

The Governor's
Economic
and
Demographic
Report

1999-2000

Kansas Division of the Budget

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Acknowledgements

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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>.

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 2000. When this occurs, the expansion will become the longest in U.S. history.

1999 U.S. Economic Review

The expansion of the U.S. economy continued in 1999, albeit at a slower pace. Several major factors combined in 1999 to prolong the expansion. These include a 1.2 percent growth in the civilian labor force, a 1.5 percent increase in employment, and a 4.2 percent decrease in the unemployment rate. Table 1-1 presents major U.S. economic trends for 1999 and 2000. The unemployment rate in the U.S. has fallen in

Table 1-1

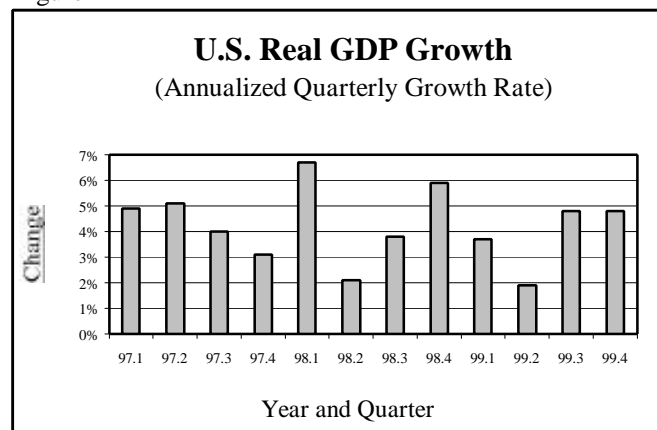
Major U.S. Economic Trends		
	1999	2000
GDP Growth (\$ Constant)	3.9 %	3.4 %
Personal Income Growth (\$ Current)	5.1	5.0
Consumer Prices Index Increase (CPI-U)	2.3	2.5
Unemployment Rate (Monthly Average)	4.2	4.3

every year since 1992 when it stood at 7.5 percent. Real gross domestic product (GDP) grew at an annual rate of 3.9 percent in 1999 compared to 4.3 percent in 1998.

Nominal personal income grew by 5.1 percent in 1999 compared to 5.7 percent in 1998. Inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U) increased from 1.6 percent in 1998 to a still modest 2.3 percent rate in 1999. The increase in inflation is largely due to increases in energy prices. In fact, the core inflation rate, excluding food and energy prices, has actually dropped 2.0 percent. Although the economy slowed somewhat, it continued to grow at a respectable rate.

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 5.3 percent rate in 1999 compared to a 5.5 percent rate in 1998, and a 6.2 percent rate in 1997. Real GDP increased at a 3.9 percent rate in 1999 compared to a 4.3 percent rate in 1998 and a 4.5 percent rate in 1997. This indicates that the level of production in the U.S. economy is continuing to increase, but at a decreasing rate compared to recent years. Figure 1-1 presents the annualized quarterly growth rate for the U.S. real GDP from the first quarter of 1997 through the fourth quarter of 1999.

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 5.1 percent rate in 1999, which is down from a 5.7 percent growth rate in both 1997 and 1998.

Salary and wage disbursements increased by 6.5 percent in 1999, down slightly from 6.7 percent in 1998. Other labor income increased by 3.8 percent in 1999, compared to a 3.6 percent growth rate in the previous year. Surprisingly, fringe benefit costs have not accelerated despite increasing health care costs and

the growth of bonuses in 1999. Proprietors' income increased at a 6.0 percent rate in 1999 compared to a 4.7 percent rate in 1998. Rents increased at a 5.2 percent rate in 1999 compared to a 2.8 percent rate in 1998. Dividends increased at a 4.1 percent rate in 1999 compared to a 1.1 percent rate in 1998. Interest increased at a 2.3 percent rate in both 1999 and 1998. Transfer payments grew by 3.2 percent in 1999 compared to a 3.5 percent increase in 1998. Social insurance contributions increased at a 6.7 percent rate in 1999 compared to a 6.5 percent rate in 1998.

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, continued to remain low in 1999 at 2.3 percent. Inflation has now been at or below 3.0 percent since 1992. Inflation, as measured by the GDP Price Index, stood at 1.3 percent in 1999 compared to 1.2 percent in 1998.

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 3.3 percent in 1999 compared with a 2.4 percent increase in the previous year. Manufacturing output per hour increased by 5.3 percent in 1999 compared to 4.1 percent in 1998.

2000 U.S. Economic Outlook

The national economic expansion that began in 1991 is expected to continue through 2000, 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 3.9 percent. Although the economic expansion is expected to slow in 2000, no recession is expected. Real GDP is forecasted to grow 3.4 percent in 2000, down from a 3.9 percent growth rate in 1999.

The unemployment rate is forecasted to increase slightly to 4.3 percent in 2000 compared to 4.2 percent in 1999. Nominal personal income is forecasted to increase by 5.0 percent in 2000 compared to a 5.2 percent increase in 1999. The CPI-U is expected to

increase to 2.5 percent in 2000, slightly higher than the 2.3 percent rate in 1999. Moderating growth, continued low inflation, and a stable unemployment rate are forecasted for the U.S. economy during 2000.

Gross Domestic Product. U.S. nominal GDP is expected to increase 4.8 percent in 2000. Real GDP is expected to increase 3.4 percent in 2000.

Personal Income. U.S. personal income is expected to grow at a 5.0 percent rate in 2000, while salary and wage disbursements are expected to increase 5.6 percent. Other labor income is anticipated to grow 3.9 percent. Proprietors' income (3.3 percent) and rents (6.0 percent) also are expected to increase.

The forecast for dividends is an increase of 2.9 percent, while interest is expected to increase 4.3 percent. Transfer payments and social insurance contributions are forecasted to increase 4.5 percent and 4.9 percent, respectively.

Overall, income is expected to increase. Disposable personal income is estimated to increase 5.4 percent, while real disposable personal income is expected to rise 3.2 percent. Simultaneously, personal taxes also are expected to increase by 2.8 percent.

In addition, the personal savings rate is expected to decrease by 38.5 percent and remain at the associated level of -0.8 percent through 2000. During the same time period, the level of personal savings is expected to fall 36.6 percent.

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, CPI-U increases declined to 2.3 percent in 1997, then to 1.6 percent in 1998. Inflation has accelerated somewhat from the remarkable performance of 1998, but remains low. 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 to the CPI-U and the higher increase in 1999 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 2.8 percent in 2000. Manufacturing output per hour is expected to increase 3.9 percent. Although employment costs are forecasted to rise 3.6 percent in 2000, 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 expand in 2000, but at a slower rate compared to prior years. Table 1-2 presents major Kansas economic trends for 1999 and 2000.

Table 1-2

Major Kansas Economic Trends		
	1999	2000
GSP Growth (\$ Constant)	5.0 %	3.8 %
Personal Income Growth (\$ Current)	4.8	4.2
Employment Growth Rate (Place of Residence)	2.4	2.2
Employment Growth Rate (Place of Work)	2.4	2.4
Unemployment Rate (Monthly Average)	3.3	3.6

Kansas Employment

In 2000, employment is expected to increase at rates at, or slightly below the 1999 levels. There are two ways to count employment. One way is by place of residence and the other is by place of work. Place of residence data are compiled based on a sample survey of households, while place of work data are compiled based on data primarily obtained from firms directly as part of the unemployment insurance program.

Based on the place of residence, the Kansas civilian labor force grew at a 1.8 percent rate in 1999 compared to a 3.3 percent rate in 1998. Employment by place of residence increased by 2.4 percent in 1999 compared to 3.3 percent in 1998. In 1999, the unemployment rate in Kansas stood at 3.3 percent compared to 3.8 percent in 1998 and 1997.

Kansas Personal Income

1998 Review. Salaries and wages are the largest portion of personal income and constituted 56.0

percent of total personal income in 1998. Salaries and wages increased at a 7.6 percent rate in 1998, which is the same rate as in 1997. Three major industries constitute nearly three-fourths of salary and wage disbursements in Kansas, with services accounting for 30.2 percent, manufacturing for 23.8 percent, and government for 19.8 percent of the total.

Other labor income, consisting largely of employer payments for health insurance and other benefits, rose 3.3 percent in 1998 compared to a 2.4 percent increase in 1997. Other labor income was more than \$3.9 billion in 1998, indicating the importance of fringe benefits in personal income growth.

Proprietors' income grew at a 6.3 percent rate in 1998, compared to 5.4 percent in 1997. Nonfarm proprietors' income increased at a 6.8 percent rate in 1998, while farm proprietors' income increased by 3.9 percent. Table 1-3 presents Kansas personal income for 1997 through 1999.

Table 1-3

Kansas Personal Income					
1997 Actual, 1998 Estimate, & 1999 Forecast					
<i>(Dollars in Millions)</i>					
	1997	1998	1999	% Chg.	% Chg.
	Actual	Estimate	Forecast	97-98	98-99
Sal. & Wages	\$34,305	\$36,908	\$38,439	7.6 %	4.1 %
Other Labor	3,730	3,854	3,918	3.3	1.7
Proprietors'	5,539	5,889	7,098	6.3	20.5
Farm	939	976	1,903	3.9	95.0
Nonfarm	4,600	4,913	5,195	6.8	5.7
Dividends, Int. &					
Rent	11,341	11,679	11,930	3.0	2.1
Transfers	9,295	9,571	9,751	3.0	1.9
Res. Adj.	1,275	1,280	1,323	0.4	3.3
Less: Soc. Ins.	(3,123)	(3,325)	(3,458)	6.5	4.0
Tot. Pers. Inc.	62,362	65,856	69,000	5.6	4.8

Following the salaries and wages category, dividends, interest, and rent are the second largest major source of personal income for Kansans. This category accounted for 17.3 percent of total personal income in 1998. Dividends, interest, and rent increased by 3.0 percent in 1998, which is down from 5.6 percent in 1997.

Transfer payments grew at a slightly more rapid pace in 1998 than in 1997. Transfer payments increased by

3.0 percent in 1998 compared with a 3.3 percent increase in 1997. Personal contributions for social insurance increased 6.5 percent in 1998. The 1998 increase compares to a 7.5 percent increase in 1997.

A significant portion of Kansas personal income is paid to Kansans from out-of-state sources. This income is particularly significant, for instance, for residents who live in Johnson or Wyandotte County and work in Missouri. The significance is reflected in the residence adjustment which increased by 0.4 percent in 1998. In 1997, the residence adjustment increased by 20.5 percent.

1999 Estimates. In 1999, the growth rate of personal income in Kansas was sustained by several factors. First, moderating, but continued, growth in salaries and wages; dividends, interest, and rent; and nonfarm proprietors' income occurred. Second, a stronger farm economy was realized in 1999. The growth rate of personal income in Kansas slowed to 4.8 percent growth in 1999 compared with a 5.6 percent growth rate in 1998. Preliminary estimates based on the first half of 1999 indicate that strong gains were experienced in the areas of agricultural services (11.0 percent), construction (9.9 percent), transportation and public utilities (7.6 percent), and Finance, Insurance, and Real Estate, or FIRE, (6.8 percent).

In addition to gains in the relatively small agricultural services sector, farm proprietors' income also was up 94.9 percent. This increase accounts for a 73.8 percent increase in total farm income. Losses were experienced in both the mining (-5.6 percent) and durable goods manufacturing (-0.5 percent) sectors during the first half of 1999.

Salaries and wages are the largest component of Kansas personal income. In 1999, they are estimated to increase 4.1 percent, which is down from the robust 7.6 percent growth in both 1997 and 1998. Other labor income is estimated to rise a modest 1.7 percent in 1999, which compares to a 3.3 percent increase in 1998.

Proprietors' income is estimated to increase 20.5 percent in 1999. Specifically, farm proprietors' income is forecasted to increase by 94.9 percent and nonfarm proprietors' income by 5.7 percent.

Other categories of income also are expected to increase in 1999. Dividends, interest, and rent is

estimated to increase 2.2 percent in 1999. This increase follows a 3.0 percent increase in 1998. Transfer payments are estimated to increase 1.9 percent in 1999 after a 3.0 percent increase in 1998. The residence adjustment for income earned by Kansas residents from out-of-state sources is projected to increase 3.4 percent in 1999 compared to a 0.4 percent increase in 1998.

2000 Kansas Economic Outlook

Gross State Product is forecasted to increase 3.8 percent in 2000 compared to 5.0 percent in 1999. Personal income in Kansas is forecasted to increase by 4.2 percent in 2000 compared to 4.8 percent in 1999. Employment by place of residence is forecasted to increase by 2.2 percent in 2000 compared to 2.4 percent in 1999. Employment by place of work is forecasted to increase by 2.4 percent in 2000 compared to 2.0 percent in 1999. The unemployment rate is expected to increase from 3.3 percent in 1999 to 3.6 percent in 2000. Overall, the Kansas economy is expected to experience moderating growth in 2000.

The Kansas economy also is expected to grow less rapidly than the national economy in 2000. 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 reduce output or to grow at a very slow rate. Manufacturing employment growth is expected to grow only 1.4 percent in 1999. Despite recent fluctuations, the aircraft industry is expected to remain relatively stable in the coming year.

Strong employment growth is predicted in retail trade in the coming year. Job growth also is expected in wholesale trade, but at a lower rate of growth than experienced in the past. Construction employment likely is to receive a major boost in the near future with the beginning of a \$13.0 billion state highway transportation enhancement bill. However, this may be offset somewhat by a slowdown in other nonresidential and residential construction as interest rates continue to edge upward.

Although no expectation presently exists of major job reductions in the Johnson County area because of the MCI/Sprint merger, the possibility should not be discounted totally. In addition, the agricultural sector

is not strong; the imminent recovery of Asian economies could lead to increased demand for products of farm and food producers. Overall, the Kansas economy is expected to remain strong, but recent levels of growth will moderate.

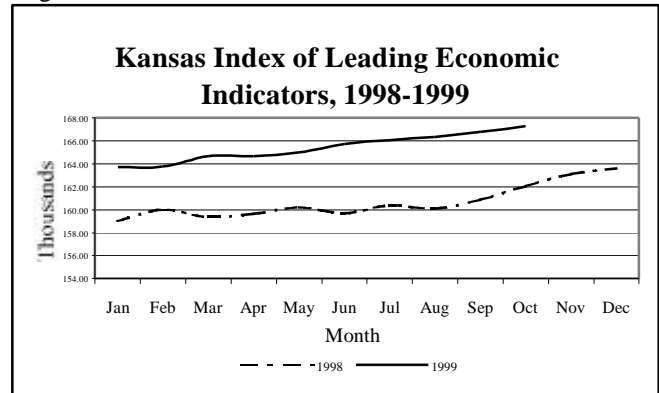
Kansas Index of Leading Economic Indicators

The outlook for the Kansas economy is monitored with a variety of data sources and techniques. Among these is the Kansas Index of Leading Economic Indicators (KILEI). The index was designed to forecast turning points (recessions or recoveries) in the Kansas economy and to supplement the usual econometric forecasting techniques. The index is a weighted composite of seven components, six of which are specific to Kansas.

The Kansas components of the index are (1) initial claims for unemployment compensation in Kansas, (2) average hours worked in manufacturing in Kansas, (3) new housing starts authorized for construction in Kansas, (4) stock prices of approximately 100 Kansas-based or Kansas-related companies, (5) wheat prices paid to Kansas farmers, and (6) cattle prices paid to Kansas farmers. In addition, a measure of the nation's money supply, M2, is included. The index was constructed from monthly data beginning in 1970. In the majority of cases during this more than 20-year period, the index has been successful in forecasting turning-points in the Kansas economy.

For October, the latest month for which data are available, the KILEI continued its upward trend, driven by a decrease in initial claims for unemployment compensation, an increase in new housing starts authorized for construction, an increase in cattle prices, and an increase in the money supply. Figure 1-2 presents the Kansas Index of Leading Economic Indicators for January 1998 through October 1999.

Figure 1-2



Wheat prices, stock prices, and average hours worked in manufacturing all fell in October. Although the index continues to increase and the index values for 1999 have been consistently above the index for comparable months in 1998, the rate of increase has been slowing. This slowing indicates that the Kansas economy may be approaching a plateau. However, it does not necessarily imply that a recession is imminent.

Chapter 2

The National Economy

1999 U.S. Economic Review

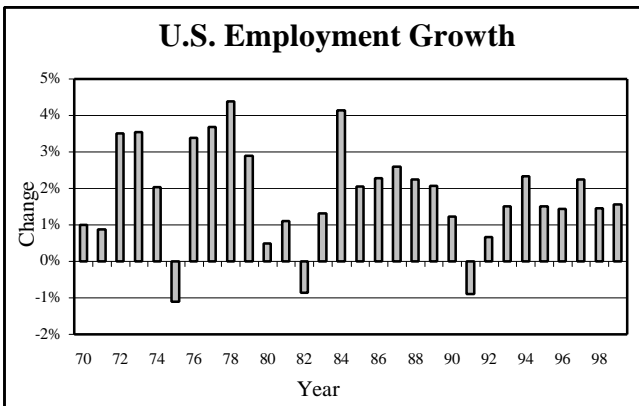
The expansion of the U.S. economy continued in 1999, albeit at a slower pace. If this expansion continues, it will soon become the longest economic expansion in history. Figure 2-1 shows the U.S. civilian labor force growth rate from 1970 through 1999. The civilian

Figure 2-1



labor force grew 1.2 percent, while employment increased 1.5 percent, and the unemployment rate fell to 4.2 percent in 1999. Figure 2-2 shows the U.S.

Figure 2-2



employment growth rate from 1970 through 1999. The unemployment rate in the U.S. fell every year since 1992, when it stood at 7.5 percent. Real Gross Domestic Product (GDP) grew at an annual rate of 3.9 percent in 1999 compared to 4.3 percent in 1998.

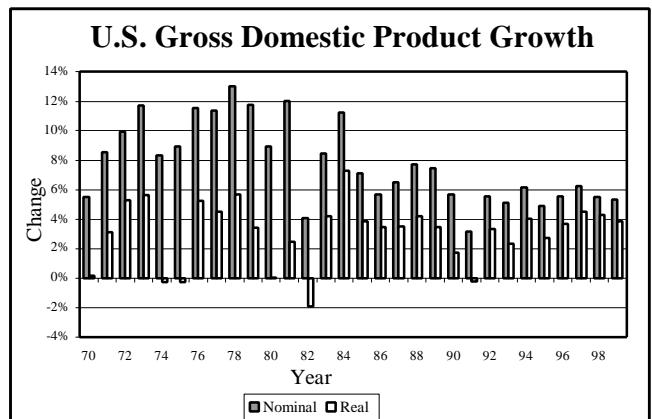
Nominal personal income grew by 5.1 percent in 1999 compared to 5.7 percent in 1998. Figure 2-3 shows

Figure 2-3



the U.S. unemployment rate from 1970 through 1999. Inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U) increased from 1.6 percent in 1998 to a still modest 2.3 percent in 1999. The increase in inflation is largely due to increases in energy prices. In fact, the core inflation rate, excluding food and energy prices, actually has

Figure 2-4



dropped 2.0 percent. Figure 2-4 presents U.S. Gross Domestic Product growth from 1970 through 1999. Although the economy slowed somewhat, it continued to grow at a respectable rate.

Gross Domestic Product. Nominal gross domestic product is the dollar value of final goods and services produced within the country during a given year. Real Gross Domestic Product is GDP adjusted for price changes (inflation) over the course of that year. In 1999, U.S. nominal GDP increased at a 5.3 percent rate, compared to 5.5 percent in 1998, and 6.2 percent in 1997. Real GDP increased at a 3.9 percent rate in 1999 compared to a 4.3 percent rate in 1998 and a 4.5

percent rate in 1997. These changes indicate that the level of production in the U.S. economy is continuing to increase, but at a decreasing rate compared to recent years. Table 2-1 presents nominal U.S. GDP composition and growth from 1997 through 2000.

Consumer Spending. The largest component of GDP is consumer spending. In 1999, this component again was a major contributor to the continued expansion of

Table 2-1

U.S. GDP Composition & Growth, 1997-2000 (Dollars in Billions)							
	Nominal				Percentage Change		
	1997	1998	1999*	2000**	97-98	98-99	99-00
Gross Dom. Prod.	8,300.8	8,759.9	9,227.5	9,671.4	5.5 %	5.3 %	4.8 %
Consumption	5,524.4	5,848.6	6,247.8	6,601.6	5.9	6.8	5.7
Durables	642.9	698.2	754.9	787.7	8.6	8.1	4.3
Nondurables	1,641.7	1,708.9	1,840.0	1,932.1	4.1	7.7	5.0
Services	3,239.8	3,441.5	3,652.9	3,881.8	6.2	6.1	6.3
Investment	1,383.7	1,531.2	1,623.7	1,706.7	10.7	6.0	5.1
Fixed	1,315.4	1,460.0	1,586.2	1,673.6	11.0	8.6	5.5
Nonresidential	986.1	1,091.3	1,177.0	1,261.7	10.7	7.9	7.2
Structures	254.1	272.8	275.2	294.1	7.4	0.9	6.9
Equipment	732.1	818.5	901.7	967.6	11.8	10.2	7.3
Residential	329.2	368.7	409.3	411.9	12.0	11.0	0.6
Change in Invent.	68.3	71.2	37.5	33.1	4.2	(47.3)	(11.7)
Exports	968.0	966.3	995.4	1,066.2	(0.2)	3.0	7.1
Imports	1,056.3	1,115.9	1,258.8	1,394.5	5.6	12.8	10.8
Government	1,481.0	1,529.7	1,619.3	1,691.4	3.3	5.9	4.5
Federal	537.8	538.7	564.9	582.4	0.2	4.9	3.1
National Defense	352.5	348.6	360.0	367.3	(1.1)	3.3	2.0
Nondefense	185.3	190.1	204.9	215.1	2.6	7.8	5.0
State and Local	943.2	991.0	1,054.4	1,108.9	5.1	6.4	5.2
	Real (\$Chained 1996)				Percentage Change		
	1997	1998	1999*	2000**	97-98	98-99	99-00
Gross Dom. Prod.	8,165.1	8,516.3	8,846.6	9,144.3	4.3 %	3.9 %	3.4 %
Consumption	5,433.7	5,698.6	5,994.0	6,226.4	4.9	5.2	3.9
Durables	657.4	731.5	812.6	864.8	11.3	11.1	6.4
Nondurables	1,619.9	1,685.3	1,774.1	1,824.7	4.0	5.3	2.9
Services	3,156.7	3,284.5	3,414.8	3,547.2	4.0	4.0	3.9
Investment	1,385.8	1,547.4	1,591.4	1,677.7	11.7	2.8	5.4
Fixed	1,316.0	1,471.8	1,599.7	1,685.9	11.8	8.7	5.4
Nonresidential	995.7	1,122.5	1,227.3	1,325.8	12.7	9.3	8.0
Structures	244.0	254.1	250.0	258.7	4.1	(1.6)	3.5
Equipment	751.9	870.6	984.6	1,077.5	15.8	13.1	9.4
Residential	320.6	350.2	374.4	366.4	9.2	6.9	(2.1)
Change in Invent.	69.1	74.3	36.7	31.7	7.5	(50.6)	(13.6)
Exports	985.4	1,007.1	1,042.9	1,117.4	2.2	3.6	7.1
Imports	1,095.2	1,222.2	1,373.5	1,499.2	11.6	12.4	9.2
Government	1,455.1	1,480.3	1,526.8	1,555.9	1.7	3.1	1.9
Federal	530.9	526.1	536.2	540.6	(0.9)	1.9	0.8
National Defense	348.3	341.7	344.0	344.0	(1.9)	0.7	0.0
Nondefense	182.7	184.4	192.1	196.4	0.9	4.2	2.2
State and Local	924.1	953.9	990.4	1,015.0	3.2	3.8	2.5

*Estimated

**Forecasted

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

the economy. Expenditures for real personal consumption increased 5.2 percent in 1999 compared to 4.9 percent in 1998.

The increase in consumer spending was led by an 11.1 percent increase in durable goods purchased in 1999 compared to an 11.3 percent increase in 1998. Durable goods are products with an expected useful life of more than one year.

Nondurable goods are those with an expected useful life of one year or less. Consumption of this type increased at a 5.3 percent rate in 1999 compared to a 4.0 percent increase in 1998. Leading the increase in 1999 were expenditures for fuel oil and coal (10.6 percent) and expenditures on clothing and shoes (9.8 percent). Spending on gasoline and oil rose only 0.7 percent in 1999, while expenditures on food and beverages rose 3.3 percent.

Table 2-2 presents U.S. personal consumption expenditures and price changes from 1998 through 2000. Changes in consumer spending are affected by

Table 2-2

	U.S. Personal Consumption Expenditures					
	Percentage Change, Seasonally Adjusted, 1997-2000					
	Expenditures			Prices		
	97-98	98-99	99-00	97-98	98-99	99-00
Pers. Cons. Expend.	4.9 %	5.2 %	3.9 %	0.9 %	1.6 %	1.7 %
Durables	11.3	11.1	6.4	(2.4)	(2.7)	(1.9)
Motor Veh. & Parts	10.6	8.6	3.3	(0.6)	(0.1)	(0.2)
Furn. & H.H. Equip.	13.4	14.7	10.2	(5.1)	(5.9)	(4.3)
Other	8.4	10.8	7.3	(0.7)	(1.7)	(0.7)
Nondurables	4.0	5.3	2.9	0.1	2.3	2.1
Food	2.7	3.3	1.5	1.7	2.1	2.2
Clothing & Shoes	7.8	9.8	6.1	(2.1)	(2.2)	(1.7)
Gasoline & Oil	1.2	0.7	2.3	(11.5)	9.1	8.0
Fuel Oil & Coal	(4.1)	10.6	(1.5)	(9.2)	(0.6)	4.4
Other	5.4	7.1	3.6	2.0	4.1	2.7
Services	4.0	4.0	3.9	2.1	2.1	2.3
Housing	2.4	2.5	2.4	3.2	2.8	2.6
Household Ops.	5.3	4.8	4.3	(1.0)	0.0	1.0
Transportation	3.5	3.2	5.2	1.1	1.0	1.5
Medical Care	2.8	2.5	3.2	2.3	2.5	2.4
Other	6.2	6.2	5.1	2.2	2.0	2.5

Source: Standard & Poor's DRI

changes in a variety of factors, including personal income, the savings rate, debt accumulation, discretionary income, and consumers' confidence in the economy.

Expenditures on services grew less rapidly than overall consumer spending, increasing 4.0 percent in 1999, the same rate as in 1998. Although housing expenditures

rose only 2.5 percent in 1999, this was offset by a 6.2 percent increase in expenditures for other services and a 4.8 percent increase in expenditures for household operation. Transportation expenditures increased 3.2 percent, while medical care expenditures went up by 2.5 percent.

Business Investment. Real business investment slowed to a 2.8 percent pace in 1999 compared to a robust 11.7 percent increase in 1998. Fixed investment remained healthy with an 8.7 percent increase in 1999 compared to an 11.8 percent rate in 1998. Nonresidential investment remained strong with a 9.3 percent increase in 1999 compared to 12.7 percent in 1998. However, partly because of rising interest rates, investment in structures fell by 1.6 percent in 1999 compared to a 4.1 percent increase in 1998. Investment in equipment continued to be strong, especially with the recent inclusion of computer software into this sector. The increase in 1999 was 13.1 percent compared to 15.8 percent in 1998. Residential investment growth slowed to 6.9 percent in 1999, largely because of mortgage rates creeping upward. This slow down compares to a 9.2 percent growth rate in 1998. Strong consumer demand caused inventories to fall 50.6 percent in 1999 compared to a 7.5 percent increase in 1998.

