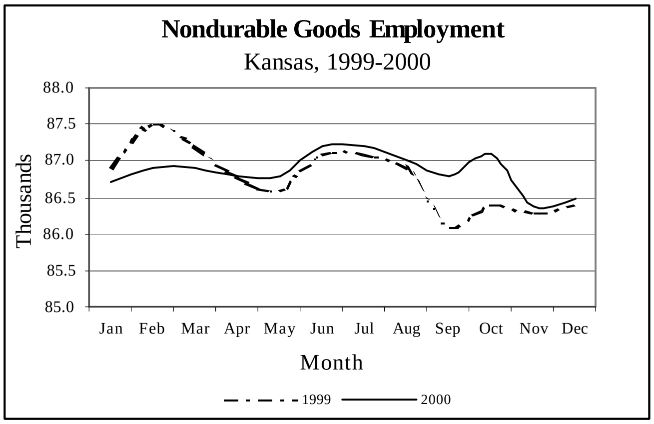


Transportation equipment manufacturing employment in Kansas decreased by 1.7 percent in 2000 compared to a 1.2 percent increase in 1999. Specifically, employment in the aircraft and parts manufacturing subcategory decreased by 2.0 percent in 2000 compared to remaining steady in 1999. Although this sector realized a decrease in employment, it is expected to remain relatively strong through 2001.

The dynamics of the aircraft and parts manufacturing employment in the Wichita metropolitan area are of particular interest when analyzing the Kansas economy. In 2000, those dynamics were driven by activity at Boeing, which began the year about 4,500 fewer workers than in 1999. Many of the losses at Boeing were absorbed by commensurate employment increases at Cessna, Raytheon, and Bombardier/LearJet.

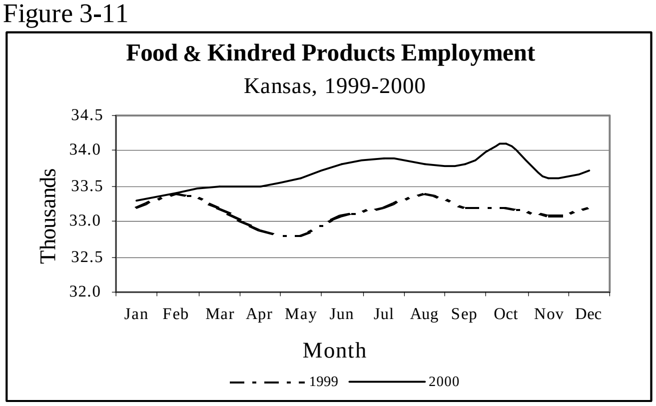
Employment in the nondurable goods manufacturing sector held relatively steady in 2000, increasing by only 0.1 percent. Nondurable goods are defined as goods with an expected useful life of less than one year. Figure 3-10 presents trends for nondurable goods manufacturing employment for 1999 and 2000.

Figure 3-10



Within the nondurable goods manufacturing category, there are seven important subsectors of manufacturing, including food and kindred products; meat products; grain mill products; apparel and other textile products; printing and publishing; chemicals and allied products; and petroleum/coal and rubber/plastics. Figure 3-11 presents trends in food and kindred products employment in Kansas for 1999 and 2000.

Figure 3-11



The largest of these sectors, and the one with the most effect on the Kansas economy, is food and kindred products manufacturing. This sector accounts for 38.8 percent of all nondurable goods employment. Employment in the food and kindred products manufacturing sector increased by 1.5 percent in 2000 compared to a 2.2 percent increase in 1999.

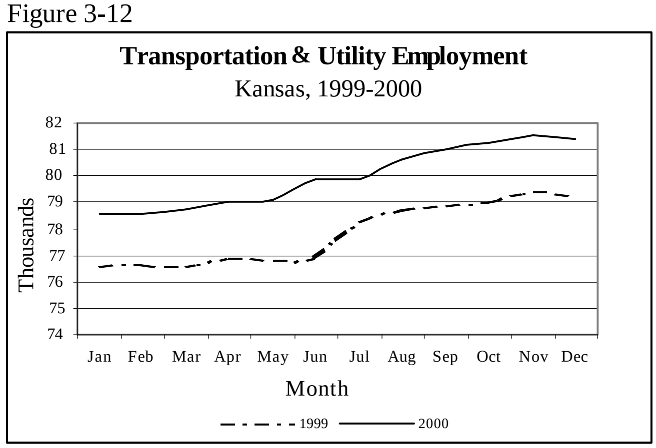
Within the other nondurable goods producing sectors, increases were experienced in meat products (1.5 percent), apparel and other textile products (3.0 percent), while employment decreased in printing and publishing (-2.2 percent), chemicals and allied products (-2.7 percent), and petroleum, coal, and rubber and plastics (-9.7 percent). Grain mill products employment remained steady in 2000.

Services Producing Industries

The second broad classification of employment by place of work is the services producing industries. Employment in the services producing industries grew at a 2.0 percent rate in 2000 compared to a 1.2 percent rate in 1999. There are five important categories within the service producing industries: transportation, communication, and public utilities; trade; finance, insurance, and real estate (FIRE); "pure" services; and government employment. In 2000, all five major categories realized increases in employment. Employment increased in transportation, communication and public utilities by (2.7 percent); trade (1.3 percent); FIRE (1.4 percent); "pure" services (2.8 percent); and government (1.9 percent).

Transportation, Communication, & Public Utilities. Consistent with other service producing industries, employment in the transportation, communication, and public utilities sector grew at a 2.7 percent rate in 2000 compared with a 4.3 percent growth rate in 1999. Figure 3-12 presents trends in transportation and public utilities employment for 1999 and 2000. Not

Figure 3-12



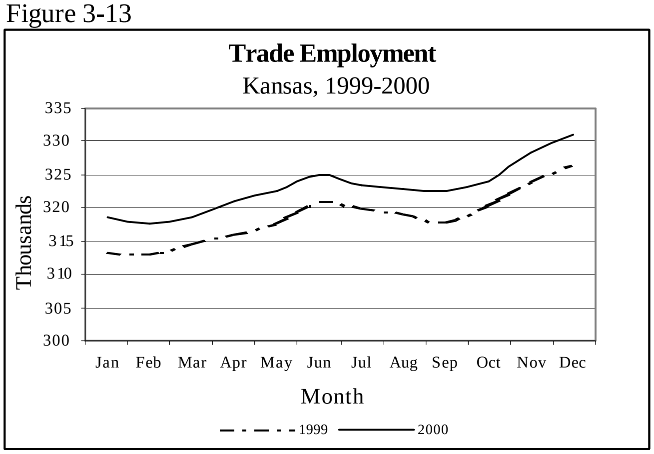
surprisingly, the largest component of job creation in this industry was communications. Completion of the

$700 million Sprint World Headquarters in Overland Park, Kansas is likely to stabilize employment growth in the area in the immediate future, especially in the aftermath of the failed proposed merger between Sprint and MCI.

Within this sector, employment in trucking and warehousing increased by 4.0 percent in 2000, while employment in railroad transportation fell 11.1 percent, and employment in electric, gas, and sanitary services fell by 2.0 percent.

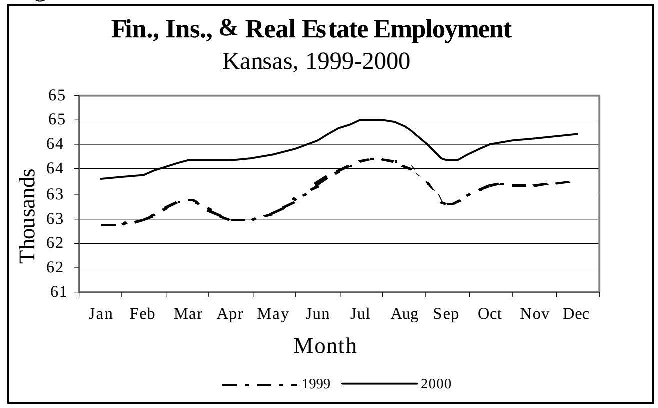
Wholesale & Retail Trade. Total trade employment increased by 1.3 percent in 2000 compared to a 0.9 percent decline in 1999. Figure 3-13 presents trends in trade employment for 1999 and 2000. This industry is made up of two sectors: wholesale and retail trade. During 2000, wholesale trade employment increased by 0.6 percent compared to a 0.4 percent decrease in 1999. However, the retail trade sector fueled most of the growth in trade employment in 2000, with an increase of 1.5 percent, compared to remaining essentially constant in 1999. The majority of retail jobs created in 2000 were in general merchandising stores. Within the retail trade sector, only apparel and accessory store employment fell (-0.9 percent). Employment in food stores increased 0.6 percent, and automobile dealer and service station employment increased 0.4 percent.

Figure 3-13



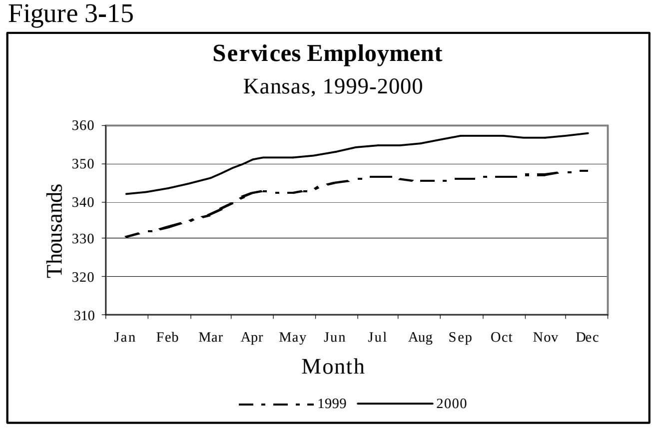
Finance, Insurance, & Real Estate. Employment in FIRE increased by 1.4 percent in 2000 compared to a 1.6 percent increase in 1999. Within the FIRE industry, employment in depository and nondepository credit institutions increased by 1.2 percent in 2000, while insurance carrier employment decline by 0.8 percent. Figure 3-14 presents trends in FIRE employment for 1999 and 2000.

Figure 3-14



Services. Typically one of the fastest growing industries in the state is “pure” services. Employment in this industry grew 2.8 percent in 2000 compared to a 2.6 percent increase in 1999. Within this industry employment in hotels and other lodging places increased by 1.8 percent in 2000, the same rate as in 1999, while personal service employment rose by 4.7 percent in 2000 compared to a 3.2 percent increase in 1999. Other contributors to the service employment expansion were growth in business, medical, management, and social services. Telemarketing was also a significant source of employment growth over recent years. Figure 3-15 presents trends in service employment for 1999 and 2000.

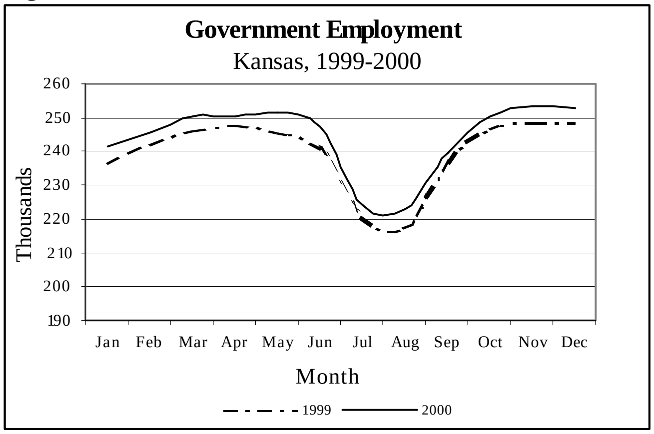
Figure 3-15



Government. Total government employment in Kansas increased by 1.9 percent in 2000, after remaining steady in 1999. Federal government employment in the state rose by 3.1 percent in 2000 after a 2.6 percent decline in 1999, while state and local government employment increased by 1.7 percent in 2000 compared to a 0.2 percent increase in

1999. The summer downturn is attributable largely to faculty at public schools and universities being on nine-month appointments. Figure 3-16 presents trends in government employment for 1999 and 2000.

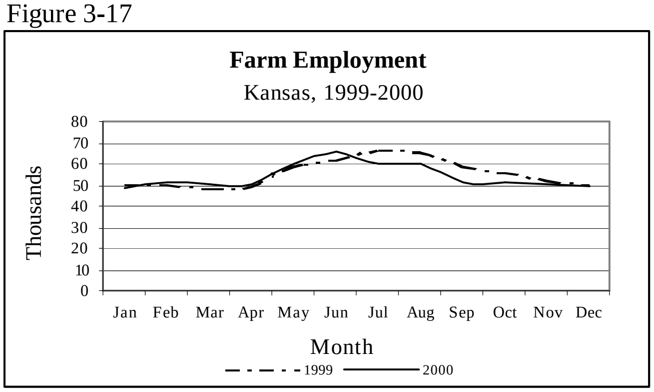
Figure 3-16



Farming

Ongoing problems in the farm economy in 2000 caused farm employment to fall 3.0 percent compared to a 13.6 percent increase in 1999. Figure 3-17 presents trends in farm employment for 1999 and 2000. Much of the variation in farm employment during the year is due to the inherently seasonal nature of the industry.

Figure 3-17



1999 Personal Income Review

Personal income is defined as the income received by, or on behalf of, all residents. It consists of income received by persons from all sources, which includes participation in production, both government and business transfer payments, and government interest, which is treated as a transfer payment. "Persons" are defined as individuals, nonprofit institutions primarily serving individuals, private noninsured welfare funds, and private trust funds.

Personal income is calculated by summing its components, which include salaries and wages, other labor income, proprietors' income, personal rental income, personal dividend income, personal interest income, and personal transfer payments, less personal contributions for social insurance.

A lag of eight months occurs before final estimates of state personal income for the previous calendar year are released. Accordingly, it was not until August 2000 that estimates of 1999 Kansas personal income were available. Kansas personal income totaled $71.2 billion in 1999, which is a 5.0 percent increase over the previous year. This increase is somewhat lower than the 6.4 percent growth rate experienced in 1998.

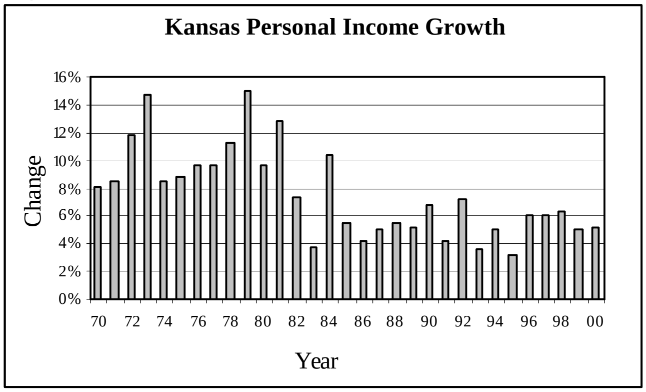
Personal Income by Source

Salaries and wages accounted for 54.9 percent of Kansas personal income in 1999. Salaries and wages increased at a 5.5 percent rate in 1999, which is much less than the 8.0 percent rate of increase in 1998. Three major industries make up nearly three-fourths of salary and wage disbursements in Kansas, with services accounting for 29.7 percent, manufacturing for 22.4 percent, and government for 22.0 percent of the total.

Other labor income, consisting largely of employer payments for health insurance and other benefits, rose 3.4 percent in 1999 compared to a 3.5 percent increase in 1998. Other labor income reached a level that was more than $4.6 billion in 1999, indicating the importance of fringe benefits in personal income growth. Proprietors' income grew at a 7.9 percent rate in 1999 compared to a 2.1 percent growth rate in 1998. Non-farm proprietors' income increased at a 6.1 percent rate in 1999, while farm proprietors' income increased by 18.5 percent. Following salaries and wages, the second largest major source of personal income for Kansans, which are dividends, interest, and rent, accounts for 20.0 percent of total personal income. Dividends, interest, and rent increased by 4.2

percent in 1999, down from 7.6 percent in 1998. Transfer payments grew more rapidly in 1999 than in 1998, increasing by 3.8 percent in 1999 compared with 0.5 percent in 1998. Also, personal contributions for social insurance increased 6.0 percent in both 1999 and 1998. Figure 3-18 presents Kansas personal income and growth rates for 1970 through 2000.

Figure 3-18



A significant portion of Kansas personal income is paid to Kansans from out-of-state sources. This portion is particularly significant for residents who live in Johnson and Wyandotte Counties and work in Missouri. This significance is reflected in the residence adjustment, which increased 2.3 percent in 1999 compared to a 21.2 percent increase in 1998. The values for 1999 are preliminary estimates, while the 2000 values are forecasts.

Salaries & Wages by Industry

Agricultural services, forestry, and fisheries is a rather small industry contributing only 0.8 percent of total salaries and wages. Salaries and wages in agricultural services increased by 9.5 percent in 1999 compared to an 8.7 percent increase in 1998. Salaries and wages in the mining sector fell 6.1 percent in 1999 compared to a 1.5 percent increase in 1998. Salaries and wages in construction increased by 10.1 percent in 1999 compared to an 8.6 percent increase in 1998.

Manufacturing is the second largest generator of salaries and wages. Manufacturing salaries and wages increased by 2.6 percent in 1999 compared to a 5.7 percent increase in 1998. Specifically, in 1999 durable goods manufacturing salaries and wages rose by 2.6 percent, while nondurable goods manufacturing salaries and wages increased by 2.5 percent.

Salaries and wages in the transportation, communication, and public utilities sector grew at a 17.4 percent rate in 1999 compared to a 6.6 percent rate in 1998. Wholesale trade salaries and wages increased 2.8 percent in 1999 compared to 8.2 percent in 1998, while retail trade salaries and wages increased by 5.0 percent in 1999 compared to 6.8 percent in 1998. FIRE salaries and wages increased 6.7 percent in 1999 compared to a 9.4 percent increase in 1998.

The service industry accounts for the largest proportion of salaries and wages payments, where they increased 4.4 percent in 1999 compared to a 10.8 percent increase in 1998. Government salaries and wages increased by 4.4 percent in both 1999 and 1998. Within total government, civilian federal government salaries and wages grew at a 1.5 percent rate, military salaries and wages grew at a 3.1 percent rate, and state and local government salaries and wages grew at a 5.4 percent rate in 1999. Table 3-2 on the following page presents a breakdown of Kansas personal income and growth rates by industry for 1998 through 2000.

2000 Personal Income Estimates

Moderating, but continued growth in salaries and wages; renewed growth in dividends, interest, and rent; and sustained non-farm proprietors' income growth maintained the growth of Kansas personal income in 2000. The growth rate of personal income in Kansas rose slightly to 5.2 percent in 2000 compared with 5.0 percent growth in 1999.

Personal income forecasts based on the first two quarters of the year indicate that strong gains were being experienced in agricultural services (14.9 percent), construction (8.1 percent) transportation and public utilities (8.0 percent), FIRE (7.0 percent), and government (8.3 percent). Losses were experienced during the first half of 2000 in overall manufacturing (-1.1 percent). Specifically, durable goods manufacturing decreased by 3.1 percent.

Salaries and wages, is the largest component of Kansas personal income. In 2000, it is forecasted to increase by 4.9 percent, which is lower than 5.5 percent growth in 1999 and 8.0 percent growth in 1998. Other labor income is estimated to increase by 2.8 percent in 2000 compared with a 3.4 percent increase in 1999. Table 3-2 shows Kansas Personal Income from 1998 through

Table 3-2

Kansas Personal Income, 1998-2000

(Dollars in Millions)

	1998	**1999***	**2000****	**% Chg. 97-98**	**% Chg. 98-99**	**% Chg. 99-00**
Total Personal Income	67,780	71,194	74,900	6.4	5.0	5.2
Non-farm Personal Income	66,587	69,867	73,600	6.8	4.9	5.3
Farm Income	1,193	1,326	1,300	(13.4)	11.1	(2.0)
Earnings by Place of Work	47,420	50,082	52,470	6.8	5.6	4.8
Less: Personal Contributions for Social Insurance	2,932	3,107	3,251	6.0	6.0	4.7
Plus: Adjustment for Residence	1,269	1,298	1,372	21.2	2.3	5.7
Equals: Net Earnings by Place of Residence	45,756	48,274	50,580	7.2	5.5	4.8
Plus: Dividends, Interest, and Rent	13,643	14,219	15,213	7.6	4.2	7.0
Plus: Transfer Payments	8,381	8,701	9,078	0.5	3.8	4.3
State unemployment insurance benefits	128	151	162	(6.6)	17.8	7.5
Transfers excluding State U.I.	8,253	8,551	8,916	0.6	3.6	4.3
Wages and Salaries	37,046	39,090	41,005	8.0	5.5	4.9
Other Labor Income	4,463	4,614	4,741	3.5	3.4	2.8
Proprietors' Income	5,911	6,378	6,742	2.1	7.9	5.7
Farm	847	1,003	987	(21.6)	18.5	(1.6)
Non-farm	5,064	5,375	5,755	7.5	6.1	7.1
Total Farm	1,193	1,326	1,300	(13.4)	11.1	(2.0)
Total Non-farm	46,227	48,756	51,170	7.4	5.5	5.0
Private	37,975	40,139	41,853	8.1	5.7	4.3
Agri. Services, Forestry, Fisheries and Other	297	325	373	8.7	9.5	14.9
Mining	500	470	478	1.5	(6.1)	1.7
Construction	2,692	2,964	3,205	8.6	10.1	8.1
Manufacturing	8,532	8,750	8,650	5.7	2.6	(1.1)
Durable goods	5,530	5,673	5,496	5.9	2.6	(3.1)
Nondurable goods	3,002	3,077	3,154	5.3	2.5	2.5
Transportation and public utilities	3,889	4,564	4,929	6.6	17.4	8.0
Wholesale trade	3,472	3,569	3,750	8.2	2.8	5.1
Retail trade	4,587	4,814	5,076	6.8	5.0	5.5
Finance, insurance, and real estate	2,884	3,077	3,292	9.4	6.7	7.0
Services	11,123	11,607	12,100	10.8	4.4	4.2
Government and government enterprises	8,252	8,617	9,329	4.4	4.4	8.3
Federal, civilian	1,491	1,513	1,587	3.0	1.5	4.9
Military	987	1,018	1,073	0.7	3.1	5.4
State and local	5,774	6,086	6,670	5.4	5.4	9.6

*Estimated
**Forecasted

Source: U.S. Department of Commerce, Bureau of Economic Analysis

2000. Proprietors' income is forecasted to increase 5.7 percent in 2000, with farm proprietors' income falling 1.6 percent and non-farm proprietors' income increasing by 7.1 percent. After a 4.2 percent increase in 1999, dividends, interest, and rent is estimated to increase by 7.0 percent in 2000.

