

Section  
**3**

# Economy & Employment

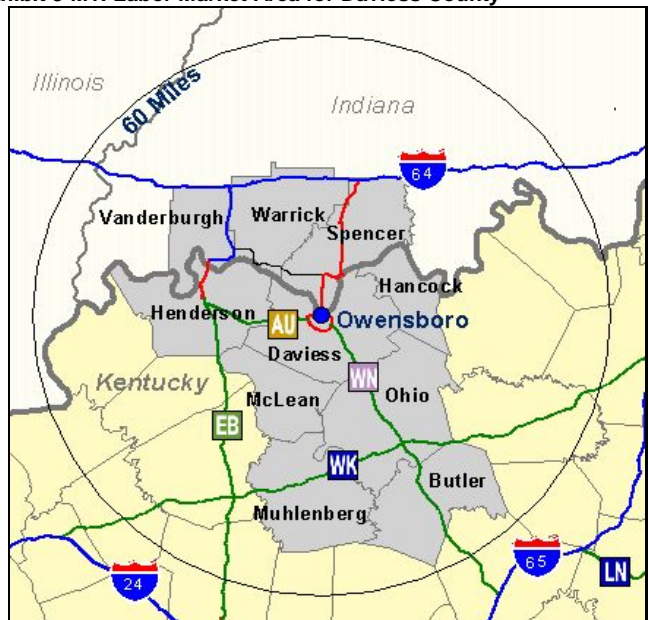
## *Labor Force Characteristics*

According to the **Kentucky Cabinet for Economic Development**, labor market counties are composed of counties which significantly exist within the sixty (60) minute driving range of the originating county’s seat.

*Exhibit 3-M1 illustrates the labor market area for Daviess County.*

*A county will be included within the radius if the centroid point of a county (a point representing the center of the geographic area of a county) falls within the drive zone.*

**Exhibit 3-M1: Labor Market Area for Daviess County**



**Exhibit 3-T1 – Civilian Labor Force**

	Daviess County		Labor Market Area	
	2016	Dec 2017	2016	Dec 2017
Civilian Labor Force	45,469	46,646	237,384	236,506
Employed Persons	43,433	44,957	226,640	228,785
Unemployed Persons	2,036	1,689	10,744	7,721
Unemployment Rate	4.5	3.6	4.5	3.3

*Exhibit 3-T1 shows the civilian labor force and unemployment rate as compared to the Labor Market Area based on 2016 and December 2017 figures.*

Source: U.S. Department of Labor, Bureau of Labor Statistics as reported at <http://thinkkentucky.com/EDIS/cmnty/Workforce.aspx?cw=044#CLF>

## ECONOMY AND EMPLOYMENT

Since the adoption of the previous Comprehensive Plan in 2011, the economy has begun to recover from a profound recession, which is reflected in the decline of the unemployment rate over the past few years.

**Exhibit 3- T2 – Unemployment Rates % - 2012 through 2016**

Year	Daviess County	Labor Market Area	Kentucky	U.S.
2012	6.7	7.4	8.2	8.1
2013	6.8	7.1	8.3	7.4
2014	5.7	5.8	6.5	6.2
2015	4.7	4.7	5.4	5.3
2016	4.5	4.5	5.0	4.9

Source: U.S. Department of Labor, Bureau of Labor Statistics as reported at <http://thinkkentucky.com/EDIS/cmnty/Workforce.aspx?cw=044#CLF>

### Labor Force Participation Rates

The labor force participation rate is defined as the total civilian labor force divided by the total population 16 years and older (PR = CLF / Pop. 16 years and older).

