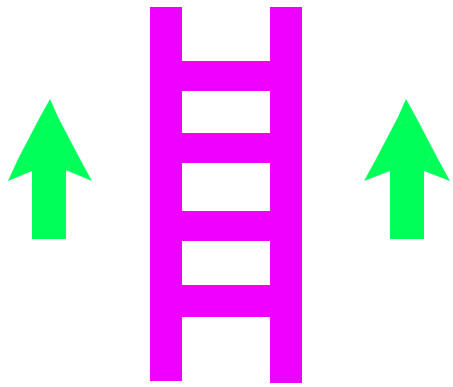
Economic Development
Goal Setting Study

Marion County, Florida



Prepared for the

Ocala Marion County Economic Development Corporation

May - 2003

Prepared by

William H. Fruth
POLICOM Corporation

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Introduction

Community and government leaders across the nation have come to realize their actions can change, alter, and direct the condition of their local economy. The economic quality of life of the residents and the success of businesses many times are directly affected by the policies and leadership of those who have the influence and power to create a climate conducive to economic growth.

In areas with strong economies, local governments do not struggle to fund essential services and are usually able to provide expanded programs benefiting all that reside in the area. In such areas, schools are strong, streets safe and clean, park and recreation programs abundant, and the need to provide social-welfare programs for impoverished citizens is reduced.

Citizens living in an area with a strong economy enjoy consistent employment, regular wage gains, opportunities for personal advancement, and are able to reliably save and invest in their future.

Businesses are able to plan for consistent expansion, hire full-time employees for the long term, and are willing to risk significant capital, investing in their operations.

Communities grow closer, tight-knit, as young men and women, after completing high school or college, remain in the area as growing employment opportunities in their "hometown" capture their interest.

Unfortunately, in areas with weak or declining economies, the opposite occurs. Local governments struggle to fund essential programs, with budgets under growing pressure to assist the impoverished. Residents have uncertain futures, filled with personal anxieties, with limited employment opportunities, stuck in subsistence level jobs. Businesses employ part-time workers and are unwilling to risk significant capital because of an uncertain future. The best and brightest young men and women must move from the area to seek quality employment, which is not available in their hometown.

Even though local community leaders cannot control the actions or policies of the federal or state government, they indeed can establish policies and create local programs, which assist and foster economic growth.

Nationally, there are more than 6,000 economic development organizations, Chambers of Commerce, and local, regional, and state government offices working in some fashion to improve the economy of their respective areas. Never in history has there been such an effort.

Some organizations have large budgets, better community cooperation, and a stronger commitment from local government than others. These areas have the best chance to either maintain or improve the economic quality of life and standard of living of their citizens.

Some areas, however, provide little or no attention to economic development programs. They do not fully understand the need to have a constant, aggressive economic development program just to maintain the existing condition. In these areas, typically, the local economy is on decline.

Purpose of This Study

Community leaders in Marion County are making a commitment to improve the "economic quality of life" for the citizens in the area. They, like the leaders in successful communities across the nation, understand a strong, vibrant economy is needed to maintain and enhance the overall quality of life for the area residents.

In order to do this, POLICOM Corporation has been asked to establish employment and earnings goals to the year 2023, which, when achieved, will elevate the Marion County economy to one which is stronger than its present day condition. By establishing these benchmarks, Marion County leaders will have a clear path to follow to improve the standard of living for its residents.

This study is ancillary to the ***Historical, Comparative Economic Analysis for Marion County*** created by POLICOM in April of 2003. The "Analysis" details the history and components of the economy, determines the level of the economy, and compares Marion County growth for more than 100 economic elements for five time periods to the nation, state, and the 318 metropolitan areas. For more comprehensive information and data regarding the economy of Marion County, please refer to this study which is available from the Ocala Marion County Economic Development Corporation.

This study is composed of three parts:

1. The economy history and existing condition is examined for its growth of quality and quantity.
2. Economic projections to the year 2023 are generated to estimate the future level of the economy.
3. An achievable goal is set to the year 2023, determining an economic level for which the community can reach if the employment and earnings goals are met.

Study Area

The economy examined is Marion County, Florida.

Database

The economic database used to prepare this Economic Development Goal Setting Study is maintained and published by the United States Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System (hereafter called REIS). The Bureau of Economic Analysis is the official economic data-gathering agency for the Federal Government.

The REIS database was chosen for four reasons:

1) It is composed of "source data" which has been taken from the administrative records of numerous government agencies as opposed to monthly surveys and polls.

2) The data has been collected and analyzed utilizing a reasonably consistent methodology over the entire term of the study period (1971-2000).

3) The economic data is historically cumulative relative to the geographic definition of the study area.

4) REIS data is the most comprehensive database for data reflecting the condition of a local economy.

Due to the time necessary for the various government agencies to collect and collate the economic data, the Bureau of Economic Analysis is unable to publish REIS data until approximately eighteen months after the end of a calendar year. As an example, many of the elements of the data, such as "proprietors' income," are taken from personal income tax filings. Since final income tax reports for the tax year 2003 (extended filings) are not due until August of 2004, it is reasonable to understand this data is not immediately available.

The economic history included in this study spans the years 1971 through 2000 and was released in June of 2002. Due to a change in the industrial classification system, data for 2001 will not be in a form which can be used to determine historical trends. Even so, data for 2001 is not scheduled for release until June, 2003.

Terms

Unless otherwise noted the following shall mean:

Earnings: The total amount of wages and salaries paid to all full and part-time workers, "other labor income," (includes employers contribution to private retirement programs) and the profits of proprietors.

Employment: The total number of full and part-time wage and salaried workers and the number of proprietors.

AEPW: The annual earnings per worker, which is derived by dividing the total earnings by total employment.

Economic Overview

Marion County, Florida, also known as the Ocala Metropolitan Area, has a population greater than 149 of the 318 metropolitan areas in the United States.

The "retirement industry" has grown to become the most important "primary" industry, accounting for almost half of all imported money to the area. According to the 2000 census, 24.5% of the population is over the age of 65 (nationally it is 12.4%), one of the highest percentages in the nation. Per capita government transfers for "retirement" ($2,726) are the 3rd highest among the 318 metropolitan areas. Per capita government transfers for Medicare ($1,213) are the 16th highest in the country.[1]

Manufacturing is the 2nd most important economic contributor, accounting for almost 18% of the imported money to the county

The size of the Marion economy has grown at a rate much faster than the nation and the state. Its growth rate in size, both employment and earnings, has been greater than or comparable to the strongest metropolitan areas in the United States. The factored growth in population, total employment, and total earnings far exceed a vast majority of the economies in the country.

While the growth in the size of economy has been very brisk, the growth in the "quality" of the economy has been below average over the last fifteen years. The annual earnings per worker (AEPW) for the county in 2000 ($25,558) is ranked 302nd among the metropolitan areas and has been on relative decline. Increases in the AEPW barely kept pace with inflation and the percentage the county's AEPW is of the state and nation has been on decline during the last five years.

In 1995, Marion's AEPW was 75% of the national average and 83% of the Florida average wage. By 2000, it had fallen to 70% of the national average and 81% of the Florida average. The rate of deterioration of the "quality" of the economy relative to the national average wage is comparable to some of the weakest metropolitan areas in the nation.

[1] Please see Section 1 of the Historical, Comparative Economic Analysis for an explanation of Government Transfers.

The following chart shows how the county's rate of growth for selected sectors ranked among the 318 metropolitan areas from 1996 to 2000. The average annual percentage increase was calculated and compared to the growth rates of the 318 areas.[2]

Marion 1996-2000	**Annual Growth**	**Rank x/318**
Population	2.5%	26
Per Capita - Personal Income	4.1%	209
Earnings - All Workers	6.9%	73
Employment - All Workers	3.9%	25
AEPW - All Workers	2.8%	234
Earnings - Construction	7.9%	35
Employment - Construction	6.7%	35
AEPW - Construction	1.1%	295
Earnings - Manufacturing	4.2%	110
Employment - Manufacturing	2.0%	64
AEPW - Manufacturing	2.1%	239
Earnings - Transportation and Utilities	6.9%	103
Employment - Transportation & Public Utilities	4.5%	55
AEPW - Transportation & Public Utilities	2.4%	201
Earnings - Wholesale Trade	-0.1%	310
Employment - Wholesale Trade	-3.3%	310
AEPW - Wholesale Trade	3.3%	255
Earnings - Retail Trade	6.1%	89
Employment - Retail Trade	2.6%	48
AEPW - Retail	3.5%	188
Earnings - Finance, Insurance, Real Estate (FIRE)	11.3%	58
Employment - Finance, Insurance, Real Estate (FIRE)	8.0%	21
AEPW - Finance, Insurance, Real Estate (FIRE)	2.8%	239
Earnings - Services	7.8%	107
Employment - Services	5.6%	25
AEPW - Services	2.1%	277

The "retirement industry" promulgates the formation of jobs in the services and retail sectors. Typically, these are two of the three lowest paying sectors which accounts for the extremely low AEPW in Marion County. Note the rapid growth in employment in the Services sector but the extremely slow growth in the AEPW.

The growth in the number of jobs is in direct correlation to the growth in population. The rapid growth in the size of the economy can be attributed to the in-migration of retirement age individuals.

[2] Please see Section 3 of the Historical, Comparative Analysis for all comparative rankings.

History of the "Quality" of the Economy

One of the best means to measure the "quality" of a local economy is to examine the growth in the Annual Earnings Per Worker (AEPW). The annual earnings by people in an area, and respective growth, establish the level of their standard of living or economic "quality of life." How much money they earn each year determines the quality of their housing, the food they eat, the amount of taxes they can pay, and the size of their savings or retirement account.

Earl Nightingale, the famous writer and philosopher, was fond of saying, "there is nothing more important than money… for those things for which money is intended."

Since the amount of money individuals are paid each year, for the vast majority of the people, determines their lifestyle, the annual earnings per worker will be examined thoroughly for the area to measure the quality of the economy.

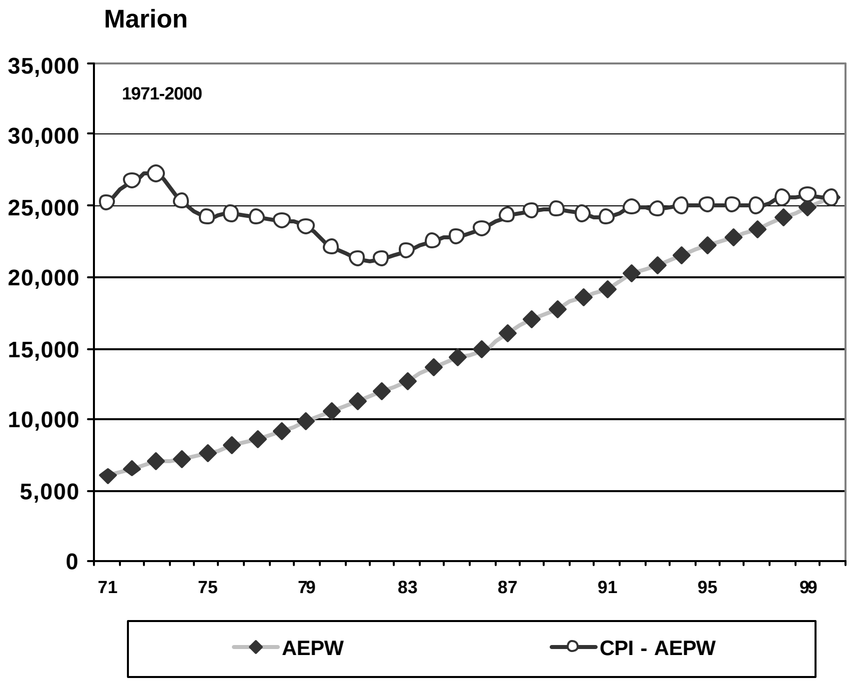
The growth in AEPW will be examined three ways: 1) the actual growth pattern which is adjusted for inflation from 1971 to 2000, 2) the percentage the actual AEPW is of the state and nation, and 3) how the growth pattern compares to the strongest and weakest economies in the nation.