Transfer payments are forecasted to increase by 4.3 percent in 2000 after a 3.8 percent increase in 1999. The residence adjustment for income earned by Kansas residents from sources outside Kansas is projected to increase by 5.7 percent in 2000 compared to the 2.3 percent increase in 1999.

Chapter 4

Local & Regional Economies

Kansas Metropolitan Areas, Regions, & Localities

The economy of Kansas generally is concentrated in urbanized areas, each with a similar economic base. For statistical purposes, these geographic areas include the three metropolitan areas and 11 selected counties. The three metropolitan areas include the Wichita metropolitan area (Butler, Harvey, and Sedgwick Counties), the Topeka metropolitan area (Shawnee County), and the Lawrence metropolitan area (Douglas County). The selected counties each contain a city that is the major economic base for the region. In addition, the city has a population that is in excess of 12,000 people and constitutes at least 50.0 percent of the total county population. The 11 selected counties and associated cities are Barton (Great Bend), Crawford (Pittsburg), Ellis (Hays), Finney (Garden City), Ford (Dodge City), Lyon (Emporia), McPherson (McPherson), Montgomery Coffeyville/Independence), Reno (Hutchinson), Riley (Manhattan), and Saline (Salina).

Major Labor Market Employment

During 2000, modest growth was experienced by the state's three major labor markets. The civilian labor force grew by 2.4 percent in the Lawrence metropolitan area, 0.8 percent in the Wichita metropolitan area, and 0.5 percent in the Topeka metropolitan area.

Employment by Place of Residence

Employment can be measured in two different ways: by place of residence and by place of work. Employment by place of residence is based on a sample survey of households. From the sample survey, the civilian labor force is determined by classifying data in terms of employed versus unemployed individuals. Others, such as children, retirees, military personnel, and those who are not actively seeking work, are not considered to be part of the civilian labor force. Once the civilian labor force is determined, then employment, unemployment, and the unemployment rate are derived.

In 2000, Kansas employment, as measured by place of residence, experienced growth. Specifically, employment in the Lawrence metropolitan area increased by 1.9 percent. Employment levels in Wichita and Topeka increased only slightly. However, the unemployment rate did increase in each of the three metropolitan areas. In the Wichita area, the unemployment rate increased from 3.3 percent to 3.9 percent. In the Topeka area, the unemployment rate rose from 3.1 percent to 3.6 percent, and in the Lawrence area, the unemployment rate increased from 3.2 percent 3.6 percent.

Employment by Place of Work

The other way to measure employment is by place of work, which is determined by compiling data primarily from information obtained from businesses covered by the unemployment insurance program. Place of work data then are broken down further by industry type. The following section presents employment by place of work for the three major metropolitan areas and the selected counties.

Wichita Metropolitan Area. Based on place of work data, all industries employment in the Wichita metropolitan area decreased by 0.1 percent in 2000. Factors affecting the overall employment decrease over the past year include events at Koch Industries and the aviation companies. Specifically, Koch is still in the process of adjusting to a sizeable workforce reduction that has occurred over the past two years. The adjustment process has included salary and wage employees, as well as a large reduction in the number of contractors and consultants. Many of the adjustments at Koch are attributed to the aftereffects of the global economic slump, ongoing problems in the agricultural economy, environmental issues with the federal government, and overall company restructuring. Table 4-1 presents employment in the Wichita metropolitan area for 1999 and 2000.

Table 4-1

Wichita Metropolitan Area Employment
Butler, Harvey & Sedgwick Counties
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	290,160	292,607	0.8
Employment	280,679	281,094	0.1
Unemployment	9,481	11,513	21.4
Unemployment Rate	3.3	3.9	0.6
Place of Work Data			
All Industries	285,300	285,000	(0.1)
Goods Producing Indus.	89,800	88,300	(1.7)
Mining	1,100	1,000	(9.1)
Construction	15,200	15,500	2.0
Manufacturing	73,500	71,800	(2.3)
Durable Goods	61,900	60,000	(3.1)
Mach. (Incl. Elect.)	7,800	7,500	(3.8)
Trans. Equipment	46,100	44,800	(2.8)
Nondurable Goods	11,600	11,800	1.7
Food & Kind. Prod.	2,800	2,900	3.6
Printing & Publishing	2,800	2,800	--
Service Producing Indus.	195,500	196,700	0.6
Trans. & Pub. Util.	11,200	11,400	1.8
Trade Total	62,800	62,900	0.2
Wholesale Trade	15,300	15,400	0.7
Retail Trade	47,500	47,600	0.2
FIRE	11,500	11,700	1.7
Services	76,700	76,500	(0.3)
Government	33,200	34,200	3.0
Farm Employment	2,400	2,300	(4.2)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Although the Boeing Company also experienced some workforce adjustments early in the year on the tail end of a major 4,500 employee workforce reduction that started last year, employment has remained stable for most of the year with a small number of recalls and new hires initiated during the latter portion of the year. In June, more than 4,000 Boeing office and clerical workers in Wichita, approximately 25.0 percent of the workforce, voted to be represented by the Society of Professional Engineering Employees (SPEEA). Approximately 1,300 engineers in Wichita are already represented by SPEEA in a separate collective bargaining unit.

Aviation employment in general remained relatively stable with Bombardier/LearJet, Cessna, and Raytheon absorbing many of the job losses at Boeing. In fact, Cessna added approximately 1,000 new workers during the year. Although the Raytheon Company was banking on the sale of its Wichita-based aircraft unit to help reduce its heavy debt burden, it was unable to find a buyer willing to pay the asking price. Raytheon Aircraft was plagued also during the year by continuing delays in the testing and certification of several of its new products. Nevertheless, overall aviation employment is expected to remain stable into the near future.

Machinists at Bombardier/LearJet narrowly approved the company's offer of a four-year collective-bargaining contract. The contract includes a general wage increase of 3.75 percent in the first year, 3.25 percent in the second year, and 3.50 percent in each of the following two years. The contract also provides for a $300 per year lump-sum payment for each of the first three years for inflation, plus additional inflation protection in the fourth year; increases in pension benefits; a gain of one personal holiday a year; increases in second-shift premium pay; and improvements in life insurance, short-term disability, dental, and vision benefits. In addition, workers would no longer be required to work more than two consecutive weekends of mandatory overtime.

The two major categories of employment by place of work are the goods producing industries and the services producing industries. In 2000, employment in the goods producing industries fell by 1.7 percent, while employment in the services producing industries increased by 0.6 percent. Within the goods producing industries, mining employment decreased by 9.1 percent, construction employment increased by 2.0 percent, and manufacturing employment fell by 2.3 percent. Also within the goods producing industries, durable goods manufacturing employment fell by 3.1 percent, while nondurable goods manufacturing employment rose by 1.7 percent. Within the durable goods manufacturing category, machinery employment fell by 3.8 percent and transportation equipment employment fell by 2.8 percent. Within the non-durable goods manufacturing category, food and kindred products employment rose by 3.6 percent, while printing and publishing employment remained unchanged.

The other major category of employment by place of work is the services producing industries. In 2000, within the services producing industries, only "pure" services employment experienced a decline (-0.3 percent), while all others experienced increases, including transportation, communication, and public utilities (1.8 percent), wholesale trade (0.7 percent), retail trade (0.2 percent), FIRE (1.7 percent), and government (3.0 percent). Farm employment fell by 4.2 percent.

Topeka Metropolitan Area. Based on place of work data, all industries employment in the Topeka metropolitan area decreased by 0.3 percent in 2000. Overall, employment in the goods producing industries fell by 2.0 percent, while employment in the services producing industries remained unchanged. Farm employment also remained unchanged. Within the goods producing industries, construction and mining employment decreased by 4.0 percent and manufacturing employment decreased by 1.0 percent. While nondurable goods manufacturing employment increased by 1.2 percent, employment in durable goods manufacturing decreased by 12.5 percent. Table 4-2 presents employment in the Topeka metropolitan area for 1999 and 2000.

Table 4-2

Topeka Metropolitian Area Employment
Shawnee County
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	90,254	90,691	0.5
Employment	87,451	87,458	--
Unemployment	2,803	3,233	15.3
Unemployment Rate	3.1	3.6	0.5
Place of Work Data			
All Industries	100,900	100,600	(0.3)
Goods Producing Indus.	14,900	14,600	(2.0)
Construct. & Mining	5,000	4,800	(4.0)
Manufacturing	9,900	9,800	(1.0)
Durable Goods	1,600	1,400	(12.5)
Nondurable Goods	8,300	8,400	1.2
Printing & Publishing	3,100	3,000	(3.2)
Service Producing Indus.	86,000	86,000	--
Trans. & Pub. Util.	5,700	5,200	(8.8)
Trade Total	21,700	21,700	--
Wholesale Trade	3,500	3,500	--
Retail Trade	18,300	18,300	--
FIRE	6,600	6,600	--
Services	30,500	31,200	2.3
Government	21,500	21,300	(0.9)
Farm Employment	500	500	--

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the services producing industries, only "pure" services employment experienced an increase (2.3 percent). Transportation and public utilities fell 8.8 percent, while government employment fell 0.9 percent. Employment in wholesale trade, retail trade, and FIRE all remained unchanged.

Lawrence Metropolitan Area. Based on place of work data, all industries employment in the Lawrence metropolitan area increased by 1.8 percent in 2000. Employment in the goods producing industries rose by 5.1 percent, while employment in the services producing industries rose by 1.2 percent. Farm employment remained unchanged. Within the goods producing industries, construction and mining employment increased by 4.0 percent, while manufacturing employment increased by 5.6 percent. Table 4-3 presents employment in the Lawrence metropolitan area for 1999 and 2000.

Table 4-3

Lawrence Metropolitian Area Employment
Douglas County
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	55,730	57,055	2.4
Employment	53,941	54,985	1.9
Unemployment	1,789	2,070	15.7
Unemployment Rate	3.2	3.6	0.4
Place of Work Data			
All Industries	48,700	49,600	1.8
Goods Producing Indus.	7,900	8,300	5.1
Construct. & Mining	2,500	2,600	4.0
Manufacturing	5,400	5,700	5.6
Service Producing Indus.	40,800	41,300	1.2
Trans. & Pub. Util.	1,400	1,400	--
Trade Total	12,100	12,400	2.5
Wholesale Trade	1,200	1,100	(8.3)
Retail Trade	10,900	11,300	3.7
FIRE	2,000	1,800	(10.0)
Services	11,700	11,700	--
Government	13,600	14,000	2.9
Farm Employment	600	600	--

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

In 2000, within the services producing industries, increases were experienced only in retail trade (3.7 percent) and government employment (2.9 percent). Decreases were experienced in both wholesale trade employment (-8.3 percent) and FIRE employment (-10.0 percent), while employment in transportation and public utilities employment and "pure" services remained unchanged.

Regional Labor Market Employment

The civilian labor force increased in eight of the eleven secondary labor markets in Kansas during 2000. Seven of the eleven counties also experienced increases in employment by place of residence during that same period. Crawford, Finney, Lyon, McPherson, Montgomery, Reno, Riley, and Saline Counties all recorded increases in the civilian labor force in 2000. Barton, Ellis and Ford Counties experienced decreases in the civilian labor force. With the exception of Montgomery County, all of these counties also recorded gains in employment by place of residence. However, all of the counties except Barton and Saline recorded increases in the unemployment rate.

Barton County. In 2000, the civilian labor force in the Great Bend area decreased by 0.4 percent. Great Bend is the largest city in Barton County with a population of 16,055 and represents 56.6 percent of the county's total population. Employment by place of residence also decreased by 0.4 percent, but the unemployment rate held steady. Table 4-4 presents employment in Barton County for 1999 and 2000. Based on place of work data, all industries employment in Barton County decreased by 0.6 percent in 2000. Employment in the goods producing industries fell by 6.0 percent, while employment in the services producing industries rose by 0.9 percent. Farm employment also fell by 2.9 percent.

Within the goods producing industries, mining employment fell 5.0 percent, construction employment remained steady, durable goods manufacturing decreased by 2.9 percent, and non-durable goods manufacturing decreased by 14.3 percent. Within the services producing industries, increases were experienced only in retail trade (5.9 percent) and "pure" services (0.7 percent). Decreases were recorded in wholesale trade (-2.7 percent) and government employment (-1.0 percent), while transportation and public utilities, as well as FIRE employment, remained unchanged.

Crawford County. The civilian labor force in the Pittsburg area increased by 3.0 percent in 2000. Table 4-5 presents employment in Crawford County for 1999

Table 4-4

Barton County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	14,974	14,919	(0.4)
Employment	14,525	14,464	(0.4)
Unemployment	449	455	1.3
Unemployment Rate	3.0	3.0	--
Place of Work Data			
All Industries	13,500	13,425	(0.6)
Goods Producing Indus.	2,900	2,725	(6.0)
Manufacturing	1,725	1,575	(8.7)
Durable Goods	850	825	(2.9)
Nondurable Goods	875	750	(14.3)
Mining	500	475	(5.0)
Construction	675	675	--
Service Producing Indus.	10,600	10,700	0.9
Trans. & Pub. Util.	475	475	--
Trade Total	3,475	3,575	2.9
Wholesale Trade	925	900	(2.7)
Retail Trade	2,550	2,700	5.9
FIRE	475	475	--
Services	3,725	3,750	0.7
Government	2,450	2,425	(1.0)
Farm Employment	875	850	(2.9)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Table 4-5

Crawford County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	18,670	19,230	3.0
Employment	18,064	18,453	2.2
Unemployment	606	777	28.2
Unemployment Rate	3.2	4.0	0.8
Place of Work Data			
All Industries	18,525	19,100	3.1
Goods Producing Indus.	4,500	4,675	3.9
Manufacturing	3,950	4,125	4.4
Durable Goods	1,850	1,850	--
Nondurable Goods	2,100	2,075	(1.2)
Mining	25	25	--
Construction	525	525	--
Service Producing Indus.	14,025	14,425	2.9
Trans. & Pub. Util.	800	800	--
Trade Total	4,475	4,575	2.2
Wholesale Trade	1,025	1,025	--
Retail Trade	3,450	3,525	2.2
FIRE	450	425	(5.6)
Services	4,025	4,250	5.6
Government	4,275	4,375	2.3
Farm Employment	600	575	(4.2)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service and 2000. Pittsburg is the largest city in Crawford County, with a population of 18,534 and represents 51.0 percent of the county's total population. Employment by place of residence in Crawford County increased by 2.2 percent, but the unemployment rate rose from 3.2 percent to 4.0 percent. Based on place of work data, all industries employment in Crawford County increased by 3.1 percent in 2000. Employment in the goods producing industries rose by 3.9 percent, while employment in the services producing industries rose by 2.9 percent. Farm employment fell by 4.2 percent.

Within the goods producing industries, mining and construction employment, and durable goods manufacturing employment remained unchanged, while nondurable goods manufacturing employment decreased by 1.2 percent. Within the services producing industries employment increases were realized in retail trade (2.2 percent), "pure" services (5.6 percent), and government (2.3 percent). However, a decline was recorded in FIRE employment (-5.6 percent). Employment levels remained steady in transportation and public utilities as well as wholesale trade.

Ellis County. The civilian labor force in the Hays area decreased by 1.9 percent in 2000. Hays is the largest city in Ellis County with a population of 19,230 and represents 73.0 percent of the county's total population. Employment by place of residence in Ellis County decreased by 2.0 percent, while the unemployment rate rose from 2.2 percent to 2.3 percent. Based on place of work data, all industries employment in Ellis County decreased by 2.1 percent. Employment in the goods producing industries fell by 1.3 percent, while employment in the services producing industries fell by 2.3 percent. However, farm employment remained steady.

Within the goods producing industries, mining, employment increased, but employment decreased in both durable goods manufacturing (-4.9 percent) and nondurable goods manufacturing (-25.0 percent), while construction employment remained unchanged. The services producing industries experienced decreases, including a 1.4 percent decline in retail trade, a 2.6 percent decline in "pure" services, and a 3.8 percent decline in government. Employment in transportation and public utilities and FIRE remained unchanged. Table 4-6 presents employment in Ellis County for 1999 and 2000.

Table 4-6

Ellis County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	17,173	16,847	(1.9)
Employment	16,795	16,456	(2.0)
Unemployment	378	391	3.4
Unemployment Rate	2.2	2.3	0.1
Place of Work Data			
All Industries	15,175	14,850	(2.1)
Goods Producing Indus.	1,975	1,950	(1.3)
Manufacturing	1,225	1,150	(6.1)
Durable Goods	1,025	975	(4.9)
Nondurable Goods	200	150	(25.0)
Mining	200	250	25.0
Construction	550	550	--
Service Producing Indus.	13,200	12,900	(2.3)
Trans. & Pub. Util.	550	550	--
Trade Total	4,025	3,975	(1.2)
Wholesale Trade	575	575	--
Retail Trade	3,450	3,400	(1.4)
FIRE	450	450	--
Services	4,850	4,725	(2.6)
Government	3,325	3,200	(3.8)
Farm Employment	550	550	--

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Finney County. The civilian labor force increased by 1.6 percent in the Garden City area in 2000. Garden City is the largest city in Finney County with a population of 25,043 and represents 66.9 percent of the county's total population. Employment by place of residence in Finney County increased by 1.5 percent, but the unemployment rate rose from 2.5 percent in 1999 to 2.7 percent in 2000. Based on place of work data, all industries employment in Finney County increased by 1.7 percent in 2000. Employment in the goods producing industries rose by 3.9 percent, while employment in the services producing industries rose by 0.4 percent. Farm employment fell by 2.2 percent.

Within the goods producing industries, employment increased in mining (10.0 percent), construction (2.4 percent), and nondurable goods manufacturing (4.1 percent), while employment in durable goods manufacturing fell (-10.0 percent). Within the services producing industries, employment experienced increases in transportation and public utilities (2.9 percent) and retail trade (2.3 percent), while employment experienced decreases in FIRE (-4.8 percent) and government (-0.9 percent). Employment in wholesale trade and "pure" services remained unchanged. Table 4-7 presents employment in Finney County for 1999 and 2000.

Table 4-7

Finney County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	19,919	20,243	1.6
Employment	19,420	19,705	1.5
Unemployment	499	538	7.8
Unemployment Rate	2.5	2.7	0.2
Place of Work Data			
All Industries	19,525	19,850	1.7
Goods Producing Indus.	7,075	7,350	3.9
Manufacturing	5,775	6,000	3.9
Durable Goods	250	225	(10.0)
Nondurable Goods	5,525	5,750	4.1
Mining	250	275	10.0
Construction	1,050	1,075	2.4
Service Producing Indus.	12,450	12,500	0.4
Trans. & Pub. Util.	850	875	2.9
Trade Total	4,250	4,325	1.8
Wholesale Trade	1,000	1,000	--
Retail Trade	3,250	3,325	2.3
FIRE	525	500	(4.8)
Services	3,950	3,950	--
Government	2,875	2,850	(0.9)
Farm Employment	1,125	1,100	(2.2)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Ford County. The civilian labor force in the Dodge City area decreased by 0.2 percent in 2000. Dodge City is the largest city in Ford County, with a population of 22,869 and represents 77.3 percent of the county's total population. Employment by place of residence in Ford County decreased by 0.4 percent, while the unemployment rate rose from 1.9 percent to 2.1 percent. Based on place of work data, all industries employment in Ford County decreased by 0.2 percent. Employment in the goods producing industries rose by 0.9 percent, while employment in the services producing industries fell by 0.7 percent and farm employment fell by 2.6 percent. Within the goods producing industries, nondurable goods manufacturing employment increased by 1.1 percent, durable goods manufacturing employment fell by 5.0 percent, and construction employment remained unchanged.

Within the services producing industries in Ford County, only "pure" service employment experienced an increase (0.9 percent). Employment decreases were experienced in retail trade (-1.6 percent), FIRE (-6.7 percent), and government employment (-1.0 percent). Transportation and public utilities and wholesale trade employment remained unchanged. Table 4-8 presents employment in Ford County for 1999 and 2000.

Table 4-8

Ford County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	15,885	15,856	(0.2)
Employment	15,585	15,529	(0.4)
Unemployment	300	327	9.0
Unemployment Rate	1.9	2.1	0.2
Place of Work Data			
All Industries	15,825	15,800	(0.2)
Goods Producing Indus.	5,375	5,425	0.9
Manufacturing	4,925	4,975	1.0
Durable Goods	500	475	(5.0)
Nondurable Goods	4,425	4,475	1.1
Mining	N.A.	N.A.	N.A.
Construction	450	450	--
Service Producing Indus.	10,450	10,375	(0.7)
Trans. & Pub. Util.	900	900	--
Trade Total	3,900	3,850	(1.3)
Wholesale Trade	850	850	--
Retail Trade	3,050	3,000	(1.6)
FIRE	375	350	(6.7)
Services	2,875	2,900	0.9
Government	2,400	2,375	(1.0)
Farm Employment	950	925	(2.6)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Lyon County. The civilian labor force in the Emporia area increased by 0.6 percent in 2000. Emporia is the largest city in Lyon County with a population of 24,897 and represents 73.7 percent of the county's total population. Employment by place of residence in Lyon County increased by 0.4 percent, but the unemployment rate rose from 3.1 percent to 3.3 percent. Based on place of work data, all industries employment in Lyon County increased by 0.7 percent. Employment in the goods producing industries fell by 3.7 percent, while employment in the services producing industries rose by 2.8 percent. Farm employment fell by 4.0 percent.

Within the goods producing industries, employment declines were realized in both durable goods manufacturing (-9.6 percent) and nondurable goods manufacturing (-2.4 percent), while mining and construction employment remained unchanged.

Within the services producing industries, employment increased in transportation and public utilities (8.3 percent), retail trade (2.3 percent), "pure" service employment (1.7 percent), and government (3.5 percent), while wholesale trade and FIRE employment remained unchanged. Table 4-9 presents employment in Lyon County in 1999 and 2000.

