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County Economic Trends

Labette County

Kansas Center for Community Economic Development

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COUNTY ECONOMIC TRENDS

Labette County

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County Economic Trends: Labette County

INTRODUCTION

The use of data in economic development is important because it helps a community to evaluate its current situation across several different areas of economic and demographic performance. However, data by itself does not lead to a well-founded understanding of the community. Data must be analyzed and interpreted, considering the intuition of those within the community about what the overall trends really mean. In other words, data serves as the foundation for an analysis which concludes: 1) what is happening in the community compared with other regions over time, and 2) what potential impacts or consequences are suggested from the data.

This report will discuss the following key demographic and economic variables:

- Population,
- Employment and Earnings,
- Business and Manufacturing,
- Agriculture and Oil Production,
- Income,
- Education, and
- Social Environment.

POPULATION

This section consists of population tables, figures or maps on: population totals from 1890 to 1994, population growth and change from 1930 to 1990, percent net migration from 1980 to 1990, and population rankings.

Population size and economic activity are closely related. Changes in population size are directly linked to employment opportunities, wage differentials between regions, and a community's overall economic conditions and quality of life. Generally, areas of population growth are also areas of economic growth while areas of population loss are areas that have suffered previous economic decline and restructuring.

Communities with growing populations are generally better able to adapt to a changing economic environment due to the opportunities presented by new residents as additional consumers, taxpayers and suppliers of labor. Without population growth, communities face problems of a tightening labor market, lack of new customers for businesses a shrinking tax base, and an overall decline in economic activity.

Population characteristics are regarded as indicators of a region's economic conditions and economic potential. A minimum population is necessary to sustain a basic level of public and private services and facilities. Past and projected population change suggests community economic trends and can be compared with other counties and the statewide and national averages.

Migration is linked to job opportunities, demand, and wage differentials. Counties with low rates of job creation will face higher worker mobility due to a "push" factor (lack of opportunity) or a "pull" phenomenon by urban areas with higher wages, better job opportunities, and a perceived better quality of life. Other determinants of regional migration are age and education. Generally, there is a life cycle pattern to migration with the population aged 18-45 being the most mobile age group. The effect of education on migration is reflected by the movement of well-educated workers toward better job matches for themselves and their spouses and their attempts to raise their income levels by migrating to areas with employment opportunities.

Key Findings: Population

- Labette County's population peaked in 1920 at 34,047; its current estimated population for 1994 was 23,148 (**Table 1**). From 1991-94, population declined at an annual rate of 1 percent or less. Labette County's population rank dropped from 11th in 1940 to 24th in 1990 (**Table 3**).
- The counties surrounding Labette County in Kansas and Oklahoma have also experienced a decline in population from 1980-90 (**Table 2**). This population decline for southeast Kansas when compared with increases elsewhere suggests that the region lacks competitiveness with other regions of Kansas (**Map 1**).
- Labette County's rate of population change mirrors those of the surrounding counties in the trade area (**Figure 1**). However, Labette County has not experienced as great of declines as some of the other counties, particularly Wilson and Neosho counties to the northwest and Nowata County in Oklahoma to the south (**Table 2**).
- Labette County and its surrounding trade area have all experienced out migration during the 1980s, indicating that the region lags behind other parts of the state in job opportunities and wages (**Map 2**). Given the continued decline in population for Labette County and the region, the area could be facing difficulty in maintaining the level of public and private services if the trend is not reversed.

Table 1
Population Totals, Growth Rates, Rank & Share
Actual 1890-1990, Estimates 1991-1994

<u>Year</u>	<u>Labette County</u>		<u>Kansas</u>		<u>Labette County</u>		
	<u>Population Total</u>	<u>Growth Rate</u>	<u>Population Total</u>	<u>Growth Rate</u>	<u>Rank</u>	<u>Share (%)</u>	<u>Growth Index +</u>
1890	27,586		1,427,096		10	1.93	
1900	27,387	-0.7	1,470,495	3.0	11	1.86	-0.24
1910	31,423	14.7	1,690,949	15.0	10	1.86	0.98
1920	34,047	8.4	1,769,257	4.6	10	1.92	1.80
1930	31,346	-7.9	1,880,999	6.3	11	1.67	-1.26
1940	30,352	-3.2	1,801,028	-4.3	11	1.69	0.75
1950	29,285	-3.5	1,905,299	5.8	15	1.54	-0.61
1960	26,805	-8.5	2,178,611	14.3	17	1.23	-0.59
1970	25,775	-3.8	2,249,071	3.2	18	1.15	-1.19
1980	25,682	-0.4	2,364,236	5.1	20	1.09	-0.07
1990	23,693	-7.7	2,477,588	4.8	23	0.96	-1.62
1991*	23,569	-0.5	2,491,659	0.6	24	0.95	-0.92
1992*	23,502	-0.3	2,517,791	1.0	24	0.93	-0.27
1993*	23,241	-1.1	2,535,097	0.7	24	0.92	-1.62
1994*	23,148	-0.4	2,554,047	0.7	25	0.91	-0.54

+ Labette County Growth Rate divided by Kansas Growth Rate (=1) when county and state growth rates are equal.

* Estimate

Source: Population Totals: U.S. Bureau of the Census, Fifteenth Census of the United States, 1930 Vol. 1; "Census of Population, 1960: Number of Inhabitants; 1980 Census of Population", Vol. 1, Chapter A, Part 18; "1990 Decennial Census", mimeographed sheet; Population Projection: Floerchinger, Teresa D., "Kansas Population Projections 1990-2030", Kansas Division of the Budget, September 1992; Population Estimates, and Population Distribution Branches, U.S. Bureau of the Census; 1994 Population Estimates for Counties, Population Estimates Branch, U.S. Bureau of the Census.

Table 2
Population Growth Rates: 1930-1990
Labette, Selected Counties, Kansas, and United States

	<u>30-40</u>	<u>40-50</u>	<u>50-60</u>	<u>60-70</u>	<u>70-80</u>	<u>80-90</u>
Labette	-3.2%	-3.5%	-8.5%	-3.8%	-0.4%	-7.7%
Cherokee	-5.2	-15.7	-11.4	-3.3	3.5	-4.2
Crawford	-10.4	-9.0	-8.0	2.2	0.2	-6.2
Montgomery	-3.3	-6.5	-3.2	-11.2	5.8	-8.2
Neosho	-2.0	-8.4	-4.4	-3.3	0.8	-10.2
Wilson	-5.0	-16.4	-11.7	-13.5	7.2	-15.2
Craig, OK	16.8	-13.4	-10.7	-9.7	2.0	-6.1
Nowata, OK	15.9	-19.3	-14.8	-9.9	17.5	-13.0
Ottawa, OK	-7.0	-10.1	-12.2	5.3	10.3	-7.0
Trade Area	-2.3	-11.2	-7.9	-6.1	4.0	-8.1
Kansas	-4.3	5.8	14.3	3.2	5.1	4.8
United States	7.2	14.9	18.5	13.4	11.4	9.8