The growth trend of the actual annual earnings per worker can be visualized on a graph from viewing a line representing the annual earnings, but it is difficult to determine from that line the relative improvement in the AEPW, as the line will always go up.

Due to inflation over the years, the value of the "dollar" in 2000 is less than the value in previous years. For the quality of an economy to stay the same, the AEPW must increase at least as much as inflation. If an area gained 3% in its AEPW in one year while inflation was 5%, the value of the AEPW, or quality of the growth, actually declined.

To determine if the quality of the economy has improved, the AEPW needs to be adjusted for inflation. To do this, the AEPW for each year has been adjusted to the value of the 2000-dollar to visually see improvement. As an example, based upon inflation adjustment formulas, if an individual earned $5,000 in 1971, it was equivalent to earning $21,259 dollars in 2000.

By adjusting for inflation, we can determine if the quality of the economy has actually improved over the course of time. The following graph shows the actual AEPW along with the CPI Adjusted AEPW. Every economy dipped during the high inflationary period in the late 70's and early 80's.

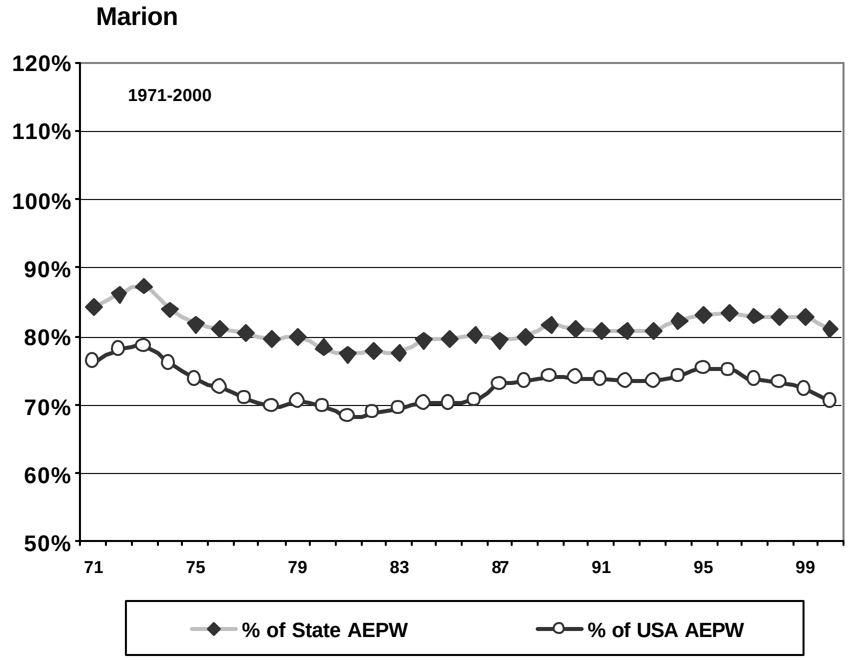


Since 1988, after adjusting for inflation, the earnings per worker has declined has for the most part kept up with inflation. By this measurement, however, improvement in the quality of the economy peaked in 1987 after seven years of gains against inflation.

Another means to measure the history of the growth in the quality of the economy is to measure the AEPW as a percentage of the state and the nation.

The following graph provides the percentage the Marion County AEPW was of the State of Florida and the United States each year from 1971 to 2000.

As an example, if the area's AEPW is $20,000 and the AEPW for the nation is $21,000, then the area's AEPW is 95% of the nation. Since the cost of living varies throughout the nation, it is not that important for the area's AEPW to be as high as or greater than the national average. What is important is maintaining or increasing the percentage over time. If the line goes up, Marion County gained in quality relative to the state or nation. If the line goes down, it lost.



We can visually see from this graph the quality of the economy has lost "ground relative" to Florida and the nation during the last six years. Earnings per worker in the state and the nation increased at a faster rate than Marion County, demonstrating a gradual decline in the quality of the economy relative to the state and the nation. Once again, note the steady improvement from 1980 to 1987.

Since local costs of living affect the actual earnings per worker throughout the nation, a direct comparison of the AEPW to other local economies is not statistically sound. Wages paid for the same job in New York City are significantly less than what is paid in Albuquerque, New Mexico.

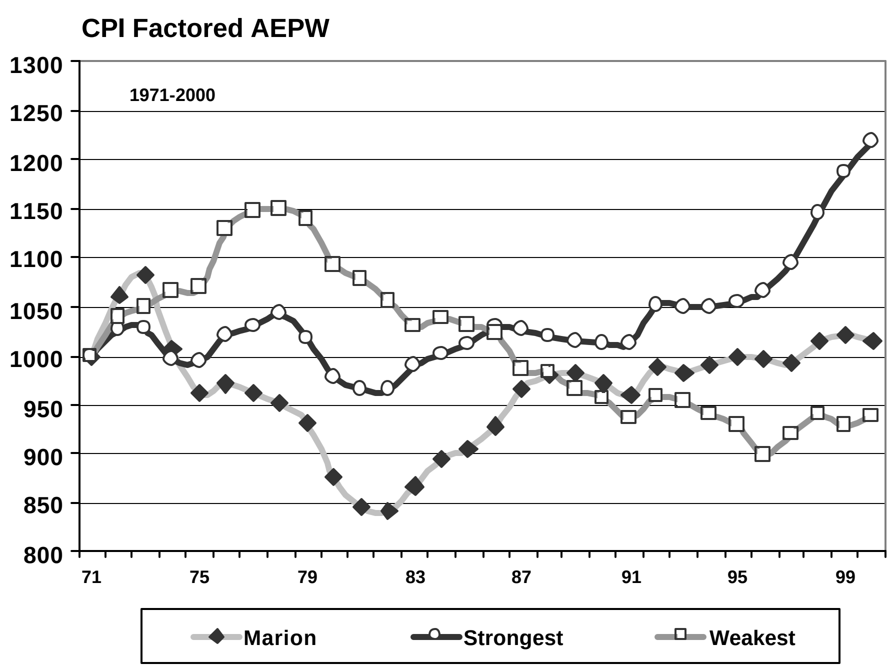
To visually compare the growth of the AEPW to other local economies, the data is **"factored."** This simply means the data for all the areas is statistically brought to a common denominator for direct comparison. The CPI Factored AEPW is created to compare areas.

The mathematics is rather simple. First, the AEPW for all areas is adjusted for inflation. Second, the annual percentage increase from the previous year is calculated for each year of the study term. Third, the annual percentage increase is multiplied by the same number or factor for each area. It does not matter what number it is, as long as it is the same number for all areas. POLICOM chooses 1000 as the factor beginning.

The year 1971 serves as the basis year. All areas begin at 1000 at this point. Where they wind up is determined by their respective percentage increase. This process is similar to the start of a track race. Every runner begins at the same spot. Where the line ends at the "finish line," 2000, is the measure of improvement. By factoring the data, direct, visual comparisons can be made among all economies.

On the following graph the CPI Factored AEPW is shown for Marion County and the average of the ten strongest and ten weakest metropolitan economies in the United States, which appear below. [3]

	Ten Strongest Areas		**Ten Weakest Areas**
1	Austin-San Marcos, TX (MSA)	318	Odessa-Midland, TX (MSA)
2	Denver, CO (PMSA)	317	Pine Bluff, AR (MSA)
3	Atlanta, GA (MSA)	316	Casper, WY (MSA)
4	Phoenix-Mesa, AZ (MSA)	315	Yuma, AZ (MSA)
5	Dallas, TX (PMSA)	314	Steubenville-Weirton, OH-WV (MSA)
6	Raleigh-Durham-Chapel Hill, NC (MSA)	313	Enid, OK (MSA)
7	Salt Lake City-Ogden, UT (MSA)	312	Houma, LA (MSA)
8	Fort Collins-Loveland, CO (MSA)	311	Anchorage, AK (MSA) 13/
9	Seattle-Bellevue-Everett, WA (PMSA)	310	Lawton, OK (MSA)
10	Minneapolis-St. Paul, MN-WI (MSA)	309	Beaumont-Port Arthur, TX (MSA)



[3] Annually, POLICOM ranks the 318 metropolitan areas for economic strength. These rankings appear in Section 4 of the Historical, Comparative Economic Analysis.

The quality of the Marion County economy has had little improvement over the last ten years. The "level" of the economy is barely above that in 1971 and a downward trend is developing. However, from 1980 to 1987, the quality of the economy improved at a rate faster than the ten strongest economies in the country.

Overall, during the last ten years, the quality of the Marion County economy has gradually declined while in the 1980's it improved significantly.

Why did the quality of the economy improve so much from 1980 to 1987? It was the result of the formation of a large number of high-wage contributory jobs.

Beginning in 1977 and through 1986, Marion County added 6,500 manufacturing and 1,500 wholesale trade jobs. For both, the rate of growth over the ten year period was one of the highest in the nation (manufacturing - 11% per year, wholesale trade - 5% per year). Most importantly, the wages paid in these sectors were significantly higher than the area average, manufacturing 140% and wholesale trade 136%.

The influence of these new jobs began to take affect beginning in 1979. However, the rate of growth of these sectors stalled in 1987 and from 1987 to 2000, the growth rate in manufacturing was 1.3% and wholesale trade a dismal .5%.

Workforce Composition

The wage scale of the jobs primary-contributory industries determines the economic health of an area. Primary industries are those business enterprises, which, through their activity, sell their goods or services outside the geographic area of the local economy. The wages paid to those employed then enter the local economy where the money is mixed and churned and is eventually consumed, leaving the economy.

The quality of a local economy will seek the level of the wages paid by the primary-contributory industries in an area. If a preponderance of the jobs in the primary industries pays a high wage, then the overall quality of the economy will seek that wage level. The reactive or consumptive industry jobs, such as services and retail, will create themselves and will almost always pay less than the primary industry jobs.

However, the number or growth of low paying primary jobs in an economy can significantly influence the economic quality of life for the area residents. The composition of the workforce needs to lean as much as possible toward the higher paying positions, as the growth of low paying jobs disproportionate to the higher paying jobs can actually cause the economy to decline in quality. The axiom "any new job will help the economy" does not hold true.

As an example, suppose an economy is composed of 1,000 primary industry workers and has average earnings per worker of $30,000. In this economy, 300 workers earn $40,000 per year and 700 workers earn $25,714, causing the average to be $30,000 for the primary industries. The workforce composition is 30% high-wage earners and 70% low-wage earners.

If 100 new low-wage primary jobs are created during the course of a year, and no new high-wage jobs are generated, the average earnings per worker for the area will fall to $29,610. The percentage of high-wage jobs in the workforce drops to 27% and the percentage of low-wage jobs grows to 73%. If this economy does not increase the percentage of high-wage jobs, then the overall economic quality of life for the residents in the area will gradually erode, as the remainder of the jobs will **seek the level** of the primary industries.

The process of adding a greater percentage of low-wage jobs than high-wage jobs to an economy causes "dilution" in the economy. Over the last 25 years, virtually every economy in the country suffered dilution as a result of the rapid creation of low paying service and retail jobs. The local areas, which were best in creating new high paying jobs relative to the increase in low paying jobs over this period of time, today have the strongest economies.

The dilution in an economy can be detected in the change in the composition of the area workforce over a period of time. The following chart compares the composition of the Marion County workforce for 1982, 1992, and 2002.[4] For each industry division, the percentage of employment is shown along with the annual earnings for that sector.