Table 4-9

Lyon County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	19,920	20,041	0.6
Employment	19,301	19,377	0.4
Unemployment	619	664	7.3
Unemployment Rate	3.1	3.3	0.2
Place of Work Data			
All Industries	18,550	18,675	0.7
Goods Producing Indus.	6,050	5,825	(3.7)
Manufacturing	5,500	5,275	(4.1)
Durable Goods	1,300	1,175	(9.6)
Nondurable Goods	4,200	4,100	(2.4)
Mining	25	25	--
Construction	525	525	--
Service Producing Indus.	12,500	12,850	2.8
Trans. & Pub. Util.	900	975	8.3
Trade Total	3,950	4,025	1.9
Wholesale Trade	725	725	--
Retail Trade	3,225	3,300	2.3
FIRE	475	475	--
Services	2,875	2,925	1.7
Government	4,300	4,450	3.5
Farm Employment	625	600	(4.0)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

McPherson County. The civilian labor force in the McPherson area increased by 1.1 percent in 2000. McPherson is the largest city in McPherson County, with a population of 13,614 and represents 47.2 percent of the county's total population. Employment by place of residence in McPherson County increased by 0.8 percent, but the unemployment rate rose from 2.0 percent in 1999 to 2.3 percent in 2000.

Based on place of work data, all industries employment in McPherson County increased by 1.1 percent in 2000. Employment in the goods producing industries rose by 0.6 percent, while employment in the services producing industries rose by 1.3 percent. However, farm employment fell by 2.6 percent. Table 4-10 presents employment in McPherson County in 1999 and 2000.

Table 4-10

McPherson County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	16,296	16,482	1.1
Employment	15,968	16,101	0.8
Unemployment	328	381	16.2
Unemployment Rate	2.0	2.3	0.3
Place of Work Data			
All Industries	14,100	14,250	1.1
Goods Producing Indus.	4,200	4,225	0.6
Manufacturing	3,500	3,525	0.7
Durable Goods	1,775	1,875	5.6
Nondurable Goods	1,725	1,650	(4.3)
Mining	75	75	--
Construction	625	625	--
Service Producing Indus.	9,900	10,025	1.3
Trans. & Pub. Util.	375	375	--
Trade Total	3,000	3,050	1.7
Wholesale Trade	900	925	2.8
Retail Trade	2,100	2,125	1.2
FIRE	725	725	--
Services	3,925	3,975	1.3
Government	1,875	1,900	1.3
Farm Employment	950	925	(2.6)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the goods producing industries, only durable goods manufacturing employment recorded an increase (5.6 percent), while nondurable goods manufacturing fell 4.3 percent, and mining and construction employment remained unchanged. Within the services producing industries, increases were experienced in wholesale trade (2.8 percent), retail trade (1.2 percent), "pure" services (1.3 percent) and government (1.3 percent), while employment in transportation and public utilities as well as FIRE remained unchanged.

Montgomery County. The civilian labor force in the Coffeyville/Independence area increased by 0.6 percent in 2000. Coffeyville and Independence combined have a population of 21,451 and represent 58.3 percent of Montgomery County's total population. Employment by place of residence in Montgomery County decreased by 0.1 percent, while the unemployment rate rose from 4.4 percent in 1999 to 5.0 percent in 2000. Based on place of work data, all industries employment in Montgomery County decreased by 0.1 percent. Employment in the goods producing industries fell by 3.0 percent, while employment in the services producing industries rose by 1.5 percent. Farm employment remained steady. Table 4-11 presents employment in Montgomery County in 1999 and 2000.

Table 4-11

Montgomery County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	18,875	18,982	0.6
Employment	18,049	18,034	(0.1)
Unemployment	826	948	14.8
Unemployment Rate	4.4	5.0	0.6
Place of Work Data			
All Industries	18,025	18,000	(0.1)
Goods Producing Indus.	6,625	6,425	(3.0)
Manufacturing	6,050	5,850	(3.3)
Durable Goods	4,475	4,375	(2.2)
Nondurable Goods	1,575	1,500	(4.8)
Mining	75	75	--
Construction	500	500	0.0
Service Producing Indus.	11,400	11,575	1.5
Trans. & Pub. Util.	625	650	4.0
Trade Total	3,575	3,625	1.4
Wholesale Trade	600	625	4.2
Retail Trade	2,975	3,025	1.7
FIRE	400	425	6.3
Services	4,125	4,275	3.6
Government	2,675	2,600	(2.8)
Farm Employment	475	475	--

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the goods producing industries, mining and construction employment remained unchanged, while employment decreased in both durable goods manufacturing (-2.2 percent) and nondurable goods manufacturing (-4.8 percent). Within the services producing industries a decrease was experienced, only in government employment (-2.8 percent). Employment increases were experienced in transportation and public utilities (4.0 percent), wholesale trade (4.2 percent), retail trade (1.7 percent), FIRE (6.3 percent), and "pure" services (3.6 percent).

Reno County. The civilian labor force in the Hutchinson area increased by 1.4 percent in 2000. Hutchinson is the largest city in Reno County with a population of 39,561 and represents 62.1 percent of the county's total population. Employment by place of residence in Reno County increased by 1.1 percent, but the unemployment rate rose from 3.0 percent in 1999 to 3.3 percent in 2000. Table 4-12 presents employment in Reno County in 1999 and 2000. Based on place of work data, all industries employment in Reno County increased by 1.1 percent. Employment in the goods producing industries fell by 2.2 percent, while employment in the services producing industries rose by 2.1 percent. Farm employment fell by 3.8 percent.

Table 4-12

Reno County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	33,424	33,881	1.4
Employment	32,433	32,775	1.1
Unemployment	991	1,106	11.6
Unemployment Rate	3.0	3.3	0.3
Place of Work Data			
All Industries	29,725	30,050	1.1
Goods Producing Indus.	6,950	6,800	(2.2)
Manufacturing	5,725	5,550	(3.1)
Durable Goods	3,175	3,125	(1.6)
Nondurable Goods	2,550	2,425	(4.9)
Mining	100	100	--
Construction	1,125	1,150	2.2
Service Producing Indus.	22,775	23,250	2.1
Trans. & Pub. Util.	850	850	--
Trade Total	8,000	8,100	1.3
Wholesale Trade	1,400	1,375	(1.8)
Retail Trade	6,600	6,725	1.9
FIRE	975	1,000	2.6
Services	7,800	8,100	3.8
Government	5,150	5,200	1.0
Farm Employment	1,325	1,275	(3.8)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the goods producing industries, only construction employment recorded an increase. Decreased employment was experienced in both durable goods manufacturing (-1.6 percent) and non-durable goods manufacturing (-4.9 percent). Mining employment remained unchanged. The only decrease within the services producing industries was in wholesale trade employment (-1.8 percent). Employment increased in retail trade (1.9 percent), FIRE (2.6 percent), "pure" services (3.8 percent), and government (1.0 percent). Employment in transportation and public utilities remained steady.

Riley County. The civilian labor force in the Manhattan area increased by 1.2 percent in 2000. Manhattan is the largest city in Riley County, with a population of 41,172 and represents 64.6 percent of the county's total population. Employment by place of residence in Riley County increased by 0.8 percent, but the unemployment rate rose from 2.9 percent in 1999 to 3.3 percent in 2000. Table 4-13 presents employment in Riley County in 1999 and 2000. Based on place of work data, all industries employment in Riley County increased by 0.1 percent. Employment in the goods producing industries fell by 2.4 percent, while employment in the services producing industries rose by 0.3 percent. Farm employment remained steady.

Table 4-13

Riley County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	30,993	31,380	1.2
Employment	30,101	30,344	0.8
Unemployment	892	1,036	16.1
Unemployment Rate	2.9	3.3	0.4
Place of Work Data			
All Industries	27,800	27,825	0.1
Goods Producing Indus.	2,075	2,025	(2.4)
Manufacturing	675	650	(3.7)
Durable Goods	75	75	--
Nondurable Goods	600	575	(4.2)
Mining	25	25	--
Construction	1,375	1,350	(1.8)
Service Producing Indus.	25,725	25,800	0.3
Trans. & Pub. Util.	325	300	(7.7)
Trade Total	6,075	6,150	1.2
Wholesale Trade	725	775	6.9
Retail Trade	5,350	5,375	0.5
FIRE	1,575	1,600	1.6
Services	6,325	6,400	1.2
Government	11,425	11,350	(0.7)
Farm Employment	525	525	--

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the goods producing industries, employment fell in nondurable goods manufacturing (-4.2 percent) and construction (-1.8 percent), while mining employment remained unchanged. Within the services producing industries, employment increased in wholesale trade (6.9 percent), retail trade (0.5 percent), FIRE (1.6 percent), and "pure" services (1.2 percent), while employment decreased in transportation and public utilities (-7.7 percent) and government (-0.7 percent).

Saline County. The civilian labor force in the Salina area increased by 0.6 percent in 2000. Salina is the largest city in Saline County with a population of 44,077 and represents 85.8 percent of the county's total population. Employment by place of residence in Saline County increased by 0.5 percent, while the unemployment rate essentially held steady. Table 4-14 presents employment in Saline County in 1999 and 2000. Based on place of work data, all industries employment in Saline County increased by 0.6 percent. Employment in the goods producing industries remained steady, while employment in the services producing industries rose by 0.9 percent. However, farm employment fell by 4.5 percent.

Table 4-14

Saline County Employment
1999-2000

	1999	2000	% Chg.
Place of Residence Data			
Civilian Labor Force	30,765	30,945	0.6
Employment	30,006	30,158	0.5
Unemployment	759	787	3.7
Unemployment Rate	2.5	2.5	--
Place of Work Data			
All Industries	31,000	31,200	0.6
Goods Producing Indus.	8,375	8,375	--
Manufacturing	6,750	6,775	0.4
Durable Goods	4,100	4,075	(0.6)
Nondurable Goods	2,650	2,700	1.9
Mining	25	25	--
Construction	1,600	1,575	(1.6)
Service Producing Indus.	22,625	22,825	0.9
Trans. & Pub. Util.	1,175	1,150	(2.1)
Trade Total	8,275	8,250	(0.3)
Wholesale Trade	1,625	1,675	3.1
Retail Trade	6,650	6,575	(1.1)
FIRE	1,025	1,050	2.4
Services	8,225	8,425	2.4
Government	3,925	3,950	0.6
Farm Employment	550	525	(4.5)

Source: Ks Dept. of Human Res., Labor Mkt. Info. Service

Within the goods producing industries, only employment in nondurable goods manufacturing increased, while employment fell in durable goods manufacturing (-0.6 percent) and construction (-1.6 percent). Mining employment held steady. Within the services producing industries, employment increased in wholesale trade (3.1 percent), FIRE (2.4 percent), "pure" services (2.4 percent), and government (0.6

percent), while employment decreased in transportation and public utilities (-2.1 percent) and retail trade (-1.1 percent).

County Personal Income

Both the levels and the components of personal income are important in understanding local economies. Because of this importance, county personal income is presented in this section.

Total Personal Income

Total personal income in Kansas grew at a 5.7 percent rate in 1999. Johnson County generated the highest level of personal income with $18.1 billion, followed by Sedgwick County, with $12.8 billion. Shawnee, Wyandotte, Douglas, Reno, Leavenworth, Butler, Saline, and Riley Counties also each generated over $1.0 billion of personal income in 1999. The lowest levels of income in 1999 were recorded in Comanche and Wallace Counties, with less than $50.0 million each.

The highest growth rates of personal income in 1999 were experienced in Graham (42.7 percent), Gove (27.2 percent), and Sheridan Counties (25.7 percent). At the other extreme, declines in personal income were experienced in Chase (-18.0 percent), Lincoln (-1.9 percent), and Wichita Counties (-1.1 percent). However, it should be kept in mind that these rates of change may be distorted by erratic fluctuations in the farm economy.

Of the state's major urban counties, Johnson County had the highest personal income growth in 1999 at 6.2 percent, followed by Sedgwick County with 5.6 percent growth, and Wyandotte County with 5.1 percent growth. Douglas County had 4.6 percent personal income growth, while Shawnee County had 4.4 percent growth.

In 1999, Johnson and Sedgwick Counties accounted for 45.7 percent of the personal income growth in the state. Thus, Kansas personal income growth is concentrated in the two most populous counties. Appendix A presents county personal income by major components for 1998. Appendix B shows county personal income estimates by major components for 1999. Figure 4-1 on page 38 presents the percent change in county personal income from 1998 to 1999.

Salaries & Wages. Salaries and wages are distributed across the state in a pattern that generally corresponds to population i.e., the areas with higher population density generally have higher total salaries and wages. Salaries and wages in Kansas grew at a 5.5 percent rate in 1999. Johnson and Sedgwick Counties ranked first and second, with salaries and wages of $9.9 billion and $8.8 billion, respectively. Shawnee and Wyandotte Counties each also generated over $2.0 billion of salaries and wages in 1999. Elk and Wallace Counties had the lowest salaries and wages total with less than $12.0 million each.

Other Labor Income. Other labor income in Kansas grew at a rate of 3.4 percent in 1999. While the correlation between salary and wage disbursements and other labor income is not exact, the two are closely related. County rankings are nearly the same for both components. Sedgwick County ranked first with $1,022.4 million in other labor income, followed by Johnson County at $957.3 million. Counties with other labor income of less than $2.0 million include Wallace ($1.4 million), Greeley ($1.7 million), Comanche ($1.7 million), and Hodgeman ($1.8 million)

Farm Proprietors' Income. The relative importance of farm proprietors' income, as a component of total personal income, is varied among the 105 Kansas counties. While there are many measured components of farm owners' income, the major determinants are farm production of crops and livestock, profitability of farm operations, and federal government payments to farmers. Farm proprietors' income is disproportionately larger in agriculturally oriented counties because of large-scale production, high profitability, and government support payments. Farm proprietors' income rose significantly by 18.4 percent in 1999. Cherokee County had the highest level of farm proprietors' income in 1999 at $57.9 million.

Non-farm Proprietors' Income. Non-farm proprietors' income consists of the net earnings of unincorporated business owners. Again, county size is a major determinant of the distribution of this income component. Non-farm proprietors' income grew at a 6.1 percent rate in 1999. Also in 1999, Johnson

County ranked first with $1,477 million, while Greeley County was the lowest with $3.5 million.

Dividends, Interest, & Rent. Dividends, interest, and rent grew at a 4.2 percent rate in 1999. Dividends, interest, and rent represent a large component of personal income in Johnson County. In fact, the $3.7 billion of dividends, interest, and rents in Johnson County make up 26.2 percent of the state total. Sedgwick County also had dividends, interest, and rent of over $2.0 billion. Only Greeley County had less than $10.0 million in dividends, interest, and rents.

Transfer Payments. Transfer payments in Kansas grew at a 3.8 percent rate in 1999. The distribution of transfer payments, largely Social Security benefits, across the state generally reflects county population. Collectively, the state's four urban counties received over $3.5 billion in transfer payments, while Clark, Comanche, Greeley, Hodgeman, Lane, Stanton, Wallace, and Wichita Counties each received less than $10.0 million.

Residence Adjustment. Because personal income is measured on a residence basis, an adjustment must be made for out-of-county earnings. A residence adjustment is made for salary and wage disbursements, other labor income, and both farm and nonfarm proprietors' income. The residence adjustment for Kansas grew at a 2.3 percent rate in 1999. For the state as a whole, the 1999 residence adjustment was $1.3 billion. The positive value indicates that, in total, Kansans earn more income out-of-state than income earned by non-Kansans in Kansas.

Within Kansas, four situations are present. First, for most counties, this component is relatively small. Second, there are considerable earnings of Riley County residents in Geary County. These earnings are associated with Fort Riley. The third situation relates to out-of-county earnings provided in two of the large Kansas counties. For example, the Sedgwick County residence adjustment is negative (-$1,073.7 million.) Most of this income appears in bordering counties. For neighboring Butler County, the adjustment is positive ($554.9 million). Thus, Sedgwick County provides earnings and jobs for Butler County residents. A similar situation exists for Shawnee County. The final situation exists in the Kansas City area. The Wyandotte County residence adjustment is negative (-$1.0 billion), indicating that the county provides net earnings for residents of other counties and perhaps for Missouri residents. Johnson County is unique in that its residence adjustment is positive ($1.8 billion) and more that the state's overall residence adjustment of $1.3 billion. Besides providing jobs for residents of bordering counties, even larger earnings of Johnson County residents come from the Missouri side of the Kansas City area.

Personal Social Insurance Contributions. Personal contributions for social insurance in Kansas grew at a 5.9 percent rate in 1999. Because of the definition of the social security tax base, personal contributions for social insurance are closely related to the distribution of salaries and wages, as well as positive proprietors' income. Personal contributions for social insurance exceeded $100.0 million in each of the state's four major urban counties: Johnson ($835.7 million), Sedgwick ($712.3 million), Shawnee ($219.9 million), and Wyandotte ($197.5 million).

Per Capita Personal Income

Per capita income for each county may be obtained by dividing the total population of the county by the total personal income of the county. The population data used for these calculations were estimates of county population as of July 1, 1999, based on the U.S. Bureau of the Census *Current Population Reports*. Figure 4-2, which is shown on page 38, presents per capita personal income by county for 1999.

In 1999, Kansas per capita income was $26,824. Johnson County had the highest per capita income with $41,088, followed by Sheridan County with $39,290. The lowest per capita income was in Anderson ($17,468) and Elk Counties ($17,589). It should be kept in mind that county per capita income could fluctuate dramatically from year to year because of the inherent volatility of the farm economy, coupled with the relatively low population in many rural Kansas counties.

The relatively low-income counties in rural Kansas generally tend to have a high reliance on the farm economy. Specifically, these counties have a negative, or low, farm proprietors' income. In the eastern half of the state, particularly the southeastern portion of Kansas, the low-income counties are primarily those counties that have relatively high population densities, but are not part of major urban areas.

The counties with high per capita incomes are associated with two conditions. First, most relatively high per capita income counties are rural and agricultural and, for the most part, are in the southwestern part of the state. Second, three of the state's major urban counties have high per capita incomes. This income influences not only the core county of the metropolitan area, but also many bordering counties that provide the place of residence for individuals employed in the core counties.

The Four Urban Counties

In Kansas, it also is important to examine personal income levels and components for the four urban counties in the state. These counties are Sedgwick, Johnson, Wyandotte, and Shawnee.

Total Personal Income

In 1999, Sedgwick, Johnson, Wyandotte, and Shawnee accounted for 45.7 percent of the state's population and 54.1 percent of the state's total personal income. Having a larger share of income than population means that per capita income is larger in the four counties than in the state. Wyandotte County per capita income is significantly below the state average, while Sedgwick and Shawnee Counties are slightly above the state average. Johnson County is 53.2 percent above the state average. For the four urban counties, the average per capita income is $29,513, or 18.4 percent, higher than the state average.

These four counties have 62.9 percent of Kansas salaries and wages disbursements; 57.8 percent of Kansas other labor income; 63.3 percent of Kansas personal contributions for social insurance; 52.5 percent of Kansas dividend, interest, and rent income; 51.9 percent of Kansas non-farm proprietors' income; and 42.3 percent of Kansas transfer payments. Only for farm proprietors' income and residence adjustment do these four counties sum to a small share of the Kansas total. Johnson or Sedgwick rank either first or second among the 105 counties in most income components and total income, while Shawnee or Wyandotte rank either third or fourth.

Regional Personal Income

Because boundaries of economic activity do not necessarily respect political boundaries, comparisons of county income do not necessarily provide an accurate measure of the economic performance of a geographic area. Income that is concentrated in a small area is subject to greater variability than is income spread over a wide area. For example, personal income measures the income received by individuals on the basis of their residence location and is not directly concerned with the location of earnings. Thus, a residence adjustment is necessary for each county for two reasons. First, the residence adjustment is necessary to account for inter-county commuting to work and, second, it is necessary to account for some income components, such as farm proprietors' income, where the location of the residence may be far removed from the location of the income generation.

An additional problem exists for states such as Kansas, where farm income is sizeable. Extreme fluctuations in small-area farm earnings occur, particularly because of variable weather conditions and the changing location of the marketing of farm products.

County data provide helpful insights because they may be aggregated over larger regions. For the purposes of this report, Kansas has been divided into 11 planning regions, which may be considered the "official" aggregation. Figure 4-3, which is shown on page 39, presents total personal income by region for 1998 and 1999, while Figure 4-4, also shown on page 39, presents the percent change in total personal income from 1998 to 1999 and per capita income for 1999, by region.

In terms of total personal income, the 1999 average for the 11 regions is $6.5 billion. Region I, which surrounds Kansas City, has the highest level of personal income with $31.7 billion. The only other region, Region IV, which surrounds Wichita, has a total personal income ($18.6 billion) that is above the average total personal income per region. At the other end of the scale, Region VIII in northwest Kansas had the lowest personal income in 1999 at $852.6 million.

Generally, regional population rankings correspond to regional personal income rankings. High incomes are associated with large populations. Based on these factors, Kansas population and personal income are highly concentrated. Supporting facts show that 70.6 percent of the state's total personal income is located in Regions I and IV, while only 1.2 percent of the state's total personal income is located in Region VIII.

Recent income and population growth has been uneven across Kansas. In 1999, Kansas total personal income rose by 5.7 percent. The most rapid growth was in Region VIII with an 11.1 percent increase. The lowest growth was experienced by Region III, which experienced only 3.1 percent growth.

In terms of per capita personal income, Region I ranked first with $30,338. The next highest was in Region VIII with $27,055. Region II in southeast Kansas ranked last with $20,858. The extent of the inequality in regional income is illustrated by the observation that from the highest income region to the lowest income region there existed a 45.5 percent difference in per capita income.

