

# The Economic Barometer

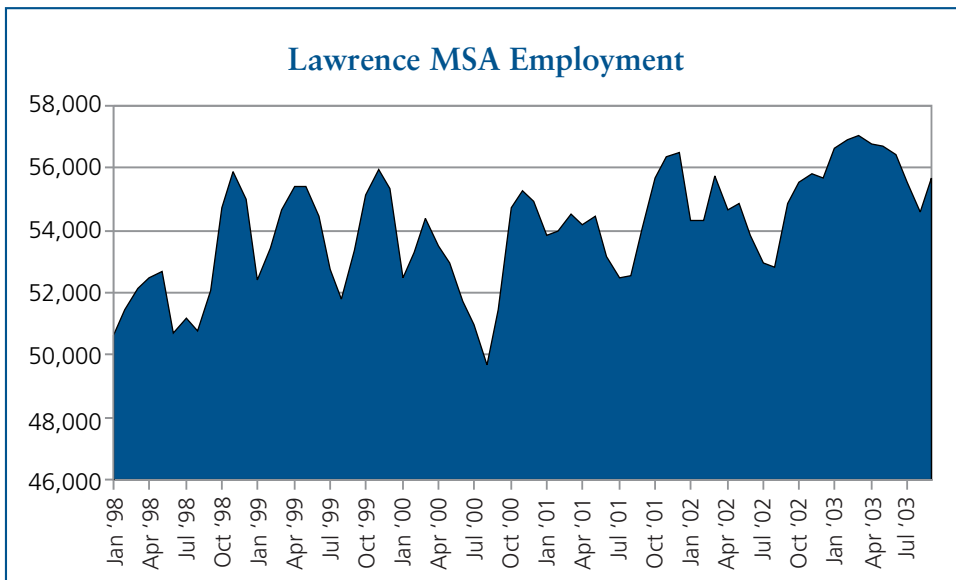
## A Quarterly Economic Report



January 2004

3rd Quarter 2003

### Employment



Employment in the third quarter fell about 2.5 percent from the previous quarter, but this was due primarily to students leaving the labor force to return to school in August and September, rather than a loss of job opportunities. In fact, compared to the third quarter of 2002, the number of employed has increased over 3 percent.

### Civilian Employment by Quarter - Lawrence MSA

	1999	2000	2001	2002	2003	% Change 2002-2003
First Quarter	53,506	53,390	54,119	54,784	56,870	3.8%
Second Quarter	55,097	52,733	53,919	54,466	56,663	4.0%
Third Quarter	52,650	50,698	53,044	53,542	55,283	3.3%
Fourth Quarter	55,477	54,975	56,177	55,683	-	

Source: Kansas Department of Human Resources.

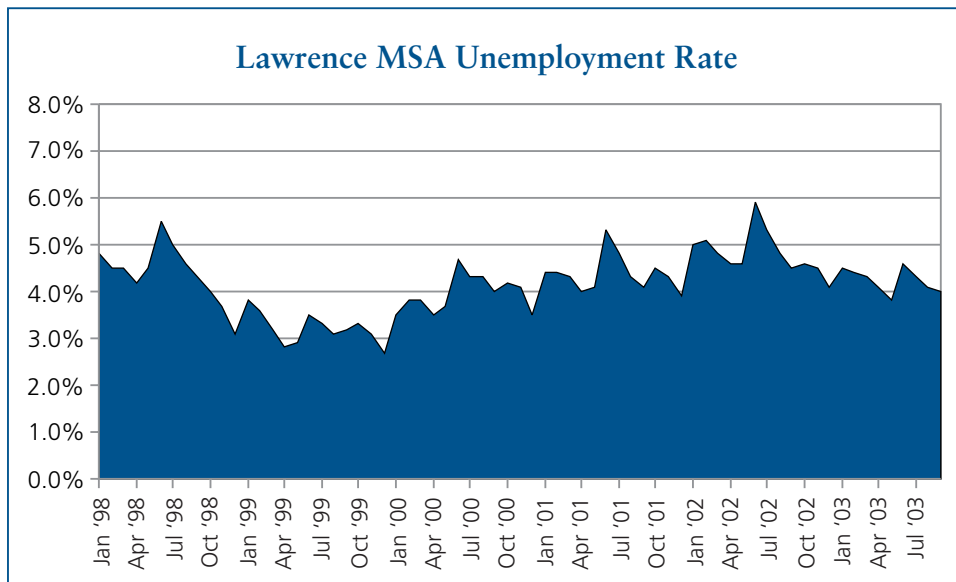
## Employment (con'd)

