

## Population Growth Continues to Slow Amid Sluggish Economic Recovery

Nearly three years after the end of the Great Recession, many key measures of the economy are showing slow but real improvements. However, slow population growth around the country—an important side effect of the economic downturn—does not show any signs of turning around. In fact, the U.S. Census Bureau recently reported that between 2010 and 2011, the U.S. had its lowest annual rate of population growth since the mid-1940s.

Here in Indiana, the population increased by 26,300 residents in 2011—a 0.4 percent increase. This was the state’s lowest one-year growth rate since 1988. As **Table 1** shows, Indiana’s rate of growth in 2011 was only two-thirds as quick as its pace between 2000 and 2010. In all, 43 states had a slower rate of change in 2011 than they averaged over the previous decade. Some of the most dramatic declines were in once booming states. Nevada, for instance, was the nation’s fastest growing state last decade yet its 2011 pace ranked 25th. Arizona grew at just half the rate it did between 2000 and 2010.

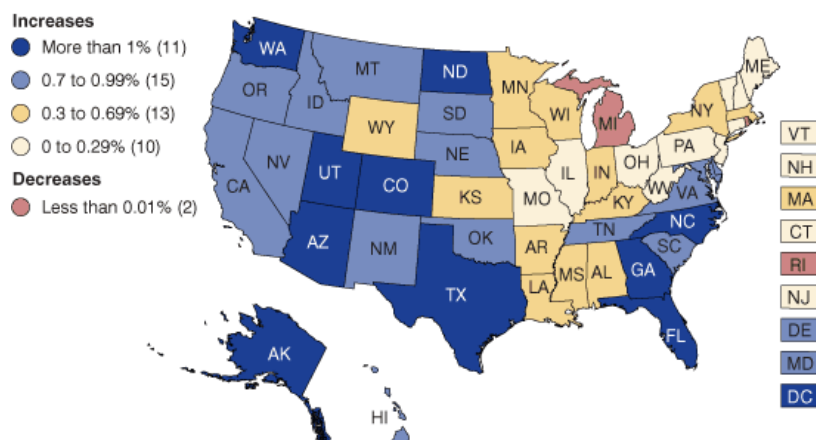
**Table 1: 2011 Population Growth Rate Compared to 2000 to 2010 Annual Average, Select States**

State	Average Annual Percentage Change, 2000 to 2010	Percentage Change, 2010 to 2011	2000 to 2010 Rank	2010 to 2011 Rank
Nevada	3.1%	0.7%	1	25
Arizona	2.2%	1.1%	2	9
Texas	1.9%	1.7%	5	2
Florida	1.6%	1.2%	8	8
Kentucky	0.7%	0.5%	28	31
<b>Indiana</b>	<b>0.6%</b>	<b>0.4%</b>	<b>31</b>	<b>34</b>
Illinois	0.3%	0.2%	43	42
Ohio	0.2%	0.1%	48	48
Michigan	-0.1%	-0.01%	51	50
United States	0.9%	0.7%	n/a	n/a

Source: IBRC, using U.S. Census Bureau population estimates

Like last decade, Indiana’s 2011 growth rate outpaced neighboring Illinois, Ohio and Michigan but trailed Kentucky (see **Figure 1**). Michigan was the only state to lose population between 2000 and 2010. It lost population last year too, but not as quickly.

**Figure 1: Population Change by State, 2010 to 2011**



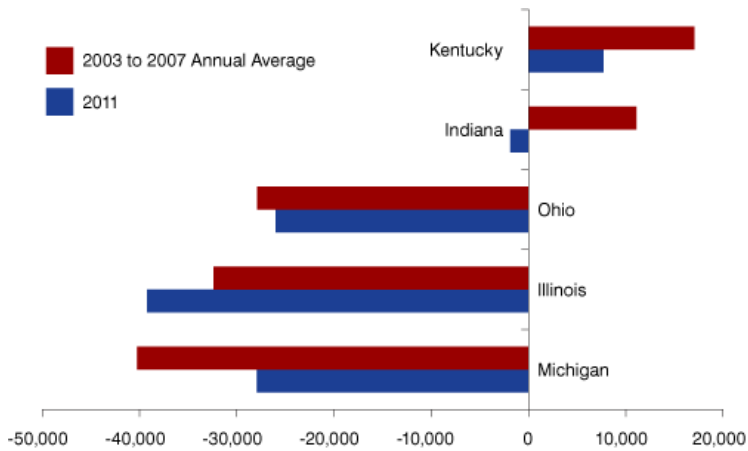
Source: IBRC, using U.S. Census Bureau population estimates

Low levels of migration account for much of this slowdown. At the national level, the most striking shift in recent years is that net migration between Mexico and the U.S. is essentially at zero according to the Pew Hispanic Center.<sup>1</sup> Mexico has long been the nation's largest source of immigration but that flow has come to a stop for now.