**Exhibit 3-T3: Labor Force Participation**

Year	Civilian Labor Force	Total Population 16 years & over	Participation Rate
1970 <sup>1</sup>	31,213	52,963	58.9
1980 <sup>2</sup>	39,665	63,383	62.6
1990 <sup>3</sup>	42,196	66,029	64.9
2000 <sup>4</sup>	45,627	70,811	64.4
2010 <sup>5</sup>	49,135	74,454	65.9

<sup>1</sup> 1970 Census, Table 85 - Employment Status by Sex for Areas and Places, Vol. 1 Part 19 pg. 19-269.  
<sup>2</sup> 1980 Census for population 16 years and older and Labor Area Summary for CLF, April 1980.  
<sup>3</sup> U.S. Census Bureau DP-3 Labor Force Status and Employment Characteristics 1990 for Daviess County, Kentucky State Data Center for population 16 years and older  
<sup>4</sup> U.S. Census Bureau DP-3 Labor Force Status and Employment Characteristics, 2000, Kentucky State Data Center for population 16 years and older  
<sup>5</sup> Kentucky State Data Center population projection 2010 for total population aged 16 and over., U.S. Department of Labor, Bureau of Labor Statistics data for civilian labor force 2010

*The participation rate increased steadily until 1990 then remained steady at about 65% through 2010.*

ECONOMY AND EMPLOYMENT

Employment Distribution by Industry

<b>Exhibit 3 – T4 - Total Full Time and Part-time Employment by NAICS Industry, Daviess County</b>									
<b>Description</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
FARM EMPLOYMENT	1,102	1,049	1,029	1,034	1,021	1,003	1,021	1,064	1,004
NON-FARM EMPLOYMENT	55,206	53,762	53,858	54,754	56,306	55,851	55,771	56,619	57,603
<b>TOTAL EMPLOYMENT</b>	<b>56,308</b>	<b>54,811</b>	<b>54,887</b>	<b>55,788</b>	<b>57,327</b>	<b>56,854</b>	<b>56,792</b>	<b>57,683</b>	<b>58,607</b>
Forestry, Fishing and Related	111	122	118	106	129	*	131	*	*
% of TOTAL	0.2%	0.2%	0.2%	0.2%	0.2%		0.2%		
Mining, Quarrying, and Oil and Gas Extraction	658	634	729	617	868	834	760	862	833
% of TOTAL	1.2%	1.2%	1.3%	1.1%	1.5%	1.5%	1.3%	1.5%	1.4%
Utilities	193	194	189	188	186	188	187	187	181
% of TOTAL	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Construction	3,370	3,200	2,921	2,924	3,001	2,718	2,840	2,876	2,862
% of TOTAL	6.0%	5.8%	5.3%	5.2%	5.2%	4.8%	5.0%	5.0%	4.9%
Manufacturing	6,471	5,695	5,538	5,401	5,515	5,636	5,649	5,692	5,825