Workforce Composition

	1982		**1992**		**2002**	
	%	**AEPW**	**%**	**AEPW**	**%**	**AEPW**
All Workers		11,894		20,287		26,736
Farm*	5.8%	4,429	3.3%	12,037	2.6%	30,861
Ag Services	2.5%	8,584	2.3%	14,031	3.0%	17,552
Mining	0.2%	41,962	0.2%	20,271	0.2%	27,751
Construction	7.7%	12,238	6.3%	23,798	7.6%	29,194
Manufacturing	12.2%	16,958	12.5%	27,536	10.2%	33,416
Trans, Comm	3.1%	17,607	2.9%	27,992	3.8%	35,557
Wholesale	5.5%	16,330	5.2%	25,256	3.4%	33,815
Retail	20.1%	9,766	21.1%	13,191	19.8%	18,012
FIRE	9.1%	6,442	6.7%	15,499	8.0%	24,312
Services	19.5%	11,039	24.7%	19,247	27.9%	24,220
Federal Civilian	0.8%	26,192	0.7%	43,232	0.7%	51,654
Military	0.7%	5,355	0.7%	10,060	0.5%	15,121
State	2.1%	17,815	2.3%	28,494	1.8%	40,894
Local	10.7%	14,487	11.0%	25,759	10.6%	35,812

Dilution has had an impact upon the Marion County economy. In 1982, manufacturing and wholesale trade combined comprised 17.7% of the workforce and paid approximately 140% of the area average wage. Remember, this was the time when the "quality" was improving rapidly. By 2002 these sectors accounted for 13.6% of the workforce. However, the services sector grew from 19.5% of the workforce in 1982 to 28% in 2002. A great deal of this shift can be attributed to the growth of the retirement industry.

[4] 2002 data has been estimated.

In 1982, the earnings per worker in the services sector was 93% of the area average. In 2002, it was 91% of the area average, demonstrating most of the new jobs in the services sector were of lower skill levels than in 1982. This is a good example of how a dominating low-wage contributory industry can "pull down" the quality of the economy to its level.

Note also retail trade composes 19.8% of the workforce in 2002. This is one of the highest percentages in the country. In strong economies, retail trade typically composes less than 12% of the workforce and the national average is approximately 16%. Retail is a reactive industry. It will grow and expand in direct proportion to the disposable income of the area. Why does Marion County have such a high percentage of employment in retail trade?

This phenomenon can be explained by understanding the nature of "labor data." In data collection, employers are required to report all full-time and part-time workers. There is no differentiation between the two types of jobs in the data. One full-time job is counted as a job. <u>Two</u> part-time jobs are counted as <u>two jobs</u>.

In the Marion economy, there are a large number of individuals working in a part-time capacity in the retail sector. Each part-time job counts as a "job" in the data. In strong economies, part-time retail jobs fold into full-time jobs, many times paying benefits along with a higher hourly wage.

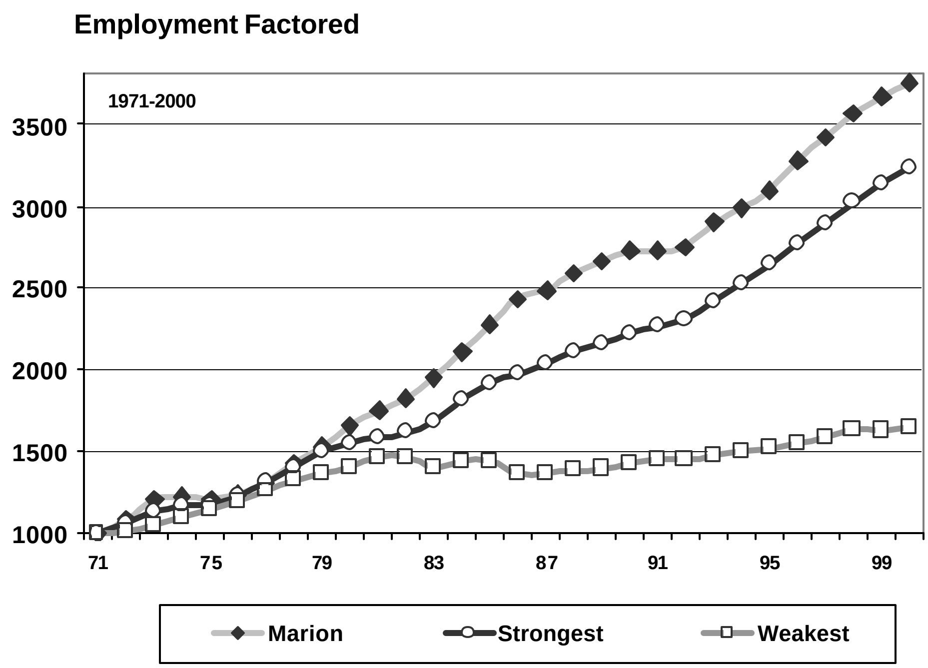
As a result of the absence of growth in the high-wage contributory industries and the growth in the low-wage service sector, the overall quality of the economy has been diluted.

History of the "Quantity" or size of the Economy

The number of jobs and the total earnings determine the "quantity" or size or volume of the economy. Some economies in the United States have grown rapidly in their size, while others have not.

To determine the growth in the quantity of the Marion County economy, employment and earnings are examined.

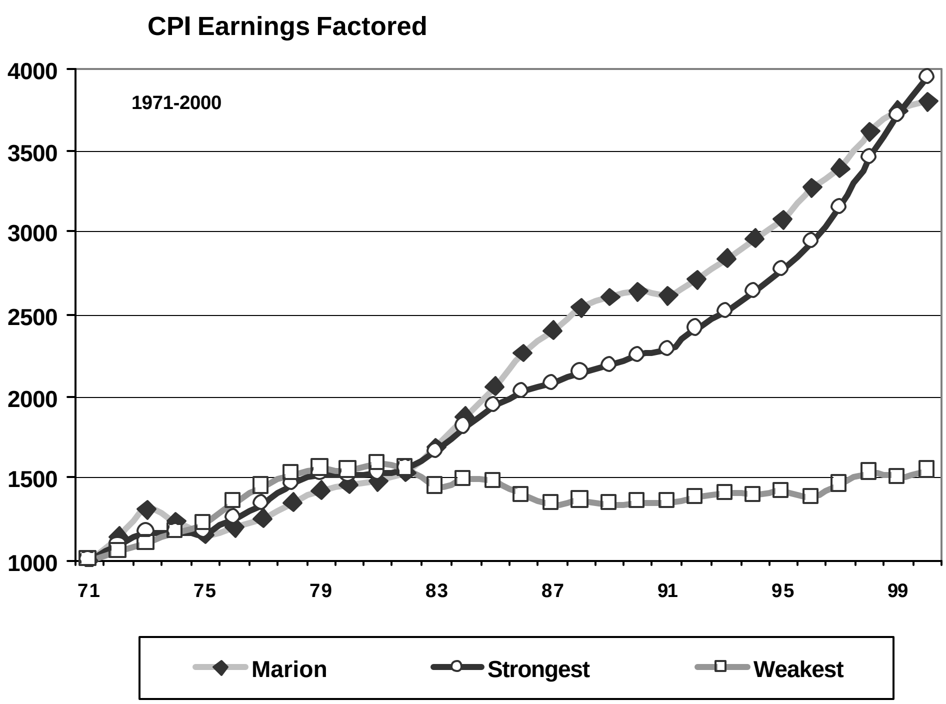
The following graph provides the relative growth of the number of jobs in the Marion County from 1971 to 2000. The growth rate is factored to provide a direct comparison to the strongest and weakest local economies.



Note how the volume of growth of employment for Marion County has been at a faster rate than the ten strongest metropolitan areas in the United States, although not as consistent. The recession in the early 1990's slowed jobs growth. By this measure, the size of the economy is much larger than it was in 1971.

In addition to the growth in employment, the total earnings of the area are provided. Total earnings represent the amount of money flowing into and being circulated by way of wages paid in the economy.

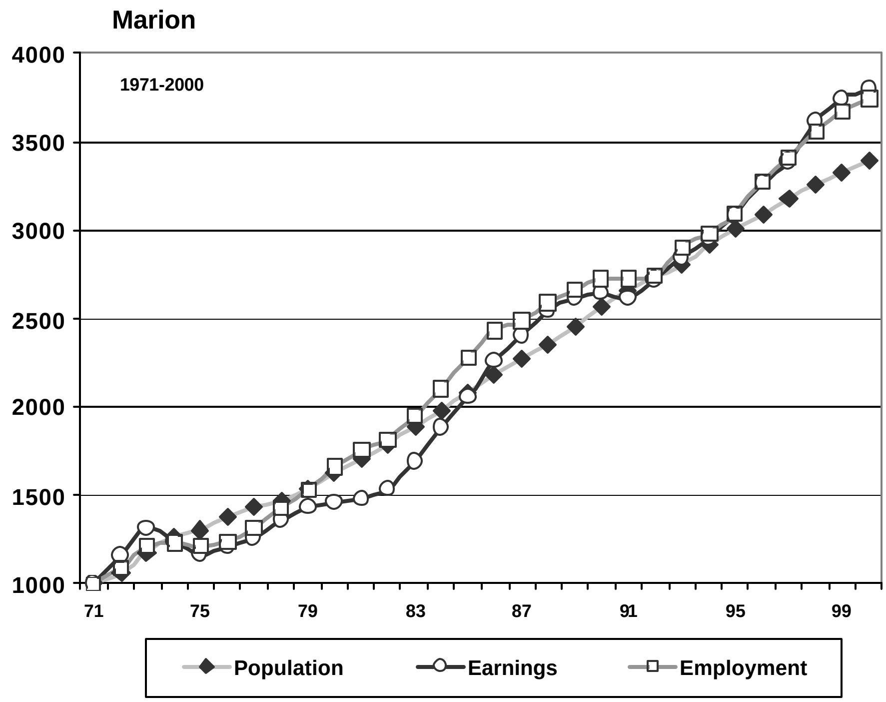
On the following graph, the CPI Factored Earnings is calculated and compared to the strongest and weakest economies. To create this graph, the total earnings for each area were adjusted for inflation (value of the 2000-dollar), the annual growth rate calculated, and the growth rate was factored to enable direct visual comparison.

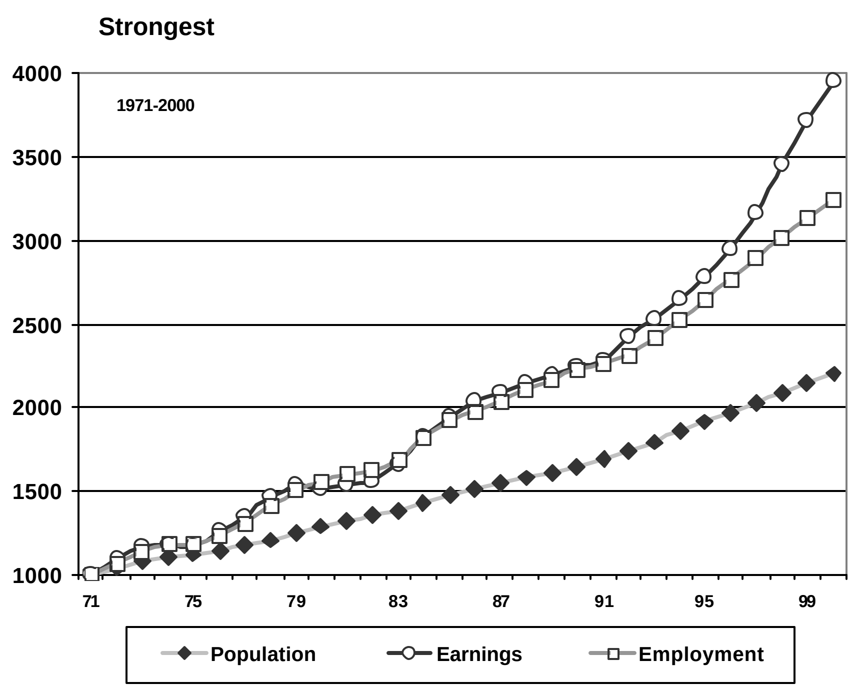


The total volume of earnings has grown at a very brisk rate, although there have been some significant recessions over the years. The actual size of the economy, after adjusting for inflation, is once again much greater than the level it was in 1971 and for the last ten years has been at a rate comparable to the ten strongest economies.

The growth in the size of the economy can be attributed directly to population growth and not internal economic growth.

The following graphs show the comparative relationship between the growth of population, employment, and total earnings for Marion County and the ten strongest areas. In the ten strongest areas, note how 1) earnings growth exceeds job growth most of the time and 2) population growth is much slower than either employment or earnings. For Marion, job growth exceeds earnings most of the time and both grew almost in direct proportion to population.





