

**The Governor's**  
**Economic**  
**and**  
**Demographic**  
**Report**

**2001-2002**

**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>.

### Overview

As the year 2001 came to a close, the economic expansion, which began in March 1991, became history. The 0.4 percent drop in the 2001 third quarter real gross domestic product (GDP) signaled the unceremonious end to the longest economic expansion in history. The expansion had a duration of 120 months and surpassed by 14 months the previous record expansion that occurred from 1961 to 1970. The Business Cycle Dating Committee of the National Bureau of Economic Research (NBER) officially declared that the economic expansion peaked in March 2001 and the U.S. entered a recession in April. The NBER concluded that even if the economy had turned upward abruptly late in the year, it would not be sufficient to avoid a recession. Even before the September terrorist attacks, trends indicated that the economy was headed for a downturn. Until September 11, 2001, the softness in the economy was focused primarily on business investment and inventory accumulations. However, following the terrorist attacks, the focus expanded to include both plummeting consumer spending and consumer confidence.

The NBER is a private, nonprofit, nonpartisan economic research organization and when it states that the economy is in a recession, the statement is based on conclusive data. Specifically, the NBER states that a recession is occurring when data show that the decline in GDP is large enough to qualify technically. The NBER focuses on four key indicators to identify a recession, including total nonfarm payrolls, real manufacturing and trade sales, total real household income less transfers, and total industrial production. If these four indicators show substantial declines, the NBER declares that a turning point in the economy has occurred and the turning point is a true peak that marks the onset of a recession. Although the NBER does not have precise definitions of either “turning point” or “recession,” it employs general guidelines concerning the depth, duration, and dispersion of an economic downturn.

Nine recessions have occurred since World War II and they have lasted anywhere from 6 to 18 months, with an average duration of approximately 12 months. A recession involves substantial declines in both output and employment. During the last six recessions, industrial production fell by an average of 4.6 percent and employment fell by 1.1 percent.

### 2001 U.S. Economic Review

Even though the economy is currently in recession, real GDP in 2001, on an annual basis, still recorded positive growth of 1.1 percent. This growth is much lower than the 4.1 percent level that occurred in both 1999 and 2000. In addition to the growth in GDP, nominal personal income grew by 5.0 percent in 2001 compared to 7.0 percent in 2000. Table 1-1 presents major U.S. economic trends for 2001 and 2002.

Table 1-1

Major U.S. Economic Trends 2001 & 2002	2001	2002
	GDP Growth (\$ Constant)	1.1 %
Personal Income Growth (\$ Current)	5.0	2.6
Consumer Price Index Increase (CPI-U)	3.0	1.9
Unemployment Rate (Monthly Average)	4.8	6.2

No drastic swings were experienced in the level of inflation in 2001. In fact, inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), remained modest at 3.0 percent, which compares to the 2000 level of 3.4 percent. In addition, the unemployment rate for 2001 remained at a respectable level of 4.8 percent. 2001 is the first year since 1992 that the unemployment rate has increased over the previous year's rate. In 1992 the unemployment rate was 7.5 percent.

The civilian labor force includes those who are at least 16 years old and either employed or looking for

employment. Military personnel are not included. In 2001, the civilian labor force grew at a 0.7 percent rate. Figure 1-1 shows the U.S. civilian labor force growth rate from 1970 through 2001.

Figure 1-1:



Although the civilian labor force increased in 2001, employment decreased by 0.2 percent, which is significantly lower than the 1.3 percent increase in 2000. The decrease that occurred in 2001 is the first employment decline since 1991 when employment fell by 0.9 percent. Figure 1-2 shows the U.S. employment growth rate from 1970 through 2001.

Figure 1-2:



The unemployment rate is the ratio, expressed as a percentage, of the number of people unemployed to the total number of people in the labor force. In 1992, the unemployment rate was 7.5 percent. Since that time, the unemployment rate in the U.S. steadily declined every year through 2000. At that point, the unemployment rate was 4.0 percent. Then in 2001, the

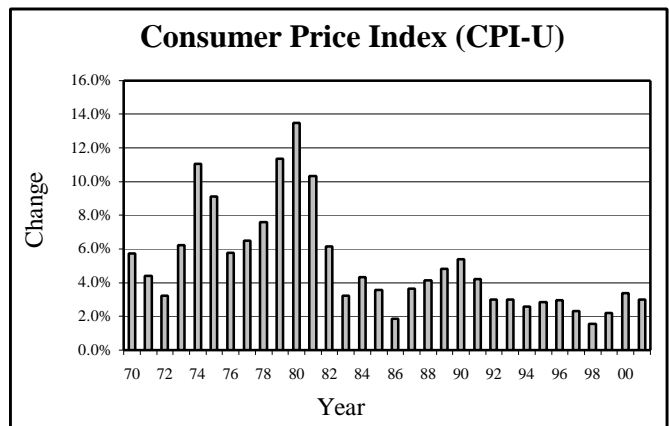
unemployment rate increased to 4.8 percent, which is 0.8 percentage point higher than the 4.0 percent rate of 2000. Figure 1-3 shows the U.S. unemployment rate from 1970 through 2001.

Figure 1-3:



The rate of inflation, as measured by the CPI-U, fell from 3.4 percent in 2000 to 3.0 percent in 2001. The decrease in inflation was due largely to moderating gasoline and energy prices. In fact, the core inflation rate in 2001, excluding food and energy prices, stood at 2.7 percent. Figure 1-4 shows the CPI-U from 1970 through 2001.

Figure 1-4:

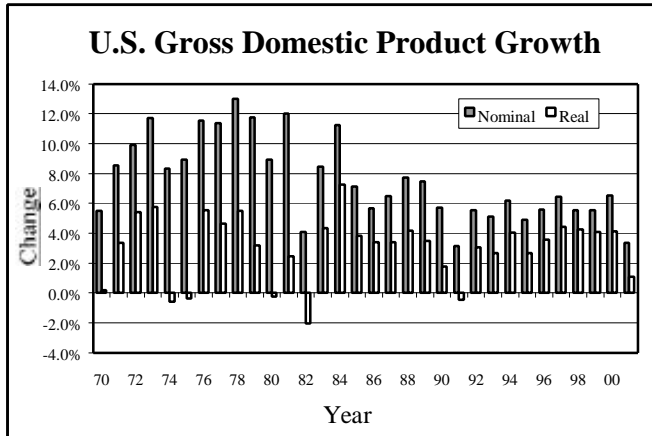


## Gross Domestic Product

Gross domestic product, or GDP, is the value of final goods and services produced within the country during a given year. GDP is measured both in real terms and in nominal terms. Nominal GDP is the dollar value of

the final goods and services, while real GDP is the value of the final goods and services as adjusted for price changes (inflation) that occurred over the course of that year. Figure 1-5 presents U.S. gross domestic product growth from 1970 through 2001.

Figure 1-5:



U.S. nominal GDP increased at a 3.4 percent rate in 2001 compared to a 6.5 percent rate in 2000, and a 5.5 percent rate in 1999. Real GDP also increased in 2001, but because it was adjusted for inflation, it increased by a smaller amount. In 2001, real GDP grew by 1.1 percent. The rate was 4.1 percent in both 1999 and 2000. Figure 1-6 presents the annualized quarterly growth rate for the U.S. real GDP from the first quarter of 1999 through the fourth quarter of 2001.

Figure 1-6:



The five major categories of GDP are consumption, investment, international trade, and government spending. Table 1-2 presents U.S. GDP composition and growth for 2000 and 2001.

Table 1-2

<b>U.S. GDP Composition &amp; Growth, 2000-2001</b> (Dollars in Billions)			
	<b>Nominal</b> <b>2001</b>	<b>Percent Change</b>	
		<b>1999-2000</b>	<b>2000-2001</b>
Gross Domestic Product	10,206.1	6.5 %	3.4 %
Consumption	7,047.9	7.7	4.7
Durables	843.0	7.7	2.8
Nondurables	2,057.6	8.6	3.4
Services	4,147.3	7.1	5.8
Investment	1,649.8	8.0	(6.7)
Fixed	1,685.2	8.9	(1.9)
Nonresidential	1,241.0	10.1	(4.0)
Equipment	909.6	9.9	(7.1)
Structures	331.5	10.6	5.7
Residential	444.2	5.3	4.5
Change in Inventories	(35.4)	(15.7)	(171.7)
Exports	1,052.9	11.4	(4.5)
Imports	1,384.4	18.2	(5.6)
Government	1,839.9	6.6	5.7
Federal	614.6	4.6	4.1
National Defense	399.2	3.0	6.4
Nondefense	215.4	7.7	0.3
State and Local	1,225.2	7.7	6.5
	<b>Real</b> <b>2001</b>	<b>Percent Change</b>	
		<b>1999-2000</b>	<b>2000-2001</b>
Gross Domestic Product	9,323.5	4.1 %	1.1 %
Consumption	6,429.1	4.8	2.7
Durables	938.4	9.5	4.8
Nondurables	1,879.4	4.7	1.6
Services	3,630.2	4.0	2.9
Investment	1,646.7	6.8	(7.1)
Fixed	1,675.3	7.6	(2.4)
Nonresidential	1,301.0	9.9	(3.7)
Equipment	1,030.4	11.1	(5.2)
Structures	276.0	6.2	1.2
Residential	376.4	0.8	1.4
Change in Inventories	-37.6	(18.5)	(174.4)
Exports	1,082.7	9.5	(4.5)
Imports	1,492.7	13.4	(2.6)
Government	1,625.9	2.7	3.4
Federal	558.9	1.7	2.4
National Defense	365.4	0.1	4.7
Nondefense	193.5	4.6	(1.6)
State and Local	1,066.2	3.2	3.9

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

**Consumption.** The largest component of GDP is consumption, or consumer spending. Changes in consumer spending are affected by a variety of factors, including personal income, the savings rate, debt accumulation, discretionary income, and consumers' confidence in the economy. In 2001, consumer

spending was strong until the September terrorist attacks. However, both consumer spending and consumer confidence plummeted in the wake of the attacks.

In terms of nominal GDP growth in 2001, overall consumption increased by 4.7 percent. Consumption of durable and nondurable goods increased slower than overall consumption. The growth rate for durable goods consumption was 2.8 percent in 2001 and 3.4 percent for nondurable goods consumption. However, the rate of consumption of services increased faster than overall consumption in 2001. The consumption of services grew at a rate of 5.8 percent.

In terms of real GDP growth, overall consumption increased by 2.7 percent in 2001 compared to a 4.8 percent rate in 2000. The increase in real consumption (consumer spending) was led by a 4.8 percent increase in the purchases of durable goods. Although a 4.8 percent increase is good, it follows in the wake of a 9.5 percent increase in 2000. Leading the increase in durable goods purchases in 2001 were expenditures for computers, which increased by 29.1 percent, and expenditures for automobiles, which increased by 4.8 percent. Durable goods are products with an expected useful life of more than one year.

Nondurables are goods with an expected useful life of one year or less. Expenditures on nondurable goods increased by 1.6 percent in 2001, which is notably lower than the 4.7 percent increase in 2000. Leading the increase in nondurable goods purchases in 2001 were expenditures for pharmaceuticals, which increased by 3.8 percent, and for clothing, which increased by 2.0 percent. Spending on fuel oil and coal actually decreased by 15.2 percent in 2001.

Overall expenditures on services grew by 2.9 percent in 2001, which compares to 4.0 percent in 2000. Housing expenditures rose only 1.9 percent in 2001 following a 2.2 percent increase in 2000. Expenditures for household operation increased at a faster rate than overall services. In 2001, household expenditures grew by 3.2 percent. The increase in spending on household operation was led by increases in both telephone services (7.2 percent) and natural gas expenditures (3.1 percent). Although expenditures for household operations increased more than overall services increased, they did not increase as much in 2001 as in 2000, when they went up by 5.4 percent.

In 2001, consumer expenditures for transportation increased only 0.6 percent. In 2000, the growth rate was 3.0 percent. The difference substantiates that fewer people were traveling after September 11, 2001. Table 1-3 presents U.S. real personal consumption expenditure growth for 2000 and 2001.

Table 1-3

<b>U.S. Personal Consumption Expenditure Growth</b>		
<b>Percent Change, Seasonally Adjusted, 2000-2001</b>		
	<b>Expenditures</b>	
	<b>2000</b>	<b>2001</b>
Personal Consumption	4.8 %	2.7 %
Durables	9.5	4.8
Motor Vehicles & Parts	6.3	4.8
Furniture & Appliances	12.6	5.9
Computers	40.4	29.1
Software	15.7	0.6
Other Furniture	10.3	4.2
Ophthalmic Goods	(1.0)	(11.9)
Other Durables	12.5	4.9
Nondurables	4.7	1.6
Food & Beverages	4.0	0.5
Clothing & Shoes	7.4	2.0
Gasoline & Oil	(0.1)	1.8
Fuel Oil & Coal	(5.5)	(15.2)
Tobacco Products	(1.3)	0.9
Drugs & Medicines	8.2	3.9
Other Nondurables	7.1	4.5
Services	4.0	2.9
Housing	2.2	1.9
Household Operation	5.4	3.2
Electricity	3.3	(1.2)
Natural Gas	2.8	3.1
Telephony	11.5	7.2
Other Utilities	1.5	3.3
Transportation	3.0	0.6
Leasing	1.0	(3.7)
Other Transportation	3.3	1.3
Medical	3.0	3.6
Recreation	7.3	4.1
Personal Business	7.7	6.7
"Free" Financial	7.0	2.3
Other Financial	3.4	2.0
Other Services	5.2	3.6

Source: Standard & Poor's DRI

Alternatively, personal expenditures on medical care increased by 3.6 percent in 2001. The rate of increase

in 2000 was 3.0 percent. Personal business expenditures also rose in 2001 (4.1 percent), but at a slower pace than the 7.3 percent increase in 2000. Finally, spending on recreation increased by 2.0 percent in 2001. The rate in 2000 was 3.4 percent.

**Business Investment.** In nominal terms, overall investment declined by 6.7 percent in 2001. Specifically, fixed investment fell by 1.9 percent, while nonresidential investments declined by 4.0 percent. However, residential investment rose 4.5 percent in 2001.

Real overall business investment decreased by 7.1 percent in 2001. In 2000, the increase was 6.8 percent. Specifically, fixed investments fell by 2.4 percent in 2001, which is a significant decline from the 7.6 percent increase realized in 2000. Nonresidential investment also decreased in 2001. The rate of decline was 3.7 percent. This decline follows a 9.9 percent increase in 2000. The other category that decreased in 2001 was investment in equipment. It declined by 5.2 percent in 2001, which is significantly lower when compared to an 11.1 percent increase in 2000.

Although overall business investment decreased in 2001, some categories did experience increases. Specifically, investment in structures increased, but at a much slower pace than it increased in 2000. In 2001, investment in structures increased by 1.2 percent. The increase in 2000 was 6.2 percent. Residential investment also increased in 2001. The increase was 1.4 percent in 2001, which compares to a 0.8 percent increase in 2000.

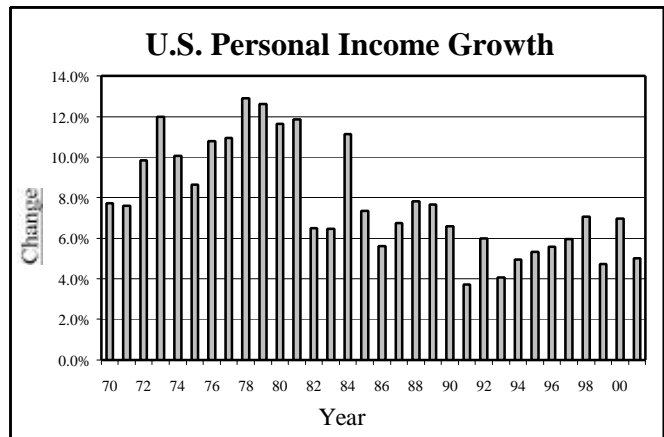
**International Trade.** In 2001, in nominal terms, exports realized a decline of 4.5 percent, while imports decreased by 5.6 percent. In real terms, exports fell by 4.5 percent in 2001. The decrease follows the 9.5 percent increase in 2000. Simultaneously, real imports fell by 2.6 percent, following a 13.4 percent increase in 2000. The result was that real net exports recorded a trade deficit of over \$400.0 billion in 2001.

**Government Expenditures.** Although other categories declined in 2001, government spending increased. Nominal government spending increased by 5.7 percent in 2001. In real terms, government spending increased by 3.4 percent, which is greater than the 2.7 percent increase in 2000. Specifically, federal government expenditures increased by 2.4

percent in 2001, which is greater than the 1.7 percent increase in 2000. National defense expenditures rose by 4.7 percent in 2001 compared to a 0.1 percent increase in 2000. Meanwhile, nondefense expenditures decreased by 1.6 percent in 2001. Nondefense expenditures increased by 4.6 percent in 2000. At the state and local government level expenditures increased at a 3.9 percent rate in 2001 compared to a 3.2 percent increase in 2000.

**Personal Income.** Personal income is the dollar value of income available to households for consumption expenditures. Nominal personal income grew from \$8.3 trillion in 2000 to \$8.7 trillion in 2001, which represents a 5.0 percent growth rate. In 2000, the growth rate was 7.0 percent. Figure 1-7 presents U.S. personal income growth from 1970 through 2001.

Figure 1-7:



To derive total personal income, the dollar value in seven major categories are summed. The income categories include salaries and wages, other labor, proprietors' income, rental income, personal dividend income, personal interest income, and transfer payments. From this sum, two elements are subtracted. They are personal contributions for social insurance and personal taxes. The result is disposable personal income.

The first category of total personal income is salaries and wages. Salaries and wages increased by 5.5 percent in 2001, which is significantly lower than the 8.2 percent growth rate in 2000. Other labor income also increased in 2001 (3.5 percent), but at a slower rate than the previous year (4.8 percent). Surprisingly, fringe benefit costs have not accelerated greatly

despite increasing health care costs and the increase in bonuses paid. Table 1-4 presents U.S. personal income composition and growth from 1999 to 2001. The table shows both the nominal value, and the percent change.

Table 1-4

<b>U.S. Personal Income Growth, 2000-2001</b>			
<i>(Dollars in Billions)</i>			
	2001*	Percent Change	
		1999-2000	2000-2001
Personal Income	8,735.5	7.0 %	5.0 %
Salaries & Wages	5,105.5	8.2	5.5
Private	4,300.3	8.6	5.7
Government	805.2	6.1	4.8
Other Labor Income	552.8	4.8	3.5
Proprietors' Income	745.5	6.4	4.3
Farm	29.6	15.1	(3.3)
Nonfarm	715.9	6.0	4.6
Rental Income	141.0	(4.1)	(0.4)
Personal Dividend Income	415.7	10.5	9.6
Personal Interest Income	997.3	5.3	(0.3)
Transfer Payments	1,141.8	4.8	7.9
Less:			
Personal Contributions for			
Social Insurance	373.8	6.1	4.5
Personal Taxes	1,303.8	11.1	1.2
Equals:			
Disposable Personal Income	7,431.6	6.2	5.7
Less:			
Personal Outlays	7,284.6	7.8	4.6
Personal Consumption			
Expenditures	7,047.9	7.7	4.7
Interest	206.0	14.2	0.3
Personal Foreign Transfers	30.7	8.7	3.7
Equals:			
Personal Saving	147.1	(57.9)	117.3
Real Disposable Pers. Income	6,779.2	3.5	3.7
<u>Personal Saving Rate (%)</u>	<u>2.0</u>	<u>(60.4)</u>	<u>104.0</u>

\* Estimated

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

Proprietors' income also increased in 2001 (4.3 percent). The increase in 2000 was 6.4 percent. Rental income fell by 0.4 percent in 2001. However, the decline is still a positive note because it follows a significantly greater decline of 4.1 percent in 2000. Dividend income increased in 2001. Although it realized a healthy 9.6 percent increase in 2001, it did not meet the 10.5 percent increase that was realized in 2000. Alternatively, interest income differed greatly

in 2001 from the increases realized in 2000. In 2001, interest decreased by 0.3 percent. It increased by 5.3 percent in 2000. Finally, transfer payments increased by 7.9 percent in 2001 compared to a 4.8 percent increase in 2000.

Disposable personal income, that is, personal income less personal taxes, increased by 5.7 percent in 2001. Although this increase is notable, it is lower than the 6.2 percent increase realized in 2000. In real terms, disposable personal income rose by 3.7 percent in 2001, which is 0.2 percentage point higher than the 3.5 percent increase in 2000. Personal contributions for social insurance contributions also increased in 2001. The rate for 2001 was 4.5 percent and is lower than the 6.1 percent increase realized in 2000. Finally, personal taxes also increased in 2001. However, the 1.2 percent rate in 2001 is significantly lower than the 11.1 percent increase that occurred in 2000.

**Personal Savings.** Personal savings is derived by subtracting personal outlays from disposable personal income. In 2001, disposable personal income was \$7,431.6 billion and total personal outlays were \$7,284.6 billion. The result was personal savings of \$147.1 billion in 2001. This level of personal savings represents an increase of 104.0 percent over the 2000 level. In addition, an increase of more than 100.0 percent implies that the savings rate in 2000 was more than double that of the previous year. In 2000, personal savings realized a 60.4 percent decrease. In the same tone as overall personal savings, the personal savings rate in 2001 rose to 2.0 percent, which is up from a 1.0 percent rate in 2000.

**Inflation & Prices.** In general, inflation has been less than 4.0 percent since 1992. 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. In 2001, inflation, as measured by the CPI-U, remained relatively low at 3.0 percent. Inflation, as measured by the GDP Price Index, stood at 2.0 percent in 2001, which is 0.7 percentage point less than the 2.7 percent level in 2000.

Based on components of the GDP Price Index, the price of durable goods fell by 1.8 percent in 2001, which is even greater than the 1.6 percent decrease that occurred in 2000. Although the overall price of durable goods decreased in 2001, the price of motor



vehicles and parts rose by a modest 0.3 percent. This increase follows the modest increase of 0.5 percent that was realized in 2000. Table 1-5 presents price changes in various sectors of the economy as measured by components of the GDP Price Index for 2000 and 2001.

Table 1-5

<b>U.S. Personal Consumption Price Changes</b>		
<b>Percent Change, Seasonally Adjusted, 2000-2001</b>		
	<b>Prices</b>	
	<b>2000</b>	<b>2001</b>
Personal Consumption	2.7 %	2.0 %
Durables	(1.6)	(1.8)
Motor Vehicles & Parts	0.5	0.3
Furniture & Appliances	(4.3)	(5.4)
Computers	(23.2)	(27.8)
Software	(3.4)	(7.5)
Other Furniture	(2.4)	(3.0)
Ophthalmic Goods	2.9	3.2
Other Durables	(1.5)	--
Nondurables	3.7	1.8
Food & Beverages	2.4	3.0
Clothing & Shoes	(1.3)	(1.9)
Gasoline & Oil	27.8	0.6
Fuel Oil & Coal	39.5	2.5
Tobacco Products	11.0	8.0
Drugs & Medicines	3.3	4.1
Other Nondurables	(0.2)	0.0
Services	3.1	2.8
Housing	3.2	3.8
Household Operation	1.7	4.6
Electricity	1.6	7.4
Natural Gas	16.9	21.1
Telephony	(3.8)	(2.3)
Other Utilities	4.0	5.3
Transportation	2.9	1.4
Leasing	0.5	1.6
Other Transportation	3.3	1.4
Medical	3.0	2.8
Recreation	3.7	3.3
Personal Business	3.1	(0.2)
"Free" Financial	3.2	(1.2)
Other Financial	3.1	0.6
Other Services	3.8	4.1

Source: Standard & Poor's DRI

Similar to the decrease in overall durable goods prices, the price of furniture and household equipment

decreased by 5.4 percent in 2001. In 2000, the price of furniture and household equipment recorded a 4.3 percent decline. The price decreases in this category in 2001 were driven largely by declines in the cost of home computers, as well as the recent inclusion into this category of personal computer software. In fact, the price of computers decreased by 27.8 percent in 2001 following a 23.2 percent decline in 2000. In addition, the price of computer software declined by 7.5 percent in 2001 and follows in a 3.4 decline in 2000.

On the other hand, the price of nondurable goods increased in 2001. The increase was 1.8 percent, which, although still an increase, is much less than the 3.7 percent increase that was realized in 2000. The increase in the cost of nondurable goods was fueled by increases in food and drug costs. First, the price of drugs and medicines rose by 4.1 percent in 2001 following a 3.3 percent increase in 2000. Second, the price of food and beverages rose 3.0 percent in 2001 compared to a 2.4 percent increase in 2000.

Although those categories increased significantly, other categories did not increase as much. The price of fuel oil and coal only increased 2.5 percent in 2001 following a huge 39.5 percent increase in 2000. The price of gasoline and oil rose slightly by 0.6 in 2001 after a 27.8 percent increase in 2000. The only category that realized a decrease was clothing and shoes. The price of clothing and shoes declined by 1.9 percent in 2001 after a 1.3 percent decrease in 2000.

Aside from goods, services is the other major category of consumption. The price of services increased at a 2.8 percent rate in 2001, which is slightly less than the 3.1 percent increase that occurred in 2000. Specifically, the price of housing rose at a 3.8 percent rate in 2001 compared to a 3.2 percent increase in 2000. Within the housing subcategory, the price of household operation rose by 4.6 percent in 2001. This level is much higher than the 1.7 percent increase experienced in 2000. This increase was fueled by a 21.1 percent increase in natural gas prices in 2001, which followed in the wake of a 16.9 percent increase in 2000. The cost of electricity also increased in 2001. It was up by 7.4 percent and followed a 1.6 percent increase in 2000. However, the price of telephone services continued to fall in 2001. These services decreased by 2.3 percent in 2001 after a 3.8 percent decline in 2000.

Other price increases also occurred in transportation, medical care, and recreation. The price of transportation increased by 1.4 percent in 2001 compared to a 2.9 percent increase in 2000. The price of price of medical care increased by 2.8 percent in 2001, which is slightly less than the 3.0 percent increase in 2000. Finally, the price of recreation increased 3.3 percent in 2001 after a 3.7 percent increase in 2000. Alternatively, the price of personal business fell slightly in 2001. It decreased by 0.2 percent in 2001 after a 3.1 percent increase in 2000.

**Productivity.** One major factor contributing to holding inflation in check in recent years has been strong productivity growth. However, productivity growth slowed markedly in 2001. Productivity growth, as measured by cyclically adjusted output per hour, rose by 3.0 percent in 2001. This is 0.4 percentage point lower than the 3.4 percent increase realized in the previous year. The lower productivity growth was led by a significant reduction in manufacturing output per hour. In 2001, manufacturing output per hour increased by only 1.7 percent following a 6.7 percent increase in 2000.

## 2002 U.S. Economic Outlook

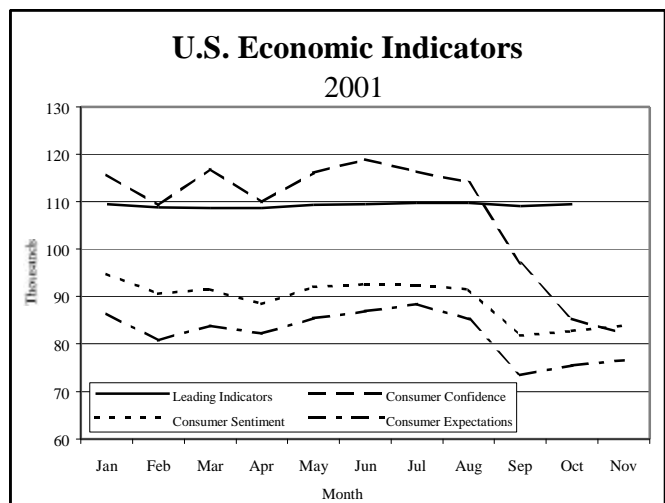
Modest growth, continued low inflation, and a rising unemployment rate are forecasted for the U.S. economy during 2002. The national economic expansion that began in 1991 came to a halt in March 2001, and the economy took a downturn. However, expectations are that the downturn will not be an extended one. For the first five years of the economic expansion, real GDP grew at a rate very close to its long-run historical average of 2.8 percent. Then, between 1997 and 2000, real GDP growth was greater than 4.0 percent.

Four commonly cited predictors of future economic performance are: the Composite Index of Leading Economic Indicators, the Consumer Confidence Index, the Index of Consumer Sentiment, and the Index of Consumer Expectations. The Composite Index of Leading Economic Indicators and the Consumer Confidence Index are compiled by the Conference Board, which is a private, not-for-profit organization that conducts business and economic research and forecasting. The Composite Index of Leading

Economic Indicators is a composite index of ten leading economic indicators that reach cyclical turning points before the actual turning point occurs in the economy as a whole. Each series included in the composite Index of Leading Indicators is selected because of its performance on six important characteristics, including economic significance, statistical adequacy, consistency of timing at business cycle peaks and troughs, conformity to business expansions and contractions, smoothness, and prompt availability.

The Consumer Confidence Index is based on the Consumer Confidence Survey, which is compiled from a representative sample of 5,000 U.S. households. The Index of Consumer Sentiment and the Index of Consumer Expectations are compiled by the Survey Research Center at the University of Michigan. These indices focus on how consumers view prospects for their own financial situation, how they view prospects for the general economy over the near term, and their view of prospects for the economy over the long term. Figure 1-8 presents these indices for 2001.

Figure 1-8



Through October, the Composite Index of Leading Economic Indicators has remained relatively stable. This stability indicates that the economic downturn is likely to end in the next six months. Alternatively, the Consumer Confidence Index took a steep decline in September in the aftermath of the terrorist attacks and has yet to bottom out. Similarly, both university indices also declined after the September terrorist attacks, but both have rebounded somewhat since September.

Overall, very modest growth, continued low inflation, and a higher level of unemployment are anticipated for the U.S. economy during 2002. Specifically, in 2002, nominal GDP is expected to increase by 2.0 percent, while real GDP is forecasted to increase very modestly (0.4 percent). Recall that real GDP growth was 1.1 percent in 2001. In addition, the unemployment rate is expected to rise significantly from 4.8 percent in 2001 to 6.2 percent in 2002. Nominal personal income also is forecasted to increase, but by only 2.6 percent in 2002 compared to a 5.0 percent increase in 2001. However, inflation as measured by the CPI-U is expected to remain low at 1.9 percent in 2002 compared to the 3.0 percent in 2001.

**Gross Domestic Product.** The robust growth in the U.S. economy in recent years has been driven by strong consumption and fueled largely by the rapid growth in stock market wealth. However, the decline in the stock market that began in 2000 continued in 2001. Since that time, stock prices have been highly volatile, especially in light of the September terrorist attacks and instability in the Middle East. The volatility is anticipated to continue in 2002. These factors are major risks to a forecast that includes very modest economic growth in 2002. Table 1-6, which is shown in the next column, presents the nominal and the real U.S. GDP composition and growth estimates for 2001, as well as the forecasts for 2002.

**Consumption.** Since the last recession in 1991, consumption, or consumer spending, consistently increased at a more rapid pace than disposable income increased. The result was that the savings rate continued to fall. The decline implies that most of the spending growth was supported by capital gains returns and/or consumer credit. To support this statement, recall that in 2000, both the personal savings level and the personal savings rate were zero. However, in 2001, the level of personal savings increased by 104.0 percent from \$67.7 billion to \$147.1 billion and the personal savings rate increased from 1.0 percent to 2.0 percent.

Because both personal savings and the personal savings rate are increasing, the 2002 forecast is that further moderation in consumer spending will dampen economic growth. Also, 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.