% of TOTAL	<b>11.5%</b>	10.3%	10.1%	9.7%	9.6%	9.9%	9.9%	9.9%	<b>9.9%</b>
Wholesale Trade	1,911	1,858	1,794	1,690	1,674	1,708	1,815	1,861	1,905
% of TOTAL	3.4%	3.4%	3.3%	3.0%	2.9%	3.0%	3.2%	3.2%	3.3%
Retail Trade	6,771	6,669	6,693	6,824	6,725	6,852	6,821	6,941	7,268
% of TOTAL	<b>12.0%</b>	12.2%	12.2%	12.2%	11.7%	12.1%	12.0%	12.0%	<b>12.4%</b>
Transportation and Warehousing	2,149	2,109	2,112	2,140	2,162	2,052	2,086	2,148	2,126
% of TOTAL	3.8%	3.8%	3.8%	3.8%	3.8%	3.6%	3.7%	3.7%	3.6%
Information	634	604	564	550	527	*	524	*	516
% of TOTAL	1.1%	1.1%	1.0%	1.0%	0.9%		0.9%		0.9%
Finance and Insurance	2,515	2,608	2,773	3,101	3,444	3,754	3,745	3,748	3,759
% of TOTAL	4.5%	4.8%	5.1%	5.6%	6.0%	6.6%	6.6%	6.5%	6.4%
Real Estate, Rental and Leasing	1,752	1,798	1,876	1,979	1,920	1,974	2,068	2,115	2,222
% of TOTAL	3.1%	3.3%	3.4%	3.5%	3.3%	3.5%	3.6%	3.7%	3.8%
Professional, Scientific and Tech Services	1,655	1,663	1,703	1,722	1,725	1,715	1,734	1,831	1,858
% of TOTAL	2.9%	3.0%	3.1%	3.1%	3.0%	3.0%	3.1%	3.2%	3.2%
Management of companies & Enterprises	202	185	168	197	195	172	154	141	139
% of TOTAL	0.4%	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%
Admin and Waste Management Services	2,788	2,737	2,754	3,231	3,646	3,446	3,193	3,135	3,360
% of TOTAL	5.0%	5.0%	5.0%	5.8%	6.4%	6.1%	5.6%	5.4%	5.7%
Educational Services	1,167	1,176	1,129	1,193	1,307	1,106	1,087	1,108	1,108
% of TOTAL	2.1%	2.1%	2.1%	2.1%	2.3%	1.9%	1.9%	1.9%	1.9%
Health Care and Social Assistance	5,263	5,166	5,295	5,348	8,521	8,527	8,545	8,902	9,054
% of TOTAL	<b>9.3%</b>	9.4%	9.6%	9.6%	14.9%	15.0%	15.0%	15.4%	<b>15.4%</b>
Arts, Entertainment, and Recreation	699	746	787	780	798	829	787	767	*
% of TOTAL	1.2%	1.4%	1.4%	1.4%	1.4%	1.5%	1.4%	1.3%	
Accommodations and Food Services	4,417	4,176	4,242	4,357	4,586	4,526	4,533	4,495	4,699
% of TOTAL	<b>7.8%</b>	7.6%	7.7%	7.8%	8.0%	8.0%	8.0%	7.8%	<b>8.0%</b>
Other Services, except Public Admin	3,365	3,210	3,000	3,026	3,089	2,995	3,030	3,044	3,071
% of TOTAL	6.0%	5.9%	5.5%	5.4%	5.4%	5.3%	5.3%	5.3%	5.2%
Government and Government Enterprises	9,115	9,212	9,473	9,380	6,288	6,193	6,082	6,110	5,942
% of TOTAL	<b>16.2%</b>	16.8%	17.3%	16.8%	11.0%	10.9%	10.7%	10.6%	<b>10.1%</b>