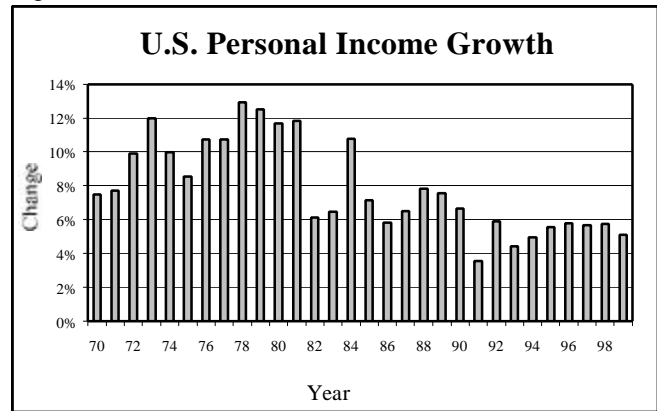
International Trade. Real exports rebounded slightly, with a 3.6 percent increase in 1999 compared to a 2.2 percent increase in 1998. Although the precipitous drop in the Asian economies in recent years has largely abated, consumer demand is only beginning to recover. On the other hand, real imports continued to increase at a double-digit pace, increasing by 12.4 percent in 1999 compared to an 11.6 percent increase in 1998. Accordingly, real net exports in 1999 recorded a deficit of over \$300.0 billion.

Government Expenditures. Real government expenditures increased at a 3.1 percent pace in 1999 compared to a 1.7 percent increase in 1998. Federal government expenditures increased 1.9 percent in 1999 compared to a 0.9 percent decrease in 1998. National defense expenditures recorded a 0.7 percent increase in 1999 compared to a 1.9 percent decrease in 1998. Nondefense expenditures experienced a 4.2 percent increase in 1999 compared to a 0.9 percent increase in 1998. At the state and local government level expenditures increased at a 3.8 percent rate in 1999 compared to a 3.2 percent increase in 1998.

Personal Income. Personal income is the dollar value of income available to households for consumption expenditures. U.S. personal income grew at a 5.1 percent rate in 1999, down from a 5.7 percent growth rate in both 1997 and 1998. Salary and wage disbursements increased by 6.5 percent in 1999, down slightly from 6.7 percent in 1998. Other labor income increased 3.8 percent in 1999 compared to a 3.6 percent growth rate in the previous year. Surprisingly, fringe benefit costs have not accelerated despite increasing health care costs and the growth of bonuses in 1999. Proprietors' income increased at a 6.0 percent rate in 1999 compared to a 4.7 percent rate in 1998, while rents increased at a 5.2 percent rate, compared to a 2.8 percent rate in 1998. Dividends increased at a 4.1 percent rate in 1999 compared to a 1.1 percent rate in 1998, and interest increased at a 2.3 percent rate in both 1998 and 1999. Also in 1999, transfer payments grew 3.2 percent compared to a 3.5 percent increase in 1998, while social insurance contributions increased at a 6.7 percent rate in 1999 compared to a 6.5 percent rate in 1998. Table 2-3, which is shown at the bottom of this page, presents U.S. personal income composition and growth from

1997 through 2000. Figure 2-5 presents U.S. personal income growth from 1970 through 1999. Personal

Figure 2-5



taxes increased at a 6.7 percent rate in 1999 compared to an 11.1 percent increase in 1998. Disposable personal income, that is, personal income less personal taxes, increased by 4.9 percent in 1999 compared to 4.0 percent in 1998, and real disposable personal income rose 3.4 percent in 1999 compared to a 3.2 percent increase in 1998.

Table 2-3

U.S. Personal Income Growth, 1997-2000							
<i>(Dollars in Billions)</i>							
	1997	1998	1999*	2000**	Percentage Change		
					97-98	98-99	99-00
Personal income	6,784.0	7,126.1	7,495.6	7,866.9	5.0 %	5.2 %	5.0 %
Salaries & wages	3,889.8	4,149.9	4,418.2	4,666.1	6.7	6.5	5.6
Private	3,225.7	3,460.5	3,698.0	3,907.9	7.3	6.9	5.7
Government	664.2	689.3	720.2	758.2	3.8	4.5	5.3
Other labor income	392.9	406.9	422.4	439.0	3.6	3.8	3.9
Proprietors' income	551.2	577.2	612.1	632.5	4.7	6.0	3.3
Farm	35.5	28.7	22.6	23.8	(19.2)	(21.3)	5.3
Nonfarm	515.8	548.5	589.4	608.7	6.3	7.5	3.3
Rents	158.2	162.6	171.1	181.4	2.8	5.2	6.0
Dividends	260.3	263.1	274.0	281.9	1.1	4.1	2.9
Interest	747.3	764.8	782.6	816.0	2.3	2.3	4.3
Transfers	1,110.4	1,149.0	1,186.1	1,238.9	3.5	3.2	4.5
Less: Pers. Cont. for Soc. Ins.	326.2	347.4	370.7	388.9	6.5	6.7	4.9
Less: Personal Taxes	989.0	1,098.3	1,171.6	1,204.2	11.1	6.7	2.8
Equals: Disp. Pers. Inc.	5,795.1	6,027.9	6,324.1	6,662.6	4.0	4.9	5.4
Less: Personal Outlays	5,674.1	6,000.2	6,403.5	6,713.0	5.7	6.7	4.8
Pers. Cons. Expend.	5,493.7	5,807.9	6,199.6	6,499.4	5.7	6.7	4.8
Interest	161.5	172.4	183.8	193.7	6.7	6.6	5.4
Personal Foreign Transfers	18.9	19.9	20.2	19.9	5.3	1.5	(1.5)
Equals: Pers. Saving	121.0	27.7	-79.4	-50.3	(77.1)	(386.6)	(36.6)
Real Disp. Pers. Inc.	5,183.1	5,348.5	5,528.9	5,706.9	3.2	3.4	3.2
Personal Saving Rate	2.1	0.5	-1.3	-0.8	(76.2)	(360.0)	(38.5)

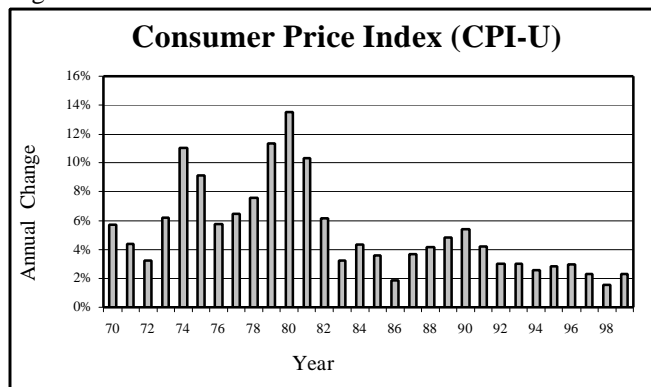
* Estimated
**Forecasted

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

The level of personal savings fell dramatically by 386.6 percent in 1999. This unprecedented decline compares to a 77.1 percent decrease in 1998. Similarly, the personal savings rate fell 360.0 percent in 1999 compared to a 76.2 percent decrease in 1998. In fact, the personal savings rate was -1.3 percent in 1999, indicating that consumers were spending more than their level of income. Although preliminary data based on revised accounting practices indicate that consumer saving may not be negative, it is hovering precariously near zero. The data source is the U.S. Department of Commerce, Bureau of Economic Analysis.

Inflation, as measured by the CPI-U, continued to remain low in 1999 at 2.3 percent. Inflation has now been at, or below, 3.0 percent since 1992. Inflation as measured by the GDP Price Index stood at 1.3 percent in 1999 compared to 1.2 percent in 1998. Figure 2-6 presents inflation as measured by the CPI-U from 1970 through 1999.

Figure 2-6



The price of durable goods fell 2.7 percent in 1999 compared to a 2.4 percent decrease in 1998. Within the durable goods category, the price of motor vehicles and parts fell slightly in 1999 (-0.1 percent), which was less than it fell in 1998 (-0.6 percent). The price of furniture and household equipment fell more substantially in 1999 (-5.9 percent) than it did in 1998 (-5.1 percent). The price decreases 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.

The price of nondurable goods increased 2.3 percent in 1999 compared to a slight 0.1 percent increase in 1998. Within the nondurables category food prices increased at a 2.1 percent rate in 1999, which is higher

than the 1.7 percent increase in 1998. The price of clothing and shoes fell 2.2 percent in 1999 compared to a 2.1 percent decline in 1998. The price of gasoline and oil rose sharply in 1999 primarily because of cuts in the Organization of Petroleum Exporting Countries (OPEC) production quota. In 1999, the gas and oil price increased 9.1 percent compared to an 11.5 percent decrease in 1998. The price of fuel oil and coal fell slightly by 0.6 percent in 1999, significantly slower decline than the 9.2 percent decrease in 1998.

The price of services increased at a 2.1 percent rate in 1999, the same rate as in 1998. The price of housing increased at a 2.8 percent rate in 1999 compared to a 3.2 percent increase in 1998. The price of household operation remained constant in 1999 compared to a 1.0 percent decrease in 1998. The price of transportation increased 1.0 percent in 1999 compared to a 1.1 percent increase in 1998, and the price of medical care increased 2.5 percent in 1999 compared to a 2.3 percent increase in 1998.

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 3.3 percent in 1999 compared with a 2.4 percent increase in the previous year. Manufacturing output per hour increased by 5.3 percent in 1999 compared to 4.1 percent in 1998.

2000 U.S. Economic Outlook

The national economic expansion that began in 1991 is expected to continue, but at a slower pace, through 2000. 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 3.9 percent.

Although the economic expansion is expected to slow in 2000, no recession is expected. Real GDP is forecasted to grow 3.4 percent in 2000, down from a 3.9 percent growth rate in 1999. The unemployment rate is forecasted to increase slightly to 4.3 percent in 2000 compared to 4.2 percent in 1999. Nominal personal income is forecasted to increase by 5.0 percent in 2000 compared to a 5.2 percent increase in 1999. The CPI is expected to increase to 2.5 percent

in 1999, slightly higher than the 2.3 percent rate in 1999. Moderate growth, continued low inflation, and a stable unemployment rate are forecasted for the U.S. economy during 2000.

The robust growth in the U.S. economy has been driven by strong consumer spending and fueled largely by the rapid growth in stock market wealth. Many traditional models of stock valuation suggest that the market is currently overpriced. In addition, stock prices have been highly volatile in 1999. These two factors are major risks to the forecast of continued strong economic growth in 2000. Table 2-4 presents the major U.S. economic forecasts for 2000.

Table 2-4

Major U.S. Economic Trends	
	<u>2000</u>
GDP Growth (\$ Constant)	3.4 %
Personal Income Growth (\$ Current)	5.0
Consumer Price Index Increase (CPI-U)	2.5
Unemployment Rate (Monthly Average)	4.3

Since the last recession in 1991, consumer spending has continued to increase at a more rapid pace than disposable income. The result has been that the savings rate has continued to fall, meaning 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 2000. Inventory accumulation also will slow and dampen growth in 2000. In addition, volatility in financial markets will slow the flow of capital into the real estate market, which has already substantially outpaced the demographic demand for new construction.

Gross Domestic Product. At the national level, nominal GDP is expected to increase 4.8 percent in 2000. Real GDP is expected to increase 3.4 percent in 2000.

Consumer Spending. 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. Real disposable income is expected to increase by 3.2

percent in 2000, while real consumer spending is expected to increase 3.9 percent. Durable and nondurable goods consumption also is expected to increase by 6.4 percent and 2.9 percent, respectively.

Consumption of services also is expected to increase 3.9 percent in 2000, but the savings rate is forecasted to remain negative at -0.8 percent. Consumer confidence, which remained relatively high in 1999, is anticipated to remain high in 2000. However, consumer confidence is estimated to be below its 1999 level. Although this does not necessarily mean that consumers are anticipating an imminent recession, it does signal 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 6.4 percent in 2000. 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 10.2 percent in 2000. Purchases of motor vehicles and parts are expected to rise 3.3 percent in 2000.

Expenditures for nondurable goods are forecasted to increase 2.9 percent in 2000. However, expenditures for fuel oil and coal are expected to decrease 1.5 percent in 2000. Alternatively, other expenditures are estimated to increase, including clothing and shoes (6.1 percent), gasoline and oil (2.3 percent), and food and beverages (1.5 percent).

Expenditures for services also are forecasted to increase 3.9 percent in 2000. Specific categories which are expected to realize increases include medical care (3.2 percent), transportation (5.2 percent), household operations (4.3 percent), and housing (2.4 percent).

Business Investment. Investment in equipment is expected to remain robust in 2000 for several reasons. First, the recent inclusion of computer software into this category will accelerate the growth rate. Second, tight labor markets will increase the incentive for firms to substitute capital for labor when possible.

Both nonresidential and residential construction is expected to decline in 2000 in response to rising interest rates. Real business investment is expected to increase 5.4 percent in 2000, while fixed investment is

expected to increase 5.4 percent. Other business investment categories are forecasted to increase as well, including nonresidential investment (8.0 percent), investment in structures (3.5 percent), and investment in equipment (9.4 percent). Alternatively, residential investment is expected to decrease by 2.1 percent, and inventories are anticipated to fall 13.6 percent.

International Trade. Exports are beginning to recover as Asian markets rebound. Although many Latin American economies are experiencing recessions, on the whole, they appear to be relatively mild when compared to the Asian recession of recent years. Stronger growth in Europe also is expected to bolster exports. However, imports are expected to continue increasing more rapidly than exports. Real exports are expected to increase 7.1 percent in 2000, while real imports are expected to increase by 9.2 percent. The result is that real net exports are expected to continue recording a deficit of over \$350.0 billion.

Government Expenditures. Real government expenditures are expected to increase by 1.9 percent in 2000. Overall, federal government expenditures are expected to increase by 0.8 percent. Specifically, national defense expenditures are anticipated to remain constant, but nondefense expenditures are expected to increase by 2.2 percent. State and local government expenditures are forecasted to increase by 2.5 percent.

Personal Income. U.S. personal income is expected to grow at a 5.0 percent rate in 2000, with all categories experiencing increases. The categories are salary and wage disbursements (5.6 percent), other labor income (3.9 percent), proprietors' income (3.3 percent), rents (6.0 percent), dividends (2.9 percent), interest (4.3 percent), transfer payments (4.5 percent), social insurance contributions (4.9 percent), personal taxes (2.8 percent), disposable personal income (5.4 percent), and real disposable personal income (3.2 percent).

In FY 2000, the level of personal savings is expected to fall 36.6 percent, while the rate of personal savings is expected to fall 38.5 percent. In fact, the personal savings rate is expected to remain at -0.8 percent.

Inflation. For the first five years of the current expansion, inflation, as measured by the CPI-U, remained low, with annual increases averaging less

than 3.0 percent. Even more unexpectedly the CPI-U increases declined to 2.3 percent in 1997 and then to 1.6 percent in 1998.

Since the remarkable performance of 1998, inflation has accelerated somewhat, but still remains low. 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 very low 1998 increase in the CPI-U and the higher increase in 1999 largely are because of 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 continue to remain low in 2000 at 2.5 percent. Inflation, as measured by GDP price index, also is expected to remain low at 1.4 percent in 2000.

The price of durable goods is expected to fall 1.9 percent in 2000. The price of motor vehicles and parts is anticipated to fall 0.2 percent, while the price of furniture and household equipment is expected to fall 4.3 percent.

The price of nondurable goods also is expected to increase in 2000 by 2.1 percent. Specifically, food prices are forecasted to increase 2.2 percent, while the price of clothing and shoes is expected to fall 1.7 percent. Alternatively, the price of gasoline and oil is expected to rise sharply by 8.0 percent and the price of fuel oil and coal is expected to rise 4.4 percent.

The price of services is expected to increase 2.3 percent in 2000 as well. The price of housing is expected to increase by 2.6 percent, while the price of household operation is expected to rise by 1.0 percent. Transportation is anticipated to increase by 1.5 percent. In addition, the price of medical care is expected to increase by 2.4 percent.

Productivity. A major factor in holding down inflationary pressures has been productivity increases. Cyclically adjusted output per hour is expected to increase 2.8 percent in 2000, while manufacturing output per hour is expected to increase 3.9 percent.

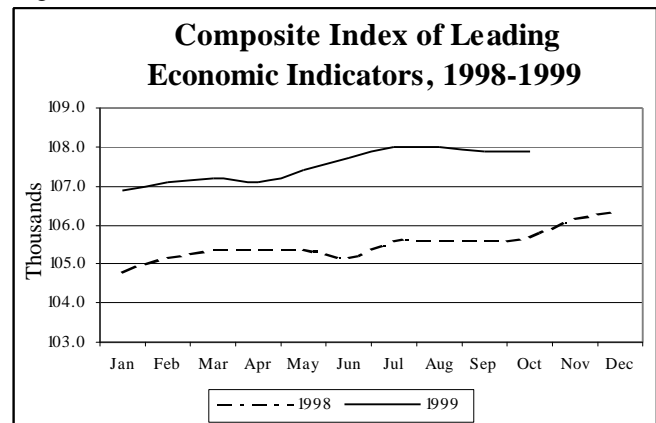
Although employment costs are forecasted to rise 3.6 percent in 2000, the productivity increase will tend to keep labor costs and associated inflationary pressure from rising rapidly even though the economy is at, or near, full employment.

Conference Board Composite Index of Leading Economic Indicators. The Composite Index of Leading Economic Indicators is a summary measure of future activity in the U.S. economy. The index is computed by averaging its individual components in order to smooth the volatility of the individual series. The cyclical turning points in this index typically occur before the respective turning points in the overall economy. The index consists of ten components: (1) average weekly manufacturing hours, (2) average weekly initial claims for unemployment insurance, (3) manufacturers' new orders for consumer goods and materials, (4) the slower deliveries diffusion index, which measures vendor performance, (5) manufacturers' new orders for nondefense capital goods, (6) building permits for new private housing units, (7) 500 common stock prices, (8) M2 money supply, (9) the interest rate spread between 10-year Treasury bonds and the federal funds rate, and (10) the Index of Consumer Expectations.

Since 1996, the Composite Index of Leading Economic Indicators has been prepared and released by the Conference Board, a not-for-profit, non-advocacy business research organization. Previously, the index was computed and released by the U.S. Department of Commerce, Bureau of Economic Analysis.

The Composite Index of Leading Economic Indicators declined slightly in September, then remained unchanged in October. The index was bolstered by changes in five components, but was weakened by other components. Those which bolstered the index include an increase in housing permits, a decrease in initial unemployment claims, an increase in the money supply, a widening in the yield curve, and slowing vendor performance. Simultaneously, the index was weakened because of the performance of the manufacturing-related components. Those include lower consumer expectations and soft stock market performance. Figure 2-7 presents the Composite Index of Leading Economic Indicators from January

Figure 2-7



1998 through October 1999. Although the index has flattened recently, there is no evidence that this recent performance is an indication of an impending recession. Neither does the index's recent flattening indicate an imminent end to the economic expansion.

Chapter 3

Kansas Employment Changes & Personal Income

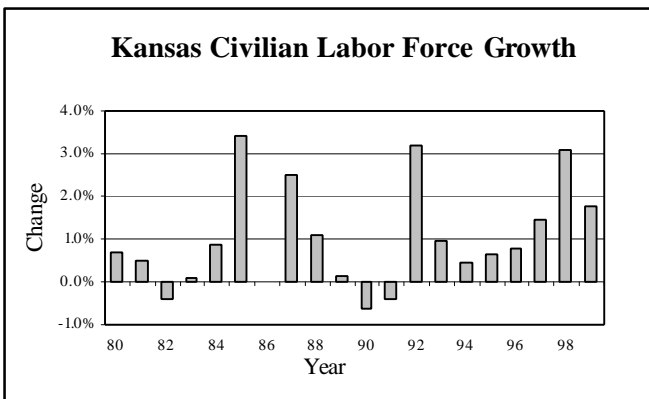
1999 Kansas Employment Trends

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 and data is classified 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. 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 type. Table 3-1, which is shown on page 23, presents Kansas employment details, both by place of residence and by place of work, from 1998 through 1999.

Employment by Place of Residence

Figure 3-1 presents trends in the Kansas civilian labor force from 1980 through 1999. In 1999, the Kansas

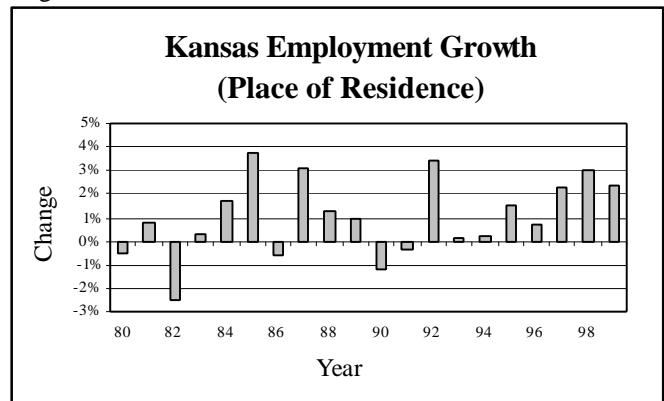
Figure 3-1



civilian labor force grew at a 1.8 percent rate, which is slightly more than one-half of the 3.3 percent growth rate realized in 1998.

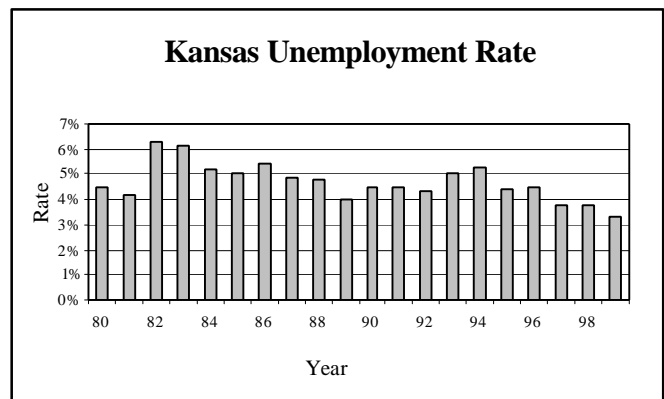
In 1999, Kansas employment, as measured by place of residence grew at a rate of 2.4 percent, while in 1998 the state's employment as measured by place of residence grew at a 3.3 percent rate. Figure 3-2 presents Kansas employment trends by place of residence from 1980 through 1999.

Figure 3-2



In 1999, average monthly unemployment in Kansas fell to 46,600 from its 1998 level of 54,000. Figure 3-3 presents trends in the Kansas unemployment rate from 1980 through 1999.

Figure 3-3



As shown in the graph, the average monthly unemployment rate in Kansas decreased from the 1998 level of 3.8 percent to 3.3 percent in 1999. Since 1971, the Kansas unemployment rate has been consistently below the U.S. unemployment rate.

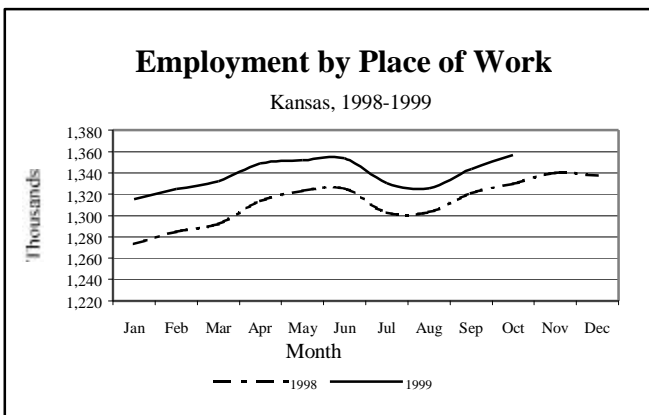
Estimates for 1999 are based on data available through October

In 1999, employment grew at a rate that exceeded population growth, which has continued to push the unemployment rate lower. The result was that many sectors were left to battle for scarce workers.

Employment by Place of Work. In 1999, overall employment by place of work in Kansas increased at a 2.0 percent rate in 1999 compared to a 3.5 percent rate in 1998. These rates represent the growth of all major industries in Kansas.

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. Figure 3-4 presents Kansas employment trends by place of work for 1998 and 1999.

Figure 3-4

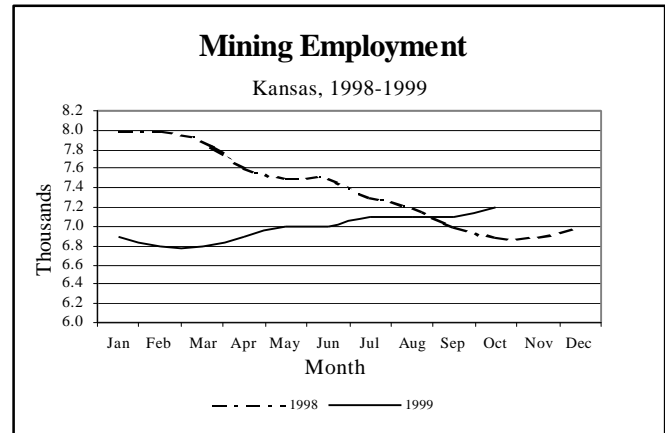


Goods Producing Industries

Employment in the goods producing industries increased at a 0.8 percent rate in 1999 compared to a 3.6 percent rate in 1998. The subcategories that make up this major industry are mining, construction, and manufacturing, two of which increased in 1999. Specifically, mining employment increased 4.1 percent and construction employment increased 8.0 percent. However, manufacturing employment decreased 1.5 percent.

Mining. In 1999, overall mining employment rose by 4.1 percent, which is a significant improvement when compared to the 10.8 percent drop in 1998. Figure 3-5 presents trends in mining employment for 1998 and 1999.

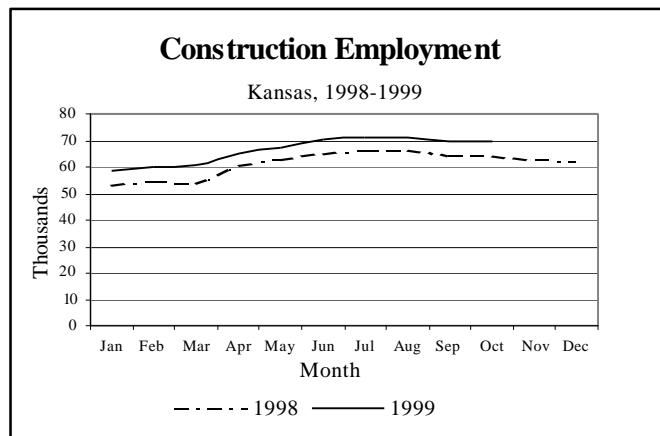
Figure 3-5



Oil and gas extraction, a key subcomponent of the mining sector, recovered somewhat in 1999 (3.3 percent) when compared to 1998 (-13.0 percent). 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.

Construction. Figure 3-6 presents trends in construction employment in Kansas for 1998 and

Figure 3-6

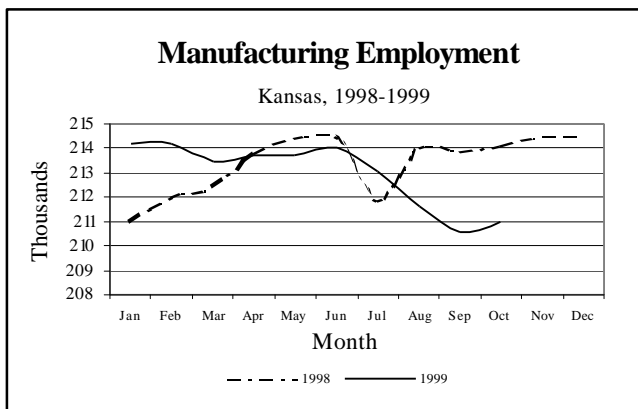


1999. Construction employment in Kansas also increased in 1999 at a rate almost double that of 1998.

In 1999, construction employment grew at an 8.0 percent rate compared to a 4.8 percent rate in 1998. 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.

Manufacturing. In 1999, manufacturing employment suffered its first loss in six years, when it dropped 1.5 percent compared to a 3.8 percent increase in 1998. Figure 3-7 presents trends in manufacturing employment for 1998 and 1999.

