

The Evansville Metro Area

The Area

The Evansville Metropolitan Statistical Area (metro) consists of Gibson, Posey, Vanderburgh and Warrick counties in southwest Indiana, along with Henderson and Webster counties in Kentucky. Major cities in the area include Evansville (naturally), Princeton, Mount Vernon and Henderson, Ky.

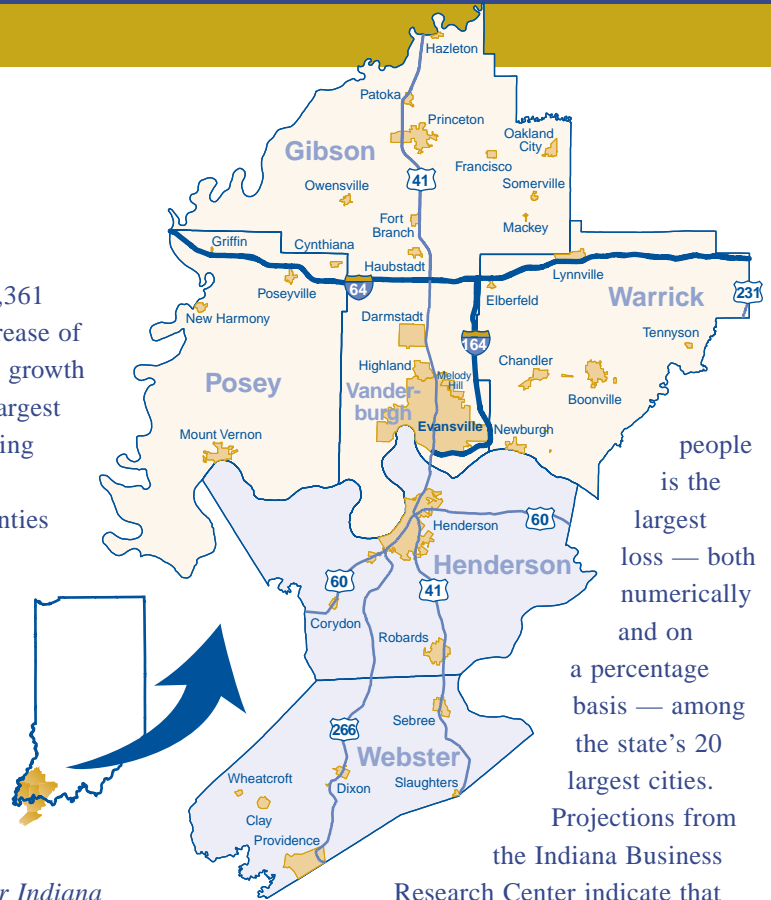
Population from both sides of the Ohio River totaled 345,680, according to 2003 estimates from the U.S. Census Bureau. Indiana's portion accounted for 286,500 of those residents, or essentially 83 percent of the metro total.

With a 0.8 percent population increase since Census 2000, the metro's growth has been less than half the state's rate. The Hoosier side of the metro area grew 0.9 percent, while the two Kentucky counties combined for a 0.4 percent growth. Posey, Vanderburgh and Webster counties all experienced population losses, while Warrick

County gained 2,361 residents, an increase of 4.5 percent. This growth was among the largest in the state, ranking seventh among Indiana's 92 counties on a percentage basis and 13th on a numeric basis.

Editor's Note: The remainder of this article will focus solely on the four Indiana counties within the metro.

Growth between 2000 and 2003 has been concentrated in the suburbs, as the city of Evansville itself has experienced a 3 percent decline in population. Evansville remains the third largest city in the state (behind Indianapolis and Fort Wayne), but the loss of 3,701



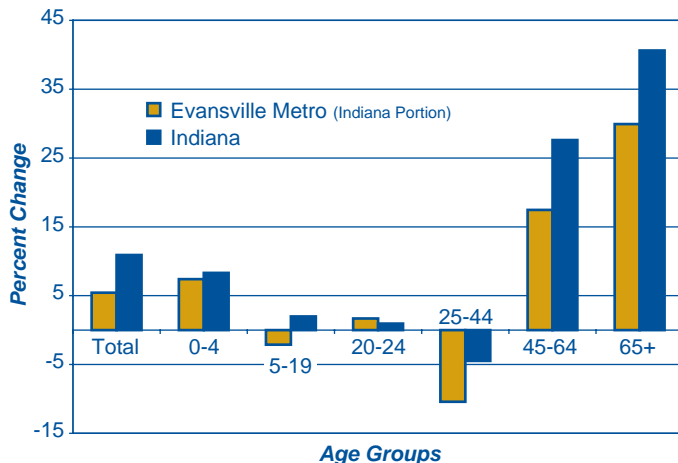
people is the largest loss — both numerically and on a percentage basis — among the state's 20 largest cities.