Most of the economic growth in the county is the result of in-migration, not the creation of contributory jobs.

The Possible Future – Economic Projections

To determine what the economic future of Marion County might be, POLICOM has created economic projections through the year 2023. The projections are created to examine what might occur in the economy. Keep in mind, the business of economic prognostication has given psychic hotlines credibility.

The future cannot be assured, but based on historical trends for the nation, state, and the local area, the quality and size of the local economy can be forecast. To create the projections, POLICOM utilizes the principal promulgated by Sir Isaac Newton:

> "A body in motion has a tendency to stay in motion,
> unless acted upon by an outside force."

Two national and state trends were considered in creating the projections: 1) the service industry will continue to grow at a rapid rate and 2) the manufacturing sector will continue to decline. The economic growth patterns for the last ten years for the area served as the basis for the projections. In addition, the composition of the existing industries is taken into consideration.

Also, the projections are based upon the premise the growth of the economy is left to chance; that there will be no affirmative or direct action by the community to alter or change what might occur.

Additionally, POLICOM took into consideration the fact the economy has grown at a rapid rate as a result of population growth. It is anticipated the population will continue to grow at a brisk rate for the ensuing ten years. However, beginning circa 2013, the growth rate of population will slow considerably, stalling the growth in the size of the economy.

The following charts show the historic and projected growth rates for each industrial sector for employment, total earnings, and earnings per worker for Marion County. The column headed by "1992-2002" represents the average percentage increase over this ten-year period. Data for 2001 and 2002 was estimated. Under "Project," the average annual increase is projected for two time periods: 2003-2013 and 2014-2023. Mining data is anomalous and, while included in the charts, should be ignored.

Employment Growth

Annual Increase	1992 2002	Project 2003 2013	Project 2014 2023
All Workers	3.7%	3.2%	1.2%
Farm	1.1%	0.3%	0.0%
Ag Services	5.4%	4.7%	1.6%
Mining	0.9%	1.1%	0.4%
Construction	5.1%	3.4%	1.0%
Manufacturing	2.5%	0.9%	0.2%
Trans, Comm	6.5%	4.7%	1.9%
Wholesale	-0.6%	1.1%	0.6%
Retail	3.3%	2.4%	0.8%
FIRE	5.1%	4.1%	1.2%
Services	4.9%	5.1%	1.9%
Federal Civilian	4.0%	1.7%	0.4%
Military	-0.3%	0.5%	0.2%
State	1.2%	1.0%	0.4%
Local	3.4%	2.9%	1.0%

Earnings Growth

Annual Inc	1992 2002	Project 2003 2013	Project 2014 2023
All Worker	6.9%	5.5%	3.1%
Farm	11.5%	1.6%	0.8%
Ag Service	8.9%	6.0%	3.6%
Mining	5.3%	3.2%	1.8%
Constructio	7.3%	6.5%	3.3%
Manufactu	5.3%	2.5%	1.1%
Trans, Com	9.6%	7.4%	3.8%
Wholesale	2.3%	2.9%	1.6%
Retail	6.6%	4.0%	1.9%
FIRE	11.1%	5.8%	2.7%
Services	7.6%	7.4%	4.3%
Federal Civ	6.5%	3.5%	1.6%
Military	4.2%	3.0%	1.6%
State	4.8%	3.0%	1.6%
Local	6.9%	5.7%	3.0%

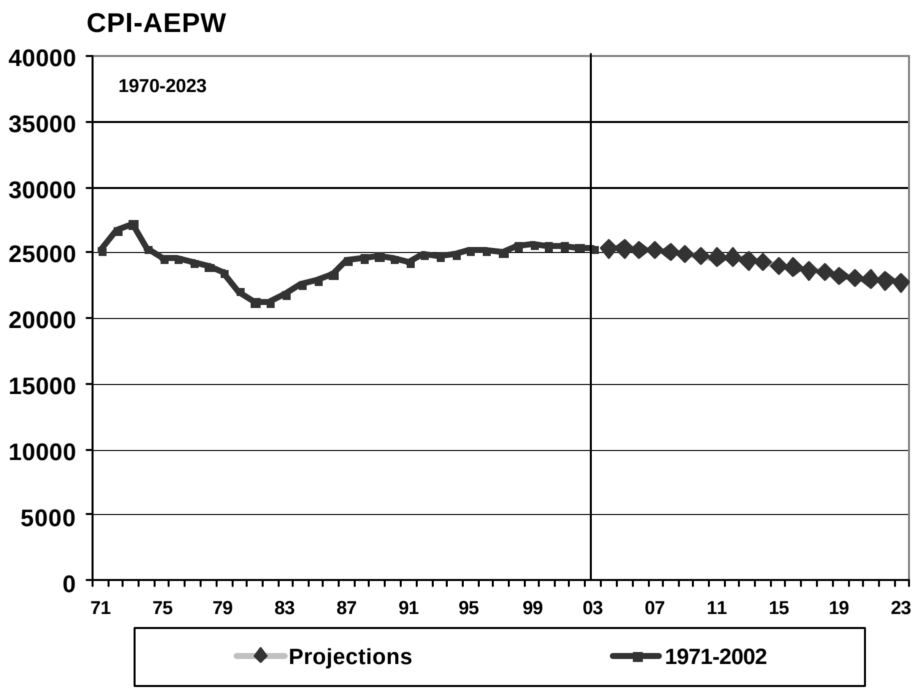
Earnings Per Worker

Annual Increase	1992 2002	Project 2003 2013	Project 2014 2023
All Workers	3.1%	2.2%	1.8%
Farm	10.3%	1.3%	0.7%
Ag Services	3.4%	1.5%	2.1%
Mining	4.4%	2.2%	1.4%
Construction	2.1%	3.3%	2.3%
Manufacturing	2.7%	1.7%	0.9%
Trans, Comm	3.0%	2.6%	1.8%
Wholesale	2.9%	1.7%	1.1%
Retail	3.2%	1.7%	1.1%
FIRE	5.9%	1.9%	1.5%
Services	2.6%	2.4%	2.4%
Federal Civilian	2.6%	1.9%	1.2%
Military	4.6%	2.5%	1.4%
State	3.6%	2.0%	1.2%
Local	3.4%	2.9%	2.0%

The projections provide for the county to grow in size at a similar rate for the next ten years as the previous ten years in employment, while earnings growth will be slower and earnings per worker will be significantly slower. Over the next ten year period, from 2014 to 2023, growth in all categories will be much, much slower than the last ten years.

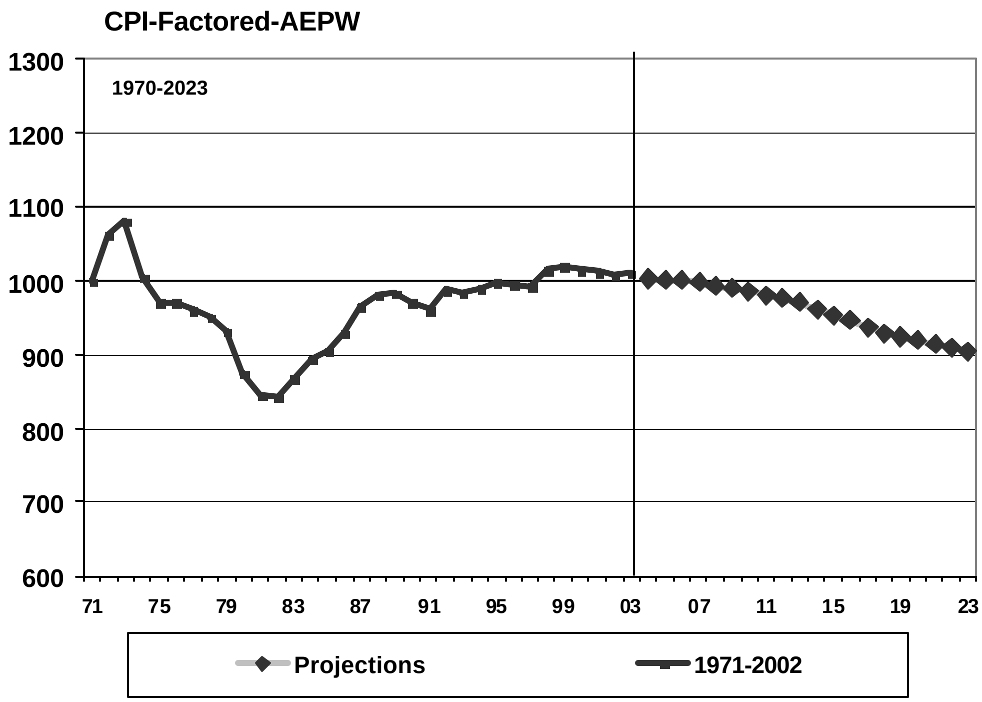
Having created the projections, it is important to review their impact upon the quality and quantity of the Marion County economy.

The following graph shows the CPI Adjusted AEPW and from 1971 through 2023. The CPI-AEPW is still based upon the value of the 2000-dollar. The future value of the earnings per worker is adjusted based upon an estimated average annual inflation rate of 2.5%.



Should inflation be greater than this amount, and a corresponding wage increase does not occur, then the AEPW and Earnings lines will dip downward. (Note, for 2001-2002, data for the projections and the ensuing goal is the same.) The projections provide for the inflation adjusted earnings per worker to modestly deteriorate. The growth in the earnings per worker in Marion County will likely <u>not</u> keep pace with anticipated inflation and economy will continue to decline in quality.

The decline in the quality of the economy is more visible when viewing the CPI Factored AEPW.



If the projections come true, the quality of the economy will gradually degenerate, becoming even weaker than it is today. By 2023, the level of the economy will be much lower than it was in 1971.

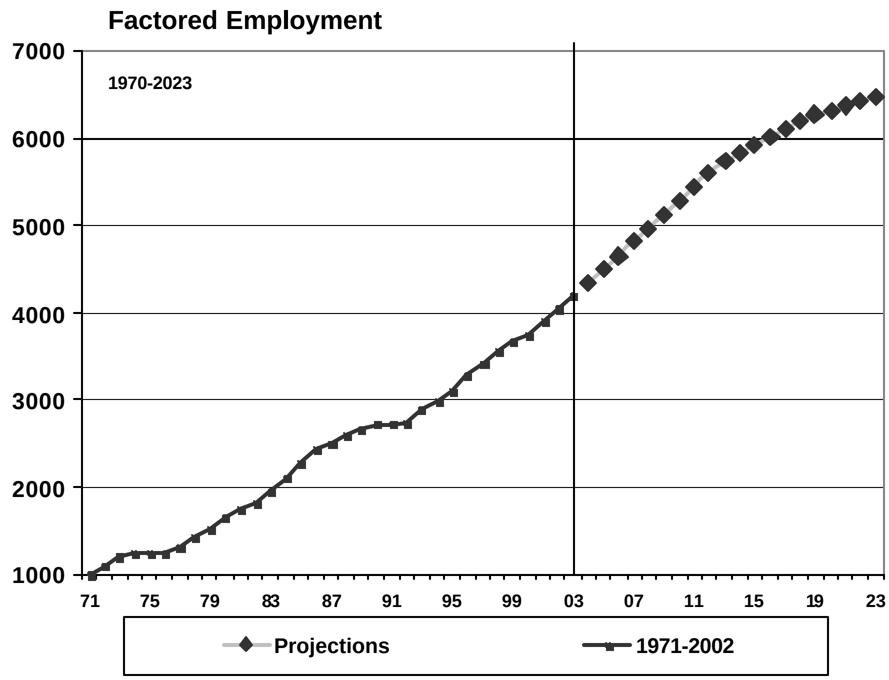
As we learned earlier, the composition of the workforce and the related wages determines the growth of the AEPW. The following chart shows the workforce composition in 2013 and 2023 as a result of the projected growth along with the estimated annual earnings per worker.