Since the onset of the recession, migration between states is down as well. For instance, 35 states had a net in-migration of residents between 2003 and 2007. Of these states, only eight had a net inflow in 2011 that exceeded their annual average over this pre-recession period. By contrast, in 2011, fewer people moved away from 12 of the 16 states that had an average annual net outflow of residents between 2003 and 2007. These trends suggest an overall dampening of movement around the country in the wake of the recession.

Indiana averaged a net in-migration of 11,100 residents per year over this pre-recession period but had a net outflow of nearly 1,900 in 2011 (see **Figure 2**). This is only the third time since 1990 that the state had a one-year net out-migration of population.<sup>2</sup> Michigan and Ohio are two examples of states that lost a lot of population through migration during the mid-2000s but saw fewer residents leave on average in 2011.

**Figure 2: 2011 Net Migration Compared to 2003 to 2007 Annual Average, Select States**



Source: Indiana Business Research Center, using U.S. Census Bureau population estimates

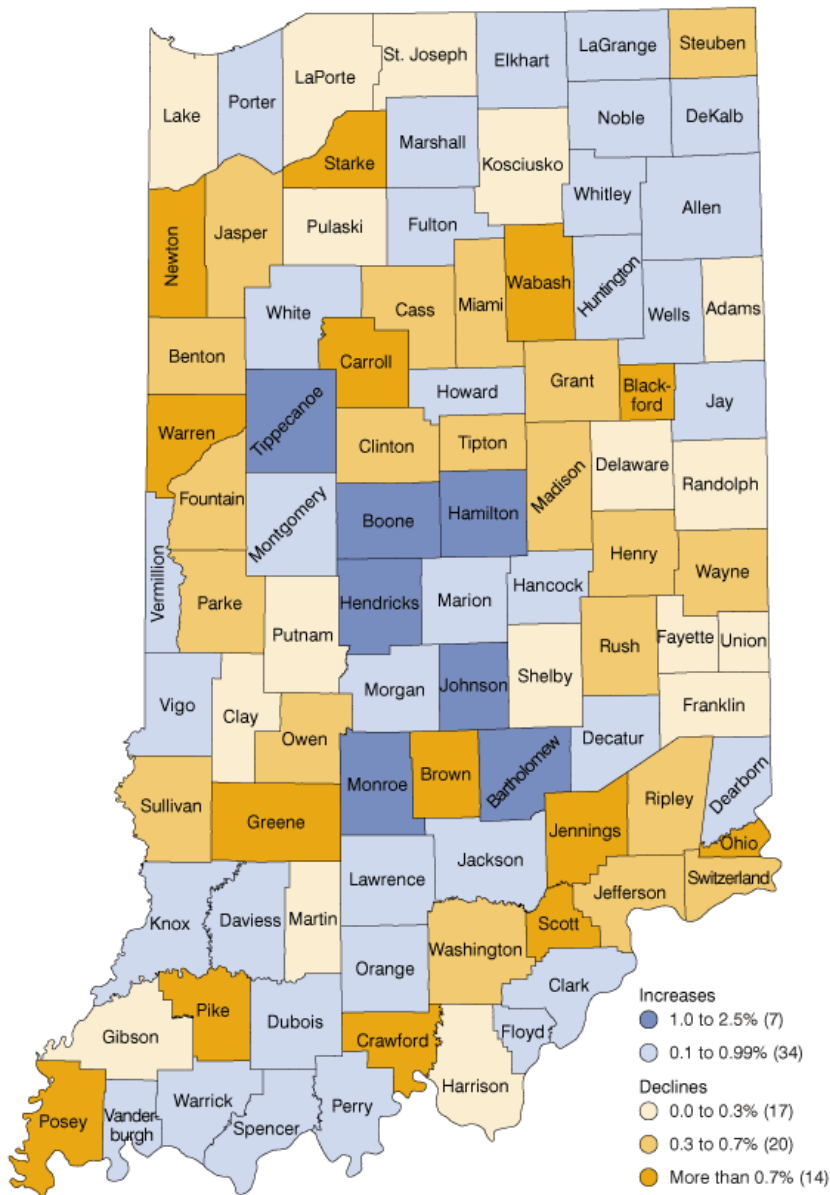
### Around Indiana

The economic downturn has altered population trends within Indiana as well. In 2011, Marion, Hamilton, Allen and Hendricks counties posted the largest population increases among Indiana counties. However, the growth in Hamilton and Hendricks counties was well below their annual averages over the previous decade. Hamilton County added 6,358 residents in 2011 compared to an average annual increase of 9,183 from 2000 to 2010. Hendricks County's population grew by 2,113 last year compared to 4,136 per year over the previous decade.