Figure 3-7



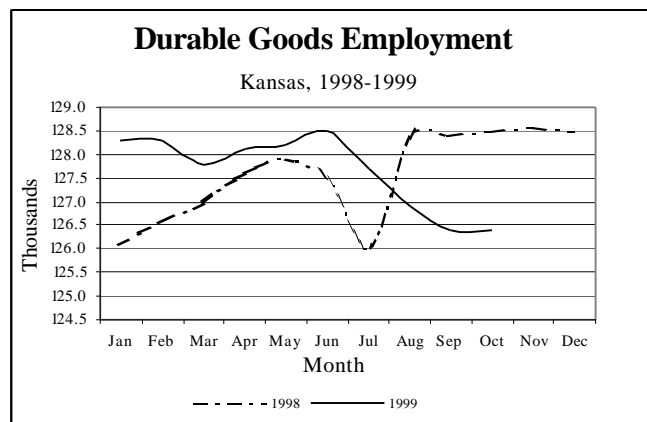
The decrease in manufacturing employment is largely because of ongoing production problems at the Boeing Company in Wichita. Although manufacturing employment dropped in 1999, overall manufacturing employment has remained relatively strong compared to other sectors. The relative strength is substantiated by the average monthly manufacturing employment showing only a 3,400 decrease from 213,400 in 1998 to 210,300 in 1999.

Following the trend in overall manufacturing employment, durable goods manufacturing employment also decreased in 1999. Durable goods are defined as goods with an expected useful life of more than one year. Durable goods manufacturing employment dropped by 1.6 percent in 1999 compared to a 5.5 percent increase in 1998.

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. In

1999, only one of these subcategories realized an increase in employment. The only increase occurred in stone, clay, and glass products manufacturing employment (4.8 percent). The three subsectors showing decreases in employment are primary metals manufacturing (-4.7 percent), machinery manufacturing (-6.0 percent), and transportation equipment manufacturing (-1.0 percent). The only subcategory that remained unchanged from 1998 was fabricated metals manufacturing employment. Figure 3-8 presents the yearly trends in durable goods manufacturing employment, by month, for both 1998 and 1999.

Figure 3-8

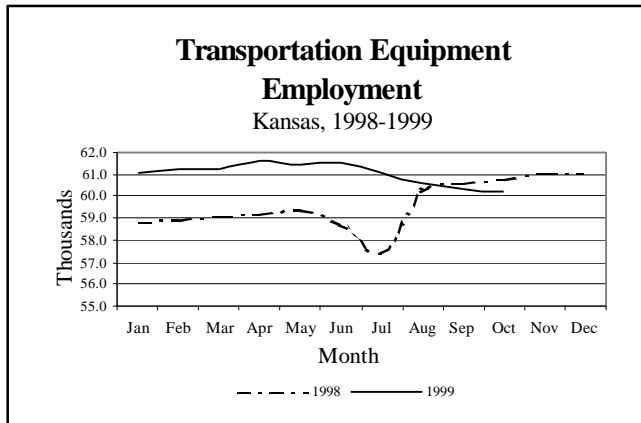


Employment trends in transportation equipment, a subcomponent of durable goods manufacturing, are important for four reasons. First, transportation equipment manufacturing is a major exporting subsector within the Kansas economy. Second, aircraft and related parts manufacturing is a major subcategory 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 impact on the Kansas economy as a whole.

In 1999, transportation equipment manufacturing employment in Kansas decreased by 1.0 percent compared to an 8.0 percent increase in 1998. Specifically, employment in the aircraft and parts manufacturing subcategory decreased by 1.4 percent in

1999 compared to a 9.6 percent increase in 1998. Although this sector realized a decrease in employment, it is expected to remain relatively strong through 2000. Figure 3-9 presents trends in overall transportation and equipment manufacturing employment for 1998 and 1999.

Figure 3-9



The dynamics of the aircraft and parts manufacturing employment in the Wichita metropolitan area are of particular interest when analyzing the Kansas economy. In 1999, those dynamics were driven by activity at Boeing, which reduced its employment by nearly 5,000.

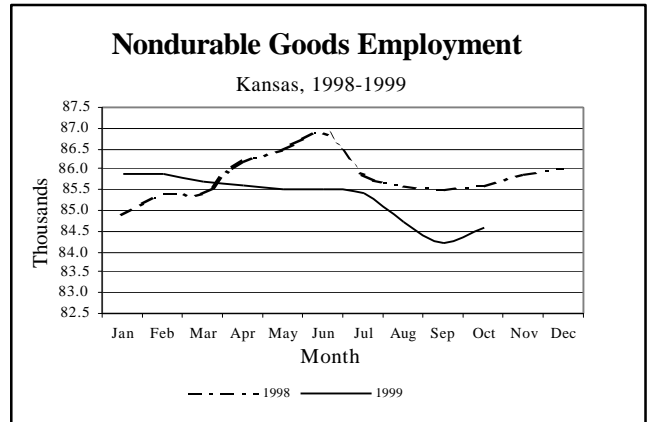
These employment reductions at Boeing were largely the result of three factors, including ongoing production problems, the continuing postponement or cancellation of orders from Asian airlines because of the weak Asian economy, and fierce competition for new orders from its European competitor, Airbus Industries. However, many of the losses at Boeing were absorbed by commensurate employment increases at Cessna, Raytheon, and Bombardier/LearJet.

Similar to employment in the durable goods manufacturing sector, employment in nondurable goods manufacturing also decreased in 1999. However, the decrease in employment for nondurable goods manufacturing (-1.2 percent) was less than the decrease experienced in durable goods manufacturing employment (-1.6 percent). Nondurable goods are defined as goods with an expected useful life of less than one year.

Within the nondurable goods manufacturing category, there are seven important subsectors of manufacturing,

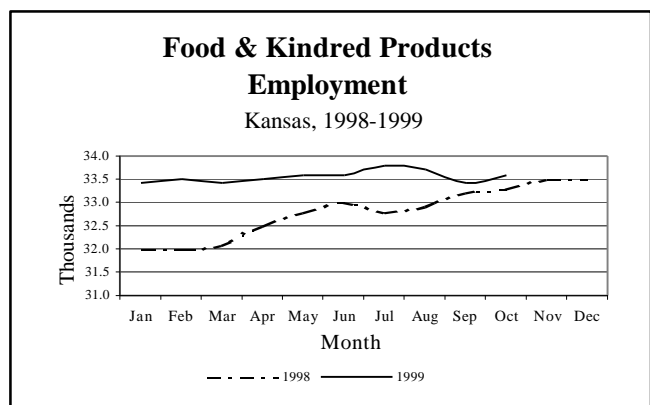
including food and kindred products, meat products, grain mill products, apparel and other textile products, printing and publishing, chemicals and allied products, and petroleum/coal and rubber/plastics. Figure 3-10 presents trends for nondurable goods manufacturing employment for 1998 and 1999.

Figure 3-10



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 39.0 percent of all nondurable goods employment. Figure 3-11 presents trends in food and kindred products employment in Kansas for 1997 and 1998.

Figure 3-11



In 1999, employment in the food and kindred products manufacturing sector increased by 0.9 percent compared to a 2.5 percent increase in 1998. Meat products manufacturing (0.5 percent) and grain mill products manufacturing (4.8 percent) also experienced employment gains in 1999. Losses occurred in apparel and textile products manufacturing (-6.5 percent), printing and publishing (-3.0 percent), chemicals and

allied products (-2.9 percent), and petroleum/coal and rubber/plastic products (-2.1 percent).

Service Producing Industries

The second broad classification of employment by place of work is the service producing industries sector. In 1999, for the first time in five years, employment growth in the service producing industries exceeded that of the goods producing industry, with rates of 2.4 percent and 0.8 percent, respectively. However, the 1999 employment growth rate of 2.4 percent in the service producing industries sector was lower than the 3.4 percent rate in 1998.

There are five important subsectors within the services producing industries, including transportation, communication, and public utilities; trade; finance, insurance, and real estate (FIRE); “pure” services; and government employment. In 1999, all five major subsectors realized increases in employment, including transportation, communication and public utilities (1.5 percent), trade (3.5 percent), FIRE (1.8 percent), “pure” services (2.4 percent), and government (1.2 percent).

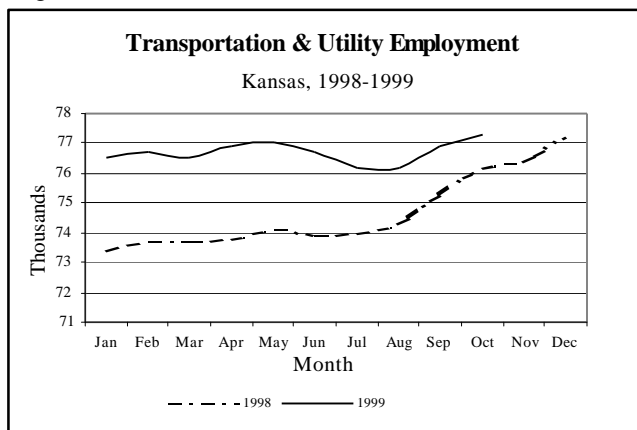
Transportation, Communication, & Public Utilities.

Consistent with other service producing industries, employment in the transportation, communication, and public utilities sector grew in 1999 with a 1.5 percent rate compared to a 3.6 percent rate in 1998. Not surprisingly, the largest component of job creation in this industry was communications. Completion of the \$700.0-million Sprint World Headquarters in Overland Park, Kansas is likely to stabilize employment growth in the area in the immediate future. However, the recently announced merger between Sprint and MCI may curtail future growth or may even result in some employment decreases.

Two of the three key components of the transportation, communication, and public utility sector also experienced employment growth in 1999. Specifically, trucking and warehousing employment increased 2.7 percent in 1999 compared to a 3.2 percent increase in 1998, while electric, gas, and sanitary service employment expanded 1.0 percent in 1999 after a 5.5 percent decline in 1998. The only key component realizing a decrease in employment was railroad transportation, which fell 2.9 percent in 1999

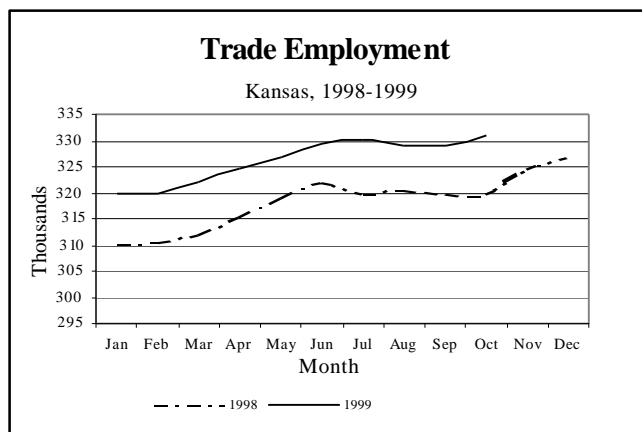
compared to a 3.0 percent increase in 1998. Figure 3-12 presents trends in transportation and public utilities employment for 1998 and 1999.

Figure 3-12



Wholesale & Retail Trade. Figure 3-13 presents trends in trade employment for 1998 and 1999. Total trade employment increased by 3.5 percent in 1999 compared to an increase of 2.9 percent in 1998.

Figure 3-13

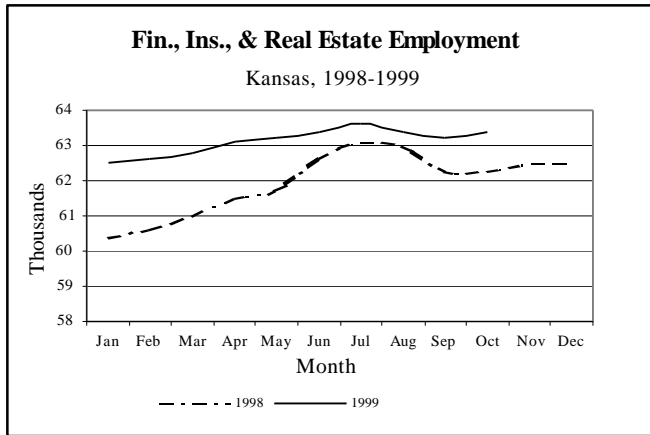


This category is made up of two sectors: wholesale and retail trade. During 1999, wholesale trade employment increased by 2.7 percent compared to a 1.0 percent increase in 1998. However, the retail trade sector provided most of the net increase in trade employment in 1999, with an increase of 3.7 percent, compared to a 3.5 percent increase in 1998. The majority of jobs created in 1999 were in general merchandising and eating and drinking establishments. Within the retail trade sector, only apparel and accessory store employment fell (-3.4 percent). All other sectors experienced increases, including general merchandising store employment (6.7 percent), food

store employment (0.9 percent), and automobile dealer and service station employment (1.9 percent).

Finance, Insurance, & Real Estate. Employment in finance, insurance, and real estate (FIRE) increased by 1.8 percent in both 1998 and 1999. Figure 3-14 presents trends in FIRE employment for 1998 and 1999.

Figure 3-14



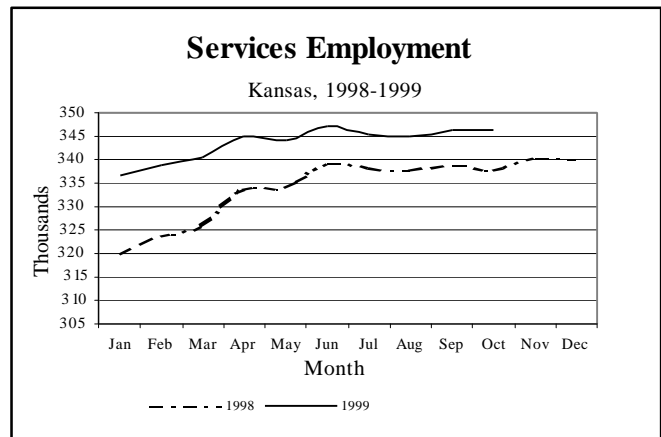
Although a number of bank mergers have taken place during the year, FIRE employment has remained relatively stable. In August NationsBank branches were converted to Bank of America facilities. The merger initiated in 1998 resulted in the largest bank in the U.S., with assets of over \$600.0 billion. Growth in real estate and investment firms provided most of the employment increase in 1999. Depository and nondepository credit institution employment fell by 0.4 percent, and insurance carriers employment fell by 0.8 percent.

Services. Typically one of the fastest growing industries in the state is the “pure” services sector. However, in 1999 this sector grew only 2.4 percent compared to 5.4 percent in 1998. The major contributors to the employment expansion in 1999 were the subsectors of business, medical, management, and social services.

Telemarketing also has been a source of major growth over the past year. In addition, hotels and other lodging places employment increased by 3.7 percent in 1999 compared to a 9.0 percent increase in 1998, while personal service employment fell by 0.8 percent in 1999. Figure 3-15, which is shown at the top of the

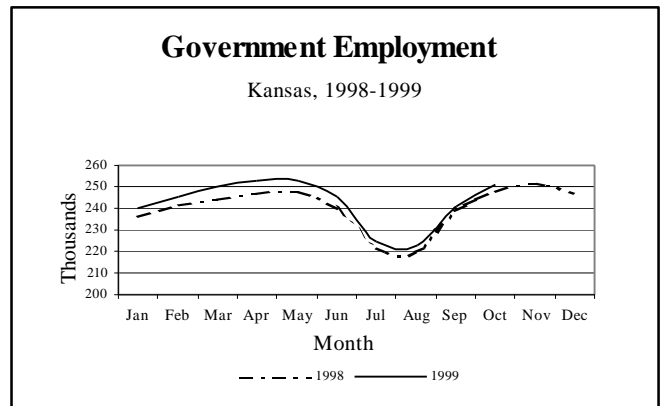
following column, presents trends in service employment for 1998 and 1999.

Figure 3-15



Government. Total government employment in Kansas increased by 1.2 percent in 1999 compared to a 1.9 percent increase in 1998. Federal government employment in the state fell by 0.4 percent in 1999 after a 1.9 percent decline in 1998, while state and local government employment increased by 1.4 percent in 1999 compared to a 2.4 percent increase in 1998. 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 1998 and 1999.

Figure 3-16

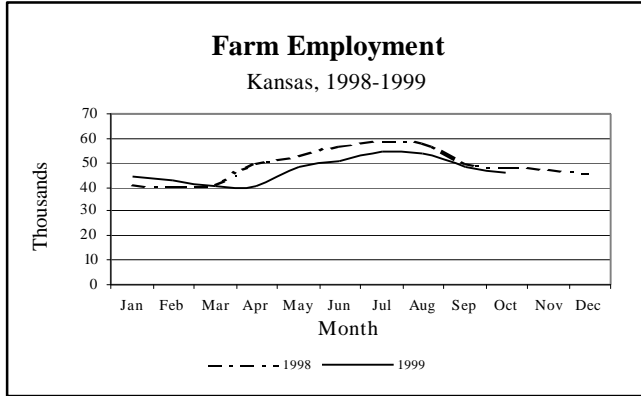


Farming

Continuing problems in the farm economy in 1999 caused farm employment to fall 4.9 percent compared to a 1.6 percent increase in 1998. Much of the

variation in farm employment during the year is due to the inherently seasonal nature of the industry. Figure 3-17 presents trends in farm employment for 1998 and 1999.

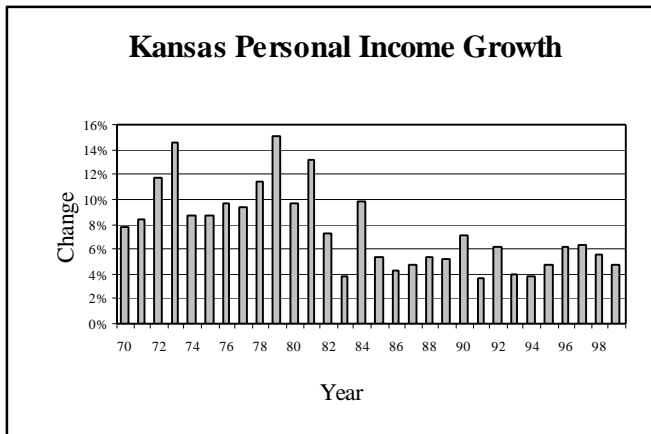
Figure 3-17



1998 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. Figure 3-18 presents Kansas

Figure 3-18



personal income and growth rates for 1970 through 1999.

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 1999 that estimates of 1998 Kansas personal income were available. Kansas personal income totaled \$65.9 billion in 1998, which is a 5.6 percent increase over the previous year. This increase is somewhat lower than the 6.3 percent growth rate experienced in 1997.

Personal Income by Source. Salaries and wages are the largest portion of personal income. In 1998, this component represented 56.0 percent of total personal income and increased at a 7.6 percent rate, which was equivalent to the 1997 rate. Three major industries make up nearly three-fourths of salary and wage disbursements in Kansas, with services accounting for 30.2 percent, manufacturing for 23.8 percent, and government for 19.8 percent of the total.

Other labor income, consisting largely of employer payments for health insurance and other benefits, rose 3.3 percent in 1998 compared to a 2.4 percent increase in 1997. Other labor income reached a level that was more than \$3.9 billion in 1998, indicating the importance of fringe benefits in personal income growth. Proprietors' income grew at a 6.3 percent rate in 1998 compared to 5.4 percent in 1997. Nonfarm proprietors' income increased at a 6.8 percent rate in 1998, while farm proprietors' income increased by 3.9 percent.

Following salaries and wages, dividends, interest, and rent are the second largest major source of personal income for Kansans, accounting for 17.3 percent of total personal income. Dividends, interest, and rent increased by 3.0 percent in 1998, down from 5.6 percent in 1997. Transfer payments grew less rapidly in 1998 than in 1997. They increased by 3.0 percent in 1998 compared with a 3.3 percent increase in 1997. In addition, personal contributions for social insurance increased 6.5 percent in 1998 compared to 7.5 percent increase in 1997.

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 0.4 percent in 1998 compared to 20.5 percent in 1997. Table 3-2 presents a breakdown of Kansas personal income and growth rates by industry for 1997 through 1999. The values for 1998 are preliminary estimates, while the 1999 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. In 1998, agricultural services employment increased by 12.3 percent compared to a 9.1 percent increase in 1997. Simultaneously, salaries and wages in the mining sector decreased by 0.6 percent in 1998 compared to an 8.9 percent increase in 1997. In the construction sector, salaries and wages increased by 8.8 percent in 1998 compared to a 6.4 percent increase in 1997.

Table 3-2

	1997	1998*	1999**	% Chg.	% Chg.	% Chg.
				96-97	97-98	98-99
Kansas Personal Income, 1997-1999						
<i>(Dollars in Millions)</i>						
Total Personal Income	62,363	65,855	69,000	6.3	5.6	4.8
Nonfarm Personal Income	61,158	64,591	66,753	6.4	5.6	3.3
Farm Income	1,205	1,263	2,247	(0.4)	4.8	77.9
Earnings by Place of Work	43,575	46,650	49,627	6.8	7.1	6.4
Less: Personal Contributions for Social Insurance	3,123	3,325	3,458	7.5	6.5	4.0
Plus: Adjustment for Residence	1,275	1,280	1,323	20.5	0.4	3.4
Equals: Net Earnings by Place of Residence	41,727	44,605	47,492	7.1	6.9	6.5
Plus: Dividends, Interest, and Rent	11,341	11,679	11,930	5.6	3.0	2.2
Plus: Transfer Payments	9,295	9,571	9,751	3.3	3.0	1.9
State unemployment insurance benefits	137	129	137	(7.1)	(6.0)	6.4
Transfers excluding State U.I.	9,158	9,443	9,644	3.4	3.1	2.1
Wages and Salaries	34,305	36,908	38,439	7.6	7.6	4.1
Other Labor Income	3,730	3,854	3,918	2.4	3.3	1.7
Proprietors' Income	5,539	5,889	7,098	5.4	6.3	20.5
Farm	939	976	1,903	(0.8)	3.9	94.9
Nonfarm	4,600	4,913	5,195	6.8	6.8	5.7
Total Farm	1,205	1,263	2,247	(0.4)	4.8	77.9
Total Nonfarm	42,370	45,388	47,379	7.1	7.1	4.4
Private	35,330	38,078	39,786	8.1	7.8	4.5
Agricultural Services, Forestry, Fisheries and Other	276	310	344	9.1	12.3	11.0
Mining	446	444	419	8.9	(0.6)	(5.6)
Construction	2,640	2,871	3,155	6.4	8.8	9.9
Manufacturing	8,267	8,778	8,835	8.8	6.2	0.7
Durable goods	5,334	5,703	5,674	10.8	6.9	(0.5)
Nondurable goods	2,932	3,074	3,161	5.3	4.9	2.8
Transportation and public utilities	3,447	3,589	3,863	8.1	4.1	7.6
Wholesale trade	3,242	3,471	3,549	7.7	7.1	2.2
Retail trade	4,305	4,610	4,806	7.1	7.1	4.2
Finance, insurance, and real estate	2,588	2,847	3,041	7.3	10.0	6.8
Services	10,119	11,160	11,773	8.8	10.3	5.5
Government and government enterprises	7,040	7,309	7,593	2.0	3.8	3.9
Federal, civilian	1,148	1,177	1,198	3.5	2.5	1.8
Military	662	668	673	(0.9)	0.9	0.8
State and local	5,230	5,465	5,722	2.0	4.5	4.7
*Estimated						
**Forecasted						

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

Manufacturing is the second largest generator of salaries and wages. In 1998, the contribution from manufacturing salaries and wages increased by 6.2 percent compared to 8.8 percent in 1997. Specifically, the durable goods manufacturing sector's salaries and wages rose by 6.9 percent, while nondurable goods manufacturing salaries and wages increased by 4.9 percent.

Salaries and wages in the transportation, communication, and public utilities sector grew at a 4.1 percent rate in 1998 compared to an 8.1 percent rate in 1997. Salaries and wages in the trade sector also increased in 1998. Specifically, wholesale trade increased 7.1 percent in 1998 compared to 7.7 percent in 1997, and retail trade increased by 7.1 percent in both 1997 and 1998. Also showing increases in salaries and wages in 1998 was FIRE, which experienced a 10.0 percent increase in 1998 compared to a 7.3 percent increase in 1997.

In terms of salaries and wages, services are the largest industry. In 1998, this industry registered an increase of 10.3 percent, which is higher than the 8.8 percent increase in 1997.

Government salaries and wages also grew in 1998. This sector realized a 3.8 percent growth rate in 1998 compared to a 2.0 percent rate in 1997. Within total government, civilian federal government salaries and wages grew at a 2.5 percent rate, military salaries and wages grew at a 0.9 percent rate, and state and local government salaries and wages grew at a 4.5 percent rate.

1999 Personal Income Estimates

Moderating, but continued growth in salaries and wages; dividends, interest, and rent; and nonfarm

proprietors' income combined with a stronger farm economy to sustain the growth of Kansas personal income in 1999. The growth rate of personal income in Kansas slowed to 4.8 percent in 1999 compared with 5.6 percent growth in 1998.

Preliminary estimates based on the first half of 1999 indicate that strong gains were being experienced in the areas of agricultural services (11.0 percent), construction (9.9 percent), transportation and public utilities (7.6 percent), and FIRE (6.8 percent). In addition to the gains in the relatively small agricultural services sector, farm proprietors' income also increased 94.9 percent, accounting for a 73.8 percent increase in total farm income. Sectors that experienced losses during the first half of 1999 included mining (-5.6 percent) and durable goods manufacturing (-0.5 percent).

Salaries and wages, which is the largest component of Kansas personal income, are estimated to increase by 4.1 percent in 1999. This increase is down from the robust 7.6 percent growth in 1997 and 1998. Other labor income is estimated to rise a modest 1.7 percent in 1999. The 1999 rise compares to a 3.3 percent increase in 1998.

Proprietors' income is estimated to increase 20.5 percent in 1999, with farm proprietors' income increasing 94.9 percent and nonfarm proprietors' income increasing 5.7 percent. After a 3.0 percent increase in 1998, dividends, interest, and rent is estimated to increase 2.2 percent in 1999.

Transfer payments are estimated to increase 1.9 percent in 1999 after a 3.0 percent increase in 1998. In addition, the residence adjustment for income earned by Kansas residents from sources outside the state of Kansas is projected to increase 3.4 percent in 1999. The 1999 projected increase compares to a 0.4 percent increase in 1998.

Table 3-1

Kansas Employment, 1998-1999				
	<u>1998</u>	<u>1999*</u>	<u>% Change 97-98</u>	<u>% Change 98-99</u>
Place of Residence Data				
Civilian Labor Force	1,411,000	1,435,700	3.3	1.8
Employment	1,357,000	1,388,900	3.3	2.4
Unemployment	54,000	46,600	3.8	(13.7)
Unemployment Rate	3.8	3.3	--	(0.5)
Place of Work Data				
All Industries	1,312,200	1,338,700	3.5	2.0
Goods Producing Industries	282,400	284,700	3.6	0.8
Mining	7,400	7,700	(10.8)	4.1
Oil & Gas Extraction	6,000	6,200	(13.0)	3.3
Construction	61,600	66,500	4.8	8.0
Manufacturing	213,400	210,300	3.8	(1.5)
Durable Goods	127,600	125,500	5.5	(1.6)
Stone, Clay & Glass Products	6,200	6,500	3.3	4.8
Primary Metal Industries	4,300	4,100	4.9	(4.7)
Fabricated Metal Products	11,200	11,200	3.7	--
Machinery (incl. Electric)	33,300	31,300	2.5	(6.0)
Transportation Equipment	59,600	59,000	8.0	(1.0)
Aircraft & Parts	49,100	48,400	9.6	(1.4)
Nondurable Goods	85,800	84,800	1.3	(1.2)
Food & Kindred Products	32,800	33,100	2.5	0.9
Meat Products	18,600	18,700	3.3	0.5
Grain Mill Products	4,200	4,400	--	4.8
Apparel & Other Textile Prod.	3,100	2,900	(8.8)	(6.5)
Printing & Publishing	23,100	22,400	--	(3.0)
Chemicals & Allied Products	6,900	6,700	6.2	(2.9)
Petroleum/Coal & Rubber/Plastics	14,300	14,000	(0.7)	(2.1)
Service Producing Industries	1,029,800	1,054,100	3.4	2.4
Transportation, Comm., & Public Utilities	74,700	75,800	3.6	1.5
Railroad Transportation	6,800	6,600	3.0	(2.9)
Trucking & Warehousing	22,500	23,100	3.2	2.7
Elect., Gas & Sanit. Serv.	10,400	10,500	(5.5)	1.0
Total Trade	318,400	329,500	2.9	3.5
Wholesale Trade	77,200	79,300	1.0	2.7
Retail Trade	241,300	250,300	3.5	3.7
General Merchandise Stores	34,100	36,400	6.2	6.7
Food Stores	35,000	35,300	--	0.9
Auto. Deal. & Serv. Stations	26,800	27,300	1.5	1.9
Apparel & Accessory Stores	11,800	11,400	3.5	(3.4)
Fin., Ins., & Real Estate	62,000	63,100	1.8	1.8
Dep. & Nondep. Credit Inst.	25,200	25,100	(0.8)	(0.4)
Insurance Carriers	12,000	11,900	0.8	(0.8)
Services	334,200	342,300	5.4	2.4
Hotels & Other Lodging Places	10,900	11,300	9.0	3.7
Personal Services	12,300	12,200	--	(0.8)
Government	240,500	243,400	1.9	1.2
Federal Government	26,500	26,400	(1.9)	(0.4)
State & Local Government	214,100	217,100	2.4	1.4
Farm Employment	49,300	46,900	1.6	(4.9)

*1999 estimates are based on data for the first ten months of the year.

