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Economic Trends Update: Douglas County

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Foreword

The Kansas Center for Community Economic Development (KCCED) is a joint center of the Institute for Public Policy and Business Research at the University of Kansas and the Kansas Center for Rural Initiatives at Kansas State University. Its purpose is to enhance economic development efforts by bringing university expertise to rural Kansas.

KCCED is funded by a grant from the Economic Development Administration of the U.S. Department of Commerce. The statements, findings, and conclusions of this report are those of the authors and do not necessarily reflect the views of the U.S. Government, the University of Kansas, or any other individual or organization.

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Economic Trends Update: Douglas County

Introduction

The Lawrence-Douglas County area is a community with a growing population, high quality work force, and modern economic base, enhanced by the presence of a major regional university. Its development in recent years has been shaped by two significant forces. First, with three universities, it is a major center for higher education: much of its development has been influenced by its large student population. Second, Douglas County is located between two metropolitan areas and has captured some of the spill over benefits from this location.

In 1992, the Institute for Public Policy and Business Research (IPPBR) at the University of Kansas conducted a review of economic and demographic trends for Douglas County and the City of Lawrence. This review was part of the strategic planning process for the county called Horizon 2020. The 181-page report contained data on: global, regional and national trends, population, housing, education, employment, earnings and income, geographic location and infrastructure, business environment, financial capital, innovation and technology, and quality of life.[1]

The following report includes an update of selected variables from the 1992 study as well as some additional variables. This report looks at variables categorized under the following areas:

- population,
- employment,
- earnings and income,
- retail trade,
- agriculture, and
- education.

Throughout the report, Douglas County's performance is compared with the performance of the State of Kansas, Comparative Counties[2] and Surrounding Counties[3]. It is by no means a comprehensive analysis of economic trends facing Douglas County but rather an overview of some key economic and demographic variables.

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[1] *Horizon 2020 Data Analysis*, Kansas Center for Community Economic Development, Institute for Public Policy and Business Research, University of Kansas, Technical Report Number 12, August 1992.

[2] "Comparative Counties" are Boone County, Missouri (University of Missouri, Columbia); Johnson County, Iowa (University of Iowa, Iowa City); Larimer County, Colorado (Colorado State University, Fort Collins); and Champaign County, Illinois (University of Illinois, Urbana-Champaign).

[3] "Surrounding Counties" used for comparison in this report are Johnson, Shawnee, and Wyandotte counties. "Selected Counties" include both the Comparative and the Surrounding Counties.

POPULATION

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. Communities with growing populations are generally regarded as being more 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. Generally, areas of population growth are also areas of economic growth, whereas areas of population loss suffered previous economic decline and restructuring.

Population characteristics are regarded as indicators of a region's economic conditions and economic potential. The level of Douglas County's population relative to the state's population reflects the county's overall level of competitiveness with respect to other regions within the state. A minimum population is necessary to sustain a basic level of public and private services and facilities. Past and projected population change is indicative of community economic trends and can be compared to other counties and the statewide and national averages.

Migration is linked to job opportunities and demand as well as wage differentials between regions. Counties with low rates of job creation and low wages 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 to 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.

The following section consists of the population tables, figures, and maps which together illustrate population totals, population growth rates, percent net migration, and population rankings.

Population: Key Findings

- During the 1980s, Douglas County's population grew almost 21 percent, which was four times as fast as the growth rate of Kansas and twice the rate of the U.S. The county's population has grown every decade since 1920 and has grown by 10,000 or more per decade since 1940. Population has almost doubled between the end of the 1950s and the end of the 1980s (Table 1).

- Since 1993, the county's annual growth rates were more than two times greater than the state's rates. In 1996, the county's rate of growth was four times greater than the state's rate while in 1997, the county grew more than twice as fast as the state (Table 1).

- From 1980 to 1990, all the "college town" counties except for Champaign, Illinois grew faster than the national average of 9.8 percent. From 1990 to 1997, Douglas County had a growth rate of 11.4 percent. This growth rate, for the university towns, was surpassed only by Larimer County, Colorado (21.4 percent). Larimer County's rate was nearly twice the rate of Douglas County and almost three times the national average (Table 2 and Figure 1).

- Johnson County, Kansas, had the highest growth rate for the neighboring metropolitan counties in Kansas with a 31.4 percent increase from 1980 to 1990 and a 17.6 percent increase from 1990 to 1997. These rates were higher than Douglas County's rates during the both time periods (Table 2 and Figure 1a).

- Douglas County's percent population change from 1970 to 1980 (16.8 percent) was about half of the increase the previous decade (32.5 percent), but it was still about three times greater than the state's 5.1 percent (Tables 1 and 2). For the past two and one-half decades, Douglas County's population has grown at a faster rate than Kansas or the U.S. (Table 2 and Figure 1b).

- Each decade since the 1960s, Douglas County's net migration was positive while the state's net migration was negative. During the period 1990-1997, Douglas county's and the state's net migration was positive (Table 3).

- Douglas County had moved from being the sixteenth most populated county in Kansas in 1940 to being the fifth most populated county in 1990. Douglas County is projected to maintain this standing through the year 2020 (Table 4).

- Douglas County was one of the fastest growing counties in Kansas from 1980 to 1990 (Map 1) but its rate of growth slowed a little between 1990-1997 (Map 1a). The 11.9 percent net migration from 1980 to 1990 for Douglas County was the third highest for Kansas. Johnson County had the highest net migration at 20.3 percent followed by Finney County at 15 percent (Map 2).

Table 1

Population Totals, Growth Rates, Rank & Share
Douglas County and Kansas

Year	Douglas County		Kansas		Douglas County Rank in state	Share (%)
	Population Total	Growth Rate	Population Total	Growth Rate		
1890	23,961		1,428,108		15	1.7
1900	25,096	4.7 %	1,470,495	3.0 %	13	1.7
1910	24,724	-1.5	1,690,949	15.0	15	1.5
1920	23,998	-2.9	1,769,257	4.6	17	1.4
1930	25,143	4.8	1,880,999	6.3	17	1.3
1940	25,171	0.1	1,801,028	-4.3	16	1.4
1950	34,086	35.4	1,905,299	5.8	10	1.8
1960	43,720	28.3	2,178,611	14.3	9	2.0
1970	57,932	32.5	2,249,071	3.2	6	2.6
1980	67,640	16.8	2,364,236	5.1	5	2.9
1990	81,798	20.9	2,477,588	4.8	5	3.3
1991*	83,121	1.6	2,492,577	0.6	5	3.3
1992*	83,871	0.9	2,515,760	0.9	5	3.3
1993*	85,873	2.4	2,534,668	0.8	5	3.4
1994*	87,080	1.4	2,553,889	0.8	5	3.4
1995*	88,256	1.4	2,569,619	0.6	5	3.4
1996*	89,674	1.6	2,579,149	0.4	5	3.5
1997*	91,093	1.6	2,594,840	0.6	5	3.5
2000**	95,849	5.2	2,562,890	-1.2	n/a	3.7
2005**	100,419	4.8	2,604,664	1.6	n/a	3.9
2010**	102,015	1.6	2,645,887	1.6	n/a	3.9
2015**	102,503	0.5	2,688,165	1.6	n/a	3.8
2020**	103,243	0.7	2,723,689	1.3	n/a	3.8

* Estimates ** Projections

Source: 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; 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. Calculations: IPPBR.

Table 2

Population Growth Rates
Douglas County, Selected Counties, Kansas, and United States
1970-1997

Year	1970-1980	1980-1990	1990-1997*
Douglas	**16.8**	**20.9**	**11.4**
Johnson	22.8	31.4	17.6
Shawnee	-0.3	3.9	2.5
Wyandotte	-7.8	-6.0	-5.8
Boone, MO	24.0	11.9	14.2
Johnson, IA	13.3	17.6	6.4
Larimer, CO	65.9	24.8	21.4
Champaign, IL	3.1	2.8	-2.6
Kansas	**5.1**	**4.8**	**4.7**
United States	**11.4**	**9.8**	**7.6**

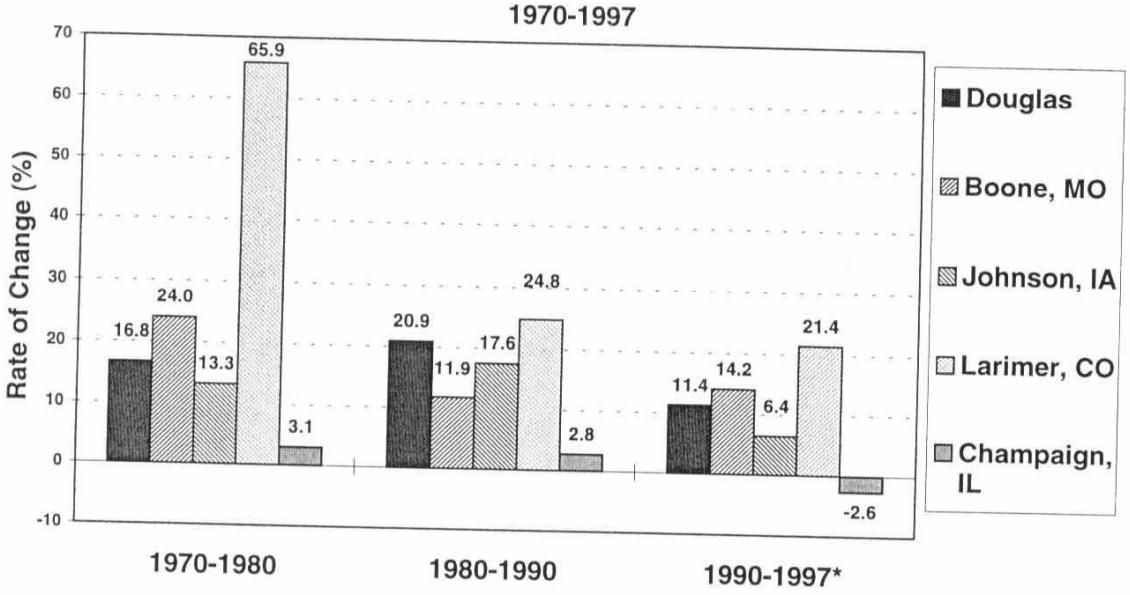
* 1997 Population estimate

Note: 1990-97 is a seven-year period compared to ten years for the previous periods.

Source: U.S. Bureau of the Census, "1980 Census of Population," PC90-1-A; "1990 Decennial Census." U.S.Department of Commerce, Bureau of Economic Analysis, Kansas Center for Community Economic Development, "Profile for Douglas County." 1990-1995 estimates: U.S. Bureau of the Census.