Projections from the Indiana Business Research Center indicate that the four-county region will grow 5.4 percent from Census 2000 levels by 2020. This is essentially half of the state's projected rate (see Figure 1).

Industrial Mix and Jobs
As seen in Figure 2, nearly three-fourths of jobs in the metro are found

Figure 1: Projected Population Change, 2000 to 2020

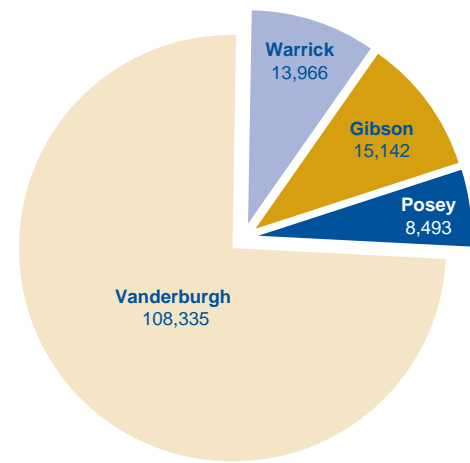
Overall, the metro area will grow 5.4 percent



Source: Indiana Business Research Center

Figure 2: Total Employment by County, 2003:3

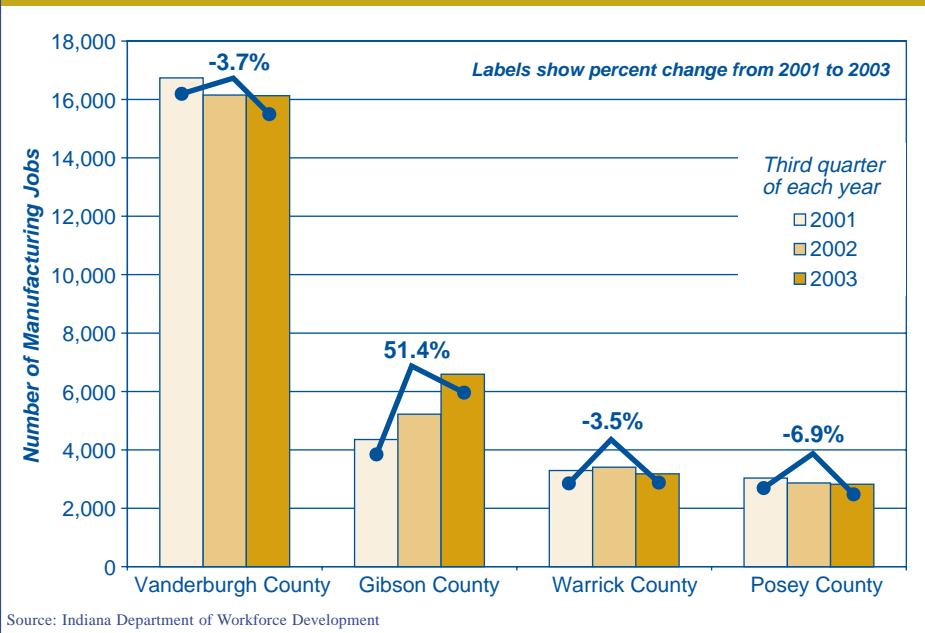
Most people find employment in Vanderburgh



Source: Indiana Department of Workforce Development

Figure 3: Manufacturing Employment in the Evansville Metro

Gibson County gained 2,238 manufacturing jobs between 2001:3 and 2003:3



With Hoosiers in Gibson County manufacturing approximately 300,000 Toyotas a year, it raises the question: How does one define a foreign vehicle these days?

in Vanderburgh County, according to third quarter data from 2003 (the latest data available). The region’s industrial mix mirrors the state’s overall; however, the three smaller counties show a much stronger reliance on manufacturing (see Table 1). Over 40 percent of Gibson County jobs are in manufacturing. This percentage is the sixth highest when ranked among Indiana’s 92 counties.

Contrary to what’s happening around the state and the nation, manufacturing employment in Gibson County has increased by an astounding 51.4 percent between the third quarter of 2001 and the same quarter in 2003 (see Figure 3). The rapid expansion at Toyota Motor Manufacturing in Princeton explains most of this phenomenon. In fact, the Indiana plant is featured in Toyota’s latest ad campaign, “More U.S. Manufacturing Jobs, Cleaner

U.S. Manufacturing Plants,” running in more than 40 national publications. The Toyota plant opened in 1998, has seen investments exceeding \$2.5 billion, employs around 4,800 people and produced its one-millionth vehicle in June (a Tundra pickup truck donated to the Princeton Police Department). In addition to Tundras, the plant produces Sequoia sport utility vehicles and Sienna minivans, for an annual total around 300,000 vehicles — raising the question: How does one define a foreign vehicle these days?

