

# Regional Profiles and Analysis



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## **Regional Profiles and Analysis**

The county profiles provided by this “application” serve to help present a county’s economy to those interested in analyzing and describing economic activity within their region. The data for this analysis are taken from the Bureau of Economic Analysis’ (BEA) Regional Economic Information System (REIS).<sup>1</sup> The REIS provides a sound source of regional data that includes a personal income series, detailed earnings by industry, and total employment by industry. These series constitute the database used to develop this regional profile and analysis system.

The estimates of personal income, earnings, and employment are widely used to measure the levels and the types of incomes that are received by the people who reside or work in a county. These estimates provide a framework for the analysis of the economy of each area and serve as a foundation for decision making.

This report is designed to serve two purposes: 1) develop and explain the economic measures used to construct regional economic profiles; and 2) provide an example analysis of a specific county to demonstrate the use of the analysis technique.

### **Personal Income Series**

*Personal Income by Place of Residence* is the income received by all persons who reside within a county. County earnings by place of residence may differ from county earnings by place of work. Since some workers are employed in a county that differs from their county of residence, there needs to be an adjustment to the earnings by place of work to account for this difference. This is accomplished with an adjustment which accounts for the net flow of earnings generated by commuters who cross the county boundaries. Workers also have other income sources that include payments of dividends, interest, rents, and transfer payments that are added to the earnings by place of work. Workers

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<sup>1</sup> Regional Economic Accounts, Bureau of Economic Analysis, US Department of Commerce, <http://www.bea.gov/regional/reis/>

also do not receive all their earnings either because they make contributions to government social insurance which are deducted in the determination of the estimate of personal income of residents.<sup>2</sup> Personal income of residence is calculated as following:

| PERSON INCOME OF RESIDENCE CATEGORIZATION           |
|---|
| Personal income                                     |
| Earnings by place of work                           |
| less: Contributions for government social insurance |
| plus: Adjustment for residence                      |
| plus: Dividends, interest, and rent                 |
| plus: Personal current transfer receipts            |
| Personal income                                     |
| Net earnings by place of residence                  |
| plus: Dividends, interest, and rent                 |
| plus: Personal current transfer receipts            |
| Personal income                                     |
| Population (persons)                                |
| Per capita personal income (dollars)                |

Personal Income is received by or on behalf of all individuals who live in a county, and therefore, the estimate of personal income is presented by the place of residence of income recipients.<sup>3</sup> Estimates of personal income serve as an indicator of the economic well-being of the residents and provide a measure of the fiscal capacity and of a specific area.

### Earnings by Place of Work

*Earnings by Place of Work* includes worker’s wages, salaries, supplements to wages and salaries, plus proprietors’ income. Earnings by place of work are alternative income measures derived from activities of workers and proprietors in a county, and it provides a measure of earnings generated by workers and proprietors in a specific county. Earnings by place of work include the following:

<sup>2</sup> For a detailed description of the REIS dataset, the reader is referred to the following BEA website: <http://www.ciesin.org/datasets/reis/reis-home.html>.

<sup>3</sup> Regional Economic Accounts, Bureau of Economic Analysis, US Department of Commerce <http://www.bea.gov/regional/definitions/nextpage.cfm?key=personal%20income>.

|   |
|---|
| EARNINGS BY PLACE OF WORK CAGORIZATION              |
| Earnings by place of work                           |
| Wage and salary disbursements                       |
| Supplements to wages and salaries                   |
| Proprietors' income 6/                              |
|   |
| Net earnings by place of residence                  |
| Earnings by place of work                           |
| less: Contributions for government social insurance |
| plus: Adjustment for residence                      |

**Earnings by Industry**

BEA also provides earnings data by North American Industry Classification System (NAICS) for major industrial groups. NAICS uses a production-oriented concept to define industries. When industries are defined, producing units within an industry use closely similar technologies and production processes. Industries are also classified into general categories of economic activities called industrial sectors (groups). Earning by Place of Work has several industry group breakdowns. One breakdown is between farm and nonfarm industries. Nonfarm earnings are further subdivided into private and government sectors, and the private sector is then subdivide into the NAICS industrial sectors. Industry earnings by place of work has the following classification scheme:

| EARNINGS BY PLACE OF INDUSTRY         |
|---------------------------------------|
| Earnings by place of work             |
| Farm earnings                         |
| Nonfarm earnings                      |
|                                       |
| Nonfarm earnings                      |
| Private earnings                      |
| Government and government enterprises |
|                                       |
| Private earnings                      |
| Natural Resources & Mining            |
| Construction                          |
| Manufacturing                         |
| Trade/Transportation/Utilities        |
| Wholesale                             |
| Retail                                |
| Transportation and Warehousing        |
| Utilities                             |
| Information                           |
| Financial Activities                  |
| Professional & Business Services      |
| Education Services                    |
| Health Care & Social Assistances      |
| Leisure & Hospitality                 |
| Other Services                        |