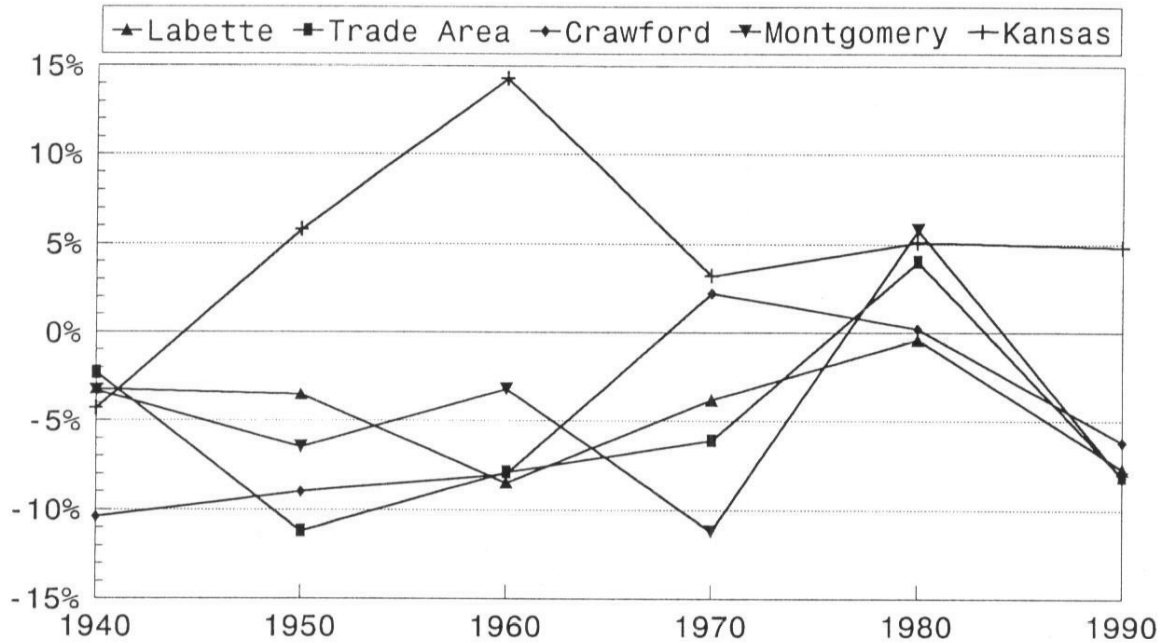
Source: U.S. Bureau of the Census, "Census of Population, 1960: Number of Inhabitants", Final Report: "1980 Census of Population", PC90-1-A-18; "1990 Decennial Census". Population Projections: Floerchinger, Teresa D., "Kansas Population Projections, 1990-2030," Kansas Division of the Budget, September, 1992. Calculations: IPPBR.

Table 3
Population of Top Ranking Kansas Counties
(in Thousands)

<u>Rank</u>	<u>1940</u>	<u>Population</u>	<u>Rank</u>	<u>1990</u>	<u>Population</u>
1	Wyandotte	145	1	Sedgwick	404
2	Sedgwick	143	2	Johnson	355
3	Shawnee	91	3	Wyandotte	162
4	Reno	52	4	Shawnee	161
5	Montgomery	49	5	Douglas	82
6	Crawford	45	6	Riley	67
7	Leavenworth	41	7	Leavenworth	64
8	Cowley	38	8	Reno	62
9	Johnson	33	9	Butler	51
10	Butler	32	10	Saline	49
11	Labette	30	11	Montgomery	39
12	Cherokee	30	12	Cowley	37
13	Saline	30	13	Crawford	36
14	Lyon	26	14	Lyon	35
15	Sumner	26	15	Finney	33
16	Douglas	25	16	Harvey	31
17	Barton	25	17	Geary	30
18	McPherson	24	18	Barton	29
19	Dickinson	23	19	Ford	27
20	Atchinson	22	20	McPherson	27
21	Neosho	22	21	Ellis	26
22	Harvey	22	22	Sumner	26
23	Marshall	21	23	Labette	24
24	Bourbon	21	24	Miami	23
25	Franklin	21	25	Franklin	22

Source: University of Kansas, Institute for Public Policy and Business Research, "Kansas Statistical Abstract", 1993-1994, "Population of Kansas Counties, 1890-1980; U.S. Bureau of the Census, "Fifteenth Census of the United States, 1930, Vol. 1", "Census of Population, 1960: Number of Inhabitants"; "1980 Census of Population, Vol. 1, Chapter A, Part 18"; "1990 Decennial Census". Population Projections, 1990-2030, "Kansas Division of the Budget, September, 1992. Calculations: IPPBR.

Figure 1
Rates of Population Change: 1930-1990
Labette, Selected Counties, and Kansas



Source: U.S. Bureau of the Census, "Fifteenth Census of the United States: 1930, Vol. 1;" "Census of Population, 1960: Number of Inhabitants, Final Report," "1980 Census of Population, Vol. 1, Chapter A, Part 18, "1990 Census of Population", STF1-A Population Projections: Floerchinger, Teresa D., "Kansas Populations Projections, 1990-2030, "Kansas Division of the Budget, September, 1992. Calculations: IPPBR.

EMPLOYMENT AND EARNINGS

The following tables, figures or maps are included in this section: employment growth rates, population and job growth rates, number of firms by number of employees, average wage per job, and average wage growth rates.

Employment levels are an important measure of a community's economic vitality. The size of the labor force shows the number of people who are either working or willing to work. The size of the labor force is influenced not only by population but also by the perception that suitable job opportunities exist. Diverse, healthy economies tend to offer the widest variety of job opportunities and attract a large number of job-seekers, which increases the size of the labor force. The level of unemployment reflects the amount of economic activity within an area and how well the local market can match the supply and demand for labor.

Job creation rates (net change in average annual employment) reflect the growth in employment levels and the range of employment opportunities. As some jobs are lost in a community due to changing economic circumstances, new jobs may replace them. Net job creation reflects the net gain or loss in jobs over a given period. Wage rates are another indicator of the attractiveness of a particular economy. Attractive wages will attract a larger number of job seekers.

Key Findings: Employment

- Average annual employment in Labette County has declined 4.6 percent in recent years from 13,638 in 1989 to 13,015 in 1993 (**Table 4**). The surrounding trade area, however, experienced a 6 percent increase in average annual employment during that same time period, helped along by strong growth from Crawford and Neosho counties and growth in the Oklahoma counties. Crawford County experienced the largest increase in employment with an increase of 2,159 people employed, or 12.3 percent, from 1989 to 1993.
- Since 1988, the job growth rate for Labette County has declined at a greater rate than the population growth, suggesting that the number of job opportunities are decreasing and may cause Labette County's population to decline further (**Table 5** and **Figure 2**).
- Since 1980, Labette County's average wage per job increased 64.3 percent from \$11,377 in 1980 to \$18,691 in 1993 (**Table 6** and **Figure 3**). While Labette County's average wage per job in 1993 was greater than their trade area's average, it was less than the average wage for Kansas as a whole. Since wage rates are an indicator of the attractiveness of a particular economy, Labette County's wage rate suggests that the county's higher rate than the surrounding counties (except for Montgomery) may serve to attract workers to the county. However, if the wage rate is lower than that of the State's

average, counter movement to other parts of the state with higher wages may offset regional gains.