Figure 1

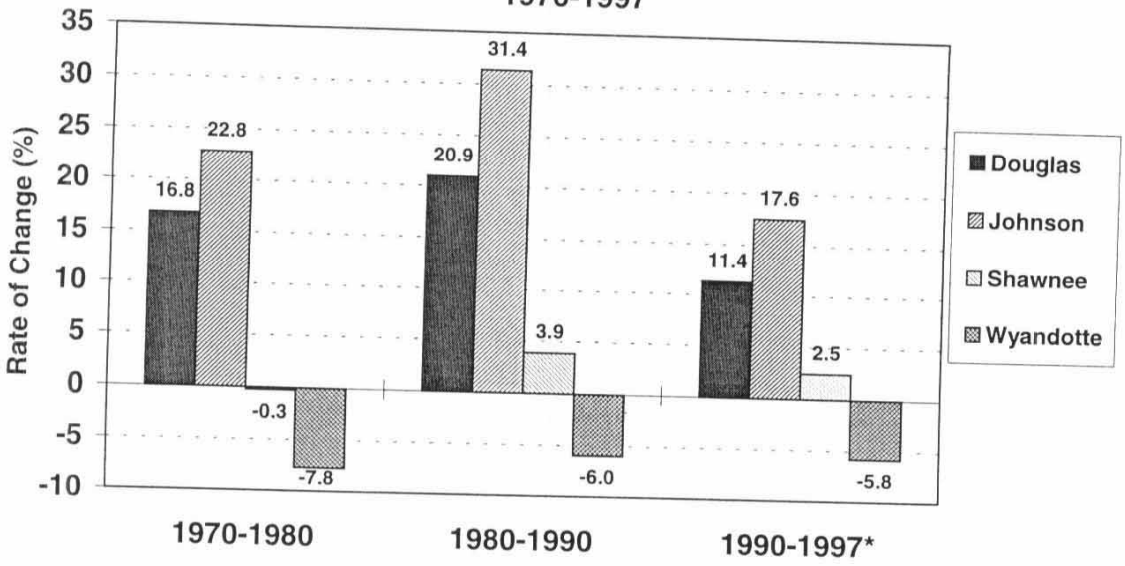
Rates of Population Change
Douglas and Comparative Counties
1970-1997



* 1990-1997 is a seven-year period compared with other ten-year periods

Figure 1a

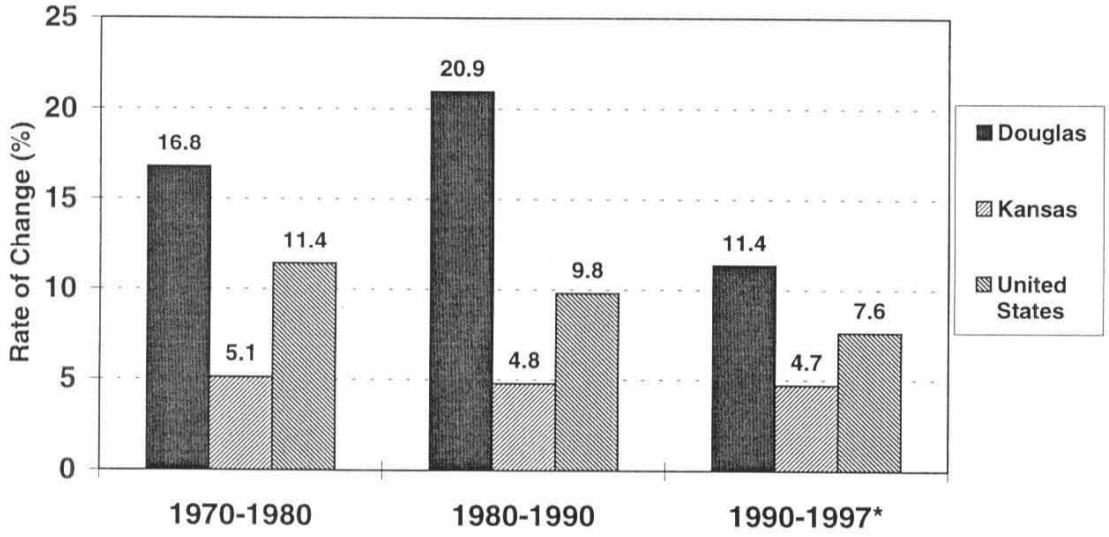
Rates of Population Change
Douglas and Surrounding Counties
1970-1997



* 1990-1997 is a seven-year period compared with other ten-year periods

Figure 1b

Rates of Population Change
Douglas County, Kansas, and U.S.
1970-1997



* 1990-1997 is a seven-year period compared with other ten-year periods

Table 3
Net Migration
1970-1997

Douglas County

Year	Population	Population Change	Births	Deaths	Births - Deaths	Net *** Migration	Percent Net Migration
1970*	57,932	14,212	8802	3668	5134	9,078	0.6
1980*	67,640	9,708	8228	3611	4617	5,091	8.8
1990*	81,798	14,158	10049	3908	6141	8,017	11.9
1997**	91,093	9,295	7778	3298	4480	4,815	5.9

Kansas

Year	Population	Population Change	Births	Deaths	Births - Deaths	Net *** Migration	Percent Net Migration
1970*	2,249,071	70,460	409189	219067	190122	-119,662	-5.5
1980*	2,364,236	115,165	355861	218713	137148	-21,983	-1.0
1990*	2,477,588	113,352	397215	220466	176749	-63,397	-2.7
1997**	2,594,840	117,252	271732	168210	103522	13,730	0.6

* Decade ending

** Population estimate

*** Net migration = Population change - (births-deaths)

Source: Population Totals: U.S. Bureau of the Census, "Census of Population, 1970: Number of Inhabitants; 1980 Census of Population," Vol.1, Chapter A, Part 18; "1990 Decennial Census," mimeographed sheet; Population Estimates U.S. Bureau of the Census. Calculations: IPPBR.

Table 4

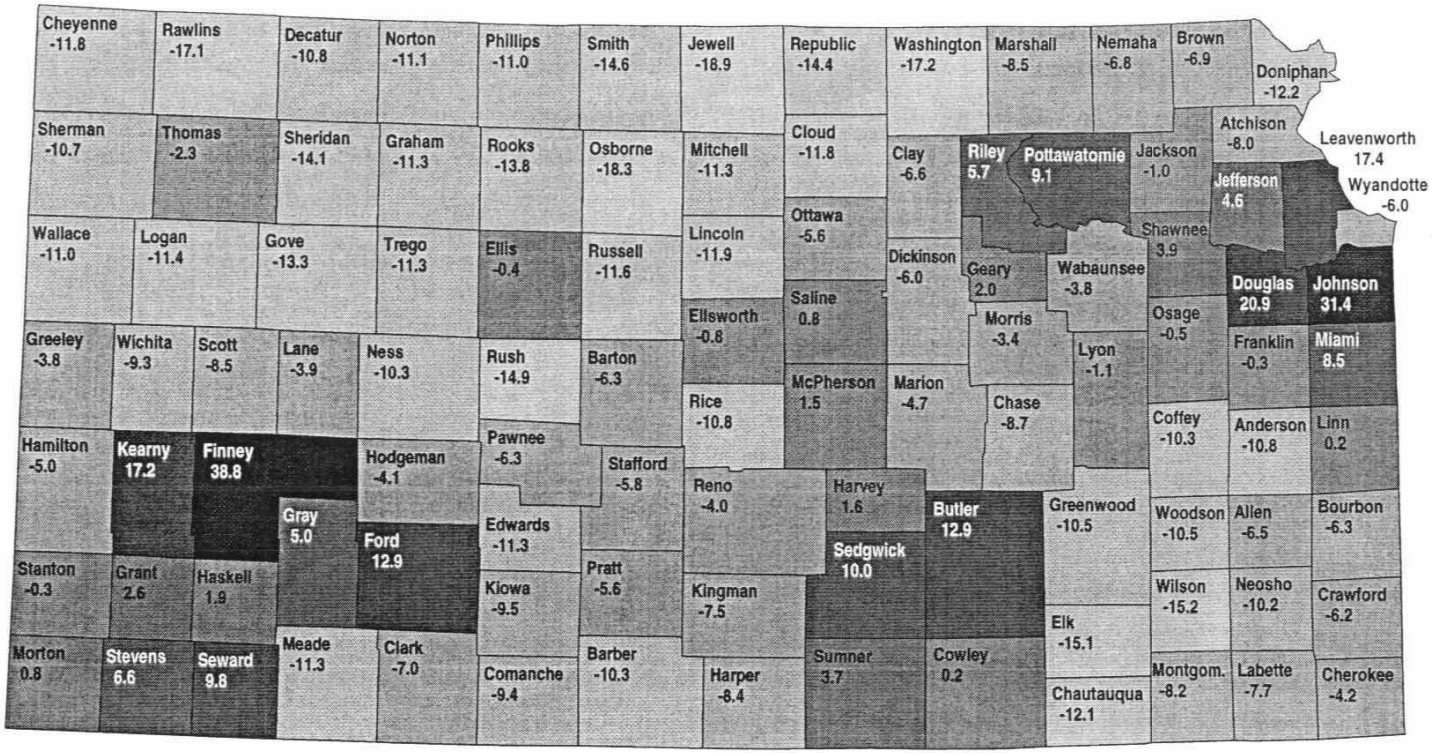
Population of Top Ranking Kansas Counties (Thousands)

Rk	1940	Pop.	Rk	1990	Pop.	Rk	2020*	Pop.
1	Wyandotte	145	1	Sedgwick	404	1	Johnson	624
2	Sedgwick	143	2	Johnson	355	2	Sedgwick	478
3	Shawnee	91	3	Wyandotte	162	3	Shawnee	171
4	Reno	52	4	Shawnee	161	4	Wyandotte	158
5	Montgomery	49	***5***	***Douglas***	***82***	***5***	***Douglas***	***103***
6	Crawford	45	6	Riley	67	6	Leavenworth	85
7	Leavenworth	41	7	Leavenworth	64	7	Finney	80
8	Cowley	38	8	Reno	62	8	Riley	77
9	Johnson	33	9	Butler	51	9	Butler	64
10	Butler	32	10	Saline	49	10	Reno	54
11	Labette	30	11	Montgomery	39	11	Saline	44
12	Cherokee	30	12	Cowley	37	12	Ford	41
13	Saline	30	13	Crawford	36	13	Geary	38
14	Lyon	26	14	Lyon	35	14	Cowley	38
15	Sumner	26	15	Finney	33	15	Lyon	37
16	***Douglas***	***25***	16	Harvey	31	16	Crawford	34
17	Barton	25	17	Geary	30	17	Montgomery	32
18	McPherson	24	18	Barton	29	18	Harvey	32
19	Dickinson	23	19	Ford	27	19	Miami	30
20	Atchison	22	20	McPherson	27	20	Sumner	29