Table 1-6

<b>U.S. GDP Composition &amp; Growth, 2001-2002</b>			
<i>(Dollars in Billions)</i>			
	<b>Nominal</b>		<b>Percent Change</b>
	<b>2001*</b>	<b>2002**</b>	
Gross Domestic Product	10206.1	10413.6	2.0 %
Consumption	7047.9	7246.5	2.8
Durables	843.0	825.5	(2.1)
Nondurables	2057.6	2093.2	1.7
Services	4147.3	4327.8	4.4
Investment	1649.8	1605.5	(2.7)
Fixed	1685.2	1602.1	(4.9)
Nonresidential	1241.0	1160.7	(6.5)
Equipment	909.6	852.4	(6.3)
Structures	331.5	308.3	(7.0)
Residential	444.2	441.4	(0.6)
Change in Inventories	(35.4)	3.4	(109.5)
Exports	1052.9	963.5	(8.5)
Imports	1384.4	1333.6	(3.7)
Government	1839.9	1931.8	5.0
Federal	614.6	652.7	6.2
National Defense	399.2	419.7	5.1
Nondefense	215.4	233.0	8.2
State & Local	1225.2	1279.0	4.4
<b>Real</b>			
<b>(\$Chained 1996)</b>			
	<b>2001*</b>	<b>2002**</b>	<b>Percent Change</b>
Gross Domestic Product	9323.5	9362.8	0.4 %
Consumption	6429.1	6511.4	1.3
Durables	938.4	929.6	(0.9)
Nondurables	1879.4	1898.7	1.0
Services	3630.2	3697.3	1.8
Investment	1646.7	1598.2	(2.9)
Fixed	1675.3	1587.3	(5.3)
Nonresidential	1301.0	1217.6	(6.4)
Equipment	1030.4	976.3	(5.3)
Structures	276.0	249.7	(9.5)
Residential	376.4	368.8	(2.0)
Change in Inventories	(37.6)	3.6	(109.7)
Exports	1082.7	1002.4	(7.4)
Imports	1492.7	1466.2	(1.8)
Government	1625.9	1673.8	2.9
Federal	558.9	581.9	4.1
National Defense	365.4	377.9	3.4
Nondefense	193.5	203.9	5.4
State & Local	1066.2	1091.4	2.4
*Estimated			
**Forecasted			

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

During the unprecedented economic expansion, a tight labor market and low inflation allowed consumers to realize significant gains in real purchasing power. However, the slowing economy in 2002 will dampen this trend. In addition, a softening labor market and stock market losses will further erode consumer spending power. Specific economic factors include an anticipated increase of 1.8 percent in real disposable income and a relatively low personal savings rate of 2.5 percent. In addition, real consumer spending is expected to increase only by 1.3 percent. This modest increase will be supported by a 1.8 percent increase in services consumption. However, the increase will be offset somewhat by an anticipated 0.9 percent decrease in durable goods consumption. Consumption of nondurables is expected to increase by 1.0 percent in 2002.

In real terms, consumer spending on durable goods is expected to fall by 0.9 percent in 2002, which is modest when compared to the 4.8 percent decline in 2001. Table 1-7 is shown in the next column and presents U.S. Personal Consumption Expenditure Growth estimates for 2001 and the forecasts for 2002.

Within the durable goods category, the key growth sector in recent years has been computers. Although spending on computers is still the primary driver of consumer spending on durables, growth in expenditures on computers are expected to slow slightly to 24.7 percent in 2002. The growth rate was 29.1 percent in 2001. Further, spending on software is expected to increase only 1.0 percent in 2002, which is slightly higher than the 0.6 percent increase in 2001. Also, purchases of automobiles are expected to decrease by 5.1 percent in 2002. The decrease follows a 4.8 percent increase in 2001.

Expenditures for nondurable goods are forecasted to increase 1.0 percent in 2002. This increase is lower than the increase in 2001 of 1.6 percent. Increases in expenditures on pharmaceuticals (5.4 percent) and fuel oil (4.1 percent) are expected to lead the sector. Food and beverage expenditures are expected to remain steady in 2003, while expenditures on gasoline (2.2 percent) and clothing (1.6 percent) are expected to moderate.

Expenditures for services also are forecast to increase in 2002. The expected increase for 2002 is 1.8 percent. The increase in 2001 was 2.9 percent.

Table 1-7

	<b>U.S. Personal Consumption Expenditure Growth</b>	
	<b>Percent Change, Seasonally Adjusted, 2001-2002</b>	
	<b>Expenditures</b>	
	<b>2001</b>	<b>2002</b>
Personal Consumption	2.7 %	1.3 %
Durables	4.8	(0.9)
Motor Vehicles & Parts	4.8	(5.1)
Furniture & Appliances	5.9	3.2
Computers	29.1	24.7
Software	0.6	1.0
Other Furniture	4.2	1.7
Ophthalmic Goods	(11.9)	0.1
Other Durables	4.9	0.6
Nondurables	1.6	1.0
Food & Beverages	0.5	--
Clothing & Shoes	2.0	1.6
Gasoline & Oil	1.8	2.2
Fuel Oil & Coal	(15.2)	4.1
Tobacco Products	0.9	0.2
Drugs & Medicines	3.9	5.4
Other Nondurables	4.5	0.8
Services	2.9	1.8
Housing	1.9	1.6
Household Operation	3.2	2.1
Electricity	(1.2)	3.4
Natural Gas	3.1	2.8
Telephony	7.2	3.5
Other Utilities	3.3	(0.7)
Transportation	0.6	--
Leasing	(3.7)	(10.3)
Other Transportation	1.3	1.6
Medical	3.6	3.2
Recreation	4.1	1.8
Personal Business	6.7	2.3
"Free" Financial	2.3	1.4
Other Financial	2.0	3.3
Other Services	3.6	(0.6)

Source: Standard & Poor's DRI

Housing expenditures are expected to increase by 1.6 percent in 2002, while expenditures for housing operations are expected to increase 2.1 percent. Within housing operations, all categories are anticipated to increase, including electricity (3.4 percent), natural gas (2.8 percent), and telephone (3.5 percent).

Other areas where expenditures are expected to increase include medical care (3.2 percent), personal business services (1.8 percent), and recreation (3.3 percent).

percent). Only transportation expenditures are expected to remain steady in 2002.

**Business Investment.** Overall real business investment is forecast to decrease by 2.9 percent in 2002. Specifically, fixed investment is expected to decline by 5.3 percent, while nonresidential investment is anticipated to decline by 6.4 percent. In addition, residential construction also is expected to decline in 2002, but at a slower rate of 2.0 percent. Within nonresidential investment, spending on structures likely will decrease by 9.5 percent, while spending on equipment is expected to decrease by 5.3 percent.

**International Trade.** The forecast for the 2002 places real exports at a level that is 7.4 percent below 2001 levels. Real imports in 2002 are anticipated to be 1.8 percent below the 2001 level. The result is that real net exports are expected to continue at a deficit of over \$400.0 billion in 2002.

**Government Expenditures.** In real terms, government expenditures are estimated to increase by 2.9 percent in 2002. The two major categories of government spending are federal expenditures and state and local expenditures. In 2002, total federal government expenditures are estimated to increase by 4.1 percent. Specifically, national defense expenditures are anticipated to increase by 3.4 percent, while nondefense expenditures are expected to increase by 5.4 percent. State and local government expenditures are forecasted to increase by 2.4 percent.

**Personal Income.** In 2002, personal income in the U.S. is forecasted to grow at a 2.6 percent rate. Of the categories of personal income, only personal interest income is expected to decrease. Estimates show that interest earnings will decrease by 5.4 percent in 2002. Two categories of personal income are anticipated to grow at the same 2.6 percent rate as overall income. They are salaries and wages and rental income.

However, the other categories of personal income are anticipated to grow at varying rates in 2002. Other labor income is expected to increase only by 1.8 percent, while proprietors' income is expected to increase by 5.4 percent. In addition, increases also are anticipated in rents (2.6 percent) and dividends (4.1 percent). The final category of personal income is transfer payments. In 2002, they are expected to

increase by 7.2 percent. Social insurance contributions also are expected to increase in 2001 (1.9 percent).

Alternatively, personal taxes are expected to fall by 1.6 percent. However, while personal taxes decrease, it is anticipated that disposable personal income will increase by 3.3 percent. In real terms, disposable personal income will realize a 1.8 percent increase. Table 1-8 presents the categories of U.S. Personal Income Growth for 2001 and 2002.

Table 1-8

<b>U.S. Personal Income Growth, 2001-2002</b>			
<i>(Dollars in Billions)</i>			
	<b>2001</b>	<b>2002*</b>	<b>Percent Change</b>
Personal Income	8,735.5	8,961.6	2.6 %
Salaries & Wages	5,105.5	5,239.8	2.6
Private	4,300.3	4,393.3	2.2
Government	805.2	846.6	5.1
Other Labor Income	552.8	562.9	1.8
Proprietors' Income	745.5	785.5	5.4
Farm	29.6	29.5	(0.3)
Nonfarm	715.9	756.0	5.6
Rental Income	141.0	144.7	2.6
Personal Dividend Income	415.7	432.6	4.1
Personal Interest Income	997.3	943.2	(5.4)
Transfer Payments	1,141.8	1,223.8	7.2
Less:			
Personal Contributions for:			
Social Insurance	373.8	380.7	1.9
Personal Taxes	1,303.8	1,282.8	(1.6)
Equals:			
Disposable Personal Income	7,431.6	7,678.8	3.3
Less:			
Personal Outlays	7,284.6	7,486.8	2.8
Personal Consumption			
Expenditures	7,047.9	7,246.5	2.8
Interest	206.0	207.7	0.8
Personal Foreign Transfers	30.7	32.6	6.5
Equals:			
Personal Saving	147.1	192.0	30.6
Real Disposable Pers. Income	6,779.2	6,900.1	1.8
Personal Saving Rate (%)	2.0	2.5	27.0
* Estimated			

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

**Personal Savings.** The level of personal savings is forecast to increase from \$147.0 billion in 2001 to

\$192.0 billion in 2002, which represents a 30.6 percent increase from one year to the next. Simultaneously, the rate of personal savings is estimated to increase from 2.0 percent in 2001 to 2.5 percent in 2002. The annual growth in the savings rate represented by the change is 27.0 percent.

**Inflation & Prices.** Inflation is forecast to remain low in 2002. As measured by the CPI-U, inflation will be 1.9 percent. As measured by GDP Price Index, inflation is expected to be 1.5 percent.

Of the three major categories of consumption, only durable goods prices are expected to decrease in 2002. Estimates indicate that the price of durable goods will fall by 1.2 percent in 2002. Specifically, the cost of computers is expected to continue to decline, dropping 20.2 percent in 2002. The price of computer software also is estimated to drop, but only by 2.3 percent and the price of other furniture is estimated to decrease by 2.0 percent in 2002. Alternatively, the price of automobiles is expected to increase in 2002. However, the increase is anticipated to be only 0.4 percent.

In 2002, the price of nondurable goods is forecasted to increase modestly. The estimate is for a 0.7 percent increase in 2002. Specific categories of nondurable goods that are expected to increase in 2002 include food and beverages (1.6 percent), tobacco products (6.1 percent), and drugs and medicines (3.4 percent).

Alternatively, the forecast for 2002 shows decreases in some prices for nondurable goods. In 2002, the price of clothing and shoes is anticipated to decrease by 1.6 percent. Declines also are expected in the price of gasoline and oil (-4.2 percent), and fuel oil and coal (-5.4 percent). All other nondurable goods are expected to increase by 0.2 percent in 2002.

Services is the third major category of consumption. In 2002, the price of services is anticipated to increase by 2.4 percent. Of the seven types of services, only the price of household operation is expected to decrease in 2002. The anticipated decline is 0.2 percent and will be driven by decreases in the price of natural gas, which is estimated to decrease by 12.4 percent, and telephone services, which are estimated to decrease by 0.4 percent. The only component of household operations that is expected to increase in

2002 is the price of electricity (1.6 percent). Increases also are expected in the price of housing, which is forecast to increase by 3.0 percent in 2002. Table 1-9 presents price changes for 2001 and 2002 in various sectors of the economy as measured by the GDP Price Index.

Table 1-9

	Prices	
	2001	2002
Personal Consumption	2.0 %	1.5 %
Durables	(1.8)	(1.2)
Motor Vehicles & Parts	0.3	0.4
Furniture & Appliances	(5.4)	(3.5)
Computers	(27.8)	(20.2)
Software	(7.5)	(2.3)
Other Furniture	(3.0)	(2.0)
Ophthalmic Goods	3.2	1.2
Other Durables	(0.0)	(0.3)
Nondurables	1.8	0.7
Food & Beverages	3.0	1.6
Clothing & Shoes	(1.9)	(1.6)
Gasoline & Oil	0.6	(4.2)
Fuel Oil & Coal	2.5	(5.4)
Tobacco Products	8.0	6.1
Drugs & Medicines	4.1	3.4
Other Nondurables	--	0.2
Services	2.8	2.4
Housing	3.8	3.0
Household Operation	4.6	(0.2)
Electricity	7.4	1.6
Natural Gas	21.1	(12.4)
Telephony	(2.3)	(0.4)
Other Utilities	5.3	3.6
Transportation	1.4	1.3
Leasing	1.6	1.7
Other Transportation	1.4	1.2
Medical	2.8	3.4
Recreation	3.3	1.8
Personal Business	(0.2)	1.7
"Free" Financial	(1.2)	0.2
Other Financial	0.6	2.9
Other Services	4.1	3.0

Source: Standard & Poor's DRI

Increases in the price of all other service categories are anticipated in 2002. Transportation services are

estimated to increase by 1.3 percent in 2002. Specifically, leasing will increase by 1.7 percent. All other transportation services will increase by 1.2 percent. Increases also are forecast for medical care (3.4 percent), personal business services (1.7 percent), and recreation (1.8 percent).

**Productivity.** Productivity is expected to grow in 2002, but at a slower pace than 2001's growth rate of 3.0 percent. Productivity growth, as measured by cyclically adjusted output per hour, is expected to increase by 1.9 percent in 2002, while manufacturing output per hour is expected to increase by 3.8 percent.

# Chapter 2

## Kansas Employment & Income

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### Overview

Although the national economy is expected to slow in 2002, the Kansas economy is expected to withstand the economic slowdown more effectively. Overall, the Kansas economy is expected to experience modest growth in 2002. Gross State Product (GSP) is forecasted to increase by 1.3 percent and personal income is expected to increase by 3.0 percent. Table 2-1 presents major Kansas economic trends for 2001 and 2002.

Table 2-1

<b>Major Kansas Economic Trends</b>	<b>2001</b>	<b>2002</b>
GSP Growth (\$ Constant)	1.1 %	1.3 %
Personal Income Growth (\$ Current)	4.0	3.0
Employment Growth Rate (Place of Residenc	0.8	0.2
Employment Growth Rate (Place of Work)	1.4	0.7
Unemployment Rate (Monthly Average)	3.9	4.2

As occurred in past years, personal income growth will be sustained by growth in salaries and wages (3.0 percent) and other labor income (3.0 percent). Proprietors' income is expected to increase by 1.7 percent and the increase will be driven largely by the farm sector. Dividend, interest, and rent growth is expected to recover modestly to 2.5 percent in 2002, while transfer payment growth is expected to recede to a more modest 3.0 percent rate. Conversely, personal contributions for social insurance are expected to fall by 1.7 percent in 2002.

Like personal income, employment is expected to increase in 2002. Specifically, employment by place of residence is forecasted to increase by 0.2 percent, while employment by place of work is forecasted to increase by 0.7 percent.

Although unemployment is expected to increase in 2002, the unemployment rate in Kansas remains well

below the national rate. The unemployment rate is expected to increase from 3.9 percent in 2001 to 4.2 percent in 2002.

According to the Kansas City Federal Reserve's *Update on the Kansas Economy* (July 31, 2001) through the first half of the year:

"Economic growth has shown signs of slowing this year, but so far the Kansas economy has held up better than the national economy. During the 1990s, the Kansas economy grew at a healthy pace but slower than the national economy. Over the last year, however, economic growth appears to have slowed less in Kansas than in the country as a whole, causing the state to compare more favorably to the nation. To be sure, Kansas has had its share of layoffs in 2001. Also, as in the rest of the country, the manufacturing sector has been under some stress. On the bright side, however, job growth has held surprisingly steady, as some firms have continued hiring at the same time others have cut payrolls. Moreover, while down from the exceptionally strong pace of two years ago, housing activity has been stable lately, suggesting that consumers remain reasonably confident about their jobs and incomes.

"Looking ahead, the outlook is not quite so sunny. By midyear, there were signs that reductions in air travel and decreases in airline profits might eventually lead to cutbacks in production and employment in the state's aircraft industry. Also, many Kansas businesses remain cautious about the future, taking a 'wait-and-see' attitude toward capital spending and hiring plans. The longer businesses hold back, the more difficult it will be for consumers to maintain their confidence in the face of layoffs and a sluggish stock market."

Since July 2001, job growth has come to a halt with completed as well as announced layoffs in Wichita, Kansas City, and Topeka leading the way. For instance, Wichita will continue to experience layoffs in the aircraft industry, with an expected total loss of



4,650 in 2002 following a loss 2,500 in 2001. These layoffs are due largely to cutbacks in aircraft production as a result of fundamental weakness in underlying aircraft demand. This weakness is the result of the September 11 terrorist attacks and other causes. Over 20.0 percent of the manufacturing jobs in Kansas are related to aircraft production. Nationally, only 3.0 percent are aircraft related. In the Wichita area, over 80.0 percent of the manufacturing jobs are aircraft related. Bombardier, Cessna, and Raytheon, in addition to Boeing, have announced workforce adjustments. A positive note may be that increased federal spending on defense procurements may offset some of the effect.

Potential job losses were averted last year when Sprint cancelled its \$130.0 billion merger deal with the telecommunications giant MCI/WorldCom. Both corporations cite opposition from the U.S. Department of Justice and from European Union regulators. Regulators on both sides of the Atlantic were concerned about the antitrust implications from the merger of the nation's second and third-largest long distance carriers.

Even though potential job losses were averted, Sprint, the largest employer in the Kansas City area, announced that it is laying off approximately 3,000 workers because of a weakening national economy and stiff competition. Sprint employs approximately 15,000 workers in the Kansas City metropolitan area. Although Sprint has announced publicly that it has no intention of divesting any of its assets, the company is becoming an increasingly attractive acquisition prospect as competition in the Internet/wireless communications market intensifies.

The University of Kansas Medical Center in Kansas City announced plans to raise \$650.0 million to recruit new scientists, renovate and build laboratories, and purchase high-powered imaging and analytical equipment. This effort is known as the Life Sciences Initiative. The biotechnology industry also will benefit from the Life Sciences Initiative because many health-care research institutions will add staff and expand facilities. The Life Sciences Institute is a group formed to promote research and biotechnology in Kansas. The Initiative seeks to attract \$500.0 million annually in sponsored research. One of the centerpieces of the effort is the Stowers Institute for

Medical Research. The Institute hopes to attract \$100.0 million in research funding each year through 2010. The Institute also is seeking to raise \$300.0 million for grants to local research institutions. The Kansas City area already attracts approximately \$100.0 million annually in sponsored research.

Also related to health care industry, Quintiles Transnational Corporation announced plans to locate a pharmaceutical product development center in Kansas City. Quintiles expects to employ over 1,000 workers by the end of 2002 and will fill a void left by the departure of Hoechst Pharmaceuticals.

Job growth is expected to be led by job creation in the services industry. The 2001 completion of the Kansas International Speedway near Kansas City will add new jobs both in services and retailing. Construction employment is likely to receive a major boost in the future with the continuance of the \$13.0 billion state comprehensive transportation program and many school bond construction programs. However, this may be offset somewhat by a slowdown in other nonresidential and residential construction with the economic downturn.

Finally, the state's farm sector will continue to struggle in 2002, as low crop prices and high fuel costs continue to outweigh the favorable effects of strong livestock prices. In late spring during 2001, much of the state's winter wheat crop appeared to be in poor condition because of the dry autumn and harsh winter, causing the USDA to predict an 18.0 percent drop in the wheat harvest from the previous year. Following the harvest, however, the USDA reported that the crop was only 6.0 percent below last year's level, as better than expected yields largely offset a significant decline in acreage. The offset to this good news was that wheat prices remained significantly lower than the prices in the mid-1990s. In addition, high fuel and fertilizer prices continued to drag down earnings.

However, conditions were more favorable in the Kansas livestock industry, where strong livestock prices boosted ranchers' profits. The high prices have encouraged some ranchers to expand their cattle herds, but the expansion has been limited by the high price for replacement breeding stock and the adverse effects of hot, dry weather on forage supplies.

Considering all of these factors, the Kansas economy is expected to remain stable. However, recent levels of growth are expected to moderate in 2002.

## Kansas Employment Review

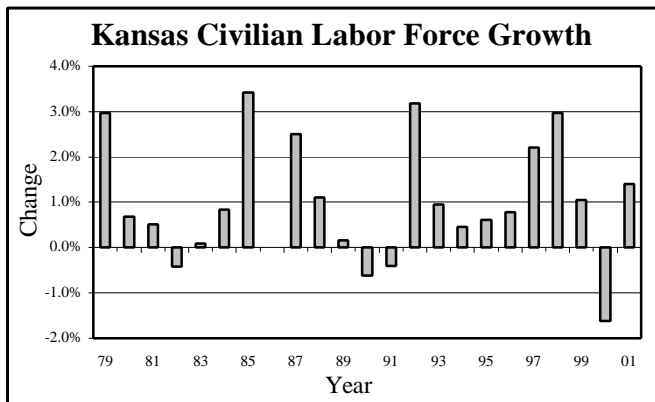
Employment data are compiled in two ways: by place of residence and by place of work. The first compilation, or employment by place of residence, is based on a sample survey of households. From the sample survey, the civilian labor force is determined. Once the civilian labor force is determined, then employment, unemployment, and the unemployment rate are derived. Others, such as children, retirees, military personnel, and those who are not actively seeking work, are not considered to be part of the civilian labor force.

The second compilation is based on employment by place of work. For this compilation, data are compiled from information primarily obtained directly from firms as part of the unemployment insurance program. Place of work data are further categorized by industry. Table 2-2, which is shown on the following page, presents Kansas employment details for 2000 and 2001, both by place of residence and by place of work.

### Employment by Place of Residence

In 2001, the Kansas civilian labor force grew at a rate of 1.1 percent. This positive growth rate is significantly higher than the negative growth realized in 2000 (-1.6 percent). Figure 2-1 displays the notable difference between 2000 and 2001. The figure

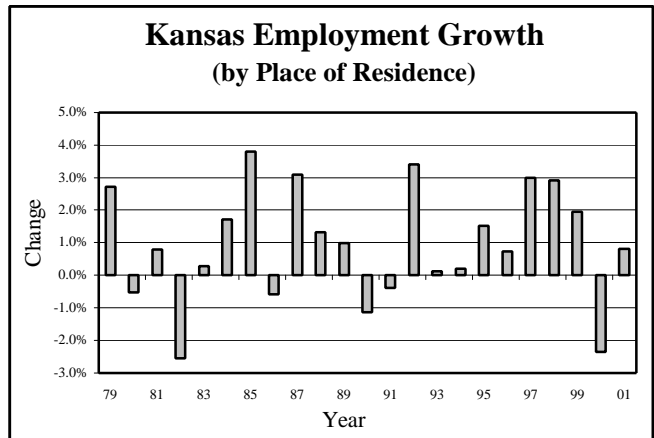
Figure 2-1



presents trends in the Kansas civilian labor force from 1979 through 2001.

Using the civilian labor force as the base, other information can be derived. Specifically, employment in Kansas can be determined. Similar to the civilian labor force, Kansas employment, as measured by place of residence, grew during 2001. The positive growth followed in the wake of negative growth that was realized the previous year. In 2001, Kansas employment grew at a rate of 0.8 percent. This level of employment compares to the 2.4 percent decline in Kansas employment that occurred during 2000. The last time a decline of that magnitude occurred was in 1982. Figure 2-2 presents Kansas employment trends by place of residence from 1979 through 2001.

Figure 2-2



Other economic indicators that use the civilian labor force as a base are overall unemployment and the unemployment rate. Figure 2-3 presents the Kansas unemployment rate from 1979 through 2001.

Figure 2-3

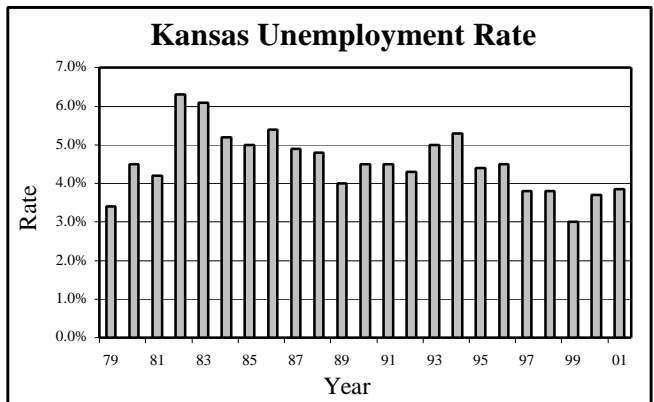


Table 2-2

<b>Kansas Employment, 2000-2001</b>				
	<b>2000</b>	<b>2001</b>	<b>% Change 1999-2000</b>	<b>% Change 2000-2001</b>
<b>Place of Residence Data</b>				
Civilian Labor Force	1,411,000	1,426,000	(1.6) %	1.1 %
Employment	1,359,000	1,370,000	(2.3)	0.8
Unemployment	52,000	56,000	21.7	7.7
Unemployment Rate	3.7	3.9	0.7	0.2
<b>Place of Work Data</b>				
All Industries	1,345,800	1,365,100	1.4 %	1.4 %
Goods Producing Industries	282,400	284,300	(0.9)	0.7
Mining	7,000	7,500	9.4	7.1
Oil & Gas Extraction	5,600	5,800	12.0	3.6
Construction	65,200	69,900	(0.3)	7.2
Manufacturing	210,200	206,900	(1.4)	(1.6)
Durable Goods	124,900	122,800	(1.4)	(1.7)
Stone, Clay & Glass Products	6,700	6,900	6.3	3.0
Primary Metal Industries	3,300	3,300	(8.3)	--
Fabricated Metal Products	11,300	10,900	5.6	(3.5)
Machinery (incl. Electric)	31,800	30,400	(0.3)	(4.4)
Transportation Equipment	57,300	56,700	(4.2)	(1.0)
Aircraft & Parts	46,700	46,900	(4.0)	0.4
Nondurable Goods	85,300	84,100	(1.2)	(1.4)
Food & Kindred Products	33,400	33,800	0.9	1.2
Meat Products	20,000	20,500	3.1	2.5
Grain Mill Products	3,900	3,800	(2.5)	(2.6)
Apparel & Other Textile Prod.	3,300	3,300	--	--
Printing & Publishing	21,800	21,500	(1.8)	(1.4)
Chemicals & Allied Products	7,200	7,100	--	(1.4)
Petroleum/Coal & Rubber/Plastics	13,800	12,700	(3.5)	(8.0)
Service Producing Industries	1,063,400	1,080,800	2.1	1.6
Transportation, Comm., & Public Utilities	85,600	87,300	9.0	2.0
Railroad Transportation	6,900	6,700	11.3	(2.9)
Trucking & Warehousing	24,100	25,300	5.7	5.0
Elect., Gas & Sanit. Serv.	9,800	9,900	(2.0)	1.0
Total Trade	320,400	323,200	0.3	0.9
Wholesale Trade	77,500	78,900	0.8	1.8
Retail Trade	242,900	244,300	0.2	0.6
General Merchandise Stores	35,600	36,100	2.0	1.4
Food Stores	34,800	35,100	(0.6)	0.9
Auto. Deal. & Serv. Stations	27,200	27,300	0.4	0.4
Apparel & Accessory Stores	10,600	11,000	(0.9)	3.8
Fin., Ins., & Real Estate	63,700	65,600	1.3	3.0
Dep. & Nondep. Credit Inst.	25,700	26,700	1.2	3.9
Insurance Carriers	11,400	12,400	(2.6)	8.8
Services	348,400	354,000	2.0	1.6
Hotels & Other Lodging Places	10,800	10,700	(1.8)	(0.9)
Personal Services	12,600	13,500	(0.8)	7.1
Government	245,300	250,700	2.4	2.2
Federal Government	26,800	27,000	3.1	0.7
State & Local Government	218,500	223,700	2.3	2.4
Farm Employment	53,200	52,300	(5.0)	(1.7)

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

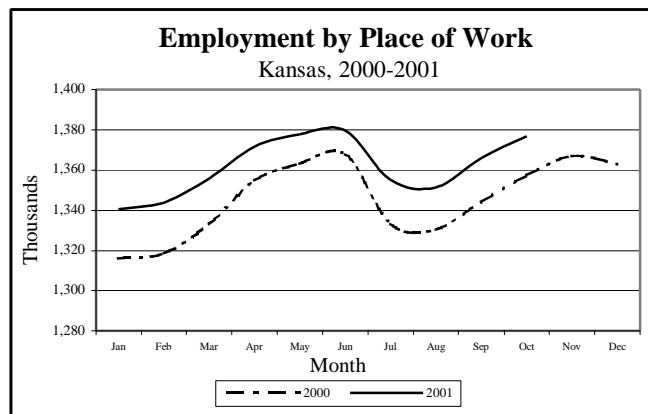
Average monthly unemployment in Kansas rose by 4,000 from its 2000 level of 52,000 to 56,000 in 2001. In addition, the average monthly unemployment rate in Kansas increased by 0.2 percentage point from the 2000 level of 3.7 percent to 3.9 percent in 2001. Also, even though the Kansas overall unemployment rate increased in 2001, many sectors were still battling for scarce workers. Although the unemployment rate increased in Kansas in 2001, it should be noted that the Kansas unemployment rate has been consistently below the U.S. unemployment rate since 1971.

### Employment by Place of Work

There are two broad classifications of employment by place of work: the goods producing industries and the services producing industries. This section will present an overview of employment in the goods producing industries by subcategory, while the following section will present employment in the services producing industries in the same manner.

In 2001, overall employment in Kansas, as measured by place of work, increased at a 1.4 percent rate, which is the same rate of increase that occurred in 2000. As can be seen from Figure 2-4 employment levels in 2001 remained consistently above 2000 levels through October, the most recent data available when this report was prepared.

Figure 2-4



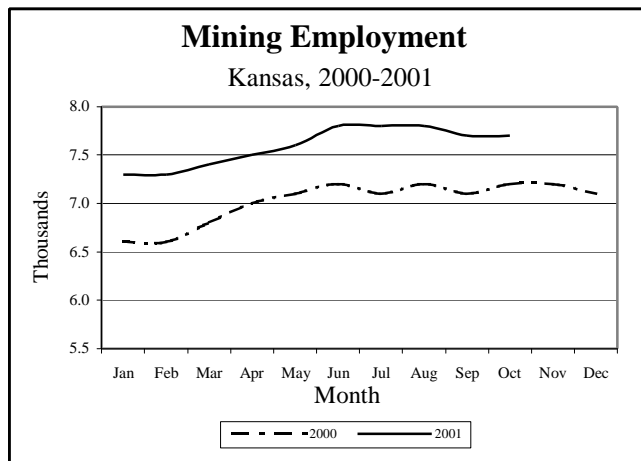
### Goods Producing Industries

In line with overall employment, as measured by place of work, employment in the goods producing

industries increased at a 0.7 percent rate in 2001. This level compares to a 0.9 percent decline in employment in the goods producing industries during 2000. There are three general categories within the goods producing industries, including mining, construction, and manufacturing.

**Mining.** During 2001, mining employment increased by 7.1 percent. Although this represents strong growth, the 2001 level is 2.3 percent lower than the 9.4 percent increase experienced during 2000. As can be seen in Figure 2-5, mining employment in 2001 remained consistently above 2000 levels through October.