Source: Kansas Department of Human Resources, Labor Market Information Services

Chapter 4

Local & Regional Economies

Kansas Metropolitan Areas, Regions, & Localities

The economy of Kansas generally is divided into geographic areas, each with a similar economic base. 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 1999, modest growth was experienced by the state's three major labor markets. Overall, the civilian labor force grew. Specifically, it grew by 1.6 percent in the Wichita metropolitan area, 0.6 percent in the Topeka metropolitan area, and 0.7 percent in the Lawrence 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 1999, Kansas employment, as measured by place of residence, experienced growth. Specifically, the Wichita metropolitan area grew by 1.3 percent. The Topeka and Lawrence metropolitan areas also grew in 1999, by 1.8 percent and 1.4 percent, respectively. In addition, the unemployment rate changed in each of the three major labor markets. In the Wichita area, it increased from 3.3 percent in 1998 to 3.6 percent in 1999. Alternatively, in the other two metropolitan areas, the unemployment rate fell. In the Topeka area the rate decreased from 4.5 percent in 1998 to 3.4 percent in 1999, and in the Lawrence area, the rate decreased from 4.4 percent in 1998 to 3.8 percent in 1999.

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 increased by 0.3 percent in 1999. Factors affecting the overall employment increase in the last year include activities that occurred at both Koch Industries and the aviation companies. Specifically, Koch experienced a sizeable reduction in employment, including salary and wage employees, as well as a large reduction in the number of contractors and consultants. Many of the reductions at Koch are

attributed to the ongoing global economic slump and ongoing problems in the agricultural sector.

The Boeing Company also experienced a workforce reduction—nearly 5,000 employees. Table 4-1 presents employment in the Wichita metropolitan area

Table 4-1

Wichita Metropolitan Area Employment			
Butler, Harvey & Sedgwick Counties			
1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	287,330	291,955	1.6
Employment	277,906	281,495	1.3
Unemployment	9,424	10,460	11.0
Unemployment Rate	3.3	3.6	0.3
Place of Work Data			
All Industries	286,000	286,900	0.3
Goods Producing Indus.	89,900	89,100	(0.9)
Mining	1,300	1,300	0.0
Construction	14,700	15,100	2.7
Manufacturing	73,900	72,700	(1.6)
Durable Goods	62,300	61,300	(1.6)
Mach. (Incl. Elect.)	8,300	8,100	(2.4)
Trans. Equipment	46,500	45,700	(1.7)
Nondurable Goods	11,600	11,400	(1.7)
Food & Kind. Prod.	2,700	2,800	3.7
Printing & Publishing	3,000	2,800	(6.7)
Service Producing Indus.	196,100	197,800	0.9
Trans. & Pub. Util.	10,900	11,200	2.8
Trade Total	63,600	64,600	1.6
Wholesale Trade	15,800	16,000	1.3
Retail Trade	47,800	48,600	1.7
FIRE	11,500	11,600	0.9
Services	76,800	76,600	(0.3)
Government	33,400	33,900	1.5
Farm Employment	2,100	2,000	(4.8)

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

for 1998 and 1999. However, aviation employment in general remained relatively stable with Cessna, Raytheon, and Bombardier/LearJet, absorbing many of the job losses at Boeing. In addition, the machinist union approved a new contract with Boeing by a landslide vote in September. The new contract includes an 11.0 percent wage increase over the next three years and prohibits layoffs as a result of outsourcing. The contract also includes a 10.0 percent signing bonus, a 25.0 percent increase in pension benefits, enhanced health benefits, and the creation of a labor-management review committee to resolve outsourcing issues. The union applauded the contract as “the best contract in aerospace history.” However,

as of the end of 1999, the engineering union failed to come to agreement with Boeing over a new contract. Overall aviation employment is expected to remain stable into the near future.

The two major categories of employment by place of work are the goods producing industries and the services producing industries. In 1999, employment in the goods producing industries fell by 0.9 percent, while employment in the services producing industries increased by 0.9 percent. Within the goods producing industries, mining employment remained unchanged, construction employment increased by 2.7 percent, and manufacturing employment decreased by 1.6 percent. Also within the goods producing industries, durable goods manufacturing employment fell by 1.6 percent, and nondurable goods manufacturing employment fell by 1.7 percent. Within the durable goods manufacturing industries, machinery employment fell by 2.4 percent and transportation equipment employment fell by 1.7 percent. Within the non-durable goods manufacturing industries, food and kindred products employment rose by 3.7 percent, while printing and publishing employment fell by 6.7 percent.

The other major category of employment by place of work is the services producing industries. In 1999, 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 (2.8 percent), wholesale trade (1.3 percent), retail trade (1.7 percent), FIRE (0.9 percent), and government (1.5 percent). In addition, employment in the farm sector fell by 4.8 percent.

Topeka Metropolitan Area. Based on place of work data, all industries employment in the Topeka metropolitan area increased by 0.7 percent in 1999. Overall, employment in the goods producing industries rose by 4.9 percent, while employment in the services producing industries remained unchanged. Farm employment also remained unchanged. Within the goods producing industries, construction and mining employment increased by 2.2 percent, while manufacturing employment increased by 6.1 percent. Increases were realized also in both the durable and nondurable goods manufacturing sectors. The former increased by 17.6 percent and the latter increased by 3.7 percent.

Within the services producing industries, in the Topeka metropolitan area, only retail trade (3.3 percent) and “pure” services (1.0 percent) employment experienced increases. Transportation and public utilities (-3.4 percent), wholesale trade (-2.7 percent), FIRE (-1.5 percent), and government (-2.2 percent) all experienced employment decreases. Table 4-2 presents employment in the Topeka metropolitan area for 1998 and 1999.

Table 4-2

Topeka Metropolitan Area Employment			
Shawnee County			
1998-1999			
	1998	1999	% Chg.
Place of Residence Data			
Civilian Labor Force	90,687	91,245	0.6
Employment	86,633	88,165	1.8
Unemployment	4,054	3,080	(24.0)
Unemployment Rate	4.5	3.4	(1.1)
Place of Work Data			
All Industries	101,300	102,000	0.7
Goods Producing Indus.	14,400	15,100	4.9
Construct. & Mining	4,500	4,600	2.2
Manufacturing	9,900	10,500	6.1
Durable Goods	1,700	2,000	17.6
Nondurable Goods	8,200	8,500	3.7
Printing & Publishing	3,100	2,900	(6.5)
Service Producing Indus.	86,900	86,900	0.0
Trans. & Pub. Util.	5,800	5,600	(3.4)
Trade Total	22,100	22,600	2.3
Wholesale Trade	3,700	3,600	(2.7)
Retail Trade	18,400	19,000	3.3
FIRE	6,800	6,700	(1.5)
Services	29,900	30,200	1.0
Government	22,300	21,800	(2.2)
Farm Employment	400	400	0.0

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

Lawrence Metropolitan Area. Based on place of work data, all industries employment in the Lawrence metropolitan area increased by 0.2 percent in 1999. Employment in the goods producing industries rose by 5.2 percent, while employment in the services producing industries fell by 0.7 percent. Farm employment remained unchanged. Within the goods producing industries, construction and mining employment increased by 9.1 percent, while manufacturing employment increased by 3.6 percent.

In 1999, within the services producing industries, only government employment (2.2 percent) experienced an increase. Retail trade (-2.8 percent), FIRE (-4.8 percent), and “pure” services (-1.7 percent) all experienced employment decreases. Transportation

and public utilities employment, as well as wholesale trade employment, remained unchanged. Table 4-3 presents employment in the Lawrence metropolitan area for 1998 and 1999.

Table 4-3

Lawrence Metropolitan Area Employment			
Douglas County			
1998-1999			
	1998	1999	% Chg.
Place of Residence Data			
Civilian Labor Force	54,694	55,090	0.7
Employment	52,302	53,012	1.4
Unemployment	2,392	2,078	(13.1)
Unemployment Rate	4.4	3.8	(0.6)
Place of Work Data			
All Industries	47,700	47,800	0.2
Goods Producing Indus.	7,700	8,100	5.2
Const. & Mining	2,200	2,400	9.1
Manufacturing	5,500	5,700	3.6
Service Producing Indus.	40,100	39,800	(0.7)
Trans. & Pub. Util.	1,300	1,300	0.0
Trade Total	11,900	11,600	(2.5)
Wholesale Trade	1,300	1,300	0.0
Retail Trade	10,600	10,300	(2.8)
FIRE	2,100	2,000	(4.8)
Services	11,500	11,300	(1.7)
Government	13,400	13,700	2.2
Farm Employment	500	500	0.0

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

Regional Labor Market Employment

Employment by place of residence generally increased in the 11 selected counties, with only two realizing decreases in the civilian labor force. Those counties realizing increases in 1999 include Crawford, Ellis, Finney, Ford, Lyon, McPherson, Montgomery, and Riley. Decreases were realized in Barton and Reno.

Barton County. In 1999, the civilian labor force in the Great Bend area decreased by 0.9 percent. Great Bend is the largest city in Barton County with a population of 16,021 and represents 54.8 percent of the county’s total population. Employment by place of residence in Barton County increased by 0.1 percent, while the unemployment rate fell from 3.7 percent to 2.7 percent.

Based on place of work data, all industries employment in Barton County decreased by 0.7

percent in 1999. Employment in the goods producing industries fell by 1.7 percent, while employment in the services producing industries fell by 0.5 percent. Farm employment also fell by 6.5 percent. Table 4-4 presents employment in Barton County for 1998 and 1999.

Table 4-4

Barton County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	15,032	14,901	(0.9)
Employment	14,482	14,499	0.1
Unemployment	550	402	(26.8)
Unemployment Rate	3.7	2.7	(1.0)
Place of Work Data			
All Industries	13,725	13,625	(0.7)
Goods Producing Indus.	2,975	2,925	(1.7)
Manufacturing	1,775	1,700	(4.2)
Durable Goods	900	925	2.8
Nondurable Goods	875	775	(11.4)
Mining	575	575	0.0
Construction	625	650	4.0
Service Producing Indus.	10,750	10,700	(0.5)
Trans. & Pub. Util.	500	475	(5.0)
Trade Total	3,550	3,625	2.1
Wholesale Trade	1,000	1,000	0.0
Retail Trade	2,550	2,625	2.9
FIRE	475	475	0.0
Services	3,875	3,775	(2.6)
Government	2,350	2,350	0.0
Farm Employment	775	725	(6.5)

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

Within the goods producing industries, mining employment remained unchanged, construction employment increased by 4.0 percent, durable goods manufacturing increased by 2.8 percent, and non-durable goods manufacturing decreased by 11.4 percent.

Within the services producing industries, only retail trade (2.9 percent) experienced an increase. Transportation and public utilities (-5.0 percent) and "pure" services (-2.6 percent) both experienced employment decreases. Wholesale trade and FIRE employment remained unchanged.

Crawford County. The civilian labor force in the Pittsburg area increased by 0.9 percent in 1999. Pittsburg is the largest city in Crawford County, with a population of 18,508, and represents 47.7 percent of

the county's total population. Employment by place of residence in Crawford County increased by 2.0 percent, while the unemployment rate fell from 4.7 percent to 3.6 percent.

Based on place of work data, all industries employment in Crawford County increased by 0.7 percent in 1999. Employment in the goods producing industries rose by 3.8 percent, while employment in the services producing industries fell by 0.2 percent. Farm employment also fell by 4.8 percent. Table 4-5 presents employment in Crawford County for 1998 and 1999.

Table 4-5

Crawford County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	18,128	18,293	0.9
Employment	17,281	17,632	2.0
Unemployment	847	661	(21.9)
Unemployment Rate	4.7	3.6	(1.1)
Place of Work Data			
All Industries	17,950	18,075	0.7
Goods Producing Indus.	4,000	4,150	3.8
Manufacturing	3,475	3,625	4.3
Durable Goods	1,775	1,800	1.4
Nondurable Goods	1,700	1,825	7.4
Mining	25	25	0.0
Construction	500	500	0.0
Service Producing Indus.	13,950	13,925	(0.2)
Trans. & Pub. Util.	775	750	(3.2)
Trade Total	4,350	4,350	0.0
Wholesale Trade	950	950	0.0
Retail Trade	3,400	3,400	0.0
FIRE	475	500	5.3
Services	4,025	3,975	(1.2)
Government	4,325	4,350	0.6
Farm Employment	525	500	(4.8)

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

Within the goods producing industries, mining and construction employment remained unchanged, while durable goods manufacturing increased by 1.4 percent, and nondurable goods manufacturing increased by 7.4 percent. Within the services producing industries, only FIRE (5.3 percent) and government (0.6 percent) employment experienced increases. Transportation and public utilities (-3.2 percent), as well as "pure" services (-1.2 percent) experienced employment decreases. Wholesale and retail trade employment remained unchanged.

Ellis County. The civilian labor force in the Hays area increased by 1.8 percent in 1999. Hays is the largest city in Ellis County with a population of 19,107 and represents 72.0 percent of the county's total population. Employment by place of residence in Ellis County increased by 2.7 percent, while the unemployment rate fell from 3.0 percent to 2.2 percent. Table 4-6 presents employment in Ellis County for 1998 and 1999.

Table 4-6

Ellis County Employment			
1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	17,279	17,590	1.8
Employment	16,758	17,203	2.7
Unemployment	521	387	(25.7)
Unemployment Rate	3.0	2.2	(0.8)
Place of Work Data			
All Industries	15,400	15,675	1.8
Goods Producing Indus.	2,150	2,175	1.2
Manufacturing	1,375	1,375	0.0
Durable Goods	1,075	1,075	0.0
Nondurable Goods	300	300	0.0
Mining	275	275	0.0
Construction	500	525	5.0
Service Producing Indus.	13,250	13,500	1.9
Trans. & Pub. Util.	575	600	4.3
Trade Total	4,050	4,100	1.2
Wholesale Trade	525	500	(4.8)
Retail Trade	3,525	3,600	2.1
FIRE	450	500	11.1
Services	4,975	5,075	2.0
Government	3,200	3,225	0.8
Farm Employment	500	475	(5.0)

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

Based on place of work data, all industries employment in Ellis County increased by 1.8 percent. Employment in the goods producing industries rose by 1.2 percent, while employment in the services producing industries rose by 1.9 percent. However, farm employment fell by 5.0 percent.

Within the goods producing industries, mining, durable goods manufacturing and nondurable goods manufacturing employment remained unchanged, while construction employment increased by 5.0 percent. Within the services producing industries, only wholesale trade (-4.8 percent) employment experienced a decrease, transportation and public utilities (4.3 percent), retail trade (2.1 percent), FIRE

(11.1 percent), "pure" services (2.0 percent), and government (0.8 percent) all experienced employment increases.

Finney County. The civilian labor force increased by 1.3 percent in the Garden City area in 1999. Garden City is the largest city in Finney County with a population of 26,039 and represents 71.3 percent of the county's total population. Employment by place of residence in Finney County increased by 1.8 percent, while the unemployment rate fell from 3.0 percent in 1998 to 2.5 percent in 1999. Table 4-7 presents employment in Finney County for 1998 and 1999.

Table 4-7

Finney County Employment			
1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	19,563	19,823	1.3
Employment	18,976	19,324	1.8
Unemployment	587	499	(15.0)
Unemployment Rate	3.0	2.5	(0.5)
Place of Work Data			
All Industries	19,500	19,675	0.9
Goods Producing Indus.	6,875	6,975	1.5
Manufacturing	5,625	5,700	1.3
Durable Goods	325	325	0.0
Nondurable Goods	5,300	5,375	1.4
Mining	250	250	0.0
Construction	1,000	1,025	2.5
Service Producing Indus.	12,625	12,700	0.6
Trans. & Pub. Util.	850	850	0.0
Trade Total	4,325	4,300	(0.6)
Wholesale Trade	1,075	1,050	(2.3)
Retail Trade	3,250	3,250	0.0
FIRE	525	550	4.8
Services	4,100	4,175	1.8
Government	2,825	2,825	0.0
Farm Employment	1,000	950	(5.0)

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

Based on place of work data, all industries employment in Finney County increased by 0.9 percent in 1999. Employment in the goods producing industries rose by 1.5 percent, while employment in the services producing industries rose by 0.6 percent. However, farm employment fell by 5.0 percent.

Within the goods producing industries, mining and durable goods manufacturing employment remained unchanged, while construction employment increased by 2.5 percent and nondurable goods manufacturing

increased by 1.4 percent. Within the services producing industries, FIRE (4.8 percent) and “pure” services (1.8 percent) employment experienced increases, while a decrease was experienced in wholesale trade employment (-2.3 percent). Transportation and public utilities, retail trade, and government employment remained unchanged.

Ford County. The civilian labor force in the Dodge City area increased by 2.1 percent in 1999. Dodge City is the largest city in Ford County, with a population of 22,456, and represents 76.4 percent of the county’s total population. Employment by place of residence in Ford County increased by 2.7 percent, while the unemployment rate fell from 2.6 percent to 2.0 percent. Table 4-8 presents employment in Ford County for 1998 and 1999.

Table 4-8

Ford County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	15,801	16,125	2.1
Employment	15,398	15,811	2.7
Unemployment	403	314	(22.0)
Unemployment Rate	2.6	2.0	(0.6)
Place of Work Data			
All Industries	15,950	16,275	2.0
Goods Producing Indus.	5,425	5,600	3.2
Manufacturing	4,950	5,150	4.0
Durable Goods	575	575	0.0
Nondurable Goods	4,375	4,575	4.6
Mining	N.A.	N.A.	N.A.
Construction	475	450	(5.3)
Service Producing Indus.	10,525	10,675	1.4
Trans. & Pub. Util.	825	850	3.0
Trade Total	4,050	4,075	0.6
Wholesale Trade	850	900	5.9
Retail Trade	3,200	3,175	(0.8)
FIRE	425	450	5.9
Services	2,775	2,775	0.0
Government	2,450	2,525	3.1
Farm Employment	825	800	(3.0)

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

Based on place of work data, all industries employment in Ford County increased by 2.0 percent. Employment in the goods producing industries rose by 3.2 percent, while employment in the services producing industries rose by 1.4 percent. However, farm employment fell by 3.0 percent. Within the goods producing industries, durable goods

manufacturing employment remained unchanged, while construction employment decreased by 5.3 percent, and nondurable goods manufacturing increased by 4.6 percent.

Within the services producing industries in Ford County, only retail trade employment experienced a decrease (-0.8 percent). Employment increases were experienced in transportation and public utilities (3.0 percent), wholesale trade (5.9 percent), FIRE (5.9 percent), and government (3.1 percent).

Lyon County. The civilian labor force in the Emporia area increased by 0.2 percent in 1999. Emporia is the largest city in Lyon County with a population of 24,462 and represents 66.2 percent of the county’s total population. Table 4-9 presents employment in Lyon County in 1998 and 1999.

Table 4-9

Lyon County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	20,048	20,079	0.2
Employment	19,286	19,425	0.7
Unemployment	762	654	(14.2)
Unemployment Rate	3.8	3.3	(0.5)
Place of Work Data			
All Industries	18,800	18,675	(0.7)
Goods Producing Indus.	6,100	5,950	(2.5)
Manufacturing	5,575	5,450	(2.2)
Durable Goods	1,250	1,225	(2.0)
Nondurable Goods	4,325	4,225	(2.3)
Mining	N.A.	25	N.A.
Construction	N.A.	475	N.A.
Service Producing Indus.	12,700	12,725	0.2
Trans. & Pub. Util.	700	725	3.6
Trade Total	4,025	4,000	(0.6)
Wholesale Trade	800	800	0.0
Retail Trade	3,225	3,200	(0.8)
FIRE	475	475	0.0
Services	3,175	3,175	0.0
Government	4,325	4,350	0.6
Farm Employment	550	525	(4.5)

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

Employment by place of residence in Lyon County increased by 0.7 percent, while the unemployment rate fell from 3.8 percent to 3.3 percent. Based on place of work data, all industries employment in Lyon County decreased by 0.7 percent. Employment in the goods producing industries fell by 2.5 percent, while

employment in the services producing industries rose by 0.2 percent. Farm employment fell by 4.5 percent.

Within the goods producing industries, both durable goods manufacturing (-2.0 percent) and nondurable goods manufacturing (-2.3 percent) employment declined. Within the services producing industries, transportation and public utilities (3.6 percent) and government (0.6 percent) employment experienced increases, while wholesale trade, FIRE, and "pure" services employment remained unchanged.

McPherson County. The civilian labor force in the McPherson area increased by 2.2 percent in 1999. McPherson is the largest city in McPherson County, with a population of 13,284, and represents 46.4 percent of the county's total population. Table 4-10 presents employment in McPherson County in 1998 and 1999.

Table 4-10

McPherson County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	16,041	16,386	2.2
Employment	15,591	16,051	2.9
Unemployment	450	335	(25.5)
Unemployment Rate	2.8	2.0	(0.8)
Place of Work Data			
All Industries	14,050	14,350	2.1
Goods Producing Industries	4,150	4,325	4.2
Manufacturing	3,425	3,600	5.1
Durable Goods	1,725	1,850	7.2
Nondurable Goods	1,700	1,750	2.9
Mining	100	100	0.0
Construction	625	625	0.0
Service Producing Industries	9,900	10,025	1.3
Transportation & Pub. Util.	325	300	(7.7)
Trade Total	3,100	3,250	4.8
Wholesale Trade	925	950	2.7
Retail Trade	2,175	2,300	5.7
Finance, Insurance, & R.E.	725	725	0.0
Services	3,850	3,875	0.6
Government	1,900	1,875	(1.3)
Farm Employment	825	800	(3.0)

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

Employment by place of residence in McPherson County increased by 2.9 percent, while the unemployment rate fell from 2.8 percent in 1998 to 2.0 percent in 1999.

Based on place of work data, all industries employment in McPherson County increased by 2.1 percent in 1999. Employment in the goods producing industries rose by 4.2 percent, while employment in the services producing industries rose by 1.3 percent. However, farm employment fell by 3.0 percent.

Within the goods producing industries, mining and construction employment remained unchanged, while both durable goods manufacturing (7.2 percent) and nondurable goods manufacturing (2.9 percent) employment increased. Within the services producing industries, transportation and public utilities (-7.7 percent) and government (-1.3 percent) employment experienced decreases. Increases were realized in wholesale trade (2.7 percent), retail trade (5.7 percent), and "pure" services (0.6 percent) employment. FIRE employment remained unchanged.

Montgomery County. The civilian labor force in the Coffeyville/Independence area increased by 5.6 percent in 1999. Table 4-11 presents employment in

Table 4-11

Montgomery County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	17,530	18,514	5.6
Employment	16,579	17,690	6.7
Unemployment	951	824	(13.3)
Unemployment Rate	5.4	4.5	(0.9)
Place of Work Data			
All Industries	16,775	17,650	5.2
Goods Producing Indus.	5,925	6,875	16.0
Manufacturing	5,325	6,300	18.3
Durable Goods	3,775	4,700	24.5
Nondurable Goods	1,550	1,600	3.2
Mining	100	75	(25.0)
Construction	500	500	0.0
Service Producing Indus.	10,850	10,775	(0.7)
Trans. & Pub. Util.	625	600	(4.0)
Trade Total	3,600	3,600	0.0
Wholesale Trade	650	650	0.0
Retail Trade	2,950	2,950	0.0
FIRE	375	375	0.0
Services	3,700	3,625	(2.0)
Government	2,550	2,575	1.0
Farm Employment	425	400	(5.9)

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

Montgomery County in 1998 and 1999. Coffeyville and Independence combined have a population of

21,619 and represent 58.3 percent of Montgomery County's total population. Employment by place of residence in Montgomery County increased by 6.7 percent, while the unemployment rate fell from 5.4 percent in 1998 to 4.5 percent in 1999. Based on place of work data, all industries employment in Montgomery County increased by 5.2 percent. Employment in the goods producing industries rose by 16.0 percent, while employment in the services producing industries fell by 0.7 percent. Farm employment fell by 5.9 percent.

Within the goods producing industries, construction employment remained unchanged, while both durable goods manufacturing (24.5 percent) and nondurable goods manufacturing (3.2 percent) employment increased. Within the services producing industries, only government (1.0 percent) employment experienced an increase. Decreases were experienced in "pure" services (-2.0 percent) and transportation and public utilities (-4.0 percent) employment. Wholesale trade, retail trade, and FIRE employment remained unchanged.

Reno County. The civilian labor force in the Hutchinson area decreased by 0.5 percent in 1999. Hutchinson is the largest city in Reno County with a population of 39,016 and represents 61.7 percent of the county's total population. Employment by place of residence in Reno County increased by 0.2 percent, while the unemployment rate fell from 3.9 percent in 1998 to 3.3 percent in 1999.

Based on place of work data, all industries employment in Reno County decreased by 1.0 percent. Employment in the goods producing industries fell by 6.3 percent, while employment in the services producing industries rose by 0.7 percent. Farm employment fell by 4.3 percent.

Within the goods producing industries, construction employment remained unchanged, while mining (-25.0 percent), durable goods manufacturing (-8.9 percent), and non-durable goods manufacturing (-4.8 percent) employment decreased. Within the services producing industries, only retail sales (0.4 percent) and "pure" services (2.7 percent) employment experienced an increase, while transportation and public utilities (-3.1 percent), wholesale trade (-1.8 percent), and FIRE (-2.6 percent) employment all decreased. Government employment remained unchanged. Table 4-12

presents employment in Reno County in 1998 and 1999.

Table 4-12

Reno County Employment			
1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	32,842	32,678	(0.5)
Employment	31,548	31,610	0.2
Unemployment	1,294	1,068	(17.5)
Unemployment Rate	3.9	3.3	(0.6)
Place of Work Data			
All Industries	29,350	29,050	(1.0)
Goods Producing Indus.	7,150	6,700	(6.3)
Manufacturing	6,000	5,575	(7.1)
Durable Goods	3,375	3,075	(8.9)
Nondurable Goods	2,625	2,500	(4.8)
Mining	100	75	(25.0)
Construction	1,050	1,050	0.0
Service Producing Indus.	22,200	22,350	0.7
Trans. & Pub. Util.	800	775	(3.1)
Trade Total	7,900	7,900	0.0
Wholesale Trade	1,400	1,375	(1.8)
Retail Trade	6,500	6,525	0.4
FIRE	975	950	(2.6)
Services	7,525	7,726	2.7
Government	5,000	5,000	0.0
Farm Employment	1,175	1,125	(4.3)

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

Riley County. The civilian labor force in the Manhattan area increased by 2.3 percent in 1999. Manhattan is the largest city in Riley County, with a population of 41,318, and represents 65.0 percent of the county's total population. Employment by place of residence in Riley County increased by 3.4 percent, while the unemployment rate fell from 4.0 percent in 1998 to 3.0 percent in 1999.

Based on place of work data, all industries employment in Riley County increased by 0.7 percent. Employment in the goods producing industries rose by 6.1 percent, while employment in the services producing industries fell by 7.0 percent. Farm employment fell by 5.3 percent.