* Population Projection

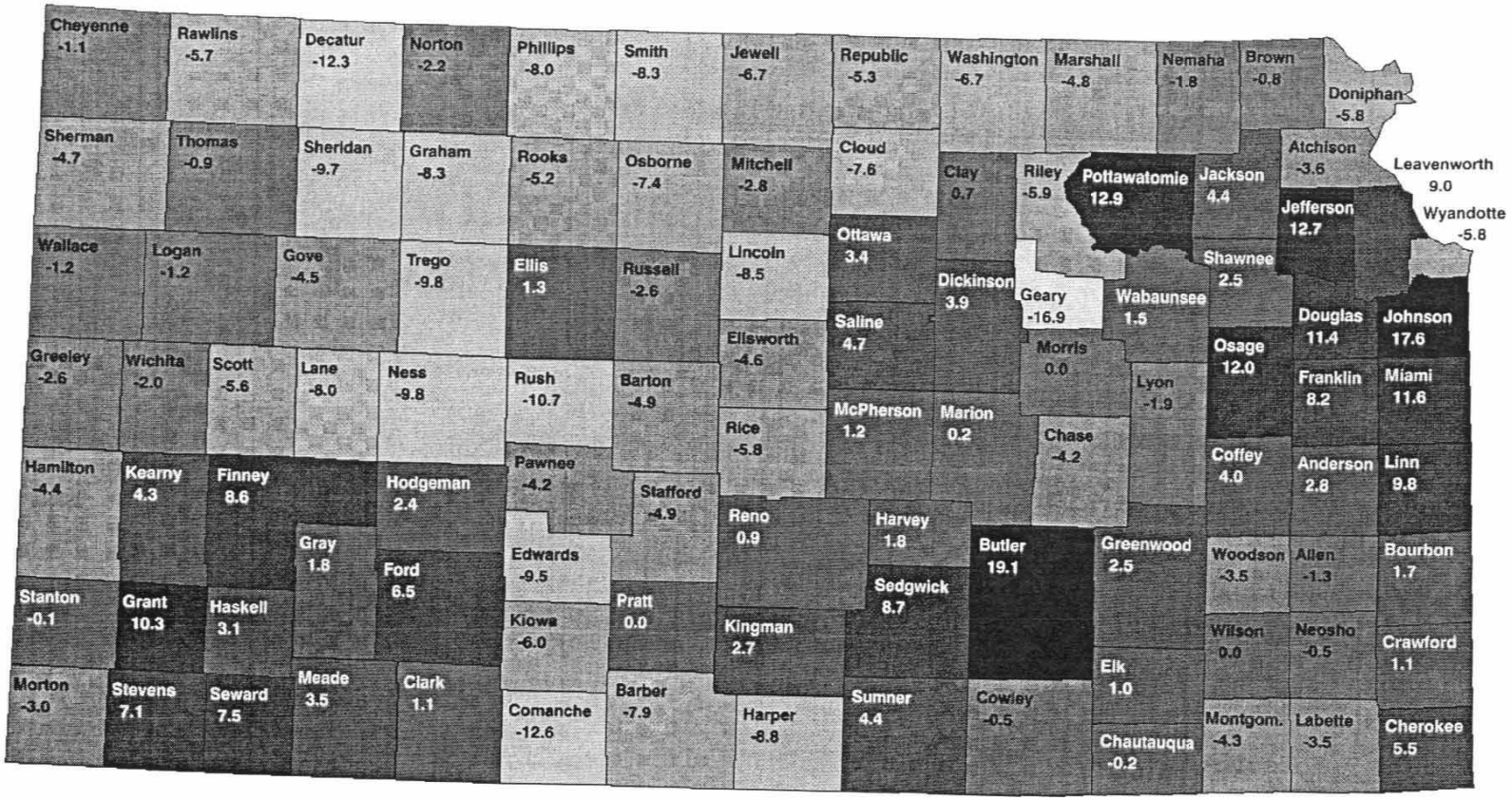
Source: University of Kansas, Institute for Public Policy and Business Research, "Kansas Statistical Abstract," 1992-1993, "Population of Kansas Counties, 1890-1980; U.S. Bureau of the Census, "1990 Decennial Census." Floerchinger, Teresa D., "Kansas Population Projections, 1990-2030, "Kansas Division of the Budget, September, 1992. Calculations: IPPBR.

Map 1
Percent Population Change: 1980 - 1990

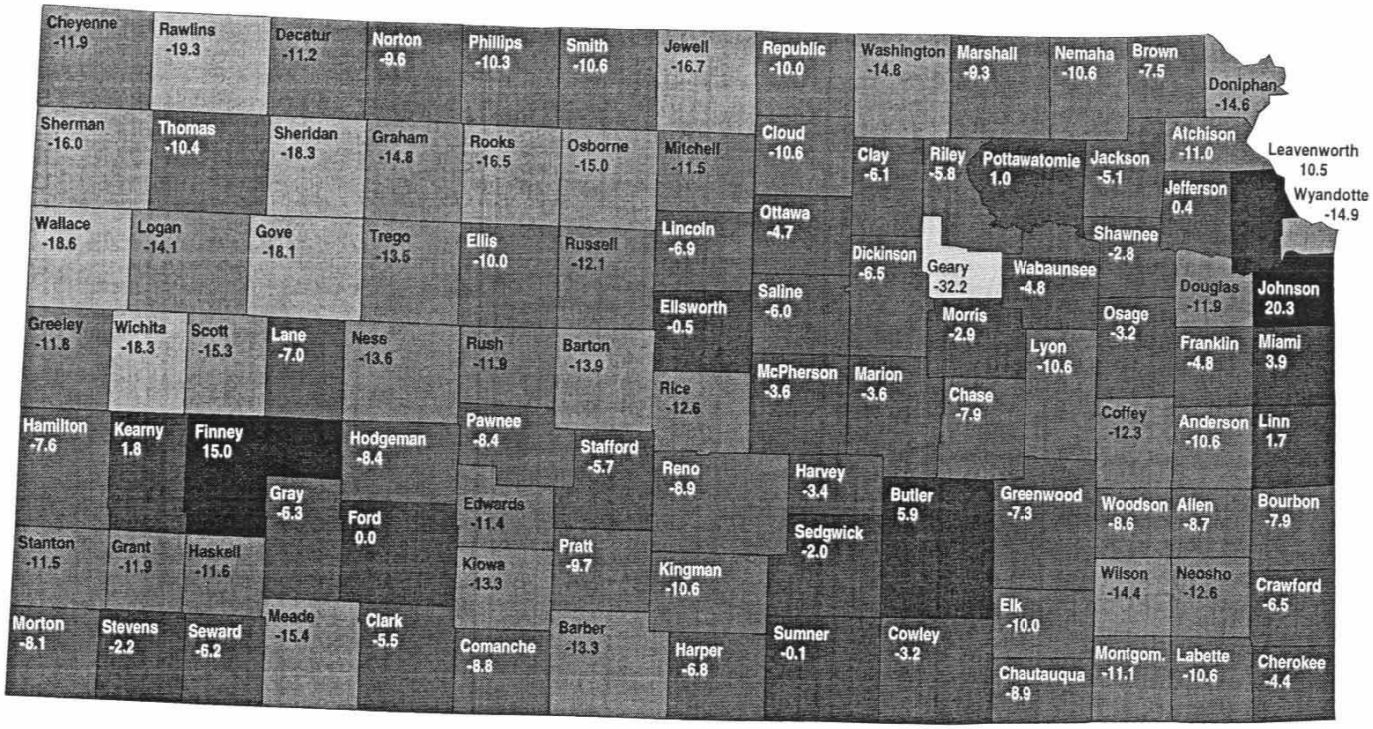


Source: Institute for Public Policy and Business Research, The University of Kansas, using data from U.S. Census 1990.

Map 2
Percent Population Change: 1990 – 1997



Map 3
Percent Net Migration: 1980 - 1990



Source: Institute for Public Policy and Business Research, The University of Kansas, using data from U.S. Census, 1990.

EMPLOYMENT

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 perceptions of individuals that suitable job opportunities exist. Diverse, healthy economies tend to offer the widest variety of job opportunities and thereby 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 is able to 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, they may be replaced by new jobs. Net job creation reflects the net gain or net loss in jobs over a given period of time.

The following tables, figures and maps are included in the employment section: employment growth rates, number of firms by number of employees, percentage distribution of firms by number of employees, employment levels by industry, labor force participation, unemployment rates, and job growth.

Employment: Key Findings

- The average annual employment (by place of work) for Douglas County has shown strong growth in the last 10 years with a 25.5 percent growth from 1986 to 1991 and 14.7 percent growth from 1991 to 1996 (Table 5). During both periods, the average annual employment growth for Douglas County is higher than both the state and national growth rates (Table 5 and Figure 2).

- Douglas County had higher average annual employment growth rates than all selected counties for 1986 to 1991. For 1991 to 1996, Johnson County (Kansas), Boone County (Missouri), and Larimer County (Colorado) had higher growth rates than Douglas County (Table 5, Figures 2a and 2b).

- The number of firms located in Douglas County has increased 42.8 percent from 1985 to 1995, compared to an 8.2 percent increase for Kansas (Table 6).

- For Douglas County, the number of firms employing 20 to 99 workers grew at a faster rate than those with less than 19 workers and those with 100 to 499 workers. For both the county and the state, around 87 percent of the firms employ fewer than 19 workers in 1995. This percentage decreased slightly from 89 percent in 1985. (Tables 6 and 7). The importance of small firms to the economy indicates a need for strategies that nurture new business development and assist existing small businesses.

- Total employment for Douglas County grew from 46,952 in 1991 to 53,708 in 1996, for a growth rate of 14.4 percent, compared with 8.8 percent for Kansas during the same period

(Table 8). Farm employment for the same time period declined by 5.7 percent in Douglas County and declined by 5.4 percent for Kansas. The state's decline in mining (negative 18.6 percent) is much worse than the 3.1 percent decrease in mining jobs in Douglas County.

- Traditionally, Douglas County's economy has been dependent upon government employment due to the presence of the University of Kansas. Government and Government Services remains among the top employers (13,226) in 1996 but is surpassed by Services (13,816). These sectors are followed closely by the Retail Trade sector with 11,241 employed (Table 8).

- The largest nominal increase in employment from 1991 to 1996 for Douglas County occurred in the Retail Trade sector with an increase of 2,484 persons employed. The next two largest nominal employment gainers were Services and Government and Government Services, with increases of 2,239 and 1,030 jobs, respectively. (Table 8).

- The Agricultural Services sector and the Construction sector in Douglas County offered the largest percent growth in jobs in Douglas County from 1991 to 1996 (Table 8 and Figure 3).

- In 1996, Douglas County's Services sector had the largest share (25.7 percent) of total employment, while Government and Government Services and Retail Trade were 24.6 and 20.9 percent of total employment respectively (Table 8a).

- Recent wage and salary employment estimates show that employment for all industries for the Lawrence SMSA have increased by 5 percent from 1996 to 1997. Estimates for the State of Kansas show a 3.3 percent employment increase from 1996 to 1997 (Table 8b).

- The labor force participation rate is the percentage of population 16 and over that is in the labor force. The labor force participation rate in 1990 for Douglas County was 65.3 percent (Map 3). This participation rate was similar to Kansas' rate of 65.4 percent and slightly above the U.S. rate of 64.4 percent (1990 U.S. Census). In comparison, nearby Johnson County had a 75.3 percent participation rate in 1990 (Map 3).

- The 1997 unemployment rate for Douglas County was 4.2 percent, which was among the lower rates in the region, suggesting that the county is doing a good job supplying jobs for its residents (Map 4).

- Change in employment (place of residence) from 1990 to 1997 for Douglas County was 18.6 percent. This employment data is based on an individual's place of residence unlike other data, which have been based on place of work. Douglas County's employment data indicate that job opportunities have increased for residents of Douglas County both in and out of the county (Map 5).

Table 5

Employment Growth Rates
Douglas County, Selected Counties, Kansas, and United States
1986-1996

	Average Annual Employment			% Employment Growth	
	1986	1991	1996	1986-1991	1991-1996
Douglas	**37,320**	**46,827**	**53,708**	**25.5 %**	**14.7 %**
Johnson	199,248	249,348	298,151	25.1	19.6
Shawnee	99,856	109,937	118,963	10.1	8.2
Wyandotte	94,858	91,200	92,537	-3.9	1.5
Boone, MO	68,170	78,899	92,854	15.7	17.7
Johnson, IA	57,544	67,589	76,726	17.5	13.5
Larimer, CO	91,887	110,182	141,618	19.9	28.5
Champaign, IL	105,895	112,121	113,281	5.9	1.0
Kansas	**1,377,296**	**1,502,336**	**1,638,597**	**9.1**	**9.1**
United States	**126,941,200**	**138,785,800**	**152,393,900**	**9.3**	**9.7**

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System (1969-1996), Table CA25, May 1998.