Figure 2-5



A key subcomponent of the mining sector is oil and gas extraction. During 2001, employment in oil and gas extraction increased by 3.6 percent. In 2000, this subcomponent increased by 12.0 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. The Kansas energy sector has benefited from higher energy prices, but is being held back by a lack of skilled workers, equipment, and investment capital.

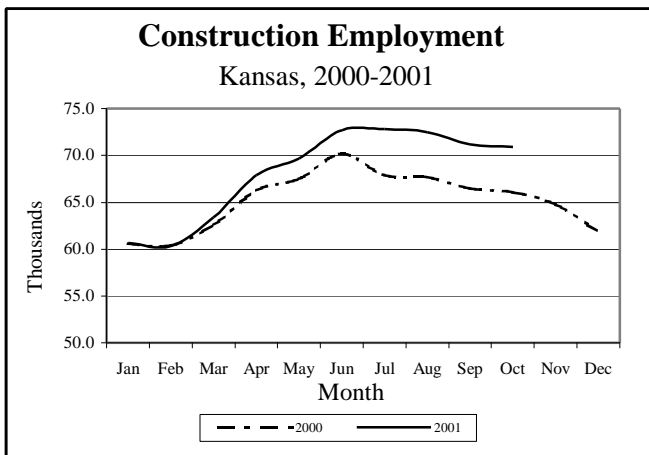
Kansas ranks seventh in the nation in oil production and eight in gas production. In contrast to some other states, most of the oil and gas in Kansas is produced in small stripper wells, of which there are approximately 40,000 in the state. For most of the 1990s, the number of active drilling rigs in the state fluctuated between

25 and 35. The state rig count then dropped below 10 during most of 1998 and 1999, when energy prices were very low. As energy prices have climbed during the last two years, drilling activity has revived. In fact, the number of drilling rigs in Kansas has returned to the 25 to 30 range.

Kansas oil and gas producers say drilling activity would be even higher if there were more rig workers and drilling rigs. Many workers left the industry during the lean years following the energy boom of the early 1980s. Also, many drilling rigs were either cut up for scrap or fell into disrepair. An additional problem in Kansas is that high energy prices have not led to as big an increase in investment capital as in some other states. The reason for the limited effect in Kansas is because most of the oil and gas is produced by small independent producers who have limited resources. States that have been affected to a greater degree by the high energy prices have a greater number of large energy companies producing the gas and oil.

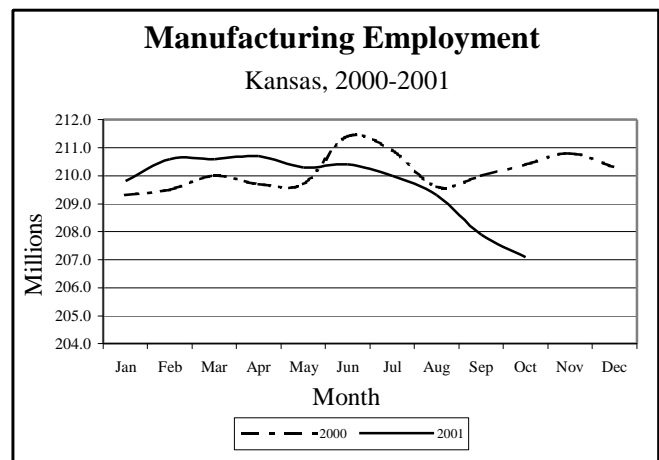
**Construction.** Construction employment grew at a 7.2 percent rate in 2001. This notable growth follows a 0.3 percent decline during 2000. This particular industry sector is affected greatly by the seasons and the weather. For this reason, it is important to remember that when analyzing construction employment changes the inherent seasonal nature of the industry should be considered. Figure 2-6 presents trends in construction employment in Kansas for 2000 and 2001. As shown in this figure, construction employment began the year at levels comparable to last year, but edged upward as the year progressed.

Figure 2-6



**Manufacturing.** Manufacturing activity was sluggish during 2001. However, by some measures employment in this sector did not slow as much in Kansas as it slowed in the nation as a whole. Manufacturing employment declined by 1.6 percent in 2001, which represents a 0.2 percent increase over the 1.4 percent decrease in 2000. Manufacturing employment began the year at levels above last year, but by mid-year employment levels were clearly trending downward. Through October, the employment levels were below last year. Figure 2-7 presents trends in manufacturing employment for 2000 and 2001.

Figure 2-7

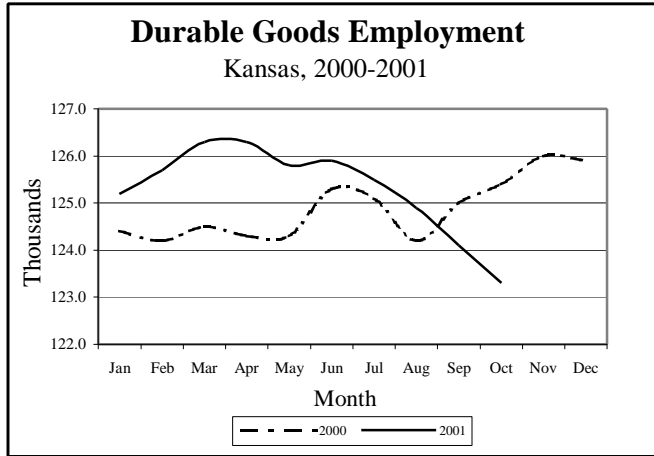


The 1.6 percent decrease in manufacturing employment in Kansas during 2001 is due to sizeable layoffs at aircraft production facilities in the Wichita area. It should be noted that these layoffs already had begun before the September 11th terrorist attacks and the subsequent effect those attacks had on the aviation industry in general. Most of the layoffs that resulted from the aftermath of the terrorist attacks are not expected to be effective until early 2002, so they are not reflected in these data.

Defining the overall trend in manufacturing employment, durable goods manufacturing employment declined by 1.7 percent in 2001 following a 1.4 percent decline in 2000. Durable goods are defined as goods with an expected useful life of more than one year. Interestingly, durable goods manufacturing employment began the year at levels above last year and did not drop below last year's levels until August, several months after the same trend appeared in overall manufacturing employment.

Figure 2-8 presents the yearly trends in durable goods manufacturing employment, by month, for both 2000 and 2001.

Figure 2-8



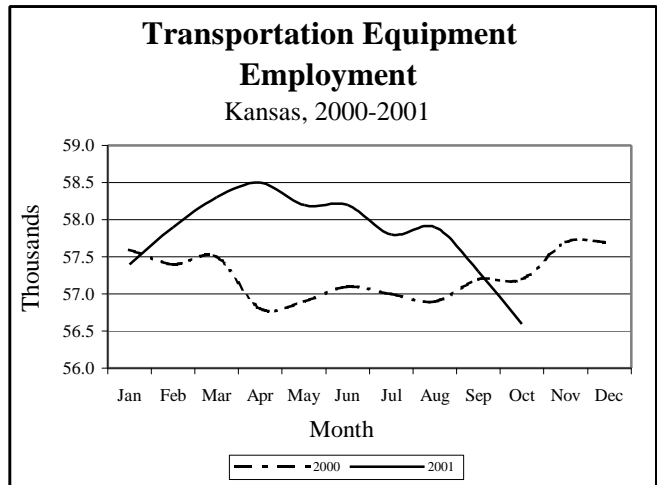
Five important subsectors within the durable goods manufacturing sector are stone, clay, and glass products; primary metal industries; fabricated metal products; machinery (which includes electric product manufacturing); and transportation equipment. Of these subsectors, only stone, clay, and glass products manufacturing experienced an employment increase during 2001. It increased by 3.0 percent. Primary metal industries employment remained unchanged during 2001. However, the other three subsectors declined during 2001. Employment in machinery manufacturing decreased by 4.4 percent, while employment in fabricated metal products manufacturing fell by 3.5 percent, and transportation equipment manufacturing employment dipped by 1.0 percent.

The dynamics of the aircraft and parts manufacturing employment in the Wichita metropolitan area are of particular interest when analyzing the Kansas economy. 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 Kansas manufacturing industry is driven to a considerable

extent by the Wichita metropolitan area's manufacturing employment. For these reasons, employment changes in transportation equipment manufacturing potentially have a significant effect on the Kansas economy.

During 2001, transportation equipment manufacturing employment in Kansas decreased by 1.0 percent. Although a decline was realized in 2001, it is not as drastic as the 4.2 percent decline that occurred during

Figure 2-9



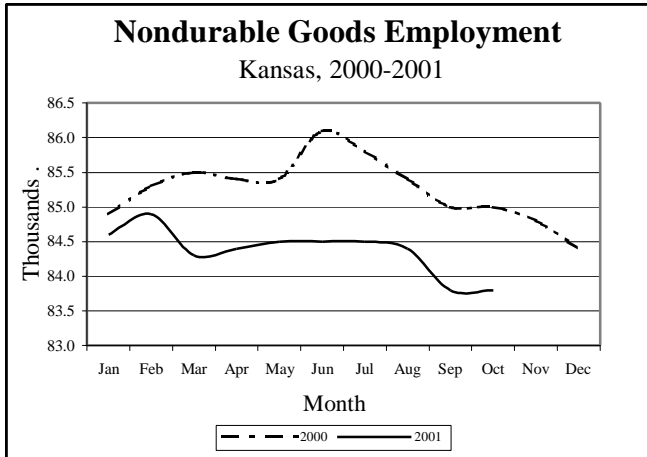
2000. As shown in Figure 2-9, transportation equipment manufacturing employment growth was strong for much of the year. However in October, employment dropped below last year. An interesting point is that, on an annual basis, employment in the subcategory of aircraft and parts manufacturing, an actual increase of 0.4 percent was realized in 2001. The increase follows a 4.3 percent decline in 2000.

Employment in the nondurable goods manufacturing sector also experienced a decline in 2001, decreasing by 1.4 percent. The 2001 decline is 0.2 percent greater than the 1.2 percent decline in 2000. In fact, nondurable goods manufacturing employment was consistently below last year's employment levels for most of the year (December through October). 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. The subsectors include 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 2-10 shows nondurable goods manufacturing employment for 2000 and 2001.

Figure 2-10



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 over 40.0 percent of all nondurable goods employment in Kansas. Employment in the food and kindred products manufacturing sector increased by 1.2 percent in 2001, which follows a 0.9 percent increase in 2000. Figure 2-11 presents trends in food and kindred products employment in Kansas for 2000 and 2001.

Figure 2-11



Within the other nondurable goods producing sectors, meat products was the only other sector experiencing an employment increase in 2001. It increased by 2.5

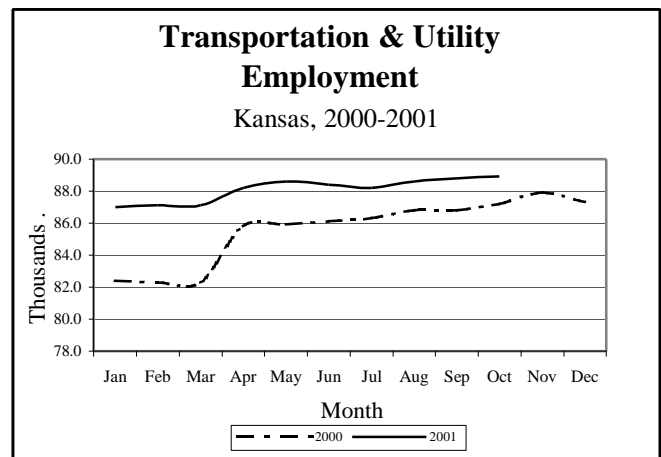
percent. During 2001, decreases in employment were experienced in the petroleum/coal & rubber/plastics sector (-8.0 percent), in grain mill products (-2.6 percent), printing and publishing (-1.4 percent), and chemicals and allied products (-1.4 percent). Employment in apparel and other textile products remained unchanged.

### Services Producing Industries

The second broad classification of employment by place of work is the services producing industries. Employment in the services producing industries grew at a 1.6 percent rate in 2001 following a 2.1 percent rate in 2000. There are five important categories within the service producing industries. They are transportation, communication, and public utilities; trade; finance, insurance, and real estate (FIRE); “pure” services; and government employment. In 2001, all five major categories realized employment increases.

**Transportation, Communication, & Public Utilities.** Transportation, communication, and public utility employment in 2001 ran consistently above 2000 levels. The employment growth rate for 2001 was 2.0 percent. Although 2.0 percent growth is positive, it follows a 9.0 percent increase in 2000. This sector’s employment growth is consistent with other service producing industries. Figure 2-12 presents trends in transportation and public utilities employment for 2000 and 2001.

Figure 2-12

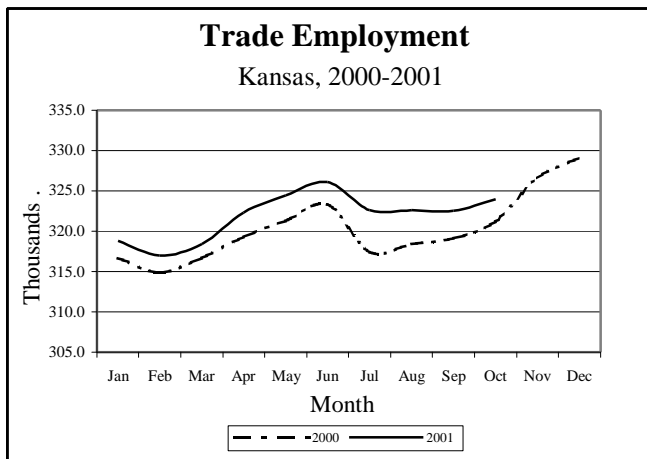


Within the transportation, communications, and public utilities sector, employment in trucking and

warehousing increased by 5.0 percent in 2001. In addition, employment in electric, gas, and sanitary services rose by 1.0 percent. The only component of this sector that decreased in 2001 was the railroad transportation employment, which fell by 2.9 percent.

**Wholesale & Retail Trade.** The service sector with the weakest job growth has been retail and wholesale trade. It is unclear, however, how much of the sluggishness in job growth in this sector is due to weak consumer spending, how much to financial problems at a few big-box retailers, and how much to the general shortage of entry-level employees. Sales tax revenues have slowed sharply in the state, suggesting that consumer spending has indeed weakened. Both in Kansas and the nation, retailers selling discretionary items appear to have suffered the biggest decline in sales. Wichita, for example, has seen an increase in furniture store closings within the last year. Nationwide, discount stores have fared somewhat better, as consumers have become more value-conscious. This trend may help explain the recent decision by Costco and Target to open two new stores on the Kansas side of the Kansas City metropolitan area. Total trade employment increased by 0.9 percent in 2001 following a 0.3 percent increase in 2000. Figure 2-13 presents trends in trade employment for 2000 and 2001.

Figure 2-13

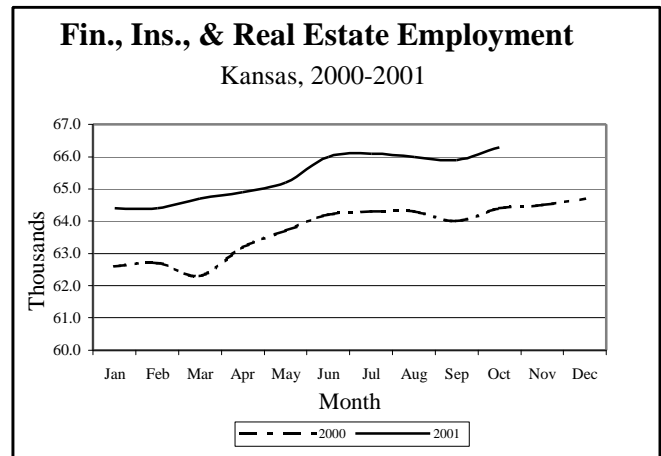


This industry is made up of two sectors: wholesale and retail trade. During 2001, wholesale trade employment increased by 1.8 percent, which is 1.0 percent higher than the 0.8 percent increase realized in 2000. Retail trade employment also increased in 2001. The increase in 2001 of 0.6 percent was slightly

stronger than the 0.2 percent increase in 2000. In addition to the increase in overall retail trade employment, all of the subcategories experienced increases too. Specifically, employment at apparel and accessory stores increased by 3.8 percent, employment in general merchandise stores increased by 1.4 percent, employment in food stores increased by 0.9 percent, and employment in automobile dealerships and service stations increased by 0.4 percent.

**Finance, Insurance, & Real Estate (FIRE).** Employment in FIRE increased by 3.0 percent in 2001 following a 1.3 percent increase in 2000. Within the FIRE industry, insurance carrier employment increased by 8.8 percent in 2001, while employment in depository and nondepository credit institutions increased by 3.9. As shown in Figure 2-14, FIRE employment levels in 2001 were consistently above 2000 levels.

Figure 2-14

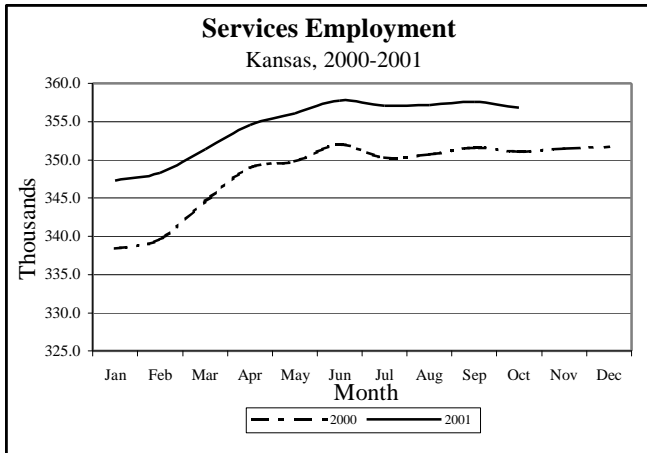


**Services.** Over recent years one of the fastest growing industries in the economy has been “pure” services. In 2001, employment in this industry grew by 1.6 percent, which is only slightly slower than the 2.0 percent increase experienced during 2000. Within this industry, employment in personal services increased by 7.1 percent in 2001. That level is a significant change from the 0.8 percent decrease that occurred in 2000. However, employment in hotels and other lodging places decreased by 0.9 percent in 2001. Employment also decreased in 2000, but at a rate of 1.8 percent in 2000. Contributors to the service employment expansion over recent years are growth in business, medical, management, and social services.



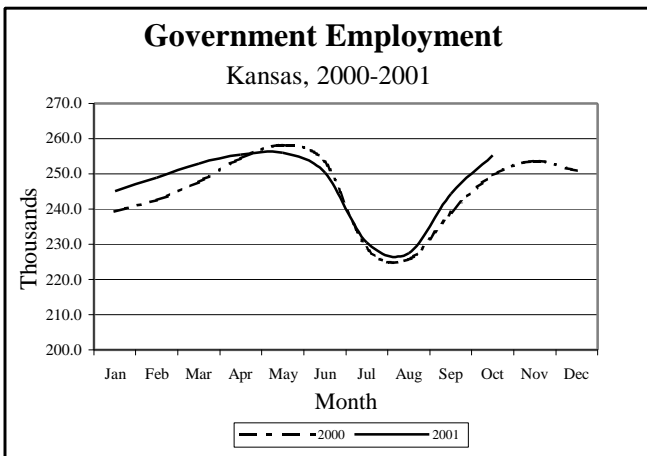
Telemarketing has also been a significant source of employment growth over recent years. Figure 2-15 presents trends in service employment for 2000 and 2001.

Figure 2-15



**Government.** Total government employment in Kansas increased by 2.2 percent in 2001. This increase follows a 2.4 percent increase in 2000. Specifically, federal government employment in the state rose by 0.7 percent in 2001 after a 3.1 percent decline in 2000. State and local government employment increased by 2.4 percent in 2001. This level is only slightly higher than the 2.3 percent increase in 2000. Figure 2-16 presents trends in government employment for 2000 and 2001.

Figure 2-16



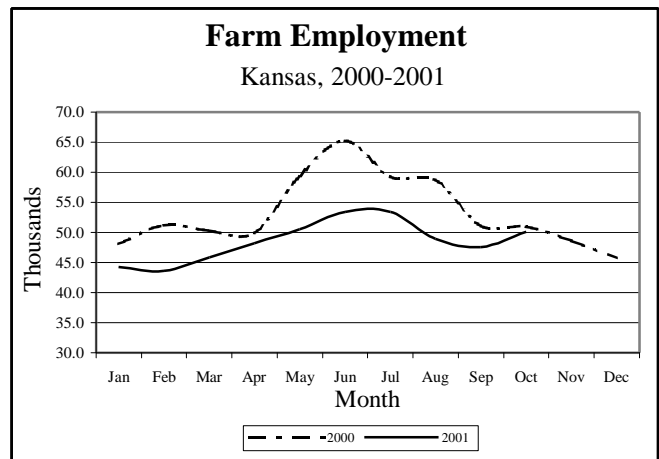
A downturn in employment occurred during July and August. The annual summer downturn is attributable

largely to faculty at public schools and universities being on nine-month appointments.

## Farming

Continuing problems in the farm economy in 2001 caused farm employment to fall by 1.7 percent. However, the decline that was experienced during 2001 is notably smaller than the 5.0 percent decline that occurred during 2000. Much of the variation in farm employment during the year is due to the inherently seasonal nature of the industry. Figure 2-17 presents trends in farm employment for 2000 and 2001.

Figure 2-17



## Comparative Employment in the Plains Region

The employment data presented in this section may not be in exact conformity with data presented earlier because the data are compiled from different sources. The information in earlier sections is based on data from the Kansas Department of Human Resources, Labor Market Information Services, while the information in this section is based on data from the U.S. Department of Labor, Bureau of Labor Statistics. In all cases, this report presents the most recent data available. Two tables are presented on the following page. Table 2-3 presents employment growth rates for Kansas and the Plains region from 1999 to 2000. Table 2-4 shows employment growth rates for Kansas and the Plains region from October 2000 to October 2001.

Table 2-3

	<b>Plains Region Employment Growth Rates, 1999-2000</b>							
	<b>KS</b>	<b>IA</b>	<b>MN</b>	<b>Percent Change</b>				<b>Plains</b>
				<b>MO</b>	<b>NE</b>	<b>ND</b>	<b>SD</b>	
Total Non-Farm	1.4 %	0.7 %	2.1 %	1.1 %	1.9 %	1.0 %	1.6 %	1.5 %
Mining	9.4	5.0	(4.1)	--	--	5.7	--	2.2
Oil & Gas Extraction	12.0	NA	NA	NA	NA	16.7	NA	13.2
Construction	(0.3)	(1.5)	6.5	3.1	3.0	(3.0)	6.5	2.7
Manufacturing	(1.4)	--	0.2	(2.0)	1.4	3.7	(0.2)	(0.5)
Stone, Clay, & Glass Products	6.3	5.2	2.9	0.9	9.4	NA	NA	3.9
Primary Metal Industries	(8.3)	3.5	(2.5)	(1.5)	NA	NA	NA	(1.2)
Fabricated Metal Products	5.6	2.9	1.6	(2.0)	4.3	--	NA	1.3
Transportation Equipment	(4.2)	1.7	2.0	(3.5)	2.9	4.0	NA	(2.3)
Aircraft & Parts	(4.3)	NA	NA	(13.9)	NA	NA	NA	(7.2)
Food & Kindred Products	0.9	(1.0)	0.8	0.6	1.3	1.9	4.8	0.6
Meat Products	3.1	0.8	1.3	NA	1.6	NA	NA	1.6
Grain Mill Products	(2.5)	1.0	(3.1)	NA	--	NA	NA	(1.1)
Apparel & Other Textile Products	--	(7.5)	NA	NA	NA	NA	NA	(4.1)
Printing & Publishing	(1.8)	1.4	(0.5)	(2.9)	--	NA	NA	(1.1)
Chemicals & Allied Products	--	(2.7)	(2.6)	(8.0)	6.1	NA	NA	(4.4)
Transportation & Public Utilities	9.0	1.5	2.1	4.4	0.7	2.2	1.8	3.6
Railroad Transportation	11.3	2.9	N.A.	--	(4.0)	NA	NA	1.0
Trucking & Warehousing	5.7	2.2	1.0	1.9	4.4	--	NA	2.6
Electric, Gas, & Sanitary Services	(2.0)	(1.1)	(0.7)	--	(12.0)	--	--	(1.1)
Trade	0.3	0.3	1.9	0.9	0.9	0.6	1.7	1.0
General Merchandise Stores	2.0	3.2	1.3	2.9	4.0	--	NA	2.4
Food Stores	(0.6)	(1.8)	0.7	(0.5)	2.0	--	1.0	(0.1)
Automotive Dealers & Service Statio	0.4	NA	1.5	0.5	1.6	1.1	NA	0.9
Apparel and Accessory Stores	(0.9)	NA	(0.5)	(3.1)	1.6	--	NA	(1.2)
Finance, Insurance, & Real Estate (FIR)	1.3	0.8	0.4	0.5	0.7	1.2	4.9	0.9
Insurance Carriers	(2.6)	NA	(2.8)	1.4	(0.5)	NA	NA	(1.0)
Services	2.0	1.4	3.1	2.2	3.5	1.0	3.8	2.4
Hotels & Other Lodging Places	(1.8)	NA	3.5	(0.9)	2.1	1.9	NA	0.9
Personal Services	(0.8)	NA	1.6	(0.4)	2.5	--	NA	0.5
Total Government	2.4	1.1	2.3	1.0	1.8	1.5	(2.1)	1.5
Total Federal Government	3.1	2.5	6.6	5.1	3.8	5.5	5.6	4.7
Total State & Local Government	2.3	1.0	1.9	0.4	1.7	1.1	(3.4)	1.1

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

Table 2-4

	<b>Plains Region Employment Growth Rates, October 2000-October 2001</b>							
	<b>KS</b>	<b>IA</b>	<b>MN</b>	<b>MO</b>	<b>NE</b>	<b>ND</b>	<b>SD</b>	<b>Plains</b>
Total Non-Farm	1.5 %	0.4 %	(0.7) %	(1.7) %	(0.1) %	(0.5) %	(0.2) %	(0.4) %
Mining	6.9	(9.5)	(15.5)	(12.0)	(7.7)	(2.6)	--	(5.8)
Construction	7.3	(0.6)	4.3	0.2	(2.0)	(1.9)	1.6	1.9
Manufacturing	(1.6)	(1.8)	(3.5)	(7.2)	(3.0)	(2.0)	(10.6)	(4.1)
Transportation & Public Utilities	2.0	0.8	(6.8)	(3.4)	(2.6)	(1.1)	(0.6)	(2.6)
Trade	1.0	0.1	(0.1)	(1.8)	(1.3)	0.1	1.5	(0.4)
Finance, Insurance, & Real Estate (FIRE)	3.1	2.1	(0.5)	1.1	(0.7)	(1.2)	6.6	1.0
Services	1.7	1.7	0.6	(0.5)	1.9	--	1.0	0.7
Total Government	2.2	0.6	(0.2)	0.5	2.4	(0.5)	0.3	0.7

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

The total non-farm employment growth rate for Kansas was slightly below the average of the Plains region in 2000. Total non-farm employment in Kansas grew at a rate of 1.4 percent in 2000, which is 0.1 percentage point below the Plains region's average of 1.5 percent. In 2000, Minnesota had the highest employment growth rate in the Plains region at 2.1 percent. Nebraska followed, with a growth rate of 1.9 percent. South Dakota experienced a 1.6 percent employment growth rate, followed by Kansas, with 1.4 percent growth, Missouri with 1.2 percent growth, North Dakota with 1.0 percent growth, and Iowa with 0.7 percent growth.

Through October 2001, the employment growth rate for Kansas of 1.5 percent was the highest in the Plains region. Iowa was the only other state in the region with positive employment growth (0.4 percent). Declines were experienced in all other states in the region. Specific declines include 1.7 percent in Missouri, 0.7 percent in Minnesota, 0.5 percent in North Dakota, 0.2 percent in South Dakota, and 0.1 percent in Nebraska.

## Employment by Industry Type

In 2000, employment growth in Kansas exceeded the Plains region's average in only three of the eight major industry groupings. Employment growth in Kansas was below the Plains region's average in construction, manufacturing, trade, services, and government. The three groupings in which Kansas employment growth exceeded the regional average include mining, transportation and public utilities, and FIRE. In 2000, mining employment in Kansas increased by 9.4 percent, which is significantly higher than the regional average of 2.2 percent. Transportation and public utility employment also increased far greater (9.0 percent) than the regional average (3.6 percent). FIRE employment in Kansas rose in 2000, but by only 1.3 percent. However, that was still notably higher than the Plains region's average of 0.9 percent.

Through October 2001, employment growth in Kansas exceeded the regional average in all eight major industry groupings. In fact, Kansas experienced the highest growth in the region in four of the eight major industry groupings, including mining, construction, manufacturing, and transportation and public utilities. In trade and FIRE employment growth, Kansas ranked

second after South Dakota. In services and total government employment growth, Kansas also ranked second. Nebraska had the highest employment growth in those two industry groupings.

**Mining.** Mining employment in the Plains region increased by 2.2 percent in 2000. In Kansas, mining employment rose by 9.4 percent, which was the largest increase in the region. Mining employment increased by 5.7 percent in North Dakota and 5.0 percent in Iowa, while it fell 4.1 percent in Minnesota, and held steady in Missouri, Nebraska, and South Dakota.

In 2001, mining employment in the Plains region declined by 5.8 percent. Kansas experienced the only increase in mining employment in the region with a 6.9 percent increase. Minnesota (-15.5 percent), Missouri (-12.0 percent), Iowa (-9.5 percent), Nebraska (-7.7 percent), and North Dakota (-2.6 percent) all experienced employment declines. Mining employment in South Dakota remained steady.

**Construction.** Construction employment in the Plains region, on average, increased by 2.7 percent in 2000. Alternatively, construction employment in Kansas fell by 0.3 percent in 2000. Minnesota and South Dakota had the largest increases in construction employment with 6.5 percent increases, respectively. Missouri followed with a 3.1 percent increase and Nebraska with a 3.0 percent increase. In addition to Kansas, Iowa (-1.5 percent) and North Dakota (-3.0 percent) experienced decreases in construction employment during 2000.

However, 2001 was a different story for Kansas because construction employment increased by 7.3 percent, which was the highest growth rate in the Plains region. The regional average growth rate was 1.9 percent. After Kansas, Minnesota experienced a 4.3 percent increase in construction employment, South Dakota had a 1.6 percent increase, and Missouri had a 0.2 percent increase. Nebraska (-2.0 percent), North Dakota (-1.9 percent), and Iowa (-0.6 percent) all experienced decreases in construction employment during 2001.

**Manufacturing.** Manufacturing employment in Kansas fell by 1.4 percent in 2000. The regional average was a 0.5 percent decrease. Although the region experienced a decrease, increases were experienced in the Plains region in manufacturing

employment. States experiencing manufacturing employment growth include North Dakota (3.7 percent), Nebraska (1.4 percent), and Minnesota (0.2 percent). In addition to the decrease realized by Kansas, both South Dakota (-0.2 percent) and Missouri (-2.0 percent) experienced manufacturing employment losses during 2000. Manufacturing employment remained steady in Iowa.

Although the 2000 average for the Plains region showed a decline in manufacturing employment, the year 2001 was worse. Manufacturing employment in the Plains region, on average, declined by 4.1 percent in 2001. Ironically, Kansas led the region with only a 1.6 percent loss of manufacturing employment. South Dakota experienced the greatest decline (-10.6 percent), followed by Missouri (-7.2 percent), Minnesota (-3.5 percent), Nebraska (-3.0 percent), North Dakota (-2.0 percent), and Iowa (-1.8 percent).

**Transportation & Public Utilities.** In 2000, employment growth for transportation and public utilities in Kansas led the Plains region with a 9.0 percent growth rate. The regional average was 3.6 percent. Kansas was followed by Missouri with 4.4 percent growth, North Dakota with 2.2 percent growth, Minnesota with 2.1 percent growth, South Dakota with 1.8 percent growth, Iowa with 1.5 percent growth, and Nebraska with 0.7 percent growth.