**Source: United States Bureau of Economic Analysis <http://www.bea.gov/itable> , last updated November 16, 2017**  
*\* indicates that the value is not shown to avoid confidential information, but the estimates for this item are included in the totals*  
*The estimates for employment for 2008-2010 are based on the 2007 North American Classification System (NAICS)*  
*The estimate for employment for 2011 forward are based on the 2012 NAICS*

## ECONOMY AND EMPLOYMENT

Exhibit 3-T4 illustrates the distribution of employment in Daviess County by NAICS industry. Industries with the highest number of employees in Daviess County are Health Care and Social Assistance at 15.4%, Retail Trade at 12.4%, Government at 10.1%, Manufacturing at 9.9%, and Accommodations and Food Service at 8.0%. All services, which include health care and accommodations and food services, comprise approximately 50% of all employment, an increase over 2008 figures of about 7%. Health Care and Social Assistance jumped from 9.6% in 2011 to 14.9% in 2012 largely due to the new hospital opening in 2013.

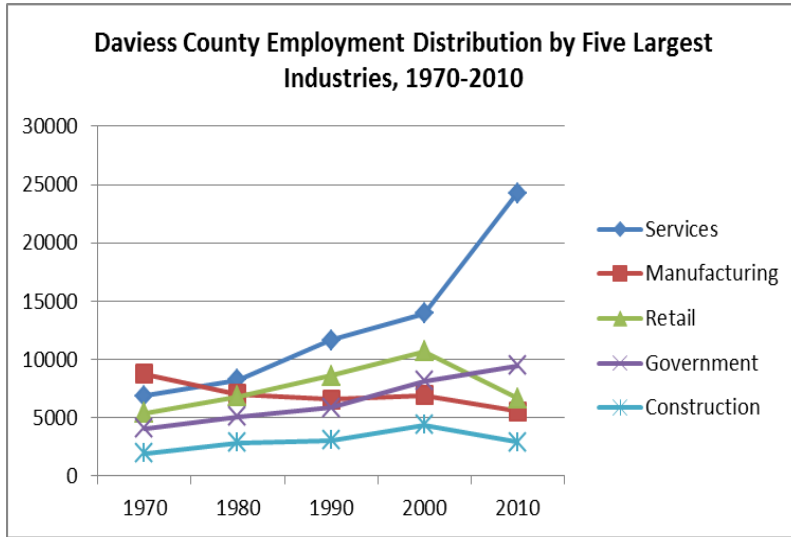
Until 1998, the Standard Industrial Classification (SIC) system was utilized for reporting purposes for industry employment and wages. This system classified an industry as a group of establishments primarily engaged in producing or handling the same product or group of products or in rendering the same services. Because the SIC was used by many other federal government statistical programs, it was possible for users to assemble a comprehensive statistical picture of any industry. The SIC system has changed a number of times since its development in the 1930's to reflect the economy's changing industrial composition. Despite these revisions, the system received criticism about its ability to handle rapid changes in the economy. The United States Bureau of Labor Statistics reports that developments in information services, new forms of health care provision, expansion of services and high tech manufacturing are examples of industrial changes that cannot be studied under the SIC system.

The North American Industry Classification System (NAICS) was developed using a production-oriented conceptual framework, grouping establishments into industries based on the activity in which they are primarily engaged. Industries that do similar things in similar ways are now grouped together. NAICS provides a tool that ensures that economic statistics reflect our changing economy. Every sector of the economy has been structured and defined. Because of this change in industry classification systems, statistical comparisons cannot accurately be made between current data sets and those data sets preceding 1998. However, general comparisons in employment trends through the decades can be made.

In the 1970s manufacturing comprised the largest share of the employment market. The manufacturing numbers steadily declined until 1990. The decade between 1990 and 2000 saw an increase in manufacturing employment of 5.7%. From 2001 to 2010, manufacturing employment again declined. Construction employment in Daviess County rose from 1970 steadily through 2000 and then began to decline through 2010. Services category has continued to rise from 1970s forward, with an enormous rise from 2001 to 2010. The exhibits below demonstrate the employment distribution trends by industry from 1970 through 2010 and from 2011 compared to the latest available data from the United States Bureau of Economic Analysis.

ECONOMY AND EMPLOYMENT

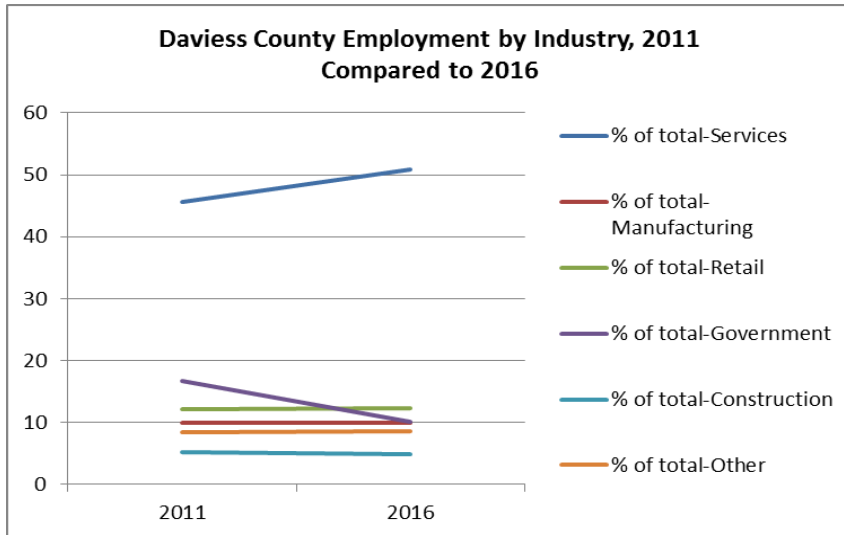
Exhibit 3-G1



Source: Data from Bureau of Economic Analysis, Regional Economic Information System