Figure 4-1. Percent Change in County Personal Income, 1998-1999

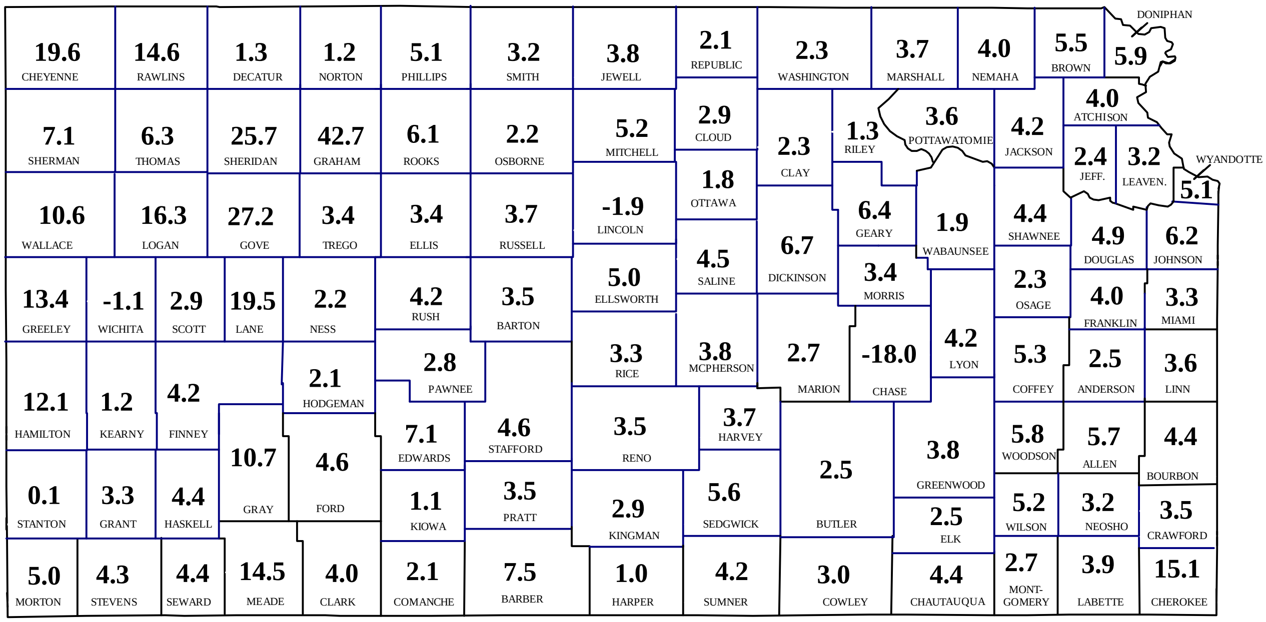


Figure 4-2. Per Capita Personal Income, 1999

(Dollars in Thousands)

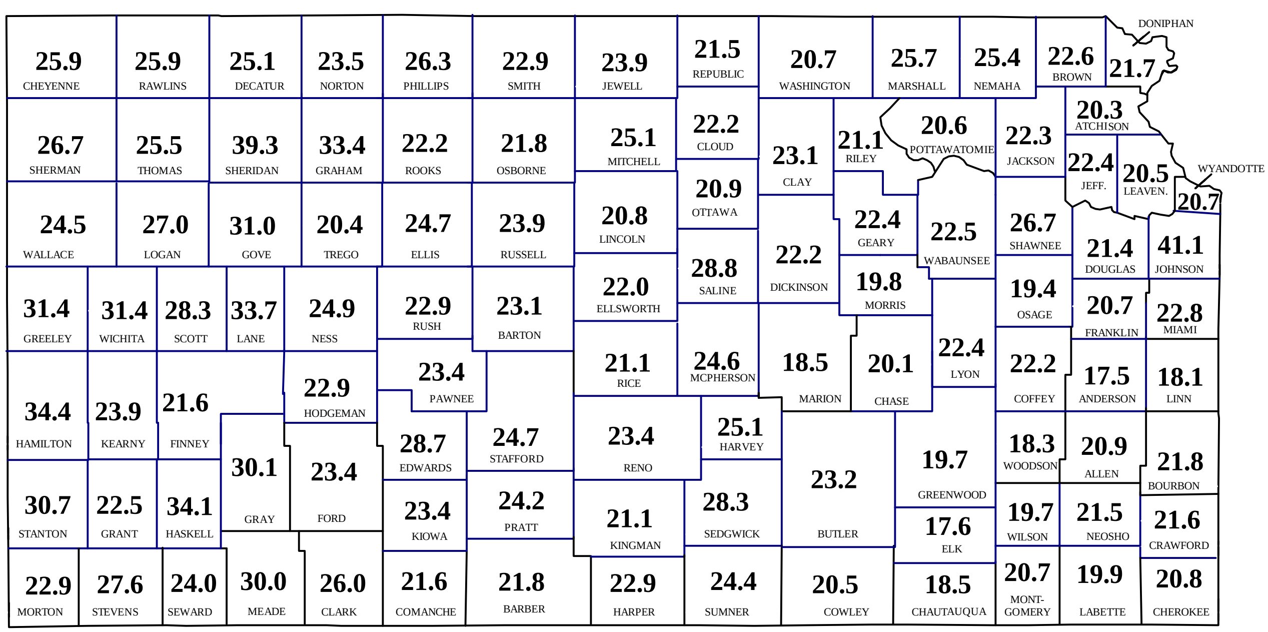


Figure 4-3. Total Personal Income, by Region, 1998 & 1999

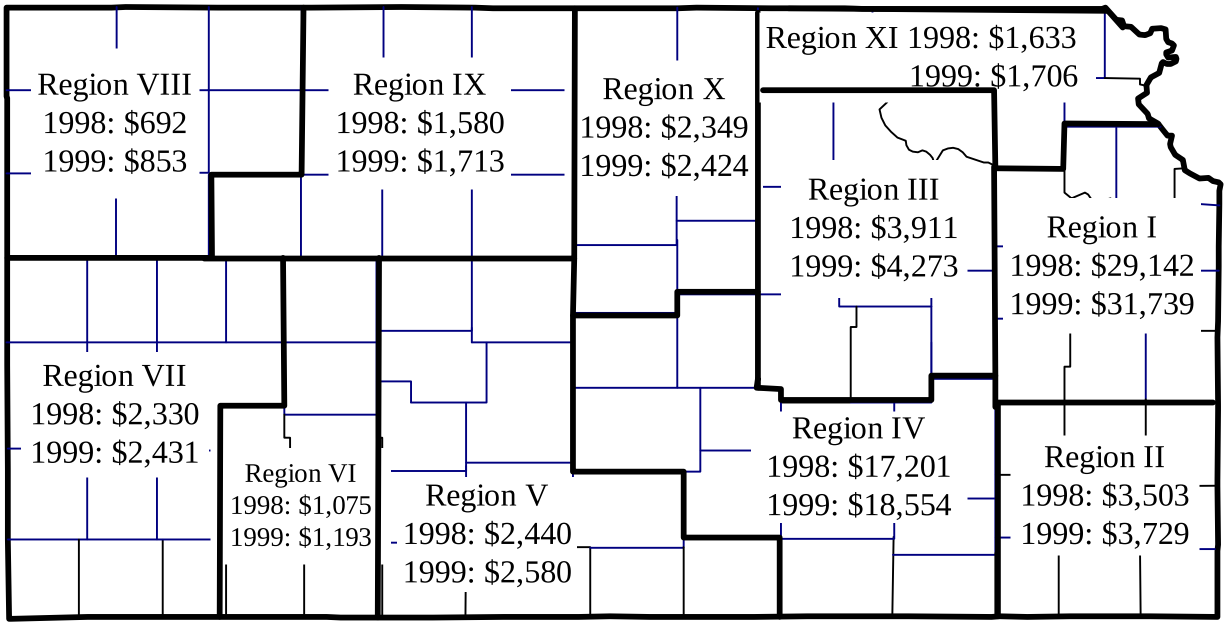
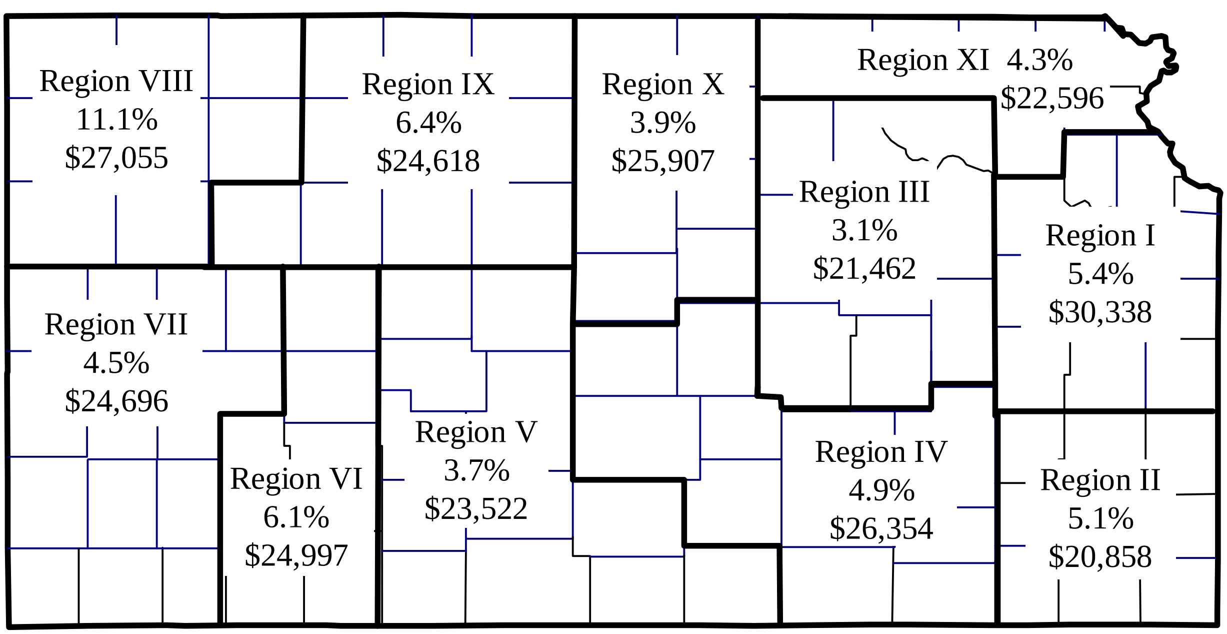


Figure 4-4. Percent Change in Total Income, 1998 & 1999, & 1999 per Capita Income, by Region



Chapter 5

Comparative Economic Indicators

Plains States Employment Trends

The employment growth rate for Kansas lagged behind that of all the other states in the Plains region in 1999. Total non-farm employment in Kansas grew at a rate of 1.1 percent in 1999 compared to the Plains states' average of 1.7 percent. The 1999 rate contrasts with 1998, when the growth rate in Kansas exceeded that of all the other Plains states. In 2000, total non-farm employment in Kansas grew at a rate of 1.8 percent, which is higher than the Plains states' average of 1.5 percent. Table 5-1, which is shown on the following page, presents employment growth rates for Kansas and the Plains region from 1998 to 1999.

The employment data presented in this chapter may not be in exact conformity with data presented in Chapters 2 and 3 because they were compiled based on different sources. The information in Chapters 2 and 3 was compiled using data from the Kansas Department of Human Resources, Labor Market Information Services, while the information in this chapter is based on data from the U.S. Department of Labor, Bureau of Labor Statistics.

Comparative State Employment

In 1999, South Dakota had the highest employment growth rate in the Plains region at 2.7 percent. Minnesota followed, with a growth rate of 2.1 percent. Iowa and Nebraska both experienced a 1.7 percent employment growth rate, followed by North Dakota, with 1.2 percent growth and Kansas, with 1.1 percent growth. However, in 2000, the employment growth rate for Kansas (1.8 percent) exceeded that of the Plains states' average (1.5 percent) and ranked second along with South Dakota and Minnesota. Iowa had 1.7 percent growth; Missouri experienced 1.2 percent growth; North Dakota had 0.6 percent growth, and Nebraska experienced a 0.3 growth rate.

Employment by Industry Type

In 1999, employment growth in Kansas was at or below the Plains states' average in five of the eight major industry groupings. The growth rate in service employment was equal to the regional average. The growth rate in Kansas exceeded that of the Plains states' average only in manufacturing, and transportation and public utilities.

Transportation and public utility employment increased at a 4.3 percent rate in Kansas compared to 2.7 percent in the Plains region. Manufacturing employment in Kansas fell by only 0.4 percent compared to a 0.7 percent decline in the Plains region. The growth rate of service employment in Kansas equaled that of the Plains states' average of 2.6 percent. Employment growth in Kansas was below the Plains states' average in mining; construction; trade; finance, insurance, and real estate (FIRE); and government.

In 2000, overall employment growth in Kansas was 1.8 percent, placing Kansas, Minnesota, and South Dakota in a three-way tie for the highest rate in the Plains states' region. These three states also exceeded the Plains states' average in six of the eight major industry groupings. Table 5-2, also shown on the following page, presents employment growth rates for Kansas and the Plains region from 1999 to 2000.

Mining. Overall, 1999 was not a good year for the mining industry. Mining employment in the Plains states declined by 7.8 percent. In Kansas, mining employment fell by 13.5 percent, which was the second largest decline in the region. It was exceeded only by South Dakota, which had an employment loss of 29.4 percent. Minnesota and North Dakota also experienced losses of 8.6 percent and 10.3 percent, respectively. Only Missouri experienced a gain in mining employment (6.1 percent). Employment remained steady in Iowa and Nebraska.

Table 5-1

Plains Region Employment Growth Rates, 1998-1999								
	Percent Change							
	KS	**IA**	**MN**	**MO**	**NE**	**ND**	**SD**	**Plains**
Total Non-Farm	1.1 %	1.7 %	2.1 %	1.5 %	1.7 %	1.2 %	2.7 %	1.7 %
Mining	(13.5)	--	(8.6)	6.1	--	(10.3)	(29.4)	(7.8)
Oil & Gas Extraction	(16.7)	NA	NA	NA	NA	(18.2)	NA	NA
Construction	6.7	3.5	10.1	9.6	5.4	7.7	5.6	7.8
Manufacturing	(0.4)	--	(0.4)	(1.8)	(1.2)	--	0.8	(0.7)
Stone, Clay, & Glass Products	1.6	5.5	2.0	--	--	NA	NA	NA
Primary Metal Industries	(12.2)	(4.4)	1.3	3.8	NA	NA	NA	NA
Fabricated Metal Products	(1.8)	1.5	(1.9)	(1.9)	2.2	(7.1)	NA	NA
Transportation Equipment	1.2	3.0	2.0	(4.9)	(1.4)	--	NA	NA
Aircraft & Parts	--	NA	NA	(12.9)	NA	NA	NA	NA
Food & Kindred Products	2.2	1.8	1.9	(2.3)	0.3	(6.9)	7.7	0.7
Meat Products	4.3	3.2	6.5	NA	0.4	NA	NA	NA
Grain Mill Products	2.5	1.1	(3.0)	NA	--	NA	NA	NA
Apparel & Other Textile Products	--	(7.0)	NA	NA	NA	NA	NA	NA
Printing & Publishing	(3.9)	(1.4)	(1.1)	(1.6)	(2.0)	NA	NA	NA
Chemicals & Allied Products	4.3	(3.9)	1.7	(0.4)	13.3	NA	NA	NA
Transportation & Public Utilities	4.3	4.2	2.4	1.9	2.7	2.2	1.2	2.7
Railroad Transportation	(7.4)	(5.4)	NA	6.0	--	NA	NA	NA
Trucking & Warehousing	0.9	7.4	1.0	1.0	6.4	--	NA	NA
Electric, Gas, & Sanitary Services	(2.9)	(1.0)	(1.4)	(1.5)	(7.1)	--	--	(1.7)
Trade	(0.1)	0.8	1.4	1.5	1.6	(0.1)	1.7	1.1
General Merchandise Stores	1.7	4.8	(2.8)	3.4	0.5	--	NA	NA
Food Stores	0.3	(0.5)	1.8	(0.2)	0.4	1.3	(1.0)	0.4
Automotive Dealers & Service Stations	0.7	NA	0.6	1.6	1.6	(1.1)	NA	NA
Apparel and Accessory Stores	(8.5)	NA	(0.5)	(0.5)	3.2	(9.1)	NA	NA
Finance, Insurance, & Real Estate (FIRE)	1.6	2.4	2.8	2.4	5.0	3.2	8.4	3.0
Insurance Carriers	(1.7)	NA	(0.2)	1.2	1.4	NA	NA	NA
Services	2.6	2.9	3.2	1.7	2.1	2.1	4.7	2.6
Hotels & Other Lodging Places	1.8	NA	(0.7)	--	4.3	--	NA	NA
Personal Services	3.2	NA	0.4	1.9	1.3	--	NA	NA
Total Government	--	1.4	1.6	1.5	0.8	0.6	0.8	1.1
Total Federal Government	(2.6)	1.5	--	(0.5)	--	--	--	(0.4)
Total State & Local Government	0.2	1.3	1.8	1.8	0.9	0.6	0.8	1.3

Source: U.S. Department of Labor, Bureau of Labor Statistics

Table 5-2

Plains Region Employment Growth Rates, 1999-2000								
	KS	**IA**	**MN**	**MO**	**NE**	**ND**	**SD**	**Plains**
Total Non-Farm	1.8 %	1.7 %	1.8 %	1.2 %	0.3 %	0.6 %	1.8 %	1.5 %
Mining	3.1	4.8	(1.4)	1.9	--	--	(8.3)	0.7
Construction	6.6	5.4	4.6	3.5	1.9	(1.2)	3.5	4.1
Manufacturing	(0.8)	0.2	--	(2.3)	(0.4)	0.8	(1.6)	(0.8)
Transportation and Public Utilities	2.7	2.2	0.8	(0.2)	0.7	1.1	0.6	0.9
Trade	1.3	1.0	1.9	1.2	(1.1)	0.1	2.0	1.2
Finance, Insurance, & Real Estate (FIRE)	1.4	0.8	0.4	1.1	0.5	0.6	5.3	1.0
Services	2.8	2.7	3.1	2.4	0.3	0.8	2.1	2.4
Total Government	1.9	1.8	1.7	2.5	2.0	1.4	2.2	2.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

In 2000, mining employment in Kansas recovered somewhat, increasing by 3.1 percent. This rate compares to a 0.7 percent rise in overall mining employment in the Plains region. Mining employment growth in Kansas was exceeded only by Iowa with a 4.8 percent increase. Missouri experienced a 1.9 percent increase in mining employment, while Nebraska and North Dakota remained steady. Minnesota (-1.4 percent) and South Dakota (-8.3 percent) both recorded declines in mining employment.

Construction. Construction employment in Kansas increased by 6.7 percent in 1999, but lagged behind the Plains states' average growth of 7.8 percent. Minnesota had the largest increase in construction employment (10.1 percent), followed by Missouri (9.6 percent), North Dakota (7.7 percent), South Dakota (5.6 percent), Nebraska (5.4 percent), and Iowa (3.5 percent).

In 2000, construction employment in Kansas increased by 6.6 percent, the highest growth rate in the Plains region. The regional average was 4.1 percent in 2000. Iowa recorded the second highest growth rate of 5.4 percent, followed by Minnesota with a growth rate of 4.6 percent, Missouri and South Dakota with growth rates of 3.5 percent, and Nebraska with a growth rate of 1.9 percent. North Dakota was the only state in the region that experienced a decline in construction employment (-1.2 percent).

Manufacturing. Overall, 1999 was not a good year for manufacturing employment in the Plains region. Manufacturing employment in Kansas declined by 0.4 percent, compared to a 0.7 percent decrease in the Plains region. Only South Dakota experienced a manufacturing employment gain, with 0.8 percent growth. Manufacturing employment remained steady in Iowa and North Dakota, while losses were experienced in Minnesota (-0.4 percent), Missouri (-1.8 percent), and Nebraska (-1.2 percent).

Neither was 2000 a good year for manufacturing employment in the Plains region. Manufacturing employment fell by 0.8 percent in both Kansas and the Plains region as a whole. Only Iowa (0.2 percent) and North Dakota (0.8 percent) recorded increases in manufacturing employment. Manufacturing employment remained steady in Minnesota, while declines were recorded in Missouri (-2.3 percent), South Dakota (-1.6 percent), and Nebraska (-0.4 percent).

Transportation & Public Utilities. In 1999, the employment growth for transportation and public utilities in Kansas led the Plains region with a 4.3 percent growth rate. The regional average was 2.7 percent in 1999. Kansas was followed by Iowa with 4.2 percent growth, Nebraska with 2.7 percent growth, Minnesota with 2.4 percent growth, North Dakota with 2.2 percent growth, and Missouri with 1.9 percent growth. South Dakota had the lowest growth rate at 1.2 percent.

In 2000, transportation and public utilities employment growth was 2.7 percent in Kansas and led the Plains region, which averaged 0.9 percent growth. After Kansas, Iowa recorded a 2.2 percent increase in transportation and public utility employment, followed by North Dakota with 1.1 percent growth, Minnesota with 0.8 percent growth, Nebraska with 0.7 percent growth, and South Dakota with 0.6 percent growth. Missouri was the only state in the region that experienced a decline in transportation and public utility employment (-0.2 percent).

Trade. Trade employment in Kansas did not fare well in 1999. Kansas tied for last with North Dakota, both of which showed a 0.1 percent decline in trade employment in 1999. Trade employment growth in the Plains region averaged 1.1 percent in 1999. The region was led by South Dakota with 1.7 percent growth, followed by Nebraska with 1.6 percent growth, Missouri with 1.5 percent growth, Minnesota with 1.4 percent growth, and Iowa with 0.8 percent growth.

In 2000, trade employment in Kansas grew slightly faster at 1.3 percent than the Plains states' average of 1.2 percent. South Dakota led the region with 2.0 percent growth, followed by Minnesota with 1.9 percent growth, Missouri with 1.2 percent growth, Iowa with 1.0 percent growth, and North Dakota with 0.1 percent growth. Nebraska experienced a 1.1 percent decline in trade employment in 2000.

Finance, Insurance, & Real Estate (FIRE). In 1999, FIRE employment grew at a 1.6 percent rate in Kansas, which was the lowest in the Plains region. The regional average in 1999 was 3.0 percent. South Dakota had the highest growth rate (8.4 percent), followed by Nebraska (5.0 percent), North Dakota (3.2 percent), Minnesota (2.8 percent), and Iowa and Missouri (2.4 percent).