In 2001, transportation and public utilities employment growth in Kansas led the region at 2.0 percent. The regional average was a 2.6 percent loss. Other than Kansas, Iowa was the only other state in the region experiencing growth in transportation and public utilities employment (0.8 percent). Minnesota experienced a 6.8 percent decline in transportation and public utilities employment, while Missouri realized a 3.4 percent decline. Nebraska followed with negative growth of 2.6 percent. North Dakota and South Dakota also realized declines in transportation and public utilities employment with negative growth of 1.1 percent and 0.6 percent, respectively.

**Trade.** Kansas tied with Iowa for the slowest growth in trade employment in the Plains region at 0.3 percent in 2000. The Plains region's average was 1.0 percent. Minnesota experienced the highest growth in the region at 1.9 percent, followed by South Dakota (1.7 percent), and Missouri and Nebraska at 0.9 percent each. North Dakota had the lowest rate (0.6 percent).

In 2001, trade employment growth in Kansas was 1.0 percent and ranked as the second highest growth rate in the Plains region. South Dakota ranked first with 1.5 percent growth. Overall, trade employment in the region decreased by 0.4 percent during 2001. Iowa and North Dakota were the only other states experiencing trade employment growth in 2001 with 0.1 percent growth each. Missouri (-1.8 percent), Nebraska (-1.3 percent), and Minnesota (-0.1 percent) all experienced decreases in trade employment in 2001.

**Finance, Insurance, & Real Estate (FIRE).** In 2000, FIRE employment in Kansas grew at a 1.3 percent rate, which was the second highest in the Plains region. Kansas followed first-ranked South Dakota. It had 4.9 percent growth in 2000. Overall, FIRE employment in the region increased by 0.9 percent in 2000. Following South Dakota and Kansas, was North Dakota with 1.2 percent growth, Iowa with 0.8 percent growth, Nebraska at 0.7 percent growth, Missouri at 0.5 percent growth, and Minnesota at 0.4 percent growth.

In 2001, FIRE employment grew in Kansas at a 3.1 percent rate and for the second year in a row placed second in the Plains region, behind South Dakota. South Dakota's FIRE employment grew by 6.6 percent in 2001. Overall, FIRE employment in the region increased by 1.0 percent during 2001. Other than South Dakota and Kansas, only Iowa (2.1 percent) and Missouri (1.1 percent) experienced increases in FIRE employment. North Dakota (-1.2 percent), Nebraska (-0.7 percent), and Minnesota (-0.5 percent) all experienced decreases in FIRE employment in 2001.

**Services.** Service employment in Kansas grew at a 2.0 percent rate in 2000, while the Plains region grew by 2.4 percent, on average. South Dakota led the region with 3.8 percent growth, followed by Nebraska (3.5 percent), Minnesota (3.1 percent), Missouri (2.2 percent), Kansas, Iowa (1.4 percent), and North Dakota (1.0 percent).

In 2001, service employment in Kansas grew at a 1.7 percent rate. The Plains region average was 0.7 percent. Nebraska led the region with 1.9 percent growth in service employment, followed by Kansas and Iowa with 1.7 percent growth each. South Dakota (1.0 percent) and Minnesota (0.6 percent) also experienced growth during 2001. However, Missouri

experienced a decline in service employment of 0.5 percent. Service employment remained steady in North Dakota.

**Government.** Kansas led the Plains region in total government employment growth in 2000, with a 2.4 percent increase. The regional average growth rate was 1.5 percent. Increases also occurred in Minnesota (2.3 percent), Nebraska (1.8 percent), North Dakota (1.5 percent), Iowa (1.1 percent), and Missouri (1.0 percent). In 2000, only South Dakota's total government employment declined (-2.1 percent).

Total government employment in Kansas also increased in 2001. The Kansas growth rate of 2.2 percent is notably higher than the Plains region average of 0.7 percent. Nebraska had the highest increase in government employment with a 2.4 percent increase. Kansas followed. Iowa (0.6 percent), Missouri (0.5 percent), and South Dakota (0.3 percent) also experienced increases in government employment. However, Minnesota (-0.2 percent) and North Dakota (-0.5 percent) experienced declines in government employment.

## Kansas Personal Income Review

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

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

A lag of eight months occurs before final estimates of state personal income for the previous calendar year are released. Accordingly, it is not until August 2001 that estimates of 2000 Kansas personal income are available. Kansas personal income totaled \$73.8

billion in 2000, which is a 4.7 percent increase over the previous year. This increase is somewhat higher than the 3.7 percent growth rate experienced in 1999. Figure 2-18 presents Kansas personal income and growth rates for 1970 through 2001.

### Personal Income by Source

Salaries and wages accounted for 55.9 percent of Kansas personal income in 2001 and increased at a 5.6 percent rate in 2000. The same increase was realized in 1999. Three major industries make up approximately three-fourths of disbursements for salaries and wages in Kansas. Specifically, services account for 24.2 percent, manufacturing represents 21.6 percent, and government constitutes 21.9 percent of the total.

After salaries and wages, dividends, interest, and rent is the second largest source of personal income in Kansas. Dividends, interest, and rent accounts for 19.6 percent of total personal income in 2000 and increased by 5.7 percent. This increase is notably higher than the 2.1 percent decrease that occurred in 1999.

Other labor income increased by 3.8 percent in 2000 compared to a 3.4 percent increase in 1999. This category consists largely of employer payments for health insurance and other benefits. Other labor income reached a level of approximately \$4.8 billion in 2000, indicating the importance of fringe benefits in personal income growth.

Proprietors' income fell by 5.6 percent in 2000. The decrease follows a 9.0 percent increase in 1999. The decline in 2000 was largely the result of a weak farm economy. Farm proprietors' income fell by a 54.8 percent rate in 2000, compared to a 4.2 percent increase for non-farm proprietors' income.

Transfer payments grew more rapidly in 2000 than in 1999. They increased at a 7.1 percent rate in 2000 compared to a 3.5 percent increase in 1999. Personal contributions for social insurance also increased (3.8 percent) in 2000. However, that increase was lower than the 5.5 percent increase that was experienced in 1999.

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 by 4.9 percent in 2000. In 1999, the residence adjustment decreased by 4.6 percent.

## Nonfarm Earnings by Industry

Agricultural services, forestry, and fisheries is a rather small industry in Kansas contributing only 0.7 percent of total nonfarm earnings. However, increases in earnings were realized in each sector during 2000. Specifically, agricultural services earnings increased by 5.2 percent. Although this is strong growth, the growth is only half as large as the 10.7 percent increase in 1999. The most dramatic growth in earnings occurred in the mining sector, which rose by 20.8 percent in 2000. This sector realized a decline in earnings of 17.2 percent in 1999. Earnings in construction increased by 5.6 percent in 2000 compared to a 10.8 percent increase in 1999.

Manufacturing is the second largest generator of nonfarm earnings in Kansas. Manufacturing earnings increased by 0.6 percent in 2000 compared to a 3.5 percent increase in 1999. Specifically, in 2000 durable goods manufacturing earnings rose by 0.4 percent, while nondurable goods manufacturing earnings increased by 1.0 percent.

Earnings in the transportation, communication, and public utilities sector grew at a 13.3 percent rate in 2000 compared to a 19.5 percent rate in 1999. Wholesale trade earnings increased 4.9 percent in 2000. Earnings in this subsector grew by 1.3 percent in 1999. Other increases were experienced in retail trade earnings (3.8 percent) and FIRE earnings (8.7 percent) in 2000. The increases in 1999 were 4.0 percent and 8.7 percent, respectively.

The service industry accounts for the largest proportion of nonfarm earnings in Kansas. In 2000, service earnings increased by 5.7 percent, which is 1.6 percentage points higher than the 4.1 percent increase that occurred in 1999. Government earnings also increased during 2000. The rate was 5.2 percent in 2000 and 4.4 percent in 1999. Within total government, civilian federal government earnings grew at a 7.3 percent rate, military salaries and wages grew at a 5.9 percent rate, and state and local government salaries and wages grew at a 4.6 percent rate. Appendix A presents a breakdown of Kansas personal income and growth rates by industry for 1998 through 2000.

## Kansas Personal Income Estimates

Table 2-5 presents Kansas personal income in 2000. In addition, the table shows the 2001 estimates and the

Table 2-5

<b>Kansas Personal Income</b>						
<b>2000 Actual, 2001 Estimate, &amp; 2002 Forecast</b>						
<i>(Dollars in Millions)</i>						
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>Percent Change</b>		
	<b>Actual</b>	<b>Estimate</b>	<b>Forecast</b>	<b>2000-2001</b>	<b>2001-2002</b>	
Salaries & Wages Disbursements	\$41,302	\$43,995	\$45,313	6.5 %	3.0 %	
Other Labor Income	4,795	4,991	5,140	4.1	3.0	
Proprietors' Income:	6,101	6,296	6,405	3.2	1.7	
Farm	488	768	870	57.4	13.3	
Nonfarm	5,613	5,528	5,536	(1.5)	0.1	
Dividends, Interest, & Rent	14,469	14,511	14,867	0.3	2.5	
Transfers	9,328	10,365	10,676	11.1	3.0	
Residence Adjustment	1,060	--	--	--	--	
Less: Social Insurance	(3,225)	(3,378)	(3,321)	4.8	(1.7)	
<b>Total Personal Income</b>	<b>73,829</b>	<b>76,780</b>	<b>79,080</b>	<b>4.0</b>	<b>3.0</b>	

forecasts for 2002. Personal income in Kansas grew by 4.0 percent in 2001. This growth was sustained by moderate increases in salaries and wages and other labor income, as well as positive farm income. The growth rate in 2000 was 4.7 percent.

Salaries and wages, the largest component of Kansas personal income, increased by 6.5 percent in 2001. This increase is actually higher than the 5.6 percent increases experienced in both 1999 and 2000. Other labor income also is expected to increase in 2001 (4.1 percent) and at a greater rate than the 2000 level (3.8 percent) or the 1999 level (3.4 percent).

Proprietors' income increased by 3.2 percent in 2001, which is notably greater than the 5.6 percent decline that was experienced in 2000. Specifically, farm proprietors' income increased by 57.4 percent and non-farm proprietors' income decreased by 1.5 percent. After a 5.7 percent increase in 2000, dividends, interest, and rent increased by only 0.3 percent in 2001. Transfer payments increased by 11.1 percent in 2001 after a 7.1 percent increase in 2000.

The residence adjustment for income earned by Kansas residents from sources outside the state is projected to be zero in 2001. The resident adjustment increased in 2000 by 4.9 percent.

## Comparative Personal Income

In 2000, personal income growth in Kansas (4.7 percent) lagged behind the growth that occurred in the Plains region (6.2 percent) and the U.S. (7.0 percent). Within the Plains region, Minnesota was the fastest growing state (7.3 percent), followed by North Dakota (7.0 percent), South Dakota (7.0 percent), Iowa (6.2 percent), and Missouri (6.2 percent). Only Nebraska (4.3 percent) had a growth rate lower than Kansas. Appendix B presents a listing of comparative state personal income and per capita personal income data for all states for the years 1998 through 2000.

In 2000, per capita personal income growth in Kansas also lagged behind that of the Plains region and the U.S. Per capita personal income in Kansas grew at a 4.2 percent rate, compared to a 5.4 percent growth rate for the Plains region, and a 5.0 percent growth rate for the U.S. North Dakota (7.5 percent) had the largest

increase in per capita personal income in the Plains region. Other increases were realized in South Dakota (6.1 percent), Minnesota (5.9 percent), Iowa (5.7 percent), and Missouri (5.3 percent). Again, only Nebraska (3.7 percent) had a lower growth rate than Kansas. Appendix C presents comparative state total and per capita disposable personal income data for all states for years 1998 through 2000.

**Personal Income.** Nationally, Kansas ranked 31st in total personal income, while Minnesota ranked 17th, Missouri ranked 18th, Iowa ranked 30th, Nebraska ranked 36th, South Dakota ranked 47th, and North Dakota ranked 50th in 2000. In terms of personal income growth, the Plains region, which averaged 6.2 percent growth, lagged behind the national average (7.0 percent) and was the second slowest growing of the eight statistical regions. The Far West region was the fastest growing at a rate of 8.8 percent. Kansas ranked 45th (4.7 percent), while Minnesota ranked 11th (7.3 percent), South Dakota ranked 14th (7.0 percent), North Dakota ranked 16th (7.0 percent), Iowa ranked 28th (6.24 percent), Missouri ranked 29th (6.2 percent), and Nebraska ranked 47th (4.3 percent).

**Per Capita Personal Income.** The Plains region's average per capita personal income at \$28,219 lagged behind the national average of \$29,451 and ranked seventh out of the eight regions in 2000. The New England region had the highest per capita personal income of \$35,824, followed by the Mideast region at \$33,549. In 2000, Kansas ranked 29th (\$27,408) in the U.S. in per capita personal income while Minnesota ranked 10th (\$31,913), Nebraska ranked 26th (\$27,658), Missouri ranked 30th (\$27,186), Iowa ranked 34th (\$26,376), South Dakota ranked 35th (\$25,993), and North Dakota ranked 39th (\$24,780). Appendix D presents Kansas county personal income for 1999.

In terms of per capita personal income growth, the Plains region, which averaged 5.4 percent, exceeded the national average of 5.0 percent, and ranked fifth out of the eight regions in 2000. The New England region was the fastest growing at a rate of 7.6 percent followed by the Mideast region at a rate of 6.0 percent. Kansas ranked 45th (4.2 percent), while North Dakota ranked 4th (7.5 percent), South Dakota ranked 9th (6.1 percent), Minnesota ranked 11th (5.9 percent), Iowa ranked 16th (5.7 percent), Missouri ranked 24th (5.3 percent), and Nebraska ranked 46th (3.7 percent).

**Disposable Personal Income.** Disposable personal income is defined as the amount equal to personal income minus personal taxes. In other words, disposable income is the income available for personal use. Nationally, Kansas ranked 31st in disposable personal income, while Minnesota ranked 17th, Missouri ranked 18th, Iowa ranked 30th, Nebraska ranked 36th, South Dakota ranked 47th, and North Dakota ranked 49th in 2000. In terms of disposable income growth, the Plains region, which averaged 5.6 percent growth, lagged behind the national average of 6.3 percent and was the second slowest growing of the eight statistical regions. The New England region was the fastest growing at a rate of 7.7 percent. Kansas ranked 45th (4.1 percent), while North Dakota ranked 10th (6.8 percent), South Dakota ranked 13th (6.6 percent), Minnesota ranked 19th (6.2 percent), Iowa ranked 23rd (6.0 percent), Missouri ranked 24th (5.9 percent), and Nebraska ranked 49th (3.5 percent).

**Per Capita Disposable Personal Income.** The Plains region's average per capita disposable personal income (\$24,207) lagged behind the national average (\$24,891) in 2000. The Plains ranked fifth regionally. New England had the highest regional per capita personal income (\$29,381). The Midwest followed (\$27,827). Kansas ranked 27th (\$23,497) the U.S. in per capita personal income while Minnesota was 10th (\$26,796), Nebraska was 23rd (\$23,860), Missouri was 28th (\$23,444), Iowa was 36th (\$22,897), South Dakota ranked 31st (\$23,172), and North Dakota ranked 37th (\$22,070).

In terms of per capita disposable personal income growth, the Plains region averaged 4.8 percent and lagged behind the national average (5.0 percent). It ranked sixth regionally. The New England region was the fastest growing region at a rate of 6.8 percent followed by the Far West region at a rate of 5.9 percent. Kansas ranked 44th (3.5 percent), while North Dakota ranked 2nd (7.3 percent), South Dakota ranked 7th (5.7 percent), Iowa ranked 11th (5.5 percent), Missouri ranked 16th (5.0 percent), Minnesota ranked 22nd (4.8 percent), and Nebraska ranked 49th (3.0 percent).

**Per Capita Personal Income Trends.** Kansas per capita personal income in 2000 was \$27,408, which is a 4.2 percent increase from its 1999 level (\$26,312). This increase is below the 5.4 percent growth rate for the Plains region and the 5.7 percent growth rate for the U.S. Kansas' per capita personal income continues to lag behind both the Plains region and the U.S. Kansas per capita income in 2000 was 2.9 percent below the Plains region's average and 6.9 percent below the national average. Kansas per capita income growth has slowed since 1996. It also has lagged behind the Plains region's average since 1994. Over the past ten years Kansas per capita income, as a percent of the national average, has ranged from a high of 95.1 percent, which occurred in both 1994 and 1997, to a low of 93.1 percent in 2000. Table 2-6 presents historical per capita personal income data for Kansas, the Plains region, and the U.S. from 1991 through 2000.

Table 2-6

<b>Per Capita Personal Income, 1991-2000</b>								
<b>Kansas, Plains Region, &amp; U.S.</b>								
<u>Year</u>	<u>Kansas</u>	<u>Plains Region</u>	<u>U.S.</u>	<u>Percentage Change from Prior Year</u>			<u>Kansas as a Percentage of:</u>	
				<u>Kansas</u>	<u>Plains Region</u>	<u>U.S.</u>	<u>Plains Region</u>	<u>U.S.</u>
1991	18,813	18,806	20,039	-- %	-- %	-- %	100.0 %	93.9 %
1992	19,914	19,852	20,979	5.9	5.6	4.7	100.3	94.9
1993	20,446	20,272	21,557	2.7	2.1	2.8	100.9	94.8
1994	21,265	21,393	22,358	4.0	5.5	3.7	99.4	95.1
1995	21,777	22,150	23,272	2.4	3.5	4.1	98.3	93.6
1996	22,978	23,530	24,286	5.5	6.2	4.4	97.7	94.6
1997	24,183	24,526	25,427	5.2	4.2	4.7	98.6	95.1
1998	25,538	26,010	26,909	5.6	6.1	5.8	98.2	94.9
1999	26,312	26,780	27,859	3.0	3.0	3.5	98.3	94.4
2000	27,408	28,219	29,451	4.2	5.4	5.7	97.1	93.1

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



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# Local & Regional Employment & Income

## Major Labor Market Employment

The economy of Kansas generally is concentrated in urbanized areas, each with a similar economic base. For statistical purposes, these geographic areas include the three metropolitan areas and 11 selected counties. The three metropolitan areas include the Wichita metropolitan area (Butler, Harvey, and Sedgwick Counties), the Topeka metropolitan area (Shawnee County), and the Lawrence metropolitan area (Douglas County). The selected counties each contain a city that is the major economic base for the region. In addition, the city has a population that is in excess of 12,000 people and constitutes at least 50.0 percent of the total county population. The 11 selected counties and associated cities are Barton (Great Bend), Crawford (Pittsburg), Ellis (Hays), Finney (Garden City), Ford (Dodge City), Lyon (Emporia), McPherson (McPherson), Montgomery (Coffeyville/Independence), Reno (Hutchinson), Riley (Manhattan), and Saline (Salina). It should be kept in mind that employment estimates reported in this section are based on data through October 2001, which is the most recent information available at the time of preparation of this report.

## Employment by Place of Residence

Employment by place of residence is based on a sample survey of households. From the sample survey, the civilian labor force is determined. This number is then used as the basis from which employment, unemployment, and the unemployment rates are derived.

Kansas employment by place of residence in the state's three major labor markets experienced modest growth in 2001 despite the economic downturn. It should be kept in mind that although the economic downturn began before the September 11 terrorist attacks, the major effect of the attacks is not reflected in the employment data to date because many of the announced layoffs are not scheduled to go into effect until early 2002.

The civilian labor force grew by 1.4 percent in the Topeka metropolitan area, 0.9 percent in the Wichita metropolitan area, and 0.5 percent in the Lawrence metropolitan area. Employment increased by 1.8 percent in the Topeka metropolitan area, by 1.3 percent in the Wichita metropolitan area, and by 0.2 percent in the Lawrence metropolitan area. In addition, on an annual basis for 2001, the unemployment rate fell from 4.2 percent to 3.9 percent in the Wichita metropolitan area and from 3.9 percent to 3.5 percent in Topeka. However, the unemployment rate increased from 4.0 percent to 4.3 percent in the Lawrence metropolitan area.

## Employment by Place of Work

Employment by place of work 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 11 counties.

**Wichita Metropolitan Area.** Based on place of work data, the employment in all industries in the Wichita metropolitan area increased by 0.4 percent in 2001. The two major categories of employment by place of work are the goods producing industries and the services producing industries. Employment in the goods producing industries actually rose by 0.5 percent. Specifically, mining employment remained steady, while construction employment fell by 0.7 percent and manufacturing employment rose by 0.7 percent.

Analysis of the manufacturing sector indicates that durable goods manufacturing employment rose by 1.0 percent. Within that category, machinery employment rose by 2.7 percent and transportation equipment employment rose by 0.9 percent.

Analysis of the data also indicates that nondurable goods manufacturing employment fell by 0.9 percent

during 2001. Within that category, food and kindred products employment rose by 3.6 percent, while printing and publishing employment remained unchanged. Table 3-1 presents employment in the Wichita metropolitan area for 2000 and 2001.

Table 3-1

<b>Wichita Metropolitan Area Employment</b>			
<b>Butler, Harvey &amp; Sedgwick Counties</b>			
<b>2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	284,400	287,100	0.9
Employment	272,400	275,900	1.3
Unemployment	12,000	11,200	(6.7)
Unemployment Rate	4.2	3.9	(0.3)
<b>Place of Work Data</b>			
All Industries	286,200	287,300	0.4
Goods Producing Indus.	88,500	88,900	0.5
Mining	1,200	1,200	--
Construction	14,900	14,800	(0.7)
Manufacturing	72,400	72,900	0.7
Durable Goods	60,800	61,400	1.0
Mach. (Incl. Elect.)	7,500	7,700	2.7
Trans. Equipment	44,900	45,300	0.9
Nondurable Goods	11,600	11,500	(0.9)
Food & Kind. Prod.	2,800	2,900	3.6
Printing & Publishing	2,700	2,700	--
Service Producing Indus.	197,700	198,400	0.4
Trans. & Pub. Util.	11,400	11,300	(0.9)
Trade Total	63,100	63,000	(0.2)
Wholesale Trade	15,400	15,400	--
Retail Trade	47,700	47,600	(0.2)
FIRE	11,300	11,600	2.7
Services	77,300	77,600	0.4
Government	34,700	34,900	0.6
Farm Employment	2,300	2,200	(4.3)

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

Employment in the services producing industries increased only 0.4 percent in 2001. Specifically, employment increased in FIRE (2.7 percent), government (0.6 percent), and "pure" services (0.4 percent). However, declines were experienced in employment in transportation, communication, and public utilities (-0.9 percent) and retail trade (-0.2 percent). Farm employment fell by 4.3 percent in 2001.

This will be the fourth decade in a row in which Wichita's manufacturing sector has experienced a significant downturn early in the decade. In the

recessions of the early 1970s and 1980s, total employment also declined, but most of the job losses were confined to the manufacturing sector. During the recession of 1992-1993, while significant job losses occurred once again in the manufacturing sector, the number of jobs overall continued to grow. In each of these recessions, total personal income declined, but by a smaller percentage than employment declined. Also, government transfer payments, primarily unemployment insurance, helped to offset partially the lost wages. In addition, retail sales growth seemed to slow during those downturns. However, the growth rates tended to remain positive.

During the first half of 2001, Wichita gained 3,100 more jobs than were gained during the first half of 2000. Most of the jobs gained during 2001 occurred in the manufacturing sector, (1,800 jobs) followed by the service sector (700 jobs), retail trade sectors (550 jobs), and government (250 jobs). The only two sectors with net job losses during this period were wholesale trade and construction. Of course, the numerous layoffs that occurred following September 11th changed this picture. Local companies in the manufacturing sector are expected to complete more than 4,000 layoffs by the end 2001. Those same firms have announced an additional 3,000 layoffs in 2002. The result is that total employment is expected to decline by 1.6 percent (4,650 jobs) in 2002. While a slowdown is expected for all manufacturing, the brunt of the slowdown locally will be felt in aviation.

Wichita's manufacturing sector was on the rebound early in 2001 after losing 2,300 manufacturing jobs during the first half of 2000 relative to the first half 1999. In fact, approximately 1,800 jobs had been added by the end of August. However, following the attacks of September 11th, layoffs were announced by Raytheon, Boeing, and Bombardier Aerospace Learjet. These are the companies that will complete more than 4,000 layoffs by the end of this year. With these same firms announcing the prospect of an additional 3,000 layoffs next year, manufacturing employment is expected to decline by 6.3 percent, or 4,600 jobs, in 2002. The additional 1,600 layoffs above those already announced will likely occur among the area's many aviation industry sub-contracting firms.

Manufacturing accounted for 26.0 percent of all jobs in the Wichita area as of August 2001. Payroll earnings for the industry totaled \$3.5 billion and the

average earnings per job were \$45,514. Aviation manufacturing accounted for 70.0 percent of the industry's payroll with average earnings per job of \$50,635. Other manufacturers in the Wichita area had a total payroll of just over \$1.0 billion and had average earnings per job of \$36,982.

Actually, Wichita's manufacturing sector is quite diversified. These other manufacturers are not affected by aircraft cycles, and it is likely that they will see improvement more quickly than the aviation sector. However, the significant job reductions in the aviation sector that resulted from the September 11th attacks have ensured a near-term recession for Wichita's manufacturing sector in 2002. On the other hand, if a national military buildup occurs, the recession could be shortened. At present, it is too soon to estimate the potential economic effect of a national military buildup on local manufacturers.

Another issue that will affect manufacturing employment in Wichita is collective bargaining agreements. Two of the area's four major aircraft manufacturers entered into new major collective bargaining agreements with machinists. Machinist union members at Cessna Aircraft Co. overwhelmingly accepted the company's offer of a new 35-month labor contract. In fact, union negotiators called it "the best contract in light aerospace in the last three years." The new contract will give the 6,100 Cessna workers it represents general wage increases of 4.25 percent now, 4.0 percent in the second year, and 3.25 percent in the third year. The contract also offers increases in shift bonuses, sick leave, life insurance and pension benefits, and expanded recall rights after a layoff. Under the offer, employees will have to contribute for the first time to their health insurance (\$12 per month for single coverage and \$36 per month for family coverage). However, workers participating in the plans will receive lump sum payments to cover the costs.

At Raytheon Aircraft Co., machinist union members narrowly accepted the company's offer of a new four-year contract and avoided a strike. This contract gives annual general wage increases for the next four years of 4.0 percent, 3.75 percent, 3.5 percent, and 3.25 percent. It also improves the retirement plan and increases dental, vision, and short-term disability

benefits. However, the contract contains vague language on subcontracting and certain manufacturing initiatives.

**Topeka Metropolitan Area.** Based on place of work data, all industries employment in the Topeka metropolitan area rose by 0.8 percent in 2001. Table 3-2 presents employment in the Topeka metropolitan area for 2000 and 2001.

Table 3-2

<b>Topeka Metropolitan Area Employment Shawnee County 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	90,100	91,400	1.4
Employment	86,600	88,200	1.8
Unemployment	3,500	3,200	(8.6)
Unemployment Rate	3.9	3.5	(0.4)
<b>Place of Work Data</b>			
All Industries	103,400	104,200	0.8
Goods Producing Indus.	14,600	14,600	--
Construct. & Mining	4,900	5,400	10.2
Manufacturing	9,700	9,200	(5.2)
Durable Goods	1,500	1,300	(13.3)
Nondurable Goods	8,200	7,900	(3.7)
Printing & Publishing	3,000	2,900	(3.3)
Service Producing Indus.	88,800	89,600	0.9
Trans. & Pub. Util.	6,200	6,000	(3.2)
Trade Total	22,800	23,200	1.8
Wholesale Trade	3,600	3,500	(2.8)
Retail Trade	19,100	19,700	3.1
FIRE	6,800	7,000	2.9
Services	31,200	31,900	2.2
Government	21,800	21,500	(1.4)
Farm Employment	500	500	--

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

Overall, employment in the goods producing industries remained unchanged, while employment in the services producing industries rose by 0.9 percent. Farm employment also remained unchanged. Within the goods producing industries, only construction and mining employment experienced increases. Alternatively, employment decreases were realized in printing and publishing (-3.3 percent) and in manufacturing (-5.2 percent). Within manufacturing, durable goods manufacturing employment fell by 13.3 percent, while nondurable goods manufacturing fell by 3.7 percent.

Within the services producing industries, retail trade (3.1 percent), FIRE (2.9 percent), and “pure” services (2.3 percent) employment experienced increases, while transportation and public utilities (-3.2 percent), wholesale trade (-2.8 percent), and government employment (-1.4 percent) declined.

Employment changes in the Topeka area were the result of several factors, including actions taken by Farmland Industries and the Menninger Clinic. In 2001, Farmland Industries announced that it would close its east Topeka pork processing facility by the end of the year. The Topeka Farmland plant prepares, cooks, and packages approximately 40.0 million pounds of hot dogs, lunch meats, and sausages per year. Some of the Topeka operations are scheduled to be moved to a Farmland facility in Wichita. The Topeka facility employed 145 production workers and 45 support staff. The average wage for production workers was \$10.30 per hour.

Alternatively, the previously announced departure of the Menninger Clinic was put on hold when the agreement fell through between the clinic, the Baylor College of Medicine, and the Methodist Health Care System in Texas. During 2001, the clinic eliminated approximately 600 jobs in anticipation of the move. Since the cancellation of the Baylor agreement, Menninger has hired the investment banking firm of Bear, Stearns, and Company to assist in establishing an alliance with a prominent medical school by the summer of 2002. At present, the clinic still employs 320 workers.

**Lawrence Metropolitan Area.** Based on place of work data, all industries employment in the Lawrence metropolitan area increased by 0.2 percent in 2001. Employment in the goods producing industries remained constant during 2001. Within the goods producing industries, construction and mining employment increased by 16.0 percent, while manufacturing employment declined by 7.3 percent.

In 2001, employment in the services producing industries fell by 1.0 percent. Only government employment (2.1 percent) experienced an increase. Transportation and public utilities employment and wholesale trade employment remained unchanged. However, employment declined in FIRE (-15.8 percent), retail trade (-1.8 percent), and “pure” services (-1.7 percent). Farm employment remained

unchanged. Table 3-3 presents employment in the Lawrence metropolitan area for 2000 and 2001.

Table 3-3

<b>Lawrence Metropolitan Area Employment</b>			
<b>Douglas County</b>			
<b>2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	54,900	55,200	0.5
Employment	52,700	52,800	0.2
Unemployment	2,200	2,400	9.1
Unemployment Rate	4.0	4.3	0.3
<b>Place of Work Data</b>			
All Industries	49,100	48,800	(0.6)
Goods Producing Indus.	8,000	8,000	--
Construct. & Mining	2,500	2,900	16.0
Manufacturing	5,500	5,100	(7.3)
Service Producing Indus.	41,200	40,800	(1.0)
Trans. & Pub. Util.	1,500	1,500	--
Trade Total	12,000	11,800	(1.7)
Wholesale Trade	1,100	1,100	--
Retail Trade	10,900	10,700	(1.8)
FIRE	1,900	1,600	(15.8)
Services	11,800	11,600	(1.7)
Government	14,000	14,300	2.1
Farm Employment	500	500	--

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

In May, Farmland Industries stopped production at its Lawrence nitrogen fertilizer facility because of adverse market conditions. Increased production costs, increased inventories, and a wet spring, which caused slow sales, contributed to the closure. Before the shutdown, the plant produced an average of 1,200 tons of anhydrous ammonia along with 2,200 tons of urea ammonium nitrate. The production shutdown resulted in the loss of 68 jobs. Approximately 90 employees remain at the facility to continue maintenance, shipping, administration, and engineering work for other facilities.