### Third Quarter 2003 Employment Data

	Civilian Employment	Unemployment Rate
U.S.	137,559,000	6.1%
Kansas	1,411,679	4.7%
Kansas portion of		
Kansas City MSA	387,318	5.2%
Lawrence MSA	55,283	4.1%
Topeka MSA	91,509	4.5%
Wichita MSA	277,164	6.6%

The Lawrence unemployment rate remained nearly steady from the second quarter, slipping almost imperceptibly from 4.17 percent to 4.13 percent. This was 15 percent lower than it had been a year ago. Lawrence also had the lowest unemployment rate of all the major metropolitan areas in Kansas in the third quarter.

Lawrence MSA Unemployment Rate

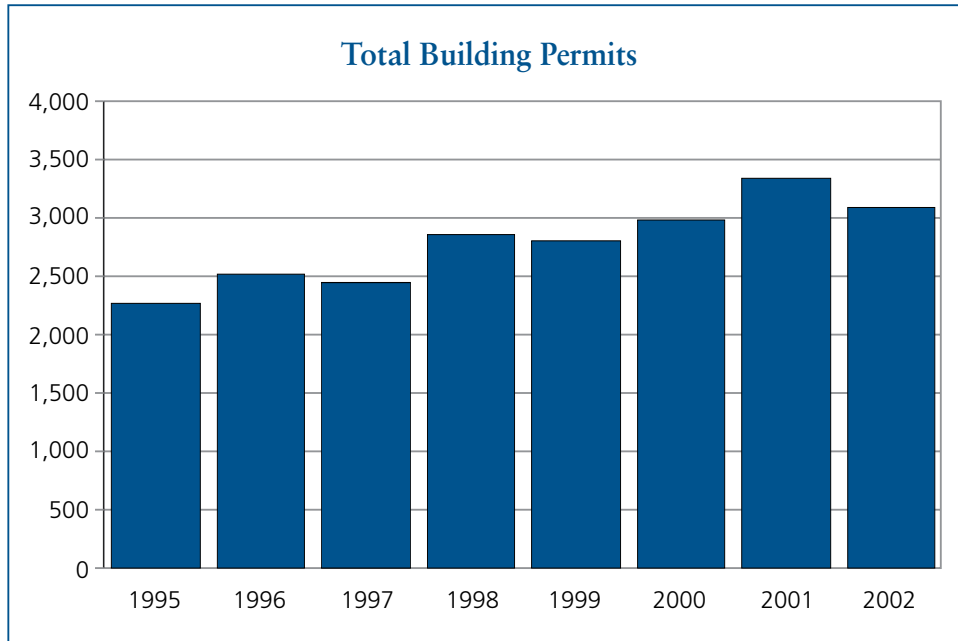


### Unemployment Rate by Quarter - Lawrence MSA

	1999	2000	2001	2002	2003	% Change 2002-2003
First Quarter	3.53%	3.70%	4.37%	4.97%	4.40%	-11.4%
Second Quarter	3.07%	3.97%	4.47%	5.03%	4.17%	-17.2%
Third Quarter	3.20%	4.20%	4.40%	4.87%	4.13%	-15.1%
Fourth Quarter	3.03%	3.93%	4.23%	4.40%	-	

Source: Kansas Department of Human Resources.