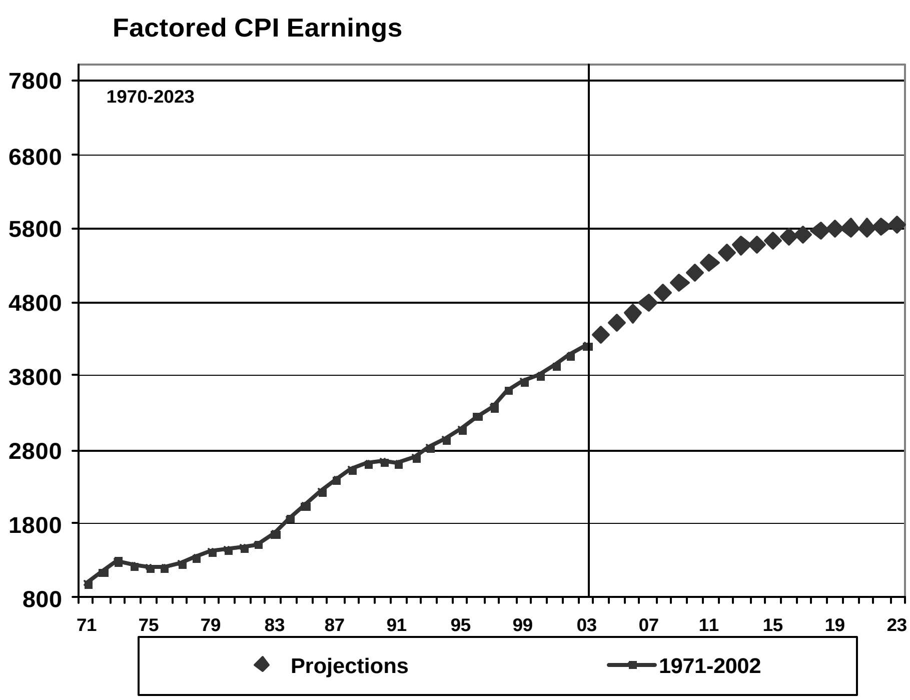
Workforce Composition

	1982		1992		2002		Project 2013		Project 2023	
	%	**AEPW**	**%**	**AEPW**	**%**	**AEPW**	**%**	**AEPW**	**%**	**AEPW**
All Workers		11,894		20,287		26,736		33,952		40,729
Farm*	5.8%	4,429	3.3%	12,037	2.6%	30,861	1.9%	35,618	1.7%	38,327
Ag Services	2.5%	8,584	2.3%	14,031	3.0%	17,552	3.4%	20,719	3.5%	25,402
Mining	0.2%	41,962	0.2%	20,271	0.2%	27,751	0.1%	35,187	0.1%	40,543
Construction	7.7%	12,238	6.3%	23,798	7.6%	29,194	7.5%	41,828	7.3%	52,431
Manufacturing	12.2%	16,958	12.5%	27,536	10.2%	33,416	7.8%	40,264	7.1%	44,023
Trans, Comm	3.1%	17,607	2.9%	27,992	3.8%	35,557	4.4%	47,198	4.8%	56,692
Wholesale	5.5%	16,330	5.2%	25,256	3.4%	33,815	2.8%	40,747	2.6%	45,236
Retail	20.1%	9,766	21.1%	13,191	19.8%	18,012	17.9%	21,574	17.1%	24,134
FIRE	9.1%	6,442	6.7%	15,499	8.0%	24,312	8.5%	30,033	8.4%	35,025
Services	19.5%	11,039	24.7%	19,247	27.9%	24,220	33.2%	31,605	35.4%	39,956
Federal Civilian	0.8%	26,192	0.7%	43,232	0.7%	51,654	0.6%	63,800	0.6%	72,207
Military	0.7%	5,355	0.7%	10,060	0.5%	15,121	0.3%	19,827	0.3%	22,878
State	2.1%	17,815	2.3%	28,494	1.8%	40,894	1.4%	50,813	1.3%	57,509
Local	10.7%	14,487	11.0%	25,759	10.6%	35,812	10.1%	49,002	9.9%	59,819

Manufacturing will decline to a mere 7.1% of the workforce by 2023, as the services industry will grow to 35.4% of the workforce. Retail will maintain a high percentage of the workforce.

To measure the affect upon the quantity or volume of the economy as a result of the projections, the following graphs show the factored growth for both employment and total earnings. Once again, earnings are adjusted for inflation, 2.5% per year, and based upon the value of the 2000-dollar.





The projections provide for a rate of growth earnings to be extremely slow the last 10 years. The size of the economy based upon earnings will begin to have "no growth" in the 2020's after adjusting for inflation.

Reaching the Goal

"If you do not know where you want to go,
it does not matter what road you take."

The leaders in Marion County know where they want to go. They have decided they want the county to have a stronger economy in the future. The following will be the road necessary to travel to reach this destination.

Some communities in the United States have grown rapidly in size, but have degenerated in quality. For these communities, the goal should concentrate on creating high-wage jobs only. Few areas have maintained quality and not grown in size.

From a review of the history and projections for the area, in order to improve the economy of Marion County, it is necessary to <u>improve the quality</u> of the economy initially, as growth in the size has been very rapid in the past and will continue to grow over the next ten years. However, as population growth slows, as will the size of the economy.

POLICOM has calculated the employment, earnings, and annual earnings per worker for each industrial classification for each year through 2023, which will be necessary to achieve in order to improve the quality of the economy <u>as much as possible</u>. As a result, the size of the economy will grow at a reasonable rate during the latter ten years of the study period.

The estimates for the goal are based upon what can be **reasonably accomplished through a diligent effort** by the community through aggressive economic development and community planning programs.

The goal is achieved through creating new, high-wage primary jobs, which will import more money to the economy.

The following charts represent the average annual percentage increase for each industry for the goal along with the projections and the ten-year period from 1992 through 2002 for comparison.

The overall average annual percentage increases for "All Workers" is the "goal."

Employment Growth

		Project	Project	**Goal**	**Goal**
Annual Increase	1992 2002	2003 2013	2014 2023	2003 2013	2014 2023
All Workers	3.7%	3.2%	1.2%	3.0%	1.6%
Farm	1.1%	0.3%	0.0%	0.3%	0.0%
Ag Services	5.4%	4.7%	1.6%	4.5%	1.6%
Mining	0.9%	1.1%	0.4%	1.0%	0.4%
Construction	5.1%	3.4%	1.0%	2.8%	1.1%
Manufacturing	2.5%	0.9%	0.2%	2.4%	2.6%
Trans, Comm	6.5%	4.7%	1.9%	4.8%	2.8%
Wholesale	-0.6%	1.1%	0.6%	3.7%	4.0%
Retail	3.3%	2.4%	0.8%	1.3%	0.7%
FIRE	5.1%	4.1%	1.2%	3.2%	1.6%
Services	4.9%	5.1%	1.9%	4.2%	1.6%
Federal Civilian	4.0%	1.7%	0.4%	1.5%	0.4%
Military	-0.3%	0.5%	0.2%	0.5%	0.2%
State	1.2%	1.0%	0.4%	1.0%	0.4%
Local	3.4%	2.9%	1.0%	2.7%	1.0%

Earnings Growth

		Project	Project	**Goal**	**Goal**
Annual Increase	1992 2002	2003 2013	2014 2023	2003 2013	2014 2023
All Workers	6.9%	5.5%	3.1%	6.6%	4.9%
Farm	11.5%	1.6%	0.8%	1.6%	0.8%
Ag Services	8.9%	6.0%	3.6%	6.0%	3.6%
Mining	5.3%	3.2%	1.8%	3.2%	1.8%
Construction	7.3%	6.5%	3.3%	7.5%	4.3%
Manufacturing	5.3%	2.5%	1.1%	7.3%	5.1%
Trans, Comm	9.6%	7.4%	3.8%	7.9%	5.6%
Wholesale	2.3%	2.9%	1.6%	8.4%	6.2%
Retail	6.6%	4.0%	1.9%	4.6%	4.1%
FIRE	11.1%	5.8%	2.7%	7.2%	5.6%
Services	7.6%	7.4%	4.3%	7.3%	6.1%
Federal Civilian	6.5%	3.5%	1.6%	3.5%	1.6%
Military	4.2%	3.0%	1.6%	3.0%	1.6%
State	4.8%	3.0%	1.6%	3.2%	1.8%
Local	6.9%	5.7%	3.0%	5.9%	3.2%

Earnings Per Worker

		Project	Project	**Goal**	**Goal**
Annual Increase	1992 2002	2003 2013	2014 2023	2003 2013	2014 2023
All Workers	3.1%	2.2%	1.8%	3.5%	3.3%
Farm	10.3%	1.3%	0.7%	1.3%	0.7%
Ag Services	3.4%	1.5%	2.1%	1.5%	2.1%
Mining	4.4%	2.2%	1.4%	2.2%	1.4%
Construction	2.1%	3.3%	2.3%	4.5%	3.2%
Manufacturing	2.7%	1.7%	0.9%	4.8%	2.4%
Trans, Comm	3.0%	2.6%	1.8%	3.0%	2.7%
Wholesale	2.9%	1.7%	1.1%	4.5%	2.1%
Retail	3.2%	1.7%	1.1%	3.2%	3.4%
FIRE	5.9%	1.9%	1.5%	3.9%	3.8%
Services	2.6%	2.4%	2.4%	3.0%	4.4%
Federal Civilian	2.6%	1.9%	1.2%	1.9%	1.2%
Military	4.6%	2.5%	1.4%	2.5%	1.4%
State	3.6%	2.0%	1.2%	2.2%	1.4%
Local	3.4%	2.9%	2.0%	3.1%	2.2%

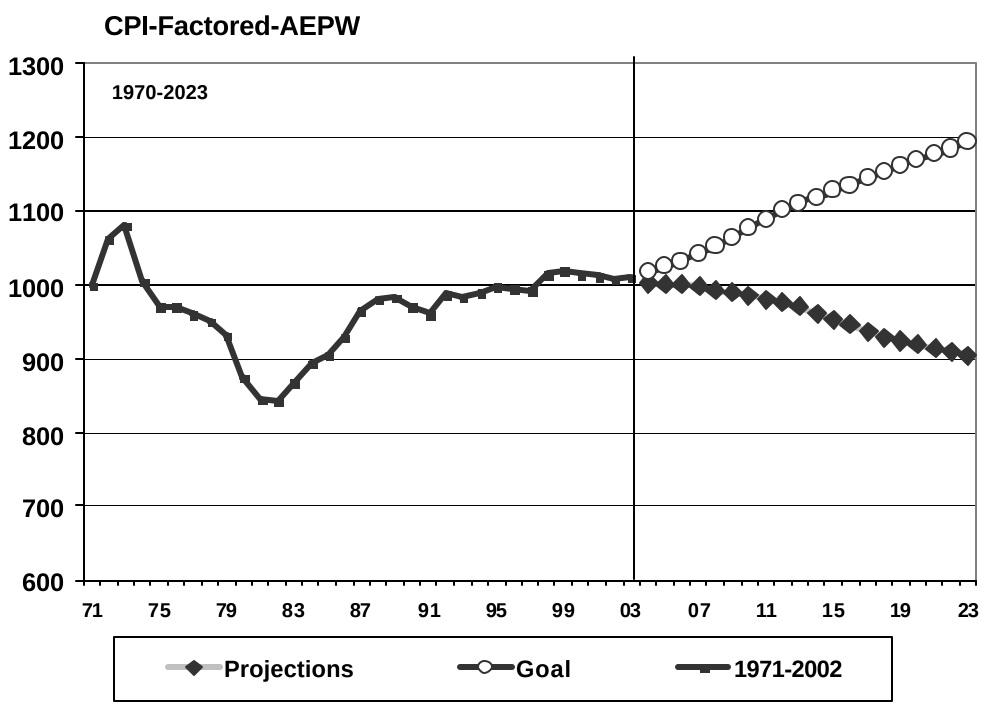
There is as significant difference between what is projected to occur and what can occur for all three items. The rate of job growth for the goal is similar to the projections from 2003 to 2013, but is faster the ensuing 10 years. Most importantly, the growth in earnings and earnings per worker is much faster than that of the projections for each time period.