Within the goods producing industries, increases were realized in construction employment (6.1 percent), durable goods manufacturing employment (33.3 percent), and nondurable goods manufacturing employment (3.4 percent). Increases in employment

also were realized within the services producing industries, including FIRE (3.2 percent), “pure” services (1.2 percent), and government (0.2 percent). Decreases were realized in wholesale trade (-4.0 percent) and retail trade (-0.9 percent) employment. Transportation and public utilities employment remained unchanged. Table 4-13 presents employment in Riley County in 1998 and 1999.

Table 4-13

Riley County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	31,272	31,976	2.3
Employment	30,006	31,025	3.4
Unemployment	1,266	951	(24.9)
Unemployment Rate	4.0	3.0	(1.0)
Place of Work Data			
All Industries	27,525	27,725	0.7
Goods Producing Indus.	2,050	2,175	6.1
Manufacturing	800	850	6.3
Durable Goods	75	100	33.3
Nondurable Goods	725	750	3.4
Mining	N.A.	N.A.	N.A.
Construction	1,250	1,325	6.0
Service Producing Indus.	27,475	25,550	(7.0)
Trans. & Pub. Util.	325	325	0.0
Trade Total	5,975	5,900	(1.3)
Wholesale Trade	625	600	(4.0)
Retail Trade	5,350	5,300	(0.9)
FIRE	1,575	1,625	3.2
Services	6,450	6,525	1.2
Government	11,150	11,175	0.2
Farm Employment	475	450	(5.3)

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

Saline County. The civilian labor force in the Salina area increased by 3.0 percent in 1999. Salina is the largest city in Saline County with a population of 44,022 and represents 85.3 percent of the county’s total population. Employment by place of residence in Saline County increased by 4.0 percent, while the unemployment rate fell from 3.5 percent to 2.5 percent.

Based on place of work data, all industries employment in Saline County increased by 2.9 percent. Employment in the goods producing industries rose by 1.2 percent, while employment in the services producing industries rose by 3.6 percent. However, farm employment fell by 5.3 percent.

Within the goods producing industries, mining and durable goods manufacturing employment remained unchanged, while construction (5.0 percent) and non-durable goods manufacturing (1.0 percent) employment experienced increases. Within the services producing industries, FIRE employment remained unchanged. However, increases in employment were experienced in transportation and public utilities (2.0 percent), wholesale trade (3.1 percent), retail trade (5.9 percent), “pure” services (1.5 percent), and government (5.8 percent). Table 4-14 presents employment in Saline County in 1998 and 1999.

Table 4-14

Saline County Employment 1998-1999			
	<u>1998</u>	<u>1999</u>	<u>% Chg.</u>
Place of Residence Data			
Civilian Labor Force	30,309	31,205	3.0
Employment	29,262	30,440	4.0
Unemployment	1,047	765	(27.0)
Unemployment Rate	3.5	2.5	(1.0)
Place of Work Data			
All Industries	30,600	31,500	2.9
Goods Producing Indus.	8,325	8,425	1.2
Manufacturing	6,800	6,825	0.4
Durable Goods	4,225	4,225	0.0
Nondurable Goods	2,575	2,600	1.0
Mining	25	25	0.0
Construction	1,500	1,575	5.0
Service Producing Indus.	22,275	23,075	3.6
Trans. & Pub. Util.	1,225	1,250	2.0
Trade Total	8,175	8,609	5.3
Wholesale Trade	1,600	1,650	3.1
Retail Trade	6,575	6,960	5.9
FIRE	1,075	1,075	0.0
Services	8,025	8,148	1.5
Government	3,775	3,994	5.8
Farm Employment	475	450	(5.3)

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

County Personal Income

Both the levels and the components of personal income are important when presenting a picture of the economy. Because of this importance, county personal income is presented in this section.

Total Personal Income

Total personal income in Kansas grew at a 5.8 percent rate in 1998. Johnson County generated the highest level of personal income with \$16.4 billion, followed by Sedgwick County, with \$11.7 billion. Shawnee, Wyandotte, Douglas, Reno, Saline, Butler, Leavenworth, and Riley Counties also generated over \$1.0 billion of personal income in 1998. The lowest levels of income in 1998 were recorded in Wallace, Greeley, Comanche, and Lane Counties with less than \$50.0 million each.

The growth rate of personal income was the highest in Sedgwick County in 1998 at a rate of 7.0 percent. Sedgwick was followed by Geary County with a 6.9 percent growth rate. At the other extreme, Woodson, Ottawa, Wabaunsee, and Osage Counties all experienced growth rates of less than 2.5 percent in 1998.

In the state's large metropolitan areas, the Wichita metropolitan area's increase was the highest, driven by a 7.0 percent personal income growth rate in Sedgwick County. The Kansas City metropolitan area followed with both Wyandotte and Johnson Counties realizing 6.6 percent growth rates. The Topeka metropolitan area was next with Shawnee County realizing a 5.2 percent growth rate. The Lawrence metropolitan area, Douglas County, showed growth of 6.1 percent in 1998.

In 1998, Johnson and Sedgwick Counties accounted for 50.7 percent of the personal income growth in the state. Thus, Kansas personal income growth is concentrated in the two most populous counties. Table 4-15, as shown on pages 37 through 39 presents county personal income by major components for 1997. Table 4-16, as shown on pages 40 through 42, shows county personal income estimates by major components for 1998. Figure 4-1 on page 43 presents the percent change in county personal income from 1997 to 1998.

Salaries & Wages. Salaries and wages in Kansas grew at a 7.6 percent rate in 1998. 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. Johnson and Sedgwick Counties

ranked first and second, with salaries and wages of \$8.9 billion and \$8.3 billion, respectively. Shawnee and Wyandotte Counties also generated over \$2.0 billion each of salaries and wages in 1998. Wallace County had the lowest salary and wage total with less than \$10.0 million.

Other Labor Income. Other labor income in Kansas grew at a rate of 3.3 percent in 1998. 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 \$937.8 million in other labor income, followed by Johnson County at \$830.3 million. Wallace County had the lowest level of other labor income with just over \$1.0 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 of this source of personal income 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. After a decline in 1997, farm proprietors' income increased 3.9 percent in 1998. Wichita County reported the highest level of farm proprietors' income in 1998 at \$57.7 million.

Nonfarm Proprietors' Income. Nonfarm proprietors' income grew at a 6.8 percent rate in 1998. Nonfarm 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. In 1998, Johnson County ranked first with \$1.2 billion, while Wallace County was the lowest with \$3.5 million.

Dividends, Interest, & Rent. Growth in dividends, interest, and rent slowed to 3.0 percent in 1998 after a 5.6 percent growth rate in 1997. Dividends, interest, and rent represent a large component of personal income in Johnson County. In fact, the \$3.2 billion of

dividends, interest, and rents in Johnson County make up 27.5 percent of the state total. Sedgwick County also had dividends, interest, and rent of over \$1.0 billion. Only Greeley County had less than \$10.0 million in dividends, interest, and rents.

Transfer Payments. Transfer payments in Kansas grew at a 3.0 percent rate in 1998. 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 \$4.0 billion in transfer payments, while 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 0.4 percent rate in 1998. For the state as a whole, the 1998 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 (-\$963.6 million.) Most of this income appears in bordering counties. For neighboring Butler County residents, the adjustment is positive (+\$505.6 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 resident 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 resident adjustment is positive (+\$1.8 billion) and more than 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 6.5 percent rate in 1998. 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 (\$805.6 million), Sedgwick (\$729.1 million), Shawnee (\$244.7 million), and Wyandotte (\$228.1 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, 1998, based on the U.S. Bureau of the Census *Current Population Reports*. Figure 4-2, which is shown on page 43, presents per capita personal income by county for 1998.

In 1998, Kansas per capita income was \$25,049. Wichita County had the highest per capita income with \$39,072, followed by Johnson County with \$38,269, Stanton County with \$35,963, and Haskell County with \$30,778. Chautauqua County had the lowest per capita income with \$15,803. 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 areas, 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 include Sedgwick, Johnson, Wyandotte, and Shawnee.

Total Personal Income

In 1998, Sedgwick, Johnson, Wyandotte, and Shawnee accounted for 45.5 percent of the state's population and 53.6 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 52.8 percent above the state average. For the four urban counties, the average per capita income is \$29,513, or 17.8 percent, higher than the state average.

These four counties have 62.0 percent of Kansas salary and wage disbursements, 61.2 percent of Kansas other labor income, 60.4 percent of Kansas personal contributions for social insurance, 51.2 percent of Kansas dividend, interest, and rent income, 49.4 percent of Kansas nonfarm proprietors' income, and 43.5 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 44, presents total personal income by region for 1997 and 1998, while Figure 4-4, also shown on page 44, presents the percent change in total personal income from 1997 to 1998 and per capita income for 1998, by region.

In terms of total personal income, the 1998 average for the 11 regions is \$6.0 billion. Region I, which surrounds Kansas City, has the highest level of personal income with \$29.1 billion. Only one other region, Region IV, which surrounds Wichita, has a total personal income (\$17.2 billion) that is above the average total personal income per region. At the other end of the size scale, Region VIII, in north west Kansas, had the lowest personal income in 1998 at \$691.9 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. The supporting facts are that 70.4 percent of the state's total personal income is located

in Regions I and IV, while only 1.1 percent of the state's total personal income is located in Region VIII.

Recent income and population growth has been uneven across Kansas. In 1998, Kansas total personal income rose by 5.6 percent. The most rapid growth was in Region IV with a 6.1 percent increase. The lowest growth was experienced by Region V, which experienced only 3.7 percent growth.

In terms of per capita personal income, Region I ranked first with \$28,449. The next highest per capital personal income was in Region X with \$24,965. Region II in southeast Kansas ranked last with \$19,480. The extent of regional income inequality is illustrated by the following observation: from the highest income region to the lowest income region there existed a 46.0 percent difference in per capita income.

Table 4-15

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Allen	129,153	15,652	7,740	19,650	47,045	58,271	(570)	12,610	264,331
Anderson	37,792	4,522	9,402	12,010	36,759	31,393	16,335	4,490	143,723
Atchison	152,440	18,498	2,535	19,534	54,654	63,656	7,916	14,643	304,590
Barber	40,029	4,887	1,735	11,183	32,679	26,955	(1,888)	4,327	111,253
Barton	295,136	32,443	22,478	49,723	130,426	112,333	(6,187)	29,032	607,320
Bourbon	138,043	15,952	1,767	19,312	54,864	64,861	2,233	13,578	283,454
Brown	98,896	10,566	11,083	15,116	61,588	47,795	(3,700)	9,609	231,735
Butler	348,307	43,257	(1,651)	101,504	207,375	173,728	500,571	36,986	1,336,105
Chase	14,061	1,756	1,319	8,787	17,415	12,168	6,421	1,947	59,980
Chautauqua	17,310	1,994	89	6,483	18,728	21,981	2,378	2,227	66,736
Cherokee	142,376	17,367	13,749	23,899	59,897	89,795	52,570	14,594	385,059
Cheyenne	21,851	2,465	2,168	6,924	21,436	14,733	(2,693)	2,497	64,387
Clark	15,747	1,756	4,907	4,628	15,468	12,259	3,708	1,525	56,948
Clay	57,427	6,564	20,305	22,494	43,247	37,899	14,509	6,879	195,566
Cloud	77,060	8,566	12,179	17,448	46,487	48,407	2,787	8,351	204,583
Coffey	115,543	16,552	6,139	13,890	38,693	33,023	(40,102)	10,537	173,201
Comanche	12,309	1,576	316	3,854	14,473	9,766	757	1,347	41,704
Cowley	339,068	40,765	7,732	46,579	124,922	148,881	28,265	32,120	704,092
Crawford	365,338	42,417	12,250	26,486	145,540	160,737	(4,331)	32,628	715,809
Decatur	22,968	2,590	(156)	5,524	25,328	17,028	1,063	2,421	71,924
Dickinson	145,781	16,337	9,934	24,706	71,595	87,356	37,661	14,946	378,424
Doniphan	71,656	8,570	6,349	12,310	23,585	30,471	896	6,965	146,872
Douglas	1,002,477	112,249	9,694	97,572	339,505	228,411	113,393	83,354	1,819,947
Edwards	24,963	2,744	5,508	6,088	19,245	16,923	1,567	2,558	74,480
Elk	10,508	1,566	2,817	6,179	13,632	17,358	9,474	1,539	59,995
Ellis	305,969	34,015	2,940	67,626	106,316	94,392	9,500	29,898	590,860
Ellsworth	50,597	5,970	1,639	8,731	35,081	27,966	(1,965)	4,955	123,064
Finney	453,441	50,167	13,774	73,181	109,868	84,097	(13,416)	40,959	730,153
Ford	364,294	41,340	19,268	58,128	102,480	92,090	(22,489)	33,847	621,264
Franklin	191,454	19,947	5,261	28,096	67,945	85,975	84,855	18,472	465,061
Geary	534,055	28,477	4,177	28,193	70,063	105,419	(288,666)	34,374	447,344
Gove	22,846	2,458	5,037	9,059	16,128	12,916	(1,421)	2,454	64,569
Graham	21,963	2,574	(2,376)	7,308	16,705	14,874	1,466	2,379	60,135
Grant	97,586	10,650	11,364	22,906	26,503	19,675	(11,651)	9,173	167,860
Gray	50,731	5,293	16,071	13,745	22,546	15,837	3,525	4,621	123,127

Table 4-15 (Continued)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Greeley	12,932	1,308	5,933	3,975	7,071	5,248	(1,218)	1,206	34,043
Greenwood	35,744	4,055	(2,932)	12,303	38,216	40,741	16,412	4,440	140,099
Hamilton	17,454	1,858	16,244	4,214	11,925	11,886	(274)	1,622	61,685
Harper	44,638	5,380	6,655	12,364	28,962	32,491	7,714	4,838	133,366
Harvey	322,555	35,268	21,330	84,928	116,640	123,101	105,322	34,939	774,205
Haskell	34,080	3,302	38,573	9,596	18,139	12,674	2,453	2,788	116,029
Hodgeman	10,929	1,333	7,951	6,249	13,651	8,025	1,752	1,253	48,637
Jackson	59,393	6,758	3,141	22,668	37,024	44,628	90,953	6,970	257,595
Jefferson	67,514	8,080	6,916	21,320	51,141	56,584	164,977	7,564	368,968
Jewell	17,530	2,203	10,591	6,515	24,306	15,878	4,659	2,116	79,566
Johnson	8,097,728	789,279	849	1,145,631	3,114,874	1,184,963	1,836,581	743,618	15,426,287
Kearny	27,280	3,103	20,799	5,132	18,947	12,492	11,852	2,206	97,399
Kingman	58,029	6,878	5,199	13,063	41,904	36,084	24,276	6,162	179,271
Kiowa	23,455	2,633	1,723	6,020	18,802	16,926	2,622	2,472	69,709
Labette	221,214	26,525	7,667	29,558	67,058	99,589	(16,509)	20,782	414,320
Lane	16,396	1,781	880	5,661	13,118	9,079	(236)	1,629	45,050
Leavenworth	669,342	52,822	2,871	81,115	182,105	244,553	130,063	50,523	1,312,348
Lincoln	16,721	2,067	1,806	4,408	23,977	13,650	5,210	1,848	65,991
Linn	51,381	7,085	3,761	10,445	26,652	40,673	18,795	5,543	153,249
Logan	21,675	2,309	3,395	7,503	17,721	11,875	1,283	2,405	63,356
Lyon	389,324	46,836	2,877	37,298	127,555	115,931	(9,822)	34,143	675,856
McPherson	305,264	37,905	27,705	58,297	115,501	106,306	7,785	30,704	628,059
Marion	75,865	8,768	14,976	18,453	43,967	48,610	28,848	8,461	231,026
Marshall	105,705	12,364	11,536	18,527	52,856	54,998	(550)	11,208	244,228
Meade	29,294	3,181	7,596	6,705	21,114	16,214	6,847	2,723	88,228
Miami	166,439	18,102	8,628	29,432	82,227	85,926	176,398	16,203	550,949
Mitchell	78,226	8,224	5,978	12,230	41,345	29,179	(10,300)	7,411	157,471
Montgomery	365,971	46,601	4,160	43,792	126,826	166,010	(23,606)	35,481	694,273
Morris	33,541	3,931	766	10,984	20,774	27,107	12,439	3,950	105,592
Morton	36,686	4,331	(1,487)	6,775	21,037	11,644	(4,802)	3,258	70,926
Nemaha	95,529	11,382	24,392	12,936	66,969	41,153	(1,584)	9,290	241,487
Neosho	165,483	19,137	8,918	33,238	58,841	73,710	(1,431)	16,631	341,265
Ness	27,787	3,443	1,970	11,213	24,176	15,993	2,019	3,247	83,354
Norton	50,234	5,706	1,382	8,689	26,144	23,928	(2,121)	4,758	109,204
Osage	63,168	7,474	5,235	16,635	41,385	67,633	104,348	7,194	298,684

Table 4-15 (Continued)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Osborne	27,561	3,274	11,257	10,852	33,903	20,996	2,522	3,458	106,907
Ottawa	26,616	3,073	7,564	7,931	22,280	21,576	23,552	2,991	109,601
Pawnee	64,684	6,616	17,661	15,942	30,447	28,097	2,808	5,860	160,395
Phillips	52,345	7,740	4,858	18,660	35,155	26,387	(2,135)	5,903	137,107
Pottawatomie	158,240	18,684	1,039	27,695	53,371	59,446	31,692	15,261	334,906
Pratt	94,177	9,779	1,450	18,097	42,401	40,026	(592)	9,076	196,262
Rawlins	18,635	2,146	(1,147)	6,216	21,877	12,674	1,250	2,115	59,536
Reno	742,099	78,809	17,275	72,843	289,729	255,159	7,154	68,039	1,395,029
Republic	43,665	5,182	15,003	10,528	40,157	25,585	3,322	4,676	138,766
Rice	64,888	7,845	15,352	14,903	44,665	41,743	13,139	6,789	195,746
Riley	536,623	64,302	2,525	72,919	196,179	159,939	198,526	44,103	1,186,910
Rooks	40,466	4,938	(2,839)	9,715	35,339	25,089	1,447	4,248	109,907
Rush	27,356	3,546	3,560	4,395	17,126	19,134	0	2,784	72,333
Russell	53,374	6,287	(713)	14,538	56,212	41,415	173	6,010	165,276
Saline	723,701	79,435	13,407	235,470	237,250	189,891	(40,320)	78,431	1,360,403
Scott	45,861	4,267	7,860	11,123	26,524	15,637	4,260	3,806	111,726
Sedgwick	7,648,802	899,393	17,561	805,168	1,670,224	1,512,800	(953,693)	682,286	10,917,969
Seward	291,663	33,738	46,551	44,137	57,841	53,323	(43,916)	25,935	457,402
Shawnee	2,743,220	283,291	12,064	220,834	735,032	677,572	(410,841)	233,693	4,027,479
Sheridan	17,700	2,057	9,569	9,680	17,999	10,593	882	2,187	66,293
Sherman	60,140	6,261	8,579	12,547	28,679	30,629	4,062	5,785	145,112
Smith	25,671	2,928	4,888	9,117	31,304	21,637	851	3,140	93,256
Stafford	30,903	3,448	11,712	9,902	27,205	26,550	488	3,281	106,927
Stanton	20,232	1,770	33,710	4,082	14,160	5,689	(1,051)	1,528	77,064
Stevens	48,663	5,439	21,782	12,144	30,343	16,875	6,141	4,508	136,879
Sumner	153,606	19,373	23,834	35,514	86,886	102,243	196,278	16,599	601,135
Thomas	78,799	8,323	10,661	17,775	31,080	27,813	(6,005)	7,463	160,983
Trego	23,540	2,555	(33)	7,291	23,754	15,117	2,194	2,338	72,080
Wabaunsee	22,122	2,740	1,765	12,221	26,879	24,465	53,468	3,010	140,650
Wallace	9,441	1,034	942	3,380	10,241	7,058	0	1,011	31,085
Washington	35,852	4,420	17,662	8,212	34,017	31,164	7,887	3,913	135,301
Wichita	18,253	1,825	54,452	5,933	11,437	8,145	(446)	1,628	97,971
Wilson	85,711	10,804	7,616	15,085	32,116	41,901	101	8,655	184,679
Woodson	14,648	1,707	3,427	5,572	18,735	20,199	6,682	2,037	68,933
Wyandotte	2,652,307	298,801	2,635	93,285	289,118	653,647	(1,028,976)	217,492	2,743,325
Total	34,305,245	3,729,744	939,016	4,600,434	11,340,836	9,295,125	1,274,830	3,122,467	62,362,763

Table 4-16

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Allen	139,222	15,990	7,953	20,846	48,114	59,481	(542)	13,438	277,627
Anderson	40,078	4,651	9,686	12,902	37,759	31,975	16,208	4,757	148,502
Atchison	161,618	18,869	2,681	20,821	55,453	65,062	7,515	15,368	316,651
Barber	41,759	4,933	1,835	11,889	33,696	27,428	(1,741)	4,499	115,301
Barton	309,774	32,658	22,840	53,409	132,012	114,861	(6,034)	30,288	629,231
Bourbon	149,250	16,622	1,851	20,606	56,181	66,450	2,140	14,498	298,603
Brown	109,150	11,116	11,223	15,943	63,813	48,608	(3,516)	10,427	245,911
Butler	372,766	44,387	(1,746)	108,304	211,786	180,760	505,589	39,398	1,382,449
Chase	14,463	1,736	1,395	9,271	17,983	12,256	6,397	2,011	61,491
Chautauqua	18,329	2,027	94	6,857	19,376	22,377	2,173	2,335	68,899
Cherokee	150,989	17,434	14,543	25,691	61,741	91,208	53,787	15,354	400,038
Cheyenne	24,285	2,686	2,293	7,230	22,147	15,128	(2,559)	2,686	68,523
Clark	16,768	1,825	5,200	4,945	15,952	12,635	3,631	1,625	59,332
Clay	62,028	6,792	21,637	24,051	44,414	38,660	13,748	7,345	203,985
Cloud	80,986	8,745	12,436	18,661	47,697	49,191	2,873	8,720	211,869
Coffey	121,156	17,039	6,257	14,724	40,109	33,799	(38,363)	10,935	183,785
Comanche	13,075	1,622	334	3,970	14,720	9,836	702	1,407	42,853
Cowley	354,635	40,921	8,032	49,285	128,112	152,182	27,354	33,475	727,046
Crawford	390,260	43,051	13,330	27,865	150,710	162,901	(4,147)	34,489	749,482
Decatur	24,163	2,650	(165)	5,716	26,041	17,379	1,004	2,522	74,265
Dickinson	155,199	16,747	10,473	26,361	74,404	89,752	36,233	15,769	393,400
Doniphan	78,316	8,937	6,535	13,174	23,801	31,093	851	7,542	155,165
Douglas	1,088,224	117,344	10,196	104,584	352,643	236,669	110,729	89,956	1,930,433
Edwards	26,384	2,795	5,445	6,428	19,506	17,057	1,489	2,676	76,428
Elk	11,129	1,630	2,777	6,677	13,915	17,863	9,454	1,639	61,806
Ellis	332,528	35,472	3,110	72,259	110,054	97,308	8,863	32,204	627,390
Ellsworth	53,793	6,115	1,627	9,268	36,307	28,502	(1,856)	5,240	128,515
Finney	485,295	51,495	14,569	78,020	114,952	86,643	(13,240)	43,398	774,337
Ford	391,680	42,747	19,223	61,592	105,732	94,454	(22,098)	36,018	657,311
Franklin	207,114	20,687	5,290	30,137	70,288	88,258	85,012	20,095	486,690
Geary	539,815	29,441	4,400	29,772	72,343	108,297	(271,154)	34,710	478,204
Gove	23,967	2,495	4,982	9,550	16,508	13,243	(1,345)	2,568	66,833
Graham	22,760	2,587	(2,513)	7,755	17,023	15,435	1,512	2,476	62,083
Grant	105,878	11,057	11,247	24,385	27,479	20,465	(11,564)	9,811	179,135
Gray	55,533	5,728	16,202	14,632	23,478	16,275	3,381	4,972	130,258

Table 4-16 (Continued)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Greeley	13,244	1,319	6,098	4,157	7,277	5,323	(1,169)	1,232	35,018
Greenwood	37,228	4,080	(3,090)	13,130	39,384	41,667	16,290	4,620	144,070
Hamilton	18,805	1,930	17,001	4,383	12,261	12,250	(260)	1,732	64,637
Harper	47,430	5,567	6,727	13,214	29,597	32,811	7,906	5,117	138,135
Harvey	340,359	35,567	22,562	90,544	120,968	126,860	106,654	36,634	806,879
Haskell	36,566	3,435	41,095	10,088	18,714	13,186	2,270	2,982	122,372
Hodgeman	11,756	1,397	7,865	6,628	14,024	8,296	1,676	1,341	50,303
Jackson	65,415	7,150	3,106	24,007	38,328	46,085	89,108	7,487	265,712
Jefferson	71,359	8,150	7,119	22,771	52,519	58,827	165,826	8,088	378,483
Jewell	18,326	2,263	10,656	6,824	24,976	16,138	4,560	2,210	81,534
Johnson	8,913,613	830,266	898	1,231,244	3,214,856	1,242,798	1,810,941	805,557	16,439,060
Kearny	28,767	3,197	21,330	5,357	19,695	12,867	11,922	2,325	100,811
Kingman	63,388	7,286	5,273	13,910	42,788	37,145	23,918	6,638	187,070
Kiowa	24,174	2,634	1,661	6,454	19,156	17,365	2,683	2,554	71,573
Labette	235,953	27,207	7,620	31,359	69,182	101,469	(16,062)	22,008	434,719
Lane	17,343	1,837	931	5,972	13,514	9,360	(231)	1,724	47,003
Leavenworth	698,656	53,603	3,037	86,656	188,388	253,741	148,045	52,738	1,379,388
Lincoln	17,518	2,107	1,910	4,582	24,835	13,862	5,165	1,927	68,053
Linn	54,034	7,320	3,791	11,118	27,358	41,937	19,709	5,794	159,473
Logan	23,198	2,409	3,402	8,101	18,271	12,208	1,249	2,574	66,265
Lyon	414,189	47,679	2,954	39,644	131,395	118,802	(9,419)	36,101	709,143
McPherson	325,742	38,726	30,975	62,218	118,816	109,945	7,398	32,404	661,416
Marion	81,089	9,009	15,467	19,459	45,184	49,771	28,314	8,933	239,360
Marshall	113,857	12,765	11,561	19,700	54,075	56,139	(545)	11,875	255,678
Meade	31,566	3,323	7,273	7,064	21,817	16,746	6,662	2,918	91,534
Miami	181,188	19,119	9,126	31,376	85,025	88,896	172,881	17,731	569,881
Mitchell	86,155	8,749	5,880	13,169	42,506	29,642	(9,787)	8,061	168,252
Montgomery	384,818	47,256	4,332	46,361	130,754	168,625	(22,591)	37,065	722,490
Morris	35,668	4,036	810	11,849	21,515	27,982	12,130	4,181	109,808
Morton	40,048	4,593	(1,573)	7,242	21,640	11,882	(4,563)	3,534	75,736
Nemaha	103,106	11,749	24,992	13,809	69,825	42,033	(1,505)	9,887	254,123
Neosho	174,567	19,355	9,433	35,070	60,941	74,997	(1,307)	17,410	355,646
Ness	29,276	3,504	2,084	11,814	24,796	16,301	2,188	3,406	86,556
Norton	53,616	5,897	1,462	9,233	26,969	24,722	(2,081)	5,080	114,738
Osage	67,726	7,822	5,250	17,589	42,156	70,393	102,288	7,717	305,506

Table 4-16 (Continued)