According to the Evansville Regional Economic Development Corp., Toyota is the largest employer in the region. Following it are St. Mary’s Medical Center, Whirlpool (refrigerators) and Deaconess Hospital in Evansville; Alcoa Warrick Operations in Newburgh (aluminum production); and Bristol-

Myers Squibb in Evansville and Mount Vernon (nutritionals and pharmaceuticals).

In an interesting turn of events, Whirlpool has decided to resume production of bottom-mount refrigerators in Evansville — a product it outsourced nearly a decade ago. While this is unlikely to translate into new jobs, it means an \$8 million investment in the Evansville plant. This follows an earlier announcement promising \$5.4 million to equip the plant for the production of a new top-mounted refrigerator model, according to the Evansville Courier and Press.

Being located on the Ohio River means the region has amenities not commonly found on Hoosier soil — like ports and casinos. The Southwind Maritime Center in Mount Vernon is one of three Indiana ports and links the

Table 1: Largest Sectors as a Percent of All Jobs, 2003:3

Region	Biggest Industries	Percent of All Jobs	Number of Jobs	Percent of Metro's Sector Employment	Average Weekly Wage
Indiana	Manufacturing	20.2	570,496	n/a	\$835
	Health Care and Social Services	11.9	335,080	n/a	\$644
	Retail Trade	11.9	334,189	n/a	\$402
	Accommodation and Food Services	8.2	232,404	n/a	\$217
Evansville Metro (Indiana Portion)	Manufacturing	19.7	28,721	100	\$878
	Health Care and Social Services	13.1	19,083	100	\$625
	Retail Trade	11.5	16,847	100	\$388
	Accommodation and Food Services	8.0	11,604	100	\$207
Gibson County	Manufacturing	43.5	6,591	22.9	\$839
	Retail Trade	9.6	1,457	8.6	\$337
	Educational Services	6.9	1,040	14.2	\$568
	Health Care and Social Services	6.8	1,026	5.4	\$479
Posey County	Manufacturing	33.2	2,823	9.8	\$1,265
	Retail Trade	9.2	782	4.6	\$425
	Construction	9.0	761	7.8	\$619
	Educational Services	8.3	709	9.7	\$683
Vanderburgh County	Manufacturing	14.9	16,128	56.2	\$786
	Health Care and Social Services	14.5	15,693	82.2	\$652
	Retail Trade	12.3	13,294	78.9	\$397
	Accommodation and Food Services	8.5	9,253	79.7	\$212
Warrick County	Manufacturing	22.8	3,179	11.1	\$1,084
	Health Care and Social Services	14.1	1,966	10.3	\$536
	Retail Trade	9.4	1,314	7.8	\$331
	Construction	8.5	1,191	12.2	\$508

Source: Indiana Department of Workforce Development

state to the Mississippi River and Gulf of Mexico. More than 2 million tons of grain, grain products, coal, fertilizer and other cargo ship annually from this site, which recently completed a \$5 million dock expansion to increase its capacity.

The Casino Aztar can also be found on the banks of the Ohio River, with an accompanying hotel and a new \$6 million conference center. The riverboat, which can accommodate 2,700 passengers and a 300-member crew, has just undergone a \$20 million renovation. With a market radius reaching from Indianapolis to Nashville,

Tenn., the impact of the upcoming Trump casino in Orange County on Aztar's business in upcoming years will be something to watch.

Income and Wages

Average weekly wages in manufacturing ranged from \$786 in Vanderburgh County to \$1,265 in Posey County for the third quarter of 2003 (see Table 1). Posey's manufacturing workers had the highest average wage of any industry in the region. The lowest paid workers were the arts, entertainment and recreation employees in Gibson County who earned a paltry

\$118 per week. Overall, the average weekly wage for all jobs in the Evansville metro was \$615, slightly less than the state's \$627.

Regional per capita personal income (PCPI) for 2002 was \$29,891. That is 6.6 percent higher than the state average. Gibson County had the lowest PCPI in the metro at \$25,555 (almost 10 percent less than the state), while Vanderburgh took the lead with a PCPI of \$30,842 — a full 10 percent higher than the statewide average.

—Rachel Justis, Managing Editor, Indiana Business Research Center, Kelley School of Business, Indiana University