In 2000, FIRE employment grew in Kansas by 1.4 percent and placed second in the Plains region, which averaged 1.0 percent growth. South Dakota once again had the highest growth rate of 5.3 percent, followed by Kansas, then Missouri (1.1 percent), Iowa (0.8 percent), North Dakota (0.6 percent), Nebraska (0.5 percent), and Minnesota (0.4 percent).

Services. Service employment growth in Kansas at 2.6 percent equaled the Plains states' average in 1999. South Dakota led the Plains region with 4.7 percent growth in service employment, followed by Minnesota with 3.2 percent growth; Iowa with 2.9 percent growth; Kansas, Nebraska, and North Dakota with 2.1 percent growth; and Missouri with 1.7 percent growth.

In 2000, service employment growth in Kansas at 2.8 percent ranked second in the Plains region, which averaged 2.4 percent growth. Minnesota led the Plains region with 3.1 percent growth in service employment, followed by Kansas, then Iowa with 2.7 percent growth, Missouri with 2.4 percent growth, South Dakota with 2.1 percent growth, North Dakota with 0.8 percent growth, and Nebraska with 0.3 percent growth.

Total Government. Total government employment growth in Kansas remained steady in 1999 compared to a 1.1 percent increase for the Plains region overall. Minnesota lead the region with a 1.6 percent increase, followed by Missouri with a 1.5 percent increase, and Iowa with a 1.4 percent increase. Government employment in Nebraska and South Dakota increased by 0.8 percent, while Nebraska increased by 0.6 percent.

In 2000, total government employment in Kansas increased by 1.9 percent, slightly less than the 2.0 percent increase for the Plains region as a whole. Missouri had the highest growth in government employment in the Plains region at 2.5 percent, followed by South Dakota with 2.2 percent growth, Nebraska with 2.0 percent growth, Kansas, then Iowa with 1.8 percent growth, Minnesota with 1.7 percent growth, and North Dakota with 1.4 percent growth.

Kansas & Adjacent State Metro Areas' Employment Trends

This section presents employment trends in 2000 by the eight major industry types for the five-state region, including Colorado, Kansas, Missouri, Nebraska, and Oklahoma. Table 5-3, shown at the top of the next page, presents employment growth rates for metropolitan areas in the five-state region from 1999 through 2000. Total non-farm employment grew at an average rate of 2.0 percent in the major metropolitan areas in the five-state region in 2000.

Employment by Industry Type

The three metropolitan areas in Colorado had the highest growth rates in the five-state area. Boulder-Longmont recorded 3.9 percent overall employment growth, followed by Denver with 3.6 percent growth, and Colorado Springs with 3.1 percent growth. Of the three metropolitan areas in Kansas, only Lawrence experienced an increase (1.9 percent). Topeka recorded an overall employment decline of 0.2 percent, while Wichita had an employment loss of 0.1 percent.

Manufacturing. Manufacturing employment in the major metropolitan areas in the five-state region declined at an average rate of 0.4 percent in 2000. However, Lawrence was the fastest growing metropolitan area in the five-state region with a 5.6 percent increase in manufacturing employment. The Topeka metropolitan area experienced a 1.0 percent decline in manufacturing employment, while the Wichita metropolitan area recorded a 2.3 percent decline in 2000.

Transportation & Public Utilities. Transportation and public utilities employment in the major metropolitan areas in the five-state region grew at an average rate of 2.2 percent in 2000. Boulder-Longmont, Colorado experienced the highest employment growth at 14.3 percent for transportation and public utilities. Wichita experienced a 1.8 percent increase in transportation and public utilities employment, while employment remained steady in Lawrence, and Topeka fell by 8.8 percent.

Table 5-3

Metropolitan Area Employment Growth Rates, 1999-2000
Kansas and Adjacent States

	Total	Mining	Const.	Manuf.	Trans./ Util.	Trade	FIRE	Services	Gov't
Kansas									
Lawrence	1.9 %	NA %	NA %	5.6 %	-- %	2.5 %	(10.0) %	-- %	2.9 %
Topeka	(0.2)	NA	NA	(1.0)	(8.8)	--	--	2.3	(0.9)
Wichita	(0.1)	(9.1)	2.0	(2.3)	1.8	0.2	1.7	(0.3)	3.0
Colorado									
Boulder-Longmont	3.9	NA	NA	(1.5)	14.3	4.3	--	5.7	4.9
Colorado Springs	3.1	NA	NA	4.3	1.5	2.9	2.2	2.8	1.1
Denver	3.6	(8.3)	13.6	(1.2)	5.4	2.8	(0.4)	4.3	3.1
Missouri									
Kansas City	2.0	NA	NA	1.9	2.0	2.2	1.6	1.5	2.9
St. Louis	1.2	NA	NA	(1.7)	(1.4)	2.0	1.9	1.9	0.3
Springfield	2.3	NA	NA	0.9	7.6	(0.8)	(1.1)	1.9	10.5
Nebraska									
Lincoln	2.2	NA	NA	--	2.2	0.6	0.9	2.9	3.0
Omaha	0.8	NA	NA	--	2.6	1.0	0.8	(0.1)	2.2
Oklahoma									
Enid	(1.2)	(14.3)	--	4.0	--	(1.6)	--	(4.5)	--
Lawton	1.8	--	13.3	(2.6)	--	1.1	--	4.5	0.9
Oklahoma City	2.6	(4.8)	4.2	2.3	2.4	1.5	2.0	3.1	3.7
Tulsa	0.9	(4.1)	5.0	(2.0)	0.6	0.9	4.1	1.1	1.4
All Area Average	2.0	(6.0)	9.6	(0.4)	2.2	1.8	1.1	2.3	2.5

Source: U.S. Department of Labor, Bureau of Labor Statistics

Trade. Trade employment in the major metropolitan areas in the five-state region grew at an average rate of 1.8 percent in 2000. Boulder-Longmont, Colorado experienced the highest growth rate in trade employment at 4.3 percent. Lawrence experienced a 2.5 percent increase in trade employment, Wichita recorded a 0.2 percent increase, while Topeka remained constant.

Finance, Insurance, & Real Estate (FIRE). FIRE employment in the major metropolitan areas in the five-state region grew at an average rate of 1.1 percent in 2000. Tulsa, Oklahoma experienced the highest FIRE employment growth rate at 4.1 percent. FIRE employment in Wichita increased by 1.7 percent, while FIRE employment in Topeka remained stable, and Lawrence experienced a 10.0 percent decline.

Services. Service employment in the major metropolitan areas in the five-state region grew at an average rate of 2.3 percent in 2000. Boulder-Longmont, Colorado experienced the highest growth rate in service employment at 5.7 percent. Service employment in Topeka increased by 2.3 percent, while service employment in Lawrence remained steady, and Wichita experienced a 0.3 percent decline.

Total Government. Total government employment in the major metropolitan areas in the five-state region grew at an average rate of 2.5 percent in 2000. Springfield, Missouri experienced the highest growth rate in government employment with a 10.5 percent increase. Total government employment increased by 3.0 percent in Wichita and 2.9 percent in Lawrence, while Topeka experienced a decrease of 0.9 percent.

Kansas, Plains Region, & U.S. Personal Income Trends

In 1999, personal income growth in Kansas exceeded the Plains region, but lagged behind that of the U.S. as a whole. Personal income in Kansas grew at a 5.0 percent rate, compared to a 4.7 percent growth rate for the Plains region and a 5.4 percent growth rate for the U.S. Within the Plains region, South Dakota was the fastest growing state with a growth rate of 5.6 percent, followed by Minnesota with a growth rate of 5.5 percent, and Kansas at 5.0 percent. Appendix C presents a listing of comparative state personal income and disposable personal income data for all states for the years 1997 through 1999.

In 1999, per capita personal income growth in Kansas exceeded the Plains region, but lagged behind the U.S. as a whole. Per capita personal income in Kansas grew at a 4.4 percent rate, compared to a 4.1 percent growth rate for the Plains region, and a 4.5 percent growth rate for the U.S. South Dakota had the largest increase in per capita personal income in the Plains region, with a 5.2 percent increase, followed by Nebraska, with a 4.6 percent increase, and Kansas at 4.4 percent. Appendix D presents comparative state per capita personal income and per capita disposable personal income data for all states for years 1997 through 1999.

Personal Income. Nationally, Kansas ranked 31st in total personal income, while Minnesota ranked 17th, Missouri ranked 18th, Iowa ranked 30th, Nebraska ranked 36th, South Dakota ranked 47th, and North Dakota ranked 50th in 1999. In terms of personal income growth, the Plains region, which averaged 4.7 percent growth, lagged behind the national average (5.4 percent) and was the slowest growing of the eight statistical regions. The Far West region was the fastest growing at a rate of 7.0 percent. Kansas ranked 26th (5.0 percent), while South Dakota ranked 16th (5.6 percent), Minnesota ranked 17th (5.5 percent), Nebraska ranked 31st (4.9 percent), Missouri ranked 36th (4.4 percent), Iowa ranked 46th (3.4 percent), and North Dakota ranked last (1.7 percent).

Disposable Personal Income. Disposable personal income is equal to personal income less personal taxes, or disposable income is the income available for personal use. In terms of disposable income growth, the Plains region, which averaged 4.7 percent, lagged behind the national average (5.0 percent) and was the third slowest growing of the eight regions. The Rocky Mountains region was the fastest growing at a rate of 6.6 percent. Kansas ranked 23rd (4.9 percent), while Minnesota ranked 9th (6.2 percent), South Dakota ranked 18th (5.3 percent), Nebraska ranked 31st (4.5 percent), Missouri ranked 35th (4.1 percent), Iowa ranked 45th (3.2 percent), and North Dakota ranked last (1.2 percent).

Per Capita Personal Income. The Plains region's average per capita personal income at $27,350 lagged behind the national average of $28,542 and ranked sixth out of the eight regions in 1999. The New England region had the highest per capita personal income of $34,173, followed by the Mideast region at $32,628. In 1999, Kansas ranked 28th ($26,824) in the U.S. in per capita personal income while Minnesota ranked 11th ($30,793), Nebraska ranked 25th ($27,049), Missouri ranked 30th ($26,376), Iowa ranked 34th ($25,615), South Dakota ranked 37th ($25,045), and North Dakota ranked 40th ($23,313). Table 5-4 presents per capita personal income for Kansas, the Plains Region and the U.S. for 1990 through 1999.

In terms of per capita personal income growth, the Plains region, which averaged 4.1 percent, lagged

Table 5-4

Per Capita Personal Income, 1990-1999
Kansas, Plains Region, and U.S.

				Percentage Change from Prior Year			Kansas As Percentage of:	
Year	**Kansas**	**Plains**	**U.S.**	**Kansas**	**Plains**	**U.S.**	**Plains**	**U.S.**
1990	18,182	18,217	19,584	-- %	-- %	-- %	99.8 %	92.8 %
1991	18,832	18,842	20,089	3.6	3.4	2.6	99.9	93.7
1992	19,955	19,928	21,082	6.0	5.8	4.9	100.1	94.7
1993	20,510	20,389	21,718	2.8	2.3	3.0	100.6	94.4
1994	21,352	21,558	22,581	4.1	5.7	4.0	99.0	94.6
1995	21,889	22,363	23,562	2.5	3.7	4.3	97.9	92.9
1996	23,121	23,802	24,651	5.6	6.4	4.6	97.1	93.8
1997	24,355	24,861	25,874	5.3	4.4	5.0	98.0	94.1
1998	25,687	26,282	27,322	5.5	5.7	5.6	97.7	94.0
1999	26,824	27,350	28,542	4.4	4.1	4.5	98.1	94.0

Source: U.S. Department of Commerce, Bureau of Economic Analysis

behind the national average of 4.5 percent. In addition it was tied with the Great Lakes region as the fifth fastest growing of the eight regions. The New England region was the fastest growing at a rate of 5.6 percent. Kansas ranked 22nd (4.4 percent), while South Dakota ranked 7th (5.2 percent), Nebraska ranked 17th (4.6 percent), Minnesota ranked 25th (4.4 percent), Missouri ranked 36th (3.8 percent), Iowa ranked 46th, (3.1 percent), and North Dakota ranked 49th (2.4 percent).

Per Capita Disposable Personal Income. The Plains region, which averaged $23,564 in per capita disposable personal income, lagged behind the national average ($24,322) and ranked fifth out of the eight regions in 1999. The New England region had the highest per capita disposable personal income of $28,320. It was followed by the Mideast region at $27,286. In 1999, Kansas ranked 27th ($23,146) in per capita disposable income in the U.S., while Minnesota ranked 11th ($26,113), Nebraska ranked 24th ($3,370), Missouri ranked 29th ($22,745), South Dakota ranked 32nd ($22,463), Iowa ranked 34th ($22,296), and North Dakota ranked 39th ($20,692).

In terms of per capita disposable income growth, the Plains region at 4.1 percent matched the national average and was the fifth fastest growing of the eight regions. The New England region was the fastest growing, with a 5.2 percent increase, followed by the Far West region with a growth rate of 5.1 percent. In 1999, Kansas ranked 19th (4.3 percent), while Minnesota ranked 7th (5.1 percent), South Dakota ranked 8th (5.0 percent), Nebraska ranked 23rd (4.2 percent), Missouri ranked 35th (3.5 percent), Iowa ranked 46th (2.9 percent), and North Dakota ranked 50th (1.9 percent).

Historical Trends in per Capita Personal Income. Kansas per capita personal income in 1999 was $26,824, which is a 4.4 percent increase from its 1998 level of $25,687. This increase is above the 4.1 percent growth rate for the Plains region, but below the 4.5 percent growth rate for the U.S. Per capita personal income in Kansas continued to lag behind both that of the Plains region and the U.S. Appendix D presents historical per capita personal income data for Kansas, the Plains region, and the U.S. for 1990 through 1999.

Kansas per capita income in 1999 was 1.9 percent below the Plains states' average and 6.0 percent below the national average. Kansas per capita income growth has slowed since 1996. Kansas per capita income also has lagged behind the Plains states' average since 1994. Over the past ten years Kansas per capita income, as a percentage of the national average, has ranged from a high of 94.7 percent in 1992 to a low of 92.8 percent in 1990.

Chapter 6

Kansas Demographics

On July 1 of each year the official population for Kansas is certified. By state statute, the official population of Kansas is certified from the latest estimates released by the United States Bureau of the Census. For 2000, the official Kansas population is 2,654,052, representing a 1.0 percent increase over the official population in 1999 and a 7.0 percent increase over the 1990 official population. The last decennial census was taken in 1990. At that time, the 1990 total Kansas population was 2,480,587.

Although the population in Kansas shows steady growth over the last decade, the state remains predominantly rural. Of the 627 cities in Kansas, 424 have populations of less than 1,000 people. These 424 cities and the rural areas in Kansas account for 25.0 percent of the total state population, while 36.9 percent of the population resides in rural areas and in cities with populations of less than 5,000 people.

The population growth of the U.S. is concentrated in the Southeast and in the four regions from the Rocky Mountains to the Pacific Ocean. The Plains region, which includes Kansas, grew at a slower rate than the nation as a whole, and significantly slower than the western part of the U.S. The resident population for the U.S., Kansas, and Kansas counties as of July 1, 1998, and July 1, 1999, are shown in Appendix E. Because the population numbers presented here are based on estimates, a brief discussion of the methodology used to derive these estimates is presented below.

U. S. Census Bureau's Methodology of Estimating State Populations

For the past ten years, national population estimates have used the 1990 dicennial census data as a benchmark and incorporated administrative data from federal agencies. Each year the benchmark is statistically adjusted using numerous variables and a national estimate is reached. The next step is to formulate estimates for each state, county or parish, city, and township in the United States. All of these estimates sum to the national estimate, which is used as a control.

The annual estimates help identify population shifts as well as trends and potential changes in some federal grants-in-aid formulas. The total state population and a state's proportion of the national total are factors in some formulas used to calculate federal grant-in-aid program allotments, including the Social Services Block Grant and the annual state private activity bond limitations. However, for most grant-in-aid programs, changes in population do not directly affect allocations.

Annual estimates in population change because of two factors: migration and natural growth. Migration refers to the net effect of migration to and from each state. Natural growth refers to the additions to population from births and the subtractions from deaths. The variables used to produce population estimates are based on data series that capture both migration and natural growth. Variables include vital statistics, such as births and deaths, school statistics from state and parochial school systems, and data from federal income tax returns. Also incorporated into the estimates are data pertaining to housing permits issued, certificates of occupancy, and utility hookups. The latter three variables were included in the methodology beginning with the 1997 estimates. The inclusion of these variables is a significant change in the methodology because, prior to 1997, no housing variables were included at all. Analysis indicates the inclusion has been able to improve the accuracy of the estimates.

Census 2000

Each decennial census yields a wealth of data that are important to a diversified user-group. Although the actual count has been completed, the data from the most recent decennial census, Census 2000, have not been released. Federal law requires that the final census results be released to the public on March 31, 2001. However, prior to that date, two important census data files will be released. They are the Reapportionment File and the Census 2000 Redistricting File.

The Reapportionment File includes state population totals and will be used to reapportion the U.S. House of Representatives. By law, the U.S. Census Bureau must provide this file to the President of the United States by December 31, 2000.

The Census 2000 Redistricting File contains the information required for local redistricting and includes data on 63 race categories, ethnicity, and voting age. These data will be available for the state, counties, cities, census tracts, and census blocks. By law, the U.S. Census Bureau must make these data available by April 1, 2001.

Apart from its important role in determining the apportionment of Congressional districts, the decennial census assists in determining how much money states will receive in a number of federal grant programs because several of the programs include population count as a component of their distribution formulas.

The electoral effects of the census have been the focus of media accounts and are fairly well understood because of the effect on expected increases and decreases in congressional seats. However, less understood is the interaction between the population count and federal grant programs. The U.S. Supreme Court ruled that for the purposes of reapportioning seats in the House of Representatives, sampling techniques are prohibited. However, the ruling does not mean that sampling cannot be used to allocate funds for federal formula grant programs. For this reason, the fiscal effects dominate states' concerns with the outcome of Census 2000. Primary among the concerns is the adverse effect of an inaccurate count.

Historically, lower-income groups are more likely to be missed using the traditional headcount method. The largest groups included are the homeless and immigrants. Because both of these groups are lower-income, many grant programs are targeted to them, including most public assistance and many education programs.

According to the General Accounting Office, there are 22 large formula grant programs that rely in part on data derived from the decennial census. Medicaid is the largest program. The three large formula grant programs that do not use census data are special education; the administrative portion of the nutrition program for women, infants, and children (WIC); and low-income home energy assistance (LIHEAP).

Demographics

Demographics are the components included in the population. The categories used by the United States Bureau of the Census include age, race, gender, and ethnicity.

The demographic make up of Kansas is becoming more diverse. In 1990, the population of Kansas was predominantly of the White race and non-Hispanic in ethnicity. In 2000, the same overall make up remains; however, the proportions of other races and ethnicity display a definite upward trend, especially in the proportion of the Hispanic population.

This report identifies five age categories, including under 5 years of age, 5 to 19 years of age, 20 to 64 years of age, 65 years of age and older, and 85 years of age and older. It should be noted the category of 85 years of age and older is a subcategory of 65 years of age and older.

Each age category is presented in terms of gender, race, and ethnicity. Also presented is the proportion of total population for both race and ethnicity. Statistics for both 1990 and 1999 are included for comparison purposes and indicate an increase in the diversity of the Kansas population.

Age

Analysis indicates the population of Kansas is aging, but at a slower pace than the rest of the United States. As of July 1, 1999, there were 2,654,052 people in Kansas with a median age of 35.4 years, which placed

Table 6-1

Kansas Population Estimates--1990 and 1999
by Age, Race, Gender, and Ethnicity

	1990					1999				
	< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	65 yrs. & Older	85 yrs. & Older	< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	65 yrs. & Older	85 yrs. & Older
Kansas										
Male	97,662	280,554	701,356	136,874	11,570	94,487	308,749	756,690	145,482	15,316
Female	92,319	265,372	700,513	205,937	30,601	89,526	292,230	758,291	208,597	36,326
American Indian and Alaska Native	2,161	6,439	12,744	1,431	105	1,646	6,422	13,792	1,694	215
Asian & Pacific Islander	2,966	9,319	19,965	978	99	4,805	12,766	28,228	1,968	138
Black	15,470	40,521	81,535	12,181	1,593	12,819	44,120	88,090	12,147	1,451
White	169,384	489,647	1,288,625	328,221	40,374	147,803	496,311	1,315,357	331,571	49,082
Hispanic	11,911	29,146	50,994	4,514	478	16,940	41,360	69,514	6,699	756
Total:	189,981	545,926	1,401,869	342,811	42,171	184,013	600,979	1,514,981	354,079	51,642
Race as a Percent of Total Population										
American Indian and Alaska Native	1.1%	0.1%	0.9%	0.4%	0.2%	0.9%	1.1%	0.9%	0.5%	0.4%
Asian & Pacific Islander	1.6	1.7	1.4	0.3	0.2	2.6	2.1	1.9	0.6	0.3
Black	8.1	7.4	5.7	3.6	3.8	7.0	7.3	5.8	3.4	2.8
White	89.2	89.7	91.9	95.7	95.7	80.3	82.6	86.8	93.6	95.0
Ethnicity as a Percent of Total Population										
Hispanic										
White Hispanic	5.7%	4.8%	3.3%	1.3%	1.1%	8.6%	6.5%	4.3%	1.8%	1.4%
Non-White Hispanic	0.1	<0.1	<0.1	<0.1	<0.1	0.9	0.8	0.5	0.1	0.1

Kansas as the 13th youngest state in the U.S. and only slightly younger than the national median age of 35.5 years. Kansas' current median age compares to the 1990 median age of 32.8 years and a national ranking of 24th. Table 6-1 shows the dynamics between 1990 and 1999 of each category, including total population by age, race, gender, and ethnicity. It also shows each category as a percent of the total state population. A complete listing of the 1999 Kansas Resident Population by Age is shown in Appendix F.