## Regional Labor Market Employment

The civilian labor force increased in seven of the eleven secondary labor markets in Kansas during 2001. Seven of the eleven counties also experienced increases in employment by place of residence during that same period. Crawford, Ellis, McPherson,

Montgomery, Reno, Riley, and Saline Counties all recorded increases in the civilian labor force, while Finney and Ford Counties experienced decreases and Barton and Lyon Counties experienced no change in the civilian labor force.

The seven counties experiencing employment increases included Barton, Crawford, Ellis, McPherson, Reno, Riley, and Saline. Employment declines were experienced in Finney, Ford, Lyon, and Montgomery Counties.

On the other hand, six counties experienced an increase in the unemployment rate, while three counties realized declines. Two counties' unemployment rate remained constant. The unemployment rate increases occurred in Finney, Lyon, McPherson, Montgomery, Reno, and Saline. The rate declines were realized in Barton, Crawford, and Riley. Ellis and Ford experienced no change in the unemployment rate in 2001.

**Barton County.** Great Bend is the largest city in Barton County with a population of 15,345, which is 54.4 percent of the county's total population of 28,205 according to data from the 2000 census. In 2001, the civilian labor force in the Great Bend area remained constant. However, employment by place of residence increased by 0.7 percent and the unemployment rate fell by 0.7 percent. Based on place of work data, all industries employment in Barton County also remained constant in 2000. Employment in the goods producing industries decreased by 0.9 percent, while employment in the services producing industries rose by 0.2 percent. Farm employment also decreased by 3.0 percent.

Within the goods producing industries, mining employment increased by 4.8 percent, while durable goods manufacturing employment declined by 3.3 percent and nondurable goods employment fell 3.0 percent. Construction employment remained constant.

Within the services producing industries, only FIRE employment (6.9 percent) experienced an increase. "Pure" services employment experienced a decrease of 0.7 percent. However, employment remained unchanged in transportation and public utilities, wholesale trade, retail trade, and government. Table 3-4, which is shown in the next column, presents employment in Barton County for 2000 and 2001.

Table 3-4

<b>Barton County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	14,150	14,150	--
Employment	13,675	13,775	0.7
Unemployment	475	375	(21.1)
Unemployment Rate	3.4	2.7	(0.7)
<b>Place of Work Data</b>			
All Industries	13,175	13,175	--
Goods Producing Indus.	2,775	2,750	(0.9)
Manufacturing	1,575	1,525	(3.2)
Durable Goods	750	725	(3.3)
Nondurable Goods	825	800	(3.0)
Mining	525	550	4.8
Construction	675	675	--
Service Producing Indus.	10,400	10,425	0.2
Trans. & Pub. Util.	500	500	--
Trade Total	3,375	3,375	--
Wholesale Trade	900	900	--
Retail Trade	2,475	2,475	--
FIRE	725	775	6.9
Services	3,375	3,350	(0.7)
Government	2,425	2,425	--
Farm Employment	825	800	(3.0)

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

**Crawford County.** Pittsburg is the largest city in Crawford County, with a population of 19,243, which is 50.3 percent of the county's total population of 38,242 according to data from the 2000 census. The civilian labor force in the Pittsburg area increased by 0.1 percent in 2001. Employment by place of residence increased by 0.7 percent and the unemployment rate fell 0.5 percent.

Alternatively, all industries employment, as measured by place of work, declined by 0.4 percent in 2001. Employment in the goods producing industries fell by 0.5 percent. Within that sector, only durable goods manufacturing (1.1 percent) employment experienced an increase. Construction (-4.3 percent) and nondurable goods manufacturing (-1.2 percent) employment declined and mining employment remained unchanged.

Employment in the services producing industries fell by 0.4 percent during 2001. In fact, none of the service producing industries experienced an

employment increase. Decreases occurred in FIRE (-5.9 percent), wholesale trade (-2.7 percent), and retail trade (-0.7 percent). Employment remained constant in transportation and public utilities, as well as “pure” services. Farm employment remained unchanged in 2001. Table 3-5 presents employment in Crawford County for 2000 and 2001.

Table 3-5

<b>Crawford County Employment 2000-2001</b>			
	<u>2000</u>	<u>2001</u>	<u>% Chg.</u>
<b>Place of Residence Data</b>			
Civilian Labor Force	18,525	18,550	0.1
Employment	17,700	17,825	0.7
Unemployment	825	725	(12.1)
Unemployment Rate	4.5	3.9	(0.5)
<b>Place of Work Data</b>			
All Industries	18,775	18,700	(0.4)
Goods Producing Indus.	4,975	4,950	(0.5)
Manufacturing	4,375	4,375	--
Durable Goods	2,350	2,375	1.1
Nondurable Goods	2,025	2,000	(1.2)
Mining	25	25	--
Construction	575	550	(4.3)
Service Producing Indus.	13,800	13,750	(0.4)
Trans. & Pub. Util.	825	825	--
Trade Total	4,450	4,400	(1.1)
Wholesale Trade	925	900	(2.7)
Retail Trade	3,525	3,500	(0.7)
FIRE	425	400	(5.9)
Services	3,725	3,725	--
Government	4,375	4,400	0.6
Farm Employment	575	575	--

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

**Ellis County.** Hays is the largest city in Ellis County with a population of 20,013, which is 72.8 percent of the county’s total population of 27,507 according to data from the 2000 census. The civilian labor force in the Hays area rose by 1.1 percent in 2001. Employment by place of residence in Ellis County also increased by 1.1 percent and the unemployment rate remained steady at 2.5 percent.

All industries employment that is based on place of work data increased by 0.5 percent in Ellis County. Employment in the goods producing industries rose by 2.7 percent. Within that industry, mining employment increased by 20.0 percent and construction

employment increased by 4.5 percent. Conversely, durable goods manufacturing employment fell by 2.6 percent. Nondurable goods manufacturing employment remained unchanged.

Employment in the services producing industries rose by 0.2 percent. Specifically, FIRE employment rose by 5.6 percent and government employment increased by 1.5 percent. Retail trade employment fell 1.5 percent, while transportation and public utilities, wholesale trade, and “pure” service employment remained steady. Farm employment also remained steady in 2001. Table 3-6 presents employment in Ellis County for 2000 and 2001.

Table 3-6

<b>Ellis County Employment 2000-2001</b>			
	<u>2000</u>	<u>2001</u>	<u>% Chg.</u>
<b>Place of Residence Data</b>			
Civilian Labor Force	16,125	16,300	1.1
Employment	15,725	15,900	1.1
Unemployment	400	400	--
Unemployment Rate	2.5	2.5	--
<b>Place of Work Data</b>			
All Industries	14,650	14,725	0.5
Goods Producing Indus.	1,875	1,925	2.7
Manufacturing	1,075	1,050	(2.3)
Durable Goods	950	925	(2.6)
Nondurable Goods	125	125	--
Mining	250	300	20.0
Construction	550	575	4.5
Service Producing Indus.	12,775	12,800	0.2
Trans. & Pub. Util.	550	550	--
Trade Total	3,950	3,900	(1.3)
Wholesale Trade	575	575	--
Retail Trade	3,375	3,325	(1.5)
FIRE	450	475	5.6
Services	4,425	4,425	--
Government	3,400	3,450	1.5
Farm Employment	525	525	--

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

**Finney County.** Garden City is the largest city in Finney County with a population of 28,451, which is 70.2 percent of the county’s total population of 40,523 according to data from the 2000 census. The civilian labor force decreased by 5.5 percent in the Garden City area in 2001. Employment by place of residence in Finney County decreased by 8.7 percent and the unemployment rate rose from 2.9 percent in 2000 to

6.2 percent in 2001. Table 3-7 presents employment in Finney County for 2000 and 2001.

Table 3-7

<b>Finney County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	19,575	18,500	(5.5)
Employment	19,000	17,350	(8.7)
Unemployment	575	1,150	100.0
Unemployment Rate	2.9	6.2	3.3
<b>Place of Work Data</b>			
All Industries	19,725	17,675	(10.4)
Goods Producing Indus.	7,300	5,325	(27.1)
Manufacturing	5,925	4,025	(32.1)
Durable Goods	250	250	--
Nondurable Goods	5,675	3,775	(33.5)
Mining	275	300	9.1
Construction	1,100	1,000	(9.1)
Service Producing Indus.	12,425	12,350	(0.6)
Trans. & Pub. Util.	900	925	2.8
Trade Total	4,175	4,150	(0.6)
Wholesale Trade	900	900	--
Retail Trade	3,275	3,250	(0.8)
FIRE	525	525	--
Services	3,725	3,575	(4.0)
Government	3,100	3,175	2.4
Farm Employment	1,075	1,075	--

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

Based on place of work data, all industries employment in Finney County fell by 10.4 percent in 2001. Much of the employment decline in the Garden City area is the result of a major fire at the ConAgra beef processing facility last Christmas Day that left 2,300 people out of work. ConAgra has not announced whether it will rebuild the plant.

Employment in the goods producing industries declined by 27.1 percent. Employment changes that occurred within that industry sector include a 9.1 percent increase in mining employment, a decline of 33.5 percent in nondurable goods manufacturing employment, and a 9.1 percent decline in construction employment. Employment in durable goods manufacturing remained unchanged in 2001.

During 2001, employment in the services producing industries fell by 0.6 percent in Finney County. Within the services producing industries,

transportation and public utilities employment increased by 2.8 percent and government employment increased by 2.4 percent. "Pure" services employment declined by 4.0 percent and retail trade employment fell 0.8 percent. FIRE employment remained unchanged. Farm employment also remained unchanged.

**Ford County.** Dodge City is the largest city in Ford County, with a population of 25,176, which is 77.6 percent of the county's total population of 32,458 according to data from the 2000 census. The civilian labor force in the Dodge City area decreased by 0.5 percent in 2001. Employment by place of residence in Ford County also decreased by 0.5 percent; however, the unemployment rate remained steady at 2.3 percent. Table 3-8 presents employment in Ford County for 1999 and 2000.

Table 3-8

<b>Ford County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	15,400	15,325	(0.5)
Employment	15,050	14,975	(0.5)
Unemployment	350	350	--
Unemployment Rate	2.3	2.3	--
<b>Place of Work Data</b>			
All Industries	15,850	15,650	(1.3)
Goods Producing Indus.	5,550	5,450	(1.8)
Manufacturing	5,100	4,975	(2.5)
Durable Goods	525	475	(9.5)
Nondurable Goods	4,575	4,500	(1.6)
Mining	--	--	--
Construction	450	475	5.6
Service Producing Indus.	10,300	10,200	(1.0)
Trans. & Pub. Util.	900	875	(2.8)
Trade Total	3,800	3,625	(4.6)
Wholesale Trade	850	700	(17.6)
Retail Trade	2,950	2,925	(0.8)
FIRE	400	425	6.3
Services	2,800	2,825	0.9
Government	2,400	2,450	2.1
Farm Employment	900	900	--

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

Based on place of work data, all industries employment in Ford County decreased by 1.3 percent. Employment in the goods producing industries fell by 1.8 percent. Within that industry sector, an increase

was realized in construction (5.6 percent). However, durable goods manufacturing employment decreased by 9.5 percent and nondurable goods manufacturing employment fell by 1.6 percent.

Employment in the services producing industries fell by 1.0 percent. The overall decrease was fueled by decreases in wholesale trade (-17.6 percent), transportation and public utilities (-2.8 percent), and retail trade employment (-0.8 percent). Although overall services employment decreased in 2001, increases were realized, including FIRE (6.3 percent), government (2.1 percent), and “pure” services (0.9 percent). Farm employment remained steady in Ford County during 2001.

**Lyon County.** Emporia is the largest city in Lyon County with a population of 26,760, which is 74.5 percent of the county’s total population of 35,935 according to the 2000 census. Table 3-9 presents employment in Lyon County in 2000 and 2001.

Table 3-9

<b>Lyon County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	19,450	19,450	--
Employment	18,750	18,550	(1.1)
Unemployment	700	900	28.6
Unemployment Rate	3.6	4.6	1.0
<b>Place of Work Data</b>			
All Industries	18,675	17,700	(5.2)
Goods Producing Indus.	5,700	4,875	(14.5)
Manufacturing	5,150	4,875	(5.3)
Durable Goods	1,125	825	(26.7)
Nondurable Goods	4,025	4,050	0.6
Mining	--	--	--
Construction	--	--	--
Service Producing Indus.	12,975	12,825	(1.2)
Trans. & Pub. Util.	1,175	1,250	6.4
Trade Total	3,900	3,775	(3.2)
Wholesale Trade	625	600	(4.0)
Retail Trade	3,275	3,175	(3.1)
FIRE	475	475	--
Services	3,075	2,950	(4.1)
Government	4,350	4,375	0.6
Farm Employment	575	575	--

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

The civilian labor force in the Emporia area remained constant in 2001; however, employment by place of

residence in Lyon County decreased by 1.1 percent. The unemployment rate increased from 3.6 percent in 2000 to 4.6 percent in 2001.

Based on place of work data, all industries employment in Lyon County fell by 5.2 percent in 2001. Employment in the goods producing industries fell by 14.5 percent. This employment decrease was fueled by a decrease in durable goods manufacturing employment (-26.7 percent). It was offset somewhat by an increase in nondurable goods manufacturing (0.6 percent).

Lyon County’s employment in the services producing industries fell by 1.2 percent in 2001. Within the services producing industries, increases occurred in transportation and public utilities employment (6.4 percent) and government employment (0.6 percent). However, employment declines occurred in “pure” services employment (-4.1 percent), wholesale trade (-4.0 percent), and retail trade (-3.1 percent). Farm employment in Lyon County remained unchanged in 2001.

**McPherson County.** McPherson is the largest city in McPherson County, with a population of 13,770, which is 46.6 percent of the county’s total population of 29,554 according to data from the 2000 census. The civilian labor force in the McPherson area increased by 0.8 percent in 2001. Employment by place of residence in McPherson County also increased, but by 0.5 percent. The result was that the unemployment rate rose from 2.5 percent in 2000 to 2.8 percent in 2001.

Based on place of work data, all industries employment in McPherson County fell by 0.7 percent in 2001. Employment in the goods producing industries fell by 4.2 percent. The decrease was a result of declines in both durable goods manufacturing (-6.8 percent) and nondurable goods manufacturing (-3.0 percent). Employment in mining and construction remained unchanged in McPherson County during 2001.

Although overall employment by place of work declined in 2001, employment in the services producing industries rose by 0.7 percent. Within the services producing industries, increases were experienced in wholesale trade (7.7 percent) and “pure” services (1.2 percent). Government



employment fell by 2.6 percent and employment in transportation and public utilities as well as retail trade. FIRE employment remained unchanged. McPherson County's farm employment also was unchanged in 2001. Table 3-10 presents employment in McPherson County in 2000 and 2001.

Table 3-10

<b>McPherson County Employment 2000-2001</b>			
	<u>2000</u>	<u>2001</u>	<u>% Chg.</u>
<b>Place of Residence Data</b>			
Civilian Labor Force	16,200	16,325	0.8
Employment	15,800	15,875	0.5
Unemployment	400	450	12.5
Unemployment Rate	2.5	2.8	0.3
<b>Place of Work Data</b>			
All Industries	14,475	14,375	(0.7)
Goods Producing Indus.	4,175	4,000	(4.2)
Manufacturing	3,500	3,325	(5.0)
Durable Goods	1,825	1,700	(6.8)
Nondurable Goods	1,675	1,625	(3.0)
Mining	75	75	--
Construction	600	600	--
Service Producing Indus.	10,300	10,375	0.7
Trans. & Pub. Util.	400	400	--
Trade Total	3,200	3,275	2.3
Wholesale Trade	975	1,050	7.7
Retail Trade	2,225	2,225	--
FIRE	750	750	--
Services	4,025	4,075	1.2
Government	1,925	1,875	(2.6)
Farm Employment	900	900	--

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

**Montgomery County.** This county has a regional labor market that includes both Coffeyville and Independence. Coffeyville has a population of 11,021 and Independence has a population of 9,845. Together these two cities constitute 57.6 percent of Montgomery County's total population of 36,252. This information is based on data from the 2000 census.

Coffeyville/Independence's civilian labor force increased by 0.9 percent in 2001; however, employment by place of residence in Montgomery County fell by 0.1 percent. The unemployment rate rose from 5.2 percent in 2000 to 6.2 percent in 2001. Based on place of work data, all industries employment in Montgomery County fell by 1.5 percent. This decrease was the result of employment

declines in the goods producing industries of 5.1 percent. The largest decrease was in durable goods manufacturing employment, which fell by 8.2 percent. Much of that decline may be attributed to the layoffs at Cessna's Independence facility that produces piston-engine aircraft. Layoffs during 2001 affected approximately 300 workers. The company also has announced an additional workforce reduction of approximately 250 workers in the aftermath of the September 11th terrorist attacks. These layoffs are expected during 2002. The manufacturing employment decrease was offset somewhat by the increase that occurred in construction employment (4.5 percent). Employment remained unchanged in 2001 in nondurable goods manufacturing and mining. Table 3-11 presents employment in Montgomery County in 2000 and 2001.

Table 3-11

<b>Montgomery County Employment 2000-2001</b>			
	<u>2000</u>	<u>2001</u>	<u>% Chg.</u>
<b>Place of Residence Data</b>			
Civilian Labor Force	19,125	19,300	0.9
Employment	18,125	18,100	(0.1)
Unemployment	1,000	1,200	20.0
Unemployment Rate	5.2	6.2	1.0
<b>Place of Work Data</b>			
All Industries	18,800	18,525	(1.5)
Goods Producing Indus.	6,350	6,025	(5.1)
Manufacturing	5,725	5,375	(6.1)
Durable Goods	4,250	3,900	(8.2)
Nondurable Goods	1,475	1,475	--
Mining	75	75	--
Construction	550	575	4.5
Service Producing Indus.	12,450	12,500	0.4
Trans. & Pub. Util.	1,100	1,175	6.8
Trade Total	3,725	3,750	0.7
Wholesale Trade	675	700	3.7
Retail Trade	3,050	3,050	--
FIRE	450	425	(5.6)
Services	4,425	4,375	(1.1)
Government	2,750	2,775	0.9
Farm Employment	475	450	(5.3)

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

The overall decrease in employment was lessened by employment increases that occurred in the services producing industries. That sector's employment rose by 0.4 percent in 2001. Within the services producing

industries, employment increased in transportation and public utilities (6.8 percent), wholesale trade (3.7 percent), and government (0.9 percent). Employment decreases occurred in FIRE (-5.6 percent) and “pure” services (-1.1 percent). Retail trade employment remained unchanged. However, farm employment in Montgomery County declined by 5.3 percent in 2001.

**Reno County.** Hutchinson is the largest city in Reno County with a population of 40,787, which is 63.0 percent of the county’s total population of 64,790 according to Census 2000 data. The civilian labor force in the Hutchinson area increased by 1.4 percent in 2001. Although employment by place of residence in Reno County increased by 1.2 percent, The unemployment rate rose from 3.7 percent in 2000 to 3.8 percent in 2001. Table 3-12 presents employment in Reno County in 2000 and 2001.

Table 3-12

<b>Reno County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	32,125	32,575	1.4
Employment	30,950	31,325	1.2
Unemployment	1,175	1,250	6.4
Unemployment Rate	3.7	3.8	0.2
<b>Place of Work Data</b>			
All Industries	29,375	29,725	1.2
Goods Producing Indus.	6,650	6,350	(4.5)
Manufacturing	5,450	5,125	(6.0)
Durable Goods	2,975	2,600	(12.6)
Nondurable Goods	2,475	2,525	2.0
Mining	100	100	--
Construction	1,100	1,125	2.3
Service Producing Indus.	22,725	23,375	2.9
Trans. & Pub. Util.	825	850	3.0
Trade Total	7,850	8,100	3.2
Wholesale Trade	1,300	1,275	(1.9)
Retail Trade	6,550	6,600	0.8
FIRE	975	1,000	2.6
Services	7,775	8,000	2.9
Government	5,300	5,425	2.4
Farm Employment	1,275	1,250	(2.0)

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

All industries employment in Reno County, as measured by place of work data, rose by 1.2 percent in 2001. Employment in the goods producing industries decreased by 4.5 percent. Specifically, construction

employment increased by 2.3 percent and nondurable goods manufacturing increased by 2.0 percent. Alternatively, durable goods manufacturing employment fell by 12.6 percent. Mining employment remained unchanged.

In the services producing industries employment rose by 2.9 percent during 2001. The only decrease within the services producing industries was in wholesale trade employment. It declined by 1.9 percent. Employment increases were experienced in transportation and public utilities (3.0 percent), “pure” services (2.9 percent), FIRE (2.6 percent), government (2.4 percent), and retail trade (0.8 percent). Reno County’s farm employment decreased by 2.0 percent in 2001.

**Riley County.** Manhattan is the largest city in Riley County with a population of 44,831, which is 71.3 percent of the county’s total population of 62,843 according to data from the 2000 census. The civilian labor force in the Manhattan area increased by 0.5 percent in 2001. Employment by place of residence in Riley County also increased (1.0 percent). However, the unemployment rate decreased from 3.6 percent in 2000 to 3.1 percent in 2001.

Although the employment by place of residence increased in Riley County, employment by place of work decreased by 1.0 percent during 2001. Overall employment decreases were offset by an increase in employment in the goods producing industries, which rose by 2.4 percent. Within the goods producing industries, employment in nondurable goods manufacturing increased by 4.3 percent and construction employment increased by 1.8 percent. Durable goods manufacturing employment and mining employment remained steady.

Those increases were reduced slightly by the employment decrease that occurred in the services producing industries (-1.3 percent). Within the services producing industries, employment increased in FIRE (4.6 percent), retail trade (1.3 percent), and government (1.2 percent). Declines occurred in employment in wholesale trade (-3.4 percent) and “pure” services (-3.1 percent). Employment in transportation and public utilities remained steady. Farm employment in Riley County remained steady during 2001. Table 3-13 presents employment in Riley County in 2000 and 2001.

Table 3-13

<b>Riley County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	30,525	30,675	0.5
Employment	29,425	29,725	1.0
Unemployment	1,100	950	(13.6)
Unemployment Rate	3.6	3.1	(0.5)
<b>Place of Work Data</b>			
All Industries	28,850	28,550	(1.0)
Goods Producing Indus.	2,100	2,150	2.4
Manufacturing	650	675	3.8
Durable Goods	75	75	--
Nondurable Goods	575	600	4.3
Mining	25	25	--
Construction	1,425	1,450	1.8
Service Producing Indus.	26,750	26,400	(1.3)
Trans. & Pub. Util.	300	300	--
Trade Total	6,500	6,150	(5.4)
Wholesale Trade	725	700	(3.4)
Retail Trade	5,775	5,850	1.3
FIRE	1,625	1,700	4.6
Services	6,475	6,275	(3.1)
Government	11,850	11,975	1.1
Farm Employment	500	500	--

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

**Saline County.** Salina is the largest city in Saline County with a population of 45,679, which is 85.2 percent of the county's total population of 53,597 according to data from the 2000 census. The civilian labor force in the Salina area increased by 1.4 percent in 2001. Although employment by place of residence in Saline County increased by 0.9 percent, the unemployment rate rose from 2.9 percent in 2000 to 3.3 percent in 2001.

Based on place of work data, all industries employment in Saline County decreased by 0.1 percent. Employment in the goods producing industries remained steady. Within the goods producing industries, the only increase occurred in construction employment (12.1 percent). Simultaneously, durable goods manufacturing declined by 3.0 percent, nondurable goods manufacturing employment fell by 2.8 percent, and mining employment remained unchanged.

Employment in the services producing industries fell by 0.3 percent during 2001. Within the services

producing category, transportation and public utility employment increased by 7.8 percent and retail trade employment increased by 0.4 percent. Declines occurred in employment in FIRE (-4.7 percent), government (-2.5 percent), and "pure" services (-0.3 percent). Wholesale trade employment remained unchanged. Saline County's farm employment remained unchanged during 2001. Table 3-14 presents employment in Saline County in 2000 and 2001.

Table 3-14

<b>Saline County Employment 2000-2001</b>			
	<b>2000</b>	<b>2001</b>	<b>% Chg.</b>
<b>Place of Residence Data</b>			
Civilian Labor Force	30,575	31,000	1.4
Employment	29,700	29,975	0.9
Unemployment	875	1,025	17.1
Unemployment Rate	2.9	3.3	0.4
<b>Place of Work Data</b>			
All Industries	32,025	32,000	(0.1)
Goods Producing Indus.	8,550	8,550	--
Manufacturing	6,875	6,675	(2.9)
Durable Goods	4,200	4,075	(3.0)
Nondurable Goods	2,675	2,600	(2.8)
Mining	25	25	--
Construction	1,650	1,850	12.1
Service Producing Indus.	23,475	23,450	(0.1)
Trans. & Pub. Util.	1,600	1,725	7.8
Trade Total	8,600	8,625	0.3
Wholesale Trade	1,625	1,625	--
Retail Trade	6,975	7,000	0.4
FIRE	1,075	1,025	(4.7)
Services	8,175	8,150	(0.3)
Government	4,025	3,925	(2.5)
Farm Employment	525	525	--

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

## **Kansas & Adjacent State Metro Areas' Employment Trends**

This section presents employment trends through October in 2001 by major industry types for the region that includes Colorado, Kansas, Missouri, Nebraska, and Oklahoma. Table 3-15, which is shown at the bottom of the next page, presents employment growth rates for metropolitan areas in the five-state region from 2000 through 2001.

## Employment by Industry Type

Within the five-state area Kansas City experienced the highest total employment growth at 1.2 percent. Topeka followed with a 0.9 percent growth rate and Boulder-Longmont, Colorado ranked third with a growth rate of 0.7 percent. Wichita experienced total employment growth of 0.3 percent, while total employment in Lawrence declined by 0.8 percent.

**Manufacturing.** Manufacturing employment in the major metropolitan areas in the five-state region declined at an average rate of 3.8 percent in 2001. Only Lawton, Oklahoma, Wichita, and Enid, Oklahoma did not experience manufacturing employment declines in 2001. In fact, Lawton grew by 2.6 percent and Wichita grew by 0.7 percent. Enid's growth rate remained unchanged during 2001. Manufacturing employment in Lawrence declined by 7.1 percent, while manufacturing employment in Topeka declined by 5.4 percent.

**Transportation & Public Utilities.** Transportation and public utilities employment in the major

metropolitan areas in the five-state region fell by 1.4 in 2001. Increases did occur, but only in Springfield, Missouri (4.8 percent), Enid, Oklahoma (4.5 percent), Oklahoma City, Oklahoma (2.5 percent), and Lincoln, Nebraska (2.4 percent). Transportation and public utilities employment declined in both Topeka (-3.2 percent) and Wichita (-0.9 percent). It remained unchanged in Lawrence.

**Trade.** Trade employment in the major metropolitan areas in the five-state region remained unchanged in 2001. Increases occurred in Boulder-Longmont, Colorado (5.4 percent), Topeka (2.2 percent), Kansas City (1.4 percent), and Lawton, Oklahoma (1.1 percent). However, the increases that occurred in the region were offset by trade employment decreases in other metropolitan areas. Specifically, Lawrence realized a decrease of 1.6 percent in trade employment during 2001. Wichita's trade employment also declined, but by 0.2 percent.

**Finance, Insurance, & Real Estate (FIRE).** FIRE employment in the major metropolitan areas in the five-state region increased by 0.2 percent in 2001.

Table 3-15

<b>Metropolitan Area Employment Growth Rates, October 2000-October 2001</b>										
<b>Kansas and Adjacent States</b>										
	<u>Total</u>	<u>Mining</u>	<u>Const.</u>	<u>Manuf.</u>	<u>Trans./ Util.</u>	<u>Trade</u>	<u>FIRE</u>	<u>Services</u>	<u>Gov't</u>	
Kansas										
Lawrence	(0.8) %	NA %	NA %	(7.1) %	-- %	(1.6) %	(15.8) %	(1.7) %	2.0 %	
Topeka	0.9	NA	NA	(5.4)	(3.2)	2.2	2.9	2.2	(1.4)	
Wichita	0.3	--	(0.7)	0.7	(0.9)	(0.2)	2.7	0.4	0.6	
Colorado										
Boulder-Longmont	0.7	NA	NA	(3.8)	(11.1)	5.4	--	5.2	(3.9)	
Colorado Springs	(0.8)	NA	NA	(4.1)	(2.2)	(1.1)	1.4	1.2	2.6	
Denver	0.3	5.3	5.0	(5.4)	(2.7)	1.4	(0.1)	(0.6)	3.0	
Missouri										
Kansas City	1.2	NA	NA	(0.6)	(0.3)	1.4	1.0	0.9	2.3	
St. Louis	(1.2)	NA	NA	(6.0)	(3.0)	(1.2)	(0.4)	--	(0.7)	
Springfield	0.6	NA	NA	(6.6)	4.8	--	1.1	1.8	3.4	
Nebraska										
Lincoln	(0.3)	NA	NA	(4.8)	2.4	(0.3)	1.8	(2.1)	3.5	
Omaha	(1.3)	NA	NA	(5.7)	(2.2)	(3.1)	(1.9)	(0.4)	3.8	
Oklahoma										
Enid	--	--	--	--	4.5	--	--	(1.6)	--	
Lawton	(1.3)	--	6.2	2.6	--	1.1	(5.9)	(7.4)	--	
Oklahoma City	0.2	4.4	0.8	(6.7)	2.5	(0.5)	1.0	0.1	1.8	
Tulsa	0.5	1.4	--	(0.7)	(0.3)	(0.7)	1.4	1.3	1.8	
All Area Average	--	3.3	3.1	(3.8)	(1.4)	--	0.2	0.3	1.5	

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

Within the area Topeka and Wichita had the highest growth rates of 2.9 percent and 2.7 percent, respectively. On the other hand, Lawrence had the largest decline in the area at 15.8 percent.

**Services.** Service employment in the major metropolitan areas in the region grew slightly in 2001 (0.3 percent). Boulder-Longmont, Colorado had the highest growth rate in service employment at 5.2 percent, followed by Topeka at 2.2 percent, and Springfield, Missouri at 1.8 percent. Service employment in Wichita increased by only 0.4 percent, while service employment in Lawrence declined by 1.7 percent.

**Government.** Total government employment in the major metropolitan areas in the five-state region grew by 1.5 percent in 2001. Omaha, Nebraska experienced the highest growth rate in government employment at 3.8 percent. It was followed by Lincoln, Nebraska at 3.5 percent, and Denver, Colorado at 3.0 percent. Total government employment in 2001 increased by 2.0 percent in Lawrence and 0.6 percent in Wichita. Topeka experienced a decrease in government employment of 1.4 percent during 2001.

## County Personal Income

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

### Total Personal Income

Total personal income in Kansas grew at a 4.7 percent rate in 2000. Johnson County generated the highest level of personal income with \$19.7 billion, followed by Sedgwick County with \$12.8 billion. Shawnee, Wyandotte, Douglas, Butler, Reno, Leavenworth, Saline, and Riley Counties each generated over \$1.0 billion of personal income in 2000. The lowest levels of income were recorded in Wallace, Greeley, Comanche, and Hodgeman Counties, each with less than \$50.0 million in total personal income.

The highest growth rates of personal income in 2000 were experienced in Chase (15.7 percent), Jackson (9.4

percent), Osage (8.6 percent), and Johnson (8.4 percent) Counties. At the other extreme, Wichita and Haskell Counties both experienced personal income declines of over 20.0 percent. It should be kept in mind that these rates of change may be distorted by erratic fluctuations in the farm economy.

Of the state's major urban counties, Johnson County had the highest personal income growth in 2000 at 8.4 percent. Johnson County's growth was followed by Sedgwick County (4.2 percent) Shawnee County (4.1 percent), and Wyandotte County (2.5 percent).

In 2000, Johnson and Sedgwick accounted for 61.2 percent of the personal income growth in the state. Thus, Kansas personal income growth is concentrated in the two most populous counties. Appendix D presents county personal income by major components for 1999. Appendix E shows county personal income estimates by major components for 2000. Figure 3-1, which is shown on page 47, presents the percent change in county personal income from 1999 to 2000.