*This chart shows the trends in employment numbers from 1970 to 2010 in the five largest identified industries. Retail and Construction employment increased from 1970-2000 and then decreased from 2000-2010. Manufacturing employment has steadily declined since 1970. Government and Services employment has increased since 1970, with the Service industry facing huge growth between 2000 and 2010.*

Exhibit 3-G2



Source: Data from Bureau of Economic Analysis, Regional Economic Information System

*This chart shows comparison between the 2011 and 2016 data in percentage of employment by industry in Daviness County. Services includes Information, Finance & Insurance, Real Estate, Professional, Scientific & Tech Services, Management, Admin & Waste Management, Educational, Health Care & Social, Arts, entertainment & Recreation, Accommodations and Food Services, and Other services. Other category includes Forestry, Fishing & related, Mining, Quarrying, & Oil & Gas Extraction, Utilities, Wholesale, Transportation and Warehousing.*

ECONOMY AND EMPLOYMENT

**Exhibit 3 - T 5 - Total Compensation of Employees by NAICS Industry, Daviess County ( Thousands of Dollars)**

Description	2008	2009	2010	2011	2012	2013	2014	2015	2016
TOTAL COMP (Thousands of Dollars)	1,986,449	1,936,799	2,005,453	2,034,380	2,113,017	2,133,155	2,209,206	2,322,647	2,381,556
TOTAL AVG COMP PER JOB (Dollars)	<b>42,508</b>	<b>42,791</b>	<b>44,311</b>	<b>44,230</b>	<b>44,620</b>	<b>45,483</b>	<b>47,109</b>	<b>48,913</b>	<b>49,415</b>
Forestry, Fishing & Related % of TOTAL	986 0.05%	1,157 0.06%	1,302 0.06%	1,563 0.08%	1,762 0.08%	- 0.09%	1,898 0.09%	- 0.09%	- 0.09%
Mining % of TOTAL	12,246 0.6%	10,921 0.6%	9,899 0.5%	10,183 0.5%	11,171 0.5%	10,603 0.5%	10,987 0.5%	11,701 0.5%	8,427 0.4%
Utilities % of TOTAL	18,307 0.9%	19,013 1.0%	18,115 0.9%	18,892 0.9%	17,714 0.8%	18,707 0.9%	19,778 0.9%	19,645 0.8%	20,263 0.9%
Construction % of TOTAL	101,467 5.1%	95,151 4.9%	91,443 4.6%	96,040 4.7%	100,697 4.8%	88,686 4.2%	102,878 4.7%	108,851 4.7%	106,176 4.5%
<b>Manufacturing % of TOTAL</b>	<b>354,067 17.8 %</b>	<b>316,889 16.4%</b>	<b>323,487 16.1%</b>	<b>322,996 15.9%</b>	<b>338,407 16.0%</b>	<b>346,437 16.2%</b>	<b>371,165 16.8%</b>	<b>369,940 15.9%</b>	<b>377,931 15.9%</b>
Wholesale Trade % of TOTAL	110,126 5.5%	102,462 5.3%	104,022 5.2%	97,796 4.8%	100,542 4.8%	105,923 5.0%	107,927 4.9%	112,152 4.8%	111,937 4.7%
Retail Trade % of TOTAL	157,038 7.9%	157,890 8.2%	157,434 7.9%	163,238 8.0%	162,672 7.7%	167,999 7.9%	172,531 7.8%	182,194 7.9%	195,084 8.2%
Transportation & Warehousing % of TOTAL	111,769 5.6%	111,234 5.7%	116,603 5.8%	117,903 5.8%	122,570 5.8%	120,832 5.7%	125,957 5.7%	138,354 6.0%	137,904 5.8%
Information % of TOTAL	25,449 1.3%	25,770 1.3%	23,646 1.2%	23,601 1.2%	23,090 1.1%	- 1.1%	24,570 1.1%	- 1.1%	30,255 1.3%