Figure 2

Employment Growth Rates
Douglas County, Kansas, and U.S.
1986-1996

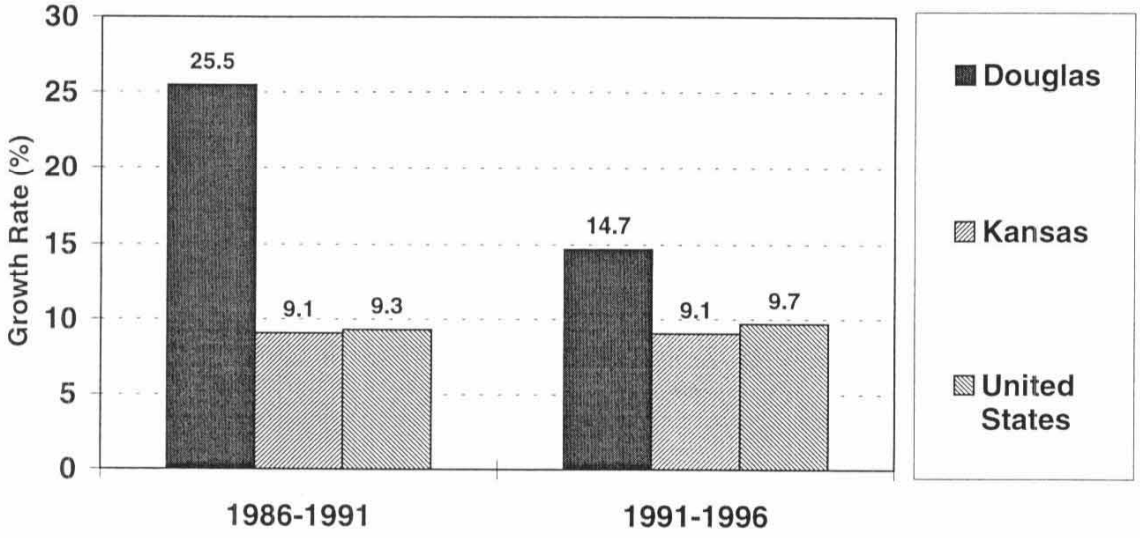


Figure 2a

Employment Growth Rates
Douglas County and Surrounding Counties
1986-1996

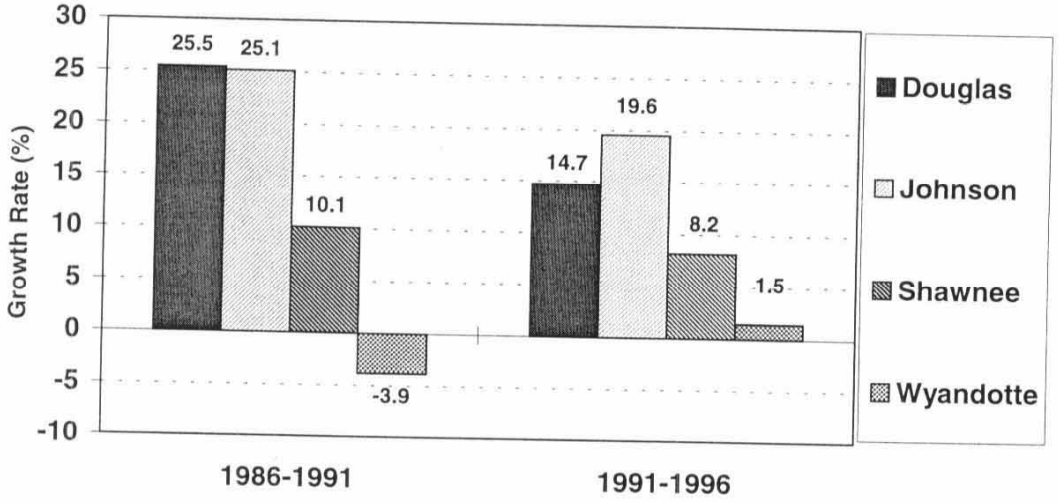


Figure 2b

Employment Growth Rates
Douglas County and Comparative Counties
1986-1996

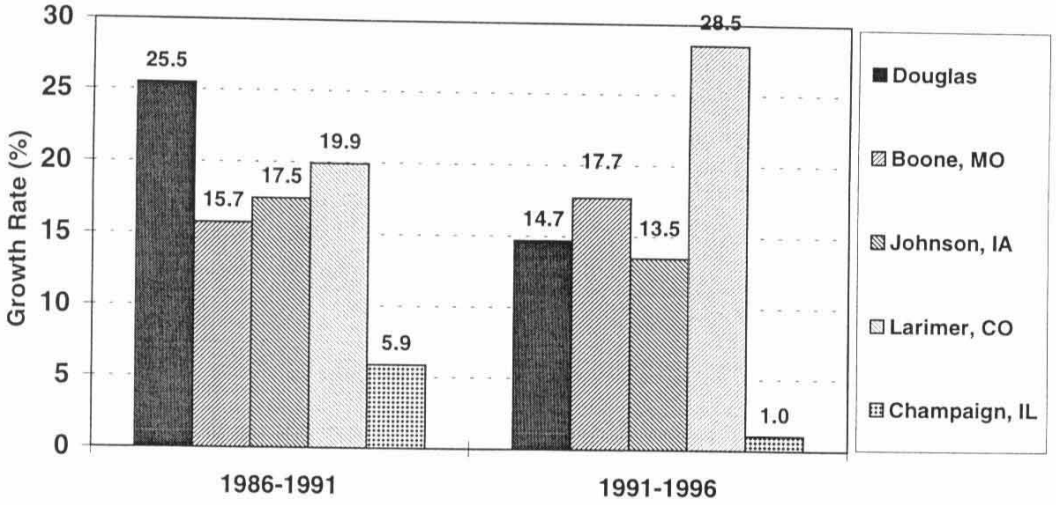


Table 6

Number of Firms, by Number of Employees
Douglas County and Kansas
1985-1995

	Douglas			Kansas		
Employees	1985	1995	% Change	1985	1995	% Change
1 -- 19	1,463	2,040	39.4 %	58,347	61,719	5.8 %
20 -- 99	142	252	77.5	6,234	7,767	24.6
100 -- 499	29	38	31.0	840	1,281	52.5
500+	1	4	300.0	89	127	42.7
Total	1,635	2,334	42.8	65,510	70,894	8.2

Source: U.S. Bureau of the Census, "County Business Patterns," Kansas Center for Community Economic Development Summary for Douglas County.

Table 7

Percentage Distribution of Firms, by Number of Employees
Douglas County and Kansas
1985-1995

	Douglas		Kansas	
Employees	1985	1995	1985	1995
0 - 19	89.5 %	87.4 %	89.1 %	87.1 %
20 - 99	8.7	10.8	9.5	11.0
100 - 499	1.8	1.6	1.3	1.8
500+	0.1	0.2	0.1	0.2

Source: U.S. Bureau of the Census, "County Business Patterns," Kansas Center for Community Economic Development Summary for Douglas County.

Table 8

Employment Levels by Industry
Douglas County and Kansas
1991-1996

Industry	Douglas				Kansas			
	1991	1996	Change	% Change	1991	1996	Change	% Change
Ag. Services	309	453	144	46.6 %	15,909	19,003	3,094	19.4 %
Mining	130	126	-4	-3.1	28,460	23,155	-5,305	-18.6
Construction	2,044	2,874	830	40.6	63,153	84,694	21,541	34.1
Manufacturing	5,064	5,274	210	4.1	189,744	202,636	12,892	6.8
Transportation	1,317	1,346	29	2.2	75,351	79,535	4,184	5.6
Wholesale Trade	1,550	1,709	159	10.3	75,333	80,504	5,171	6.9
Retail Trade	8,757	11,241	2,484	28.4	240,777	280,810	40,033	16.6
Finance, Insur., Real Est.	3,038	2,728	-310	-10.2	100,089	91,612	-8,477	-8.5
Services	11,577	13,816	2,239	19.3	373,053	425,536	52,483	14.1
Gov't. and Gov't. Services	12,196	13,226	1,030	8.4	259,380	271,432	12,052	4.6
Subtotal -- Non-Farm	45,982	52,793	6,811	14.8	1,421,249	1,558,917	137,668	9.7
Farm Employment	970	915	-55	-5.7	84,188	79,680	-4,508	-5.4
Total Employment	46,952	53,708	6,756	14.4	1,505,437	1,638,597	133,160	8.8

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System (1969-1996), Table CA25, May 1998.

Figure 3

Percent Change in Employment by Industry 1991-1996

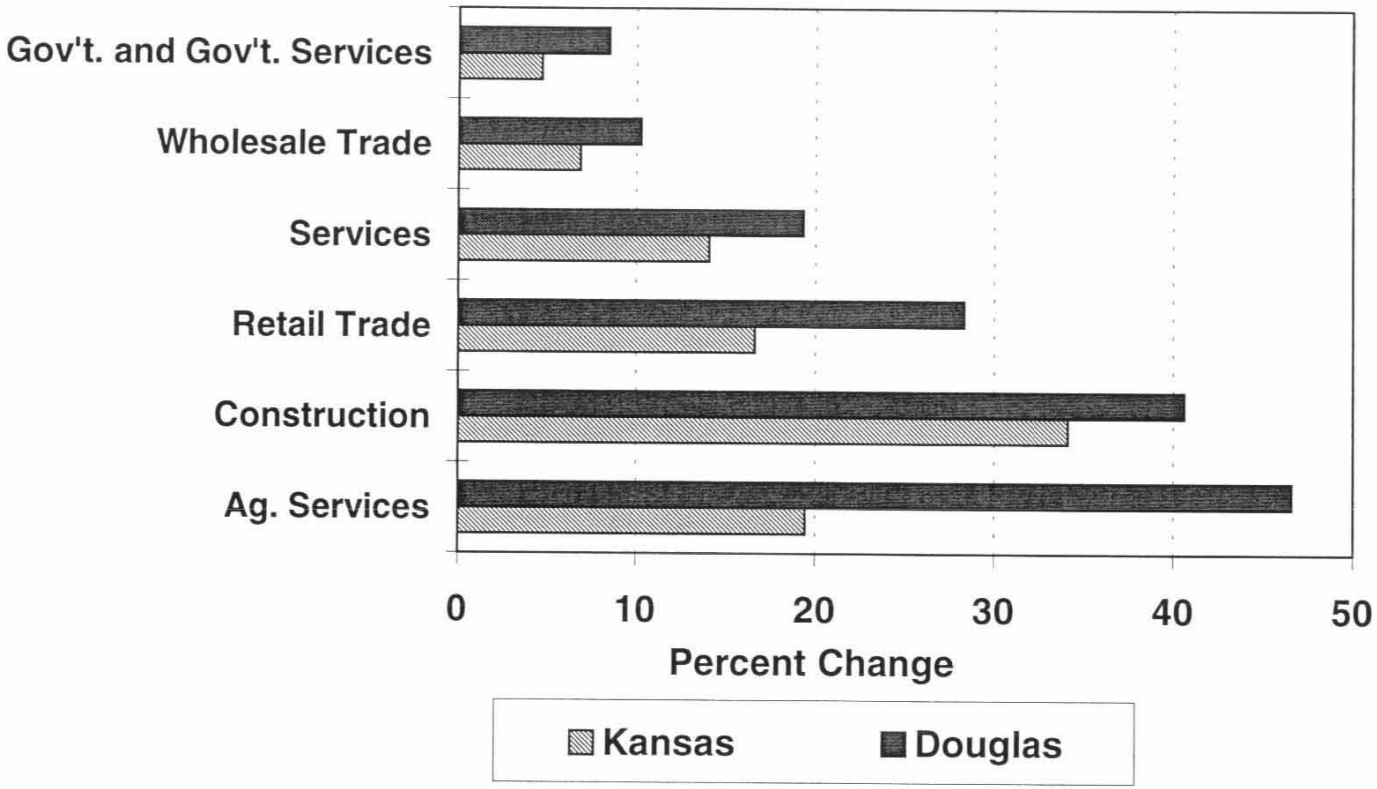


Table 8a

Employment Percent Share by Industry
Douglas County and Kansas
1991-1996

	Douglas			Kansas		
Industry	1991	1996	Change	1991	1996	Change
Ag. Services	0.7	0.8	0.2 %	1.1	1.2	0.1 %
Mining	0.3	0.2	0.0	1.9	1.4	-0.5
Construction	4.4	5.4	1.0	4.2	5.2	1.0
Manufacturing	10.8	9.8	-1.0	12.6	12.4	-0.2
Transportation	2.8	2.5	-0.3	5.0	4.9	-0.2
Wholesale Trade	3.3	3.2	-0.1	5.0	4.9	-0.1
Retail Trade	18.7	20.9	2.3	16.0	17.1	1.1
Finance, Insur., Real Est.	6.5	5.1	-1.4	6.6	5.6	-1.1
Services	24.7	25.7	1.1	24.8	26.0	1.2
Gov't. and Gov't. Services	26.0	24.6	-1.3	17.2	16.6	-0.7
Subtotal -- Non-Farm	97.9	98.3	0.4	94.4	95.1	0.7
Farm Employment	2.1	1.7	-0.4	5.6	4.9	-0.7

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System (1969-1996), Table CA25, May 1998.