In contrast, Marion County's population growth of 6,507 residents in 2011 was well above its average annual increase of 4,294 over the past decade. An accelerated pace of growth in 2011 was rare among Indiana's larger counties, however. Of the 20 counties that led the state in average annual population growth last decade, only three—Marion, Allen and Bartholomew—had an increase in 2011 that exceeded their average mark from 2000 to 2010.

Even though growth was down in many suburban areas in 2011, Hamilton County (2.3 percent population increase) and Hendricks County (1.4 percent) were still the state's fastest growing counties. In all, the 10-county Indianapolis-Carmel metro area accounted for 67 percent of the state's total population growth last year. Outside of central Indiana, Bartholomew County had the quickest pace of growth at 1.3 percent, which ranked as the state's third-fastest growth rate in 2011 (see **Figure 3**).

**Figure 3: Population Change by County, 2010 to 2011**



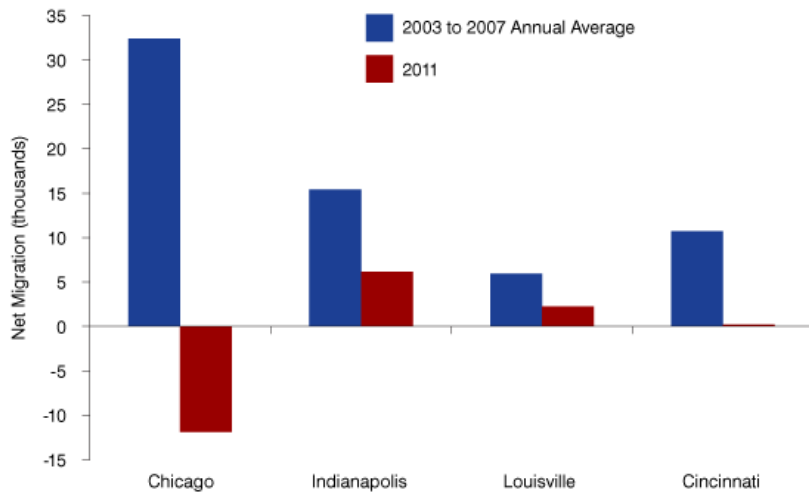
Source: Indiana Business Research Center, using U.S. Census Bureau population estimates

Fifty-one of Indiana's 92 counties lost population last year. According to past Census Bureau estimates, this is the largest number of Indiana counties to post a one-year decline since 1986, when 57 counties lost population. Lake County had the state's largest population decline in 2011 at 572 residents, followed by Madison County (-417), Greene County (-290) and Jennings County (-283). As for the pace of decline, Blackford County had the highest rate of population loss last year at 1.3 percent, followed by Jennings (-1.0 percent), Pike (-0.9 percent) and Greene (-0.9 percent) counties.

### Migration to the Suburbs Slows

Just as migration between states has slowed, so too has migration within many large metro areas. **Figure 4** compares the 2011 net migration estimates for the suburban counties of the Indianapolis metro area along with the large metros that border the state against their average annual levels before the recession. The nine suburban counties of the Indianapolis area averaged a net in-migration of roughly 15,400 residents a year between 2003 and 2007.<sup>3</sup> However, the net influx dropped to 6,200 in 2011—a 60 percent decrease. Within the area, Hamilton County had the largest drop—going from an annual average of 7,600 net in-migrants between 2003 and 2007 to 3,800 in 2011. Comparing the same periods, the net in-migration marks for Hendricks and Johnson counties were down 2,000 residents and 1,200 residents, respectively.

**Figure 4: 2011 Net Migration Estimates for Suburban Counties of Select Metro Areas**



Source: Indiana Business Research Center, using U.S. Census Bureau population estimates

The 13 outlying counties of the Chicago metro area (which include Lake, Porter, Jasper and Newton counties in Indiana) have shown an even more dramatic fall in migration. These 13 counties combined to average a net in-migration of 32,000 residents a year between 2003 and 2007 yet had a large net out-migration in 2011. Of this group, Indiana's Lake County had the second-largest 2011 net out-migration at roughly 2,500 residents. Net migration in the Louisville and Cincinnati suburbs, which also include Indiana counties, is down since the recession too.

Meanwhile, many of the core urban counties of these metros have seen marked improvements in their net migration figures since the downturn as the flow of residents to suburban areas or to other fast-growing regions of the country slowed. Marion County, for instance, averaged a net out-migration of 4,200 residents per year between 2003 and 2007 but that outflow slowed to 1,300 residents in 2011. Between the same periods, net out-migration from Cook County, Illinois (Chicago) slowed from an average of 62,600 per year to 17,600.