Finance and Insurance % of TOTAL	94,240 4.7%	95,821 4.9%	108,422 5.4%	125,381 6.2%	154,060 7.3%	162,864 7.6%	164,635 7.5%	179,738 7.7%	188,937 7.9%
Real Estate, Rental & Leasing % of TOTAL	16,622 0.8%	17,000 0.9%	17,015 0.8%	13,056 0.6%	13,838 0.7%	15,186 0.7%	14,677 0.7%	15,590 0.7%	17,690 0.7%
Profess, Science & Tech % of TOTAL	43,443 2.2%	46,396 2.4%	45,664 2.3%	47,609 2.3%	48,881 2.3%	53,045 2.0%	55,077 2.5%	62,196 2.7%	62,360 2.6%
Management of Cos % of TOTAL	16,411 0.8%	14,252 0.7%	14,982 0.7%	15,873 0.8%	15,337 0.7%	14,122 0.4%	11,761 0.5%	9,571 0.4%	9,157 0.4%
Admin and Waste Management % of TOTAL	51,217 2.6%	51,210 2.6%	55,578 2.8%	60,795 3.0%	67,177 3.2%	70,339 3.3%	69,592 3.2%	73,588 3.2%	75,163 3.2%
Educational Services % of TOTAL	25,552 1.3%	27,581 1.4%	27,147 1.4%	29,981 1.5%	33,097 1.6%	28,926 1.4%	28,928 1.3%	29,219 1.3%	30,730 1.3%
Health Care and Social Assistance % of TOTAL	<b>203,288 10.2%</b>	<b>201,507 10.4%</b>	<b>210,907 10.5%</b>	<b>209,042 10.3%</b>	<b>394,297 18.7%</b>	<b>400,197 18.8%</b>	<b>421,375 19.1%</b>	<b>472,041 20.3%</b>	<b>492,700 20.7%</b>
Arts, Ent & Recreation % of TOTAL	13,343 0.7%	11,083 0.6%	11,190 0.6%	10,186 0.5%	10,247 0.5%	9,888 0.5%	8,328 0.4%	8,477 0.4%	- 0.4%
Accommodations & Food Services % of TOTAL	67,976 3.4%	66,302 3.4%	68,252 3.4%	71,714 3.5%	79,054 3.7%	76,481 3.6%	80,113 3.6%	86,158 3.7%	90,781 3.8%
Other Ser, except Public Admin % of TOTAL	81,148 4.1%	82,921 4.3%	74,094 3.7%	73,736 3.6%	78,432 3.7%	76,341 3.6%	85,281 3.9%	81,542 3.5%	82,164 3.5%
<b>TOTAL SERVICES % of TOTAL</b>	<b>638,689 32.2%</b>	<b>639,843 33.0%</b>	<b>656,897 32.8%</b>	<b>680,974 33.5%</b>	<b>917,510 43.4%</b>	<b>907,389 42.5%</b>	<b>964,337 43.7%</b>	<b>1,018,120 43.8%</b>	<b>1,079,937 45.3%</b>
Government & Gov Enterprises % of TOTAL	474,929 23.9%	475,723 24.6%	519,879 25.9%	519,228 25.5%	332,181 15.7%	334,232 15.7%	323,700 14.7%	322,642 13.9%	325,162 13.7%

**Source: United States Bureau of Economic Analysis <http://www.bea.gov/iTable> , last updated November 16, 2017**  
*\* indicates that the value is not shown to avoid confidential information, but the estimates for this item are included in the totals*  
*The estimates of compensation for 2007-2010 are based on the 2007 NAICS*  
*The estimate for compensation for 2011 forward are based on the 2012 NAICS*

Industries with the highest employment compensation include manufacturing, government and government employees, and total services. The high employee compensation in services category is heavily weighted by the health care and social assistance category which is more than double the next highest service category compensation of finance and insurance. The average compensation per job in Daviess County in 2016 was \$49,415.