### Assessment of Earnings

Earnings by major industrial groups provides the basis for various measures of economic activity. These measures include the following by industry:

| Assessment of Earnings  |
|---|
| Earnings Annual Growth by Industry                                  |
| Earnings Shares by Industry   |
| Location Quotients for Earning Share by Industry (Base= Arkansas)   |
| Location Quotients for Earning Share by Industry (Base= USA)        |
| Earning per Job by Industry   |
| Index of Earnings per Job by Industry (Base Year:2001 = 1)          |
| Index of Relative Earnings per Job by Industry (Base Year: 2001 =1) |

- *Earnings Growth*  
Annual growth earnings by industrial group (annual percent change in earnings)
- *Earnings Share*  
Ratio of annual earnings by industry to total industry earnings
- *Earnings Share Location Quotient (LQ) State*

Location quotient (LQ) for earnings relative to the state by industry; it measures the relative concentration of earnings in a county relative to the state.

- *Earnings Share to Location Quotient (LQ) USA*

Location quotient (LQ) for earnings relative to the nation by industry; it measures the relative concentration of earnings in a county relative to the nation.

- *Earnings Per job*

Ratio of annual earnings to annual employment by industry (earnings per job)

- *Index of Earnings Per Job Per Growth 2001=1.00*

This index represents the ratio of earnings per job to earnings per job in the current year relative to the base year 2001 by a selected industry.

*Index of Relative Earnings Per Job by Industry*

This ratio measures the earnings per job in an industry to total earnings per job for all industries. If the index exceeds (less than) unity, it implies that an industry has high (low) earnings per worker compared to all other industries in an area.

### **Earning Trends**

The tool assesses earnings trends by industry by evaluating whether the earnings are growing and whether an industry's earnings shares are growing. By selecting either one of these trend variables, the tool displays a industry selection screen allowing for a choice of industries and the evaluation of the earning trends.

| Earning Trends                       |
|--------------------------------------|
| Trend in Earnings Growth by Industry |
| Trend in Earnings Share by Industry  |

### **Employment Series**

REIS data series also includes employment data for workers and proprietors by county. The employment comprises estimates of the number of jobs (full-time and part-time) by place of work. The employment estimates are designed to be consistent with the estimates of wage and salary disbursements and proprietors' income that are part of the personal income series.<sup>4</sup> There are several employment subgroupings. Hence, the software

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<sup>4</sup> <http://www.bea.gov/regional/definitions/nextpage.cfm?key=Employment>

provides several different ways of viewing employment data as shown in the accompanying table.

| TOTAL EMPLOYMENT CATEGORIZATION       |
|---------------------------------------|
| Total Employment                      |
| Wage and salary employment            |
| Proprietors employment                |
|                                       |
| Total Employment                      |
| Farm employment                       |
| Nonfarm employment                    |
|                                       |
| Proprietors employment                |
| Farm proprietors employment           |
| Nonfarm proprietors employment        |
|                                       |
| Nonfarm employment                    |
| Private employment                    |
| Government and government enterprises |
|                                       |
| Government and government enterprises |
| Federal, civilian                     |
| Military                              |
| State government                      |
| Local government                      |

| PRIVATE EMPLOYMENT BY INDUSTRY      |
|-------------------------------------|
| Private Employment                  |
| Natural Resources & Mining          |
| Construction                        |
| Manufacturing                       |
| Trade/Transportation/Utilities      |
| Wholesale                           |
| Retail                              |
| Transportation and Warehousing      |
| Utilities                           |
| Information                         |
| Financial Activities & Real Estate  |
| Professional & Business Services 3/ |
| Educational Services                |
| Health Care & Social Services       |
| Leisure & Hospitality               |
| Other Services                      |

### Assessment of Employment Growth

Private employment by industry and government and government employment by enterprises provide a basis to assess an economy's performance in terms of job creation or reduction. Several measures are provided to help with this assessment and are shown in the accompanying table.

| <b>Assessment of Employment Growth</b> |
|--|
| Employment Growth                      |
| Employment Share                       |
| LQ relative to State                   |
| LQ Relative to USA                     |

- ***Employment (number of jobs)***  
 Employment estimates are based on the 2002 NAICS for 2001-2006 and the NAICS 2007 classification for 2007 data.
- ***Employment Growth (growth in the number of jobs)***  
 Employment estimates are based on the 2002 NAICS for 2001-2007 and the NAICS 2007 classification for 2007 data. Employment growth is the annual percentage change in the number of jobs by industry.
- ***Employment Share***  
 Percent of employment in an industry to total employment in an area
- ***LQ Relative to State***  
 Location quotient (LQ) for employment relative to state employment by industry; it measures the relative concentration of employment in an area relative to the state.
- ***LQ Relative to USA***  
 Location quotient (LQ) for employment relative to the nation's employment by industry; it measures the relative concentration of employment in an area relative to the nation.