The percentage increases set out in the goal are neither anomalous nor unusual.

The key to improving the economy is increasing the total earnings and earnings per worker in the area. During the last ten years, 115 metropolitan areas had wage growth higher than what is prescribed in the goal for the ensuing ten years. Additionally, 52 metropolitan areas had earnings growth at a rate higher than the goal for the next ten years and 190 areas had earnings growth higher for the last ten years of the goal.

As previously mentioned, from 1977 to 1986 Marion County enjoyed rapid growth in the high-wage manufacturing and wholesale trade sectors. During this time, the county's earnings per worker increased at an annual rate of **6.3%** and total earnings increased **11.7%**, much higher than that needed to achieve the goal.

Instead of declining, the quality of the economy will improve if the goal is achieved. The following graph compares the goal with the projections for the CPI-Factored Annual Earnings Per Worker.



POLICOM CORPORATION

By achieving the goal, instead of diluting, the economy will improve in quality, and by 2023 will be at a level much higher than it is today. By reaching the annual milestones immediately (hereafter discussed), the current dilution can be corrected beginning next year.

The composition of the workforce will be different if the goal is achieved than if the projections occur. The following chart compares the composition of the workforce and the annual earnings per worker.

Workforce Composition

	2002		Project 2013		Goal 2013		Project 2023		Goal 2023	
	%	**AEPW**	**%**	**AEPW**	**%**	**AEPW**	**%**	**AEPW**	**%**	**AEPW**
All Workers		26,736		33,952		38,883		40,729		53,792
Farm*	2.6%	30,861	1.9%	35,618	1.9%	35,618	1.7%	38,327	1.6%	38,327
Ag Services	3.0%	17,552	3.4%	20,719	3.5%	20,719	3.5%	25,402	3.5%	25,402
Mining	0.2%	27,751	0.1%	35,187	0.1%	35,187	0.1%	40,543	0.1%	40,543
Construction	7.6%	29,194	7.5%	41,828	7.4%	47,319	7.3%	52,431	7.1%	64,798
Manufacturing	10.2%	33,416	7.8%	40,264	9.5%	56,055	7.1%	44,023	10.5%	71,037
Trans, Comm	3.8%	35,557	4.4%	47,198	4.6%	49,295	4.8%	56,692	5.2%	64,340
Wholesale	3.4%	33,815	2.8%	40,747	3.7%	54,586	2.6%	45,236	4.7%	67,034
Retail	19.8%	18,012	17.9%	21,574	16.6%	25,525	17.1%	24,134	15.1%	35,582
FIRE	8.0%	24,312	8.5%	30,033	8.1%	37,084	8.4%	35,025	8.2%	54,089
Services	27.9%	24,220	33.2%	31,605	31.8%	33,515	35.4%	39,956	32.1%	51,545
Federal Civilian	0.7%	51,654	0.6%	63,800	0.6%	63,800	0.6%	72,207	0.6%	72,207
Military	0.5%	15,121	0.3%	19,827	0.3%	19,827	0.3%	22,878	0.3%	22,878
State	1.8%	40,894	1.4%	50,813	1.4%	51,834	1.3%	57,509	1.3%	59,402
Local	10.6%	35,812	10.1%	49,002	10.3%	50,246	9.9%	59,819	9.7%	62,763

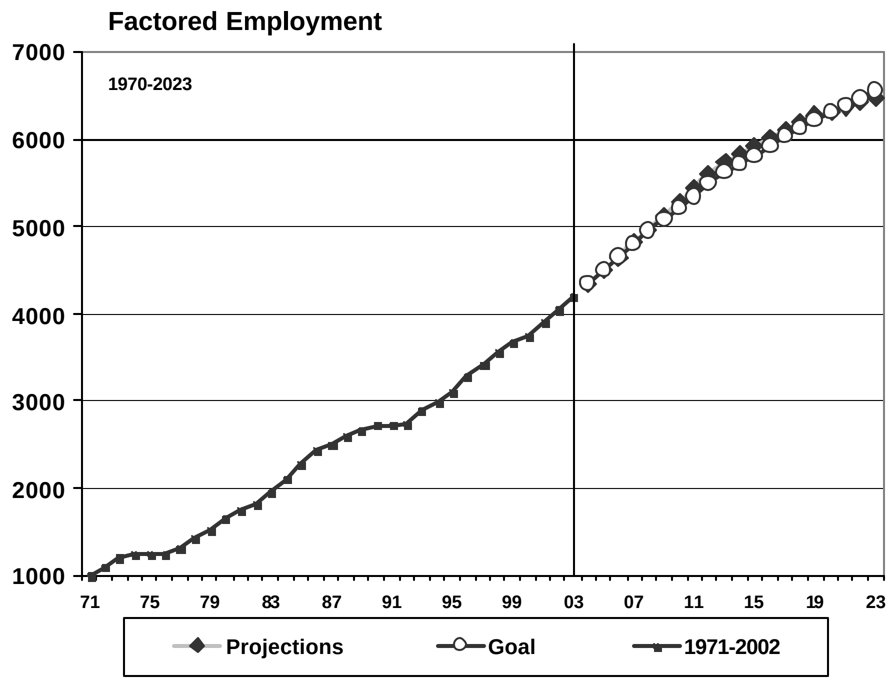
* Farm data lacks reliability.

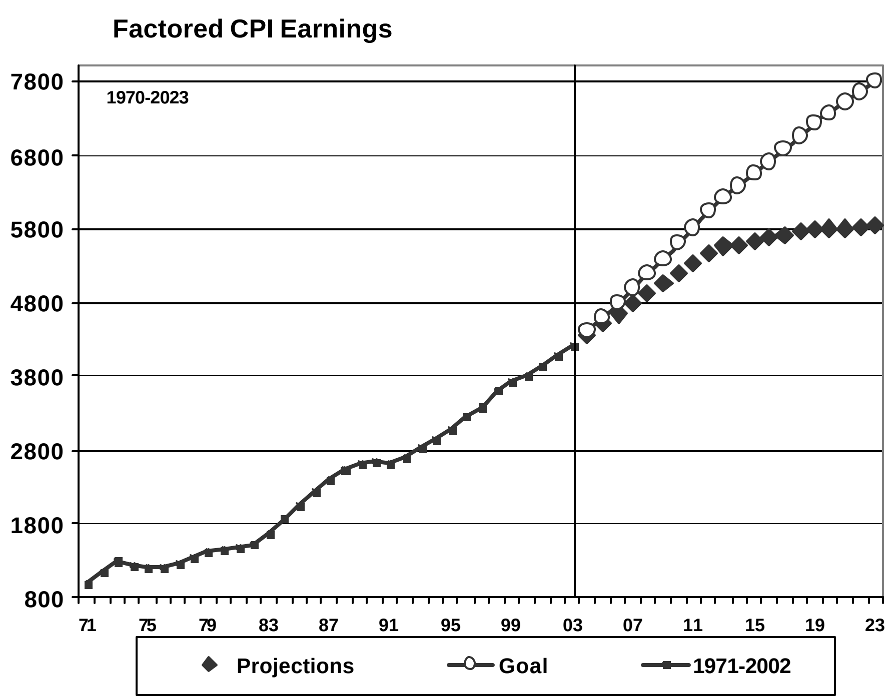
If the goal is achieved, overall earnings per worker in 2023 will be 132% of that which is projected.

Two high-wage industries, manufacturing and wholesale trade, will grow in importance in the economy. Projections provided for these to account for only 9.7% of the workforce by 2023 while if the goal is achieved they will represent 15.2%. Retail employment will decline from 19.8% of the workforce in 1992 to 15.1%. Wages in this industry will be 147% of what is projected. This is the result of the consolidation of many part-time retail jobs into full-time jobs.

Growth in the services sector will continue but it will only compose 32.1% of the workforce by 2023 instead of 35.4% as projected.

By achieving the goal, the quantity or size of the economy will also be affected. The following graphs compare employment and earnings growth between the projections and the goal. There will be modestly more jobs in the economy by 2023 if the goal is achieved. However, the volume of earnings is significantly greater than what is projected.





Achieving the Goal

The purpose of this study is to establish annual employment levels with associated earnings, which will improve the overall economy of Marion County. The principal driving force behind any local economy is the number and type of primary industry jobs.

Once again, a primary industry job derives it payroll source from the sale of goods or services outside the local economy, importing money to the local area. (In the case of tourism, the money is brought with the tourist to the local area.)

The growth in the number of primary jobs determines the size of the economy. The wage level paid for the primary jobs establishes the level or quality of the local economy. Average wage levels of dependent, consumptive industries approach but usually cannot exceed that of the primary industries.

The employment and earnings levels established by POLICOM for the goal were created by estimating the number and type of primary jobs and the typical industries in which they are created. Growth in the dependent, consumptive industries will occur naturally in direct proportion to the number of and wage level paid in the primary industries. Wage levels in the consumptive industries "seek the level" paid in the primary industries.

Typically, primary industry jobs are created in the manufacturing, wholesale, and transportation sectors. Which brings us to a very important issue regarding the goal?

It does not matter in which industry the jobs are created
as long as they meet two criteria:

1) The job is in a "primary" industry. This simply means the source of the payroll must come from the sale of goods or services outside the Marion County economy. This imports the money to the area, which then pushes the growth and consolidation of the reactive industries. As an example, a state headquarters for a civil engineering company would be classified as a "Service" company. But since its fees are generated from work throughout the state, it is actually a contributory company and meets the first qualification. Companies, which serve a "primary or contributory" function, can be classified in any of the industries.

2) The earnings per worker paid by the company must meet or exceed the goal, in order to prevent dilution and to elevate the level of the economy.

The actual types of businesses might vary in the future than what are generally described in the goal. The researcher placed much of the quality job growth in the manufacturing, transportation, FIRE, and wholesale trade divisions. It might not occur in these sectors. Entirely new industries are being created during this period of technical change and invention. Future employers in the area will likely include these new technology companies, while some traditional industries might very well pass into the night.

As a result, to achieve the goal of improving the overall economy for Marion County, the number, types, and wage level of the new jobs is of most concern. The type of industry in which they are classified is not that important.

The following chart shows the number of net, new, primary industry jobs and the earnings per worker (wages) necessary each year to achieve the goal.

Also shown is the AEPW for the county for each year and the % the wage level for the new job is of the average for the county for the respective year.

Year	New Primary Jobs	New Job Wage	Area Avg. Wage	% OF Area Avg.
2003	653	30,936	26,501	117%
2004	691	33,323	27,353	122%
2005	714	34,921	28,245	124%
2006	738	36,595	29,208	125%
2007	763	38,349	30,207	127%
2008	742	40,131	31,285	128%
2009	717	41,849	32,447	129%
2010	739	43,545	33,654	129%
2011	762	45,307	34,908	130%
2012	785	47,135	36,210	130%
2013	772	49,390	37,487	132%
2014	756	51,536	38,732	133%
2015	778	53,082	40,021	133%
2016	799	54,673	41,358	132%
2017	821	56,310	42,742	132%
2018	844	57,994	44,177	131%
2019	838	59,995	45,633	131%
2020	885	61,749	47,111	131%
2021	910	62,917	48,640	129%
2022	937	64,103	50,222	128%
2023	964	65,308	51,860	126%

These are annual milestones. One year the area will create more, the next, perhaps fewer. However, the area needs to stay as close to the job creation goal as possible to maintain stability in the economy.

The jobs are "wage and salaried jobs" and do not include sole proprietors. Additionally, the AEPW is based upon straight wages and salaries and does not include employer's share of retirement benefits or fringe benefits.

The wage milestone increases as a percentage of the area average during the "2000 teens." As the quality of the workforce improves over time, the higher the quality of primary employers which can be attracted.

The job generation rate actually slows as a percentage of the economy in the latter ten years. A greater percentage of new, high-wage primary jobs are needed the first ten years to offset the low-wage jobs being created as a result of the increase in population.

For some, these milestones might seem aggressive, to others conservative. What they are is "realistic," providing there is a well funded economic development program in the area.

