

The South Bend–Mishawaka Metro Area

The South Bend–Mishawaka, IN–MI Metropolitan Statistical Area (metro) consists of St. Joseph County in north central Indiana and neighboring Cass County in Michigan. The metro has a total population of 318,192, with about 84 percent of those residents living in Indiana. This article will focus on those 266,431 Hoosiers.

St. Joseph is the fourth largest county in the state (after Marion, Lake and Allen County, respectively). Between 2000 and 2004, the county added almost 600 residents, growing a rather slow 0.2 percent. Nearly 40 percent of the county lives within South Bend’s city limits, while another 18 percent are found in Mishawaka.

According to population projections from the Indiana Business Research Center, the Indiana portion of the metro will add about 17,454 residents by 2020, growing 6.6 percent from its 2004 population. This is 1.6 percentage points slower than the state. South Bend–Mishawaka will see the largest increase in the group age 45 to 64, while young adults age 25 to 44 will be the only age group to decrease.

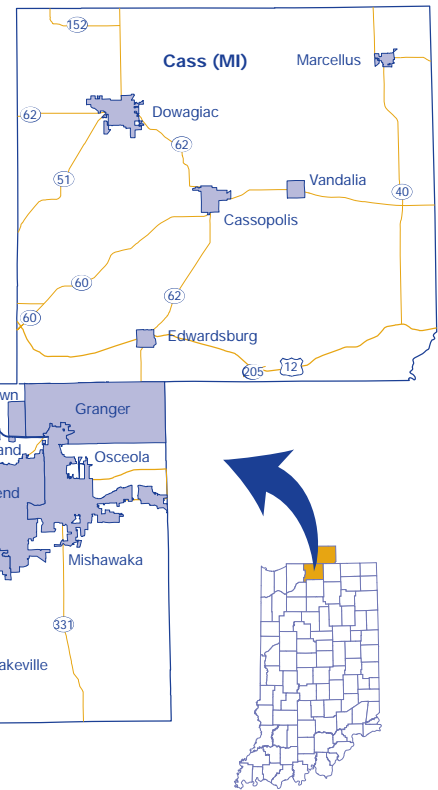
Industrial Mix and Jobs

Manufacturing holds the largest employment share in St. Joseph County

with 18,580 jobs, as of the fourth quarter of 2004. At 14.6 percent, the county is more diversified than the state overall, which has nearly 20 percent of total employment in manufacturing (see **Figure 1**).

As seen in **Table 1**, AM General, producer of Humvees for the military and the Hummer H2 recreational vehicle, is among the largest employers in the region. The company employs about 2,300 Hoosiers and has seen its Humvee production jump from less than 1,000 vehicles in 2003 to an estimated 5,400 for 2005, undoubtedly due to the ongoing conflicts in Afghanistan and Iraq.¹ The other manufacturer on the list, Honeywell Aircraft Landing Systems, employs about 1,400 people and supplies aircraft wheels, brakes and other components of landing systems.

Manufacturing employment has been relatively stable in the county during



the past several years, with a job loss of just 0.5 percent between the fourth quarters of 2001 and 2004, compared to Indiana’s 3.7 percent slide. Overall, the South Bend–Mishawaka job market expanded 2.2 percent during this time frame, adding 2,731 jobs and bringing the total to 127,627.

The fastest growing sector was administrative, support and waste

FIGURE 1: PERCENT OF TOTAL EMPLOYMENT BY INDUSTRY FOR ST. JOSEPH COUNTY AND INDIANA, 2004:4



Source: IBRC, using Covered Employment and Wage data

management services, adding over 3,300 jobs and growing more than 70 percent since the last quarter of 2001. The biggest losses were in retail trade on a numeric basis (-1,321) and in construction on a percent basis (-16.6 percent).

Using Local Employment Dynamics data to observe job creation trends, we find an average of 6,535 new jobs per quarter between 2001:1 and 2004:1. As seen in **Figure 2**, the number of new jobs created during the latest quarter available (2004:1) totaled 5,489 and represented 4.3 percent of total employment.

Commuting

The number of people living and working in St. Joseph County exceeds 144,000, while 18,735 people from other counties find work in the Indiana portion of the metro. About 17,000 St. Joseph County residents commute out of the county for work—with the majority going into neighboring Elkhart County (see **Figure 3**).