**Salaries & Wages.** Salaries and wages are distributed across the state in a pattern that generally corresponds to population, i.e., the areas with higher population density generally have higher total salaries and wages. Salaries and wages in Kansas grew at a 5.6 percent rate in 2000. Johnson and Sedgwick ranked first and second, with salaries and wages of \$11.5 billion and \$8.8 billion, respectively. Shawnee and Wyandotte each generated over \$2.0 billion of salaries and wages in 2000. Elk and Wallace had the lowest salaries and wages total with less than \$12.0 million each.

**Other Labor Income.** Other labor income in Kansas grew at a rate of 3.8 percent in 2000. While the correlation between salaries and wages disbursements and other labor income is not exact, the two are closely related. County rankings are nearly the same for both components. Johnson County ranked first with \$1.05 billion in other labor income, followed by Sedgwick County at \$1.01 billion. Comanche, Greeley, and Wallace all had other labor income of less than \$2.0 million.

**Farm Proprietors' Income.** The relative importance of farm proprietors' income, as a component of total personal income, varies among the 105 Kansas counties. While there are many measured components of farm owners' income, the major determinants are

farm production of crops and livestock, profitability of farm operations, and federal government payments to farmers. Farm proprietors' income is disproportionately larger in agriculturally oriented counties because of large-scale production, high profitability, and government support payments. In 2000, farm proprietors' income experienced a steep decline (-54.4 percent). Haskell County had the highest level of farm proprietors' income in 2000 at \$31.5 million. Chase County followed at \$25.0 million.

**Non-farm Proprietors' Income.** The net earnings of unincorporated business owners constitute non-farm proprietors' income. County size also is a major determinant of the distribution of this income component. Non-farm proprietors' income grew at a 4.2 percent rate in 2000. Johnson County had the highest level of non-farm proprietors' income (\$1,486 million) and Sedgwick County was second (\$934 million). Greeley County was the lowest with less than \$3.0 million.

**Dividends, Interest, & Rent.** Dividends, interest, and rent grew by 5.7 percent in 2000. This category represents a large component of personal income in Johnson County. In fact, the \$3.9 billion of dividends, interest, and rents in that county account for 27.2 percent of the state total. Sedgwick County also had a total that was over \$2.0 billion. Only Greeley County had less than \$10.0 million in dividends, interest, and rents in 2000.

**Transfer Payments.** Transfer payments in Kansas grew at 7.1 percent rate in 2000 and are largely Social Security benefits. The distribution of transfer payments across the state generally reflects county population. Collectively, the state's four urban counties received almost \$4.0 billion in transfer payments, while 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 salaries and wages, other labor income, and both farm and nonfarm proprietors' income. The residence adjustment for Kansas grew by 4.9 percent in 2000. For the state as a whole, the 2000 residence adjustment was \$1.1 billion. The positive

value indicates that, in total, Kansans earn more income out-of-state than income earned by non-Kansans in Kansas.

Within Kansas, four situations are present. First, for most counties, this component is relatively small. Second, there are considerable earnings of Riley County residents in Geary County. These earnings are associated with Fort Riley. The third situation relates to out-of-county earnings provided in two of the large Kansas counties. For example, the Sedgwick County residence adjustment is negative (-\$1,243.0 million.) Most of this income appears in bordering counties. For neighboring Butler County, the adjustment is positive (\$662.0 million). Thus, Sedgwick County provides earnings and jobs for Butler County residents. A similar situation exists for Shawnee County. The final situation exists in the Kansas City area. The Wyandotte County residence adjustment is negative (-\$1,184.0 million), indicating that the county provides net earnings for residents of other counties and perhaps for Missouri residents. Johnson County is unique in that its residence adjustment is positive (\$1,576.0 million) and greater than the state's overall residence adjustment of \$1,060.0 million. 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 3.8 percent rate in 2000. 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 \$200.0 million in each of the state's four major urban counties during 2001. Johnson's contributions totaled \$935.0 million and Sedgwick's were \$694.0 million. Shawnee followed with contributions of \$224.0 million and Wyandotte had \$203.0 million.

## Per Capita Personal Income

Per capita income for each county may be obtained by dividing the total personal income of the county by the total population of the county. The population data used for these calculations were estimates of county population as of July 1, 2000, based on the U.S.

Bureau of the Census *Current Population Reports*. Figure 3-2, which is shown on page 47, presents per capita personal income by county for 2000.

In 2000, Kansas per capita income was \$27,462. Johnson County had the highest per capita income with \$43,650, followed by Chase County with \$29,167. The lowest per capita incomes were in Anderson (\$18,480), Woodson (\$18,780), and Elk (\$18,821) Counties. 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 that have relatively high population densities, but are not part of major urban areas.

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

## **The Four Urban Counties**

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

### **Total Personal Income**

In 2000, Sedgwick, Johnson, Wyandotte, and Shawnee accounted for 45.8 percent of the state's population and 54.6 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 (\$19,868) is significantly below the state average (\$27,462), while Sedgwick County (\$28,345) is slightly above the state average, and Shawnee County (\$27,442) is slightly below the state average. Johnson County is 58.9 percent above the state average. For the four urban counties, the average per capita income is \$32,793, or 19.4 percent, higher than the state average.

These four counties generate 63.8 percent of Kansas' salaries and wages; 63.7 percent of personal contributions for social insurance; 57.6 percent of the other labor income; 54.2 percent of dividend, interest, and rent income; 49.8 percent of non-farm proprietors' income; and 42.6 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, as well as total income. Shawnee and Wyandotte rank third and 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. 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 farm products marketing.

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 3-3, which is shown on page 48, presents total personal income by region for 1999 and 2000, while Figure 3-4 presents the percent change in total personal income by region from 1999 to 2000 and per capita income for 2000.

In terms of total personal income, the 2000 average for the 11 regions is \$6.7 billion. Region I, which surrounds Kansas City, has the highest level of personal income with \$33.9 billion. The only other region that is above the average total personal income per region is Region IV, which surrounds Wichita. That region had total personal income of just under \$19.0 billion in 2000. At the other end of the scale, Region VIII in northwest Kansas had the lowest personal income in 2000 at \$772.0 million.

Generally, regional population rankings correspond to regional personal income rankings. High incomes are associated with large populations. Based on these

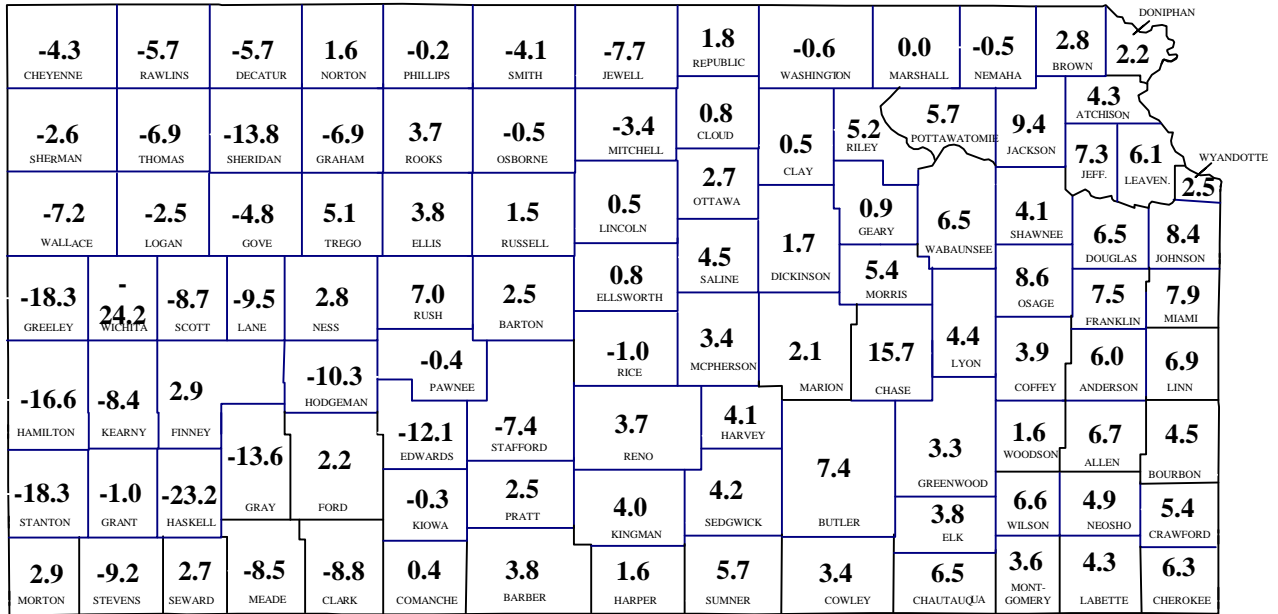
factors, Kansas population and personal income are highly concentrated. Accordingly, 71.6 percent of the state’s total personal income is located in Regions I and IV, while just over 1.0 percent of the state’s total personal income is located in Region VIII.

Recent income and population growth have been uneven across Kansas. In 2000, Kansas total personal income rose by 4.7 percent. The most rapid growth was in Region I with a 6.9 percent increase. During that same time, declines were realized in Region VI (-4.1 percent), Region VII (-5.8 percent), and Region VIII (-5.8 percent). These regions are in western Kansas.

In terms of per capita personal income, Region I ranked first with \$31,909. It was followed by Region IV with \$27,002, and Region X in north-central Kansas with \$25,383. Region II in southeast Kansas ranked last with \$21,101. The extent of the inequality in regional income is illustrated by the observation that from the highest income region to the lowest income region there exists a 51.2 percent difference in per capita income.

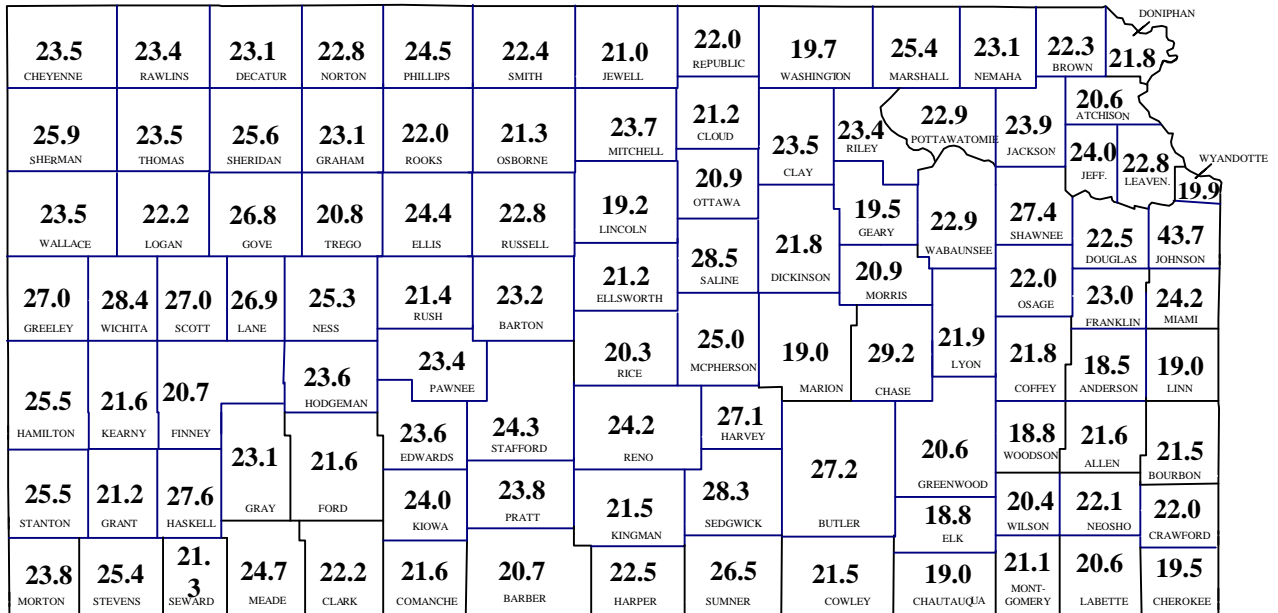


**Figure 3-1. Percent Change in County Personal Income, 1999-2000**

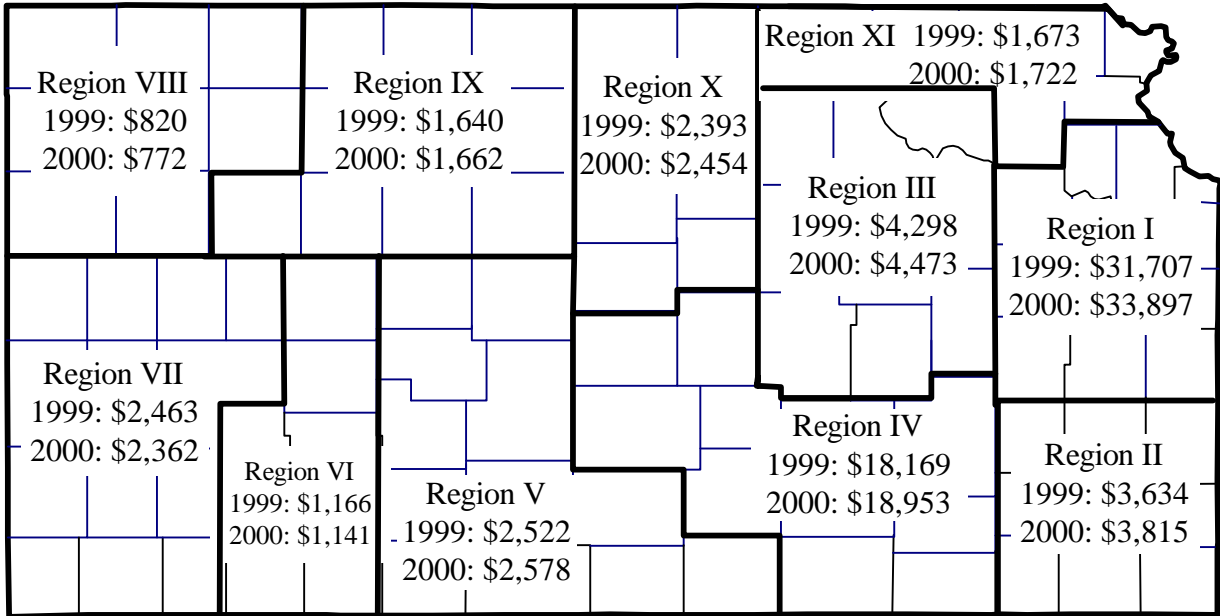


**Figure 3-2. Per Capita Personal Income, 2000**

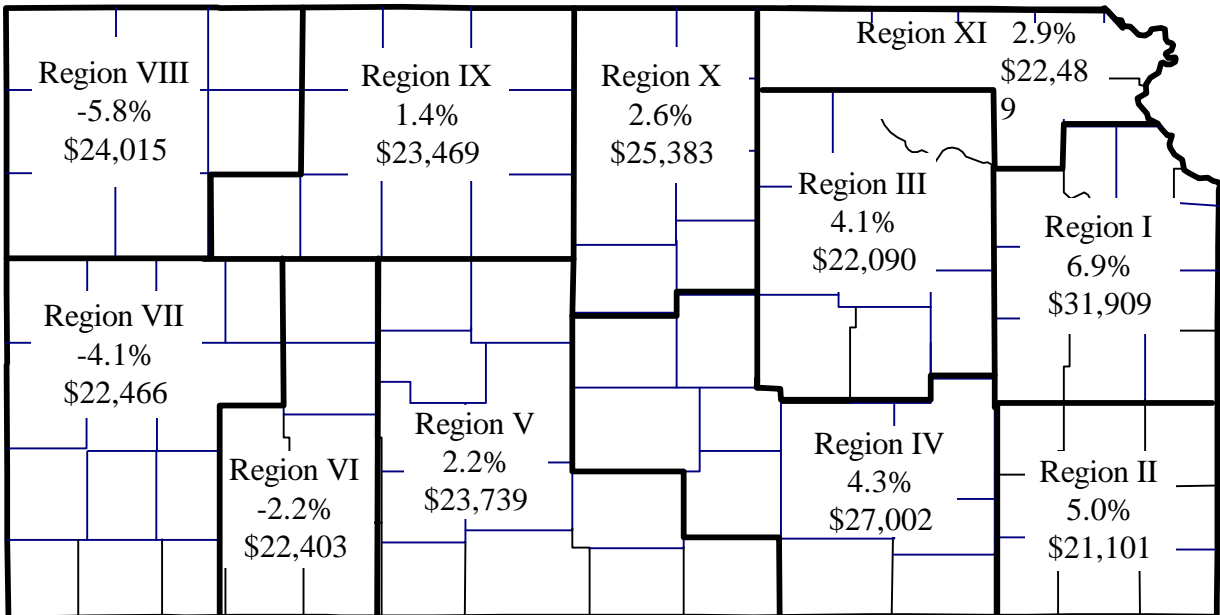
*(Dollars in Thousands)*



**Figure 3-3. Total Personal Income, by Region, 1999 & 2000**



**Figure 3-4. Percent Change in Total Income, 1999 & 2000, & 2000 per Capita Income, by Region**



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# Kansas Demographics

On July 1 of each year the official population for Kansas is certified. By state statute, the official population of Kansas is certified from the latest estimates released by the United States Bureau of the Census. However, for 2000, the official population of Kansas is based on the 2000 census, rather than an estimate. As of April 1, 2000, the Kansas population was 2,688,418. This population was certified on July 1, 2001 and serves as the official population of the state. The last decennial census was taken in 1990. At that time, the 1990 total Kansas population was 2,480,587. The current official population as of April 1, 2000, is 2,688,418. The current population is 1.3 percent greater than the official population in 1999 of 2,654,052. In addition, the current population is 8.4 percent greater than the 1990 official population.

Although the population in Kansas shows steady growth over the last decade, the state remains predominantly rural. Of the 628 cities in Kansas, 427 have populations of less than 1,000 people. These 427 cities and the rural areas account for 21.8 percent of the total population. This level is down from last year when 25.0 percent of the total population resided in cities of less than 1,000 people and rural areas. The number of people who reside in towns of less than 5,000 people and rural areas remains the same as last year's level of 36.0 percent.

Between 1990 and 2000, the greatest population growth in the U.S. occurred in California, which gained 4.1 million people. Texas ranked second with a gain of 3.9 million, and Florida ranked third with an increase of 3.0 million people. Kansas ranked 32nd overall with a population change of 210,844. In terms of percent growth, Nevada outpaced the rest of the nation with a growth rate of 66.3 percent. Arizona was second with a growth rate of 40.0 percent, and Colorado was third with a rate of 30.6 percent. Between 1990 and 2000, Kansas' population growth rate was 8.5 percent.

The Plains region, which includes Kansas, grew at a slower rate than the nation as a whole. The Plains

region also includes Minnesota, Iowa, Missouri, North Dakota, South Dakota, and Nebraska. Among the Plains region states, Minnesota realized the greatest growth rate (12.4 percent). Next was Missouri (9.3 percent), followed by Kansas and South Dakota (8.5 percent), Nebraska (8.4 percent), Iowa (5.4 percent), and North Dakota (0.5 percent). The resident population for the U.S., Kansas, and Kansas counties as of July 1, 1999, and April 1, 2000, are shown in Appendix F.

The data used in this report are based on both full count census information from the 2000 Census and on 1999 estimates. Because both methods are presented, a brief discussion of the each methodology follows.

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

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

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

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

## **Census 2000**

Each decennial census yields a wealth of data that are important to a diversified user-group. The actual population count for 2000 was completed on April 1, 2000. The complete data set for the U.S. is contained in the Census 2000 Summary File 1. All information from every census form is included in this file and it will become the new benchmark from which all population estimates will be derived from 2001 through 2009.

Two other important files that were derived from the census are the Reapportionment File and the Census 2000 Redistricting File. The Reapportionment File includes state population totals and is being used to reapportion the U.S. House of Representatives. The Census 2000 Redistricting File contains the information required for local redistricting and includes data on 63 race categories, ethnicity, and voting age. These data are being used to determine state legislative districts.

Apart from its important role in determining the apportionment of Congressional districts, the decennial census assists in determining how much money states will receive in a number of federal grant

programs because several of the programs include population count as a component of their distribution formulas.

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

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

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

## **Demographics**

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

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

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

Table 4-1 shows the dynamics between 1990 and 2000 of each category, including total population by age, race, gender, and ethnicity. It also shows each category as a percent of the total state population. A complete listing of the 2000 Kansas Resident Population by Age is shown in Appendix F. Each age

Table 4-1

<b>Kansas Population Estimates--1990 &amp; 2000 by Age, Race, Gender, &amp; Ethnicity</b>												
<b>1990</b>												
	Total	Median Age	As a % of Total Population					As a % of Total Population				
			< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	≥ 65 yrs.	≥ 85 yrs.	< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	≥ 65 yrs.	≥ 85 yrs.
Kansas	2,480,587	32.8	189,981	545,926	1,401,869	342,811	42,171	7.66 %	22.01 %	56.51 %	13.82 %	1.70 %
<b>Gender</b>												
Male	1,216,446	*	97,662	280,554	701,356	136,874	11,570	3.94 %	11.31 %	28.27 %	5.52 %	0.47 %
Female	1,264,141	*	92,319	265,372	700,513	205,937	30,601	3.72 %	10.70 %	28.24 %	8.30 %	1.23 %
<b>Race</b>												
American Indian & Alaska Native	22,775	*	2,161	6,439	12,744	1,431	105	0.09 %	0.26 %	0.51 %	0.06 %	-- %
Asian & Pacific Islander	33,228	*	2,966	9,319	19,965	978	99	0.12 %	0.38 %	0.80 %	0.04 %	-- %
Black	149,707	*	15,470	40,521	81,535	12,181	1,593	0.62 %	1.63 %	3.29 %	0.49 %	0.06 %
White	2,274,877	*	169,384	489,647	1,287,625	328,221	40,374	6.83 %	19.74 %	51.91 %	13.23 %	1.63 %
<b>Ethnicity</b>												
Hispanic	96,565	*	11,911	29,146	50,994	4,514	478	0.48 %	1.17 %	2.06 %	0.18 %	0.02 %
<b>2000</b>												
	Total	Median Age	As a % of Total Population					As a % of Total Population				
			< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	≥ 65 yrs.	≥ 85 yrs.	< 5 yrs.	5 to 19 yrs.	20 to 64 yrs.	≥ 65 yrs.	≥ 85 yrs.
Kansas	2,688,418	35.2	188,708	609,710	1,533,771	356,229	51,770	7.02 %	22.68 %	57.05 %	13.25 %	1.93 %
<b>Gender</b>												
Male	1,328,474	33.7	97,012	313,454	772,493	145,515	14,612	3.61 %	11.66 %	28.73 %	5.41 %	0.54 %
Female	1,359,944	36.5	91,696	296,256	761,278	210,714	37,158	3.41 %	11.02 %	28.32 %	7.84 %	1.38 %
<b>Race</b>												
American Indian & Alaska Native	24,936	28.3	2,008	6,883	14,749	1,296	109	0.07 %	0.26 %	0.55 %	0.05 %	-- %
Asian*	46,806	29.1	3,690	10,172	30,951	1,993	119	0.14 %	0.38 %	1.15 %	0.07 %	-- %
Pacific Islander*	1,313	26.7	107	357	793	56	8	-- %	0.03 %	-- %	-- %	-- %
Black	154,198	28.6	13,335	42,817	86,122	11,924	1,447	0.50 %	1.59 %	3.20 %	0.44 %	0.05 %
White	2,313,944	36.9	148,380	501,939	1,327,317	336,308	49,660	5.52 %	18.67 %	49.37 %	12.51 %	1.85 %
Other*	147,221	36.9	15,250	39,995	82,186	9,790	435	0.57 %	1.49 %	3.06 %	0.36 %	0.02 %
<b>Ethnicity</b>												
Hispanic	188,252	23.0	24,779	56,958	100,032	6,483	500	0.92 %	2.12 %	3.72 %	0.24 %	0.02 %

\* Indicates information differs significantly between 1990 and 2000. Comparisons of information may be inconclusive.

category is presented in terms of gender, race, and ethnicity. Also presented is the proportion of total population for both race and ethnicity. Statistics for both 1990 and 1999 are included for comparison purposes and indicate an increase in the diversity of the Kansas population. It is important to remember that for the first time, the census provided 63 race categories and allowed for multiple race categories for each individual. Because of this change in the reporting, some comparisons cannot be made between 1990 data and 2000 data.

## Age

Analysis indicates the population of Kansas is aging, but at a slower pace than the rest of the United States. As of April 1, 2000, there were 2,688,418 people in Kansas with a median age of 35.2 years, which placed Kansas as the 13th youngest state in the U.S. and only slightly younger than the national median age of 35.5 years. Kansas' current median age compares to the 1990 median age of 32.8 years and a national ranking of 24th. Appendix G shows the Kansas resident population, by age, for 2000.

Included in the 2000 total are 188,708 people who are less than 5 years of age. When compared to the 1990 total of 189,981 this category shows a 0.7 percent decrease. However, when compared to the 1999 total of 184,013, this category shows a 2.6 percent increase. The only race categories showing an increase in this age cohort are the Asians and Pacific Islanders. Data indicate the number of individuals less than 5 years of age has decreased each year from 1990 through 1997, but increased in 1998, 1999, and 2000. Proportionally, this cohort represents 7.0 percent of the total state population, which is significantly lower than 1990 when this cohort represented 7.7 percent of the total state population.

The population of school age children 5 to 19 years of age has increased by 63,784, or 11.7 percent, since 1990 and by 8,731, or 1.5 percent, since 1999. Proportionally, this cohort represents 22.0 percent of the total state population. In 1990, it represented 21.6 percent of the total state population.

Since 1990, the population from 20 to 64 years of age has increased by 131,902, or 9.4 percent. Since 1999, this cohort has increased by 18,790, or 1.2 percent.

Proportionally, this age cohort represents 57.1 percent of the total state population and in 1990, it represented 55.6 percent of the total state population.

As of April 1, 2000, the estimated population of Kansans who were 65 years of age and older was 356,229. That represents 13.3 percent of Kansas' total population and slightly more than 1.0 percent of the 34.5 million individuals in the U.S. who were over the age of 65. The Kansas population which is 65 years or older has increased by 13,418, or 3.9 percent, since 1990. Since 1999, this cohort has increased by 2,150, or 0.6 percent.

When compared to the Plains states, the proportion of the Kansas population that is over 65 years of age is higher than the national proportion. Approximately 2.6 million people in the Plains region are estimated to be over the age of 65, representing 13.4 percent of the total population of the Plains region. The proportion attributed to Kansas is slightly lower at 13.3 percent. The state with the largest proportion of its population being 65 years of age or older is Iowa, where 14.9 percent of its population was above the age of 65 in 2000. Table 4-2 presents the population over 65 years of age for the U.S., the Plains region, and Kansas.

Table 4-2

<b>Population &amp; Percent of Population Over 65 U.S., Plains Region, &amp; Kansas--2000</b>			
	<b>Total Pop.</b>	<b>Pop. Over 65</b>	<b>Percent Over 65</b>
U.S.	281,421,906	34,991,753	12.4 %
Plains States:			
Minnesota	4,919,479	594,266	12.1
Iowa	2,926,324	436,213	14.9
Missouri	5,595,211	755,379	13.5
North Dakota	642,200	94,478	14.7
South Dakota	754,844	108,131	14.3
Nebraska	1,711,263	232,195	13.6
Kansas	2,688,418	356,229	13.3

The frailest elderly are generally considered to be those over the age of 85. In 2000, there was an estimated 4,239,587 individuals over the age of 85 in the U.S., representing 12.4 percent of the total U.S. population. In Kansas, 51,770 individuals were over the age of 85 in 2000, which represents 1.9 percent of the total state population. When comparing the two

proportions for 2000, 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 U.S.

In addition, the number of individuals 85 years of age and older also increased over both the 1990 and the 1999 levels. This age cohort has realized an increase of 9,599, or 22.8 percent, since 1990 and 128, or 0.2 percent, since 1999. Table 4-3 shows the U.S. Bureau of the Census' estimates for the population, which is over the age of 85 in the U.S., the Plains region, and Kansas in 2000.

Table 4-3

<b>Population &amp; Percent of Population Over 85 U.S., Plains Region, &amp; Kansas--2000</b>			
	<b>Total Pop.</b>	<b>Pop. Over 85</b>	<b>Percent Over 85</b>
U.S.	281,421,906	4,239,587	1.5 %
Plains States:			
Minnesota	4,919,479	85,601	1.7
Iowa	2,926,324	65,118	2.2
Missouri	5,595,211	98,571	1.8
North Dakota	642,200	14,726	2.3
South Dakota	754,844	16,086	2.1
Nebraska	1,711,263	33,953	2.0
Kansas	2,688,418	51,770	1.9

When compared to the Plains region, the Kansas proportion is above the average. Approximately 365,825 individuals in the Plains region 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 North Dakota, where 2.3 percent of the state's population is over the age of 85. Minnesota has the lowest proportion at 1.7 percent. It should be noted that all states in the Plains region have a higher proportion of the population over 85 years of age when compared to the U.S. average of 1.5 percent.

## Gender

In 2000, the total population consisted of 1,328,474 males and 1,359,944 females, which is a ratio of 0.98 male to 1.00 female. This ratio compares to the 1990 benchmark ratio of 0.96 male to 1.00 female. The

chronology of data indicates there were more males than females from birth through middle age. By 65 years of age, the number of females is greater than the number of males, with the ratio increasing as the population ages.

The population of individuals less than 5 years of age consists of 97,012 males (51.4 percent) and 91,696 females (48.6 percent). These data equate to a ratio of 1.06 males to 1.00 female. Compared to 1990, the total 2000 populations are lower. However, the percentage breakdown and ratio have remained constant from 1990 through 2000.

The population of school age children from 5 to 19 years of age consists of 313,454 males and 296,256 females. This cohort is 51.4 percent male and 48.6 percent female, with a 1.06 to 1.00 ratio of males to females. In 1990, the gender ratio for this cohort also was 1.06 male to 1.00 female.

In 1999, the population from 20 to 64 years of age was the first category which had more females than males. However, in 2000, this cohort has more males (772,493) than females (761,278). The percentage breakdown is 50.4 percent for males and 49.6 percent for females. These percentages approximately equate to a 1.00 to 1.00 ratio. Both the percentage and the ratio remain unchanged since 1990.

In 2000, the 65 years of age and older category is the first to show more females than males. In this cohort, females represent 59.2 percent of the total population, while males represent 40.8 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 2000, females outnumbered males 210,714 to 145,515, which equates to a ratio of 0.69 male to 1.00 female. Although the proportions and ratio have not changed significantly since 1990, the total number of males has increased slightly relative to the number of females.

For the population that is 85 years of age and older, females represent 71.8 percent of this category's total population, while males represent 28.2 percent. Females outnumber males 37,158 to 14,612, which equates to a ratio of 0.39 male to 1.00 female. These levels represent a slight change from 1990, when the

population that was 85 years of age and older consisted of 30,601 females (72.6 percent) and 11,570 males (27.4 percent). Comparison implies that more males lived slightly longer in 2000 than in 1990.

## **Race**

In the 2000 census, the U.S. Bureau of the Census included 63 race categories and the ability to choose multiple races. The categories shown in this analysis are American Indian and Alaska Native; Asian, Pacific Islander; Black; White, and Other.

The population of Kansans less than 5 years of age has declined for all race categories since 1990. However, the distribution by proportion between race types shows more significant dynamics.

The population of school age children 5 to 19 years of age has continued to increase since 1990. Between 1990 and 1999, the demographic makeup by race of the all types has remained relatively stable with only minor shifts.