- Since 1980, Labette County has experienced a small decline (1.8 percent) in the total number of firms located within the county compared to a 22.9 percent increase in the total number of firms for Kansas, suggesting that firms are moving out or folding at a greater number than are created or attracted (**Table 7**).
- Kansas is composed of many small firms with almost 88 percent of its firms in 1992 employing less than 19 employees (**Table 8**). Small firms are also important to Labette County with 87 percent of its firms employing less than 19. The importance of small firms to the economy indicates a need for strategies that nurture new business development and assist existing small businesses.
- At 61.6 percent, the labor force participation in 1990 for Labette County was the highest for the region (**Map 3**).¹ However, the county's participation rate was below the state and national averages of 65.4 percent for Kansas and 64.4 percent for the U.S. (1990 Census). This lower participation rate indicates that there is a greater potential for labor supply than would be suggested by the unemployment rate alone.
- In 1994, the unemployment rates for Labette County and the southeast Kansas region were higher than most of Kansas, suggesting that the region has a greater supply of workers if additional jobs are generated (**Map 4**).
- No other county in Kansas experienced as great a percent decrease in job growth (-20.2 percent) as Labette County from 1989 to 1994 (**Map 5**). This suggests that further population decline will occur in the county unless new jobs can be created or attracted.

¹The labor force participation rate is the percentage of population 16 and over that is in the labor force. A lower participation rate reflects slower job growth. If jobs are not available than the individuals who want to work may drop out of the labor force rather than remain unemployed.

Table 4
Employment Growth Rates: 1983-1993
Labette, Selected Counties, and Kansas

	Avg. Annual Employment				%Empl. Growth		
	<u>1983</u>	<u>1986</u>	<u>1989</u>	<u>1993</u>	<u>83-86</u>	<u>86-89</u>	<u>89-93</u>
Labette	12,748	13,481	13,638	13,015	5.7	1.2	-4.6
Cherokee	7,862	8,514	8,472	8,654	8.3	-0.5	2.1
Crawford	16,925	17,033	17,595	19,754	0.6	3.3	12.3
Montgomery	20,133	20,318	20,919	21,140	0.9	3.0	1.1
Neosho	10,781	9,884	9,871	10,672	-8.3	-0.1	8.1
Wilson	5,536	5,697	4,961	5,063	2.9	-12.9	2.1
Craig, OK	7,646	7,142	7,337	7,887	-6.6	2.7	7.5
Nowata, OK	3,850	3,675	3,650	3,937	-4.5	-0.7	7.9
Ottawa, OK	13,649	12,456	12,514	13,448	-8.7	0.5	7.5
Trade Area	86,382	84,719	85,319	90,418	-1.9	0.7	6.0
Kansas	1,326,028	1,391,755	1,449,774	1,529,393	5.0	4.2	5.5
United States	114,146.5	115,729.7	136,413.8	136,413.8	9.4	7.7	3.1

(United States amounts in 000's)

Note: Employment data are based on an individual's place of work.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Kansas County Profile, KCCED/IPPBR, University of Kansas.

Table 5
Population and Job Growth Rates
Labette County

	<u>80-82</u>	<u>82-84</u>	<u>84-86</u>	<u>86-88</u>	<u>88-90</u>	<u>90-92</u>	<u>92-94</u>
Job Growth	0.59%	26.58%	5.48%	7.97%	-8.68%	-3.38%	-13.48%
Population Growth	0.85%	-0.39%	-0.39%	-1.95%	-5.98%	-0.81%	-1.51%

Note: Employment data are base on an individual's place of residence.

Source: Kansas Statistical Abstract 1992-1993, IPPBR, University of Kansas; Kansas Department of Human Resources; and, 1994 Population Estimates Branch, U.S. Bureau of the Census.

Table 6
Average Wage Per Job
Labette, Selected Counties, and Kansas
(in dollars)

	<u>1980</u>	<u>1988</u>	<u>1990</u>	<u>1993</u>
Labette	\$11,377	\$16,381	\$17,038	\$18,691
Cherokee	11,582	15,147	16,418	18,058
Crawford	10,783	14,908	15,985	17,124
Montgomery	12,237	16,490	17,714	19,019
Neosho	11,316	15,111	15,588	17,320
Wilson	11,141	14,864	16,161	18,157
Craig, OK	11,675	15,888	16,643	17,878
Nowata, OK	11,099	12,734	13,423	15,016
Ottawa, OK	11,881	13,914	14,787	16,269
Trade Area	11,464	14,882	15,840	17,355
Kansas	12,697	18,548	19,794	21,936

Note: The employment estimates used to compute the average are a job count, not a person count.

Source: U.S. Bureau of Economic Analysis, Regional Information System, January 1995, Table CA34, Line Code 030. Kansas County Profile for Labette County, KCCED/IPBPR, University of Kansas.

Table 7
Number of Firms By Number of Employees
Labette County and Kansas: 1980, 1988, 1992

<u>Employees</u>	Labette			Kansas		
	<u>1980</u>	<u>1988</u>	<u>1992</u>	<u>1980</u>	<u>1988</u>	<u>1992</u>
0-19	475	484	463	48,394	58,081	59,240
20-99	60	59	58	5,689	6,604	7,171
100-499	6	9	9	842	958	1,102
500+	1	1	2	96	93	117
Total	542	553	532	55,021	65,736	67,630

Note: Employment data are based on an individual's place of work.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Kansas County Profile for Labette County, KCCED/IPPBR, University of Kansas

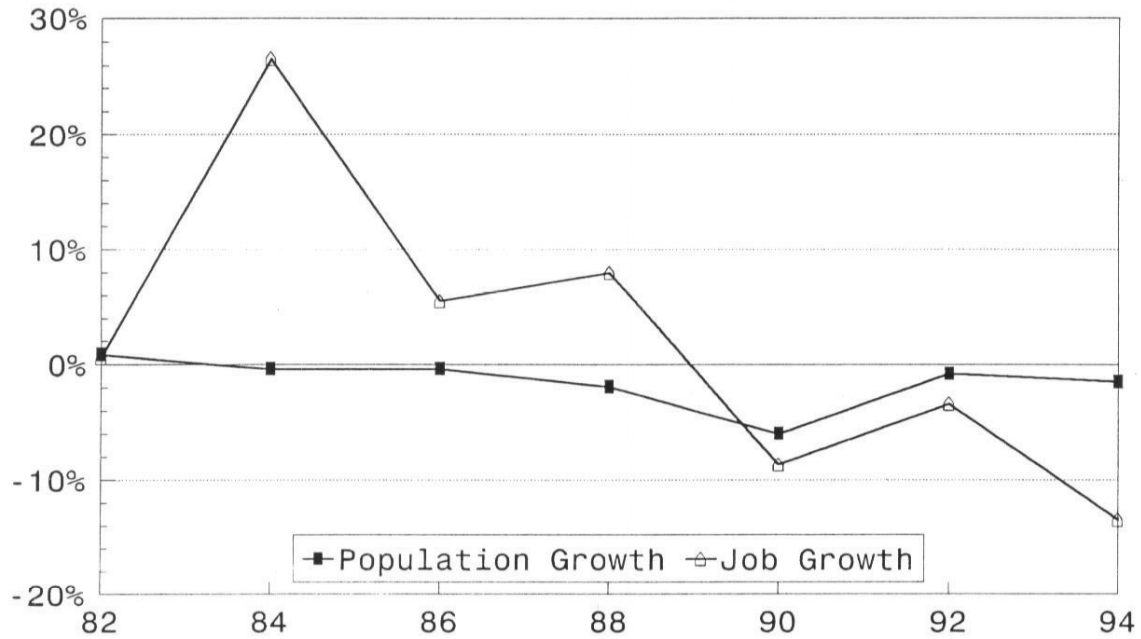
Table 8
Percentage Distribution of Firms by Number of Employees
Labette County and Kansas: 1980, 1992