## County Profile Example

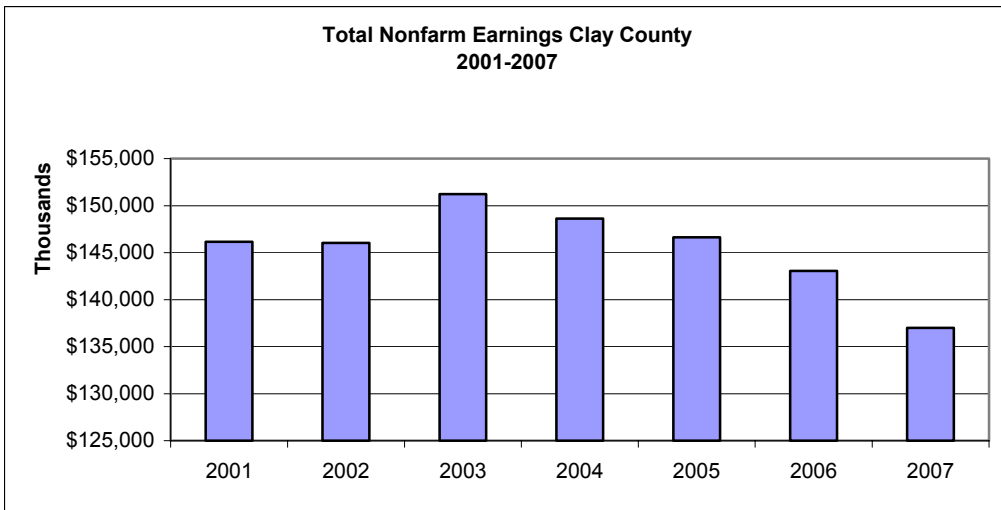
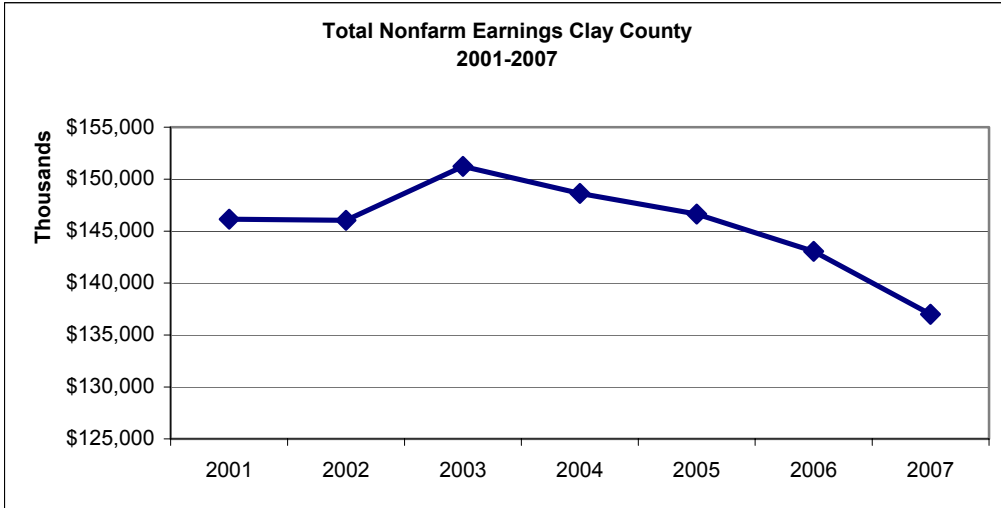
The remaining sections of this report demonstrate a county profile application. A profile of Clay County is developed and presented as an example of how to use the profile application.