### Slower Growth among All Large Racial and Ethnic Groups

The Hispanic population showed the largest growth of any race or ethnic group in the state with roughly 11,560 new residents added from 2010 to 2011. This change was two-and-a-half times greater than the black population's increase of 4,620 residents—the second-largest increase of any racial or ethnic group in Indiana.<sup>4</sup> The state's non-Hispanic white population increased by 4,340 in the past year, while the Asian population added 3,020 residents. The Hispanic population alone accounted for 44 percent of Indiana's total growth in 2011.

The growth in each of these groups was much lower than their average annual increase from 2000 to 2010. Indiana's Hispanic population grew by an average of 17,510 residents per year in the past decade, while the black population averaged 7,660 new residents per year. Over the same period, the state's white and Asian populations grew by an average of 6,430 and 4,320 residents per year, respectively.

Because of the state's varying growth trends in recent years, Indiana has become more diverse. The non-Hispanic white population's share of Indiana's total dropped to 81.3 percent in 2011 from 86 percent in 2000. Over the same period, the state's black population climbed from 8.4 percent of the total to 9.1 percent. Indiana's Hispanic residents now account for 6.2 percent of the state's population, compared to 3.5 percent in 2000.

While Indiana's racial and ethnic makeup has shifted, the state remains less diverse than the nation. The share of Indiana's population that is non-Hispanic white is well above the U.S. mark of 63.4 percent. Also, the share of the U.S. population that is Hispanic is nearly three times greater than the Indiana mark.

### Greater Diversity in Youth Population

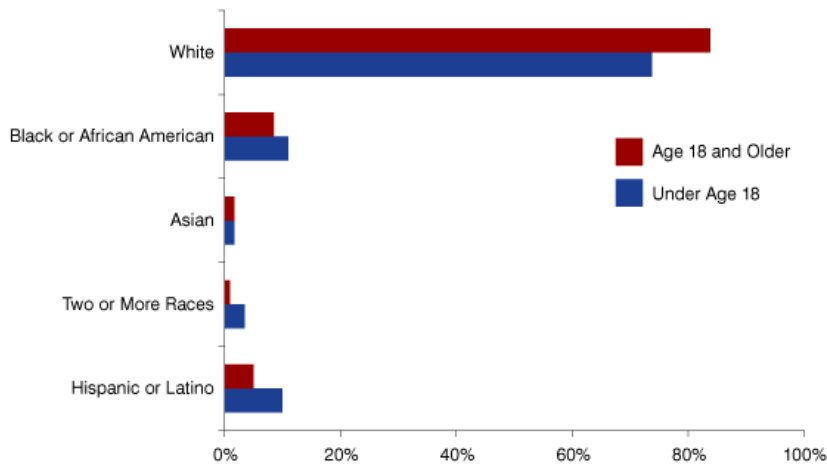
The nature of the growth within the state's child population underscores Indiana's growing racial and ethnic diversity. In 2011, the number of non-Hispanic white residents younger than 18 dropped by 1 percent. This rate of change equates to a decline of 11,460 white children in the past year. The number of black children in the state fell by 1,480 from 2010 to 2011—a 0.8 percent decline.

By contrast, the Hispanic population younger than 18 increased by 3,720 (2.4 percent increase), and the number of Asian children grew by 810 residents (3.2 percent). In all, the state's total child population dropped by roughly 7,700 residents in 2011—down 0.5

percent from 2010.

Because of its strong growth in the younger age groups, Hispanic residents now account for 9.9 percent of the total Indiana child population, compared to 5 percent of the state's population age 18 or older (see **Figure 5**). By contrast, non-Hispanic white residents make up 73.7 percent of the state's population younger than 18, compared to 83.8 percent of the adult population. Indiana's black residents account for 11 percent of the child population and 8.5 percent of the adult population. For more population estimates data for Indiana and the country, please visit [www.stats.indiana.edu/topic/population.asp](http://www.stats.indiana.edu/topic/population.asp).

**Figure 5: Share of Indiana Population by Age Group, Race and Ethnicity, 2011**



Source: Indiana Business Research Center, using U.S. Census Bureau population estimates

## Notes

1. Jeffrey Passel, D'Vera Cohn and Ana Gonzalez-Barrera, "Net Migration from Mexico Falls to Zero—and Perhaps Less," Pew Hispanic Center, May 2012, [www.pewhispanic.org/2012/04/23/net-migration-from-mexico-falls-to-zero-and-perhaps-less/](http://www.pewhispanic.org/2012/04/23/net-migration-from-mexico-falls-to-zero-and-perhaps-less/).
2. The other years were 2002 and 2010. In years like 2010 when the Census Bureau conducts a decennial census, they publish estimates for only a portion of that year.
3. In the case of the Indianapolis metro area, the suburban counties are Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Morgan, Putnam and Shelby. Marion County is the metro area's core county and is excluded from these numbers.
4. Hispanic is an ethnicity, not a race. Hispanic residents may be of any race. All references to race groups in this release exclude Hispanic residents of that race.