<u>Employees</u>	Labette			Kansas		
	<u>1980</u>	<u>1988</u>	<u>1992</u>	<u>1980</u>	<u>1988</u>	<u>1992</u>
0-19	87.6%	87.5%	87.0%	88.0%	88.4%	87.6%
20-99	11.1	10.7	11.0	10.3	10.0	10.6
100-499	1.1	1.6	1.7	1.5	1.5	1.6
500+	0.2	0.2	0.3	0.2	0.1	0.2

Note: Employment data are based on an individual's place of work.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Kansas County Profile for Labette County, KCCED/IPPBR, University of Kansas.

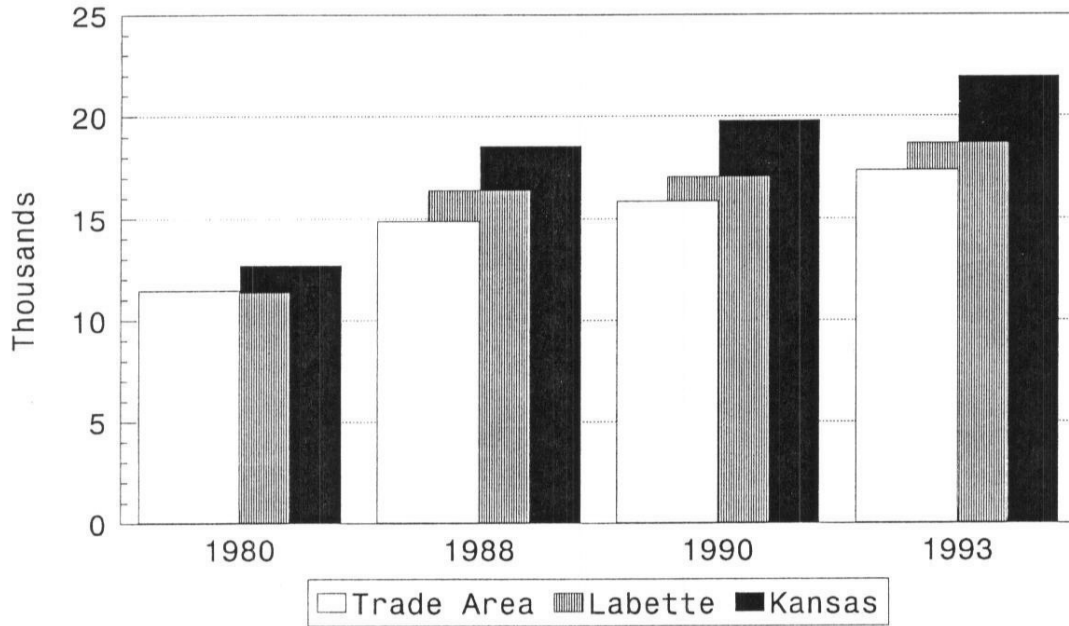
Figure 2
Job Growth v. Population Growth: 1982-1994
Labette County



Note: Employment data are based on an individual's place of work.

Source: Bureau of Economic Analysis, Regional Economic Information System, Table CA5, Kansas Profile for Labette County, KCCED/IPPBR, University of Kansas.

Figure 3
Average Wage Growth Rates
Labette, Selected Counties, and Kansas



Note: The employment estimates used to compute the average are a job count, not a person count.

Source: U.S. Bureau of Economic Analysis, Regional Information System, January 1995, Table CA34, Line Code 030.
 Kansas County Profile for Labette County, KCCED/IPPBR, University of Kansas.

BUSINESS AND MANUFACTURING

This section includes tables and figures on: employment levels by industry, change in employment, manufacturing businesses and their growth rates, retail business and its growth rates, and retail sales growth.

Growth in businesses and manufacturing shows the economic vitality of a county. If the county is perceived to be economically strong, it can induce existing businesses to remain and attract additional new businesses.

Key Findings: Manufacturing and Business

- The United States is experiencing a shift from a manufacturing-based economy to a more service-based economy. Labette County's economy is also shifting, but it is still very dependent upon manufacturing and government/governmental services sectors, which comprise almost half of the county's non-farm employment (**Table 9**). Manufacturing accounted for 20.8 percent of the county's total employment in 1993. Labette County is more dependent upon manufacturing than the State of Kansas, with manufacturing accounting for 12.3 percent of total employment in the State of Kansas. Employment growth has also occurred in agricultural services, retail and services for Labette County.
- The number of manufacturing businesses in Labette County decreased 16 percent since 1988 from 43 businesses to 36 businesses in 1992 while the number of manufacturing businesses for the trade area increased 13 percent for the same time period (**Table 10**).
- Despite the decline in the number of manufacturing businesses (**Table 10**), the employment level in manufacturing has increased (**Table 9**), suggesting that the county is becoming more dependent upon fewer, larger manufacturing firms for its employment.
- The number of retail businesses in Labette County has fluctuated in recent years with 1990 being higher than 1988 or 1993 (**Table 11**). From 1990 to 1992, the county has experienced a 3 percent decline compared with a 1.9 percent decline for the trade area and relatively little change for the State of Kansas (**Table 11**). The decline in the number of retail businesses is consistent with the decline in employment in the retail industry. (**Table 9**)
- Retail sales growth has also increased in recent years with a 9.8 percent increase for Labette County from 1990 to 1993 (**Table 12**). Retail sales, however, for Labette County are lagging behind the State's and the trade area's with a 31.6 percent retail sales growth for Kansas and a 18.2 percent growth for the trade area from 1990 to 1993 (**Table 12**).