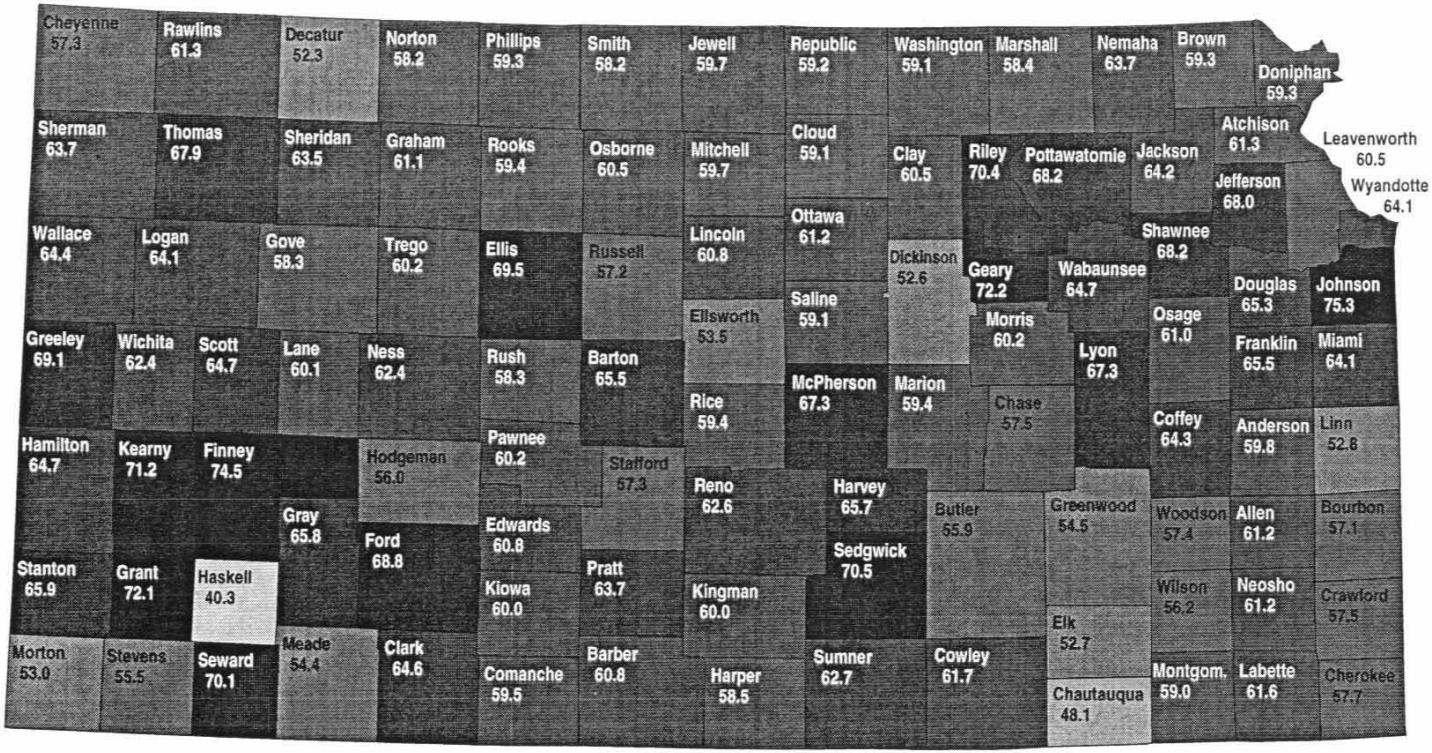
Table 8b

Labor Market Summary
1996-1997

	Lawrence MSA (Douglas County)			Kansas
Place of Residence Data	1996 Average	1997 Average	% Change 1996-97	% Change 1996-97
Civilian labor force	50,726	52,691	**3.9**	**2.0**
Employment	48,223	50,500	**4.7**	**2.7**
Unemployment	2,503	2,191	**-12.5**	**-13.9**
Unemployment rate	5.0	4.2		
Place of Work Data				
Wage and Salary Employment				
All industries	44,100	46,300	**5.0**	**3.3**
Goods producing industries	7,200	7,400	**2.8**	**4.6**
Construction and mining	2,000	2,100	**5.0**	**3.7**
Manufacturing	5,200	5,300	**1.9**	**4.8**
Service producing industries	36,900	38,900	**5.4**	**2.9**
Transportation & Public utilities	1,200	1,300	**8.3**	**3.3**
Wholesale & Retail Trade	11,600	11,800	**1.7**	**2.0**
Finance, Insurance, & Real estate	2,000	2,000	**0.0**	**3.9**
Services	10,100	10,900	**7.9**	**5.5**
Government	12,200	13,000	**6.6**	**0.4**

Source: Kansas Department of Human Resources, Labor Market Information Services. Developed in cooperation with the U.S. Bureau of Labor Statistics. Dec 22 1998.

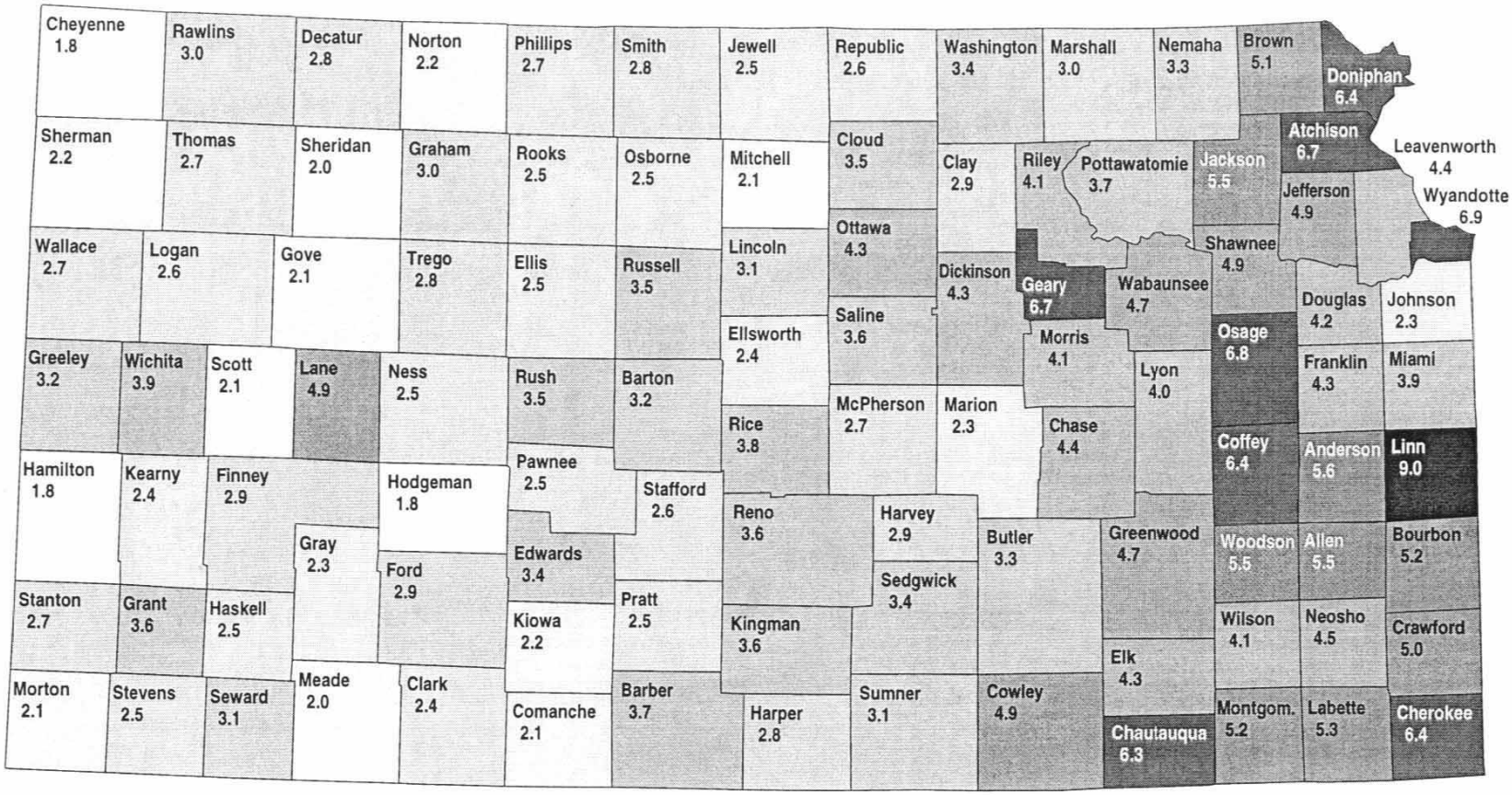
Map 4
Labor Force Participation: 1990



Source: 1990 U.S. Bureau of the Census.