According to the 2004 American Community Survey (ACS), the average travel time to work for those in St. Joseph County was just under 20 minutes. Less than 7 percent of workers 16 and older carpooled to work, and a mere 1.2 percent took public transportation. Not surprisingly, 87.8 percent traveled alone.

And just what vehicles are residents driving to their jobs? Registration data from the Bureau of Motor Vehicles indicate that 15.7 percent of the 140,706 registered vehicles in the metro are Chevrolets, followed by Fords at 13.9 percent and Toyotas at 7 percent.

Wages and Income

According to the ACS, median household income for 2004 is estimated

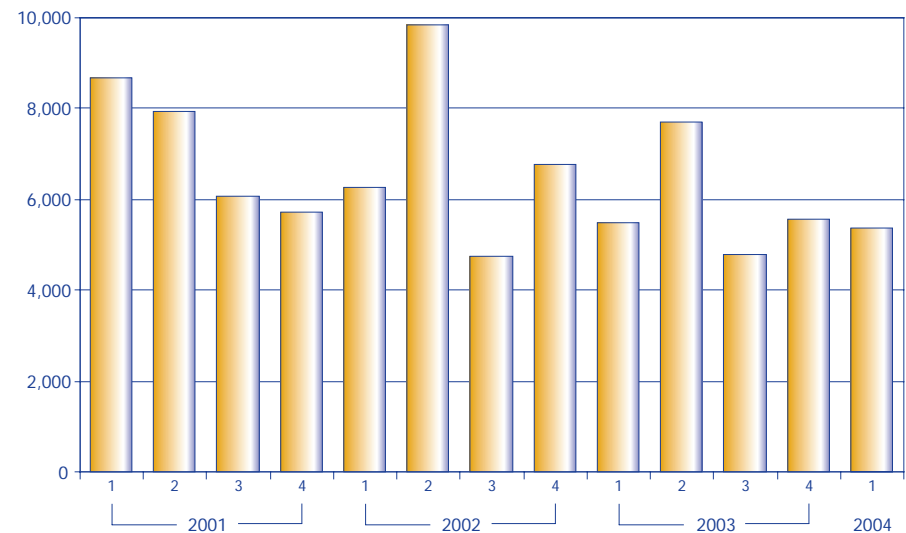
TABLE 1: MAJOR SOUTH BEND METRO EMPLOYERS



Manufacturing
AM General (Hummer)
Honeywell Aircraft Landing Systems
Education
Indiana University South Bend
University of Notre Dame
Health Care
Memorial Hospital and Health System
Saint Joseph's Regional Medical Center