County	Salaries & Wages	Other Labor Income	Farm Proprietors' Income	Nonfarm Proprietors' Income	Dividends, Interest, and Rent	Transfer Payments	Adjustment for Residence	Less:	Total Personal Income
								Personal Contributions for Social Insurance	
Osborne	28,751	3,268	11,796	11,663	35,150	21,242	2,824	3,604	111,092
Ottawa	27,675	3,051	8,001	8,421	22,950	22,024	22,975	3,101	111,996
Pawnee	67,270	6,612	18,549	16,601	31,281	28,566	2,996	6,169	165,707
Phillips	54,731	7,885	4,864	20,057	36,051	26,903	(2,018)	6,175	142,297
Pottawatomie	170,367	19,420	1,041	29,260	54,678	61,501	29,784	16,218	349,832
Pratt	100,171	10,009	1,534	19,199	42,989	40,926	(563)	9,587	204,677
Rawlins	19,538	2,167	(1,213)	6,580	22,603	13,037	1,188	2,218	61,681
Reno	793,842	80,466	18,021	77,517	300,263	262,481	6,886	72,019	1,467,458
Republic	46,120	5,299	14,829	11,077	41,367	26,087	3,288	4,894	143,172
Rice	68,748	8,124	16,496	15,917	45,862	42,528	12,821	7,149	203,347
Riley	568,527	65,970	2,671	77,820	202,820	165,436	185,765	47,177	1,221,832
Rooks	42,413	4,993	(3,003)	10,379	36,433	25,519	1,375	4,439	113,669
Rush	29,185	3,716	3,689	4,638	17,466	19,596	4	2,952	75,341
Russell	55,432	6,287	(754)	15,559	57,977	42,436	164	6,260	170,840
Saline	770,483	80,630	14,525	251,658	244,163	195,562	(39,052)	82,694	1,435,276
Scott	48,477	4,399	8,314	11,856	27,363	15,519	4,223	3,955	116,196
Sedgwick	8,284,169	937,750	18,305	863,180	1,707,755	1,559,319	(963,637)	729,062	11,677,779
Seward	311,187	34,563	49,239	46,976	59,961	54,806	(41,706)	27,372	487,653
Shawnee	2,892,842	287,022	12,190	234,656	757,129	699,481	(403,095)	244,722	4,235,504
Sheridan	18,729	2,117	9,552	10,223	18,392	10,957	865	2,305	68,531
Sherman	64,999	6,397	8,949	13,404	29,709	31,400	4,340	6,202	152,996
Smith	27,070	2,994	5,170	9,726	32,059	22,190	787	3,287	96,707
Stafford	32,854	3,554	11,637	10,489	27,876	26,957	422	3,462	110,327
Stanton	21,605	1,828	35,657	4,365	14,615	5,970	(966)	1,617	81,456
Stevens	51,257	5,501	22,507	12,711	31,307	17,348	6,446	4,709	142,368
Sumner	164,679	20,538	25,690	37,581	89,404	104,892	198,675	17,689	623,770
Thomas	83,463	8,471	10,660	18,608	31,750	28,550	(6,200)	7,843	167,458
Trego	24,747	2,621	(35)	7,724	24,408	15,430	2,143	2,451	74,586
Wabaunsee	23,384	2,820	1,878	12,888	27,728	25,399	52,856	3,166	143,787
Wallace	9,863	1,037	996	3,519	10,596	7,250	4	1,055	32,210
Washington	38,039	4,527	18,330	8,658	34,757	31,666	7,855	4,126	139,703
Wichita	19,300	1,879	57,690	6,340	11,758	8,450	(424)	1,726	103,267
Wilson	91,981	11,222	7,807	16,128	32,911	42,712	96	9,183	193,674
Woodson	15,300	1,718	3,499	5,870	19,017	20,522	6,508	2,126	70,309
Wyandotte	2,808,686	301,808	2,632	98,075	298,702	663,772	(1,020,378)	228,050	2,925,247
Total	36,908,000	3,854,000	976,000	4,913,000	11,679,000	9,571,000	1,280,000	3,325,000	65,856,000

Figure 4-1. Percent Change in County Personal Income, 1997-1998

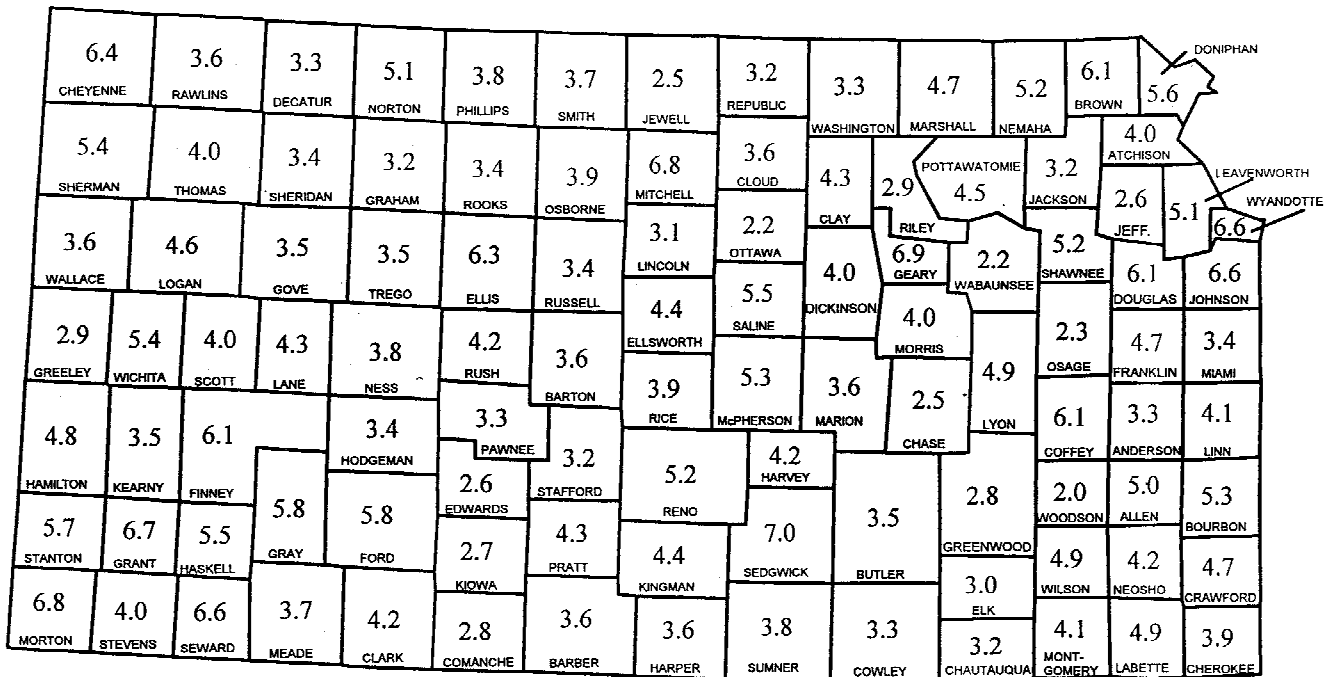


Figure 4-2. Per Capita Personal Income, 1998
(Dollars in Thousands)

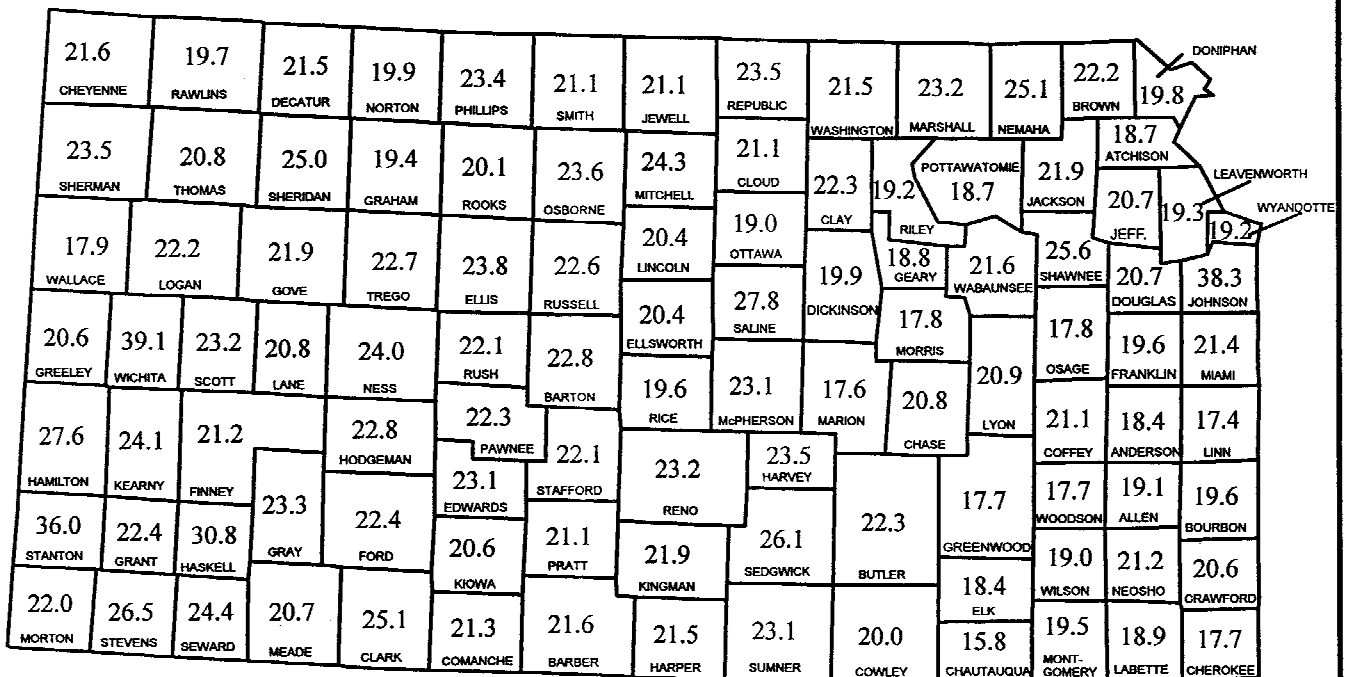


Figure 4-3. Total Personal Income, by Region, 1997 & 1998
(Dollars in Millions)

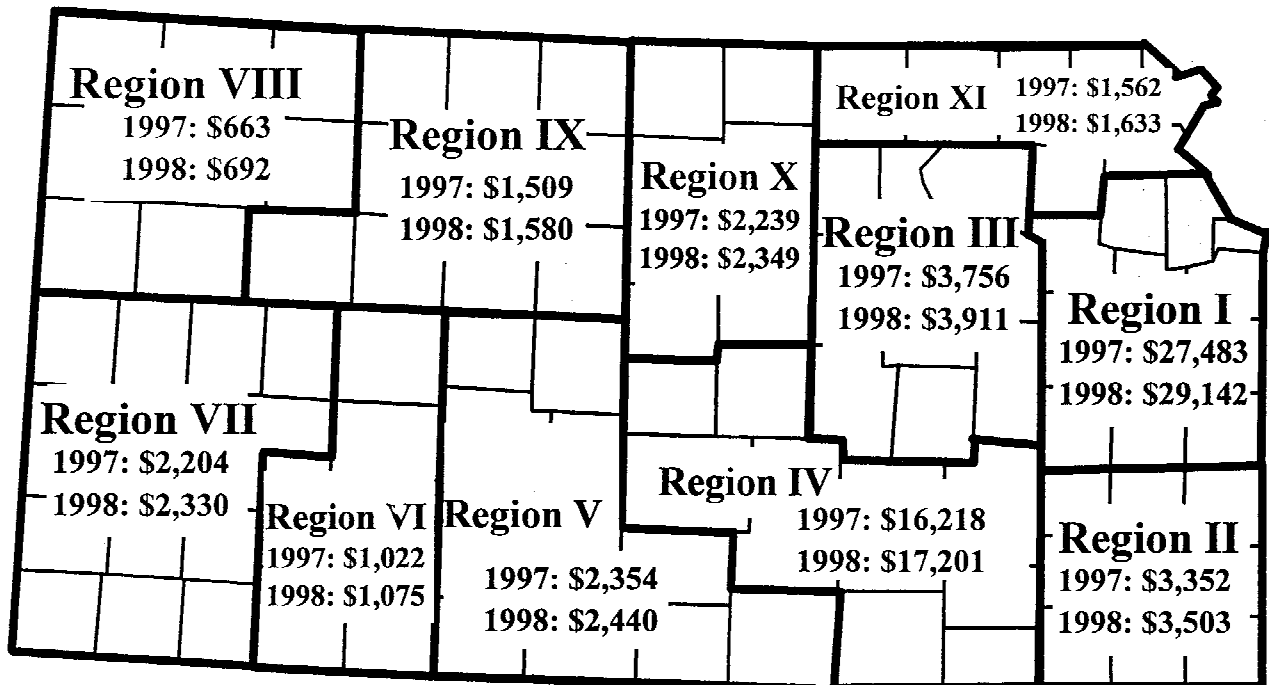
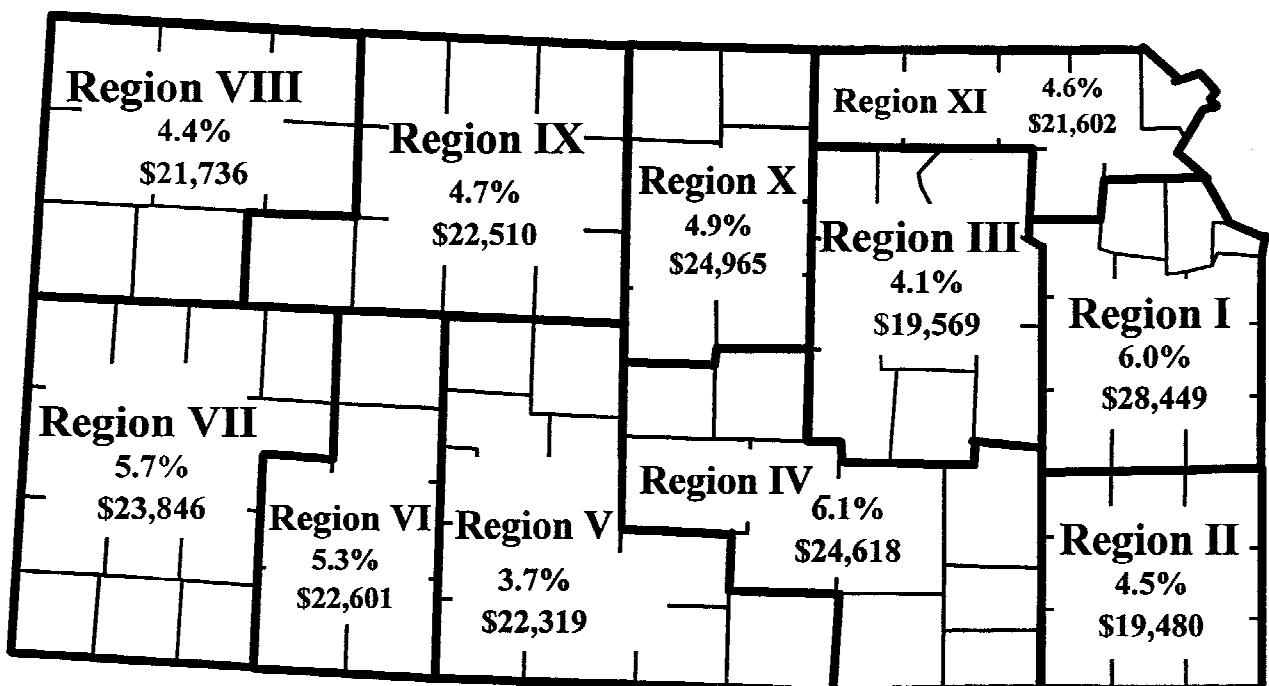


Figure 4-4. Percent Change in Total Income, 1997 & 1998, & 1998 Per Capita Income, by Region



Comparative Economic Indicators

Plains States Employment Trends

The employment growth rate for Kansas exceeded that of all the other states in the Plains region in 1998. Total nonfarm employment in Kansas grew at a rate of 3.5 percent in 1998 compared to the Plains states' average of 2.5 percent. Table 5-1, which is shown on page 46, presents employment growth rates for Kansas and the Plains states for 1997 and 1998.

Comparative State Employment

Comparatively, employment increased at a 2.8 percent rate in Iowa and Minnesota, a 2.5 percent rate in Nebraska, a 1.8 percent rate in Missouri and South Dakota, and a 1.1 percent rate in North Dakota in 1998. In 1999, the employment growth rate for Kansas (1.9 percent) exceeded that of the Plains states' average (1.1 percent), but was second in the region to Iowa (2.3 percent). Minnesota experienced a 1.7 percent growth rate, while Missouri and South Dakota had 0.2 percent growth rates in 1999. North Dakota and Nebraska experienced employment declines of 0.2 percent and 0.3 percent, respectively, in 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 from 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.

Employment by Industry Type

In 1998, the employment growth rate in Kansas exceeded that of the Plains states' average in five of the eight major industry groupings. The growth rate in Kansas exceeded that of the Plains states' average in

manufacturing, transportation and public utilities, trade, services, and total government employment. The Kansas growth rate lagged behind the Plains states' average in mining, construction, as well as finance, insurance, and real estate (FIRE) employment.

In 1999, the employment growth rate in Kansas exceeded that of the Plains states' average in seven of the eight major industry groupings. The Kansas growth rate exceeded that of the Plains states' average in mining, construction, transportation and public utilities, trade, FIRE, services, and government employment. Only manufacturing employment growth lagged behind the Plains states' average in 1999. Table 5-2, also shown on page 46, presents employment growth rates for Kansas and the Plains states for October 1998 through October 1999.

Mining. Mining employment in Kansas fell by 9.8 percent in 1998 compared to a 3.6 percent decline in the Plains states region. Iowa (4.8 percent), Minnesota (2.5 percent), and Missouri (2.1 percent) all experienced increases in mining employment, while North Dakota (-4.8 percent) and South Dakota (-22.7 percent) both had decreases. Mining employment in Nebraska remained unchanged.

In 1999, mining employment in Kansas increased by 4.3 percent compared to a 0.3 percent decline in the Plains states region. Missouri experienced the highest growth rate of 6.1 percent. Minnesota (-1.3 percent), North Dakota (-5.0 percent), Nebraska (-8.3 percent), and South Dakota (-17.6 percent) all experienced mining employment declines. Mining employment in Iowa remained unchanged.

Construction. Construction employment in Kansas increased by 4.8 percent in 1998 compared to a 5.1 percent increase in the Plains states region. Minnesota had the largest increase in construction employment (8.6 percent), followed by Nebraska (7.3 percent), South Dakota (5.3 percent), Missouri (4.8 percent), and North Dakota (1.3 percent). Construction employment in Iowa remained unchanged.

Table 5-1

	Plains States Employment Growth, 1997-1998									
	<i>(Employment in Thousands)</i>									
	Percent Change									
	<u>KS</u>	<u>IA</u>	<u>MN</u>	<u>MO</u>	<u>NE</u>	<u>ND</u>	<u>SD</u>	<u>Plains</u>		
Total Non-Farm	3.5 %	2.8 %	2.8 %	1.8 %	2.5 %	1.1 %	1.8 %	2.5 %		
Mining	(9.8)	4.8	2.5	2.1	--	(4.8)	(22.7)	(3.6)		
Oil & Gas Extraction	(11.8)	NA	NA	NA	NA	(8.0)	NA	NA		
Construction	4.8	--	8.6	4.8	7.3	1.3	5.3	5.1		
Manufacturing	3.3	3.3	2.1	0.6	2.1	3.0	0.2	2.0		
Stone, Clay, & Glass Products	3.3	1.4	3.0	--	6.7	NA	NA	NA		
Primary Metal Industries	4.9	2.2	3.9	5.7	NA	NA	NA	NA		
Fabricated Metal Products	2.8	5.6	3.0	--	1.2	--	NA	NA		
Transportation Equipment	7.4	5.7	4.2	(1.7)	1.4	9.1	NA	NA		
Aircraft & Parts	9.6	NA	NA	(1.2)	NA	NA	NA	NA		
Food & Kindred Products	2.5	2.0	(1.3)	0.2	1.7	3.5	(7.1)	0.6		
Meat Products	3.3	1.6	(2.6)	NA	0.8	NA	NA	NA		
Grain Mill Products	(2.3)	1.1	(4.7)	NA	5.4	NA	NA	NA		
Apparel & Other Textile Products	(8.8)	(4.5)	NA	NA	NA	NA	NA	NA		
Printing & Publishing	(0.4)	1.5	4.3	(0.2)	3.2	NA	NA	NA		
Chemicals & Allied Products	6.2	5.4	0.9	1.5	7.7	NA	NA	NA		
Transportation & Public Utilities	3.5	5.3	3.0	0.2	4.7	(1.1)	1.8	2.4		
Railroad Transportation	1.5	(2.6)	NA	1.5	8.7	NA	NA	NA		
Trucking & Warehousing	3.2	5.7	4.4	5.0	5.9	(3.7)	NA	NA		
Electric, Gas, & Sanitary Services	(4.6)	3.2	--	(2.5)	3.6	(2.3)	--	(1.1)		
Trade	3.0	2.4	2.2	1.4	1.5	0.4	1.4	2.0		
General Merchandise Stores	6.9	2.5	1.3	1.2	1.0	2.7	NA	NA		
Food Stores	0.3	2.3	(0.5)	0.3	2.5	(2.6)	--	0.6		
Automotive Dealers & Service Stations	1.1	NA	3.6	3.2	--	(1.1)	NA	NA		
Apparel and Accessory Stores	4.4	NA	6.0	--	1.7	4.8	NA	NA		
Finance, Insurance, & Real Estate (FIRE)	2.1	4.3	6.0	4.3	4.6	5.4	7.7	4.7		
Insurance Carriers	--	NA	3.9	2.1	6.1	NA	NA	NA		
Services	5.3	3.4	3.5	2.7	3.9	2.3	2.6	3.4		
Hotels & Other Lodging Places	9.0	NA	0.7	6.1	2.2	1.8	NA	NA		
Personal Services	--	NA	2.3	3.4	(1.3)	(2.9)	NA	NA		
Total Government	2.1	0.5	0.5	0.8	(0.9)	(0.3)	0.9	0.7		
Total Federal Government	(1.1)	(1.5)	(2.1)	(7.1)	--	--	--	(3.2)		
Total State & Local Government	2.6	0.7	0.7	2.2	(1.0)	(0.2)	1.0	1.2		

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

Table 5-2

Plains States Employment Growth										
October 1998-October 1999										
	Total	Mining	Const.	Manuf.	Trans./	Trade	FIRE	Services	Gov't	
Kansas	1.9 %	4.3 %	8.3 %	(1.4) %	1.4 %	3.4 %	2.1 %	2.1 %	0.9 %	
Iowa	2.3	--	5.9	0.9	4.0	2.2	1.8	2.8	1.6	
Minnesota	1.7	(1.3)	9.2	(0.2)	(0.2)	1.9	0.8	3.2	0.1	
Missouri	0.2	0.1	5.3	(3.0)	(0.3)	0.2	1.5	0.4	1.4	
Nebraska	(0.3)	(8.3)	(0.5)	(0.7)	3.3	(1.8)	1.7	(1.0)	1.0	
North Dakota	(0.2)	(5.0)	2.0	(2.1)	(0.6)	(0.5)	1.3	0.2	--	
South Dakota	0.2	(17.6)	(0.6)	(0.4)	--	1.5	2.2	0.4	(1.1)	
Plains States	1.1	(0.3)	5.9	(1.0)	0.9	1.2	1.4	1.6	0.8	

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

In 1999, construction employment in Kansas increased by 8.3 percent compared to a 5.9 percent increase in the Plains states region. Minnesota had the highest growth rate (9.2 percent). Iowa (5.9 percent), Missouri (5.3 percent), and North Dakota (2.0 percent) also had increases in construction employment. Nebraska (-0.5 percent) and South Dakota (-0.6 percent) experienced declines.

Manufacturing. Manufacturing employment in Kansas increased by 3.3 percent in 1998 compared to a 2.0 percent increase in the Plains states region. Both Kansas and Iowa led with 3.3 percent increases. They were followed by North Dakota (3.0 percent), Minnesota and Nebraska (2.1 percent), Missouri (0.6 percent), and South Dakota (0.2 percent).

In 1999, manufacturing employment in Kansas declined by 1.4 percent compared to a 1.0 percent decline in the Plains states region. Only Iowa experienced an increase (0.9 percent). Declines in manufacturing employment were realized in Minnesota (-0.2 percent), South Dakota (-0.4 percent), Nebraska (-0.7 percent), North Dakota (-2.1 percent), and Missouri (-3.0 percent).

Transportation & Public Utilities. Transportation and public utilities employment in Kansas increased by 3.5 percent in 1998 compared to a 2.4 percent increase in the Plains states region. Iowa had the largest increase in transportation and public utilities employment (5.3 percent), followed by Nebraska (4.7 percent), Minnesota (3.0 percent), South Dakota (1.8 percent), and Missouri (0.2 percent). North Dakota experienced a 1.1 percent decline in transportation and public utilities employment.

In 1999, transportation and public utilities employment in Kansas increased by 1.4 percent compared to a 0.9 percent increase in the Plains states region. Iowa (4.0 percent) and Nebraska (3.3 percent) experienced increases in transportation and public utilities employment, while Minnesota (-0.2 percent), Missouri (-0.3 percent), and North Dakota (-0.6 percent) experienced decreases. Transportation and public utilities employment in South Dakota remained unchanged.

Trade. Trade employment growth in Kansas (3.0 percent) led the Plains state region (2.0 percent) in 1998. Iowa was second (2.4 percent), followed by

Minnesota (2.2 percent), Nebraska (1.5 percent), Missouri (1.4 percent), South Dakota (1.4 percent), and North Dakota (0.4 percent).

In 1999, trade employment growth in Kansas (3.4 percent) again led the Plains states region (1.2 percent). Iowa was second again (2.2 percent), followed by Minnesota (1.9 percent), South Dakota (1.5 percent), and Missouri (0.2 percent). North Dakota (-0.5 percent) and Nebraska (-1.8 percent) both experienced decreases.

Finance, Insurance, & Real Estate (FIRE). Finance, insurance, and real estate employment growth in Kansas (2.1 percent) lagged behind the Plains states region (4.7 percent) in 1998. South Dakota (7.7 percent) had the highest growth rate, followed by Minnesota (6.0 percent), North Dakota (5.4 percent), Nebraska (4.6 percent), and Iowa and Missouri (4.3 percent).

In 1999, FIRE employment growth in Kansas (2.1 percent) exceeded the Plains states region (1.4 percent) in 1998. South Dakota (2.2 percent) had the largest increase, followed by Iowa (1.8 percent), Nebraska (1.7 percent), Missouri (1.5 percent), North Dakota (1.3 percent), and Minnesota (0.8 percent).

Services. Services employment growth in Kansas (5.3 percent) led the Plains states region (3.4 percent) in 1998. Nebraska was second (3.9 percent), followed by Minnesota (3.5 percent), Iowa (3.4 percent), Missouri (2.7 percent), South Dakota (2.6 percent), and North Dakota (2.3 percent).

In 1999, services employment growth in Kansas (2.1 percent) exceeded the Plains states region average (1.6 percent). Minnesota (3.2 percent) led the Plains states region, followed by Iowa (2.8 percent), then Kansas. Missouri and South Dakota (0.4 percent), as well as North Dakota (0.2 percent) also realized increases. However, Nebraska (-1.0 percent) experienced a decrease.

Total Government. Total government employment growth in Kansas (2.1 percent) led the Plains states region (0.7 percent) in 1998. South Dakota was second (0.9 percent), followed by Missouri (0.8 percent), and Iowa and Minnesota (0.5 percent). North Dakota (-0.3 percent) and Nebraska (-0.9 percent) both experienced declines in total government employment.

In 1999, total government employment growth in Kansas (0.9 percent) exceeded the Plains states region (0.8 percent). Iowa (1.6 percent) led the Plains states region, followed by Missouri (1.4 percent), Nebraska (1.0 percent), and Minnesota (0.1 percent). South Dakota (-1.1 percent) experienced a decrease, while North Dakota had no change in total government employment.

Kansas & Adjacent State Metro Areas' Employment Trends

Employment grew at an average rate of 1.7 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Table 5-3 presents employment growth rates for metropolitan areas in Kansas and adjacent states for October 1998 through October 1999.