From 1977 to 1986, the area created, on average, 1,069 new primary jobs paying an average of 126% of the area average wage.

If the community is successful in creating the above number of net, new contributory jobs which pay an average annual wage as noted, the quality and the size of the Marion County economy will grow as set forth in the goal.

The following charts show the Job Gains, AEPW, Employment, and Earnings for the various industries for both the Projections and the Goal from 2003-2023.

Job Gains

The following chart compares the employment gains between the projections and the goal.

Projections - Net Job Gain

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	1553	1538	1523	1508	2230	2916	2861	2806	2753	2701
Farm	1	1	1	1	1	2	2	2	2	2
Ag Services	68	68	67	66	98	128	126	123	121	119
Mining	1	1	1	1	1	1	1	1	1	1
Construction	89	88	87	87	129	170	168	166	164	162
Manufacturing	17	17	17	17	26	34	34	34	34	34
Trans, Comm	115	114	112	111	163	213	207	202	197	193
Wholesale	19	19	19	19	28	37	37	36	36	36
Retail	167	166	166	165	245	324	321	317	314	311
FIRE	123	122	121	121	179	235	231	228	225	221
Services	822	813	803	794	1169	1522	1487	1452	1418	1385
Federal Civilian	3	3	3	3	4	5	5	5	5	5
Military	1	1	1	1	1	1	1	1	1	1
State	6	6	6	6	9	12	12	12	12	12
Local	120	119	118	118	175	230	228	225	222	219

Goal - Net Job Gain

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	2538	2490	2443	2397	2853	3289	3220	3153	3087	3023
Farm	1	1	1	1	1	2	2	2	2	2
Ag Services	68	68	67	66	98	128	126	123	121	119
Mining	1	1	1	1	1	1	1	1	1	1
Construction	84	84	83	83	143	201	198	195	193	190
Manufacturing	548	534	520	506	475	446	435	424	414	404
Trans, Comm	250	244	238	232	248	263	255	248	241	234
Wholesale	359	345	332	319	307	295	284	273	262	252
Retail	150	149	148	147	190	232	231	229	227	225
FIRE	193	191	188	186	244	299	294	288	282	277
Services	755	746	737	728	955	1171	1148	1125	1103	1082
Federal Civilian	3	3	3	3	4	5	5	5	5	5
Military	1	1	1	1	1	1	1	1	1	1
State	6	6	6	6	9	12	12	12	12	12
Local	120	119	118	118	175	230	228	225	222	219

Projections - Net Job Gain

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	3938	5057	4872	4693	4522	4715	4881	4689	4506	4330	4604
Farm	2	3	3	3	3	10	16	16	16	16	24
Ag Services	173	222	213	205	197	212	224	214	204	194	202
Mining	2	2	2	2	2	2	2	2	2	2	3
Construction	238	310	302	295	288	335	378	365	353	341	442
Manufacturing	51	67	67	67	66	99	131	129	128	127	189
Trans, Comm	278	354	337	321	305	277	252	241	230	220	211
Wholesale	53	70	69	68	67	55	44	43	43	42	21
Retail	460	601	589	578	566	640	708	689	672	655	638
FIRE	325	420	408	396	385	469	543	519	497	475	505
Services	2005	2551	2434	2322	2216	2157	2096	1996	1901	1810	1888
Federal Civilian	8	11	10	10	10	15	20	19	19	19	23
Military	2	3	3	3	3	3	3	3	3	3	3
State	18	24	24	23	23	23	23	22	22	22	22
Local	323	420	410	400	390	417	442	429	417	405	434

Goal - Net Job Gain

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	3707	4332	4199	4071	3947	4313	4636	4467	4487	4366	4622
Farm	2	3	3	3	3	10	16	16	16	16	24
Ag Services	173	222	213	205	197	212	224	214	204	194	202
Mining	2	2	2	2	2	2	2	2	2	2	3
Construction	218	244	239	234	230	307	378	365	353	341	442
Manufacturing	375	347	340	332	325	335	344	335	327	319	283
Trans, Comm	289	337	322	307	293	289	284	270	257	245	222
Wholesale	237	222	214	206	199	196	194	186	179	172	84
Retail	251	276	273	271	268	344	417	410	404	397	513
FIRE	337	393	382	370	360	360	361	349	339	328	437
Services	1473	1828	1765	1703	1644	1799	1929	1845	1946	1903	1931
Federal Civilian	8	11	10	10	10	15	20	19	19	19	23
Military	2	3	3	3	3	3	3	3	3	3	3
State	18	24	24	23	23	23	23	22	22	22	22
Local	323	420	410	400	390	417	442	429	417	405	434

AEPW

The following chart compares the annual earnings per worker for the projections and the goal.

Projections - AEPW

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	40,729	39,922	39,135	38,367	37,618	36,935	36,313	35,704	35,107	34,523
Farm	38,327	38,146	37,965	37,786	37,607	37,341	36,990	36,642	36,298	35,956
Ag Services	25,402	24,860	24,331	23,812	23,304	22,832	22,393	21,962	21,540	21,126
Mining	40,543	40,004	39,473	38,948	38,431	37,893	37,336	36,787	36,246	35,713
Construction	52,431	51,282	50,158	49,058	47,983	46,913	45,849	44,809	43,792	42,799
Manufacturing	44,023	43,659	43,298	42,939	42,584	42,208	41,812	41,420	41,031	40,646
Trans, Comm	56,692	55,535	54,401	53,291	52,203	51,244	50,408	49,586	48,777	47,981
Wholesale	45,236	44,762	44,292	43,827	43,366	42,915	42,473	42,034	41,601	41,172
Retail	24,134	23,854	23,577	23,303	23,033	22,775	22,530	22,287	22,047	21,809
FIRE	35,025	34,461	33,906	33,359	32,822	32,319	31,848	31,384	30,927	30,477
Services	39,956	38,880	37,833	36,815	35,823	34,982	34,279	33,590	32,915	32,253
Federal Civilian	72,207	71,360	70,523	69,696	68,878	68,034	67,166	66,308	65,461	64,625
Military	22,878	22,581	22,288	21,999	21,714	21,408	21,082	20,761	20,445	20,134
State	57,509	56,834	56,168	55,509	54,858	54,185	53,493	52,810	52,136	51,470
Local	59,819	58,645	57,494	56,365	55,258	54,168	53,093	52,039	51,006	49,994

Goal - AEPW

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	53,792	52,093	50,452	48,866	47,333	45,822	44,334	42,898	41,512	40,174
Farm	38,327	38,146	37,965	37,786	37,607	37,341	36,990	36,642	36,298	35,956
Ag Services	25,402	24,860	24,331	23,812	23,304	22,832	22,393	21,962	21,540	21,126
Mining	40,543	40,004	39,473	38,948	38,431	37,893	37,336	36,787	36,246	35,713
Construction	64,798	62,982	61,217	59,502	57,835	56,060	54,191	52,385	50,638	48,951
Manufacturing	71,037	69,813	68,611	67,429	66,267	64,753	62,911	61,122	59,384	57,696
Trans, Comm	64,340	62,808	61,313	59,853	58,428	56,905	55,294	53,729	52,209	50,731
Wholesale	67,034	66,081	65,142	64,215	63,302	62,049	60,479	58,949	57,457	56,003
Retail	35,582	34,417	33,291	32,202	31,148	30,130	29,147	28,196	27,276	26,386
FIRE	54,089	52,131	50,245	48,426	46,674	44,948	43,252	41,620	40,050	38,538
Services	51,545	49,211	46,982	44,855	42,824	41,007	39,386	37,828	36,332	34,895
Federal Civilian	72,207	71,360	70,523	69,696	68,878	68,034	67,166	66,308	65,461	64,625
Military	22,878	22,581	22,288	21,999	21,714	21,408	21,082	20,761	20,445	20,134
State	59,402	58,612	57,833	57,065	56,307	55,546	54,783	54,030	53,288	52,556
Local	62,763	61,435	60,135	58,863	57,617	56,354	55,076	53,826	52,605	51,412

Projections - AEPW

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	33,952	33,318	32,627	31,954	31,298	30,658	29,992	29,303	28,633	27,982	27,350
Farm	35,618	35,205	34,719	34,240	33,768	33,302	32,860	32,440	32,026	31,617	31,213
Ag Services	20,719	20,422	20,227	20,035	19,844	19,655	19,377	19,015	18,659	18,310	17,968
Mining	35,187	34,587	33,915	33,256	32,611	31,978	31,281	30,525	29,788	29,068	28,366
Construction	41,828	40,661	39,318	38,020	36,765	35,551	34,382	33,258	32,170	31,118	30,100
Manufacturing	40,264	39,779	39,194	38,617	38,049	37,490	36,850	36,134	35,433	34,745	34,070
Trans, Comm	47,198	46,372	45,505	44,654	43,820	43,001	41,903	40,549	39,239	37,971	36,744
Wholesale	40,747	40,240	39,654	39,076	38,507	37,946	37,302	36,577	35,867	35,171	34,488
Retail	21,574	21,302	20,993	20,689	20,389	20,093	19,767	19,412	19,063	18,721	18,385
FIRE	30,033	29,527	28,965	28,413	27,872	27,341	26,812	26,284	25,767	25,260	24,762
Services	31,605	30,933	30,241	29,564	28,902	28,255	27,571	26,855	26,158	25,478	24,817
Federal Civilian	63,800	62,772	61,553	60,358	59,186	58,037	56,915	55,821	54,747	53,694	52,662
Military	19,827	19,435	18,963	18,503	18,054	17,616	17,188	16,771	16,364	15,967	15,579
State	50,813	49,994	49,023	48,071	47,138	46,223	45,325	44,445	43,582	42,736	41,906
Local	49,002	47,817	46,457	45,136	43,853	42,606	41,397	40,225	39,087	37,981	36,906

Goal - AEPW

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	38,883	37,559	36,208	34,908	33,656	32,451	31,333	30,296	29,297	28,372	27,488
Farm	35,618	35,205	34,719	34,240	33,768	33,302	32,860	32,440	32,026	31,617	31,213
Ag Services	20,719	20,422	20,227	20,035	19,844	19,655	19,377	19,015	18,659	18,310	17,968
Mining	35,187	34,587	33,915	33,256	32,611	31,978	31,281	30,525	29,788	29,068	28,366
Construction	47,319	45,422	43,299	41,276	39,347	37,508	35,851	34,357	32,926	31,554	30,239
Manufacturing	56,055	54,011	51,613	49,322	47,132	45,040	42,893	40,708	38,635	36,668	34,800
Trans, Comm	49,295	47,956	46,707	45,490	44,306	43,152	41,893	40,542	39,234	37,968	36,743
Wholesale	54,586	52,955	51,133	49,373	47,673	46,032	43,980	41,581	39,313	37,168	35,141
Retail	25,525	24,681	23,854	23,055	22,283	21,537	20,857	20,240	19,641	19,059	18,495
FIRE	37,084	35,608	34,117	32,689	31,321	30,009	28,848	27,824	26,836	25,883	24,963
Services	33,515	32,245	31,075	29,947	28,861	27,814	26,972	26,318	25,679	25,176	24,718
Federal Civilian	63,800	62,772	61,553	60,358	59,186	58,037	56,915	55,821	54,747	53,694	52,662
Military	19,827	19,435	18,963	18,503	18,054	17,616	17,188	16,771	16,364	15,967	15,579
State	51,834	50,924	49,838	48,776	47,736	46,718	45,722	44,748	43,794	42,860	41,946
Local	50,246	48,890	47,365	45,888	44,457	43,070	41,749	40,491	39,271	38,088	36,940

Employment (000)

The following chart compares the total annual employment for the projections and the goal.