Table 9
Employment Levels By Industry
Labette County and Kansas: 1988, 1993

<u>Industry</u>	<u>Labette</u>			<u>Kansas</u>		
	<u>1988</u>	<u>1993</u>	<u>Change</u>	<u>1988</u>	<u>1993</u>	<u>Change</u>
Ag. Services	69	96	39.1%	14,490	17,214	18.8%
Mining	65	70	7.7	32,795	25,228	-23.1
Construction	409	465	13.7	64,242	70,772	10.2
Manufacturing	3,453	2,706	-21.6	187,280	187,966	0.4
Transportation	704	630	-10.5	73,028	74,459	2.0
Wholesale	382	344	-9.9	73,075	75,253	3.0
Retail	1,966	1,915	-2.6	231,419	253,269	9.4
F.I.R.E.	494	463	-6.3	96,713	93,505	-3.3
Services	2,062	2,286	10.9	324,184	379,912	17.2
Gov't & Gov't Services	2,916	2,992	2.6	247,614	271,523	9.7
Subtotal-Non-Farm	12,520	11,967	-4.4	1,344,840	1,449,101	7.8
Farm Employment	1,118	1,048	-6.3	86,268	80,292	-6.9
Total Employment	13,638	13,015	-4.6	1,431,108	1,529,393	6.9

Note: Employment data are based on an individual's place of work.

Source: Bureau of Economic Analysis, Regional Economic Information System, Table CA5, Kansas Profile for Labette County, KCCED/IPPBR, University of Kansas.

Table 10
Number of Manufacturing Businesses for
Labette, Selected Counties, and Kansas: 1988-1992

	<u>1988</u>	<u>1990</u>	<u>1992</u>	<u>88-90</u>	<u>90-92</u>
Labette	43	40	36	-7.0%	-10.0%
Cherokee	34	36	43	5.9	19.4
Crawford	66	64	71	-3.0	10.9
Montgomery	73	76	74	4.1	-2.6
Neosho	48	49	47	2.1	-4.1
Wilson	27	26	28	-3.7	7.7
Craig, OK	10	12	13	20.0	8.3
Nowata, OK	9	7	12	-22.2	71.4
Ottawa, OK	47	54	66	14.9	22.2
Trade Area	314	324	354	3.2	9.3
Kansas	3,179	3,367	3,511	5.9	4.2

Source: "County Business Patterns: Kansas," 1980-1992, "County Business Patterns: Oklahoma", 1980-1992, Kansas County Profile, KCCED/IPPBR, University of Kansas.

Table 11
Number of Retail Businesses for
Labette, Selected Counties, and Kansas: 1988-1992

	<u>1988</u>	<u>1990</u>	<u>1992</u>	<u>88-90</u>	<u>90-92</u>
Labette	146	164	159	12.3%	-3.0%
Cherokee	105	106	105	1.0	-0.9
Crawford	234	236	246	0.9	4.2
Montgomery	300	302	295	0.7	-2.3
Neosho	126	125	128	-0.8	2.4
Wilson	68	65	60	-4.4	-7.1
Craig, OK	96	104	94	8.3	-9.6
Nowata, OK	42	44	46	4.8	4.5
Ottawa, OK	202	205	190	1.5	-7.3
Trade Area	1,173	1,187	1,164	1.2	-1.9
Kansas	16,401	16,845	16,839	2.7	0.0

Source: U.S. Bureau of the Census, "Census of Retail Trade, 1992" (RC-92-A-17), "County Business Patterns: Kansas," 1980-1992, "County Business Patterns: Oklahoma", 1980-1992, Kansas County Profile, KCCED/IPPBR, University of Kansas. Calculations: KCCED/IPPBR.

Table 12
Retail Sales and Growth Rates
Labette, Selected Counties, and Kansas: 1988-1993

	<u>1988</u>	<u>1990</u>	<u>1993</u>	<u>88-90</u>	<u>90-93</u>
Labette	104.8	108.2	118.8	3.2%	9.8%
Cherokee	55.7	56.8	62.1	2.0	9.3
Crawford	177.5	185.7	245.0	4.6	31.9
Montgomery	202.2	217.0	243.5	7.3	12.2
Neosho	95.1	99.4	117.6	4.5	18.3
Wilson	33.7	32.9	31.3	-2.4	-4.9
Trade Area	564.2	591.8	699.5	4.9	18.2
Kansas	17,548.2	18,723.3	24,643.4	6.7	31.6

Source: CEDBR Data Base, Center for Economic Development and Business Research, W. Frank Barton School of Business, Wichita State University, Kansas County Profile, KCCED/IPPBR, University of Kansas. Calculations: IPPBR.

AGRICULTURE AND OIL PRODUCTION

This section contains data on the total value of field crops, the total value of livestock and poultry, and oil production growth rates. These data will help determine whether the overall importance of these two sectors in the county has been increasing or decreasing and how it compares with surrounding counties and the state as a whole. Labette County's economy has been based on manufacturing, retail, and government services. However, agriculture and oil production have been important industries for Kansas and it is therefore worthwhile to see how the county rates in these areas.

Key Findings: Agriculture and Oil Production

- Field crop production represents a small portion of Labette County and the trade area's economy. In 1993, Labette County and the trade area's field crop production represented 0.7 percent and 3.5 percent, respectively, of the State of Kansas' field crop production (**Table 13**). The average total value of field crops from 1988 to 1993 decreased 6.9 percent for Labette County and 5 percent for the trade area, while the State of Kansas experienced an 8.6 percent increase.
- Livestock and poultry also represent a small portion of Labette County and the trade area's economy. In 1993, Labette County and the trade area's value of livestock and poultry represented 0.9 percent and 2.7 percent, respectively, of the State of Kansas' total value of livestock and poultry (**Table 14**). The average total value of livestock and poultry declined 7 percent for the years 1991-1993, while both the trade area and the State of Kansas increased 7.7 percent and 3.5 percent, respectively (**Table 14**).
- The declines in the value of both field crop production and livestock and poultry and the decrease in farm employment indicates that Labette County continues to move away from agriculture for its economic growth (**Table 9, Table 13, Table 14**).
- Oil Production represents a small portion of Labette County and the trade area's economy (**Table 15**). Labette County's oil production has increased 3.2 slightly since 1980, from 31 thousand barrels of oil to 36 thousand barrels of oil produced in 1993. Both the trade area and the State of Kansas' oil production decreased during the same time period (**Table 15**). Future declines in oil production should not have a great impact on the economic viability of Labette County.

Table 13
Total Value of Field Crops *: 1988-1993
Labette, Selected Counties, and Kansas

	Value of Field Crops (\$ millions)						
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	88-93 <u>Change</u>
Labette	32	25	15	20	26	21	-6.9%
Cherokee	32	32	19	22	33	29	1.2
Crawford	36	28	20	18	27	22	-20.2
Montgomery	18	18	11	13	21	15	4.3
Neosho	20	23	15	17	22	17	-3.4
Wilson	22	27	17	19	25	21	-1.5
Trade Area	128	128	82	89	128	104	-5.0
Kansas	2,861	2,310	2,729	2,579	2,988	3,014	8.6
Crop Price Index +	138	155	129	124	140	131 ^A	-6.4

* Does not include any government program payments, value of sugar beets, or cotton acreage value, until 1991, then only government program payments are not included.

+1977 prices = 100

A = preliminary figure

Note: Calculation of 88-93 Change may vary due to rounding.

Source: Kansas Agricultural Statistics, Kansas Farm Facts; IPPBR calculations.