### Nonfarm Earnings

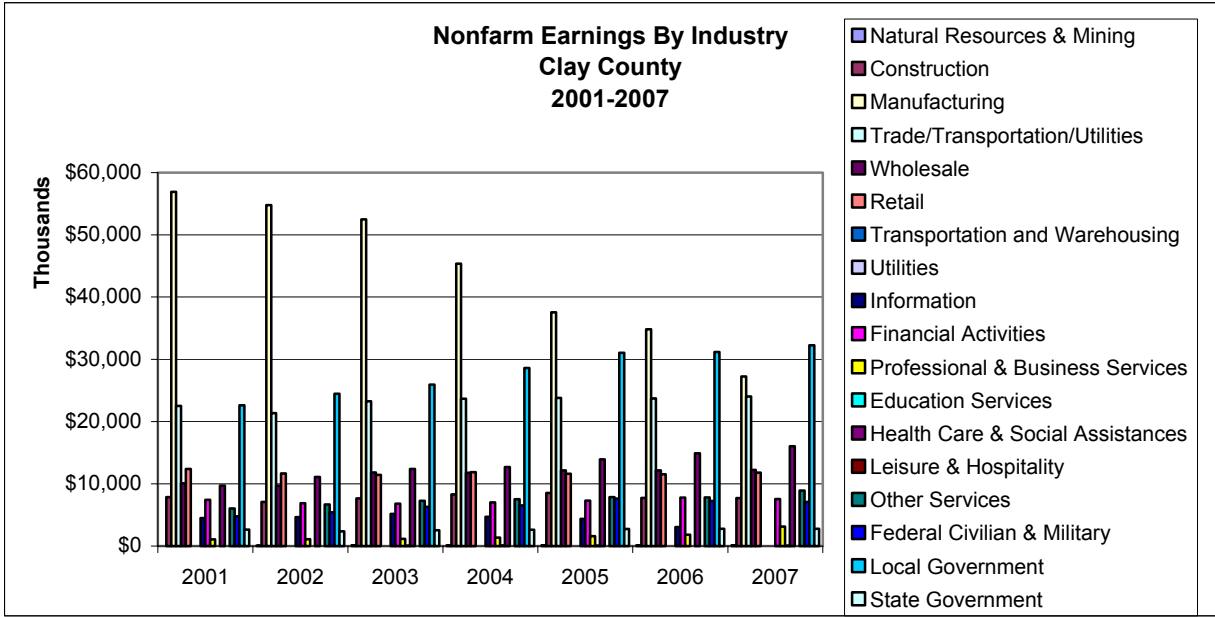
*Nonfarm earnings* refer to earnings derived from a selected group of industries not engaged in farming. The components of earnings include wages and salary, contributions of employers to employee pension plans, insurance funds, government social insurance, and nonfarm proprietor's income. Earnings are by place of work by industry and provide a record of an industry's economic activity within a county.

| NONFARM EARNINGS CLAY COUNTY<br>2001-2007 |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Industry                                  | 2001                 | 2002                 | 2003                 | 2004                 | 2005                 | 2006                 | 2007                 |
| Natural Resources & Mining                | \$0                  | \$90,000             | \$125,000            | \$116,000            | \$123,000            | \$116,000            | \$130,000            |
| Construction                              | \$7,879,000          | \$7,097,000          | \$7,678,000          | \$8,305,000          | \$8,538,000          | \$7,750,000          | \$7,709,000          |
| Manufacturing                             | \$56,917,000         | \$54,787,000         | \$52,485,000         | \$45,368,000         | \$37,560,000         | \$34,831,000         | \$27,241,000         |
| Trade/Transportation/Utilities            | \$22,505,000         | \$21,356,000         | \$23,269,000         | \$23,669,000         | \$23,802,000         | \$23,727,000         | \$24,042,000         |
| Wholesale                                 | \$10,091,000         | \$9,687,000          | \$11,825,000         | \$11,791,000         | \$12,173,000         | \$12,162,000         | \$12,241,000         |
| Retail                                    | \$12,414,000         | \$11,669,000         | \$11,444,000         | \$11,878,000         | \$11,629,000         | \$11,565,000         | \$11,801,000         |
| Transportation and Warehousing            | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| Utilities                                 | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| Information                               | \$4,499,000          | \$4,658,000          | \$5,182,000          | \$4,701,000          | \$4,375,000          | \$3,053,000          | \$0                  |
| Financial Activities                      | \$7,443,000          | \$6,887,000          | \$6,812,000          | \$7,019,000          | \$7,311,000          | \$7,800,000          | \$7,566,000          |
| Professional & Business Services          | \$1,085,000          | \$1,094,000          | \$1,160,000          | \$1,371,000          | \$1,603,000          | \$1,827,000          | \$3,150,000          |
| Education Services                        | \$0                  | \$0                  | \$52,000             | \$70,000             | \$60,000             | \$0                  | \$54,000             |
| Health Care & Social Assistances          | \$9,725,000          | \$11,121,000         | \$12,393,000         | \$12,717,000         | \$13,955,000         | \$14,907,000         | \$16,041,000         |
| Leisure & Hospitality                     | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |
| Other Services                            | \$6,059,000          | \$6,697,000          | \$7,289,000          | \$7,535,000          | \$7,875,000          | \$7,828,000          | \$8,926,000          |
| Federal Civilian & Military               | \$4,796,000          | \$5,424,000          | \$6,314,000          | \$6,533,000          | \$7,636,000          | \$7,257,000          | \$7,090,000          |
| Local Government                          | \$22,604,000         | \$24,466,000         | \$25,929,000         | \$28,611,000         | \$31,044,000         | \$31,184,000         | \$32,257,000         |
| State Government                          | \$2,638,000          | \$2,364,000          | \$2,553,000          | \$2,612,000          | \$2,756,000          | \$2,770,000          | \$2,784,000          |
| <b>Total</b>                              | <b>\$146,150,000</b> | <b>\$146,041,000</b> | <b>\$151,241,000</b> | <b>\$148,627,000</b> | <b>\$146,638,000</b> | <b>\$143,050,000</b> | <b>\$136,990,000</b> |