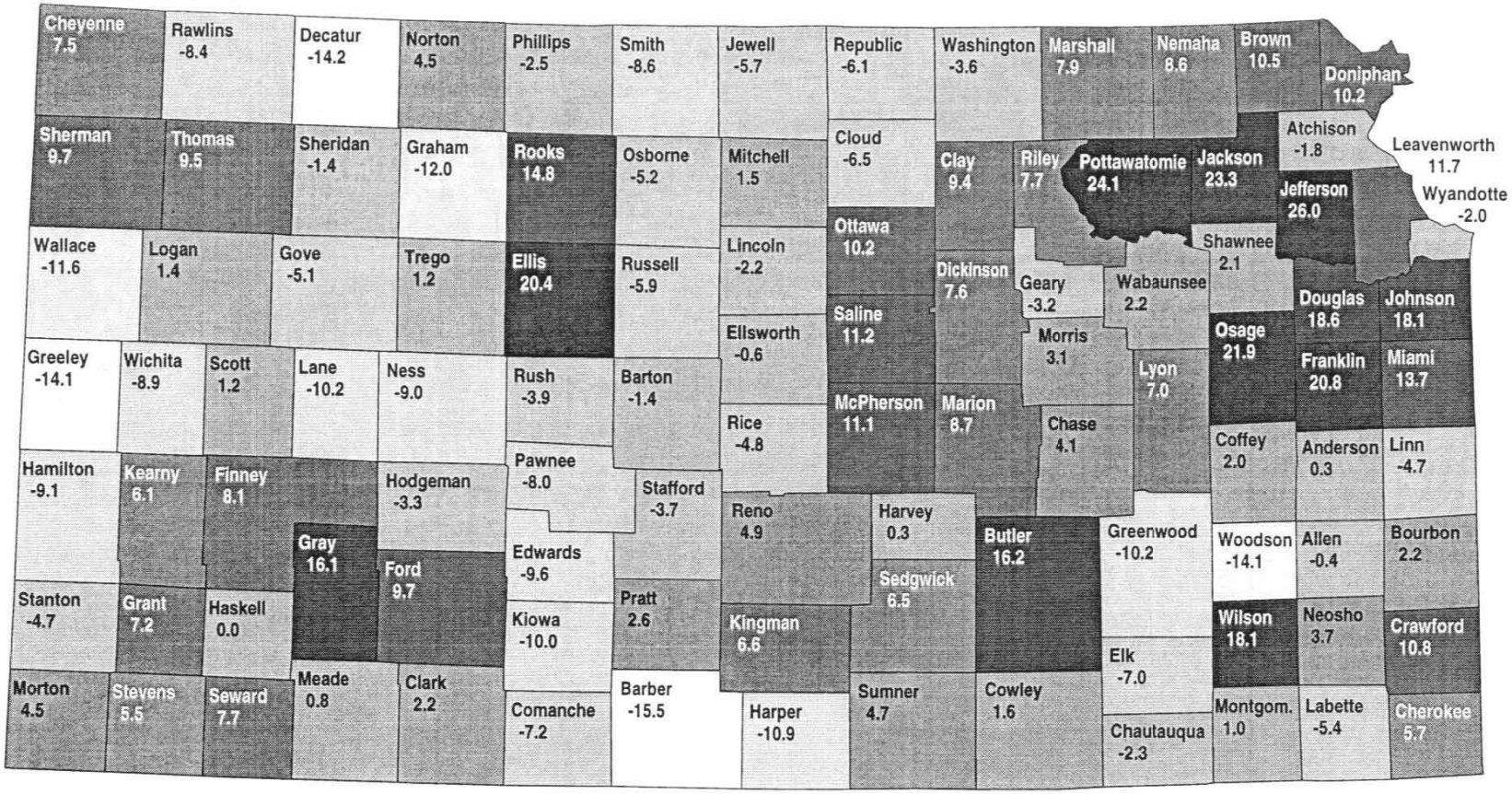
Kansas: 65.4%

Map 5
County Unemployment Rates: 1997



Note: Employment data are based on an individual's place of residence.
Source: Institute for Public Policy and Business Research, The University of Kansas, "Kansas Statistical Abstract, 1997" using data from Kansas Labor Force Estimates Annual Average, 1997. Kansas Department of Human Resources, Labor Market Information Services, developed in cooperation with U.S. Bureau of Labor Statistics.

Map 6
Change in Employment (percent): 1990 - 1997



Note: Employment data are based on an individual's place of residence.
Source: Kansas Statistical Abstract, IPPBR, University of Kansas, Kansas Labor Force Estimates Annual Average, Kansas Department of Human Resources.

Earnings and Income

Earnings and income are the sources of revenue for the community residents. Higher average wages may indicate a greater number of jobs in high growth, high performance businesses. Low wage growth may indicate a higher concentration of stable, declining industries. Per capita personal income indicates the relative wealth of the area compared to the state. As the productivity of business and industry increases, personal per capita income also rises. Decreasing or stable rates may be the result of mature or declining industry. The following section contains data on the average wage per job and per capita personal income.

Earnings and Income: Key Findings

- The average wage per job for Douglas County at $19,564 in 1996 was $4,529 lower than the state average and $8,919 lower than the national average (Table 9, Figure 4).

- In 1996, Douglas County also had a lower average wage than its comparative counties. All three of the neighboring metropolitan counties (Johnson, Shawnee and Wyandotte) had higher average wages than Douglas County (Table 9, Figure 4a).

- Per capita personal income for Douglas County lags behind the state's figures. Douglas County's per capita personal income in 1996 was $19,147, while Kansas' per capita personal income was $23,133 (Table 10 and Figure 4b).

- Per capita personal income for Douglas County is higher than for Wyandotte County but lower than for Johnson and Shawnee counties (Map 6).

Table 9

Average Wage Per Job
Douglas County, Selected Counties, Kansas and U.S.
1986-1996

	Average Wage per Job (Dollars)			% Growth	
	1986	1991	1996	86-91	91-96
Douglas	**15,325**	**16,939**	**19,564**	**10.5**	**15.5**
Johnson	19,567	23,910	28,578	22.2	19.5
Shawnee	18,947	21,950	25,416	15.8	15.8
Wyandotte	20,941	24,660	30,051	17.8	21.9
Boone, MO	15,364	19,144	22,172	24.6	15.8
Johnson, IA	16,299	20,409	23,568	25.2	15.5
Larimer, CO	17,567	21,285	25,601	21.2	20.3
Champaign, IL	16,070	20,148	23,262	25.4	15.5
Kansas	**17,568**	**20,500**	**24,093**	**16.7**	**17.5**
United States	**19,635**	**24,216**	**28,483**	**23.3**	**17.6**

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System (1969-1996), County Summary, Table CA34.

Figure 4

Average Wage per Job
Douglas County, Kansas and United States
1986-1996

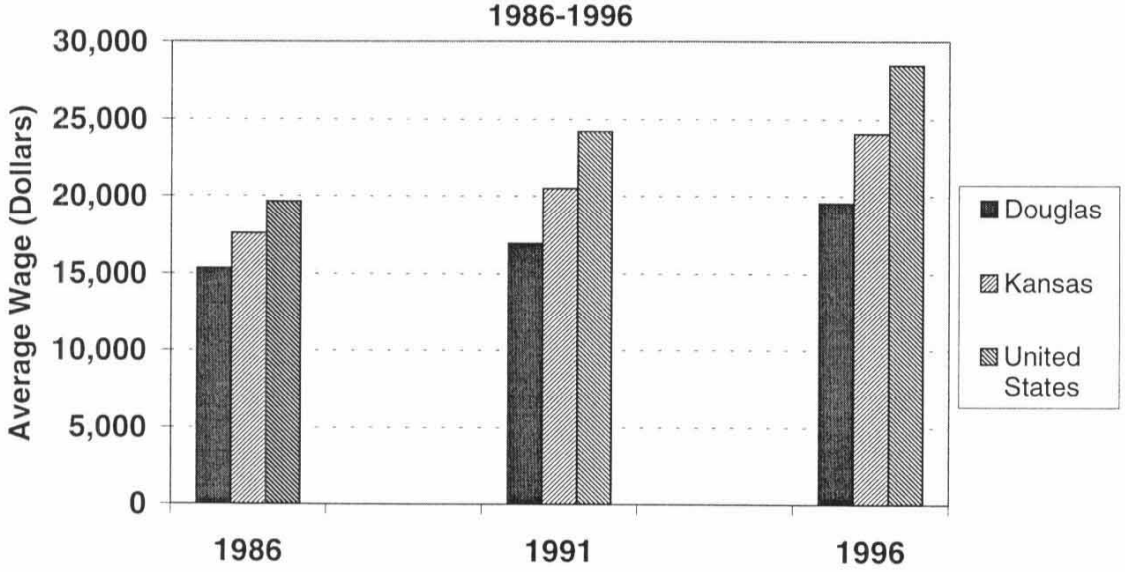


Figure 4a

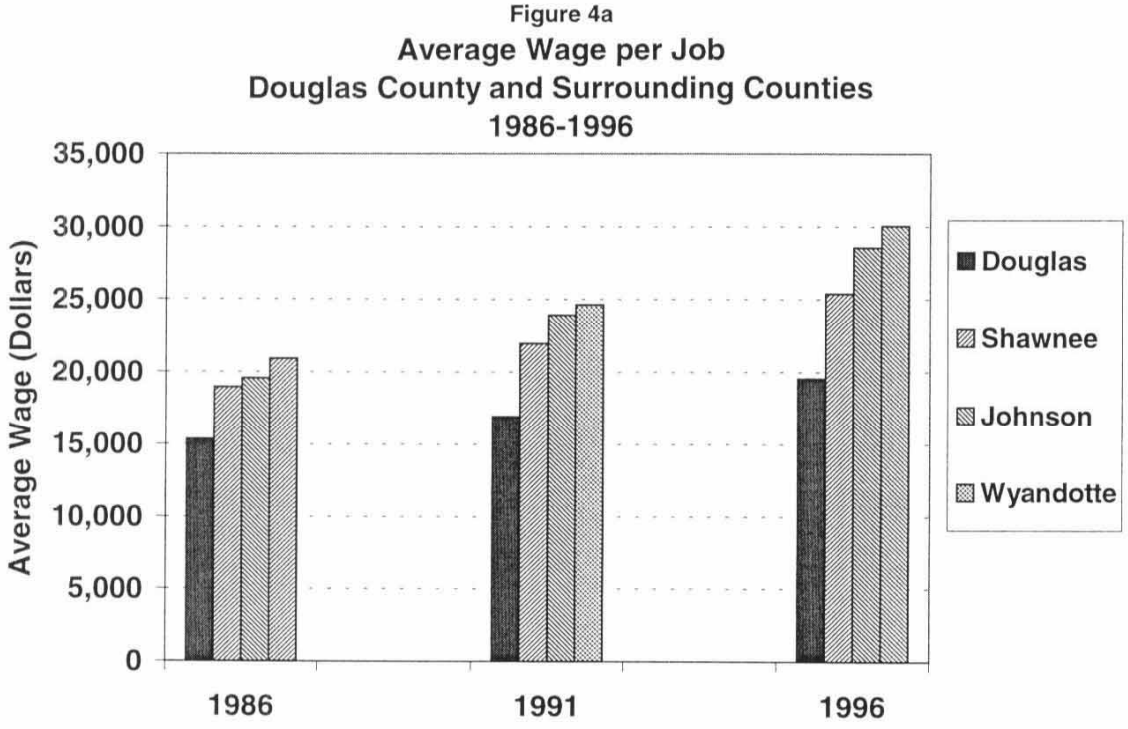

Average Wage per Job
Douglas County and Surrounding Counties
1986-1996
Average Wage (Dollars)
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
1986
1991
1996
Douglas
Shawnee
Johnson
Wyandotte