Included in the 1999 total are 184,013 people who are less than 5 years of age. When compared to the 1990 total of 189,981 this category shows a 3.1 percent decrease. However, when compared to the 1998 total of 182,105, this category shows a 1.0 percent increase. The only race categories showing increases in this age cohort are American Indians and Alaska Natives, and Asians and Pacific Islanders. Data indicate the number of individuals less than 5 years of age has decreased each year from 1990 through 1997, but increased in 1998 and 1999.

Proportionally, this cohort represents 6.9 percent of the total state population, which is significantly lower than 1990 when this cohort represented 7.7 percent of the total state population.

The population of school age children 5 to 19 years of age has increased by 45,053, or 8.3 percent, since 1990 and decreased by 7,577, or 1.3 percent, since 1998. Proportionally, this cohort represents 22.3 percent of the total state population. In 1990, it represented 21.6 percent of the total state population.

Since 1990, the population from 20 to 64 years of age has increased by 113,112, or 8.1 percent. Since 1998, this cohort has increased by 20,690, or 1.4 percent. Proportionally, this age cohort represents 57.1 percent of the total state population and in 1990, it represented 55.6 percent of the total state population.

In 1999, the estimated population of Kansans who were 65 years of age and older was 354,079. That represents 13.3 percent of Kansas' total population and slightly more than 1.0 percent of the 34.5 million individuals in the U.S. who were over the age of 65. The Kansas population which is 65 years or older has increased by 11,268, or 3.3 percent, since 1990. However, since 1998, this cohort has decreased by 36, or less than 1.0 percent.

When compared to the Plains states, the proportion of the Kansas population that is over 65 years of age is higher than the national proportion. Approximately 2.5 million people in the Plains states are estimated to be over the age of 65, representing 13.5 percent of the total population of the Plains states. The proportion attributed to Kansas is slightly lower at 13.3 percent. The state with the largest proportion of its population being 65 years of age or older is Iowa, where 14.9 percent of its population was above the age of 65 in 1999. Table 6-2 presents the population over 65 years of age for the U.S., the Plains states, and Kansas.

Table 6-2

Population & Percent of Population Over 65
U.S., Plains States, & Kansas--1999

	Total Pop.	**Pop. Over 65**	**Percent Over 65**
U.S.	272,690,813	34,540,025	12.7 %
Plains States:			
Minnesota	4,775,508	585,394	12.3
Iowa	2,869,413	428,487	14.9
Missouri	5,468,338	745,387	13.6
North Dakota	633,666	92,383	14.6
South Dakota	733,133	105,442	14.4
Nebraska	1,666,028	228,286	13.7
Kansas	2,654,052	354,079	13.3

The frailest elderly are generally considered to be those over the age of 85. In 1999, there was an estimated 4,175,082 individuals over the age of 85 in the U.S., representing 1.5 percent of the total U.S. population. In Kansas, 51,642 individuals were over the age of 85 in 1999, which represents 1.9 percent of the total state population.

In addition, the number of individuals 85 years of age and older also increased over both the 1990 and the 1998 levels. This age cohort has realized an increase of 9,471, or 22.5 percent, since 1990 and 1,095, or 2.2 percent, since 1998. When comparing the two proportions for 1999, Kansas at 1.9 percent and the U.S. at 1.5 percent, the implication is that, proportionally, Kansas has a greater percentage of its population over 85 years of age than does the nation as a whole. When compared to the Plains states, the Kansas proportion is above the average. Approximately 363,620 individuals in the Plains states are estimated to be over 85 years of age, which is 1.9 percent of the total population of the region, the same ratio that is attributed to Kansas. Table 6-3 shows the U.S. Bureau of the Census' estimates for the population, which is over the age of 85 in the U.S., the Plains states, and Kansas in 1999.

Table 6-3

Population & Percent of Population Over 85
U.S., Plains States, & Kansas--1999

	Total Pop.	**Pop. Over 85**	**Percent Over 85**
U.S.	272,690,813	4,175,082	1.5 %
Plains States:			
Minnesota	4,775,508	84,450	1.8
Iowa	2,869,413	64,500	2.2
Missouri	5,468,338	98,055	1.8
North Dakota	633,666	14,761	2.3
South Dakota	733,133	15,899	2.2
Nebraska	1,666,028	34,313	2.1
Kansas	2,654,052	51,642	1.9

The highest ratio in the area is in North Dakota, where 2.3 percent of the state's population is over the age of 85. Minnesota and Missouri have the lowest proportions at 1.8 percent. It should be noted that all Plains states have a higher proportion of the population over 85 years of age when compared to the U.S. average of 1.5 percent.

Gender

In 1999, the total population consisted of 1,305,408 males and 1,348,644 females, which is a ratio of 0.97 male to 1.00 female. This ratio compares to the 1990 benchmark ratio of 0.96 male to 1.00 female. The chronology of data indicates there were more males than females from birth through middle age. By 65 years of age, the number of females is greater than the number of males, with the ratio increasing as the population ages.

The population of individuals less than 5 years of age consists of 94,487 males (51.3 percent) and 89,526 females (48.7 percent). These data equate to a ratio of 1.06 males to 1.00 female. Compared to 1990, the total 1999 populations are lower. However, the percentage breakdown and ratio have remained constant from 1990 through 1999.

The population of school age children from 5 to 19 years of age consists of 308,749 males and 292,230 females. This cohort is 52.2 percent male and 47.8 percent female, with a 1.06 to 1.00 ratio of males to females. In 1990, the gender ratio for this cohort also was 1.06 male to 1.00 female.

The population from 20 to 64 years of age is the first category which has more females than males, showing 756,690 males and 758,291 females. The percentage breakdown is 50.0 percent for each gender category and equates to a 1.00 to 1.00 ratio. Both the percentage and the ratio remain unchanged since 1990.

In the 65 years of age and older category, females represent 58.9 percent of the total population, while males represent 41.1 percent. These percentages are a slight change compared to 1990 when this category's population consisted of 60.1 percent females and 39.9 percent males.

In 1999, females outnumbered males 208,597 to 145,482, which equates to a ratio of 0.70 male to 1.00 female. Although the proportions and ratio have not changed significantly since 1990, the total number of males has increased slightly relative to the number of females.

For the population that is 85 years of age and older, females represent 70.3 percent of this category's total population, while males represent 29.7 percent. Females outnumber males 36,326 to 15,316, which equates to a ratio of 0.42 male to 1.00 female. These levels represent a slight change from 1990, when the population that was 85 years of age and older consisted of 30,601 females (72.6 percent) and 11,570 males (27.4 percent). Comparison implies that more males lived slightly longer in 1999 than in 1990.

Race

For 1999, the U.S. Bureau of the Census has included four race categories in population estimates. The categories are American Indian and Alaska Native; Asian and Pacific Islander; Black; and White. The population of Kansans less than 5 years of age has declined for both the Black and White races. Alternatively, the American Indian and Alaska Native as well as and Asian and Pacific Islander race categories have increased. However, the distribution by proportion between race types shows more significant dynamics.

The population of school age children 5 to 19 years of age has continued to increase since 1990. In addition, the proportion of American Indian and Alaska Native population as a percent of the age cohort's population increased significantly from 0.1 percent in 1990 to 1.1 percent in 1999. Between 1990 and 1999, the demographic makeup by race of the other three types has remained relatively stable with only minor shifts in the number of Black students, Asian and Pacific Islander students, and White students.

The demographic makeup by race for the population of 20 to 64 years of age basically remains unchanged, with only a minor increase in the proportion of the population within the Black category, as well as the Asian and Pacific Islander category. These changes coincide with a corresponding decrease in the proportion in the White category.

For the 65 years of age and older category, smaller proportions were realized in each race, with the exception of Asian and Pacific Islanders between 1990 and 1999. In the 85 years of age and older category, smaller proportions were realized in each race, except American Indians and Alaska Natives.

Ethnicity

The U.S. Bureau of the Census categorizes ethnicity as either Hispanic or non-Hispanic. These overall categories are exclusive of race. As of 1999 there were 148,479 Hispanic individuals in Kansas, which represents 5.6 percent of the total population. In 1990, Kansas had an Hispanic population of 93,565, which represented 3.8 of the state's total population

The proportion of Hispanic individuals less than 5 years of age increased from 6.3 percent in 1990 to 9.2 percent in 1999. The proportion of Hispanic school age children between 5 and 19 years of age has increased also, from 5.3 in 1990 to 6.9 percent in

1999. The Hispanic proportion of the population between 20 and 64 years of age has increased as well, from 3.6 percent in 1990 to 4.6 percent in 1999. This overall increase in the proportion of the Hispanic population holds for individuals 65 years of age and older, as well as for those 85 years and older.

Kansas Population Projections

In Kansas, population estimates and projections are widely used by state agencies, local governments, and individuals. The variety of uses include a diversified pool reaching from statewide distribution of tax dollars to counties and cities to individual requests by local governments for recreational grants.

By state statute, on July 1 of each year Kansas certifies the U.S. Census Bureau's most recent population estimates for sub-county areas as the official state population. However, state population projections are not required to be produced each year. As a general rule, population projections are produced every three to five years, but Kansas had not produced an official set of population projections since 1992.

In 1999, the Kansas Division of the Budget and the Kansas Water Office combined resources to present both accurate and timely population projections. This partnership resulted from annual water-use data collection, which is compiled by the Water Office and used to forecast water needs. The population projections are a by-product of the water use projections.

The partnership between the Division of the Budget and the Water Office allows Kansas to fulfill one of its obligations to its citizens, which is to provide timely, accurate, and useful data. The most advantageous aspect of the cooperative effort among state agencies is that the data are used not only to project populations, but also as an integral part of accurately forecasting water use. Another advantage of this cooperative effort is that Kansas now has an independent method of forecasting population which is based on an additional data set specific to Kansas. Using state specific data in an independent method enhances the accuracy of population projections. In addition, an independent method provides valuable feedback to the U.S. Census Bureau. Appendix G shows the population projections for Kansas and all counties through 2040.

Appendix A

Kansas County Personal Income, 1998
(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Allen	139,804	18,215	(4,087)	28,747	60,086	56,433	(1,649)	12,021	285,527
Anderson	39,292	5,266	1,591	13,895	34,780	30,737	16,713	3,959	138,315
Atchison	163,975	19,156	5,000	17,166	67,394	59,096	9,820	13,203	328,404
Barber	41,467	5,495	(3,432)	11,197	31,229	25,783	(1,855)	3,581	106,302
Barton	309,052	34,457	8,784	51,090	161,188	106,580	(5,490)	26,218	639,443
Bourbon	143,617	17,579	(1,189)	27,921	70,523	64,851	2,998	12,830	313,471
Brown	104,572	11,713	14,518	14,317	55,414	45,477	(3,167)	8,635	234,209
Butler	367,107	45,515	(5,677)	110,069	219,580	166,109	549,784	31,946	1,420,540
Chase	15,029	2,160	9,773	8,219	17,189	12,200	7,023	1,534	70,059
Chautauqua	19,178	2,521	(1,384)	8,281	22,657	21,608	4,807	2,031	75,637
Cherokee	149,386	18,734	9,359	22,407	72,482	89,133	56,161	12,919	404,743
Cheyenne	21,152	2,563	8,157	7,890	20,276	14,198	(2,272)	2,048	69,916
Clark	20,457	2,352	1,378	4,190	17,697	9,784	3,851	1,200	58,509
Clay	60,996	7,389	12,920	21,428	52,771	34,052	18,241	5,665	202,132
Cloud	78,317	9,793	8,658	15,985	59,832	47,255	3,315	7,038	216,116
Coffey	119,697	15,489	531	13,824	49,175	32,386	(37,800)	9,215	184,086
Comanche	12,316	1,727	(502)	4,682	13,639	9,717	863	1,092	41,350
Cowley	350,103	42,527	4,970	50,319	144,135	139,866	32,528	28,156	736,292
Crawford	381,158	47,880	3,032	33,133	168,454	154,941	(3,467)	28,262	756,869
Decatur	21,364	2,705	7,719	6,757	29,545	15,871	1,413	1,979	83,394
Dickinson	152,985	18,188	16,467	24,167	93,150	71,403	45,153	13,351	408,162
Doniphan	75,912	9,434	11,742	10,479	28,313	30,661	2,551	6,076	163,016
Douglas	1,078,052	135,623	1,387	102,395	422,937	205,896	127,990	69,795	2,004,485
Edwards	26,480	3,109	15,726	6,620	20,181	16,077	1,858	2,272	87,779
Elk	11,091	1,996	(93)	6,422	13,029	17,095	9,690	1,146	58,082
Ellis	323,182	39,633	4,266	64,740	128,923	87,209	8,171	26,055	630,069
Ellsworth	51,963	6,775	6,844	7,688	34,131	28,194	(1,391)	3,951	130,251
Finney	477,346	51,880	17,394	83,285	120,246	76,551	(12,606)	37,628	776,467
Ford	392,192	44,885	14,724	53,894	127,613	82,506	(23,628)	31,073	661,113
Franklin	199,658	21,762	564	30,476	87,007	80,657	95,951	16,354	499,721
Geary	558,981	181,777	373	28,906	110,408	71,200	(395,752)	30,351	525,541
Gove	24,941	2,944	8,589	9,837	18,402	12,947	(1,820)	2,085	73,757
Graham	22,376	3,015	10,137	7,642	15,840	14,796	1,067	1,916	72,956
Grant	102,133	10,893	5,019	20,660	33,467	19,016	(11,600)	7,623	171,966
Gray	54,696	6,041	37,663	14,429	23,556	14,940	4,225	3,852	151,699

Appendix A (Continued)

Kansas County Personal Income, 1998
(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Greeley	14,916	1,609	13,946	3,449	7,903	5,815	(947)	973	45,717
Greenwood	36,275	4,934	2,792	16,338	39,916	37,410	17,334	4,008	150,992
Hamilton	21,622	2,340	21,732	4,629	14,597	10,022	(524)	1,491	72,926
Harper	46,231	6,274	5,404	12,359	37,010	30,674	8,878	3,955	142,875
Harvey	352,817	39,146	10,596	83,442	143,989	115,949	117,646	33,173	830,412
Haskell	36,389	3,776	51,112	10,179	19,477	10,226	3,163	2,292	132,029
Hodgeman	11,978	1,741	8,696	6,516	12,123	7,842	2,118	979	50,036
Jackson	78,777	8,978	(3,871)	21,521	45,227	39,257	77,418	7,010	260,297
Jefferson	70,457	9,942	2,809	22,295	61,470	52,427	182,869	6,073	396,195
Jewell	18,772	2,798	15,316	7,538	22,980	16,551	5,091	1,692	87,354
Johnson	9,121,148	903,377	10,205	1,391,294	3,561,905	977,454	1,829,706	768,927	17,026,161
Kearny	28,271	3,476	15,353	5,440	22,020	11,695	12,794	1,488	97,561
Kingman	57,821	7,166	559	14,268	42,259	34,383	26,257	5,308	177,404
Kiowa	24,300	3,115	4,461	6,126	22,867	15,807	2,970	2,029	77,617
Labette	233,001	29,276	2,421	31,915	84,332	94,741	(18,225)	17,801	439,661
Lane	18,128	2,121	11,980	5,182	16,134	9,317	(234)	1,346	61,282
Leavenworth	689,554	172,947	(4,700)	84,024	278,625	168,188	78,629	40,808	1,426,459
Lincoln	17,472	2,806	6,249	5,211	20,419	14,478	5,540	1,485	70,690
Linn	55,114	7,360	437	9,196	35,916	38,058	21,095	4,770	162,406
Logan	23,720	2,859	4,767	7,098	18,244	12,018	1,429	1,930	68,205
Lyon	417,712	51,930	1,547	44,119	148,434	106,612	(12,793)	30,717	726,844
McPherson	336,711	38,891	16,711	66,694	143,485	100,988	9,076	29,937	682,619
Marion	77,700	10,076	4,712	18,498	56,998	50,641	31,919	7,197	243,345
Marshall	110,520	14,055	18,281	16,108	68,617	53,180	(172)	10,239	270,349
Meade	34,540	3,716	23,115	8,610	24,136	16,356	7,262	2,277	115,458
Miami	190,315	21,659	(1,522)	32,756	97,586	84,561	188,669	15,255	598,769
Mitchell	82,630	9,268	13,768	12,001	37,026	28,076	(10,424)	6,521	165,825
Montgomery	385,781	47,542	4,300	45,722	152,445	159,786	(23,337)	32,752	739,487
Morris	34,597	4,520	3,332	11,017	28,820	25,250	14,074	3,321	118,290
Morton	44,752	5,128	(1,613)	7,045	19,040	11,838	(7,206)	2,779	76,206
Nemaha	95,712	11,757	20,631	13,187	75,426	38,723	1,503	8,135	248,803
Neosho	169,846	20,294	(2,407)	31,670	69,876	71,530	620	14,163	347,265
Ness	27,613	3,812	2,841	12,214	24,490	16,243	2,356	2,671	86,898
Norton	53,718	6,784	8,223	9,660	34,614	24,210	(2,276)	3,787	131,146
Osage	70,273	9,596	1,365	17,811	61,814	58,186	113,792	6,340	326,496

Appendix A (Continued)

Kansas County Personal Income, 1998

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Osborne	28,109	3,692	6,778	10,036	27,619	21,536	2,821	2,893	97,699
Ottawa	26,668	3,603	4,767	8,479	33,292	21,237	25,184	2,441	120,790
Pawnee	72,125	9,303	7,925	14,446	34,688	26,673	2,327	3,635	163,852
Phillips	54,689	7,590	11,234	15,616	40,900	25,985	(1,922)	4,840	149,254
Pottawatomie	170,222	19,742	1,355	23,752	86,087	51,342	37,885	13,759	376,626
Pratt	97,586	11,159	3,402	23,411	56,269	38,840	74	8,187	222,554
Rawlins	19,576	2,549	6,870	6,073	20,623	13,013	1,222	1,681	68,247
Reno	778,560	85,982	10,310	77,551	305,714	232,767	10,404	62,335	1,438,954
Republic	44,822	5,834	4,499	10,550	34,036	26,202	3,628	3,878	125,692
Rice	72,212	9,317	11,625	18,262	49,282	41,234	13,359	6,231	209,059
Riley	559,181	82,594	(1,314)	71,661	238,586	122,306	289,155	32,554	1,329,615
Rooks	37,927	5,168	4,768	12,443	33,045	24,456	3,176	3,358	117,625
Rush	28,322	3,935	185	4,148	21,462	17,734	553	2,315	74,023
Russell	55,606	6,936	5,288	21,297	49,577	38,762	273	5,746	171,995
Saline	769,781	86,464	6,531	223,334	273,255	168,738	(41,332)	71,802	1,414,969
Scott	49,642	4,852	21,511	12,000	31,313	14,749	5,144	3,279	135,932
Sedgwick	8,289,814	979,486	4,959	901,668	2,287,984	1,355,137	(1,060,975)	669,796	12,088,277
Seward	307,914	34,379	17,476	48,308	70,978	50,708	(44,012)	23,618	462,134
Shawnee	2,939,249	344,480	4,381	235,149	902,603	590,970	(433,810)	209,551	4,373,471
Sheridan	19,680	2,367	22,436	10,882	18,763	10,521	990	2,035	83,602
Sherman	65,298	7,771	16,082	12,848	32,167	29,481	4,208	5,105	162,751
Smith	27,702	3,475	10,308	8,594	31,354	21,884	1,041	2,664	101,696
Stafford	32,463	4,248	16,490	11,553	29,365	25,585	839	2,735	117,809
Stanton	21,182	2,039	20,738	4,770	14,540	6,525	(470)	1,163	68,161
Stevens	52,813	6,049	22,056	12,468	30,989	15,688	6,664	3,660	143,067
Sumner	169,399	21,314	7,997	41,043	91,162	92,136	229,135	15,454	636,731
Thomas	84,674	9,958	25,037	20,084	38,081	26,131	(5,934)	6,659	191,373
Trego	21,542	2,942	(558)	7,621	16,738	15,066	2,934	1,967	64,318
Wabaunsee	24,308	3,466	271	12,721	27,001	22,368	57,406	2,549	144,991
Wallace	11,115	1,328	6,453	4,240	10,603	7,109	31	916	39,963
Washington	37,247	5,357	12,940	7,935	32,762	28,980	8,708	3,081	130,847
Wichita	20,859	2,298	30,151	6,521	14,456	8,942	35	1,412	81,850
Wilson	90,098	11,433	(3,054)	19,581	39,629	43,783	85	7,904	193,651
Woodson	14,493	2,045	2,071	7,727	17,830	18,150	7,333	1,836	67,813
Wyandotte	2,751,327	344,062	293	98,968	404,158	612,372	(1,045,150)	190,161	2,975,868
Total	37,045,420	4,463,474	846,727	5,064,029	13,642,379	8,380,829	1,268,755	2,931,892	67,779,721