For example, Clay County's total nonfarm earnings increased over the 2001-2003 period and then declined over 2004-2007. Overall, nonfarm earnings declined by 6% over the 2001-2007 period. This type of data may be shown graphically with either a line chart or a bar chart as demonstrated on next page:

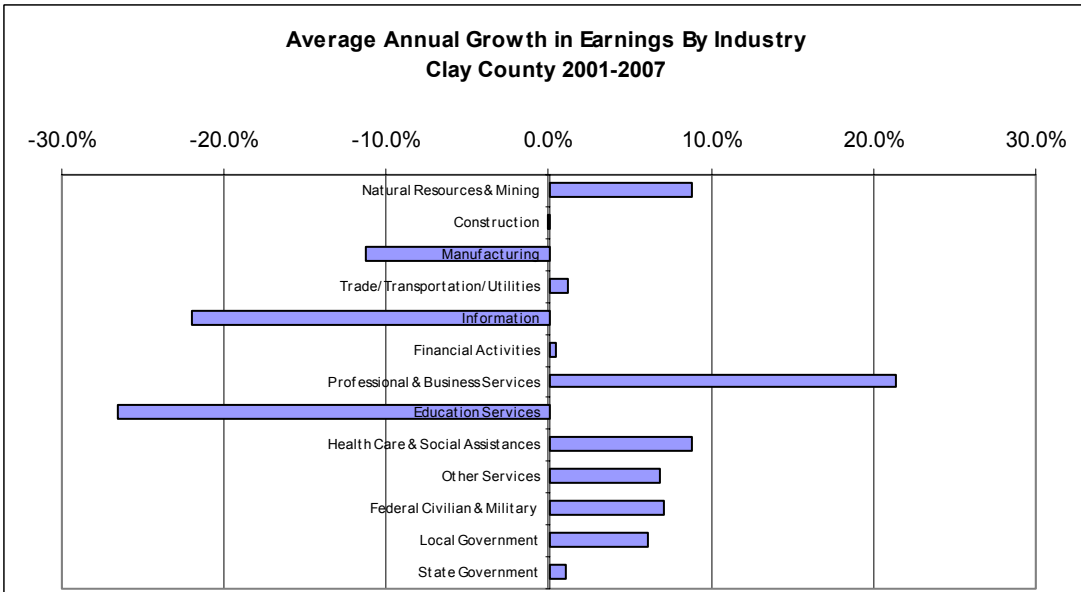


In a similar manner, each industry in the profile can be displayed singularly or simultaneously. Bar charts are often preferable to a line charts for displaying multiple industries because there is less clutter but there is no general rule.

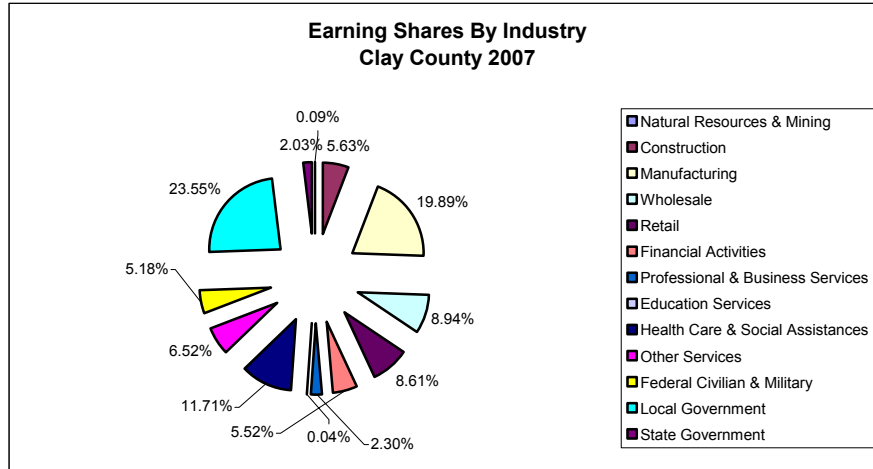


***Relative Sizes and Performance of the Industrial Groups***

The profile also produces data that facilitate interindustry comparisons. Particular useful for these types of comparisons are an industry’s share of total earnings and annual earnings growth by industry. The profile application computes both these measures. The next chart gives an illustration of how this data can be used to compare the industry performances. The chart shows the five year annual average growth rates in earnings by industry. The chart highlights the growing and declining industries.