Employment by Industry Type

Tulsa, Oklahoma experienced the highest employment growth rate of 3.4 percent. Tulsa was followed by

Springfield, Missouri at 2.5 percent; Oklahoma City, Oklahoma at 2.4 percent; and Kansas City, Missouri at 2.2 percent. These rates compare to growth rates of 0.7 percent, 0.3 percent, and 0.2 percent, for Topeka, Wichita, and Lawrence, respectively.

Manufacturing. Manufacturing employment declined at an average rate of 0.8 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Topeka experienced the highest manufacturing employment growth rate of 6.5 percent; followed by Enid, Oklahoma at 4.3 percent; Lawrence at 3.8 percent; and Kansas City, Missouri at 1.3 percent. Manufacturing employment in Wichita fell by 1.6 percent in 1999.

Transportation & Public Utilities. Transportation and public utilities employment grew at an average rate of 2.9 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Boulder-Longmont, Colorado experienced the highest transportation and public utilities employment growth with a rate of 11.9 percent. The Boulder-Longmont area was followed by Springfield, Missouri at 8.2

Table 5-3

Metropolitan Area Employment Growth										
Kansas & Adjacent States										
October 1998-October 1999										
	Total	Mining	Const.	Manuf.	Trans./ Util.	Trade	FIRE	Services	Gov't	
Kansas										
Lawrence	0.2 %	NA %	NA %	3.8 %	-- %	(2.4) %	(4.8) %	(1.7) %	2.0 %	
Topeka	0.7	NA	NA	6.5	(3.4)	2.2	(1.5)	1.0	(2.2)	
Wichita	0.3	--	2.6	(1.6)	2.7	1.6	0.9	(0.3)	1.4	
Colorado										
Boulder-Longmont	1.4	NA	NA	(1.2)	11.9	(2.8)	1.6	4.3	1.1	
Colorado Springs	1.2	NA	NA	--	0.8	0.2	4.7	0.3	3.1	
Denver	1.9	(11.6)	0.9	(1.4)	2.8	4.2	1.2	1.9	0.8	
Missouri										
Kansas City	2.2	NA	NA	1.3	3.1	1.8	2.2	1.5	3.6	
St. Louis	1.4	NA	NA	(2.6)	1.7	2.4	0.5	2.4	(0.1)	
Springfield	2.5	NA	NA	1.3	8.2	1.5	1.3	2.6	2.9	
Nebraska										
Lincoln	0.7	NA	NA	--	(2.0)	(0.6)	5.0	1.5	0.3	
Omaha	(0.1)	NA	NA	(2.0)	4.3	(0.6)	0.6	(1.2)	2.2	
Oklahoma										
Enid	0.8	(12.5)	(10.0)	4.3	--	3.3	--	1.5	--	
Lawton	1.8	--	14.3	--	--	3.3	5.6	1.2	--	
Oklahoma City	2.4	(5.8)	2.6	(0.5)	2.9	2.6	3.0	4.4	1.1	
Tulsa	3.4	--	5.4	0.2	5.1	3.3	5.6	4.9	0.9	
All Area Average	1.7	(5.5)	2.0	(0.8)	2.9	2.1	1.7	2.0	1.3	

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

percent; Tulsa, Oklahoma at 5.1 percent; and Omaha, Nebraska at 4.3 percent. Transportation and public utilities employment in Wichita increased by 2.7 percent, while Topeka decreased by 3.4 percent and Lawrence remained unchanged in 1999.

Finance, Insurance, & Real Estate. FIRE employment grew at an average rate of 1.7 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Lawton, Oklahoma and Tulsa, Oklahoma experienced the highest FIRE employment growth rate of 5.6 percent; followed by Lincoln, Nebraska at 5.0 percent; and Colorado Springs, Colorado at 4.7 percent. FIRE employment increased 0.9 percent in Wichita, decreased 1.5 percent in Topeka, and 4.8 percent in Lawrence in 1999.

Services. Services employment grew at an average rate of 2.0 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Tulsa, Oklahoma experienced the highest growth rate of 4.9 percent; followed by Oklahoma City, Oklahoma at 4.4 percent; and Boulder-Longmont, Colorado at 4.3 percent. Services employment in Topeka increased 1.0 percent, while services employment decreased 0.3 percent in Wichita and 1.7 percent in Lawrence in 1999.

Total Government. Total government employment grew at an average rate of 1.3 percent in the major metropolitan areas in Kansas and adjacent states in 1999. Kansas City, Missouri experienced the highest total government employment growth rate at 3.6 percent. KC was followed by Colorado Springs, Colorado at 3.1 percent and Springfield, Missouri at 2.9 percent. Total government employment increased in Lawrence by 2.0 percent and by 1.4 percent in Wichita. It decreased by 2.2 percent in Topeka.

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

In 1998, personal income growth for Kansas exceeded that of the Plains states region, but lagged behind that of the U.S. as a whole. Personal income in Kansas grew at a 5.6 percent rate, compared to a 5.1 percent growth rate for the Plains states region as a whole, and a 0.7 percent growth rate for the U.S. Within the Plains states region, North Dakota was the fastest growing state with a growth rate of 7.5 percent.

Minnesota followed with a growth rate of 6.3 percent, and Kansas with a 5.6 percent growth rate.

In 1998, North Dakota had the largest increase in per capita personal income in the Plains states region with an 8.0 percent growth rate. Kansas was fifth in the seven-state region with a 4.5 percent growth rate. Table 5-4, which appears on pages 51 through 52, presents comparative state personal income and disposable personal income data for 1996 through 1998. Table 5-5, which appears on pages 53 through 54, presents comparative state per capita personal income and per capita disposable personal income data for 1996 through 1998.

Personal Income. Nationally, Kansas ranked 31st in total personal income, while Missouri ranked 17th, Minnesota ranked 19th, Iowa ranked 30th, Nebraska ranked 36th, South Dakota ranked 47th, and North Dakota ranked 50th in 1998. In terms of personal income growth, the Plains states region (5.1 percent) lagged behind the national average (5.7 percent) and was tied with the New England region as the second slowest growing of the eight regions. The Southwest region was the fastest growing at a rate of 7.2 percent. Kansas (5.6 percent) ranked 21st, while North Dakota (7.5 percent) ranked 5th, Minnesota (6.3 percent) ranked 10th, South Dakota (5.4 percent) ranked 24th, Nebraska (5.3 percent) ranked 27th, Iowa (4.1 percent) ranked 44th, and Missouri (4.0 percent) ranked 45th.

Disposable Personal Income. Disposable personal income is equal to personal income less personal taxes, i.e., disposable income is the income available for personal use. In terms of disposable income growth, the Plains region (4.5 percent) lagged behind the national average (4.8 percent) and was the third slowest growing of the eight regions. The Southwest region was the fastest growing at a rate of 6.5 percent. Kansas (4.8 percent) ranked 20th, while North Dakota (7.4 percent) ranked 2nd, Minnesota (5.8 percent) ranked 8th, South Dakota (4.9 percent) ranked 19th, Nebraska (4.8 percent) ranked 21st, Iowa (3.4 percent) ranked 44th, and Missouri (3.3 percent) ranked 45th.

Per Capita Personal Income. The Plains region (\$25,126) lagged behind the national average (\$26,482) in per capita personal income and ranked fifth out of the eight regions in 1998. The New England region had the highest per capita personal income of \$32,007. It was followed by the Midwest

region at \$30,652. Kansas (\$25,049) ranked 25th in per capita personal income in the U.S., while Minnesota (\$27,667) ranked 12th, Nebraska (\$24,786) ranked 27th, Missouri (\$24,447) ranked 29th, Iowa (\$24,007) ranked 33rd, South Dakota (\$22,201) ranked 38th, and North Dakota (\$21,708) ranked 38th in 1998.

In terms of per capita personal income growth, the Plains region (4.5 percent) lagged behind the national average (4.7 percent) and was tied with the Great Lakes region as the slowest growing of the eight regions. The Rocky Mountains region was the fastest growing at a rate of 5.4 percent. Kansas (4.5 percent) ranked 32nd, while North Dakota (8.0 percent) ranked 1st, Minnesota (5.4 percent) ranked 5th, South Dakota (5.3 percent) ranked 6th, Nebraska (4.9 percent) ranked 16th, Iowa (3.8 percent) ranked 40th, and Missouri (3.5 percent) ranked 45th.

Per Capita Disposable Personal Income. The Plains region (\$21,339) lagged behind the national average (\$22,424) in per capita disposable personal income and ranked fifth out of the eight regions in 1998. The New England region had the highest per capita personal income of \$26,346 followed by the Mideast region at \$25,512. Kansas (\$21,322) ranked 25th in per capita disposable income in the U.S., while Minnesota (\$22,719) ranked 17th, Nebraska (\$21,318) ranked 26th, Missouri (\$20,952) ranked 28th, Iowa (\$20,689) ranked 31st, South Dakota (\$19,866) ranked 35th, and North Dakota (\$19,162) ranked 39th in 1998.

In terms of per capita disposable income growth, the Plains region (3.9 percent) exceeded the national average (3.8 percent) and was the fourth fastest growing of the eight regions. The Southwest and Rocky Mountains regions were the fastest growing regions with rates of 4.6 percent. Kansas (3.7 percent) ranked 29th, while North Dakota (7.8 percent) ranked 1st, Minnesota (5.0 percent) ranked 4th, South Dakota (4.8 percent) ranked 6th, Nebraska (4.4 percent) ranked 11th, Iowa (3.1 percent) ranked 39th, and Missouri (2.7 percent) ranked 45th.

Historical Trends in Per Capita Personal Income.

Kansas per capita personal income in 1998 was \$25,049, which is a 4.5 percent increase from its 1997 level of \$23,972. This increase is equal to the growth rate for the Plains states, but below the 4.7 percent growth rate for the U.S. as a whole. Per capita personal income in Kansas continues to lag both that of the Plains states and the U.S. Table 5-6 presents historical per capita personal income data for Kansas, the Plains states, and the U.S. for 1989 through 1998.

Kansas per capita income in 1998 was 0.3 percent below the Plains states' average and 5.4 percent below the U.S. 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 94.8 percent in 1997 to a low of 92.6 percent in 1989.

Table 5-6

Per Capita Personal Income, Kansas, Plains States, & U.S., 1989-1998									
Year	Kansas	Plains	U.S.	Percentage Change from Prior Year			Kansas As Percentage of:		
				Kansas	Plains	U.S.	Plains	U.S.	
1989	16,802	16,863	18,153	--	%	--	%	--	%
1990	17,940	17,807	19,156	6.8		5.6		100.7	93.7
1991	18,492	18,339	19,623	3.1		3.0		100.8	94.2
1992	19,447	19,390	20,547	5.2		5.7		100.3	94.6
1993	20,048	19,807	21,220	3.1		2.2		101.2	94.5
1994	20,638	20,863	22,056	2.9		5.3		98.9	93.6
1995	21,481	21,631	23,059	4.1		3.7		99.3	93.2
1996	22,707	23,039	24,164	5.7		6.5		98.6	94.0
1997	23,972	24,034	25,288	5.6		4.3		99.7	94.8
1998	25,049	25,126	26,482	4.5		4.5		99.7	94.6

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

Table 5-4

State Income Growth, 1997-1998										
<i>(Dollars in Thousands)</i>										
	<u>Personal Income</u>		<u>Percentage Change</u>			<u>Disposable Personal Income</u>		<u>Percentage Change</u>		
	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>
United States	7,158,176,290		5.7 %	5.7 %		6,061,088,290		4.8 %	4.8 %	
Alabama	93,566,943	24	5.0	4.7	37	82,147,693	25	4.4	4.2	32
Alaska	15,823,391	48	3.5	3.9	46	13,348,891	48	2.9	3.3	46
Arizona	108,086,511	23	7.2	7.9	2	92,333,345	23	6.3	7.2	3
Arkansas	51,762,820	33	4.9	4.7	38	45,394,495	33	4.5	3.9	38
California	900,899,903	1	6.0	6.4	9	755,231,646	1	5.1	5.2	15
Colorado	114,449,124	22	7.6	8.9	1	95,810,166	22	6.5	8.0	1
Connecticut	123,430,960	21	5.7	5.3	26	99,258,546	21	4.3	4.0	37
Delaware	22,257,563	44	6.2	6.3	12	18,647,263	44	5.4	5.4	11
District of Columbia	19,525,661	45	2.5	3.2	48	16,099,814	45	1.5	1.6	51
Florida	386,654,430	4	5.9	6.2	13	330,157,087	4	5.0	5.2	14
Georgia	191,864,830	11	6.5	7.3	7	163,231,647	11	5.7	6.3	7
Hawaii	31,268,323	40	2.5	2.5	51	26,842,716	40	1.9	1.7	50
Idaho	25,901,148	43	5.3	5.1	31	22,275,124	43	4.5	4.3	29
Illinois	349,029,419	5	5.4	5.1	30	292,419,260	5	4.4	4.3	30
Indiana	143,362,349	16	5.0	5.4	25	121,875,842	16	4.3	4.7	25
Iowa	68,719,683	30	5.2	4.1	44	59,221,775	30	4.4	3.4	44
Kansas	65,854,217	31	6.3	5.6	21	56,056,746	31	5.5	4.8	20
Kentucky	84,833,878	26	6.4	5.5	23	73,168,148	26	5.8	4.9	18
Louisiana	93,429,786	25	4.7	4.9	34	82,178,881	24	3.7	4.2	34
Maine	28,619,679	41	5.0	5.1	32	24,650,346	41	3.9	4.1	35
Maryland	154,163,998	15	5.8	5.5	22	128,282,298	15	4.6	4.8	22
Massachusetts	202,252,119	10	6.1	5.9	15	164,889,289	10	5.1	4.8	23
Michigan	255,038,802	9	4.5	4.5	41	214,328,689	9	3.5	3.7	41
Minnesota	130,736,634	19	4.9	6.3	10	107,357,739	20	3.8	5.8	8
Mississippi	52,283,212	32	4.9	5.8	16	47,079,279	32	4.4	5.3	12
Missouri	132,955,487	17	5.4	4.0	45	113,947,945	17	4.5	3.3	45
Montana	17,826,735	46	4.4	3.2	49	15,434,285	46	3.6	2.5	48
Nebraska	41,211,643	36	3.9	5.3	27	35,445,767	36	2.8	4.8	21
Nevada	47,794,729	34	7.5	7.4	6	40,107,166	34	6.5	6.5	6
New Hampshire	34,625,867	39	6.2	6.4	8	29,848,844	39	5.3	5.6	9
New Jersey	275,531,478	8	5.4	5.7	18	229,892,485	8	4.6	4.6	26
New Mexico	34,753,112	38	4.5	4.5	43	30,524,376	38	3.7	4.2	33
New York	575,767,817	2	4.3	4.9	35	472,646,908	2	3.2	3.5	43
North Carolina	182,035,666	13	6.8	5.7	17	155,289,907	13	6.0	4.7	24
North Dakota	13,854,813	50	(0.8)	7.5	5	12,230,187	50	(2.0)	7.4	2

Table 5-4 (Continued)

State Income Growth, 1997-1998*(Dollars in Thousands)*

	Personal Income		Percentage Change			Disposable Personal Income		Percentage Change		
	1998	Rank	96-97	97-98	Rank	1998	Rank	96-97	97-98	Rank
Ohio	282,920,265	7	5.0	4.6	40	239,089,288	7	4.2	3.6	42
Oklahoma	70,469,389	29	5.8	4.5	42	61,217,594	29	5.2	3.8	40
Oregon	81,309,693	28	6.0	4.8	36	67,865,621	28	4.8	4.1	36
Pennsylvania	322,705,796	6	4.4	4.7	39	274,626,364	6	3.4	3.8	39
Rhode Island	26,614,157	42	5.3	5.0	33	22,877,955	42	4.4	4.3	31
South Carolina	82,039,415	27	5.8	5.6	20	71,340,412	27	5.1	5.1	16
South Dakota	16,388,045	47	3.1	5.4	24	14,664,630	47	2.4	4.9	19
Tennessee	128,244,293	20	5.4	5.2	28	112,656,356	18	4.7	4.5	27
Texas	494,543,763	3	8.1	7.6	3	434,698,088	3	7.6	6.9	4
Utah	44,297,177	35	7.3	6.3	11	37,627,226	35	6.7	5.5	10
Vermont	14,309,450	49	4.2	5.6	19	12,299,366	49	3.4	5.0	17
Virginia	186,685,782	12	5.7	6.1	14	156,915,780	12	4.8	5.2	13
Washington	159,673,674	14	7.8	7.5	4	137,219,778	14	7.1	6.7	5
West Virginia	35,086,721	37	3.1	3.2	47	31,026,316	37	2.5	2.7	47
Wisconsin	131,546,684	18	5.2	5.2	29	109,845,723	19	4.2	4.4	28
Wyoming	11,169,256	51	5.0	3.0	50	9,463,198	51	4.1	2.0	49
New England	429,852,232		5.8	5.7		353,824,346		4.7	4.6	
Mideast	1,369,952,313		4.7	5.1		1,140,195,132		3.7	3.9	
Great Lakes	1,161,897,519		5.0	4.9		977,558,802		4.1	4.1	
Plains	469,720,522		4.9	5.1		398,924,789		4.0	4.5	
Southeast	1,568,487,776		5.8	5.8		1,350,586,001		5.0	5.0	
Southwest	707,852,775		7.5	7.2		618,773,403		6.9	6.5	
Rocky Mountains	213,643,440		6.8	7.0		180,609,999		5.9	6.2	
Far West	1,236,769,713		6.2	6.3		1,040,615,818		5.3	5.2	

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

Table 5-5

State Per Capita Income Growth, 1997-1998*(Dollars in Thousands)*

	Personal Income		Percentage Change			Disposable Personal Income		Percentage Change		
	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>
United States	26,482		4.7 %	4.7 %		22,424		3.8 %	3.8 %	
Alabama	21,500	41	4.2	4.0	39	18,876	40	3.7	3.5	32
Alaska	25,771	21	2.7	3.2	47	21,741	22	2.1	2.5	47
Arizona	23,152	36	4.4	5.2	9	19,777	37	3.4	4.6	8
Arkansas	20,393	47	4.2	4.1	37	17,884	47	3.8	3.3	38
California	27,579	13	4.7	4.8	20	23,119	13	3.8	3.6	30
Colorado	28,821	10	5.4	6.7	2	24,128	10	4.4	5.9	2
Connecticut	37,700	1	5.5	5.1	13	30,317	2	4.2	3.8	28
Delaware	29,932	7	5.0	5.1	14	25,077	7	4.2	4.2	16
District of Columbia	37,325	2	4.4	4.5	28	30,776	1	3.3	2.9	44
Florida	25,922	20	4.0	4.5	30	22,134	19	3.2	3.5	31
Georgia	25,106	24	4.3	5.1	12	21,359	23	3.5	4.2	13
Hawaii	26,210	18	2.0	2.4	51	22,500	18	1.5	1.6	51
Idaho	21,080	45	3.3	3.4	46	18,129	45	2.6	2.7	46
Illinois	28,976	9	4.9	4.7	27	24,277	9	3.9	3.8	23
Indiana	24,302	30	4.4	4.7	23	20,660	33	3.6	4.1	18
Iowa	24,007	33	4.9	3.8	40	20,689	31	4.2	3.1	39
Kansas	25,049	25	5.6	4.5	32	21,322	25	4.8	3.7	29
Kentucky	21,551	40	5.6	4.8	21	18,587	43	5.0	4.2	15
Louisiana	21,385	43	4.3	4.5	29	18,810	41	3.4	3.8	26
Maine	23,002	37	4.7	4.9	19	19,811	36	3.6	3.9	20
Maryland	30,023	6	5.0	4.7	26	24,983	8	3.8	4.0	19
Massachusetts	32,902	4	5.6	5.3	7	26,824	4	4.5	4.2	14
Michigan	25,979	19	4.0	4.1	36	21,832	21	3.0	3.3	37
Minnesota	27,667	12	4.0	5.4	5	22,719	17	2.9	5.0	4
Mississippi	18,998	51	4.0	5.0	15	17,107	51	3.5	4.5	9
Missouri	24,447	29	4.6	3.5	45	20,952	28	3.8	2.7	45
Montana	20,247	48	4.2	3.0	49	17,530	49	3.3	2.3	49
Nebraska	24,786	27	3.4	4.9	16	21,318	26	2.3	4.4	11
Nevada	27,360	15	2.5	3.2	48	22,959	15	1.6	2.4	48
New Hampshire	29,219	8	5.1	5.2	10	25,188	6	4.2	4.5	10
New Jersey	33,953	3	4.7	4.9	17	28,329	3	4.0	3.8	25
New Mexico	20,008	49	3.6	3.7	42	17,574	48	2.8	3.4	35
New York	31,679	5	4.3	4.7	24	26,005	5	3.2	3.4	36
North Carolina	24,122	32	5.1	4.1	35	20,578	34	4.3	3.1	40
North Dakota	21,708	39	(0.5)	8.0	1	19,162	39	(1.7)	7.8	1

Table 5-5

State Per Capita Income Growth, 1997-1998*(Dollars in Thousands)*

	<u>Personal Income</u>		<u>Percentage Change</u>			<u>Disposable Personal Income</u>		<u>Percentage Change</u>		
	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>	<u>1998</u>	<u>Rank</u>	<u>96-97</u>	<u>97-98</u>	<u>Rank</u>
Ohio	25,239	22	4.8	4.5	33	21,329	24	4.0	3.4	33
Oklahoma	21,056	46	5.0	3.7	41	18,292	44	4.4	3.0	41
Oregon	24,775	28	4.5	3.6	43	20,678	32	3.2	2.9	42
Pennsylvania	26,889	17	4.6	4.7	22	22,883	16	3.6	3.9	22
Rhode Island	26,924	16	5.4	4.9	18	23,145	12	4.5	4.1	17
South Carolina	21,387	42	4.4	4.3	34	18,598	42	3.7	3.8	24
South Dakota	22,201	38	3.1	5.3	6	19,866	35	2.4	4.8	6
Tennessee	23,615	34	4.1	4.0	38	20,745	30	3.4	3.4	34
Texas	25,028	26	6.1	5.6	4	21,999	20	5.6	4.9	5
Utah	21,096	44	5.1	4.5	31	17,920	46	4.4	3.8	27
Vermont	24,217	31	3.8	5.2	11	20,815	29	3.0	4.6	7
Virginia	27,489	14	4.6	5.3	8	23,105	14	3.7	4.4	12
Washington	28,066	11	6.0	6.1	3	24,119	11	5.2	5.3	3
West Virginia	19,373	50	3.4	3.5	44	17,131	50	2.8	2.9	43
Wisconsin	25,184	23	4.6	4.7	25	21,029	27	3.7	3.9	21
Wyoming	23,225	35	5.0	2.8	50	19,678	38	4.1	1.8	50
New England	32,007		5.4	5.2		26,346		4.3	4.1	
Mideast	30,652		4.6	4.8		25,512		3.6	3.7	
Great Lakes	26,290		4.6	4.5		22,119		3.7	3.7	
Plains	25,126		4.3	4.5		21,339		3.4	3.9	
Southeast	23,793		4.4	4.6		20,488		3.6	3.8	
Southwest	23,985		5.6	5.3		20,967		5.0	4.6	
Rocky Mountains	24,668		5.0	5.4		20,854		4.1	4.6	
Far West	27,367		4.6	4.7		23,027		3.7	3.7	

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

Kansas Demographics

On July 1 of each year the official population for Kansas is certified. For 1999, the official Kansas population is 2,629,067, representing a 1.6 percent increase relative to the official population in 1998. Table 6-1, as shown on pages 60 through 62, present the resident population for the U.S. Kansas, and Kansas counties for 1997 and 1998.

By statute, the official population of Kansas is certified from the latest estimates released by the United States Bureau of the Census. Because the certified population is based on estimates, a brief discussion of the methodology used by the Census Bureau is presented below.

Methodology Used by the U. S. Bureau of the Census to Estimate State Populations

For the past nine 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 variables used to produce population estimates are based on data series, including 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.

The 1990 benchmark for total Kansas population is 2,480,587, which is the total population resulting from the last full census. Using this benchmark as a base, Kansas' population has increased 6.0 percent between 1990 and 1999. In addition, 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 1999, the same overall makeup remains; however, the proportions of other races and ethnicity display a definite upward trend, especially in the proportion of the Hispanic population.

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.

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. Table 6-2, as shown on pages 63 through 65, present the Kansas county population, by age as of July 1 1998.

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 1998 are included for comparison purposes and indicate an increase in the diversity of the Kansas population. Table 6-3 on the following page is a summary of Kansas' demographics for 1990 and 1998.

Table 6-3

Kansas Population Estimates--1990 and 1998 by Age, Race, Gender, and Ethnicity										
	1990					1998				
	< 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	93,519	307,517	746,310	144,998	14,651
Female	92,319	265,372	700,513	205,937	30,601	88,586	291,039	747,981	209,117	35,896
Am. Indian, Eskimo,	2,161	6,439	12,744	1,431	105	1,542	6,466	13,648	1,677	194
Asian & Pacific Islander	2,966	9,319	19,965	978	99	4,719	12,138	27,562	1,948	114
Black	15,470	40,521	81,535	12,181	1,593	12,890	43,696	86,242	11,923	1,356
White	169,384	489,647	1,288,625	328,221	40,374	162,954	536,256	1,366,839	338,567	48,883
Hispanic	11,911	29,146	50,994	4,514	478	17,413	43,324	72,154	6,833	730
Total:	189,981	545,926	1,401,869	342,811	42,171	182,105	598,556	1,494,291	354,115	50,547
Race as a Percent of Total Population										
Am. Indian, Eskimo,	1.1%	0.1%	0.9%	0.4%	0.2%	0.8%	1.1%	0.9%	0.5%	0.4%
Asian & Pacific Islander	1.6	1.7	1.4	0.3	0.2	2.6	2.0	1.8	0.6	0.2
Black	8.1	7.4	5.7	3.6	3.8	7.1	7.3	5.8	3.4	2.7
White	89.2	89.7	91.9	95.7	95.7	89.5	89.6	91.5	95.6	96.7
Ethnicity as a Percent of Total Population										
Hispanic										
White Hispanic	5.7%	4.8%	3.3%	1.3%	1.1%	8.7%	6.5%	4.4%	1.8%	1.4%
Non-White Hispanic	0.1	<0.1	<0.1	<0.1	<0.1	0.9%	0.7%	0.5%	0.1%	0.0%

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, 1998, there were 2,629,067 people in Kansas with a median age of 35.2 years, which placed Kansas as the 13th youngest state in the U.S. This current median age compares to the 1990 median age of 32.8 years and a national ranking of 24th.

Included in the 1998 total are 182,105 people less than 5 years of age. When compared to the 1990 total of 189,981 this category shows a 4.5 percent decrease. However, when compared to the 1997 total of 179,279, this category shows a 1.6 percent increase. Data indicate the number of individuals less than 5 years of age has decreased each year from 1990 through 1997, but increased in 1998. Proportionally, this category represents 6.9 percent of the total state population, which is significantly lower than 1990

when this category represented 7.7 percent of the total state population.

The population of school age children 5 to 19 years of age has increased by 52,630, or 9.6 percent, since 1990 and 2.0 percent since 1997. The population from 20 to 64 years of age has increased by 92,422, or 6.6 percent, since 1990 and 1.2 percent since 1997. The population which is 65 years or older has increased by 11,304, or 3.3 percent, since 1990, but increased at a slower rate of 0.7 percent since 1997. The population of individuals 85 years of age and older also increased relative to both prior years. This category realized an increase of 8,376, or 19.8 percent, since 1990 and 1,844, or 3.8 percent, since 1997.

Gender

In 1998, the total population consisted of 1,308,839 males and 1,372,619 females, which is a ratio of 0.95

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 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 93,519 males (51.4 percent) and 88,586 females (48.6 percent). These data equate to a ratio of 1.05 males to 1.00 female. Compared to 1990, the total 1998 populations are lower. However, the percentage breakdown and ratio have remained constant from 1990 through 1998.