Appendix B

Kansas County Personal Income, 1999
(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Allen	147,259	18,886	(2,448)	31,440	62,660	58,267	(1,539)	12,700	301,825
Anderson	40,620	5,388	867	14,915	36,113	31,828	16,261	4,171	141,819
Atchison	171,878	19,779	5,805	17,877	69,509	60,957	9,559	13,746	341,618
Barber	42,542	5,625	679	11,718	32,560	26,557	(1,754)	3,656	114,271
Barton	317,333	34,938	8,227	54,246	168,877	110,188	(5,169)	27,041	661,599
Bourbon	149,450	18,126	(634)	30,582	72,836	67,233	2,984	13,448	327,131
Brown	111,628	12,148	16,360	14,991	57,646	46,828	(3,294)	9,187	247,118
Butler	381,208	46,669	(13,101)	117,070	229,752	173,619	554,873	33,330	1,456,762
Chase	15,457	2,214	(4,772)	8,640	17,986	12,505	6,961	1,561	57,431
Chautauqua	20,087	2,627	(1,208)	8,891	23,762	22,290	4,620	2,108	78,961
Cherokee	154,400	19,013	57,889	23,806	76,087	91,739	56,171	13,369	465,737
Cheyenne	21,722	2,626	17,498	8,352	21,081	14,685	(222)	2,093	83,649
Clark	22,171	2,506	1,204	4,330	18,271	9,945	3,706	1,266	60,867
Clay	63,351	7,583	11,913	22,631	54,658	35,189	17,337	5,839	206,823
Cloud	79,586	9,975	8,568	16,790	62,425	48,596	3,532	7,177	222,294
Coffey	122,686	15,848	310	14,625	51,406	33,631	(35,268)	9,445	193,793
Comanche	12,427	1,728	(700)	4,922	14,103	9,993	837	1,110	42,200
Cowley	358,273	43,049	6,384	53,048	148,339	144,660	33,956	29,193	758,516
Crawford	395,390	49,337	1,662	35,472	174,791	159,416	(3,226)	29,371	783,471
Decatur	20,992	2,662	7,024	7,068	30,919	16,411	1,379	1,958	84,496
Dickinson	158,995	18,725	32,006	25,238	97,239	73,939	43,343	13,908	435,577
Doniphan	79,925	9,839	13,483	10,942	29,636	31,859	3,272	6,384	172,573
Douglas	1,137,310	142,708	1,212	109,071	446,132	215,713	124,912	73,754	2,103,304
Edwards	27,227	3,167	19,862	6,946	20,789	16,456	1,893	2,326	94,013
Elk	11,433	2,044	(55)	6,843	13,352	17,662	9,424	1,181	59,522
Ellis	339,817	41,384	(3,677)	67,696	135,218	90,985	7,277	27,468	651,232
Ellsworth	53,382	6,925	8,923	8,019	35,615	29,171	(1,202)	4,065	136,767
Finney	496,030	53,024	17,949	89,019	124,633	79,594	(12,205)	39,180	808,866
Ford	413,138	46,728	13,440	56,324	133,046	85,179	(23,382)	32,633	691,840
Franklin	211,158	22,428	316	32,264	90,977	83,919	96,153	17,270	519,946
Geary	558,932	183,495	139	30,322	113,994	73,544	(370,530)	30,855	559,041
Gove	26,065	3,040	25,789	10,369	19,130	13,468	(1,846)	2,168	93,847
Graham	22,671	3,060	39,331	8,133	16,451	15,439	978	1,965	104,098
Grant	104,651	11,002	3,906	21,702	35,256	19,917	(11,106)	7,753	177,575
Gray	57,719	6,370	48,355	15,433	24,343	15,503	4,208	4,015	167,917

Appendix B (Continued)

Kansas County Personal Income, 1999
(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Greeley	15,516	1,652	18,841	3,541	8,171	5,996	(902)	988	51,827
Greenwood	36,929	5,028	3,546	17,780	41,835	38,551	17,200	4,122	156,747
Hamilton	23,168	2,451	27,655	4,871	15,233	10,328	(368)	1,590	81,749
Harper	47,672	6,480	1,832	13,110	38,691	31,491	9,131	4,088	144,319
Harvey	369,915	40,466	9,098	89,113	150,072	120,559	117,051	34,862	861,411
Haskell	37,992	3,873	53,827	10,842	20,005	10,726	3,008	2,381	137,892
Hodgeman	12,653	1,833	8,001	6,791	12,484	8,229	2,122	1,022	51,091
Jackson	92,018	9,859	(4,510)	22,546	47,016	40,891	71,366	7,968	271,218
Jefferson	72,732	10,189	1,584	23,793	64,281	54,912	184,489	6,354	405,627
Jewell	19,371	2,906	16,488	7,957	23,549	17,254	4,906	1,733	90,697
Johnson	9,915,084	957,340	14,970	1,477,350	3,724,755	1,030,063	1,802,882	835,700	18,086,745
Kearny	28,930	3,544	14,280	5,679	23,194	12,182	12,436	1,485	98,760
Kingman	59,287	7,292	329	15,228	43,928	35,858	26,159	5,467	182,614
Kiowa	24,623	3,181	3,284	6,533	23,644	16,286	2,980	2,054	78,478
Labette	241,642	30,026	1,867	33,914	87,982	97,935	(17,903)	18,548	456,915
Lane	19,020	2,201	21,722	5,365	16,905	9,661	(241)	1,410	73,222
Leavenworth	703,003	177,283	(15,999)	89,390	292,953	175,411	92,716	42,269	1,472,486
Lincoln	18,103	2,940	2,688	5,412	21,310	14,945	5,436	1,522	69,313
Linn	57,351	7,575	267	9,637	37,128	39,597	21,622	4,951	168,226
Logan	24,758	2,986	13,585	7,407	18,781	12,350	1,447	1,999	79,313
Lyon	436,041	53,679	1,175	47,037	154,951	110,319	(13,736)	32,288	757,177
McPherson	348,292	39,474	15,295	70,395	150,273	105,244	10,233	30,989	708,218
Marion	79,807	10,304	4,145	19,377	59,577	52,565	31,638	7,380	250,033
Marshall	115,234	14,802	18,414	16,717	71,365	54,796	(239)	10,679	280,411
Meade	36,340	3,803	35,876	9,270	25,175	17,044	7,039	2,357	132,190
Miami	208,768	23,149	(1,431)	34,697	101,638	88,043	180,782	16,840	618,806
Mitchell	87,496	9,633	14,834	12,762	38,005	29,032	(10,440)	6,911	174,411
Montgomery	397,073	48,304	513	48,159	157,490	164,423	(22,340)	33,894	759,728
Morris	35,648	4,629	3,171	11,727	30,644	26,203	13,714	3,435	122,300
Morton	48,588	5,439	(371)	7,431	19,770	12,339	(10,221)	2,997	79,978
Nemaha	98,468	11,957	24,109	13,979	78,759	40,088	(248)	8,371	258,741
Neosho	173,616	20,532	(895)	32,840	72,792	73,776	263	14,494	358,430
Ness	27,970	3,847	2,075	12,940	25,388	16,811	2,513	2,732	88,812
Norton	55,693	7,033	4,426	10,297	36,323	25,114	(2,258)	3,932	132,695
Osage	75,209	10,127	669	18,719	63,893	60,393	111,851	6,749	334,111

Appendix B (Continued)

Kansas County Personal Income, 1999

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Non-farm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
Osborne	28,500	3,702	6,508	10,614	28,407	22,145	2,924	2,946	99,853
Ottawa	27,015	3,627	3,582	9,015	35,616	22,045	24,513	2,475	122,937
Pawnee	74,897	9,804	7,195	14,954	35,601	27,411	2,224	3,693	168,393
Phillips	56,220	7,736	13,500	16,341	42,842	26,958	(1,777)	4,989	156,830
Pottawatomie	178,235	20,304	(117)	24,797	91,540	53,508	36,267	14,390	390,144
Pratt	100,539	11,448	3,037	25,343	58,341	40,166	20	8,490	230,404
Rawlins	20,053	2,593	14,529	6,433	21,456	13,485	1,383	1,725	78,207
Reno	809,410	88,387	9,226	82,672	312,655	241,348	11,186	65,048	1,489,835
Republic	45,775	5,942	3,522	10,969	35,331	27,106	3,579	3,951	128,274
Rice	75,465	9,695	11,359	19,657	50,984	42,625	12,760	6,501	216,044
Riley	579,095	85,841	(3,180)	75,378	247,622	127,303	269,319	34,217	1,347,162
Rooks	37,484	5,123	8,429	13,455	34,201	25,228	4,247	3,358	124,808
Rush	29,347	4,040	118	4,314	22,494	18,277	971	2,396	77,166
Russell	56,624	6,977	5,864	23,078	51,291	40,191	281	6,004	178,303
Saline	803,518	88,949	5,189	236,339	285,260	174,855	(40,035)	75,142	1,478,933
Scott	51,908	5,007	20,913	12,865	32,406	15,020	5,057	3,369	139,807
Sedgwick	8,781,806	1,022,389	3,858	961,391	2,378,589	1,406,175	(1,073,711)	712,252	12,768,244
Seward	320,583	35,243	14,488	51,670	74,401	52,254	(41,563)	24,588	482,488
Shawnee	3,056,318	354,126	(4,134)	249,082	941,570	614,293	(424,986)	219,916	4,566,352
Sheridan	20,641	2,433	41,456	11,540	19,344	10,878	915	2,145	105,062
Sherman	68,899	8,085	20,747	13,621	33,135	30,488	4,677	5,395	174,259
Smith	28,498	3,570	10,693	9,004	32,344	22,566	1,009	2,724	104,961
Stafford	33,582	4,370	18,655	12,350	30,053	26,312	734	2,837	123,220
Stanton	21,915	2,072	18,791	5,131	15,106	6,787	(373)	1,194	68,234
Stevens	55,395	6,256	23,439	13,015	32,013	16,271	6,566	3,793	149,162
Sumner	181,228	22,411	7,682	43,556	94,326	95,552	235,288	16,511	663,531
Thomas	88,717	10,331	29,158	21,292	39,546	27,217	(5,852)	7,014	203,396
Trego	22,077	3,041	(412)	8,052	17,120	15,645	3,014	2,045	66,493
Wabaunsee	25,591	3,622	186	13,468	27,917	23,181	56,484	2,673	147,776
Wallace	11,821	1,393	8,766	4,491	11,240	7,403	29	962	44,181
Washington	38,457	5,509	12,756	8,317	33,545	29,813	8,598	3,161	133,833
Wichita	22,205	2,415	26,378	6,944	15,194	9,282	34	1,490	80,962
Wilson	93,889	11,815	(1,648)	21,397	41,188	45,327	57	8,281	203,744
Woodson	14,640	2,081	4,425	8,378	18,330	18,582	7,171	1,887	71,720
Wyandotte	2,838,652	332,831	63	104,124	420,624	629,192	(1,000,369)	197,479	3,127,638
Total	39,089,923	4,613,652	1,002,886	5,375,385	14,219,186	8,701,186	1,297,617	3,106,291	71,193,544

Appendix C

State Income and Growth Rates, 1997-1999

(Dollars in Thousands)

	Personal Income		Percentage Change			Disposable Personal Income		Percentage Change		
	1999	**Rank**	**97-98**	**98-99**	**Rank**	**1999**	**Rank**	**97-98**	**98-99**	**Rank**
United States	7,783,152,000		6.6 %	5.4 %		6,632,353,000		5.9 %	5.0 %	
Alabama	100,452,202	24	5.4	4.4	38	88,142,033	25	5.4	4.1	34
Alaska	17,703,508	48	4.3	3.1	48	15,501,038	48	3.9	3.1	46
Arizona	120,360,375	23	8.6	6.9	6	103,789,364	23	7.9	6.6	6
Arkansas	56,751,898	33	5.7	5.2	25	49,833,979	33	5.4	5.0	22
California	991,381,592	1	7.2	7.3	4	835,087,409	1	6.3	6.7	4
Colorado	127,955,076	22	9.0	8.0	2	108,194,376	21	8.3	7.6	2
Connecticut	128,982,732	21	5.3	5.2	21	104,030,003	22	3.9	4.7	27
Delaware	23,192,498	44	9.2	5.4	18	19,607,662	44	9.5	5.4	17
District of Columbia	20,686,309	45	3.1	5.2	23	17,077,785	45	1.6	4.6	28
Florida	419,792,482	4	6.3	4.6	33	362,376,077	4	5.6	4.1	36
Georgia	212,929,047	11	8.6	6.7	7	182,070,536	10	8.1	6.3	7
Hawaii	32,653,460	40	1.9	2.6	49	28,540,646	40	1.7	2.6	49
Idaho	28,582,450	43	7.0	5.9	11	24,887,282	43	6.9	5.6	14
Illinois	377,743,789	5	6.3	4.4	37	319,996,820	5	5.6	4.0	38
Indiana	155,365,345	16	6.7	4.4	35	132,400,571	16	6.2	4.0	37
Iowa	73,499,148	30	4.6	3.4	46	63,976,739	30	4.5	3.2	45
Kansas	71,193,544	31	6.4	5.0	26	61,430,241	31	6.2	4.9	23
Kentucky	92,036,240	26	6.1	4.7	32	79,348,030	27	5.8	4.3	32
Louisiana	99,886,724	25	5.7	2.4	50	88,189,722	24	5.8	2.3	50
Maine	30,828,112	41	5.7	5.0	28	26,519,994	41	4.8	4.6	29
Maryland	167,895,034	15	6.3	6.1	10	140,236,108	15	5.6	5.8	12
Massachusetts	219,533,136	10	7.1	7.0	5	180,894,605	11	6.2	6.7	5
Michigan	277,295,918	9	5.2	5.3	20	235,116,587	9	4.4	5.0	21
Minnesota	147,050,242	17	8.0	5.5	17	124,702,404	17	7.4	6.2	9
Mississippi	57,277,570	32	6.7	4.0	40	51,128,042	32	6.5	3.8	39
Missouri	144,235,170	18	5.3	4.4	36	124,377,346	18	4.8	4.1	35
Montana	19,437,719	46	5.8	3.6	43	17,040,618	46	5.6	3.3	44
Nebraska	45,064,618	36	5.5	4.9	31	38,935,894	36	4.9	4.5	31
Nevada	56,127,136	34	10.0	8.0	1	48,279,990	34	9.1	7.6	1
New Hampshire	37,371,663	39	8.7	6.2	9	32,398,480	39	8.4	6.0	10
New Jersey	289,503,000	8	6.5	4.2	39	241,717,296	8	5.5	3.7	41
New Mexico	38,020,366	37	5.3	3.6	45	33,456,136	37	5.2	3.4	43
New York	616,677,900	2	5.9	5.3	19	509,868,049	2	4.9	4.8	26
North Carolina	198,943,408	13	6.9	3.6	44	170,056,475	13	6.4	2.9	48
North Dakota	14,772,589	50	8.9	1.7	51	13,111,793	50	9.3	1.2	51

Appendix C (Continued)

State Income Growth Rates, 1997-1999

(Dollars in Thousands)

	Personal Income 1999	Rank	Percentage Change 97-98	Percentage Change 98-99	Rank	Disposable Personal Income 1999	Rank	Percentage Change 97-98	Percentage Change 98-99	Rank
Ohio	305,642,627	7	5.3	4.0	42	260,594,580	7	4.9	3.6	42
Oklahoma	77,077,357	29	6.0	4.0	41	67,238,687	29	5.8	3.8	40
Oregon	89,613,584	28	5.7	5.2	24	76,279,929	28	5.8	5.1	19
Pennsylvania	343,088,409	6	4.7	4.5	34	293,325,549	6	4.1	4.2	33
Rhode Island	29,107,317	42	5.3	5.2	22	25,109,042	42	4.6	5.1	20
South Carolina	91,490,146	27	6.8	5.7	15	79,872,327	26	6.6	5.7	13
South Dakota	18,361,126	47	6.8	5.6	16	16,468,074	47	6.8	5.3	18
Tennessee	140,234,146	20	6.4	5.0	27	124,331,914	19	6.3	4.8	24
Texas	538,344,933	3	8.4	5.8	13	471,910,141	3	7.8	5.6	15
Utah	49,600,104	35	7.2	5.9	12	43,070,542	35	7.5	6.3	8
Vermont	15,371,283	49	6.5	4.9	29	13,251,003	49	6.0	4.6	30
Virginia	204,736,012	12	6.8	6.4	8	172,777,087	12	5.9	5.9	11
Washington	174,948,129	14	8.4	7.4	3	149,898,663	14	6.9	6.9	3
West Virginia	37,883,851	38	4.2	3.3	47	33,425,389	38	4.0	3.1	47
Wisconsin	143,811,387	19	6.3	4.9	30	121,614,924	20	5.8	4.8	25
Wyoming	12,659,589	51	4.6	5.8	14	10,865,019	51	4.2	5.5	16
New England	461,194,243		6.5	6.1		382,203,127		5.5	5.7	
Mideast	1,461,043,150		5.8	5.0		1,221,832,449		4.9	4.5	
Great Lakes	1,259,859,066		5.8	4.6		1,069,723,482		5.3	4.2	
Plains	514,176,437		6.3	4.7		443,002,491		5.9	4.7	
Southeast	1,712,413,726		6.6	4.9		1,481,551,611		6.1	4.5	
Southwest	773,803,031		8.0	5.7		676,394,328		7.5	5.4	
Rocky Mountains	238,234,938		7.8	6.8		204,057,837		7.5	6.6	
Far West	1,362,427,409		7.2	7.0		1,153,587,675		6.3	6.5	

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Appendix D

State per Capita Income and Growth Rates, 1997-1999

	Personal Income		Percentage Change			Disposable Personal Income		Percentage Change		
	1999	Rank	97-98	98-99	Rank	1999	Rank	97-98	98-99	Rank
United States	28,542		5.6 %	4.5 %		24,322		5.0 %	4.1 %	
Alabama	22,987	43	4.7	3.9	35	20,170	43	4.6	3.7	33
Alaska	28,577	18	3.2	2.4	48	25,022	17	2.8	2.4	48
Arizona	25,189	36	5.9	4.4	24	21,721	37	5.3	4.1	24
Arkansas	22,244	47	5.1	4.6	15	19,532	47	4.8	4.4	17
California	29,910	14	5.7	5.8	4	25,195	15	4.8	5.3	4
Colorado	31,546	7	6.8	5.6	6	26,674	9	6.1	5.2	5
Connecticut	39,300	2	5.2	4.9	11	31,697	2	3.8	4.4	18
Delaware	30,778	12	7.9	4.1	30	26,021	13	8.2	4.1	26
District of Columbia	39,858	1	4.5	5.7	5	32,905	1	3.0	5.1	6
Florida	27,780	20	4.7	3.2	45	23,981	20	4.0	2.7	47
Georgia	27,340	23	6.5	4.6	16	23,378	23	6.0	4.3	20
Hawaii	27,544	21	1.8	3.1	47	24,075	19	1.6	3.0	44
Idaho	22,835	46	5.2	4.2	27	19,883	46	5.1	3.9	29
Illinois	31,145	8	5.7	3.9	34	26,384	10	5.1	3.5	36
Indiana	26,143	31	6.0	3.8	37	22,279	35	5.6	3.4	37
Iowa	25,615	34	4.4	3.1	46	22,296	34	4.3	2.9	46
Kansas	26,824	28	5.5	4.4	22	23,146	27	5.3	4.3	19
Kentucky	23,237	42	5.4	4.0	33	20,033	44	5.1	3.6	34
Louisiana	22,847	45	5.4	2.2	50	20,171	42	5.6	2.1	49
Maine	24,603	38	5.5	4.6	18	21,165	38	4.6	4.1	25
Maryland	32,465	6	5.6	5.2	8	27,116	6	4.8	4.9	9
Massachusetts	35,551	3	6.6	6.5	1	29,294	4	5.7	6.1	1
Michigan	28,113	19	4.8	4.9	13	23,836	21	4.0	4.5	15
Minnesota	30,793	11	7.1	4.4	25	26,113	11	6.6	5.1	7
Mississippi	20,688	51	6.0	3.4	42	18,467	51	5.8	3.2	41
Missouri	26,376	30	4.7	3.8	36	22,745	29	4.2	3.5	35
Montana	22,019	48	5.7	3.3	43	19,303	48	5.5	3.0	45
Nebraska	27,049	25	5.2	4.6	17	23,370	24	4.6	4.2	23
Nevada	31,022	10	5.7	4.1	31	26,685	8	4.8	3.7	32
New Hampshire	31,114	9	7.5	4.8	14	26,973	7	7.3	4.6	12
New Jersey	35,551	4	6.0	3.6	39	29,683	3	4.9	3.1	42
New Mexico	21,853	49	4.7	3.2	44	19,229	49	4.5	3.0	43
New York	33,890	5	5.8	5.1	9	28,020	5	4.8	4.5	14
North Carolina	26,003	32	5.2	2.2	51	22,227	36	4.8	1.5	51
North Dakota	23,313	40	9.5	2.4	49	20,692	39	9.8	1.9	50

Appendix D (Continued)

State per Capita Income Growth Rates, 1997-1999
(Dollars in Thousands)

	Personal Income		Percentage Change			Disposable Personal Income		Percentage Change		
	1999	Rank	97-98	98-99	Rank	1999	Rank	97-98	98-99	Rank
Ohio	27,152	24	5.0	3.8	38	23,150	26	4.7	3.4	38
Oklahoma	22,953	44	5.2	3.4	41	20,023	45	5.0	3.2	40
Oregon	27,023	26	4.5	4.1	28	23,003	28	4.6	4.1	27
Pennsylvania	28,605	17	4.9	4.6	19	24,456	18	4.2	4.3	21
Rhode Island	29,377	16	5.2	4.9	12	25,342	14	4.5	4.8	11
South Carolina	23,545	39	5.4	4.4	21	20,555	40	5.2	4.5	16
South Dakota	25,045	37	6.8	5.2	7	22,463	32	6.8	5.0	8
Tennessee	25,574	35	5.4	4.1	32	22,674	30	5.2	3.8	30
Texas	26,858	27	6.4	4.1	29	23,544	22	5.8	3.8	31
Utah	23,288	41	5.4	4.5	20	20,222	41	5.7	4.8	10
Vermont	25,889	33	6.2	4.4	23	22,318	33	5.6	4.0	28
Virginia	29,789	15	5.9	5.1	10	25,139	16	5.1	4.6	13
Washington	30,392	13	6.8	6.1	2	26,041	12	5.3	5.7	2
West Virginia	20,966	50	4.4	3.6	40	18,498	50	4.2	3.3	39
Wisconsin	27,390	22	5.9	4.4	26	23,163	25	5.3	4.2	22
Wyoming	26,396	29	4.6	5.9	3	22,654	31	4.2	5.6	3
New England	34,173		6.1	5.6		28,320		5.1	5.2	
Mideast	32,628		5.6	4.7		27,286		4.7	4.2	
Great Lakes	28,348		5.4	4.1		24,070		4.8	3.8	
Plains	27,350		5.7	4.1		23,564		5.3	4.1	
Southeast	25,703		5.4	3.7		22,238		4.9	3.3	
Southwest	25,862		6.2	4.0		22,606		5.6	3.8	
Rocky Mountains	27,072		6.2	5.1		23,188		5.8	4.9	
Far West	29,727		5.6	5.5		25,170		4.8	5.1	