The demographic makeup by race for the population of 20 to 64 years of age basically remains unchanged. For the 65 years of age and older category, smaller proportions were realized in each race. In the 85 years of age and older category, smaller proportions were realized in each race, as well.

## **Ethnicity**

The U.S. Bureau of the Census categorizes ethnicity as either Hispanic or non-Hispanic. These overall categories are exclusive of race. As of 2000 there were 188,252 Hispanic individuals in Kansas, which represents 0.7 percent of the total population. In 1990, Kansas had an Hispanic population of 93,565, which represented 0.4 of the state's total population

The proportion of Hispanic individuals less than 5 years of age increased from 0.5 percent in 1990 to 0.9 percent in 2000. The proportion of Hispanic school age children between 5 and 19 years of age has increased also, from 1.2 in 1990 to 2.1 percent in 2000. The Hispanic proportion of the population between 20 and 64 years of age has increased as well, from 2.1 percent in 1990 to 3.7 percent in 2000. This overall increase in the proportion of the Hispanic

population holds for individuals 65 years of age and older. The proportion for those 85 years and older remains unchanged between 1990 and 2000.

## **Kansas Population Projections**

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

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

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

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



## Appendix A

### Kansas Personal Income, 1998-2000

(Dollars in Millions)

	1998	1999	2000	Percent Change	
				1998-1999	1999-2000
Personal Income	67,942	70,483	73,829	3.7 %	4.7 %
Nonfarm Personal Income	66,693	69,077	72,992	3.6	5.7
Farm Income	1,249	1,406	838	12.5	(40.4)
Earnings by Place of Work	47,427	50,180	52,197	5.8	4.0
Less:					
Personal Contributions for Social Insurance	2,945	3,108	3,225	5.5	3.8
Plus:					
Adjustment for Residence	1,059	1,010	1,060	(4.6)	4.9
Equals:					
Net Earnings by Place of Residence	45,540	48,083	50,032	5.6	4.1
Plus:					
Dividends, Interest, & Rent	13,988	13,689	14,469	(2.1)	5.7
Plus:					
Transfer Payments	8,414	8,711	9,328	3.5	7.1
Equals:					
Personal Income	67,942	70,483	73,829	3.7 %	4.7 %
Salaries & Wages Disbursements	37,029	39,097	41,302	5.6	5.6
Other Labor Income	4,465	4,619	4,795	3.4	3.8
Proprietors' Income	5,933	6,465	6,101	9.0	(5.6)
Farm Proprietors' Income	904	1,080	488	19.6	(54.8)
Nonfarm Proprietors' Income	5,029	5,384	5,613	7.1	4.2
Farm Earnings	1,249	1,406	838	12.5	(40.4)
Nonfarm Earnings	46,177	48,775	51,360	5.6	5.3
Private Earnings	37,927	40,164	42,297	5.9	5.3
Ag. Services, Forestry, Fishing, & Other	306	339	357	10.7	5.2
Agricultural Services	304	337	354	10.7	5.2
Forestry, Fishing, & Other	2	3	3	11.9	6.9
Mining	482	399	483	(17.2)	20.8
Coal Mining	20	NA	NA	--	--
Oil & Gas Extraction	416	326	408	(21.7)	25.0
NonMetallic Minerals (Except Fuels)	46	NA	NA	--	--
Construction	2,715	3,008	3,178	10.8	5.6
General Building Contractors	600	687	732	14.6	6.5
Heavy Construction Contractors	402	438	451	9.0	3.1
Special Trade Contractors	1,714	1,883	1,995	9.9	5.9
Manufacturing	8,553	8,854	8,911	3.5	0.6
Durable Goods	5,551	5,702	5,727	2.7	0.4
Lumber & Wood Products	139	146	142	5.2	(3.1)
Furniture & Fixtures	49	57	67	15.2	19.0
Stone, Clay, & Glass Products	236	255	270	8.0	5.9
Primary Metal Industries	146	136	124	(7.1)	(8.8)
Fabricated Metal Products	400	352	375	(11.9)	6.5
Industrial Machinery & Equipment	938	927	958	(1.2)	3.3
Electronic & Other Electric Equipment	377	372	382	(1.5)	2.7
Motor vehicles & Equipment	420	447	399	6.5	(10.8)
Other Transportation Equipment	2,657	2,747	2,718	3.4	(1.1)
Instruments & Related Products	154	178	175	15.3	(2.0)
Miscellaneous Manufacturing Industries	34	85	118	149.8	38.5

## Appendix A (Continued)

### Kansas Personal Income, 1998-2000

(Dollars in Millions)

	1998	1999	2000	Percent Change	
				1998-1999	1999-2000
Nondurable Goods	3,002	3,151	3,183	5.0	1.0
Food & Kindred Products	1,072	1,120	1,158	4.5	3.4
Textile Mill Products	6	NA	9	--	--
Apparel & Other Textile Products	70	87	86	23.4	(1.5)
Paper & Allied Products	193	204	192	5.4	(5.5)
Printing & Publishing	739	756	765	2.3	1.3
Chemicals & Allied Products	388	440	432	13.3	(1.9)
Petroleum & Coal Products	112	103	105	(8.5)	1.8
Rubber & Misc. Plastics Products	416	423	425	1.7	0.4
Leather & Leather Products	5	NA	12	--	--
Transportation & Public Utilities	3,869	4,624	5,241	19.5	13.3
Railroad Transportation	458	NA	NA	--	--
Trucking & Warehousing	955	1,008	1,104	5.5	9.6
Water Transportation	1	NA	NA	--	--
Other Transportation	476	541	608	13.6	12.3
Local & Interurban Passenger Transit	61	68	72	11.2	5.5
Transportation by Air	224	254	278	13.3	9.5
Pipelines (Except Natural Gas)	34	39	50	17.5	25.9
Transportation Services	157	180	208	14.2	15.9
Communications	1,353	1,968	2,440	45.5	24.0
Electric, Gas, & Sanitary Services	626	644	639	3.0	(0.8)
Wholesale Trade	3,446	3,491	3,662	1.3	4.9
Retail Trade	4,486	4,665	4,842	4.0	3.8
Building Materials & Garden Equipment	271	283	295	4.5	3.9
General Merchandise Stores	580	606	633	4.5	4.4
Food Stores	642	644	670	0.3	4.0
Automotive Dealers & Service Stations	791	841	853	6.2	1.4
Apparel & Accessory Stores	245	231	248	(5.6)	7.6
Home Furniture & Furnishings Stores	273	309	332	13.0	7.5
Eating & Drinking Places	1,088	1,118	1,165	2.8	4.3
Miscellaneous Retail	596	634	647	6.4	2.0
Finance, Insurance, & Real Estate	2,972	3,229	3,416	8.7	5.8
Depository & Nondepository Institutions	870	909	940	4.5	3.4
Other Finance, Insurance, & Real Estate	2,102	2,320	2,476	10.4	6.7
Security & Commodity Brokers	279	338	414	21.4	22.4
Insurance Carriers	631	639	663	1.3	3.8
Insurance Agents, Brokers, & Services	479	543	570	13.4	5.0
Real Estate	559	624	644	11.7	3.2
Holding & Other Investment Offices	154	175	185	13.4	5.4
Services	11,097	11,553	12,207	4.1	5.7
Hotels & Other Lodging Places	216	201	203	(7.2)	1.2
Personal Services	408	425	446	4.1	5.1
Private Households	84	76	81	(9.3)	6.1
Business Services	2,347	2,504	2,660	6.7	6.2
Auto Repair, Services, & Parking	389	418	437	7.5	4.5
Miscellaneous Repair Services	237	228	238	(3.8)	4.3
Amusement & Recreation Services	228	238	251	4.3	5.6
Motion Pictures	51	51	53	(0.3)	4.2
Health Services	3,826	3,966	4,164	3.7	5.0

## Appendix A (Continued)

### Kansas Personal Income, 1998-2000

(Dollars in Millions)

	1998	1999	2000	Percent Change	
				1998-1999	1999-2000
Legal Services	444	464	493	4.7	6.1
Educational Services	316	339	363	7.5	7.0
Social Services	471	516	538	9.5	4.2
Museums, Botanical, Zoological Gardens	5	6	10	17.4	48.6
Membership Organizations	428	462	492	7.8	6.7
Engineering & Management Services	1,482	1,491	1,594	0.6	6.9
Miscellaneous Services	165	168	185	1.6	10.2
Government & Government Enterprises	8,251	8,611	9,063	4.4	5.2
Federal, Civilian	1,491	1,512	1,623	1.4	7.3
Military	985	1,016	1,076	3.1	5.9
State & Local	5,775	6,084	6,364	5.4	4.6
State	1,664	1,693	1,756	1.8	3.7
Local	4,111	4,390	4,609	6.8	5.0

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

## Appendix B

### State Personal Income and Growth Rates, 1998-2000

(Dollars in Thousands)

	Personal Income		Percent Change			Per Capita Personal Income		Percent Change		
	2000	Rank	98-99	99-00	Rank	2000	Rank	98-99	99-00	Rank
			%	%				%	%	
United States	7,783,152,000		4.7 %	7.0 %		29,451		5.9 %	5.0 %	
New England	499,402,882	7	5.3	8.5	2	35,824	1	4.5	7.6	1
Mideast	1,556,329,176	2	4.1	6.8	5	33,549	2	3.5	6.0	4
Great Lakes	1,317,310,669	4	3.7	5.2	8	29,122	4	3.1	4.6	8
Plains	543,976,055	6	3.7	6.2	7	28,219	5	3.0	5.4	5
Southeast	1,820,266,900	1	4.3	6.5	6	26,179	8	2.8	5.0	7
Southwest	831,394,804	5	5.1	7.4	4	26,477	7	3.1	5.4	6
Rocky Mountains	257,555,020	8	6.3	8.5	3	27,775	6	4.2	6.3	3
Far West	1,486,076,494	3	6.6	8.8	1	31,491	3	5.0	7.1	2
Alabama	104,567,520	24	4.2	3.9	50	23,460	44	3.6	3.3	50
Alaska	18,611,908	48	2.0	6.5	24	29,597	15	1.2	5.9	13
Arizona	129,132,715	23	5.7	8.2	5	24,991	38	2.7	5.3	25
Arkansas	58,844,351	34	4.2	5.0	42	21,945	48	3.2	3.6	47
California	1,094,769,896	1	7.0	9.8	3	32,225	9	5.4	8.1	2
Colorado	140,352,701	21	7.8	10.0	2	32,441	8	5.0	7.3	5
Connecticut	139,304,914	22	4.2	7.0	15	40,870	1	3.5	6.1	8
Delaware	24,441,118	44	5.1	6.4	25	31,074	13	3.4	4.9	28
District of Columbia	21,918,759	45	2.4	6.7	20	38,374	2	1.9	5.8	14
Florida	447,011,972	4	3.4	6.8	17	27,836	22	1.5	4.8	31
Georgia	228,692,342	11	6.5	7.2	12	27,790	24	4.1	4.8	33
Hawaii	33,775,622	40	1.9	4.1	49	27,819	23	2.0	4.4	43
Idaho	30,758,920	42	5.5	7.7	10	23,640	42	3.5	5.6	18
Illinois	396,238,894	5	3.4	5.9	32	31,842	11	2.7	5.2	26
Indiana	163,549,354	16	3.9	5.3	40	26,838	33	3.1	4.5	39
Iowa	77,283,220	30	2.2	6.2	28	26,376	34	1.7	5.7	16
Kansas	73,829,202	31	3.7	4.7	45	27,408	29	3.0	4.2	45
Kentucky	97,444,879	26	3.5	6.8	19	24,057	40	2.7	5.9	12
Louisiana	103,111,837	25	2.0	3.7	51	23,041	46	1.5	3.4	48
Maine	32,411,818	41	4.3	5.5	38	25,399	37	3.7	4.9	29
Maryland	178,506,406	15	5.5	6.8	18	33,621	6	4.5	5.5	22
Massachusetts	239,738,503	10	6.1	10.1	1	37,710	3	5.3	9.4	1
Michigan	289,389,592	9	4.3	4.9	43	29,071	19	3.8	4.2	44
Minnesota	157,429,716	17	4.8	7.3	11	31,913	10	3.5	5.9	11
Mississippi	59,467,235	33	3.5	4.3	48	20,856	51	2.6	3.3	49

## Appendix B (Continued)

### State Personal Income and Growth Rates, 1998-2000

(Dollars in Thousands)

	Personal Income		Percent Change			Per Capita Personal Income		Percent Change		
	2000	Rank	98-99	99-00	Rank	2000	Rank	98-99	99-00	Rank
			%	%				%	%	
Missouri	152,436,677	18	3.3 %	6.2 %	29	27,186	30	2.5 %	5.3 %	24
Montana	20,394,576	46	1.9	5.6	36	22,541	47	1.3	4.8	32
Nebraska	47,422,716	36	4.9	4.3	47	27,658	26	4.3	3.7	46
Nevada	59,639,529	32	7.1	7.1	13	29,551	16	2.5	2.3	51
New Hampshire	40,937,513	37	6.3	9.2	4	33,042	7	4.8	7.7	3
New Jersey	312,890,502	8	3.9	8.2	6	37,112	4	3.0	7.1	6
New Mexico	39,972,781	38	2.8	5.5	37	21,883	49	1.9	4.6	36
New York	655,582,965	2	4.1	6.7	23	34,502	5	3.5	5.8	15
North Carolina	217,011,152	13	4.5	7.8	8	26,842	32	2.6	6.0	10
North Dakota	15,915,510	50	0.7	7.0	16	24,780	39	1.2	7.5	4
Ohio	317,266,457	7	3.4	4.7	46	27,914	21	3.1	4.4	42
Oklahoma	81,553,670	29	3.6	5.4	39	23,582	43	2.8	4.5	41
Oregon	94,999,226	28	4.5	6.7	22	27,649	27	3.1	5.6	20
Pennsylvania	362,989,426	6	3.8	5.8	34	29,533	17	3.6	5.6	19
Rhode Island	30,599,459	43	4.4	5.9	31	29,158	18	3.5	4.8	30
South Carolina	96,411,001	27	5.0	5.9	33	23,952	41	3.5	4.6	37
South Dakota	19,659,014	47	4.9	7.0	14	25,993	35	4.3	6.1	9
Tennessee	147,751,975	20	3.8	6.0	30	25,878	36	2.6	4.7	34
Texas	580,735,638	3	5.3	7.7	9	27,722	25	3.3	5.5	21
Utah	52,473,687	35	5.1	6.7	21	23,364	45	3.3	4.6	35
Vermont	16,410,675	49	4.7	6.4	26	26,904	31	3.9	5.4	23
Virginia	220,583,134	12	5.7	8.1	7	31,065	14	4.2	6.4	7
Washington	184,280,313	14	6.8	5.7	35	31,129	12	5.3	4.5	38
West Virginia	39,369,502	39	2.2	4.8	44	21,767	50	2.4	5.1	27
Wisconsin	150,866,372	19	4.0	5.3	41	28,066	20	3.2	4.5	40
Wyoming	13,575,136	51	5.4	6.3	27	27,436	28	5.2	5.7	17

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

## Appendix C

### State Disposable Income and Growth Rates, 1998-2000

(Dollars in Thousands)

	Disposable Income		Percent Change			Per Capita Disposable Income		Percent Change		
	2000	Rank	98-99	99-00	Rank	2000	Rank	98-99	99-00	Rank
			%	%				%	%	
United States	7,025,313,000		4.1 %	6.3 %		24,891		2.9 %	5.0 %	
New England	409,579,742	7	4.5	7.7	1	29,381	1	3.7	6.8	1
Mideast	1,290,915,524	2	3.4	6.0	5	27,827	2	2.8	5.2	4
Great Lakes	1,116,768,524	4	3.6	4.7	8	24,689	4	3.0	4.2	8
Plains	466,638,020	6	3.8	5.6	7	24,207	5	3.0	4.8	6
Southeast	1,568,113,990	1	4.0	5.9	6	22,552	8	2.5	4.4	7
Southwest	724,460,822	5	5.0	6.8	4	23,072	7	3.0	4.8	5
Rocky Mountains	218,171,749	8	5.7	7.6	2	23,528	6	3.6	5.5	3
Far West	1,230,664,629	3	4.9	7.6	3	26,079	3	3.3	5.9	2
Alabama	91,541,007	24	4.2	3.4	50	20,537	42	3.6	2.9	50
Alaska	16,235,950	48	2.1	6.0	22	25,818	15	1.3	5.5	12
Arizona	110,836,910	23	5.4	7.7	5	21,450	39	2.4	4.8	23
Arkansas	51,572,692	33	4.2	4.6	42	19,233	48	3.3	3.2	47
California	899,345,787	1	5.1	8.4	4	26,472	11	3.5	6.7	4
Colorado	117,425,532	21	7.1	9.1	2	27,141	8	4.3	6.5	5
Connecticut	111,866,553	22	3.4	6.3	17	32,820	1	2.8	5.4	13
Delaware	20,657,796	44	5.3	6.4	16	26,264	12	3.6	4.8	21
District of Columbia	17,772,935	46	0.7	5.6	29	31,116	2	0.2	4.7	26
Florida	383,969,588	4	3.0	6.1	21	23,911	22	1.1	4.1	38
Georgia	194,575,946	10	6.2	6.6	12	23,645	26	3.8	4.2	36
Hawaii	29,288,048	40	1.4	3.7	48	24,123	21	1.5	3.9	42
Idaho	26,428,818	42	4.8	6.6	11	20,312	45	2.8	4.6	28
Illinois	334,110,753	5	3.0	5.4	33	26,849	9	2.3	4.7	27
Indiana	140,540,037	16	4.0	5.1	38	23,062	33	3.2	4.3	33
Iowa	67,089,857	30	1.9	6.0	23	22,897	36	1.4	5.5	11
Kansas	63,294,222	31	3.6	4.1	45	23,497	27	2.9	3.5	44
Kentucky	83,863,914	26	3.3	6.5	14	20,704	41	2.5	5.6	9
Louisiana	91,056,755	25	2.3	3.3	51	20,347	44	1.8	3.0	48
Maine	27,812,915	41	4.0	5.0	39	21,795	38	3.4	4.4	30
Maryland	148,895,867	15	5.3	6.3	18	28,044	7	4.3	5.0	15
Massachusetts	194,493,461	11	5.0	9.2	1	30,593	4	4.2	8.4	1
Michigan	244,345,482	9	4.3	4.0	47	24,546	19	3.8	3.4	45
Minnesota	132,187,622	17	5.5	6.2	19	26,796	10	4.2	4.8	22
Mississippi	53,070,872	32	3.4	4.1	44	18,612	51	2.5	3.2	46

## Appendix C (Continued)

### State Disposable Income and Growth Rates, 1998-2000

(Dollars in Thousands)

	Disposable Income		Percent Change			Per Capita Disposable Income		Percent Change		
	2000	Rank	98-99	99-00	Rank	2000	Rank	98-99	99-00	Rank
	Missouri	131,456,529	18	3.2	5.9	24	23,444	28	2.4	5.0
Montana	17,794,965	45	1.5	5.1	37	19,668	47	0.9	4.3	32
Nebraska	40,909,676	36	5.0	3.5	49	23,860	23	4.4	3.0	49
Nevada	51,037,399	34	6.8	6.4	15	25,289	16	2.2	1.7	51
New Hampshire	35,091,327	37	5.6	8.5	3	28,323	5	4.0	6.9	3
New Jersey	258,327,050	8	2.9	7.4	7	30,640	3	2.1	6.3	6
New Mexico	34,980,708	38	2.5	5.0	40	19,150	50	1.7	4.1	37
New York	535,586,016	2	3.0	5.8	25	28,187	6	2.4	4.9	19
North Carolina	185,667,211	12	4.2	7.5	6	22,965	34	2.4	5.7	8
North Dakota	14,174,926	49	0.5	6.8	10	22,070	37	1.0	7.3	2
Ohio	269,590,080	7	3.3	4.1	46	23,719	25	3.0	3.8	43
Oklahoma	70,990,332	29	3.6	4.9	41	20,528	43	2.7	4.0	40
Oregon	79,655,312	28	3.9	5.6	30	23,183	30	2.6	4.5	29
Pennsylvania	309,675,860	6	3.6	5.3	35	25,195	17	3.4	5.1	14
Rhode Island	26,243,963	43	4.3	5.3	34	25,008	18	3.4	4.2	34
South Carolina	83,621,373	27	5.0	5.5	31	20,775	40	3.4	4.2	35
South Dakota	17,525,188	47	4.3	6.6	13	23,172	31	3.7	5.7	7
Tennessee	130,881,465	19	3.8	5.6	28	22,923	35	2.5	4.3	31
Texas	507,652,872	3	5.3	7.0	9	24,233	20	3.3	4.9	17
Utah	44,958,566	35	4.7	6.1	20	20,018	46	2.9	4.0	39
Vermont	14,071,523	50	4.3	5.7	26	23,069	32	3.6	4.7	25
Virginia	183,590,125	13	4.5	7.3	8	25,855	14	3.1	5.6	10
Washington	155,102,133	14	4.9	5.1	36	26,201	13	3.5	4.0	41
West Virginia	34,703,042	39	2.1	4.5	43	19,187	49	2.3	4.8	24
Wisconsin	128,182,172	20	3.9	5.6	27	23,846	24	3.1	4.8	20
Wyoming	11,563,868	51	4.8	5.5	32	23,371	29	4.6	4.9	18

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

## Appendix D

### Kansas County Personal Income, 1999

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Allen	\$140,416	\$17,614	(\$6,280)	\$32,792	\$60,197	\$58,502	(\$330)	\$12,302	\$290,610
Anderson	42,199	5,561	(227)	14,505	34,253	31,962	17,424	4,257	141,419
Atchison	165,810	19,302	1,015	19,479	66,777	61,028	11,665	13,910	331,166
Barber	41,483	5,838	(2,341)	10,493	29,695	26,204	(1,962)	3,490	105,921
Barton	306,793	33,918	9,699	55,221	153,928	109,384	(5,341)	26,333	637,269
Bourbon	139,952	16,791	(668)	32,454	70,395	65,966	4,106	12,848	316,147
Brown	104,006	11,990	8,191	17,711	53,610	47,970	(1,759)	8,839	232,880
Butler	384,036	47,219	2,030	123,862	213,529	174,573	597,002	34,036	1,508,216
Chase	15,439	2,384	15,825	9,071	15,703	12,424	7,174	1,635	76,385
Chautauqua	19,436	2,664	(1,300)	7,895	23,582	22,838	4,820	2,039	77,896
Cherokee	157,972	18,596	(628)	26,343	73,559	92,981	59,817	13,936	414,703
Cheyenne	22,047	2,709	16,489	7,895	18,366	14,704	(2,408)	2,119	77,683
Clark	20,356	2,659	1,987	4,130	16,131	10,068	4,084	1,159	58,256
Clay	63,158	7,948	12,945	21,216	52,374	34,785	19,338	5,887	205,876
Cloud	77,119	9,693	8,479	18,555	56,214	48,224	3,319	7,206	214,397
Coffey	124,869	15,387	(724)	16,279	45,700	33,584	(39,658)	9,788	185,649
Comanche	11,968	1,805	1,270	5,413	12,317	9,835	946	1,159	42,395
Cowley	359,708	43,374	11,964	51,506	139,437	144,622	33,283	29,133	754,762
Crawford	418,630	51,799	(88)	39,535	168,811	158,937	(9,245)	31,329	797,051
Decatur	21,673	2,917	9,549	7,084	27,983	16,484	1,419	2,039	85,070
Dickinson	155,112	18,807	18,025	28,845	87,840	73,963	46,510	14,214	414,888
Doniphan	74,649	9,189	17,600	12,763	26,172	31,539	10,343	6,150	176,104
Douglas	1,156,757	150,297	343	111,666	418,276	218,375	134,279	74,723	2,115,270
Edwards	24,845	2,993	22,893	6,683	18,890	16,177	2,329	2,168	92,643
Elk	11,319	2,321	503	6,841	12,113	17,530	9,705	1,205	59,128
Ellis	332,009	41,142	9,778	69,915	122,758	89,472	7,903	26,753	646,224
Ellsworth	54,121	7,071	9,055	10,053	34,174	29,060	(2,003)	4,291	137,240
Finney	500,380	52,297	25,760	93,743	116,500	79,814	(13,929)	40,157	814,408
Ford	404,221	44,743	24,748	60,499	122,567	85,015	(24,714)	32,407	684,672
Franklin	211,045	23,641	(572)	36,499	84,882	83,815	107,945	17,644	529,610
Geary	583,000	198,983	(1,070)	28,138	104,361	76,483	(418,776)	30,949	540,169
Gove	24,421	3,181	20,701	10,619	18,045	13,053	(1,466)	2,071	86,482
Graham	21,377	3,153	12,218	7,513	14,628	15,097	1,046	1,861	73,171
Grant	96,178	10,261	8,859	20,967	31,296	19,928	(10,716)	7,238	169,536
Gray	55,129	6,516	44,964	11,994	22,697	15,941	4,203	3,734	157,709



## Appendix D (Continued)

### Kansas County Personal Income, 1999

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Greeley	\$14,704	\$1,735	\$19,083	\$2,911	\$7,918	\$5,940	(\$718)	\$934	\$50,640
Greenwood	36,617	5,169	4,636	16,627	37,632	38,086	17,922	4,038	152,650
Hamilton	21,344	2,550	31,362	4,143	13,868	10,155	(452)	1,274	81,696
Harper	44,578	6,479	7,671	14,617	33,851	31,700	9,606	4,021	144,482
Harvey	352,845	37,117	17,173	82,879	139,756	119,854	137,801	33,288	854,137
Haskell	36,146	4,085	70,945	11,998	20,127	10,499	3,348	2,436	154,710
Hodgeman	12,811	2,088	13,476	5,506	11,662	8,163	2,060	936	54,829
Jackson	88,362	10,194	(5,237)	24,779	44,112	40,618	81,893	8,009	276,713
Jefferson	70,313	9,830	2,506	24,976	58,124	54,957	197,885	6,578	412,014
Jewell	17,973	3,047	14,301	8,328	22,448	16,640	5,297	1,704	86,329
Johnson	10,358,367	980,116	14,114	1,426,713	3,694,605	1,022,441	1,532,779	865,396	18,163,739
Kearny	28,224	3,952	22,936	6,923	20,328	12,344	13,872	1,579	106,999
Kingman	57,380	7,181	3,594	14,266	40,262	35,108	26,780	5,286	179,285
Kiowa	25,099	3,487	5,400	5,921	21,784	16,179	3,064	2,034	78,899
Labette	239,335	30,231	2,255	39,448	79,865	98,020	(18,769)	18,795	451,591
Lane	17,738	2,310	14,385	5,396	16,300	9,338	(177)	1,353	63,938
Leavenworth	709,237	179,560	(4,671)	93,234	264,830	177,475	99,926	42,645	1,476,945
Lincoln	18,162	3,115	4,268	6,032	18,248	14,706	5,547	1,579	68,500
Linn	56,511	7,375	(237)	11,713	36,067	39,000	24,982	5,082	170,330
Logan	24,814	3,317	5,828	6,922	17,080	12,344	1,159	2,012	69,451
Lyon	431,660	52,639	6,505	51,262	145,149	110,078	(13,447)	31,748	752,097
McPherson	356,915	38,385	21,355	76,346	142,559	104,446	6,811	32,359	714,457
Marion	78,127	10,636	10,629	21,475	52,238	51,537	31,667	7,427	248,881
Marshall	113,784	13,780	16,986	18,829	70,197	55,527	588	10,761	278,930
Meade	35,407	4,127	32,023	9,820	21,649	16,745	7,953	2,486	125,238
Miami	198,041	22,594	(2,405)	40,309	93,006	88,325	211,344	16,327	634,887
Mitchell	80,838	9,307	19,482	13,556	35,486	28,269	(10,104)	6,532	170,303
Montgomery	390,806	45,616	(366)	49,455	145,133	165,250	(23,515)	33,493	738,885
Morris	36,225	4,866	659	12,276	30,113	26,023	14,267	3,540	120,890
Morton	40,954	5,074	2,472	7,488	18,066	12,235	(2,942)	2,465	80,882
Nemaha	99,239	11,752	16,745	14,217	73,703	39,980	2,000	8,525	249,112
Neosho	177,778	20,988	(2,486)	35,539	66,448	73,782	314	15,029	357,334
Ness	26,953	4,029	1,098	13,132	23,704	16,522	2,445	2,687	85,197
Norton	55,433	7,430	7,538	10,942	34,275	24,516	(2,492)	3,945	133,698
Osage	73,391	10,430	(3,529)	22,713	63,387	60,525	118,562	6,935	338,544

## Appendix D (Continued)

### Kansas County Personal Income, 1999

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Osborne	\$28,456	\$3,862	\$5,378	\$10,953	\$24,981	\$21,765	\$2,794	\$3,023	\$95,167
Ottawa	28,494	3,943	6,728	9,341	34,204	21,940	25,515	2,645	127,519
Pawnee	73,546	10,902	11,860	14,985	33,443	27,284	1,888	3,900	170,007
Phillips	55,651	7,654	8,519	16,302	39,077	26,657	(1,799)	5,017	147,044
Pottawatomie	180,241	19,911	2,615	28,570	84,495	53,616	39,908	14,949	394,407
Pratt	97,561	11,732	4,548	26,647	51,561	39,529	297	8,379	223,497
Rawlins	18,581	2,729	13,045	7,052	18,985	13,291	1,473	1,681	73,475
Reno	793,840	85,440	18,270	87,390	337,964	241,899	10,757	64,326	1,511,233
Republic	45,515	6,019	3,928	12,943	31,452	26,394	3,838	4,136	125,952
Rice	71,203	9,490	23,197	20,161	46,775	42,181	14,127	6,307	220,827
Riley	595,621	92,773	(373)	75,155	233,943	126,377	306,608	34,268	1,395,837
Rooks	45,207	5,969	2,138	13,532	29,943	24,713	3,136	4,005	120,634
Rush	27,513	3,887	(1,680)	4,839	20,011	17,986	706	2,307	70,956
Russell	54,366	7,072	4,874	20,104	44,593	39,743	434	5,592	165,595
Saline	806,023	86,258	2,277	253,516	258,959	174,477	(42,244)	76,885	1,462,382
Scott	49,293	5,163	36,673	13,078	29,773	15,435	5,455	3,333	151,537
Sedgwick	8,413,420	983,400	2,709	903,487	2,394,561	1,421,609	(1,123,958)	679,915	12,315,312
Seward	315,418	34,609	8,906	53,894	69,082	53,126	(44,757)	24,616	465,663
Shawnee	3,048,207	349,979	(566)	246,130	888,942	617,839	(453,753)	219,022	4,477,757
Sheridan	19,664	2,567	23,883	10,014	17,619	10,650	1,150	1,864	83,683
Sherman	71,299	8,598	26,101	14,083	30,540	30,552	4,381	5,657	179,897
Smith	28,707	3,797	13,703	9,989	29,267	22,375	1,026	2,858	106,007
Stafford	32,217	4,549	23,777	13,489	27,299	26,435	688	2,866	125,588
Stanton	21,746	2,310	27,142	4,349	14,907	6,788	(850)	1,180	75,213
Stevens	50,861	6,355	30,924	14,285	31,092	16,577	6,469	3,633	152,929
Sumner	177,133	22,845	12,807	43,304	90,046	95,595	224,966	16,068	650,630
Thomas	86,951	10,603	38,609	21,048	35,408	26,708	(6,233)	6,942	206,152
Trego	21,352	3,135	(984)	9,318	16,520	15,269	3,025	2,081	65,554
Wabaunsee	26,046	3,858	(688)	13,954	25,166	23,071	59,559	2,795	148,173
Wallace	11,346	1,446	9,939	4,804	10,433	7,357	--	990	44,336
Washington	38,144	5,873	8,885	9,441	30,751	29,936	8,655	3,273	128,412
Wichita	22,680	2,699	42,683	6,655	12,361	9,229	--	1,597	94,712
Wilson	95,811	11,823	(4,617)	21,290	37,759	44,708	(228)	8,492	198,056
Woodson	14,585	2,181	3,922	8,865	16,363	18,438	7,614	1,935	70,033
Wyandotte	2,862,475	335,964	(246)	112,557	409,035	633,721	(1,093,913)	199,181	3,060,412
Total	39,096,915	4,618,755	1,080,374	5,384,394	13,689,047	8,710,932	1,010,346	3,107,961	70,482,802