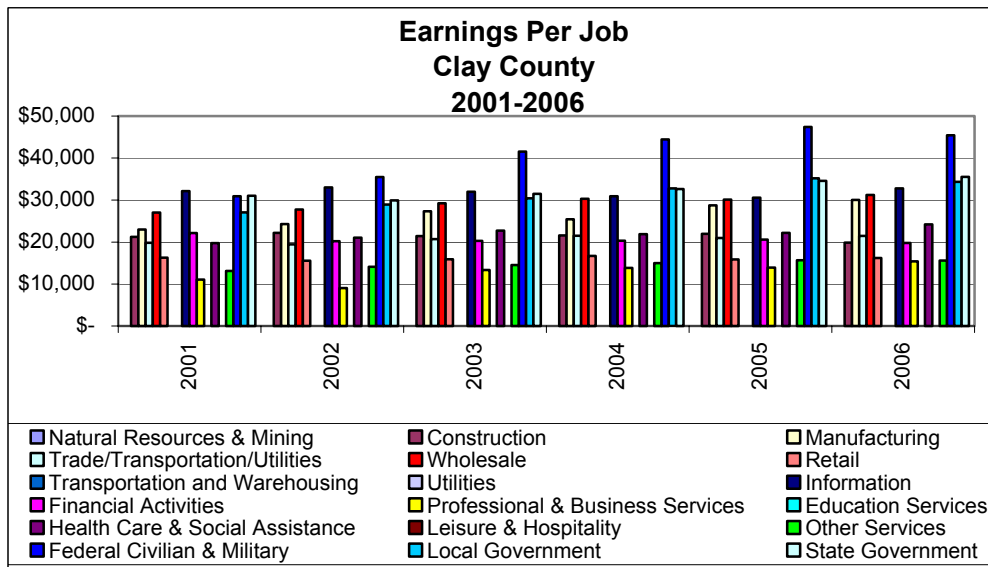
Earning shares are used to show the relative sizes of industry earnings. These comparisons can be for a single year for all industries as in the accompanying pie chart.



Comparisons can also be made over time to assess how the relative changes in the county earning structure by viewing the assessment of earnings measures.

### Earnings Per Job

*Earnings per job* refer to the ratio of annual earnings to annual employment in selected industries. It represents the amount of earnings generated from employment in different industries. It measures the amount each worker contributes to the industry earnings on average annually.



The profile application also constructs an index of earnings per job to measure the relative change by industry. The next chart shows the index of earnings per job for all Clay County industries from 2001-2007. In this data series, the base year is 2001 and the index number for this year is 100%. For 2002, the index number is 104% indicating that earnings per job in Clay County grew by 4% over the 2001 to 2002 period. In 2007, the index number was 121% which indicates that earnings per job grew by 21% from 2001 to 2007 and by 3% from 2006 to 2007.



The index of relative earnings per job by industry is a similar type of index but with the alternative base. This index uses the earnings per job in the county as the base of comparison to earning per job by industry. This index is shown in the accompanying

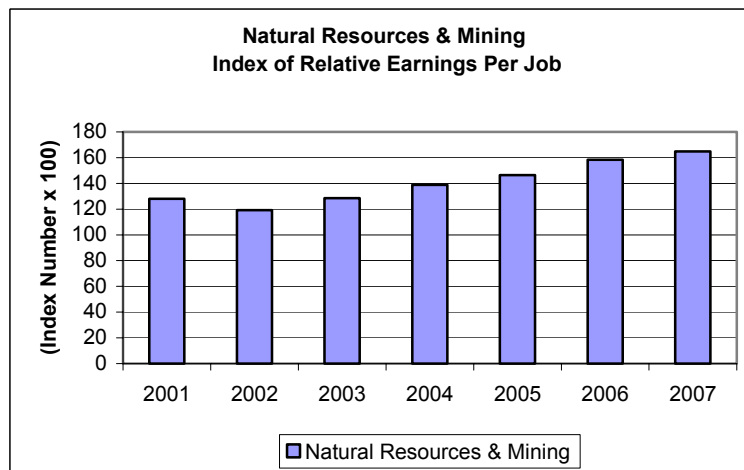


diagram for the natural resources and mining industry. A value of 100 for this index means that the earnings per job in this industry are the same as the earnings per job in all industries in the county. In 2005, the chart value of 150 for the index indicates that earnings per job in the natural resources and mining industries were 50% higher than the

earnings per job in all the industries in the county. The trend in this index show that over the 2002 to 2007 period, earnings per job in the natural resources and mining industry in Clay County had gained relative to the overall earning per job in the county.

### **Earnings Share Location Quotient (LQ) State and Nation**

*Earnings share location quotient (LQ) State* refers to a location quotient (LQ) that is calculated using earnings relative to the state and national industries. Hence, earnings share LQ measures the relative concentration of earnings in an area relative to the state. If LQ exceeds (less than) unity, it means that industry's earnings are a larger (smaller) proportion of an area's total earnings as compared to the counterpart measure for the state. To calculate LQs, local industry earnings are divided by total local industry earnings. Subsequently, industry earnings of a reference area (either the state total or national total) are divided by the total industry earnings of the reference area. Finally, the local ratio is divided by the ratio of the reference area.