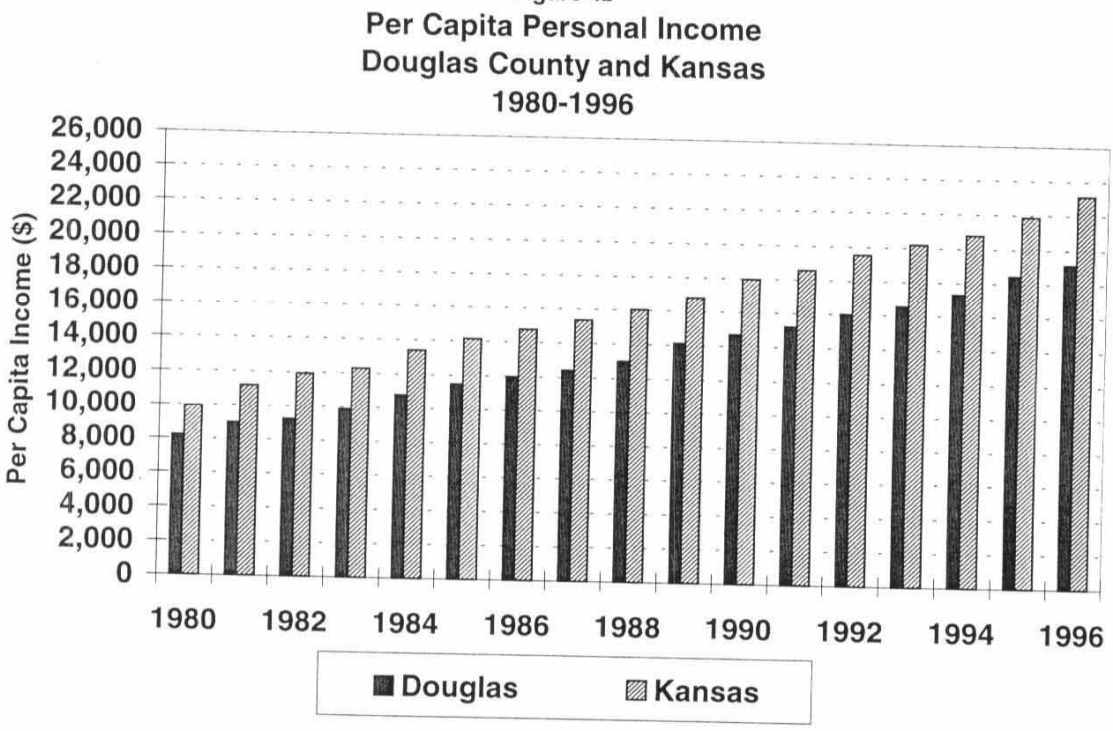
Table 10

Per Capita Personal Income
Douglas County and Kansas
1980-1996

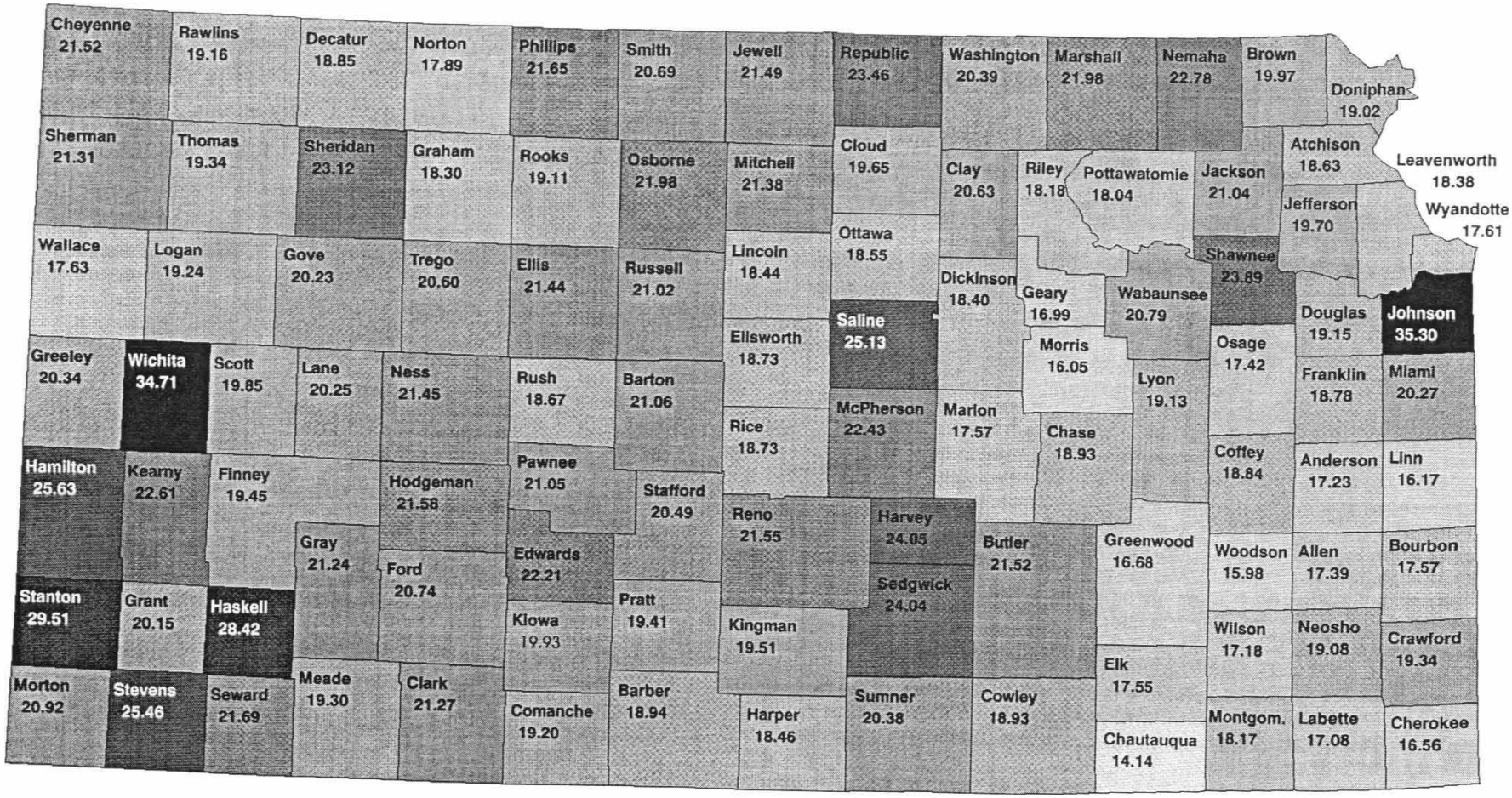
	Income ($)		Growth Rates	
	Douglas	Kansas	Douglas	Kansas
1980	8,216	9,950		
1981	8,959	11,176	9.0 %	12.3 %
1982	9,211	11,915	2.8	6.6
1983	9,870	12,296	7.2	3.2
1984	10,785	13,434	9.3	9.3
1985	11,498	14,151	6.6	5.3
1986	11,996	14,767	4.3	4.4
1987	12,429	15,366	3.6	4.1
1988	13,031	16,062	4.8	4.5
1989	14,123	16,818	8.4	4.7
1990	14,706	17,968	4.1	6.8
1991	15,227	18,559	3.5	3.3
1992	16,034	19,541	5.3	5.3
1993	16,534	20,213	3.1	3.4
1994	17,350	20,784	4.9	2.8
1995	18,431	21,886	6.2	5.3
1996	19,147	23,133	3.9	5.7

Source: U.S. Bureau of Economic Analysis, Regional Economic Information System (1969-1996), County Summary, Table CA5, May 1998.

Figure 4b


Per Capita Personal Income
Douglas County and Kansas
1980-1996
Per Capita Income ($)
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
1980
1982
1984
1986
1988
1990
1992
1994
1996
Douglas
Kansas

Map 7
Per Capita Personal Income: 1996



Source: Institute for Public Policy and Business Research, The University of Kansas, "Kansas Statistical Abstract 1997"; using data from the U.S. Bureau of Economic Analysis, Regional Economic Information System, Table CA5, May 1998.

RETAIL

Retail trade is part of a community's business environment, which is affected by several things. Past decisions by investors, business managers, taxpayers, and policy makers each contribute to share a climate which either promotes or inhibits the productivity of local businesses and therefore affects decisions about growth and expansion. Other contribution factors include the level of competition, the availability of suppliers and supporting industries, the cost of labor, and taxation and regulation within the community. Some types of establishments will thrive in an environment in which other firms cannot operate profitably.

The level of taxable retail sales is an indicator of retail sector performance and the overall strength of the local consumer market. The County Trade Pull Factor (CTPF) accounts for the relative retail trade performance of each county in terms of the average retail trade activities of Kansas.[4] CTPF is calculated by dividing the county's per capita sales tax collections by Kansas' per capita sales tax collections. A CTPF value of less than 1.00 indicates that the county is losing customers due to "out-shopping" by residents. A CTPF of more than 1.00 would indicate that the county is attracting retail customers.

The following section contains a table and a figure, outlining the retail sales growth rates, and a map illustrating County Trade Pull Factors.

Retail: Key Findings

- Taxable Retail sales in Douglas County have grown at a rate faster than the state's rate in 1989, 1990, 1991, 1993, 1996, and 1997 (Table 11 and Figure 5).

- The trade pull factor for Douglas County for 1997 was 1.01, which indicates that it gained slightly in retail trade from surrounding counties. Johnson County and Shawnee County with CTPFs of 1.48 and 1.19, respectively, out-performed Douglas County in attracting customers (Map 7).

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[4] Chatura Ariyaratne and David Darling, "County Retail Trade Activity and Changes from 1990 through 1994," *Kansas Business Review,* Vol. 18, No. 3, Spring 1995.

Table 11

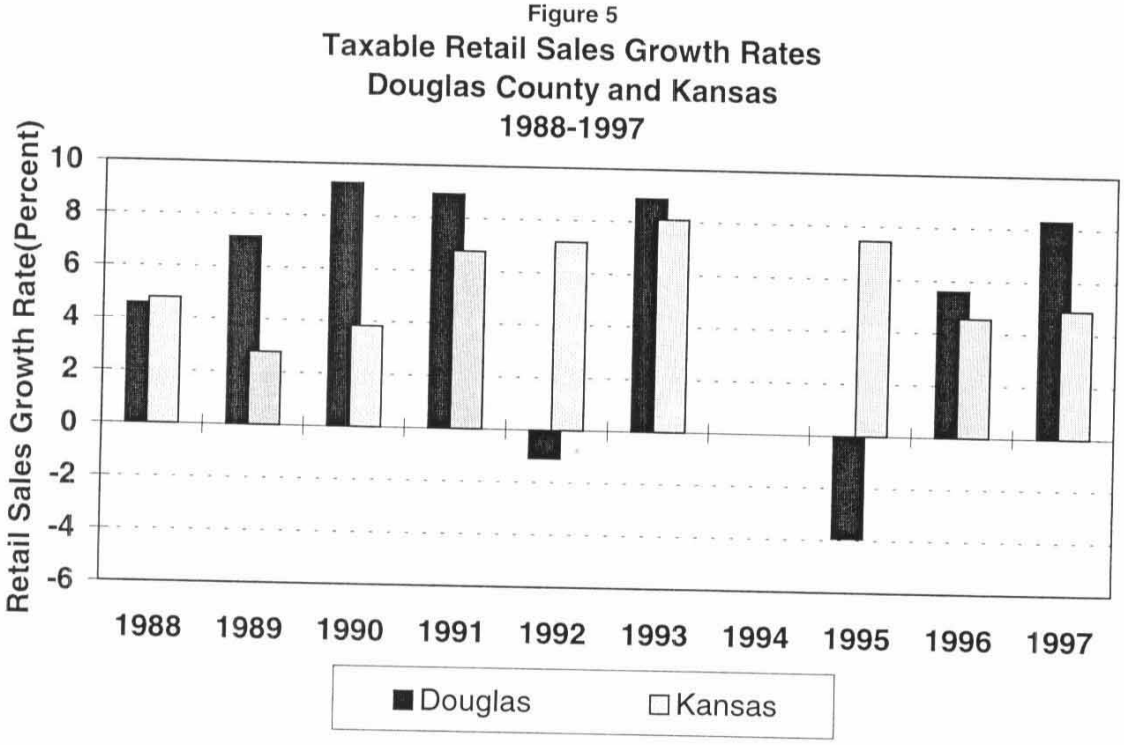
Taxable Retail Sales and Growth Rates
Douglas County and Kansas
1987-1997

Year	Douglas		Kansas	
	Nominal Sales ($Millions)	Growth Rate (%)	Nominal Sales ($Millions)	Growth Rate (%)
1987	426.5		16,746.0	
1988	446.0	4.6 %	17,548.0	4.8 %
1989	477.8	7.1	18,034.4	2.8
1990	522.1	9.3	18,723.3	3.8
1991	568.7	8.9	19,988.0	6.8
1992	562.5	-1.1	21,421.3	7.2
1993	612.5	8.9	23,154.4	8.1
1994	687.0	n/a	22,603.5	n/a
1995	659.9	-3.9	24,289.1	7.5
1996	696.9	5.6	25,393.9	4.5
1997	754.8	8.3	26,643.1	4.9

Note: Data from 1994 to 1997 are not comparable to 1987-1993 data.