**Average Wages**

According to the community statistical summary on the Kentucky Cabinet for Economic Development website, the average weekly wage in 2015 for Daviess County was \$757 as compared to \$799 in the Labor Market area and \$1,018 in the United States.

## ECONOMY AND EMPLOYMENT

### Personal Income

According to the **United States Department of Commerce, Bureau of Economic Analysis**, Daviess County had a per capita personal income (PCPI) of \$39,641 in 2016. According to the United States Census Bureau online Fact Finder, the median household income for Daviess County in 2016 was \$46,675, while according to community statistical summary on the Kentucky Cabinet for Economic Development website, the median home price in 2016 was \$129,900. The table below illustrates the change from 2011 income.

**Exhibit 3-T6 Change in Personal Income**

	2011	2016	% Change
Daviess County	\$36,609	\$39,641	8.3%
Kentucky	\$34,483	\$38,926	12.9%
United States	\$42,461	\$49,246	16.0%

### Commuting Patterns

The health and vitality of our local economy is to some extent dependent on the region's economy. Exhibit 3-T7 provides data for 2000 on the commuting patterns of our community. The data are derived from 2000 census information and compiled by the **United States Department of Commerce**.

**Exhibit 3-T7: Commuting Patterns**

Residents of Daviess County	2010	%	2014	%
Working and residing in county	26,800	62.1	26,856	68.0
Commuting out of county	12,224	37.9	12,665	32.0
Total residents	39,024	100.0	39,521	100.0
Employees in Daviess County	2010	%	2014	%
Working and residing in county	26,800	68.7	26,856	61.8
Commuting into county	16,325	31.3	16,597	38.2
Total Employees	43,125	100.0	43,453	100.0

*In 2010, 37.9% of county residents commuted out of Daviess County to work, compared to 32.0% in 2014. Daviess County's workforce includes 38.2% of workers who are not residents of the county, but travel to Daviess County to work. It should be noted that data from 2010 and 2014 are from different sources and comparisons may be inaccurate.*

Source: 2014 data from U.S. Department of Commerce, Bureau of the Census, Journey-To-Work & Migration Statistics Branch, 2010 data from Kentucky State Data Center, compiled from employers' administrative records

## Economic Reports

### Regional Vision 2001

In January 1997 the Owensboro-Daviess County Chamber of Commerce published a report entitled **Regional Vision 2001**. The report defines the region as Daviess, Hancock, Henderson, McLean, Ohio, and Muhlenberg counties in Kentucky and Spencer County, Indiana. The report's vision statement says that by the year 2001 the region will **think like a region, work together as a region, undertake regional projects and tasks and increase the region's growth rates**.

### State of the Workforce Report for the Green River Area Development District 2005

The Green River Area Development District's Workforce Investment Board commissioned the **State of the Workforce Report** to gain a comprehensive understanding of the workforce opportunities and challenges that face our region for many years.

## ECONOMY AND EMPLOYMENT

The study addresses challenges in the local landscape including implications of education and literacy, need for high-skilled workers with post-secondary education and training, aging of the workforce, development of skill ladders and lattices, increased reliance on technology, youth flight, globalization of the workforce and diversity of the workforce.

This is further intensified by the education levels of the region being below the national average. Daviess County fares better in this category than most other counties in the region, but is still below the national average for both associate and bachelor degree holders.

The Greater Owensboro Economic Development Corporation conducted a *Wage and Benefit Survey* in 2016. A committee of local HR professionals reviewed past data and identified current needs and trends for 2016. The survey was offered to 352 employers and eighteen companies responded to the survey. Results can be viewed on GEOEDC website at <http://edc.owensboro.com>.

### *Economic & Employment Projections*

The primary purpose of these projections is to assure that adequate acreage is provided in the land use plan to accommodate the future needs of existing and new businesses, industries, and workers.