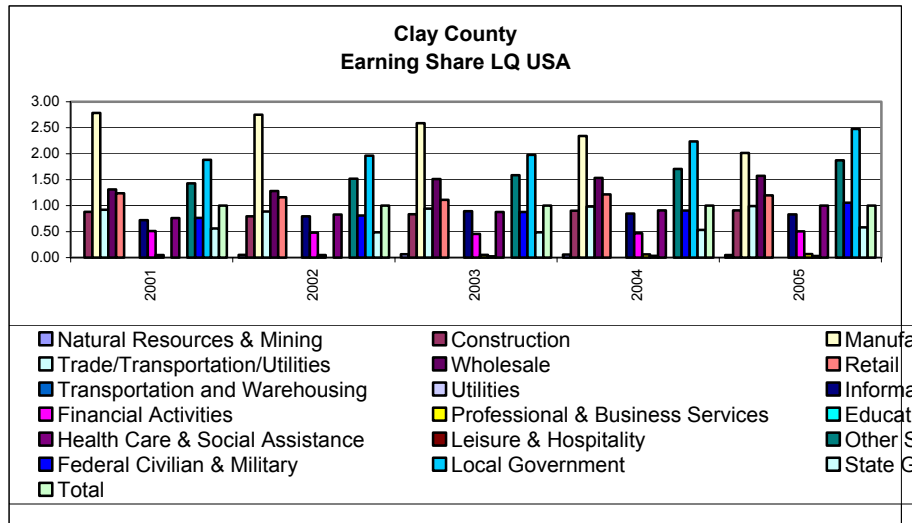
The following table shows a structural grouping made on the basis of the sources of income of residents of Clay County from 2001 to 2006.

| <b>Clay County</b>   |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Earnings Share Location Quotient Relative to Arkansas</b> |             |             |             |             |             |             |
| <b>Industry</b>  | <b>2001</b> | <b>2002</b> | <b>2003</b> | <b>2004</b> | <b>2005</b> | <b>2006</b> |
| Natural Resources & Mining                                   | 0.00        | 0.04        | 0.05        | 0.05        | 0.04        | 0.05        |
| Construction   | 0.97        | 0.85        | 0.95        | 1.02        | 1.01        | 0.95        |
| Manufacturing  | 1.98        | 1.96        | 1.84        | 1.68        | 1.47        | 1.43        |
| Trade/Transportation/Utilities                               | 0.80        | 0.75        | 0.80        | 0.83        | 0.83        | 0.86        |
| Wholesale  | 1.44        | 1.38        | 1.62        | 1.59        | 1.61        | 1.62        |
| Retail   | 1.17        | 1.11        | 1.05        | 1.15        | 1.13        | 1.19        |
| Transportation and Warehousing                               | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        |
| Utilities  | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        |
| Information  | 0.99        | 1.02        | 1.16        | 1.09        | 1.04        | 0.75        |
| Financial Activities   | 0.94        | 0.87        | 0.80        | 0.84        | 0.92        | 0.95        |
| Professional & Business Services                             | 0.07        | 0.07        | 0.07        | 0.08        | 0.09        | 0.11        |
| Education Services   | 0.00        | 0.00        | 0.06        | 0.08        | 0.07        | 0.07        |
| Health Care & Social Assistance                              | 0.65        | 0.73        | 0.77        | 0.80        | 0.88        | 0.96        |
| Leisure & Hospitality  | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        | 0.00        |
| Other Services   | 1.38        | 1.48        | 1.54        | 1.66        | 1.86        | 1.98        |
| Federal Civilian & Military                                  | 0.76        | 0.82        | 0.85        | 0.89        | 0.99        | 0.98        |
| Local Government   | 2.01        | 2.16        | 2.17        | 2.39        | 2.56        | 2.60        |
| State Government   | 0.33        | 0.30        | 0.30        | 0.32        | 0.34        | 0.34        |

For Earnings Share LQ state, the state of Arkansas is used as the reference state. LQs for the manufacturing industry, wholesale, retail, information, other services, and local government are greater than 1. This indicates that these industries tend to generate more earnings in the county and have more economic impact on Clay County than their counterparts in the reference state.

### Earnings Share Location Quotient USA

For *Earnings Share Location Quotient USA*, USA is used as the reference or base economy. LQs for the manufacturing industry, wholesale, retail, other services, and local government are greater than 1. This implies that these industries tend to generate higher earnings in the state and have more impact on Arkansas than their counterparts in the base economy.