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## Gotta Eat: Indiana Food Processing

People have to eat—even during recessions. Food processing has been among the most stable of manufacturing industries throughout the recession and we have seen the availability of processed (manufactured) food expand significantly over the past few decades, with a dizzying array of products appearing on grocery store shelves.

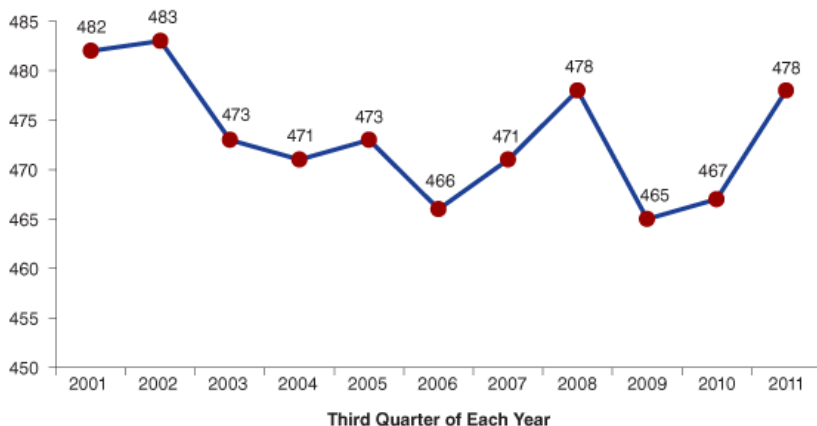
Indiana has a long history in food processing, such as Clabber Girl in Terre Haute. It began as Hulman & Company more than 150 years ago, according to the company website ([www.clabbergirl.com](http://www.clabbergirl.com)), and eventually renamed itself Clabber Girl in 1923.

The range of food processed in Indiana includes meat, dairy, grains, sugar, fruits, vegetables and baked goods. Meat (animal) processing is by far the biggest employing industry in the food sector. According to the 2010 Annual Survey of Manufactures, there are nearly a half-million jobs (479,556) nationally and 8,804 such jobs in Indiana. Most folks seem to want hamburger buns and tortillas with their meat, so it's no surprise that the bakeries and tortilla manufacturing industry have the next highest number of jobs, with more than a quarter million nationally (247,588) and 7,685 in Indiana.

### Food Firms Fluctuate

Hoosier establishments engaged in processing food varied in number from 2001 to 2011, peaking in 2002 with 483 plants and reaching a low of 465 in 2009. Some of this variation in the number of plants might be caused by mergers and acquisitions, which can be significant in the food industry. Some closures were also the likely result of the recession. By the third quarter of 2011, the number of establishments in Indiana engaged in making food was at 478, the same number as in 2008 just prior to the recession (see **Figure 1**).

**Figure 1: Indiana Food Manufacturing Establishments, 2001 to 2011**

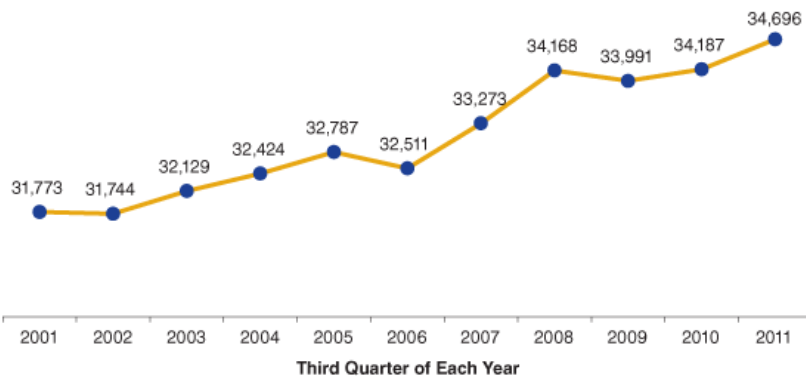


Source: IBRC, using Quarterly Census of Employment and Wages data

### Jobs in Food Firms Relatively Stable

The number of jobs in the food processing industry remained relatively stable throughout most of the decade and the trend was toward year-to-year growth except for 2009, when the numbers declined slightly (see **Figure 2**). By the third quarter of 2011, the number of jobs had risen to 34,696 with an average weekly wage of \$805. While the number of firms may have declined over the decade, the average number of employees working at each firm rose from 66 in 2001 to 73 in 2011.