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Appendix E

Resident Population for the U.S., Kansas, & Counties, 1998 & 1999

	Population as of:		Population Change:	
	July 1, 1999	**July 1, 1998**	**Numeric**	**Percent**
United States	272,691,000	270,299,000	2,392,000	0.9
Kansas	2,654,052	2,629,067	24,985	1.0
Allen	14,435	14,556	(121)	(0.8)
Anderson	8,119	8,060	0	0.0
Atchison	16,856	16,908	579	3.5
Barber	5,240	5,342	(46)	(0.9)
Barton	28,658	27,641	(247)	(0.9)
Bourbon	14,980	15,260	(44)	(0.3)
Brown	10,930	11,070	16	0.1
Butler	62,769	61,932	1,176	1.9
Chase	2,855	2,950	51	1.8
Chautauqua	4,273	4,360	(30)	(0.7)
Cherokee	22,401	22,552	(26)	(0.1)
Cheyenne	3,225	3,174	(33)	(1.0)
Clark	2,342	2,361	(58)	(2.4)
Clay	8,971	9,148	(39)	(0.4)
Cloud	10,007	10,027	(125)	(1.2)
Coffey	8,741	8,696	(64)	(0.7)
Comanche	1,954	2,012	(13)	(0.6)
Cowley	36,948	36,319	(397)	(1.1)
Crawford	36,347	36,360	(124)	(0.3)
Decatur	3,370	3,456	(61)	(1.7)
Dickinson	19,645	19,742	(60)	(0.3)
Doniphan	7,954	7,856	155	2.0
Douglas	98,343	93,137	2,030	2.2
Edwards	3,275	3,312	(102)	(3.0)
Elk	3,384	3,351	(13)	(0.4)
Ellis	26,338	26,309	56	0.2
Ellsworth	6,220	6,285	(14)	(0.2)
Finney	37,409	36,514	694	1.9
Ford	29,587	29,382	397	1.4
Franklin	25,136	24,768	541	2.2
Geary	24,911	25,370	199	0.8
Gove	3,028	3,054	(30)	(1.0)
Graham	3,118	3,204	(33)	(1.0)
Grant	7,885	8,012	169	2.2
Gray	5,579	5,595	106	1.9
Greeley	1,648	1,704	(22)	(1.3)
Greenwood	7,961	8,139	96	1.2
Hamilton	2,374	2,343	59	2.6
Harper	6,305	6,430	(65)	(1.0)
Harvey	34,261	34,361	915	2.7

Appendix E (Continued)

Resident Population for the U.S., Kansas, & Counties, 1998 & 1999

	Population as of: July 1, 1999	July 1, 1998	Population Change: Numeric	Percent
Haskell	4,042	3,976	(51)	(1.3)
Hodgeman	2,235	2,209	(18)	(0.8)
Jackson	12,177	12,130	117	1.0
Jefferson	18,146	18,243	292	1.6
Jewell	3,787	3,867	(73)	(1.9)
Johnson	440,198	429,563	10,880	2.6
Kearny	4,137	4,177	(11)	(0.3)
Kingman	8,651	8,543	(7)	(0.1)
Kiowa	3,351	3,470	(5)	(0.1)
Labette	22,941	23,030	(60)	(0.3)
Lane	2,174	2,264	69	3.1
Leavenworth	71,766	71,299	1,263	1.8
Lincoln	3,338	3,338	(30)	(0.9)
Linn	9,296	9,158	100	1.1
Logan	2,938	2,987	(49)	(1.6)
Lyon	33,794	33,920	(124)	(0.4)
McPherson	28,815	28,630	1,078	3.9
Marion	13,544	13,593	228	1.7
Marshall	10,908	11,006	(127)	(1.1)
Meade	4,407	4,424	49	1.1
Miami	27,083	26,597	298	1.1
Mitchell	6,957	6,936	(62)	(0.9)
Montgomery	36,773	37,089	(143)	(0.4)
Morris	6,173	6,169	(68)	(1.1)
Morton	3,489	3,440	18	0.5
Nemaha	10,182	10,132	(83)	(0.8)
Neosho	16,641	16,760	(171)	(1.0)
Ness	3,564	3,607	7	0.2
Norton	5,635	5,752	(44)	(0.8)
Osage	17,199	17,139	101	0.6
Osborne	4,589	4,712	18	0.4
Ottawa	5,889	5,905	55	0.9
Pawnee	7,207	7,437	6	0.1
Phillips	5,958	6,080	(27)	(0.4)
Pottawatomie	18,942	18,691	388	2.1
Pratt	9,517	9,700	44	0.5
Rawlins	3,016	3,125	(77)	(2.4)
Reno	63,702	63,211	150	0.2
Republic	5,975	6,102	(56)	(0.9)
Rice	10,233	10,360	343	3.4

Appendix E (Continued)

Resident Population for the U.S., Kansas, & Counties, 1998 & 1999

	Population as of: July 1, 1999	July 1, 1998	Population Change: Numeric	Percent
Riley	63,708	63,615	(305)	(0.5)
Rooks	5,626	5,660	(59)	(1.0)
Rush	3,365	3,413	(23)	(0.7)
Russell	7,459	7,558	(104)	(1.4)
Saline	51,379	51,617	129	0.3
Scott	4,941	5,018	15	0.3
Sedgwick	451,684	448,050	9,043	2.1
Seward	20,115	19,984	57	0.3
Shawnee	170,773	165,348	43	0.0
Sheridan	2,674	2,741	(8)	(0.3)
Sherman	6,523	6,511	(52)	(0.8)
Smith	4,575	4,588	(37)	(0.8)
Stafford	4,996	5,000	(72)	(1.4)
Stanton	2,225	2,265	(48)	(2.1)
Stevens	5,400	5,371	25	0.5
Sumner	27,173	27,043	120	0.4
Thomas	7,965	8,037	(159)	(1.9)
Trego	3,261	3,283	(54)	(1.6)
Wabaunsee	6,578	6,651	(30)	(0.4)
Wallace	1,801	1,802	0	0.0
Washington	6,473	6,490	(130)	(2.0)
Wichita	2,578	2,643	(62)	(2.3)
Wilson	10,339	10,218	(71)	(0.7)
Woodson	3,911	3,983	(6)	(0.2)
Wyandotte	151,379	152,355	(474)	(0.3)

Appendix F

1999 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Kansas	182,105	598,556	1,494,291	354,115	50,547	13.5	1.9
Allen	901	3,483	7,460	2,591	472	17.9	3.3
Anderson	497	1,859	4,204	1,559	274	19.2	3.4
Atchison	1,055	4,269	8,893	2,639	474	15.7	2.8
Barber	313	1,160	2,645	1,122	158	21.4	3.0
Barton	1,936	6,346	15,188	5,188	707	18.1	2.5
Bourbon	971	3,439	7,779	2,791	456	18.6	3.0
Brown	717	2,563	5,555	2,095	428	19.2	3.9
Butler	4,217	15,168	35,365	8,019	1,135	12.8	1.8
Chase	177	623	1,497	558	109	19.5	3.8
Chautauqua	238	853	2,204	978	157	22.9	3.7
Cherokee	1,344	5,287	12,452	3,318	471	14.8	2.1
Cheyenne	181	639	1,651	754	121	23.4	3.8
Clark	127	508	1,218	489	100	20.9	4.3
Clay	530	1,946	4,704	1,791	386	20.0	4.3
Cloud	528	2,176	4,981	2,322	513	23.2	5.1
Coffey	533	2,103	4,679	1,426	270	16.3	3.1
Comanche	114	393	968	479	95	24.5	4.9
Cowley	2,360	8,515	20,263	5,810	956	15.7	2.6
Crawford	2,037	8,007	20,349	5,954	1,009	16.4	2.8
Decatur	203	664	1,597	906	206	26.9	6.1
Dickinson	1,209	4,322	10,481	3,633	672	18.5	3.4
Doniphan	472	2,003	4,149	1,330	198	16.7	2.5
Douglas	5,763	21,978	62,326	8,276	1,277	8.4	1.3
Edwards	185	694	1,668	728	139	22.2	4.2
Elk	199	607	1,745	833	158	24.6	4.7
Ellis	1,581	6,293	14,612	3,852	497	14.6	1.9
Ellsworth	307	1,235	3,370	1,308	249	21.0	4.0
Finney	4,016	10,377	19,736	3,280	433	8.8	1.2
Ford	2,648	7,301	16,181	3,457	487	11.7	1.6
Franklin	1,842	5,944	13,962	3,388	585	13.5	2.3
Geary	2,387	5,513	14,398	2,613	284	10.5	1.1
Gove	177	652	1,512	687	104	22.7	3.4
Graham	159	673	1,608	678	122	21.7	3.9
Grant	682	2,277	4,154	772	85	9.8	1.1
Gray	425	1,501	2,952	701	117	12.6	2.1

Appendix F (Continued)

1999 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Greeley	131	387	848	282	44	17.1	2.7
Greenwood	457	1,688	4,085	1,731	322	21.7	4.0
Hamilton	147	505	1,244	478	89	20.1	3.7
Harper	366	1,293	3,164	1,482	282	23.5	4.5
Harvey	2,096	7,917	18,374	5,874	1,098	17.1	3.2
Haskell	340	1,071	2,171	460	63	11.4	1.6
Hodgeman	154	505	1,170	406	74	18.2	3.3
Jackson	788	2,926	6,583	1,880	300	15.4	2.5
Jefferson	1,117	4,195	10,386	2,448	383	13.5	2.1
Jewell	196	740	1,886	965	153	25.5	4.0
Johnson	31,022	94,503	271,064	43,609	4,769	9.9	1.1
Kearny	370	1,109	2,153	505	76	12.2	1.8
Kingman	574	1,982	4,479	1,616	247	18.7	2.9
Kiowa	193	745	1,708	705	85	21.0	2.5
Labette	1,461	5,363	12,169	3,948	622	17.2	2.7
Lane	134	461	1,108	471	85	21.7	3.9
Leavenworth	4,585	16,258	44,489	6,434	784	9.0	1.1
Lincoln	169	686	1,663	820	189	24.6	5.7
Linn	535	2,120	4,908	1,733	313	18.6	3.4
Logan	173	645	1,500	620	90	21.1	3.1
Lyon	2,500	8,337	18,960	3,997	685	11.8	2.0
McPherson	1,807	6,565	15,527	4,916	851	17.1	3.0
Marion	705	2,870	6,975	2,994	545	22.1	4.0
Marshall	708	2,361	5,507	2,332	441	21.4	4.0
Meade	301	983	2,329	794	140	18.0	3.2
Miami	1,774	6,472	15,563	3,274	489	12.1	1.8
Mitchell	401	1,655	3,432	1,469	285	21.1	4.1
Montgomery	2,332	8,221	19,490	6,730	1,094	18.3	3.0
Morris	369	1,294	3,228	1,282	197	20.8	3.2
Morton	235	908	1,848	498	80	14.3	2.3
Nemaha	716	2,375	5,003	2,088	353	20.5	3.5
Neosho	1,048	3,685	8,937	2,971	457	17.9	2.7
Ness	180	764	1,760	860	144	24.1	4.0
Norton	285	1,091	3,100	1,159	241	20.6	4.3
Osage	1,072	3,991	9,466	2,670	507	15.5	2.9

Appendix F (Continued)

1999 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Osborne	285	896	2,244	1,164	239	25.4	5.2
Ottawa	352	1,294	3,214	1,029	195	17.5	3.3
Pawnee	389	1,556	3,948	1,314	190	18.2	2.6
Phillips	352	1,212	3,039	1,355	275	22.7	4.6
Pottawatomie	1,418	4,686	10,392	2,446	399	12.9	2.1
Pratt	548	2,186	4,998	1,785	316	18.8	3.3
Rawlins	157	651	1,478	730	128	24.2	4.2
Reno	3,987	13,945	35,277	10,493	1,557	16.5	2.4
Republic	327	1,132	3,012	1,504	295	25.2	4.9
Rice	656	2,269	5,373	1,935	329	18.9	3.2
Riley	4,393	14,796	39,702	4,817	677	7.6	1.1
Rooks	356	1,230	2,864	1,176	198	20.9	3.5
Rush	173	626	1,660	906	145	26.9	4.3
Russell	366	1,445	3,845	1,803	240	24.2	3.2
Saline	3,460	11,363	29,315	7,241	985	14.1	1.9
Scott	367	1,285	2,832	457	95	9.2	1.9
Sedgwick	35,288	101,709	262,972	51,715	6,095	7.2	0.9
Seward	1,881	5,304	11,011	1,919	244	9.5	1.2
Shawnee	11,145	36,899	99,486	23,243	3,211	13.6	1.9
Sheridan	168	606	1,366	534	107	20.0	4.0
Sherman	456	1,467	3,475	1,125	180	17.2	2.8
Smith	218	863	2,250	1,244	287	27.2	6.3
Stafford	341	1,072	2,586	997	149	20.0	3.0
Stanton	201	552	1,177	295	48	13.3	2.2
Stevens	445	1,351	2,852	752	103	13.9	1.9
Sumner	1,894	6,605	14,416	4,258	704	15.7	2.6
Thomas	539	2,097	4,186	1,143	180	14.4	2.3
Trego	172	705	1,599	785	125	24.1	3.8
Wabaunsee	414	1,516	3,570	1,078	168	16.4	2.6
Wallace	126	446	916	313	58	17.4	3.2
Washington	347	1,382	3,183	1,561	302	24.1	4.7
Wichita	190	674	1,319	395	73	15.3	2.8
Wilson	619	2,271	5,364	2,085	302	20.2	2.9
Woodson	214	803	1,934	960	165	24.5	4.2
Wyandotte	11,297	36,043	85,343	18,696	2,397	12.4	1.6

Appendix G

Kansas Population Projections by County

State/ County:	Official Population July 1, 2000*	*Revised 2000*	*Projections:* 2010	2020	2030	2040
Kansas	2,654,052	*2,778,408*	2,902,764	3,115,658	3,330,122	3,544,925
Allen	14,435	*14,600*	14,765	14,816	14,867	14,917
Anderson	8,119	*8,308*	8,497	8,850	9,203	9,556
Atchison	16,856	*16,421*	15,986	15,543	15,101	14,658
Barber	5,240	*5,283*	5,325	5,108	4,902	4,706
Barton	28,658	*29,970*	31,281	32,234	33,186	34,139
Bourbon	14,980	*15,621*	16,261	16,908	17,556	18,203
Brown	10,930	*10,826*	10,722	10,542	10,362	10,183
Butler	62,769	*66,924*	71,079	81,211	91,344	101,476
Chase	2,855	*2,831*	2,806	2,694	2,596	2,507
Chautauqua	4,273	*4,237*	4,200	4,112	4,025	3,937
Cherokee	22,401	*23,565*	24,729	26,429	28,129	29,829
Cheyenne	3,225	*3,099*	2,973	2,865	2,769	2,682
Clark	2,342	*2,272*	2,201	2,104	2,012	1,924
Clay	8,971	*9,152*	9,333	9,418	9,503	9,588
Cloud	10,007	*9,988*	*9,969*	*9,937*	*9,906*	*9,875*
Coffey	8,741	*9,061*	9,380	9,852	10,324	10,796
Comanche	1,954	*1,940*	1,925	1,762	1,604	1,453
Cowley	36,948	*37,076*	37,203	37,344	37,485	37,626
Crawford	36,347	*37,756*	39,165	41,042	42,920	44,797
Decatur	3,370	*3,314*	3,257	2,931	2,638	2,374
Dickinson	19,645	*20,685*	21,724	23,094	24,464	25,833
Doniphan	7,954	*7,836*	7,718	7,503	7,288	7,073
Douglas	98,343	*109,860*	121,377	141,294	161,212	181,129
Edwards	3,275	*3,319*	3,363	3,181	3,010	2,846
Elk	3,384	*3,441*	3,497	3,587	3,677	3,767
Ellis	26,338	*27,320*	28,301	29,269	30,280	31,326
Ellsworth	6,220	*6,431*	6,641	6,720	6,800	6,879
Finney	37,409	*38,785*	40,160	43,627	47,094	50,561
Ford	29,587	*31,186*	32,785	35,479	38,173	40,866
Franklin	25,136	*26,552*	27,968	31,003	34,038	37,073
Geary	24,911	*28,602*	32,293	33,146	33,999	34,852
Gove	3,028	*3,018*	3,008	2,920	2,841	2,773
Graham	3,118	*3,012*	2,905	2,634	2,390	2,170
Grant	7,885	*8,302*	8,719	9,456	10,208	10,974
Gray	5,579	*5,654*	5,728	5,926	6,142	6,375

*Reflects population as of July 1, 1999, as certified July 1, 2000.

Appendix G (Continued)

Kansas Population Projections by County

State/ County:	Official Population July 1, 2000*	*Revised 2000*	Projections: 2010	2020	2030	2040
Greeley	1,648	*1,718*	1,787	1,805	1,823	1,842
Greenwood	7,961	*8,185*	8,408	8,693	8,978	9,263
Hamilton	2,374	*2,355*	2,335	2,316	2,304	2,299
Harper	6,305	*6,241*	6,176	5,787	5,419	5,072
Harvey	34,261	*34,332*	34,403	36,150	37,898	39,645
Haskell	4,042	*4,065*	4,088	4,212	4,348	4,493
Hodgeman	2,235	*2,306*	2,377	2,482	2,587	2,692
Jackson	12,177	*13,485*	14,793	16,426	18,058	19,691
Jefferson	18,146	*19,180*	20,213	22,368	24,523	26,678
Jewell	3,787	*3,685*	3,582	3,293	3,030	2,792
Johnson	440,198	*474,920*	509,641	585,429	661,217	737,006
Kearny	4,137	*4,568*	4,998	5,499	6,000	6,500
Kingman	8,651	*8,353*	8,055	7,914	7,807	7,729
Kiowa	3,351	*3,372*	3,393	3,272	3,161	3,055
Labette	22,941	*22,857*	22,773	22,318	21,863	21,408
Lane	2,174	*2,172*	2,170	2,084	2,007	1,937
Leavenworth	71,766	*77,414*	83,061	92,373	101,685	110,997
Lincoln	3,338	*3,186*	3,034	2,768	2,527	2,312
Linn	9,296	*9,564*	9,832	10,624	11,417	12,209
Logan	2,938	*3,058*	3,177	3,210	3,243	3,277
Lyon	33,794	*34,826*	35,857	36,575	37,292	38,010
McPherson	28,815	*29,622*	30,429	31,996	33,563	35,130
Marion	13,544	*13,687*	*13,829*	13,946	14,301	14,656
Marshall	10,908	*11,213*	11,517	11,444	11,372	11,299
Meade	4,407	*4,592*	4,777	5,062	5,347	5,631
Miami	27,083	*30,006*	32,928	37,665	42,403	47,140
Mitchell	6,957	*6,929*	6,901	6,753	6,605	6,457
Montgomery	36,773	*37,397*	38,021	37,373	37,326	36,978
Morris	6,173	*6,411*	6,648	6,875	7,102	7,329
Morton	3,489	*3,500*	3,511	3,528	3,552	3,581
Nemaha	10,182	*10,293*	10,404	10,396	10,389	10,381
Neosho	16,641	*17,474*	18,306	18,931	19,556	20,181
Ness	3,564	*3,546*	3,528	3,327	3,139	2,956
Norton	5,635	*5,637*	5,638	5,534	5,447	5,381
Osage	17,199	*18,453*	19,706	21,943	24,180	26,416

*Reflects population as of July 1, 1999, as certified July 1, 2000.

Appendix G (Continued)

Kansas Population Projections by County

State/ County:	Official Population July 1, 2000*	*Revised 2000*	2010	2020	2030	2040
			Projections:			
Osborne	4,589	*4,364*	4,138	3,805	3,486	3,179
Ottawa	5,889	*5,992*	6,094	6,339	6,584	6,829
Pawnee	7,207	*7,208*	7,208	7,125	7,061	7,014
Phillips	5,958	*5,882*	5,806	5,526	5,269	5,031
Pottawatomie	18,942	*20,742*	22,541	25,738	28,936	32,133
Pratt	9,517	*9,539*	9,561	9,521	9,481	9,440
Rawlins	3,016	*2,999*	2,982	2,785	2,590	2,410
Reno	63,702	*63,834*	63,965	64,842	65,836	66,941
Republic	5,975	*5,794*	5,613	5,246	4,911	4,606
Rice	10,233	*10,172*	10,111	9,926	9,759	9,615
Riley	63,708	*72,139*	80,569	87,219	93,869	100,519
Rooks	5,626	*5,569*	5,511	5,251	4,991	4,731
Rush	3,365	*3,488*	3,611	3,490	3,380	3,278
Russell	7,459	*7,450*	7,440	7,275	7,110	6,945
Saline	51,379	*54,025*	56,670	60,209	63,748	67,287
Scott	4,941	*5,381*	5,820	6,095	6,383	6,681
Sedgwick	451,684	*467,803*	483,922	523,189	562,457	601,724
Seward	20,115	*21,205*	22,295	24,174	26,053	27,931
Shawnee	170,773	*183,323*	195,873	213,218	230,563	247,908
Sheridan	2,674	*2,596*	2,517	2,287	2,080	1,894
Sherman	6,523	*6,700*	6,877	6,789	6,715	6,652
Smith	4,575	*4,413*	4,251	3,917	3,583	3,249
Stafford	4,996	*4,906*	4,816	4,588	4,360	4,132
Stanton	2,225	*2,327*	2,428	2,492	2,564	2,641
Stevens	5,400	*5,633*	5,865	6,274	6,683	7,092
Sumner	27,173	*27,986*	28,798	30,285	31,773	33,260
Thomas	7,965	*8,213*	8,461	8,551	8,641	8,730
Trego	3,261	*3,174*	3,087	2,828	2,578	2,339
Wabaunsee	6,578	*6,643*	6,707	6,794	6,882	6,969
Wallace	1,801	*1,799*	1,797	1,785	1,773	1,762
Washington	6,473	*6,390*	6,307	5,986	5,694	5,430
Wichita	2,578	*2,673*	2,768	2,760	2,752	2,745
Wilson	10,339	*10,334*	10,328	10,390	10,453	10,515
Woodson	3,911	*4,156*	4,400	4,540	4,680	4,820
Wyandotte	151,379	*148,733*	146,087	139,507	132,927	126,347

*Reflects population as of July 1, 1999, as certified July 1, 2000.