Table 14
Total Value of Livestock and Poultry: 1988-1993
Labette, Selected Counties, and Kansas

Value of Livestock and Poultry (\$ millions)							
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>88-93 Change</u>
Labette	28	29	29	28	25	27	-7.0%
Cherokee	7	9	12	11	12	17	42.9
Crawford	10	10	15	13	12	13	8.6
Montgomery	12	14	18	14	13	14	-6.8
Neosho	16	15	18	17	15	18	2.0
Wilson	15	17	21	20	19	17	5.7
Trade Area	60	65	84	75	71	79	7.7
Kansas	2,625	2,652	2,929	2,857	2,759	2,874	3.5
Livestock & Products Price Index +	186	192	205	196	193	199 ^A	0.9

+1977 prices = 100
A = preliminary figure

Source: Kansas Agricultural Statistics, Kansas Farm Facts; IPPBR calculations.

Table 15
Oil Production and Growth Rates: 1988-1993
Labette, Selected Counties, and Kansas

	Oil Production Growth Rates				
	<u>1988</u>	<u>1990</u>	<u>1993</u>	<u>88-90</u>	<u>90-93</u>
Labette	28	36	32	28.6%	-11.1%
Crawford	40	34	26	-15.0	-23.5
Montgomery	474	404	256	-14.8	-36.6
Neosho	169	156	94	-7.7	-39.7
Wilson	232	205	173	-11.6	-15.6
Trade Area	915	799	581	-12.7	-27.3
Kansas	57,910	55,704	48,362	-3.8	-13.2

Note: Cherokee county has no oil production.

Source: Kansas Geological Survey, Oil and Gas Production in Kansas, Kansas Statistical Abstract KCCED.

INCOME

This section discusses personal per capita income, total personal income, and total personal income growth rates. Per capita personal income shows the relative wealth of the area compared with the state. As the productivity of business and industry increase, personal per capita income also rises. Decrease or stable rates may be the result of mature or declining industry.

Key Findings: Income

- Per capita personal income for Labette County was \$15,605 in 1993 compared with \$19,849 for the State (non-inflation adjusted numbers), making the county's per capita income 79 percent of the State's (**Table 16**). While Labette County's per capita personal income has increased, it still lags behind the State's (**Figure 4**).
- Total personal income for Labette County has increased to \$363 million in 1993 (non-inflation adjusted numbers) (**Table 17**). Total personal income also increased for both the trade area and the State of Kansas but at a greater rate than it did for Labette County.
- Per capita income for Labette County and the region is less than many parts of the State of Kansas (**Map 6**). Still, Labette County has one of the higher per capita incomes for the counties in southeast Kansas.

Table 16
Per Capita Personal Income
Labette County and Kansas: 1980-1993

	Income		Growth Rates		Income Ratio: Labette to Kansas
	<u>Labette</u>	<u>Kansas</u>	<u>Labette</u>	<u>Kansas</u>	
1980	7,893	9,941			0.79
1981	8,691	11,211	10.1%	12.8	0.78
1982	9,707	11,852	11.7	5.7	0.82
1983	10,032	12,200	3.3	2.9	0.82
1984	10,726	13,100	6.9	7.4	0.82
1985	11,587	13,875	8.0	5.9	0.84
1986	11,895	14,513	2.7	4.6	0.82
1987	12,401	15,087	4.3	4.0	0.82
1988	13,285	15,822	7.1	4.9	0.84
1989	13,625	16,516	2.6	4.4	0.82
1990	14,102	17,768	3.5	7.6	0.79
1991	14,890	18,306	5.6	3.0	0.81
1992	15,554	19,387	4.5	5.9	0.80
1993	15,605	19,849	0.3	2.4	0.79

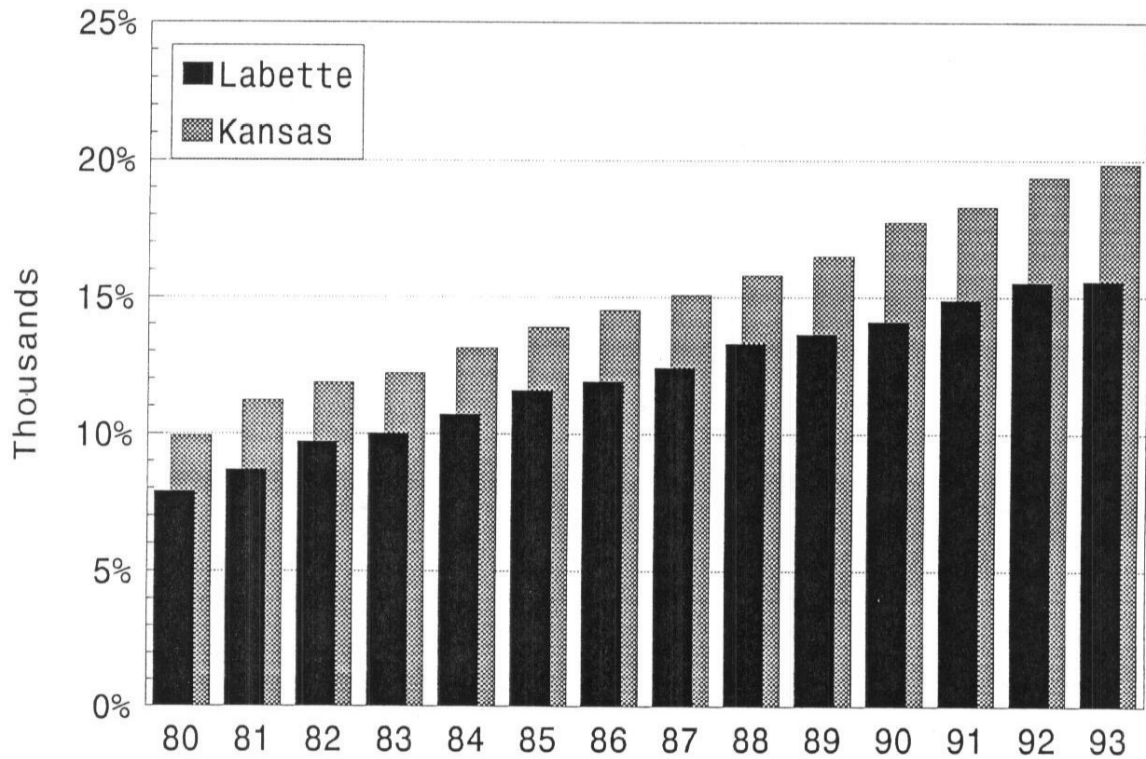
Source: University of Kansas, Kansas Center for Community Economic Development, "Kansas County Profile for Labette, 1994", Bureau of Economic Analysis, Regional Economic Information System, Table CA5, Local Area Personal Income 1969-1992, U.S. Department of Commerce, BEA.