Projections - Employment (000)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	196.1	194.5	193.0	191.4	189.9	187.7	184.8	181.9	179.1	176.4
Farm	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Ag Services	6.9	6.8	6.8	6.7	6.6	6.6	6.4	6.3	6.2	6.1
Mining	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction	14.3	14.2	14.1	14.0	13.9	13.8	13.6	13.4	13.3	13.1
Manufacturing	13.9	13.9	13.8	13.8	13.8	13.8	13.7	13.7	13.7	13.6
Trans, Comm	9.3	9.2	9.1	9.0	8.9	8.7	8.5	8.3	8.1	7.9
Wholesale	5.1	5.1	5.0	5.0	5.0	5.0	4.9	4.9	4.9	4.8
Retail	33.6	33.4	33.3	33.1	32.9	32.7	32.4	32.1	31.7	31.4
FIRE	16.6	16.4	16.3	16.2	16.1	15.9	15.7	15.4	15.2	15.0
Services	69.4	68.5	67.7	66.9	66.1	65.0	63.4	62.0	60.5	59.1
Federal Civilian	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Military	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.4
Local	19.3	19.2	19.1	19.0	18.8	18.7	18.4	18.2	18.0	17.8

Goal - Employment (000)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	198.5	196.0	193.5	191.0	188.6	185.8	182.5	179.3	176.1	173.0
Farm	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Ag Services	6.9	6.8	6.8	6.7	6.6	6.6	6.4	6.3	6.2	6.1
Mining	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction	14.1	14.0	13.9	13.8	13.8	13.6	13.4	13.2	13.0	12.8
Manufacturing	20.9	20.3	19.8	19.3	18.7	18.3	17.8	17.4	17.0	16.6
Trans, Comm	10.2	10.0	9.8	9.5	9.3	9.0	8.8	8.5	8.3	8.0
Wholesale	9.3	9.0	8.6	8.3	8.0	7.7	7.4	7.1	6.8	6.6
Retail	30.1	29.9	29.8	29.6	29.5	29.3	29.1	28.8	28.6	28.4
FIRE	16.3	16.1	15.9	15.7	15.5	15.3	15.0	14.7	14.4	14.1
Services	63.6	62.9	62.1	61.4	60.7	59.7	58.5	57.4	56.3	55.2
Federal Civilian	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Military	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.4
Local	19.3	19.2	19.1	19.0	18.8	18.7	18.4	18.2	18.0	17.8

Projections - Employment (000)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	173.7	169.7	164.7	159.8	155.1	150.6	145.9	141.0	136.3	131.8	127.5
Farm	3.3	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Ag Services	5.9	5.8	5.5	5.3	5.1	4.9	4.7	4.5	4.3	4.1	3.9
Mining	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction	12.9	12.7	12.4	12.1	11.8	11.5	11.2	10.8	10.4	10.1	9.7
Manufacturing	13.6	13.6	13.5	13.4	13.4	13.3	13.2	13.1	12.9	12.8	12.7
Trans, Comm	7.7	7.4	7.1	6.7	6.4	6.1	5.8	5.6	5.3	5.1	4.9
Wholesale	4.8	4.7	4.7	4.6	4.5	4.5	4.4	4.4	4.3	4.3	4.2
Retail	31.1	30.7	30.1	29.5	28.9	28.3	27.7	27.0	26.3	25.6	25.0
FIRE	14.8	14.4	14.0	13.6	13.2	12.8	12.4	11.8	11.3	10.8	10.3
Services	57.7	55.7	53.1	50.7	48.4	46.2	44.0	41.9	39.9	38.0	36.2
Federal Civilian	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9
Military	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.2	2.2	2.2
Local	17.5	17.2	16.8	16.4	16.0	15.6	15.2	14.7	14.3	13.9	13.5

Goal - Employment (000)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	170.0	166.3	162.0	157.8	153.7	149.7	145.4	140.8	136.3	131.8	127.5
Farm	3.3	3.3	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Ag Services	5.9	5.8	5.5	5.3	5.1	4.9	4.7	4.5	4.3	4.1	3.9
Mining	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Construction	12.6	12.4	12.2	11.9	11.7	11.5	11.2	10.8	10.4	10.1	9.7
Manufacturing	16.2	15.8	15.4	15.1	14.8	14.4	14.1	13.8	13.4	13.1	12.8
Trans, Comm	7.8	7.5	7.2	6.8	6.5	6.2	6.0	5.7	5.4	5.1	4.9
Wholesale	6.3	6.1	5.8	5.6	5.4	5.2	5.0	4.8	4.7	4.5	4.3
Retail	28.1	27.9	27.6	27.3	27.1	26.8	26.5	26.0	25.6	25.2	24.8
FIRE	13.8	13.5	13.1	12.7	12.3	12.0	11.6	11.3	10.9	10.6	10.3
Services	54.1	52.6	50.8	49.0	47.3	45.7	43.9	41.9	40.1	38.2	36.3
Federal Civilian	1.1	1.1	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9
Military	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
State	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.2	2.2	2.2
Local	17.5	17.2	16.8	16.4	16.0	15.6	15.2	14.7	14.3	13.9	13.5

Earnings (000,000)

The following chart compares the total annual earnings for the projections and the goal.

Projections - Earnings (000,000)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	7985.1	7764.9	7551.7	7345.1	7144.9	6932.7	6710.1	6495.4	6288.4	6088.8
Farm	125.3	124.7	124.1	123.5	122.9	121.9	120.7	119.5	118.4	117.2
Ag Services	175.7	170.3	165.0	159.9	154.9	149.6	143.8	138.3	133.0	127.8
Mining	9.6	9.5	9.3	9.2	9.0	8.9	8.7	8.5	8.3	8.2
Construction	747.3	726.4	706.0	686.3	667.1	646.1	623.7	602.0	581.1	560.9
Manufacturing	610.9	605.1	599.3	593.6	588.0	581.7	574.8	568.0	561.2	554.6
Trans, Comm	529.0	511.8	495.2	479.1	463.5	446.6	428.6	411.4	394.8	378.9
Wholesale	229.7	226.5	223.3	220.1	217.0	213.5	209.7	206.0	202.4	198.8
Retail	811.1	797.7	784.5	771.5	758.8	744.7	729.4	714.4	699.7	685.3
FIRE	580.2	566.6	553.3	540.4	527.7	513.8	498.9	484.3	470.2	456.5
Services	2771.3	2664.8	2562.3	2463.7	2369.0	2272.4	2174.5	2080.9	1991.3	1905.5
Federal Civilian	80.6	79.4	78.3	77.2	76.1	74.9	73.6	72.3	71.0	69.7
Military	13.8	13.6	13.4	13.2	13.0	12.8	12.6	12.4	12.1	11.9
State	145.0	143.0	140.9	138.9	137.0	134.8	132.4	130.1	127.8	125.5
Local	1155.4	1125.7	1096.8	1068.5	1041.1	1011.0	978.7	947.5	917.2	887.9

Goal - Earnings - (000,000)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All Workers	10677.4	10208.1	9760.8	9334.6	8928.4	8512.6	8090.4	7690.2	7310.8	6951.2
Farm	125.3	124.7	124.1	123.5	122.9	121.9	120.7	119.5	118.4	117.2
Ag Services	175.7	170.3	165.0	159.9	154.9	149.6	143.8	138.3	133.0	127.8
Mining	9.6	9.5	9.3	9.2	9.0	8.9	8.7	8.5	8.3	8.2
Construction	913.6	882.7	852.9	824.1	796.2	763.7	727.4	692.7	659.7	628.3
Manufacturing	1481.6	1417.8	1356.7	1298.3	1242.4	1183.2	1121.5	1063.1	1007.6	955.1
Trans, Comm	659.2	627.8	597.9	569.4	542.3	514.0	484.9	457.5	431.6	407.2
Wholesale	625.7	593.1	562.2	532.9	505.1	476.1	446.2	418.2	391.9	367.3
Retail	1069.9	1029.7	991.1	953.9	918.1	882.3	846.8	812.6	779.9	748.5
FIRE	880.2	838.3	798.4	760.3	724.1	686.4	647.5	610.9	576.3	543.7
Services	3280.1	3094.5	2919.3	2754.1	2598.2	2448.8	2305.8	2171.2	2044.5	1925.1
Federal Civilian	80.6	79.4	78.3	77.2	76.1	74.9	73.6	72.3	71.0	69.7
Military	13.8	13.6	13.4	13.2	13.0	12.8	12.6	12.4	12.1	11.9
State	149.8	147.4	145.1	142.8	140.6	138.2	135.6	133.1	130.6	128.1
Local	1212.3	1179.3	1147.1	1115.9	1085.5	1051.8	1015.3	980.0	946.0	913.1

Projections - Earnings (000,000)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	5896.2	5654.9	5372.7	5106.2	4854.4	4616.5	4374.9	4131.4	3902.7	3687.9	3486.1
Farm	116.0	114.6	112.9	111.2	109.6	108.0	106.2	104.3	102.5	100.7	98.9
Ag Services	122.9	117.6	112.0	106.7	101.6	96.8	91.3	85.3	79.7	74.5	69.6
Mining	8.0	7.8	7.6	7.4	7.2	7.0	6.7	6.5	6.3	6.1	5.9
Construction	541.4	516.6	487.4	459.8	433.7	409.2	384.2	359.1	335.6	313.6	293.1
Manufacturing	548.0	539.4	528.8	518.4	508.3	498.3	486.2	472.0	458.2	444.9	431.9
Trans, Comm	363.6	344.3	321.8	300.7	281.1	262.7	244.4	226.3	209.5	194.0	179.6
Wholesale	195.3	190.7	185.2	179.8	174.5	169.4	164.5	159.7	155.1	150.5	146.2
Retail	671.2	652.9	630.8	609.5	588.9	569.0	547.1	523.5	501.0	479.4	458.8
FIRE	443.2	426.2	405.9	386.6	368.2	350.6	331.2	310.4	291.0	272.7	255.6
Services	1823.5	1722.7	1607.0	1499.1	1398.4	1304.5	1213.4	1125.6	1044.2	968.6	898.6
Federal Civilian	68.5	66.9	64.9	63.0	61.2	59.4	57.4	55.2	53.1	51.0	49.1
Military	11.7	11.4	11.1	10.8	10.5	10.2	9.9	9.6	9.3	9.0	8.8
State	123.3	120.4	116.9	113.5	110.2	107.0	103.8	100.8	97.9	95.0	92.3
Local	859.5	823.3	780.4	739.7	701.1	664.6	628.5	592.9	559.3	527.7	497.8

Goal - Earnings - (000,000)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
All Workers	6610.3	6245.9	5864.5	5507.2	5172.7	4859.4	4556.9	4265.7	3994.1	3740.7	3504.2
Farm	116.0	114.6	112.9	111.2	109.6	108.0	106.2	104.3	102.5	100.7	98.9
Ag Services	122.9	117.6	112.0	106.7	101.6	96.8	91.3	85.3	79.7	74.5	69.6
Mining	8.0	7.8	7.6	7.4	7.2	7.0	6.7	6.5	6.3	6.1	5.9
Construction	598.4	564.5	527.6	493.1	460.8	430.7	400.6	371.0	343.5	318.0	294.5
Manufacturing	905.3	852.1	796.3	744.2	695.5	650.0	604.7	559.9	518.4	480.0	444.5
Trans, Comm	384.1	359.8	334.7	311.4	289.7	269.4	249.5	229.9	211.9	195.3	180.0
Wholesale	344.2	321.4	299.0	278.1	258.7	240.7	221.3	201.2	182.9	166.3	151.2
Retail	718.3	688.3	658.7	630.3	603.2	577.2	551.8	527.1	503.4	480.8	459.2
FIRE	512.9	480.5	447.0	415.8	386.8	359.8	335.5	313.5	293.0	273.8	255.9
Services	1812.7	1696.5	1578.1	1468.0	1365.6	1270.3	1183.4	1103.9	1029.7	960.6	896.1
Federal Civilian	68.5	66.9	64.9	63.0	61.2	59.4	57.4	55.2	53.1	51.0	49.1
Military	11.7	11.4	11.1	10.8	10.5	10.2	9.9	9.6	9.3	9.0	8.8
State	125.8	122.6	118.8	115.1	111.6	108.1	104.8	101.5	98.4	95.3	92.4
Local	881.4	841.8	795.6	752.0	710.8	671.8	633.8	596.8	562.0	529.2	498.3