**Real Estate**



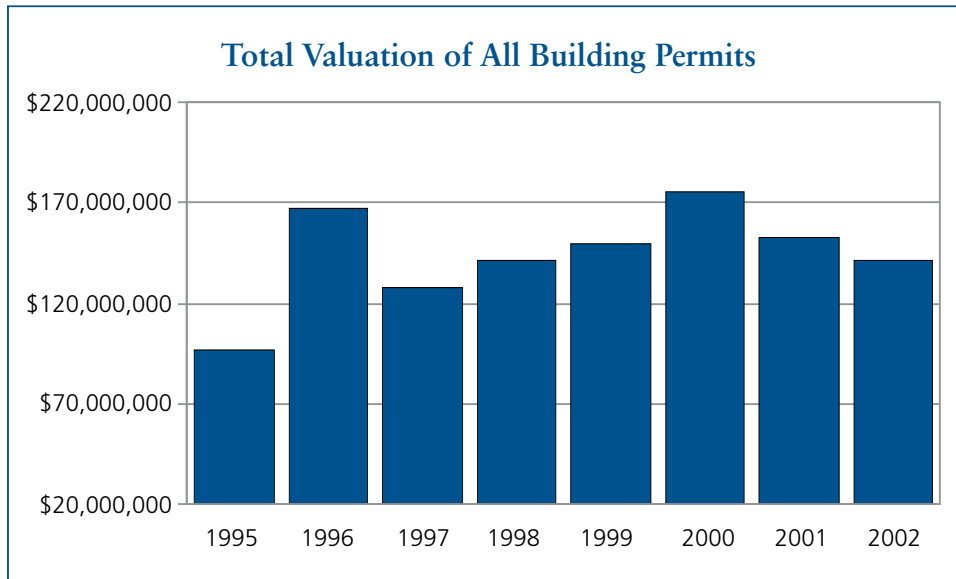
The dollar value of all construction permits taken out in the third quarter of this year totaled about 40 percent less than the same quarter last year, although the actual number of permits themselves were only 11 percent less. In other words, the decrease hasn't been so much in the amount of construction activity taking place, but in the expensiveness of the projects.

**Third Quarter Building Permits in Lawrence**

	Q3 2002	Q3 2003	% Change 2002-2003
<b>TOTAL</b>			
Number	852	757	-11.2%
Valuation	43,035,481	25,241,570	-41.3%
<b>RESIDENTIAL</b>			
Number	110	89	-19.1%
Valuation	24,513,109	14,264,919	-41.8%
<b>NON-RESIDENTIAL</b>			
Number	44	39	-11.4%
Valuation	15,156,103	8,166,143	-46.1%

Source: City of Lawrence, Building Inspection Division.

Real Estate (con'd)



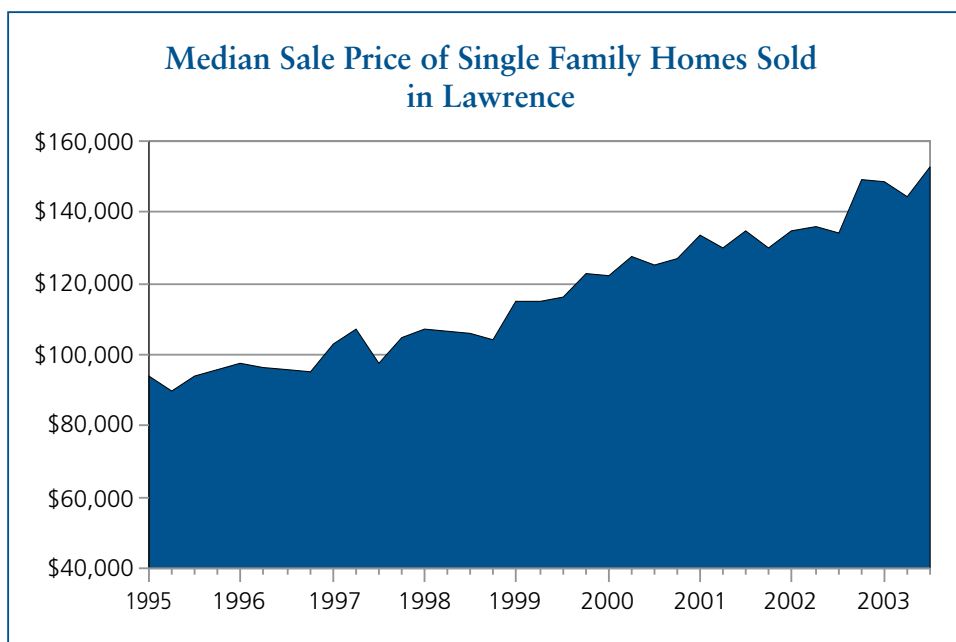
There were 17.5 percent more new single family construction permits issued in Lawrence in the third quarter of this year than a year ago. From January through September of this year there have been 230 new permits issued, compared to only 209 last year during the same time period.

The median sale price of all single family homes sold in Lawrence (used or new) continues to rise. In the third quarter the price stood at \$153,000, an increase of 14 percent over the price a year ago, and 6 percent from the previous quarter.