**Figure 2: Indiana Food Manufacturing Jobs, 2001 to 2011**



Source: IBRC, using Quarterly Census of Employment and Wages data

### A Bit More on the Meat Processors

The biggest meat producers in the United States include Cargill, Tyson and Smithfield. Tyson has plants in Indiana processing pork and poultry (in Logansport and Corydon), while Cargill has small units in Indiana dealing with grain and farm supplies (in Bremen and Linden). Company research by the author didn't turn up any Smithfield-affiliated units in Indiana.

### Indiana's Largest Food Manufacturers

Largest employers in this sector include national brands as well as more regional or Indiana-focused firms. **Table 1** lists the largest employers (employing 500 or more), along with a brief description of the food product. Tyson, for example, has multiple plants in Indiana—the two largest are Tyson Fresh Meats, which processes pork products, and Tyson Foods, which handles poultry.

**Table 1: Indiana Food Manufacturers with More than 500 Employees, 2012**

Company	Location	Description of Food Products
Tyson Fresh Meats	Logansport	Pork processing
Lewis Bakeries, Inc.	Evansville	Bakery products
Indiana Packers Corp.	Delphi	Meat packing (Trade name Indiana Kitchen)
Frito-Lay	Frankfort	Snack foods
Wonder Bread	Indianapolis	Bakery products
Tyson Foods, Inc.	Corydon	Poultry processing
Red Gold, Inc.	Orestes	Canned foods, especially tomatoes
National Starch	Indianapolis	Wet corn milling for starch
Lawrenceburg Distillers	Greendale	Alcoholic beverage distillers
Kraft Foods	Kendallville	Variety of foods
Hostess Brands, Inc.	Columbus	Wholesale bakers
Farbest Foods, Inc.	Huntingburg	Poultry (primarily turkey) processing
Coca-Cola Bottling Co.	Indianapolis	Beverage bottling
Ameri Qual Group	Evansville	Shelf-stable food products (Dept. of Defense is a big client)
Zachary Confections	Frankfort	Chocolates and other confections
Sensient Flavors LLC	Indianapolis	Flavorings
Nestle USA	Anderson	Variety of foods
Pretzels, Inc.	Blufton	Private-label supplier of pretzels and other products
Pace Dairy of Indiana	Crawfordsville	Cheese and other foods for Kroger
Morgan Foods, Inc.	Scottsburg	Canning

Source: InfoGroup USA

For more information, check out industry code 311 on STATS Indiana's [Employment and Earnings topic page](#).

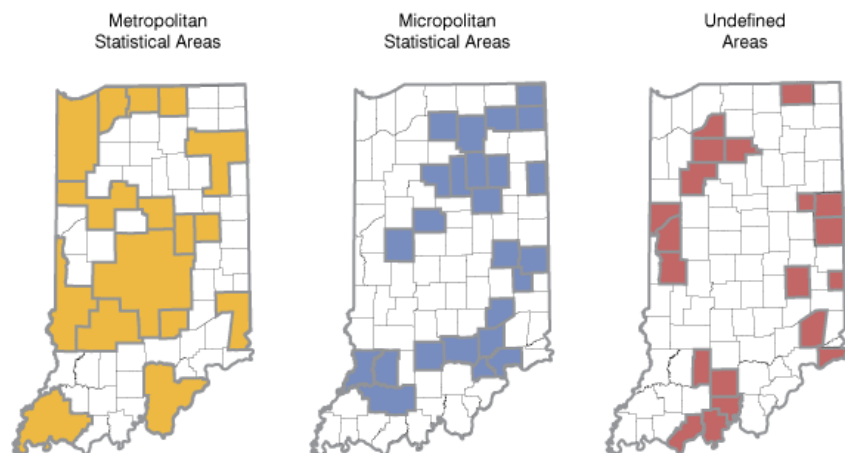
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## Indiana's Statistical Areas: An Overview

The United States is made up of various statistical areas, including metropolitan statistical areas (metros) and micropolitan statistical areas (micros). In short, metros are areas centered around an urbanized core with a population of at least 50,000; micros are urban clusters with a population between 10,000 and 50,000. Indiana has 16 metros and 25 micros. Of Indiana's 92 counties, 20 counties are not included in either a metro or micro (see **Figure 1**). Those areas not included in a metro or micro will be referred to as undefined areas for the purposes of this article.

**Figure 1: Maps of Indiana's Metros, Micros and Undefined Areas**



Source: Indiana Business Research Center

### Population

Indiana's metro counties made up 78.5 percent of the state's population in 2011, while micros contained 15.9 percent of Indiana's population, and the undefined counties made up the remaining 5.6 percent of the population.

In 2011, metros were the only areas to experience an overall gain in population, adding nearly 27,000 residents. Indiana's micro population decreased by about 250 people and the undefined area population decreased by about 300 people (see **Table 1**). Metros as a whole, micros as a whole, and undefined counties as a whole all saw a natural increase in population (more births than deaths) and each group experienced positive net international migration (more people from outside U.S. borders moved into the areas than moved out of the areas). However, all groups saw a negative net domestic migration (more people moved elsewhere in the United States).