## Appendix E

### Kansas County Personal Income, 2000

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Allen	\$145,142	\$18,010	(\$1,781)	\$35,279	\$63,729	\$62,458	(\$219)	\$12,540	\$310,077
Anderson	44,252	5,753	(40)	15,177	36,074	34,211	18,866	4,420	149,873
Atchison	170,803	19,845	240	20,216	69,924	64,994	13,471	14,202	345,291
Barber	42,140	6,002	(2,155)	10,669	31,069	27,692	(2,060)	3,457	109,900
Barton	311,234	34,166	3,340	57,512	162,702	116,228	(5,569)	26,308	653,306
Bourbon	142,417	16,985	(178)	34,931	74,257	69,938	4,841	12,938	330,254
Brown	109,090	12,408	2,400	18,671	56,377	51,421	(1,832)	9,103	239,433
Butler	400,762	48,683	387	129,885	224,546	188,417	661,829	34,941	1,619,569
Chase	15,736	2,458	25,024	9,420	16,420	13,133	7,830	1,644	88,377
Chautauqua	20,034	2,762	(692)	8,095	25,193	24,539	5,102	2,058	82,973
Cherokee	164,834	19,007	(124)	27,790	78,146	99,352	66,043	14,309	440,739
Cheyenne	23,412	2,859	7,904	8,136	18,953	15,682	(385)	2,196	74,364
Clark	21,172	2,827	(5,562)	4,211	16,611	10,635	4,404	1,169	53,130
Clay	65,763	8,278	4,467	21,759	55,117	36,859	20,673	5,994	206,922
Cloud	77,694	9,764	2,906	19,378	58,886	50,964	3,694	7,202	216,083
Coffey	128,598	15,591	(294)	17,086	47,804	35,877	(41,860)	9,900	192,902
Comanche	12,011	1,822	37	5,704	12,767	10,355	1,033	1,173	42,555
Cowley	368,943	44,045	6,709	53,332	145,333	154,228	37,297	29,570	780,317
Crawford	443,747	54,378	(18)	42,346	177,570	168,750	(13,736)	32,600	840,437
Decatur	21,870	2,981	1,641	7,361	29,339	17,582	1,480	2,044	80,210
Dickinson	159,577	19,291	6,770	30,439	92,051	78,864	49,637	14,488	422,141
Doniphan	76,805	9,413	7,101	13,330	27,392	33,704	18,489	6,218	180,017
Douglas	1,225,887	159,698	85	117,079	443,756	236,730	146,058	77,454	2,251,839
Edwards	24,675	2,985	9,739	6,893	19,540	16,962	2,737	2,129	81,403
Elk	11,664	2,454	(70)	7,059	12,496	18,658	10,341	1,226	61,375
Ellis	345,907	42,761	4,817	72,504	129,023	95,444	7,902	27,358	671,001
Ellsworth	56,108	7,270	3,954	10,721	36,124	30,947	(2,341)	4,407	138,374
Finney	522,301	53,739	12,167	98,829	122,442	85,643	(15,489)	41,239	838,392
Ford	421,421	46,043	10,659	62,756	128,737	90,449	(26,946)	33,114	700,005
Franklin	222,957	24,603	(296)	38,849	89,566	89,779	122,155	18,321	569,292
Geary	594,746	205,960	1,300	28,760	108,628	82,886	(446,058)	31,041	545,181
Gove	24,715	3,277	14,003	11,018	18,995	13,837	(1,428)	2,064	82,353
Graham	21,233	3,198	5,489	7,701	15,204	16,074	1,097	1,839	68,157
Grant	96,495	10,256	3,458	21,415	32,932	21,516	(11,036)	7,120	167,917
Gray	56,822	6,880	18,977	12,038	23,589	17,241	4,524	3,747	136,322

## Appendix E (Continued)

### Kansas County Personal Income, 2000

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Greeley	\$14,866	\$1,777	\$8,868	\$2,879	\$8,308	\$6,293	(\$677)	\$920	\$41,395
Greenwood	37,186	5,288	2,465	17,388	39,585	40,303	19,567	4,050	157,732
Hamilton	22,046	2,662	15,711	4,178	14,504	10,729	(454)	1,262	68,114
Harper	45,179	6,663	3,655	15,353	35,494	33,636	10,816	4,051	146,744
Harvey	361,248	37,336	7,165	85,009	147,465	128,118	156,374	33,491	889,224
Haskell	37,035	4,230	31,458	12,577	21,158	11,221	3,586	2,490	118,775
Hodgeman	13,585	2,255	5,744	5,511	12,142	8,757	2,152	959	49,187
Jackson	100,021	11,054	(961)	25,896	46,378	43,396	85,696	8,772	302,707
Jefferson	72,654	10,054	892	26,124	60,856	59,447	218,948	6,821	442,154
Jewell	18,030	3,157	4,897	8,710	23,299	17,595	5,707	1,699	79,696
Johnson	11,461,179	1,054,118	7,286	1,486,224	3,934,468	1,105,184	1,576,151	934,537	19,690,072
Kearny	28,636	4,129	9,456	7,425	21,365	13,293	15,297	1,575	98,026
Kingman	58,737	7,338	2,442	14,673	42,237	37,411	29,019	5,325	186,531
Kiowa	25,616	3,644	2,215	6,067	22,638	17,175	3,362	2,020	78,697
Labette	248,311	31,225	807	41,966	83,774	104,450	(20,436)	19,244	470,853
Lane	18,100	2,411	6,256	5,522	17,264	9,874	(178)	1,370	57,879
Leavenworth	728,575	184,362	(547)	97,788	278,652	191,598	130,684	43,444	1,567,668
Lincoln	18,804	3,274	1,596	6,362	18,921	15,591	5,919	1,605	68,863
Linn	58,349	7,510	(84)	12,444	38,113	41,516	29,378	5,175	182,051
Logan	25,926	3,552	1,335	7,063	17,704	13,088	1,130	2,062	67,734
Lyon	448,348	54,255	5,887	54,325	152,925	117,480	(15,647)	32,323	785,251
McPherson	374,083	39,321	7,989	80,762	151,201	111,817	6,646	33,349	738,469
Marion	79,898	11,003	4,959	22,566	54,709	54,579	33,794	7,475	254,031
Marshall	117,822	14,224	5,703	19,612	74,263	59,376	(1,095)	10,977	278,929
Meade	36,880	4,322	16,568	10,403	22,431	17,837	8,733	2,573	114,601
Miami	211,921	23,840	(1,001)	43,129	97,492	94,968	231,726	17,266	684,809
Mitchell	83,683	9,610	7,875	14,180	36,809	29,839	(10,860)	6,661	164,476
Montgomery	400,424	46,065	(71)	51,293	151,073	175,742	(25,049)	33,865	765,613
Morris	37,507	5,020	45	12,836	32,558	27,785	15,267	3,620	127,400
Morton	43,336	5,388	882	7,777	18,814	13,077	(3,483)	2,560	83,231
Nemaha	102,902	12,007	5,445	14,780	77,583	42,635	1,198	8,684	247,866
Neosho	183,777	21,524	(312)	36,995	69,518	78,549	244	15,277	375,018
Ness	27,139	4,114	292	13,616	24,872	17,466	2,746	2,687	87,557
Norton	57,460	7,773	3,696	11,465	36,222	25,985	(2,763)	4,009	135,829
Osage	77,770	11,025	1,457	24,220	67,163	64,891	128,527	7,237	367,816

## Appendix E (Continued)

### Kansas County Personal Income, 2000

(Dollars in Thousands)

County	Salaries & Wages	Other Labor Income	Proprietor's Income		Dividends, Interest, & Rent	Transfer Payments	Adjustment for Residence	Less: Personal Contributions for Social Insurance	Total Personal Income
			Farm	Nonfarm					
Osborne	\$28,965	\$3,932	\$1,711	\$11,413	\$25,708	\$22,944	\$3,076	\$3,047	\$94,702
Ottawa	29,440	4,076	2,788	9,783	36,933	23,425	27,193	2,691	130,948
Pawnee	75,557	11,579	5,356	15,304	34,636	28,904	1,885	3,959	169,262
Phillips	56,743	7,769	2,921	16,646	41,184	28,370	(1,801)	5,048	146,785
Pottawatomie	189,449	20,445	1,605	29,868	90,699	57,635	42,594	15,441	416,855
Pratt	99,682	12,082	1,512	28,388	53,488	41,884	601	8,468	229,169
Rawlins	18,512	2,794	6,471	7,376	19,653	14,124	2,024	1,663	69,291
Reno	819,097	87,217	8,068	91,802	355,744	258,743	12,377	65,289	1,567,759
Republic	46,564	6,173	1,238	13,722	32,735	27,830	4,176	4,193	128,244
Rice	73,199	9,787	12,027	21,219	48,769	44,782	15,189	6,390	218,582
Riley	621,667	97,673	(84)	77,778	245,131	135,406	326,428	35,260	1,468,737
Rooks	46,459	6,124	592	14,345	31,061	26,051	4,483	4,068	125,047
Rush	27,917	3,939	541	5,026	21,007	18,980	790	2,306	75,894
Russell	54,683	7,142	1,954	20,925	46,159	42,312	468	5,612	168,030
Saline	840,371	88,309	596	264,905	270,926	186,285	(45,012)	78,809	1,527,570
Scott	50,326	5,327	18,848	13,679	31,028	16,409	5,995	3,322	138,291
Sedgwick	8,755,483	1,011,273	739	933,624	2,545,849	1,527,324	(1,243,043)	694,465	12,836,784
Seward	326,222	35,468	2,642	56,411	72,860	56,945	(47,180)	25,014	478,355
Shawnee	3,160,883	358,488	(107)	255,422	936,315	663,523	(488,900)	224,037	4,661,588
Sheridan	20,180	2,657	10,217	10,191	18,236	11,284	1,243	1,868	72,140
Sherman	76,370	9,083	11,300	14,666	31,828	32,671	5,319	5,962	175,276
Smith	29,682	3,960	5,383	10,476	30,274	23,745	1,069	2,915	101,674
Stafford	32,840	4,689	10,373	14,319	28,248	28,106	662	2,904	116,333
Stanton	22,419	2,416	11,255	4,456	15,837	7,298	(1,056)	1,195	61,430
Stevens	51,235	6,509	12,492	14,960	32,509	17,793	6,913	3,596	138,816
Sumner	188,154	23,994	3,287	44,982	94,230	102,172	247,604	16,646	687,775
Thomas	89,886	10,983	17,609	21,819	36,966	28,453	(6,679)	7,087	191,949
Trego	21,518	3,215	(328)	9,861	17,167	16,176	3,383	2,105	68,885
Wabaunsee	27,497	4,063	(482)	14,568	25,964	24,616	64,478	2,896	157,808
Wallace	11,750	1,491	4,823	5,040	11,171	7,878	--	1,019	41,133
Washington	39,213	6,101	2,677	9,951	31,982	31,824	9,279	3,324	127,704
Wichita	24,169	2,909	16,721	6,893	12,877	9,898	--	1,689	71,778
Wilson	100,574	12,220	(1,287)	22,404	39,513	47,443	(924)	8,768	211,175
Woodson	14,813	2,234	1,937	9,506	16,938	19,475	8,201	1,967	71,137
Wyandotte	2,962,292	336,781	(36)	117,567	432,317	674,123	(1,183,520)	202,707	3,136,816
Total	41,301,808	4,794,884	487,789	5,612,761	14,469,192	9,327,587	1,059,881	3,224,700	73,829,202

## Appendix F

<b>Kansas Resident Population--1999 &amp; 2000</b>			
<b>Area:</b>	<b>1999</b> (As of 7/1/99)	<b>2000</b> (As of 4/1/00)	<b>% Chg.</b>
U.S.	272,690,813	281,421,906	3.2
Kansas	2,639,653	2,688,418	1.8
Allen	14,556	14,385	(1.2)
Anderson	8,060	8,110	0.6
Atchison	16,908	16,774	(0.8)
Barber	5,342	5,307	(0.7)
Barton	28,944	28,205	(2.6)
Bourbon	15,260	15,379	0.8
Brown	11,070	10,724	(3.1)
Butler	61,932	59,482	(4.0)
Chase	2,950	3,030	2.7
Chautauqua	4,360	4,359	(0.0)
Cherokee	22,552	22,605	0.2
Cheyenne	3,174	3,165	(0.3)
Clark	2,361	2,390	1.2
Clay	9,148	8,822	(3.6)
Cloud	10,027	10,268	2.4
Coffey	8,696	8,865	1.9
Comanche	2,012	1,967	(2.2)
Cowley	36,685	36,291	(1.1)
Crawford	36,360	38,242	5.2
Decatur	3,456	3,472	0.5
Dickinson	19,742	19,344	(2.0)
Doniphan	7,856	8,249	5.0
Douglas	96,381	99,962	3.7
Edwards	3,312	3,449	4.1
Elk	3,351	3,261	(2.7)
Ellis	26,550	27,507	3.6
Ellsworth	6,285	6,525	3.8
Finney	36,514	40,523	11.0
Ford	29,382	32,458	10.5
Franklin	24,768	24,784	0.1
Geary	25,370	27,947	10.2
Gove	3,054	3,068	0.5
Graham	3,204	2,946	(8.1)
Grant	8,012	7,909	(1.3)
Gray	5,595	5,904	5.5

<b>Kansas Resident Population--1999 &amp; 2000</b>			
<b>Area:</b>	<b>1999</b> (As of 7/1/99)	<b>2000</b> (As of 4/1/00)	<b>% Chg.</b>
Greeley	1,704	1,534	(10.0)
Greenwood	8,139	7,673	(5.7)
Hamilton	2,343	2,670	14.0
Harper	6,430	6,536	1.6
Harvey	34,361	32,869	(4.3)
Haskell	3,976	4,307	8.3
Hodgeman	2,209	2,085	(5.6)
Jackson	12,130	12,657	4.3
Jefferson	18,243	18,426	1.0
Jewell	3,867	3,791	(2.0)
Johnson	429,563	451,086	5.0
Kearny	4,177	4,531	8.5
Kingman	8,543	8,673	1.5
Kiowa	3,470	3,278	(5.5)
Labette	23,030	22,835	(0.8)
Lane	2,264	2,155	(4.8)
Leavenworth	71,299	68,691	(3.7)
Lincoln	3,338	3,578	7.2
Linn	9,158	9,570	4.5
Logan	2,987	3,046	2.0
Lyon	33,920	35,935	5.9
McPherson	28,630	29,554	3.2
Marion	13,605	13,361	(1.8)
Marshall	11,006	10,965	(0.4)
Meade	4,424	4,631	4.7
Miami	26,597	28,351	6.6
Mitchell	6,936	6,932	(0.1)
Montgomery	37,089	36,252	(2.3)
Morris	6,169	6,104	(1.1)
Morton	3,440	3,496	1.6
Nemaha	10,536	10,717	1.7
Neosho	16,760	16,997	1.4
Ness	3,607	3,454	(4.2)
Norton	5,752	5,953	3.5
Osage	17,139	16,712	(2.5)
Osborne	4,712	4,452	(5.5)
Ottawa	5,905	6,163	4.4
Pawnee	7,437	7,233	(2.7)

**Appendix F (Continued)**

<b>Kansas Resident Population--1999 &amp; 2000</b>			
<b>Area:</b>	<b>1999</b> <b>(As of 7/1/99)</b>	<b>2000</b> <b>(As of 4/1/00)</b>	<b>% Chg.</b>
Phillips	6,080	6,001	(1.3)
Pottawatomie	18,691	18,209	(2.6)
Pratt	9,700	9,647	(0.5)
Rawlins	3,125	2,966	(5.1)
Reno	63,211	64,790	2.5
Republic	6,102	5,835	(4.4)
Rice	10,360	10,761	3.9
Riley	63,615	62,843	(1.2)
Rooks	5,660	5,685	0.4
Rush	3,413	3,551	4.0
Russell	7,558	7,370	(2.5)
Saline	51,617	53,597	3.8
Scott	5,018	5,120	2.0
Sedgwick	448,050	452,869	1.1
Seward	19,984	22,510	12.6
Shawnee	170,364	169,871	(0.3)
Sheridan	2,741	2,813	2.6
Sherman	6,511	6,760	3.8
Smith	4,588	4,536	(1.1)
Stafford	5,000	4,789	(4.2)
Stanton	2,265	2,406	6.2
Stevens	5,371	5,463	1.7
Sumner	27,043	25,946	(4.1)
Thomas	8,037	8,180	1.8
Trego	3,283	3,319	1.1
Wabaunsee	6,651	6,885	3.5
Wallace	1,802	1,749	(2.9)
Washington	6,490	6,483	(0.1)
Wichita	2,643	2,531	(4.2)
Wilson	10,218	10,332	1.1
Woodson	3,983	3,788	(4.9)
Wyandotte	152,355	157,882	3.6

## Appendix G

### 2000 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Kansas	188,708	609,710	1,533,771	356,229	51,770	13.3	1.9
Allen	850	3,344	7,598	2,593	413	18.0	2.9
Anderson	503	1,842	4,139	1,626	274	20.0	3.4
Atchison	1,068	4,097	8,886	2,723	416	16.2	2.5
Barber	268	1,196	2,702	1,141	137	21.5	2.6
Barton	1,793	6,540	14,829	5,043	764	17.9	2.7
Bourbon	945	3,584	8,046	2,804	462	18.2	3.0
Brown	684	2,437	5,514	2,089	380	19.5	3.5
Butler	4,131	14,708	33,160	7,483	1,070	12.6	1.8
Chase	182	627	1,653	568	89	18.7	2.9
Chautauqua	195	946	2,157	1,061	182	24.3	4.2
Cherokee	1,561	5,065	12,554	3,425	502	15.2	2.2
Cheyenne	149	675	1,499	842	117	26.6	3.7
Clark	146	546	1,177	521	104	21.8	4.4
Clay	475	1,931	4,585	1,831	303	20.8	3.4
Cloud	506	2,266	5,112	2,384	541	23.2	5.3
Coffey	525	2,060	4,841	1,439	284	16.2	3.2
Comanche	111	354	994	508	94	25.8	4.8
Cowley	2,312	8,489	19,720	5,770	903	15.9	2.5
Crawford	2,446	8,133	21,753	5,910	1,078	15.5	2.8
Decatur	157	732	1,674	909	151	26.2	4.3
Dickinson	1,103	4,292	10,350	3,599	591	18.6	3.1
Doniphan	525	2,002	4,388	1,334	206	16.2	2.5
Douglas	5,568	21,967	64,490	7,937	1,028	7.9	1.0
Edwards	202	748	1,782	717	108	20.8	3.1
Elk	138	657	1,641	825	168	25.3	5.2
Ellis	1,582	6,034	15,952	3,939	595	14.3	2.2
Ellsworth	274	1,279	3,643	1,329	267	20.4	4.1
Finney	4,248	11,078	22,368	2,829	342	7.0	0.8
Ford	3,035	8,149	17,708	3,566	537	11.0	1.7
Franklin	1,688	5,840	13,780	3,476	549	14.0	2.2
Geary	2,635	6,549	16,129	2,634	302	9.4	1.1
Gove	182	699	1,491	696	132	22.7	4.3
Graham	133	586	1,530	697	125	23.7	4.2
Grant	688	2,154	4,304	763	83	9.6	1.0
Gray	459	1,571	3,125	749	152	12.7	2.6



## Appendix G (Continued)

### 2000 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Greeley	103	368	792	271	39	17.7	2.5
Greenwood	420	1,583	3,920	1,750	291	22.8	3.8
Hamilton	184	642	1,354	490	83	18.4	3.1
Harper	369	1,395	3,253	1,519	289	23.2	4.4
Harvey	2,167	7,436	17,754	5,512	972	16.8	3.0
Haskell	392	1,149	2,309	457	56	10.6	1.3
Hodgeman	101	549	1,039	396	74	19.0	3.5
Jackson	874	3,020	6,874	1,889	304	14.9	2.4
Jefferson	1,178	4,371	10,519	2,358	323	12.8	1.8
Jewell	173	730	1,905	983	162	25.9	4.3
Johnson	33,641	98,553	273,823	45,069	5,895	10.0	1.3
Kearny	400	1,283	2,344	504	48	11.1	1.1
Kingman	528	2,043	4,405	1,697	292	19.6	3.4
Kiowa	181	700	1,698	699	100	21.3	3.1
Labette	1,412	5,179	12,284	3,960	672	17.3	2.9
Lane	114	475	1,125	441	84	20.5	3.9
Leavenworth	4,775	15,365	41,785	6,766	810	9.8	1.2
Lincoln	185	728	1,823	842	154	23.5	4.3
Linn	603	2,014	5,203	1,750	231	18.3	2.4
Logan	195	660	1,559	632	89	20.7	2.9
Lyon	2,473	8,515	20,764	4,183	733	11.6	2.0
McPherson	1,747	6,836	15,862	5,109	931	17.3	3.2
Marion	730	2,968	6,839	2,824	566	21.1	4.2
Marshall	543	2,449	5,559	2,414	425	22.0	3.9
Meade	368	1,104	2,328	831	148	17.9	3.2
Miami	1,944	6,731	16,298	3,378	493	11.9	1.7
Mitchell	352	1,650	3,448	1,482	290	21.4	4.2
Montgomery	2,189	8,052	19,378	6,633	1,037	18.3	2.9
Morris	347	1,335	3,139	1,283	213	21.0	3.5
Morton	283	849	1,877	487	55	13.9	1.6
Nemaha	765	2,531	5,062	2,359	534	22.0	5.0
Neosho	1,018	3,919	9,080	2,980	451	17.5	2.7
Ness	177	681	1,759	837	164	24.2	4.7
Norton	285	1,141	3,362	1,165	237	19.6	4.0
Osage	1,082	3,811	9,171	2,648	426	15.8	2.5

## Appendix G (Continued)

### 2000 Kansas Resident Population by Age

State/ County:	Under 5	5-19	20-64	65 and Older	85 and Older	% over 65	% over 85
Osborne	205	955	2,148	1,144	235	25.7	5.3
Ottawa	349	1,379	3,349	1,086	218	17.6	3.5
Pawnee	407	1,531	3,955	1,340	224	18.5	3.1
Phillips	332	1,263	3,095	1,311	251	21.8	4.2
Pottawatomie	1,351	4,499	9,908	2,451	379	13.5	2.1
Pratt	570	2,190	5,036	1,851	295	19.2	3.1
Rawlins	134	631	1,443	758	123	25.6	4.1
Reno	4,138	13,697	36,337	10,618	1,567	16.4	2.4
Republic	264	1,143	2,905	1,523	261	26.1	4.5
Rice	627	2,551	5,649	1,934	297	18.0	2.8
Riley	3,586	13,885	40,643	4,729	730	7.5	1.2
Rooks	321	1,240	2,904	1,220	217	21.5	3.8
Rush	172	685	1,795	899	143	25.3	4.0
Russell	372	1,447	3,777	1,774	293	24.1	4.0
Saline	3,713	11,980	30,424	7,480	966	14.0	1.8
Scott	310	1,207	2,758	845	153	16.5	3.0
Sedgwick	35,697	104,140	261,458	51,574	5,974	11.4	1.3
Seward	2,156	5,894	12,454	2,006	317	8.9	1.4
Shawnee	11,492	36,044	98,994	23,341	3,041	13.7	1.8
Sheridan	140	670	1,433	570	84	20.3	3.0
Sherman	411	1,588	3,608	1,153	148	17.1	2.2
Smith	194	884	2,194	1,264	248	27.9	5.5
Stafford	274	1,088	2,412	1,015	167	21.2	3.5
Stanton	189	603	1,302	312	38	13.0	1.6
Stevens	447	1,412	2,877	727	99	13.3	1.8
Sumner	1,725	6,394	13,813	4,014	582	15.5	2.2
Thomas	548	2,051	4,384	1,197	173	14.6	2.1
Trego	168	698	1,657	796	142	24.0	4.3
Wabaunsee	428	1,575	3,809	1,073	134	15.6	1.9
Wallace	98	465	870	316	49	18.1	2.8
Washington	367	1,298	3,193	1,625	322	25.1	5.0
Wichita	210	566	1,350	405	78	16.0	3.1
Wilson	601	2,284	5,386	2,061	325	19.9	3.1
Woodson	188	732	1,929	939	151	24.8	4.0
Wyandotte	12,759	37,049	89,554	18,520	2,226	11.7	1.4

## Appendix H

### Kansas Population Projections by County

<b>State/ County:</b>	<b>Official Population April 1, 2000</b>	<b>2010</b>	<b>2020</b>	<b>2030</b>	<b>2040</b>
Kansas	2,688,418	2,877,838	3,067,596	3,257,366	3,445,843
Allen	14,385	14,765	14,816	14,867	14,917
Anderson	8,110	8,497	8,850	9,203	9,556
Atchison	16,774	15,986	15,543	15,101	14,658
Barber	5,307	5,325	5,108	4,902	4,706
Barton	28,205	31,281	32,234	33,186	34,139
Bourbon	15,379	16,261	16,908	17,556	18,203
Brown	10,724	10,722	10,542	10,362	10,183
Butler	59,482	62,456	64,954	66,903	68,241
Chase	3,030	2,806	2,694	2,596	2,507
Chautauqua	4,359	4,200	4,112	4,025	3,937
Cherokee	22,605	24,729	26,429	28,129	29,829
Cheyenne	3,165	2,973	2,865	2,769	2,682
Clark	2,390	2,201	2,104	2,012	1,924
Clay	8,822	8,901	8,982	9,062	9,144
Cloud	10,268	10,514	10,704	10,811	10,919
Coffey	8,865	9,380	9,852	10,324	10,796
Comanche	1,967	1,925	1,762	1,604	1,453
Cowley	36,291	37,203	37,344	37,485	37,626
Crawford	38,242	39,165	41,042	42,920	44,797
Decatur	3,472	3,257	2,931	2,638	2,374
Dickinson	19,344	21,724	23,094	24,464	25,833
Doniphan	8,249	7,718	7,503	7,288	7,073
Douglas	99,962	104,960	109,159	112,433	114,682
Edwards	3,449	3,363	3,181	3,010	2,846
Elk	3,261	3,497	3,587	3,677	3,767
Ellis	27,507	28,301	29,269	30,280	31,326
Ellsworth	6,525	6,641	6,720	6,800	6,879
Finney	40,523	40,160	43,627	47,094	50,561
Ford	32,458	32,785	35,479	38,173	40,866
Franklin	24,784	27,968	31,003	34,038	37,073
Geary	27,947	32,293	33,146	33,999	34,852
Gove	3,068	3,008	2,920	2,841	2,773
Graham	2,946	2,905	2,634	2,390	2,170
Grant	7,909	8,719	9,456	10,208	10,974
Gray	5,904	5,728	5,926	6,142	6,375

## Appendix H (Continued)

### Kansas Population Projections by County

State/ County:	Official Population April 1, 2000	2010	2020	2030	2040
Greeley	1,704	1,787	1,805	1,823	1,842
Greenwood	8,139	8,408	8,693	8,978	9,263
Hamilton	2,343	2,335	2,316	2,304	2,299
Harper	6,430	6,176	5,787	5,419	5,072
Harvey	34,361	34,403	36,150	37,898	39,645
Haskell	3,976	4,088	4,212	4,348	4,493
Hodgeman	2,209	2,377	2,482	2,587	2,692
Jackson	12,130	14,793	16,426	18,058	19,691
Jefferson	18,243	20,213	22,368	24,523	26,678
Jewell	3,867	3,582	3,293	3,030	2,792
Johnson	429,563	509,641	585,429	661,217	737,006
Kearny	4,177	4,998	5,499	6,000	6,500
Kingman	8,543	8,055	7,914	7,807	7,729
Kiowa	3,470	3,393	3,272	3,161	3,055
Labette	23,030	22,773	22,318	21,863	21,408
Lane	2,264	2,170	2,084	2,007	1,937
Leavenworth	71,299	83,061	92,373	101,685	110,997
Lincoln	3,338	3,034	2,768	2,527	2,312
Linn	9,158	9,832	10,624	11,417	12,209
Logan	2,987	3,177	3,210	3,243	3,277
Lyon	33,920	35,857	36,575	37,292	38,010
McPherson	28,630	30,429	31,996	33,563	35,130
Marion	13,605	13,829	13,946	14,301	14,656
Marshall	11,006	11,517	11,444	11,372	11,299
Meade	4,424	4,777	5,062	5,347	5,631
Miami	26,597	32,928	37,665	42,403	47,140
Mitchell	6,936	6,901	6,753	6,605	6,457
Montgomery	37,089	38,021	37,373	37,326	36,978
Morris	6,169	6,648	6,875	7,102	7,329
Morton	3,440	3,511	3,528	3,552	3,581
Nemaha	10,536	10,404	10,396	10,389	10,381
Neosho	16,760	18,306	18,931	19,556	20,181
Ness	3,607	3,528	3,327	3,139	2,956
Norton	5,752	5,638	5,534	5,447	5,381
Osage	17,139	19,706	21,943	24,180	26,416

## Appendix H (Continued)

### Kansas Population Projections by County

<b>State/ County:</b>	<b>Official Population April 1, 2000</b>	<b>2010</b>	<b>2020</b>	<b>2030</b>	<b>2040</b>
Osborne	4,712	4,138	3,805	3,486	3,179
Ottawa	5,905	6,094	6,339	6,584	6,829
Pawnee	7,437	7,208	7,125	7,061	7,014
Phillips	6,080	5,806	5,526	5,269	5,031
Pottawatomie	18,691	22,541	25,738	28,936	32,133
Pratt	9,700	9,561	9,521	9,481	9,440
Rawlins	3,125	2,982	2,785	2,590	2,410
Reno	63,211	63,965	64,842	65,836	66,941
Republic	6,102	5,613	5,246	4,911	4,606
Rice	10,360	10,111	9,926	9,759	9,615
Riley	63,615	80,569	87,219	93,869	100,519
Rooks	5,660	5,511	5,251	4,991	4,731
Rush	3,413	3,611	3,490	3,380	3,278
Russell	7,558	7,440	7,275	7,110	6,945
Saline	51,617	56,670	60,209	63,748	67,287
Scott	5,018	5,820	6,095	6,383	6,681
Sedgwick	448,050	483,922	523,189	562,457	601,724
Seward	19,984	22,295	24,174	26,053	27,931
Shawnee	170,364	195,873	213,218	230,563	247,908
Sheridan	2,741	2,517	2,287	2,080	1,894
Sherman	6,511	6,877	6,789	6,715	6,652
Smith	4,588	4,251	3,917	3,583	3,249
Stafford	5,000	4,816	4,588	4,360	4,132
Stanton	2,265	2,428	2,492	2,564	2,641
Stevens	5,371	5,865	6,274	6,683	7,092
Sumner	27,043	28,798	30,285	31,773	33,260
Thomas	8,037	8,461	8,551	8,641	8,730
Trego	3,283	3,087	2,828	2,578	2,339
Wabaunsee	6,651	6,707	6,794	6,882	6,969
Wallace	1,802	1,797	1,785	1,773	1,762
Washington	6,490	6,307	5,986	5,694	5,430
Wichita	2,643	2,768	2,760	2,752	2,745
Wilson	10,218	10,328	10,390	10,453	10,515
Woodson	3,983	4,400	4,540	4,680	4,820
Wyandotte	152,355	146,087	139,507	132,927	126,347