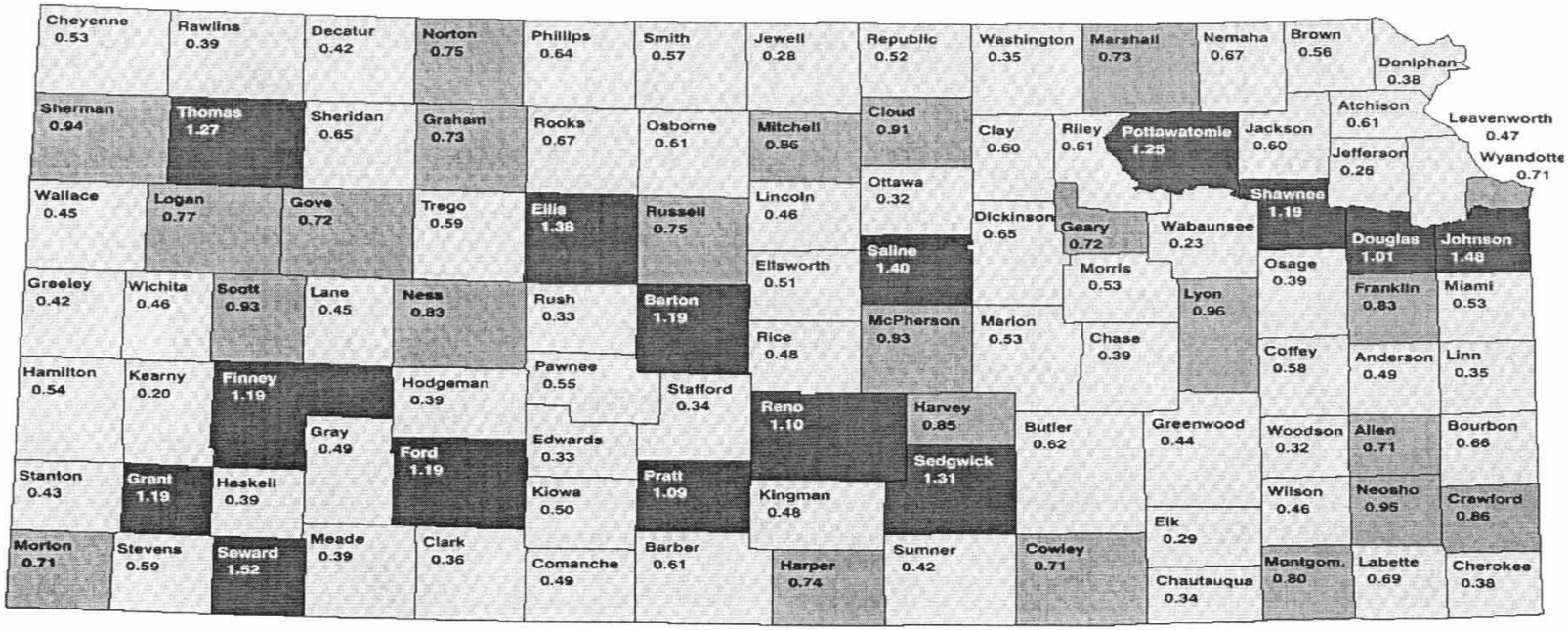
Source: Kansas Department of Revenue, State Sales Tax Collections by County Classification. Calculations, 1987-1993, CEDBR, W. Frank Barton School of Business, Wichita State University; 1994-1997, IPPBR, University of Kansas.

Figure 5


Taxable Retail Sales Growth Rates
Douglas County and Kansas
1988-1997
Retail Sales Growth Rate(Percent)
10
8
6
4
2
0
-2
-4
-6
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
Douglas
Kansas

Map 8

County Trade Pull Factors, FY 1997



Source: David L. Darling and Chatura Ariyaratne, Kansas State University Extension, Agricultural Experiment Station and Cooperative Extension Service..

Note: County Trade Pull Factor (CTPF) = County per capita sales tax collections divided by Kansas per capita sales tax collections. Population data used to compute per capita sales includes institutionalized population.

AGRICULTURE

The data on agriculture will help determine whether or not the overall importance of this sector in the county has been increasing or decreasing and how this compares with other counties and the state as a whole. The economic well-being of Douglas County in the past was not dependent on the strength of this industry sector, but it is interesting to look at the level of activity in agriculture and how the character of this industry is changing in the county. The agriculture section contains tables and figures on the total value of field crops and the total value of livestock and poultry.

Agriculture: Key Findings

- The total value of field crops for Douglas County increased an average of 31.8 percent between 1993 and 1996. The state totals, on the other hand, have increased an average of 16.9 percent during the same period (Table 12).

- The value of livestock and poultry varies from year to year, having declined an average of 13.2 percent from 13.5 million in 1993 to 11.1 million in 1996 (Table 13).

Table 12

Total Value of Field Crops*
Douglas County, Surrounding Counties, and Kansas
1993-1996

	Total Value of Crops ($Millions)				Annual Average		
	1993	1994	1995	1996	93 - '94	95 - '96	% Change
Douglas	**15.0**	**19.9**	**20.1**	**25.9**	**17.5**	**23.0**	**31.8 %**
Johnson	9.4	11.7	11.2	19.9	10.6	15.6	47.4
Shawnee	18.7	22.9	20.3	29.6	20.8	25.0	20.0
Wyandotte	1.3	1.4	1.7	2.2	1.4	2.0	44.4
Kansas	**3,014.1**	**3,555.0**	**3,525.9**	**4,154.6**	**3,284.5**	**3,840.3**	**16.9**
Crop Price Index+	104	113	130	160			

* Does not include any government program payments.

+ Since 1975, index numbers are on 1990-92 base = 100

Note: Numbers may not add due to rounding

Source: Kansas Agricultural Statistics, Kansas Farm Facts; Kansas County Profile Report, KCCED, The University of Kansas; Calculations: KCCED.

Table 13

Total Value of Livestock and Poultry
Douglas County, Surrounding Counties, and Kansas
1993-1996

	Total Value of Livestock and Poultry ($ Millions)				Annual Average		
	1993	1994	1995	1996	93 - '94	95 - '96	% Change
Douglas	13.5	12.3	11.3	11.1	12.9	11.2	-13.2 %
Johnson	11.4	9.7	10.3	9.3	10.6	9.8	-7.1
Shawnee	6.4	6.5	6.6	6.3	6.5	6.5	0.0
Wyandotte	1.6	2.1	1.3	1.2	1.9	1.3	-32.4
Kansas	2,873.6	2,966.2	2,678.0	2,629.0	2,919.9	2,653.5	-9.1
Livestock Price Index +	101	91	86	85			

+ Since 1975, index numbers are on 1990-92 base = 100

Note: Numbers may not add due to rounding

Source: Kansas Agricultural Statistics, Kansas Farm Facts; Kansas County Profile Report, KCCED, The University of Kansas; Calculations: KCCED.

EDUCATION

Education is another key to a strong community. Residents who have a strong educational background will be more employable and able to command higher salaries. Employers will benefit as well because they will most likely experience lower turnover and training costs. Individuals with lower education levels have a harder time finding jobs that can supply a living wage and may be more likely to use social services, such as food stamps.

Education: Key Findings

- Douglas County is the home of the University of Kansas, Baker University, and Haskell Indian Nations University. Therefore, it is not surprising to find that the education level of the county's population was greater than the state's average in 1990 (Table 14).

- Lawrence and Douglas County have a much higher percentage of their over-25 population with a Bachelors degree than the state, with 24.6 percent for Lawrence and 21.8 percent for Douglas County with Bachelors compared to 14.2 percent for Kansas (Table 14).

- The number of persons with graduate degrees also is high. Lawrence and Douglas County have 19.4 percent and 16.8 percent of their over-25 population with graduate degrees compared to 7.0 percent for Kansas (Table 14).

- The percentage of Lawrence and Douglas County population with associate degrees is slightly below the percentage for Kansas, which would tend to indicate that the county may be lacking in technically trained workers (Table 14).

Table 14

Educational Attainment of Persons over 25
As a Percentage of the Population of Persons over 25
Lawrence, Douglas County, and Kansas, 1990

	Completed Less Than 9th Grade	9-12th Grade No Diploma	High School Diploma	Some College	Associate Degree	Bachelor's Degree	Graduate Degree	Pop. Over 25
Lawrence	995	1,939	6,927	6,942	1,317	7,965	6,271	32,356
Douglas County	1,627	3,095	10,669	8,958	1,695	9,192	7,072	42,160
Kansas	120,951	172,321	514,177	342,964	85,146	221,016	109,361	1,561,417
As a Percent of Population of Persons over 25:								
Lawrence	3.1%	6.0%	21.4%	21.5%	4.1%	24.6%	19.4%	
Douglas County	3.9%	7.3%	25.3%	21.2%	4.0%	21.8%	16.8%	
Kansas	7.7%	11.0%	32.9%	22.0%	5.5%	14.2%	7.0%	

Source: U.S. Bureau of the Census, 1990. Percent calculations by KCCED/IPPBR.

CONCLUSION

The use of data in economic development is important because it assists a community in "taking stock" and understanding its current situation across several different areas of economic and demographic performance. However, data alone do not lead to a well-founded understanding of the community. Data must be analyzed and interpreted, taking into account the intuition of those within the community as to what the trends really mean. In other words, data serve as the foundation for analysis which concludes: 1) what is happening in the community relative to other regions over time, and 2) what potential impacts or consequences can be inferred from the data. The data in this report suggest the following interpretation.

Douglas County has a highly-educated adult population, low unemployment rates, strong employment increases in most sectors, particularly services, retail trade, and government and government services. The data also show that small firms, those with fewer than 19 employees, are very important to the county's economy. Despite the high growth rates in job creation, the average wage for Douglas County has declined in relative terms, indicating more of the growth was in lower-paying jobs. Given the high education level of the population and the lower average wage per job, work is still needed to reduce the gap between Douglas County and similar areas in level of earnings. The 1992 study noted many opportunities could be capitalized upon to assist in bridging the gap between education and pay, such as new state technology policies, university linkages, and the proximity to metropolitan center to generate higher value-added employment opportunities in developing industries.

The Lawrence-Douglas County area, as indicated by population and employment data, is a desirable place to live. Its proximity to Johnson County, Kansas, one of the fastest growing counties in the nation, and the presence of three institutions of higher education are part of its desirability. The higher education institutions provide a great deal of stability while the location of the county provides opportunities for growth. How these two assets are utilized will have a lot to do with the type of community Douglas County will be in the future.