The population of school age children from 5 to 19 years of age consists of 307,517 males and 291,039 females. Similar to the under 5 years of age cohort, this cohort also consists of 51.4 percent male and 48.6 percent female, with a 1.05 to 1.00 ratio of males to females.

The population from 20 to 64 years of age is the first category which has more females than males, showing 746,310 males and 747,981 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 59.1 percent of the total population, while males represent 40.9 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 1998, females outnumbered males 209,117 to 114,998, which equates to a ratio of 0.55 male to 1.00 female. Although the proportions and ratio have not changed significantly since 1990, the total number of both males and females increased steadily through 1998.

For the population 85 years of age and older, females represent 71.0 percent of this category's total population, while males represent 29.0 percent. Females outnumber males 35,896 to 14,651, which equates to a ratio of 0.41 male to 1.00 female. These levels represent a slight change from 1990, when the population 85 years of age and older consisted of 30,601 females, or 72.6 percent, and 11,570 males, or 27.4 percent. Comparison implies that more males lived slightly longer in 1998 than in 1990.

Race

The United States Bureau of the Census has included six race categories in population estimates. The categories are American Indian and Aleut, Asian and Pacific Islander, Black, and White. Table 6-2 shows the dynamics between 1990 and 1998 of each race category as a percent of the total population.

The table indicates the population of Kansans less than 5 years of age has declined in three of the four race categories. The exception is an increase of Asian and Pacific Islanders who are less than 5 years of age. However, the distribution by proportion between race categories 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, Eskimo, and Aleut as a percent of the category's population increased significantly from 0.1 percent in 1990 to 1.1 percent in 1998. The demographic makeup by race of the other three race 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 1998. In the 85 years of age and older category, smaller proportions were realized in each race, except American Indians, Eskimos, and Aleuts.

Ethnicity

The United States Bureau of the Census categorizes ethnicity into two categories, Hispanic and non-Hispanic. These overall categories are exclusive of race.

As of 1998 there were 140,454 Hispanic individuals in Kansas, which represents 5.3 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. Table 6-3 on page 56 shows the ethnicity dynamics by age for 1990 and 1998.

The proportion of Hispanic individuals less than 5 years of age increased from 6.3 percent in 1990 to 9.6 percent in 1998. The proportion of Hispanic school age children between 5 and 19 years of age has increased also, from 5.3 in 1990 to 7.2 percent in 1998. The Hispanic proportion of the population between 20 and 64 years of age has increased as well, from 3.6 percent in 1990 to 4.8 percent in 1998. 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 over 65 Compared to the Plains States & the United States

The estimated population of Kansans who were 65 years of age and older was 354,115 in 1998. Table 6-4 presents the population over 65 years of age for Kansas, the Plains states, and the U.S. That represents

Table 6-4

Population and Percent of Population Over 65, Kansas, Plains States, 1998 <i>(Dollars in Thousands)</i>			
	Total Pop.	Pop. Over 65	Percent Over 65
U.S.	270,298,524	34,401,132	12.7 %
Plains States:			
Minnesota	4,725,419	583,097	12.3
Iowa	2,862,447	431,018	15.1
Missouri	5,438,559	745,387	13.7
North Dakota	638,244	91,976	14.4
South Dakota	738,171	105,742	14.3
Nebraska	1,662,719	228,735	13.8
Kansas	2,629,067	354,113	13.5

13.5 percent of Kansas' total population and slightly more than 1.0 percent of the 34.4 million individuals in the U.S. who were over the age of 65.

When compared to the Plains states the Kansas ratio was equal to the average for the states in the area. Approximately 2.5 million people in the Plains states are estimated to be over the age of 65. This is 13.6 percent of the total population of the Plains states, which is slightly higher than the ratio attributed to Kansas. The highest ratio in the Plains states is attributed to Iowa, where 15.1 percent of its population was above the age of 65 in 1998.

Kansas Population over 85 Compared to the Plains States & the United States

The frailest elderly are generally considered to be those over the age of 85. Table 6-5 shows the United States 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 1998.

Table 6-5

Population and Percent of Population Over 85, Kansas, Plains States, 1998 <i>(Dollars in Thousands)</i>			
	Total Pop.	Pop. Over 85	Percent Over 85
U.S.	270,298,524	4,053,650	1.5 %
Plains States:			
Minnesota	4,725,419	83,159	1.8
Iowa	2,862,447	63,843	2.2
Missouri	5,438,559	98,129	1.8
North Dakota	638,244	14,188	2.2
South Dakota	738,171	15,812	2.1
Nebraska	1,662,719	33,660	2.0
Kansas	2,629,067	50,545	1.9

In 1998, there was an estimated 4,054,000 individuals over the age of 85 in the U.S., representing 1.5 percent of the total U.S. population. In Kansas, 48,883 individuals were over the age of 85 in 1998, which represents 1.9 percent of the total state population. When comparing these two proportions, 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 ratio is above the average. Approximately 359,336 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.

The highest ratio in the area is in both Iowa and North Dakota, where 2.2 percent of each state's population is over the age of 85. Minnesota and Missouri have the lowest proportions at 1.8 percent. It should be noted 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.

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. Because the user base is so diversified, it is necessary to present the most recent and accurate estimates and projections available. In an effort to meet this necessity, the Kansas Division of the Budget and the Kansas Water Office have combined resources to present both accurate and timely population projections.

By statute, Kansas uses the latest sub-county estimates produced by the United States Bureau of the Census as the official population. Each year on July 1 these estimates are certified by the Secretary of State. Prior to certification, the Division of the Budget reviews the estimates. The process is efficient and believed to be a responsible use of state resources because federal

efforts are not duplicated at the state level. This process is not only advantageous, but is consistent with both executive and legislative efforts to use state resources responsibly through downsizing the state workforce. However, this process is also a disadvantage because it requires a heavier reliance on the U.S. Bureau of the Census. This reliance is in contrast to other states with demographics departments. Additionally, the downsizing of the state workforce has caused all demographics duties to be assumed by existing personnel. The result has been that while the Bureau's estimates still are used and an official Kansas population is certified each year, no official Kansas population projections were produced after 1992. However, in 1999, the Division of the Budget and the Kansas Water Office produced an initial set of population projections for Kansas. These projections use the Water Office's method (regression) as a benchmark.

Using the Water Office's method 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 may use the method to review more efficiently the population estimates released by the U.S. Bureau of the Census. Both the Bureau's method and the Kansas method use a common component—water hookups. Because of the common component, it is anticipated that this application will decrease significantly the number of informal challenges to population estimates. Table 6-6 on pages 66 through 68 show the population projections for Kansas and all counties through 2050.

Table 6-1

Resident Population for the U.S., Kansas, & Counties--1997 & 1998

	Population as of:		Population Change:	
	July 1, 1998	July 1, 1997	Numeric	Percent
United States	270,299,000	267,744,000	2,555,000	1.0
Kansas	2,629,067	2,601,437	27,630	1.1
Allen	14,556	14,475	81	0.6
Anderson	8,060	8,060	0	0.0
Atchison	16,908	16,329	579	3.5
Barber	5,342	5,388	(46)	(0.9)
Barton	27,641	27,888	(247)	(0.9)
Bourbon	15,260	15,304	(44)	(0.3)
Brown	11,070	11,054	16	0.1
Butler	61,932	60,756	1,176	1.9
Chase	2,950	2,899	51	1.8
Chautauqua	4,360	4,390	(30)	(0.7)
Cherokee	22,552	22,578	(26)	(0.1)
Cheyenne	3,174	3,207	(33)	(1.0)
Clark	2,361	2,419	(58)	(2.4)
Clay	9,148	9,187	(39)	(0.4)
Cloud	10,027	10,152	(125)	(1.2)
Coffey	8,696	8,760	(64)	(0.7)
Comanche	2,012	2,025	(13)	(0.6)
Cowley	36,319	36,716	(397)	(1.1)
Crawford	36,360	36,484	(124)	(0.3)
Decatur	3,456	3,517	(61)	(1.7)
Dickinson	19,742	19,802	(60)	(0.3)
Doniphan	7,856	7,701	155	2.0
Douglas	93,137	91,107	2,030	2.2
Edwards	3,312	3,414	(102)	(3.0)
Elk	3,351	3,364	(13)	(0.4)
Ellis	26,309	26,253	56	0.2
Ellsworth	6,285	6,299	(14)	(0.2)
Finney	36,514	35,820	694	1.9
Ford	29,382	28,985	397	1.4
Franklin	24,768	24,227	541	2.2
Geary	25,370	25,171	199	0.8
Gove	3,054	3,084	(30)	(1.0)
Graham	3,204	3,237	(33)	(1.0)
Grant	8,012	7,843	169	2.2
Gray	5,595	5,489	106	1.9
Greeley	1,704	1,726	(22)	(1.3)
Greenwood	8,139	8,043	96	1.2
Hamilton	2,343	2,284	59	2.6
Harper	6,430	6,495	(65)	(1.0)
Harvey	34,361	33,446	915	2.7
Haskell	3,976	4,027	(51)	(1.3)
Hodgeman	2,209	2,227	(18)	(0.8)
Jackson	12,130	12,013	117	1.0
Jefferson	18,243	17,951	292	1.6

Table 6-1 (Continued)

	Population as of:		Population Change:	
	July 1, 1998	July 1, 1997	Numeric	Percent
Jewell	3,867	3,940	(73)	(1.9)
Johnson	429,563	418,683	10,880	2.6
Kearny	4,177	4,188	(11)	(0.3)
Kingman	8,543	8,550	(7)	(0.1)
Kiowa	3,470	3,475	(5)	(0.1)
Labette	23,030	23,090	(60)	(0.3)
Lane	2,264	2,195	69	3.1
Leavenworth	71,299	70,036	1,263	1.8
Lincoln	3,338	3,368	(30)	(0.9)
Linn	9,158	9,058	100	1.1
Logan	2,987	3,036	(49)	(1.6)
Lyon	33,920	34,044	(124)	(0.4)
McPherson	28,630	27,552	1,078	3.9
Marion	13,593	13,365	228	1.7
Marshall	11,006	11,133	(127)	(1.1)
Meade	4,424	4,375	49	1.1
Miami	26,597	26,299	298	1.1
Mitchell	6,936	6,998	(62)	(0.9)
Montgomery	37,089	37,232	(143)	(0.4)
Morris	6,169	6,237	(68)	(1.1)
Morton	3,440	3,422	18	0.5
Nemaha	10,132	10,215	(83)	(0.8)
Neosho	16,760	16,931	(171)	(1.0)
Ness	3,607	3,600	7	0.2
Norton	5,752	5,796	(44)	(0.8)
Osage	17,139	17,038	101	0.6
Osborne	4,712	4,694	18	0.4
Ottawa	5,905	5,850	55	0.9
Pawnee	7,437	7,431	6	0.1
Phillips	6,080	6,107	(27)	(0.4)
Pottawatomie	18,691	18,303	388	2.1
Pratt	9,700	9,656	44	0.5
Rawlins	3,125	3,202	(77)	(2.4)
Reno	63,211	63,061	150	0.2
Republic	6,102	6,158	(56)	(0.9)
Rice	10,360	10,017	343	3.4
Riley	63,615	63,920	(305)	(0.5)
Rooks	5,660	5,719	(59)	(1.0)
Rush	3,413	3,436	(23)	(0.7)
Russell	7,558	7,662	(104)	(1.4)
Saline	51,617	51,488	129	0.3
Scott	5,018	5,003	15	0.3
Sedgwick	448,050	439,007	9,043	2.1
Seward	19,984	19,927	57	0.3
Shawnee	165,348	165,305	43	0.0
Sheridan	2,741	2,749	(8)	(0.3)

Table 6-1 (Continued)

Resident Population for the U.S., Kansas, & Counties--1997 & 1998

	Population as of:		Population Change:	
	July 1, 1998	July 1, 1997	Numeric	Percent
Sherman	6,511	6,563	(52)	(0.8)
Smith	4,588	4,625	(37)	(0.8)
Stafford	5,000	5,072	(72)	(1.4)
Stanton	2,265	2,313	(48)	(2.1)
Stevens	5,371	5,346	25	0.5
Sumner	27,043	26,923	120	0.4
Thomas	8,037	8,196	(159)	(1.9)
Trego	3,283	3,337	(54)	(1.6)
Wabaunsee	6,651	6,681	(30)	(0.4)
Wallace	1,802	1,802	0	0.0
Washington	6,490	6,620	(130)	(2.0)
Wichita	2,643	2,705	(62)	(2.3)
Wilson	10,218	10,289	(71)	(0.7)
Woodson	3,983	3,989	(6)	(0.2)
Wyandotte	152,355	152,829	(474)	(0.3)

Table 6-2

1998 Kansas Resident Population by Age							
State/ County:	Under			65 and Older	85 and Older	% over 65	% over 85
	5	5-19	20-64				
Kansas	182,105	598,556	1,494,291	354,115	50,547	13.5	1.9
Allen	909	3,532	7,480	2,635	467	18.1	3.2
Anderson	494	1,847	4,109	1,610	277	20.0	3.4
Atchison	1,044	4,275	8,885	2,704	477	16.0	2.8
Barber	320	1,190	2,677	1,155	160	21.6	3.0
Barton	1,860	6,165	14,591	5,025	679	18.2	2.5
Bourbon	989	3,556	7,887	2,828	453	18.5	3.0
Brown	723	2,603	5,588	2,156	419	19.5	3.8
Butler	4,156	15,035	34,782	7,959	1,096	12.9	1.8
Chase	179	645	1,514	612	113	20.7	3.8
Chautauqua	239	865	2,208	1,048	161	24.0	3.7
Cherokee	1,360	5,343	12,428	3,421	472	15.2	2.1
Cheyenne	172	624	1,577	801	125	25.2	3.9
Clark	124	508	1,193	536	103	22.7	4.4
Clay	539	1,995	4,730	1,884	390	20.6	4.3
Cloud	531	2,191	4,956	2,349	498	23.4	5.0
Coffey	527	2,094	4,595	1,480	272	17.0	3.1
Comanche	121	412	990	489	95	24.3	4.7
Cowley	2,340	8,317	19,830	5,832	931	16.1	2.6
Crawford	2,044	8,035	20,208	6,073	1,001	16.7	2.8
Decatur	208	689	1,631	928	199	26.9	5.8
Dickinson	1,211	4,363	10,440	3,728	673	18.9	3.4
Doniphan	468	1,981	4,077	1,330	189	16.9	2.4
Douglas	5,393	21,312	58,703	7,729	4,351	8.3	4.7
Edwards	188	710	1,678	736	133	22.2	4.0
Elk	200	613	1,717	821	153	24.5	4.6
Ellis	1,588	6,338	14,614	3,769	475	14.3	1.8
Ellsworth	311	1,247	3,395	1,332	249	21.2	4.0
Finney	3,873	10,152	19,328	3,161	407	8.7	1.1
Ford	2,610	7,266	16,038	3,468	474	11.8	1.6
Franklin	1,805	5,892	13,670	3,401	576	13.7	2.3
Geary	2,447	5,628	14,625	2,670	283	10.5	1.1
Gove	178	664	1,513	699	107	22.9	3.5
Graham	163	704	1,663	674	119	21.0	3.7
Grant	679	2,326	4,223	784	82	9.8	1.0
Gray	424	1,509	2,951	711	114	12.7	2.0
Greeley	134	407	877	286	46	16.8	2.7
Greenwood	464	1,732	4,139	1,804	324	22.2	4.0
Hamilton	142	498	1,233	470	82	20.1	3.5
Harper	376	1,326	3,220	1,508	280	23.5	4.4
Harvey	2,106	7,987	18,406	5,862	1,060	17.1	3.1
Haskell	335	1,066	2,136	439	56	11.0	1.4

Table 6-2 (Continued)

1998 Kansas Resident Population by Age							
State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Hodgeman	151	502	1,141	415	72	18.8	3.3
Jackson	788	2,939	6,517	1,886	295	15.5	2.4
Jefferson	1,126	4,262	10,406	2,449	372	13.4	2.0
Jewell	205	775	1,942	945	151	24.4	3.9
Johnson	30,298	92,698	263,817	42,750	4,634	10.0	1.1
Kearny	371	1,124	2,164	518	74	12.4	1.8
Kingman	566	1,968	4,390	1,619	241	19.0	2.8
Kiowa	202	777	1,753	738	86	21.3	2.5
Labette	1,467	5,399	12,167	3,997	604	17.4	2.6
Lane	140	496	1,151	477	83	21.1	3.7
Leavenworth	4,550	16,198	44,093	6,458	768	9.1	1.1
Lincoln	170	692	1,650	826	185	24.7	5.5
Linn	526	2,096	4,777	1,759	307	19.2	3.4
Logan	180	660	1,524	623	87	20.9	2.9
Lyon	2,490	8,329	18,913	4,188	697	12.3	2.1
McPherson	1,787	6,550	15,278	5,015	836	17.5	2.9
Marion	709	2,898	6,953	3,033	536	22.3	3.9
Marshall	716	2,389	5,496	2,405	443	21.9	4.0
Meade	298	983	2,309	834	140	18.9	3.2
Miami	1,730	6,356	15,144	3,367	489	12.7	1.8
Mitchell	396	1,685	3,395	1,460	276	21.0	4.0
Montgomery	2,357	8,371	19,538	6,823	1,076	18.4	2.9
Morris	366	1,306	3,215	1,282	191	20.8	3.1
Morton	234	897	1,824	485	72	14.1	2.1
Nemaha	718	2,393	4,980	2,041	344	20.1	3.4
Neosho	1,052	3,768	8,939	3,001	448	17.9	2.7
Ness	187	794	1,800	826	136	22.9	3.8
Norton	291	1,119	3,141	1,201	243	20.9	4.2
Osage	1,070	4,017	9,405	2,647	489	15.4	2.9
Osborne	294	925	2,278	1,215	244	25.8	5.2
Ottawa	355	1,309	3,214	1,027	189	17.4	3.2
Pawnee	394	1,572	4,107	1,364	193	18.3	2.6
Phillips	360	1,252	3,097	1,371	268	22.5	4.4
Pottawatomie	1,398	4,656	10,201	2,436	387	13.0	2.1
Pratt	558	2,233	5,069	1,840	315	19.0	3.2
Rawlins	165	688	1,542	730	124	23.4	4.0
Reno	3,951	13,903	34,905	10,452	1,505	16.5	2.4
Republic	334	1,174	3,072	1,522	291	24.9	4.8
Rice	666	2,305	5,394	1,995	328	19.3	3.2
Riley	4,407	14,766	39,641	4,801	660	7.5	1.0
Rooks	363	1,255	2,880	1,162	192	20.5	3.4
Rush	176	635	1,668	934	140	27.4	4.1
Russell	372	1,479	3,896	1,811	237	24.0	3.1

Table 6-2 (Continued)

1998 Kansas Resident Population by Age							
State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Saline	3,488	11,474	29,353	7,302	977	14.1	1.9
Scott	370	1,309	2,863	476	89	9.5	1.8
Sedgwick	34,958	101,183	260,180	51,729	6,019	11.5	1.3
Seward	1,856	5,277	10,919	1,932	236	9.7	1.2
Shawnee	10,768	35,985	96,170	22,425	3,067	13.6	1.9
Sheridan	172	623	1,392	554	108	20.2	3.9
Sherman	456	1,480	3,441	1,134	173	17.4	2.7
Smith	220	872	2,235	1,261	283	27.5	6.2
Stafford	340	1,083	2,582	995	144	19.9	2.9
Stanton	207	572	1,213	273	45	12.1	2.0
Stevens	440	1,353	2,834	744	99	13.9	1.8
Sumner	1,894	6,653	14,388	4,108	667	15.2	2.5
Thomas	549	2,134	4,225	1,129	173	14.0	2.2
Trego	175	730	1,617	761	117	23.2	3.6
Wabaunsee	416	1,533	3,564	1,138	172	17.1	2.6
Wallace	124	450	914	314	54	17.4	3.0
Washington	345	1,393	3,154	1,598	299	24.6	4.6
Wichita	197	696	1,355	395	71	14.9	2.7
Wilson	610	2,273	5,281	2,054	292	20.1	2.9
Woodson	216	820	1,944	1,003	163	25.2	4.1
Wyandotte	11,396	36,428	85,376	19,155	2,398	12.6	1.6

Table 6-6

Kansas Population Projections by County						
State/ County:	Official	Revised	Projections:			
	Population 1999	2000	2010	2020	2030	2040
Kansas	2,629,067	2,707,565	2,902,764	3,115,658	3,330,122	3,544,925
Allen	14,556	14,715	14,765	14,816	14,867	14,917
Anderson	8,060	8,144	8,497	8,850	9,203	9,556
Atchison	16,908	16,428	15,986	15,543	15,101	14,658
Barber	5,342	5,334	5,325	5,108	4,902	4,706
Barton	27,641	30,329	31,281	32,234	33,186	34,139
Bourbon	15,260	15,613	16,261	16,908	17,556	18,203
Brown	11,070	10,901	10,722	10,542	10,362	10,183
Butler	61,933	66,506	71,079	81,211	91,344	101,476
Chase	2,949	2,930	2,806	2,694	2,596	2,507
Chautauqua	4,360	4,287	4,200	4,112	4,025	3,937
Cherokee	22,552	23,029	24,729	26,429	28,129	29,829
Cheyenne	3,174	3,091	2,973	2,865	2,769	2,682
Clark	2,361	2,303	2,201	2,104	2,012	1,924
Clay	9,148	9,248	9,333	9,418	9,503	9,588
Cloud	10,027	10,027	9,969	9,937	9,906	9,875
Coffey	8,696	8,908	9,380	9,852	10,324	10,796
Comanche	2,012	1,969	1,925	1,762	1,604	1,453
Cowley	36,319	37,061	37,203	37,344	37,485	37,626
Crawford	36,360	37,287	39,165	41,042	42,920	44,797
Decatur	3,456	3,357	3,257	2,931	2,638	2,374
Dickinson	19,742	20,355	21,724	23,094	24,464	25,833
Doniphan	7,856	7,787	7,718	7,503	7,288	7,073
Douglas	93,137	101,459	121,377	141,294	161,212	181,129
Edwards	3,312	3,337	3,363	3,181	3,010	2,846
Elk	3,351	3,408	3,497	3,587	3,677	3,767
Ellis	26,309	27,379	28,301	29,269	30,280	31,326
Ellsworth	6,285	6,561	6,641	6,720	6,800	6,879
Finney	36,514	36,693	40,160	43,627	47,094	50,561
Ford	29,382	30,092	32,785	35,479	38,173	40,866
Franklin	24,768	24,933	27,968	31,003	34,038	37,073
Geary	25,370	31,440	32,293	33,146	33,999	34,852
Gove	3,054	3,031	3,008	2,920	2,841	2,773
Graham	3,204	3,054	2,905	2,634	2,390	2,170
Grant	8,012	8,365	8,719	9,456	10,208	10,974
Gray	5,595	5,661	5,728	5,926	6,142	6,375
Greeley	1,704	1,768	1,787	1,805	1,823	1,842
Greenwood	8,139	8,274	8,408	8,693	8,978	9,263
Hamilton	2,343	2,339	2,335	2,316	2,304	2,299
Harper	6,430	6,303	6,176	5,787	5,419	5,072
Harvey	34,361	34,382	34,403	36,150	37,898	39,645

Table 6-6 (Continued)

State/ County:	Official		Projections:			
	Population 1999	Revised 2000	2010	2020	2030	2040
Haskell	3,976	3,978	4,088	4,212	4,348	4,493
Hodgeman	2,209	2,272	2,377	2,482	2,587	2,692
Jackson	12,130	13,161	14,793	16,426	18,058	19,691
Jefferson	18,243	19,228	20,213	22,368	24,523	26,678
Jewell	3,867	3,725	3,582	3,293	3,030	2,792
Johnson	429,563	433,852	509,641	585,429	661,217	737,006
Kearny	4,177	4,498	4,998	5,499	6,000	6,500
Kingman	8,543	8,232	8,055	7,914	7,807	7,729
Kiowa	3,470	3,432	3,393	3,272	3,161	3,055
Labette	23,030	22,902	22,773	22,318	21,863	21,408
Lane	2,264	2,266	2,170	2,084	2,007	1,937
Leavenworth	71,299	73,749	83,061	92,373	101,685	110,997
Lincoln	3,338	3,329	3,034	2,768	2,527	2,312
Linn	9,158	9,495	9,832	10,624	11,417	12,209
Logan	2,987	3,143	3,177	3,210	3,243	3,277
Lyon	33,920	35,140	35,857	36,575	37,292	38,010
McPherson	28,630	28,862	30,429	31,996	33,563	35,130
Marion	13,593	13,711	13,829	13,946	14,301	14,656
Marshall	11,006	11,262	11,517	11,444	11,372	11,299
Meade	4,424	4,496	4,777	5,062	5,347	5,631
Miami	26,597	28,190	32,928	37,665	42,403	47,140
Mitchell	6,936	6,918	6,901	6,753	6,605	6,457
Montgomery	37,089	37,555	38,021	37,373	37,326	36,978
Morris	6,169	6,421	6,648	6,875	7,102	7,329
Morton	3,440	3,501	3,511	3,528	3,552	3,581
Nemaha	10,132	10,268	10,404	10,396	10,389	10,381
Neosho	16,760	17,681	18,306	18,931	19,556	20,181
Ness	3,607	3,567	3,528	3,327	3,139	2,956
Norton	5,752	5,695	5,638	5,534	5,447	5,381
Osage	17,139	17,470	19,706	21,943	24,180	26,416
Osborne	4,712	4,486	4,138	3,805	3,486	3,179
Ottawa	5,905	6,000	6,094	6,339	6,584	6,829
Pawnee	7,437	7,315	7,208	7,125	7,061	7,014
Phillips	6,080	5,943	5,806	5,526	5,269	5,031
Pottawatomie	18,691	19,343	22,541	25,738	28,936	32,133
Pratt	9,700	9,602	9,561	9,521	9,481	9,440
Rawlins	3,125	3,054	2,982	2,785	2,590	2,410
Reno	63,211	63,588	63,965	64,842	65,836	66,941
Republic	6,102	6,013	5,613	5,246	4,911	4,606
Rice	10,360	10,319	10,111	9,926	9,759	9,615
Riley	63,615	73,919	80,569	87,219	93,869	100,519
Rooks	5,660	5,585	5,511	5,251	4,991	4,731

Table 6-6 (Continued)

State/ County:	Official		Projections:			
	Population 1999	Revised 2000	2010	2020	2030	2040
Rush	3,413	3,512	3,611	3,490	3,380	3,278
Russell	7,558	7,499	7,440	7,275	7,110	6,945
Saline	51,617	53,131	56,670	60,209	63,748	67,287
Scott	5,018	5,560	5,820	6,095	6,383	6,681
Sedgwick	448,050	460,007	483,922	523,189	562,457	601,724
Seward	19,984	20,417	22,295	24,174	26,053	27,931
Shawnee	165,348	178,528	195,873	213,218	230,563	247,908
Sheridan	2,741	2,629	2,517	2,287	2,080	1,894
Sherman	6,511	6,694	6,877	6,789	6,715	6,652
Smith	4,588	4,420	4,251	3,917	3,583	3,249
Stafford	5,000	4,908	4,816	4,588	4,360	4,132
Stanton	2,265	2,371	2,428	2,492	2,564	2,641
Stevens	5,371	5,456	5,865	6,274	6,683	7,092
Sumner	27,043	27,310	28,798	30,285	31,773	33,260
Thomas	8,037	8,372	8,461	8,551	8,641	8,730
Trego	3,283	3,185	3,087	2,828	2,578	2,339
Wabaunsee	6,651	6,619	6,707	6,794	6,882	6,969
Wallace	1,802	1,799	1,797	1,785	1,773	1,762
Washington	6,490	6,399	6,307	5,986	5,694	5,430
Wichita	2,643	2,705	2,768	2,760	2,752	2,745
Wilson	10,218	10,265	10,328	10,390	10,453	10,515
Woodson	3,983	4,260	4,400	4,540	4,680	4,820
Wyandotte	152,355	150,265	146,087	139,507	132,927	126,347