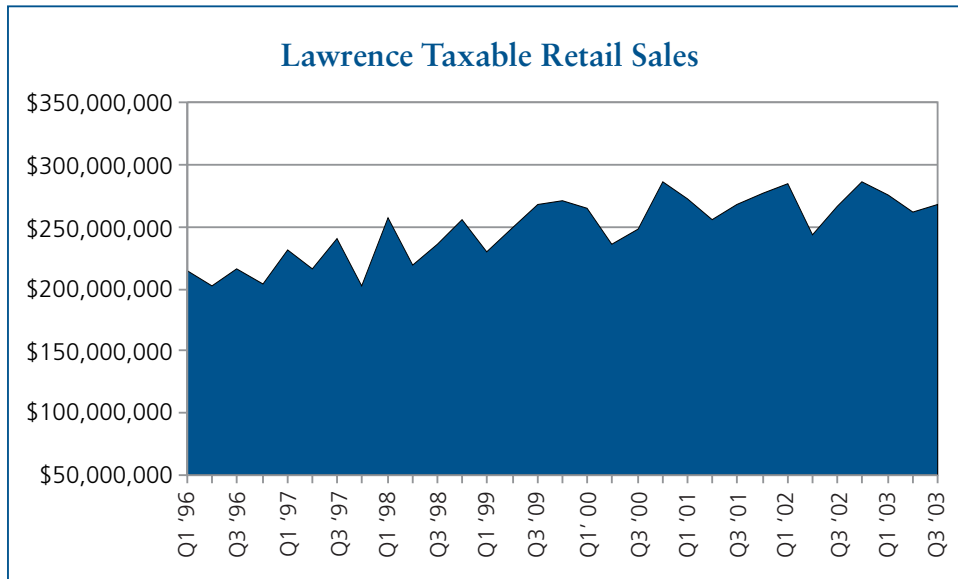
New Single Family Home Construction Permits

	Q3 2002	Q3 2003	% Change 2002-2003
Number	63	74	17.5%

Source: City of Lawrence, Building Inspection Division.



**Retail Sales**



Taxable retail sales in Lawrence in the third quarter were hardly changed from a year ago, though they did increase 2 percent from the previous quarter due to back-to-school and federal income tax-rebate spending. In fact, except for slightly better performances in May and June, and a substantial increase in sales in September of this year for the aforementioned reasons, retail sales in Lawrence have not gone so well in 2003 as last year. Preliminary data for November indicates more of the same.

**Taxable Retail Sales**

	Q3 2002	Q3 2003	% Change 2002-2003
City of Lawrence	\$265,723,983	\$267,043,815	0.50%
Douglas County	\$290,322,379	\$294,370,080	1.39%

Source: Kansas Department of Revenue.

**Year End Taxable Retail Sales**

	2001	2002	% Change 2001-2002
City of Lawrence	\$1,073,991,289	\$1,078,983,794	0.46%
Douglas County	\$1,169,720,668	\$1,177,214,266	0.64%
Kansas	\$29,788,530,115	\$29,239,009,500	-1.84%

Source: Kansas Department of Revenue.

**Cost of Living**

**Lawrence Consumer Price Index**

	CPI (Base Year = 2000)	% Change (From same period, previous year)
Fourth Quarter, 2002	108.5	4.25%
First Quarter, 2003	111.3	6.16%
Second Quarter, 2003	109.0	3.83%
Third Quarter, 2003	110.4	2.68%

Source: Policy Research Institute.

The local consumer price index stood at 110.4 in the second quarter, where 2000 is the base year for reference (the index in 2000 was set to 100). In other words, it costs roughly 10 percent more to live here now than it did in 2000. As the table shows, this was also an increase of about 2.7 percent from the same quarter of last year.

**Third Quarter 2003  
Comparative Cost of Living Index**

U.S. Average	100.0%
Lawrence, KS	96.7%
Manhattan, KS	97.3%
Topeka, KS	92.4%
Fort Collins, CO	102.4%
Champaign, IL	95.3%
Ames, IA	98.0%
Columbia, MO	94.0%

Source: ACCRA.

This report was researched and written by Luke Middleton and designed by Laura Kriegstrom Stull of the Policy Research Institute at the University of Kansas. Data sources include the City of Lawrence, the Douglas County Appraiser's Office, the Kansas Department of Human Resources, the Kansas Department of Revenue, and ACCRA. This report is available online at [www.lawrencechamber.com](http://www.lawrencechamber.com)