The labor force participation rate gradually increased to about 65% in 1990. Since 1990 the participation rate has held relatively stable at approximately 65%. Historically, persons in the 16-24 and 65+ age cohorts have participated in the labor force to a lesser degree than 25-64 year olds. Also, some females choose not to work for child rearing or other reasons. Therefore, 65% appears to be a reasonable cap on the labor force participation rate for the purposes of our economic forecasting. Although the recent past has held slightly lower unemployment rates than are usual, for projection purposes we will apply a 5% unemployment rate to the CLF and assume that non-agricultural employment will capture the same 98% of total employment as it did in 2016 and that the population over 16 years old will be about 80% of the total population.

**Exhibit 3-T8: Total Employment Projections**

<b>PROJECTIONS</b>			
	<b>2020</b>	<b>2030</b>	<b>2040</b>
Pop. 16+	81,626	85,341	88,103
Partic. Rate (%)	65.0	65.0	65.0
Civ. Labor Force	53,057	55,472	57,267
Unemployed	2,653	2,774	2,863
Unempl. Rate	5.0	5.0	5.0
Total Employ.	50,404	52,698	54,404
Non-Agri Employ.	49,396	51,644	53,316

Based on Population Projections from KY State Data Center 2016, assumed 5% unemployment rate based on historic unemployment rate, 98% non-agricultural employment based on 2016 percentage of non-agricultural employment, 80% of population over 16 years old

### **Forecasting Methods**

Actual numbers of employment by industry classifications in Daviess County, Kentucky exceed the civilian labor force as reported for 2016. This is attributable to factors such as commuting patterns of workers coming into Daviess County to seek work, and the inclusion of non-civilian labor in the reporting per industry classification. Because of the difference in the reported civilian labor force of the county and the actual numbers of employees reported per industry classification, the civilian labor force projections for total employment are low. For projection purposes, the growth rate of total employees over the last eight years will be used to determine total employment numbers as a base for projections and that will



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determine the control for non-agricultural employment. The growth rate in total employment calculates to 0.175% per year. This rate was applied to the total reported employment in 2016 and projected until 2040 as the projected base total employment on which projections per industry were made. Projections per industry were then made based on the percent of the total employment for each industry classification held in 2016 applied to the total projected wage and salary employment for future years. This method assumes that percentages by industry will remain stable going forward. In reality, percentages held by each industry are subject to change.

**Employment Projections**

Exhibit 3-T9 displays the results of the above.

**Exhibit 3-T9 – Employment Projections by Industry**

**Daviess County Employment Projections**

	PROJECTIONS											
	2008		2016		# Change 2008-2016	% of Total Change	2020		2030		2040	
	#	%	#	%			#	%	#	%	#	%
Non-Agri Employ	52223	100.0	54500	100.0	2277	4.4	57767	100.0	60738	100.0	63708	100.0
Services	20907	40.0	24392	44.8	3485	16.7	25854	44.8	27184	44.8	28513	44.8
Retail Trade	7244	13.9	6898	12.7	-346	-4.8	7312	12.7	7688	12.7	8063	12.7
Manufacturing	6586	12.6	5651	10.4	-935	-14.2	5990	10.4	6298	10.4	6606	10.4
Government	8367	16.0	9157	16.8	790	9.4	9706	16.8	10205	16.8	10704	16.8
Transportation, Utilities	2207	4.2	2307	4.2	100	4.5	2445	4.2	2571	4.2	2697	4.2
Construction	4189	8.0	3143	5.8	-1046	-25.0	3331	5.8	3503	5.8	3674	5.8
Wholesale Trade	2175	4.2	1876	3.4	-299	-13.7	1988	3.4	2091	3.4	2193	3.4
Mining	449	0.9	951	1.7	502	111.8	1008	1.7	1060	1.7	1112	1.7
Fishing/Forestry	99	0.2	125	0.2	26	26.3	132	0.2	139	0.2	146	0.2