Table 17
Total Personal Income (\$ millions)
Labette, Selected Counties, and Kansas: 1980-1993

	<u>1980</u>	<u>1988</u>	<u>1990</u>	<u>1993</u>
Labette	203	320	333	363
Cherokee	164	254	279	324
Crawford	315	466	520	602
Montgomery	381	502	571	613
Neosho	165	225	254	288
Wilson	93	130	137	156
Craig, OK	121	158	172	204
Nowata, OK	97	105	121	133
Ottawa, OK	248	348	401	464
Trade Area	1,584	2,188	2,455	2,784
Kansas	23,297	38,778	43,763	50,319

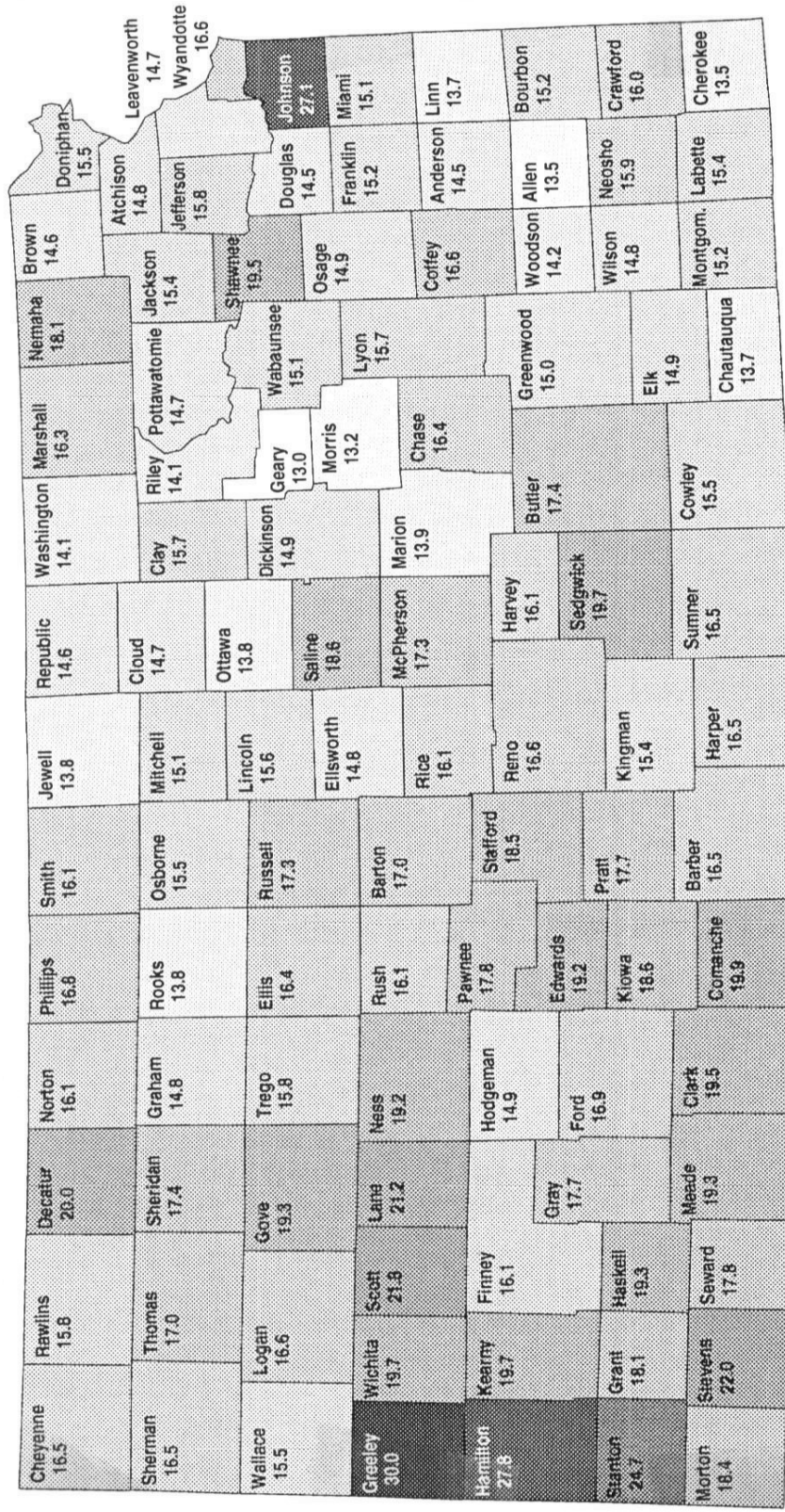
Source: Bureau of Economic Analysis, Regional Economic Information System, Table CA5, Line Codes 010, 041, 042, 046, 047, 050, 060, 071, 072.

Figure 4
Per Capita Personal Income
Labette County and Kansas



Source: University of Kansas, Kansas Center for Community Economic Development, "Kansas County Profile for Labette, 1994", Bureau of Economic Analysis, Regional Economic Information System, Table CA5, Local Area Personal Income 1969-1992, U.S. Department of Commerce, BEA.

Map 6. Per Capita Income: 1991 (Dollars in Thousands)



EDUCATION

Education data includes tables on the educational attainment of the population and high school drop outs. Education is one of the keys to a strong community. Residents who have a strong educational background will be more employable and command higher salaries. Employers will benefit as well because they will most likely experience lower turnover and training costs. In the future, it will be more difficult for individuals without education beyond high school to find jobs that pay more than minimum wage.

Key Findings: Education

- In 1990, 27.1 percent of Labette County's residents (25+ years) had obtained some post-high school education compared with 26.5 percent for selected surrounding counties (25+ years) (**Table 18**). Labette County is slightly below that of the State of Kansas in which 30.6 percent of its residents (25+ years) had obtained some form of post-high school education.
- Almost 17 percent of the over 25 population for Labette County in 1990 had less than a high school education compared to 12 percent for the State of Kansas (**Table 18**). Given that future jobs will require some kind of post-high school training, further education and training of adult workers may be necessary to increase the skill level of this portion of the population.
- The high school dropout rate for Labette County in 1991 (2.6%) was significantly less than that of Kansas (3.1%) (**Table 19**). It is also lower, with the exception of Wilson County (2.4%), than that of the surrounding counties. This trend is favorable for Labette County as it indicates that the students will be more employable and more willing to pursue some kind of post-high school education.²

²The dropout rate is determined by dividing the number of dropouts by the number of students enrolled in high school. It should be noted that the calculation of the dropout rate changed in 1991. Grades 7-8 were added to the headcount number to conform with the federal government's method of determining the dropout rate. Prior to 1991, only grades 9-12 were used in calculating the dropout rate.

Table 18
Educational Attainment Of Persons over 25
As A Percentage of Total Population
1990
Labette, Selected Counties, and Kansas

	Completed Less than 9th Grade	9-12th Grade, No Diploma	High School Graduate	Some College	College Degree
Labette	7.8%	9.0%	21.0%	14.6%	12.5%
Cherokee	7.8	11.6	24.8	11.0	9.7
Crawford	7.6	8.5	19.4	13.0	15.1
Montgomery	7.4	10.3	20.3	13.9	13.8
Neosho	6.5	8.6	22.6	15.2	13.3
Wilson	7.0	10.5	26.3	13.6	11.5
Kansas	4.9	7.0	20.8	13.8	16.8

Note: College Degree includes Associates, Bachelors, and Graduate Degrees.