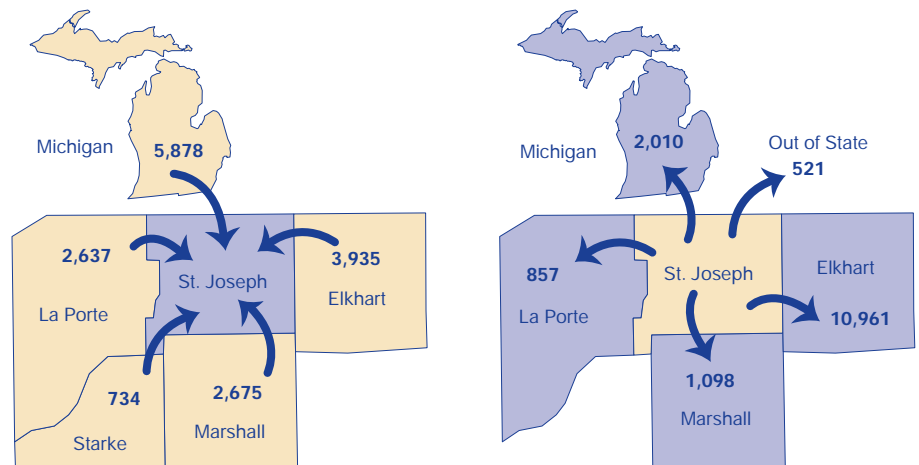
Source: Reference USA

FIGURE 2: ST. JOSEPH COUNTY JOB CREATION, 2001 TO 2004



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

FIGURE 3: ST. JOSEPH COUNTY COMMUTING, 2003



Source: STATS Indiana Commuting Profiles, Tax Year 2003

TABLE 2: INDUSTRIES WITH WAGES GROWING MORE THAN 10 PERCENT, 2001 TO 2004

Industry	St. Joseph			Indiana		
	Average Weekly Wage 2004:4	Change since 2001:4	Percent Change	Average Weekly Wage 2004:4	Change since 2001:4	Percent Change
Total	\$683	\$69	11.2%	\$706	\$75	11.9%
Finance and Insurance	\$1,024	\$284	38.4%	\$971	\$122	14.4%
Management of Companies and Enterprises	\$1,620	\$290	21.8%	\$1,241	\$139	12.6%
Public Administration	\$712	\$110	18.3%	\$680	\$78	13.0%
Manufacturing	\$948	\$146	18.2%	\$970	\$132	15.8%
Information	\$781	\$112	16.7%	\$782	\$95	13.8%
Transportation and Warehousing	\$799	\$108	15.6%	\$751	\$106	16.4%
Health Care and Social Services	\$793	\$98	14.1%	\$743	\$88	13.4%
Other Services (Except Public Administration)	\$494	\$61	14.1%	\$460	\$42	10.0%
Retail Trade	\$433	\$52	13.6%	\$436	\$44	11.2%
Real Estate and Rental and Leasing	\$553	\$65	13.3%	\$603	\$80	15.3%
Professional, Scientific and Technical Services	\$948	\$104	12.3%	\$984	\$84	9.3%
Wholesale Trade	\$890	\$88	11.0%	\$974	\$127	15.0%

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

at \$37,971 in St. Joseph County, a few thousand less than the state’s \$42,195. Looking at both ends of the spectrum, 8,205 households (8 percent) earned \$100,000 or more, while 12,300 households (12 percent) earned less than \$15,000.

Ten percent of people in the South Bend–Mishawaka metro were in poverty in 2004. That includes 12.2 percent of children under 18, 3.5 percent of senior citizens, 7.1 percent of all families and 21.2 percent of families headed by a single mother. These numbers are in line with

the distribution at the state level. However, South Bend–Mishawaka has a significantly lower percentage of its senior citizens in poverty than Indiana as a whole (3.5 percent as opposed to 7.3 percent)

The industry detail for 2004:4 from the Covered Employment and Wages data showed average weekly wage at \$683, ranging from \$227 in accommodation and food services to \$1,620 in management of companies and enterprises. While the average wage for all industries combined fell \$23 short of the state average, eight

industries had wages higher than Indiana. These were led by management of companies, which had an average weekly wage \$379 above the state.

Between the fourth quarters of 2001 and 2004, 12 St. Joseph County industry sectors saw wages grow more than 10 percent, and most of those surpassed the state’s growth (see **Table 2**). Three industries experienced a decline in average weekly wages, with the largest being an 11 percent (\$41) drop in administrative, support and waste management services—most likely the result of the intensive hiring in that sector.

Table 3 shows that South Bend falls in the middle of the pack relative to other Hoosier metros with respect to wages for total covered employment, ranking ninth out of the 16 areas.

TABLE 3: AVERAGE WEEKLY WAGES IN INDIANA METROS, 2004:4

Metro Area	Jobs	Average Weekly Wage
Kokomo	46,550	\$908
Indianapolis	842,514	\$790
Columbus	41,048	\$773
Gary Division	265,229	\$726
Evansville (pt)	147,023	\$719
Elkhart–Goshen	124,373	\$715
Fort Wayne	203,841	\$697
Lafayette	82,722	\$688
South Bend–Mishawaka (pt)	127,627	\$683
Anderson	43,311	\$633
Muncie	49,176	\$631
Michigan City–La Porte	45,329	\$619
Louisville (pt)	91,232	\$607
Terre Haute	70,078	\$595
Bloomington	72,880	\$578
Cincinnati–Middletown (pt)	20,549	\$572

Source: Covered Employment and Wages

Notes

1. Norm Heikens, “Humvee builder is at a crossroads,” *Indianapolis Star* 25 August 2005.

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