**Table 1: Change in Population for Indiana's Metros, Micros and Undefined Areas**

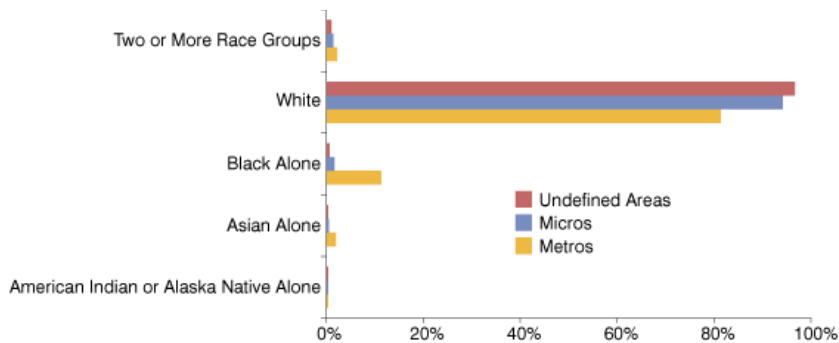
Components of Population Change, 2011	Metros	Micros	Undefined Areas
Net Domestic Migration	-4,490	-3,331	-1,238
Net International Migration	6,305	746	124
Natural Increase (births minus deaths)	25,100	2,328	805
Total Change in Population, 2010-2011	26,915	-257	-309

Source: IBRC, using U.S. Census Bureau data

Indiana's metros have a higher proportion (10.4 percent) of college age students, compared to 9 percent in micros and 7.8 percent in undefined areas. Metros also have a higher proportion of minority populations (see **Figure 2**).

**Figure 2: Percent Distribution of Race in Metros, Micros and Undefined Areas, 2011**



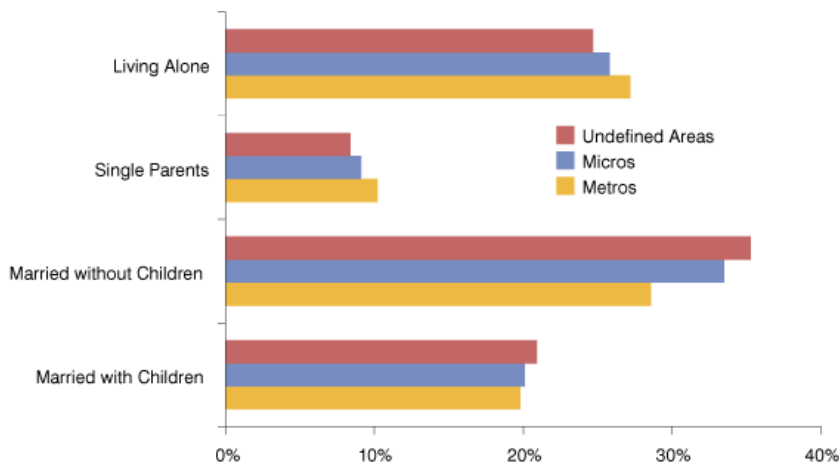


Note: Native Hawaiian and Other Pacific Islander are omitted from the graph since they make up 0 percent of the population in each area.  
Source: IBRC, using U.S. Census Bureau data

### Households

Micros and undefined areas have a higher proportion of households that are married with children: 20.1 percent of households in micros and 20.9 percent in undefined areas, compared to 19.8 percent in metros. The micros and undefined areas also have a higher proportion of married households without children (see **Figure 3**). Meanwhile, the proportion of single parents and those living alone is higher in metros than in the more rural areas of the state.

**Figure 3: Household Types in Metros, Micros and Undefined Areas, 2011**



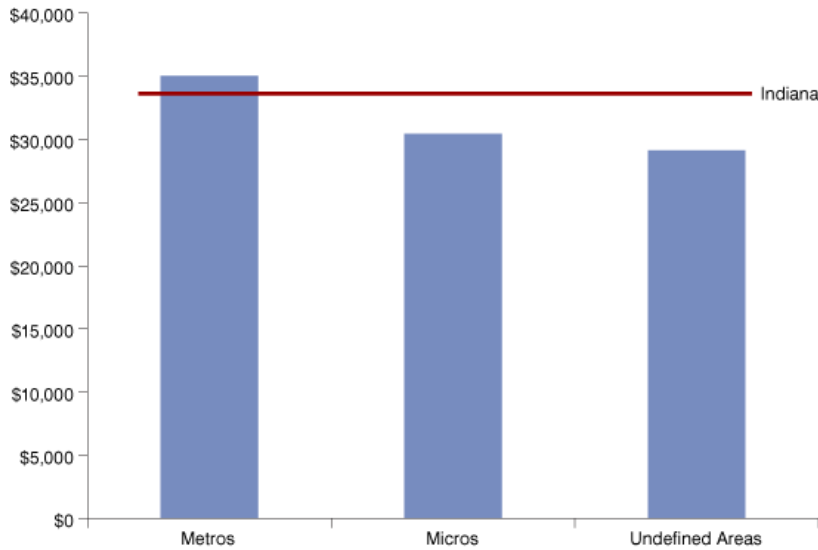
Note: Percentages do not add to 100 because these household types are not inclusive of all households in each area  
Source: IBRC, using U.S. Census Bureau data