Source: U.S. Bureau of the Census, "1990 Census of Population and Housing," STF3A. Kansas County Profile for Labette County. Calculations: KCCED/IPPBR.

Table 19
High School Dropout Rates: 1987-1991
Labette, Selected Counties, and Kansas

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Labette	5.9%	5.8%	4.5%	5.3%	2.6%
Cherokee	4.3	5.4	6.3	7.3	3.6
Crawford	3.2	4.5	2.5	4.6	2.8
Montgomery	6.5	8.0	8.8	7.4	5.8
Neosho	3.1	2.6	2.9	4.9	3.0
Wilson	4.5	3.3	3.5	2.8	2.4
Kansas	4.3	4.5	4.2	4.3	3.1

Note: For the years 1987-1990, high school dropout rate is determined by dividing the number of dropouts by the number of students enrolled in grades 9-12. In 1991, the dropout rates is determined by dividing the number of dropouts by the number of students enrolled in grades 7-12.

Source: Kansas State Department of Education, "1992-93 Secondary School Dropouts." Kansas State Board of Education, "Kansas USD's High School Dropouts: 1986-87 through 1991-1992." Kansas County Profile for Labette County. Calculations: KCCED/IPPBR.

SOCIAL ENVIRONMENT

Social environment includes tables on poverty status and crime offenses. Poverty and crime represent significant costs to a community. With a decline in businesses and job opportunities, residents may either use public assistance or turn to crime as a way to survive. Other factors such as drug use could increase crime in an area.

Key Findings: Social Environment

- The poverty level for a family of four was \$7,412 in 1979, and \$14,335 in 1989. The number of residents in Labette County with income below the poverty level increased 9.6 percent from 3,032 in 1979 to 3,322 in 1989 (**Table 20**). This was less than both the trade area and the State of Kansas, which experienced increases of 21.9 percent and 18.5 percent, respectively.
- The region has a higher percentage of its population living below the poverty level than the State's percentage of 11.5 percent. As a percentage of population, Labette County residents with income under the poverty level was 12.2 percent in 1979 compared to 14.6 percent in 1989. The number of residents in the trade area with income below the poverty level as a percentage of population increased from 12.9 percent in 1979 to 17.1 percent in 1989. These increases are due to an increase in individuals with income below the poverty level and a decrease in total population from 1979 to 1989 (**Table 20**).
- Crime index offenses in Labette County increased 47.9 percent from 626 offenses in 1986 to 926 offenses in 1992 (**Table 21**). This increase is consistent with the decrease in employment rates and businesses, particularly manufacturing.
- While Labette County's crime rate fluctuates from year to year, it does appear that some improvement has been shown from 1990 to 1992 (**Table 21**). Still, its crime rate is greater than the surrounding trade area and the State's, perhaps, lowering its quality of life relative to other areas.

Table 20
Poverty Status: Persons with Income Below Poverty Level (All Ages)
1979, 1989
Labette, Selected Counties, and Kansas

	<u>1979</u>	<u>1989</u>	<u>79-89 Percentage Increase</u>	<u>1979 Percent of Population</u>	<u>1989 Percent of Population</u>
Labette	3,032	3,322	9.6%	12.2%	14.6%
Cherokee	3,298	4,254	29.0	15.0	20.2
Crawford	5,384	6,399	18.9	14.8	18.8
Montgomery	4,636	5,937	28.1	11.2	15.7
Neosho	1,707	2,271	33.0	9.2	13.7
Wilson	1,726	1,554	-10.0	14.4	15.4
Trade Area	16,751	20,415	21.9	12.9	17.1
Kansas	231,718	274,623	18.5	10.1	11.5

Source: U.S. Bureau of the Census, "1990 Census of Population and Housing, Summary Social, Economic, and Housing Characteristics: Kansas" (1990 CPH-5-18). Kansas County Profile for Labette County. Calculations: KCCED/IPPBR.

Table 21
Crime Offenses and Growth Rates By County: 1986-1992
Labette, Selected Counties, and Kansas

	<u>1988</u>	<u>1990</u>	<u>1992</u>	<u>88-90</u>	<u>90-92</u>
Labette	693	838	926	20.9%	10.5%
Cherokee	575	515	385	-10.4	-25.2
Crawford	1,828	1,680	2,166	-8.1	28.9
Montgomery	1,877	2,167	2,051	15.5	-5.4
Neosho	405	468	520	15.6	11.1
Wilson	268	252	191	-6.0	-24.2
Trade Area	4,953	5,082	5,313	2.6	4.6
Kansas	118,750	129,188	132,869	8.8	2.9

Note: Crime index offenses are murder, non-neligent manslaughter, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft.

Source: U.S. Department of Justice, Federal Bureau of Investigation, "Uniform Crime Reports," various issues; Kansas Bureau of Investigation, Statistical Analysis Center, "Crime in Kansas," various issues. Kansas County Profile for Labette County. Calculations: KCCED/IPPBR.

CONCLUSION

Labette County's population peaked in 1920 with a population of 34,047. Its 1994 estimated population is 23,149. The counties around Labette County have also experienced population declines, suggesting that this region has not done as well as other parts of the State in adapting to changing economic conditions. The average annual employment for Labette County declined from 1989 to 1992 while the surrounding trade area and the State experienced increases. No other county in Kansas experienced as great a percentage decrease in job growth (-20.2 percent) as Labette County, indicating that economic restructuring is needed.

Labette County's average wage per job, while lower than the State's average, is slightly greater than the average for the surrounding counties. This suggests that salaries should be attractive enough to attract persons within the region to seek employment in Labette County. However, the lower average than the State's makes the county and the region subject to workers seeking employment outside of the region for higher wages. Per capita income for the county also lags behind the State's, with Labette County's per capita income at 79 percent of the State's. The county's higher average wage and, at the same time, decreased employment suggests that the county is losing lower wage jobs, probably to international competitors.

Labor force participation in 1990 for Labette County and the regional was below the state and national averages. This, along with the higher unemployment than most of Kansas, suggests that the region has an available labor force if jobs are generated. Besides being available, the labor force also has good access to education and training with an extensive system of community colleges in Southeast Kansas to provide adult education and training. Still, the number of persons over 25 with education beyond high school was around 27.1 percent in 1990 compared to 30.6 percent for the State. And, 17 percent of the over 25 population in 1990 had less than a high school education compared to 12 percent for the State, indicating the importance of adult education and training of the work force for the County's future. On a positive note, the high school drop out rate for the county was less than the State's in 1991.

Data on Labette County's employment and population shows that a restructuring of the economy is needed. It appears that the county is slowly shifting from manufacturing to service-oriented industries. Some signs of adaptation are the increases in employment in services, government services, and retail and the lack of dependence upon agriculture and oil production, both declining industries. Still the reliance on manufacturing jobs and the continued population loss makes it difficult for the county to adapt quickly enough to economic changes. Labette County, like most of Kansas, needs even greater emphasis on creating, retaining and attracting new businesses which will increase the employment base and level of personal income. Such a focus should improve Labette County's economy and ability to effectively compete with the surrounding trade area.