### Income and Poverty

While metros make up 78.5 percent of Indiana's population, they contain 85.7 percent of those receiving welfare (TANF) payments according to the latest data available.<sup>1</sup> Micros had 10.9 percent of Indiana's total welfare population and undefined areas had 3.4 percent.

Even though the metros had a proportionately higher percentage of people on welfare, they had a higher per capita personal income in 2010 (\$35,050). Micros had an annual per capita income of \$30,454, while undefined areas came in at \$29,142 (see **Figure 4**).

**Figure 4: Per Capita Personal Income by Area, 2010**



Source: IBRC, using U.S. Bureau of Economic Analysis and U.S. Census Bureau data

## Labor Force and Employment

More urbanized areas generally indicate more opportunity for work, as can be seen in the unemployment numbers by area (see **Table 2**). Micros and undefined areas had higher unemployment rates for 2011 than metros and Indiana overall.

**Table 2: Unemployment Rates for Indiana's Metros, Micros and Undefined Areas**

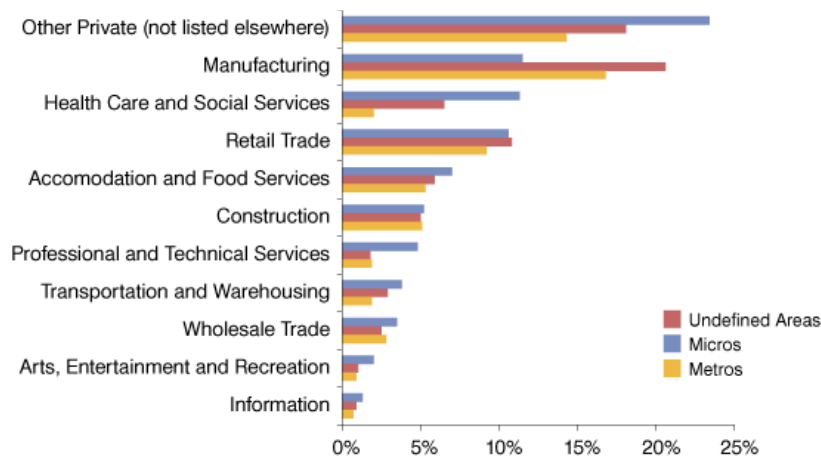
	Annual Unemployment Rate, 2011	March 2012 Unemployment Rate
Metro Counties	8.9	8.6
Micro Counties	9.5	8.9
Undefined Areas	9.2	8.8
Indiana	9.0	8.6

Source: Indiana Department of Workforce Development

Nearly 99 percent of employment in metros was nonfarm employment, compared to 95.7 percent in micros and 92 percent in undefined areas. Therefore, even in "farming counties," the vast majority of employment is not in farming. Manufacturing was the single industry with the highest proportion of workers in 2010 for metros (11.5 percent), micros (20.6 percent) and undefined areas (16.8 percent). The higher proportion of manufacturing in micros and undefined areas could help explain why the unemployment rates are higher in the less urban areas after the Great Recession of 2007-2009 since the manufacturing industry took some hard hits.

Two industries showed major employment differences from metros to other areas of the state: the health care and social services industry as well as the professional and technical services industry. Metros had a considerably higher proportion of workers in these industries than did micros or undefined areas (see **Figure 5**).

**Figure 5: Percent Distribution of Employment Industry, 2010**



Note: Only industry data for retail trade was fully disclosable in all geographic areas. All other industries had at least one county where industry data are not disclosable by BEA requirements.

Source: IBRC, using Bureau of Economic Analysis data

## Summary

The data in this article show what is generally expected to be true. Metros have more people (by definition), higher pay (though not necessarily more buying power), more single parents and those living alone, lower unemployment rates, but more people on welfare. Learn more about individual metros, micros and other counties at [STATS Indiana](#).

## Notes

1. Welfare data are from 2008 ([www.stats.indiana.edu/topic/welfare.asp#welfare](http://www.stats.indiana.edu/topic/welfare.asp#welfare)). TANF (Temporary Assistance to Needy Families) provides cash assistance to children under age 18 who are deprived of financial support of a parent.

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