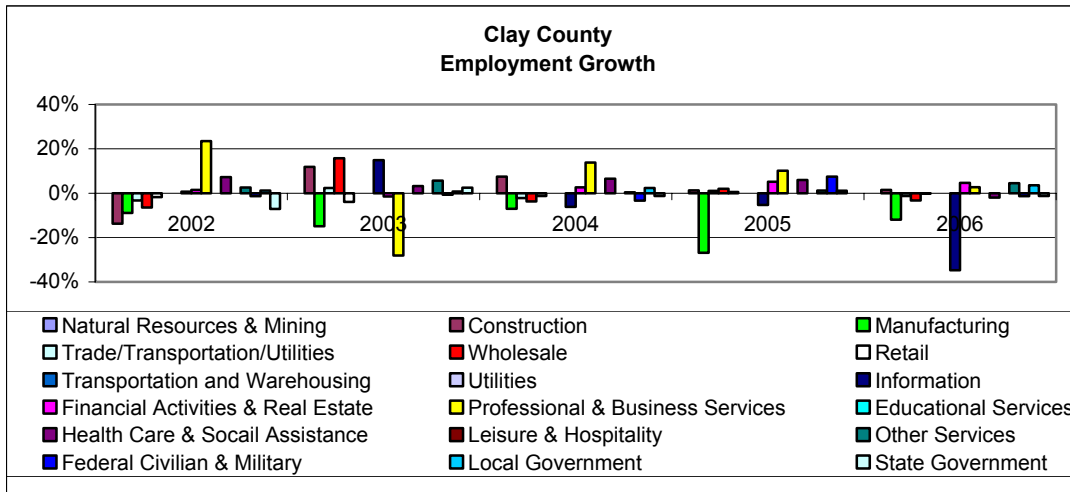
### Employment

As noted earlier there are several employment measures that access employment trends in Clay County. Generally, most research tracks nonfarm employment by industry. This measure includes private employment as well as government and government enterprises.

*Employment Growth* refers to an annual percentage change in employment in a selected industry. This measure indicates those industries that are performing well and hence have

contributed employment to Clay County. In the period from 2002 to 2006, job losses occurred across major industries, including manufacturing, and state government. While industries such as finance-real estate and other services contributed to employment in the county.

| Clay County<br>Annual Employment Growth |         |         |        |         |         |
|---|---------|---------|--------|---------|---------|
|   | 2002    | 2003    | 2004   | 2005    | 2006    |
| Natural Resources & Mining              | NA      | NA      | NA     | NA      | NA      |
| Construction                            | -13.75% | 11.88%  | 7.54%  | 1.30%   | 1.54%   |
| Manufacturing                           | -8.89%  | -14.91% | -7.04% | -26.86% | -11.89% |
| Trade/Transportation/Utilities          | -3.26%  | 2.37%   | -2.14% | 1.09%   | -1.26%  |
| Wholesale                               | -6.43%  | 15.76%  | -3.71% | 2.06%   | -3.27%  |
| Retail                                  | -1.71%  | -3.87%  | -1.25% | 0.56%   | -0.14%  |
| Transportation and Warehousing          | NA      | NA      | NA     | NA      | NA      |
| Utilities                               | NA      | NA      | NA     | NA      | NA      |
| Information                             | 0.71%   | 14.89%  | -6.17% | -5.26%  | -34.72% |
| Financial Activities & Real Estate      | 1.49%   | -1.47%  | 2.68%  | 5.22%   | 4.68%   |
| Professional & Business Services        | 23.47%  | -28.10% | 13.79% | 10.10%  | 2.75%   |
| Educational Services                    | NA      | NA      | NA     | NA      | NA      |
| Health Care & Socail Services           | 7.32%   | 3.22%   | 6.61%  | 6.02%   | -1.95%  |
| Leisure & Hospitality                   | NA      | NA      | NA     | NA      | NA      |
| Other Services                          | 2.60%   | 5.70%   | 0.40%  | 1.19%   | 4.52%   |
| Federal Civilian & Military             | -1.29%  | -0.65%  | -3.29% | 7.48%   | -1.27%  |
| Local Government                        | 1.20%   | 0.83%   | 2.35%  | 1.15%   | 3.63%   |
| State Government                        | -7.06%  | 2.53%   | -1.23% | 0.00%   | -1.25%  |
| Total                                   | -3.48%  | -3.75%  | -1.13% | -6.28%  | -2.70%  |



Employment Shares refers to the proportion of jobs in an industry relative to the total jobs in the county. Employment shares provide a means to identify the major employers in a county as shown in the next table. As the data in the table indicate, the government sectors are the major job centers in the County. This sector is followed by professional and business services and then retailing

| Clay County<br>Employment Share                      |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|
| Industry   | 2001  | 2002  | 2003  | 2004  | 2005  | 2006  |
| Construction   | 4.7%  | 4.6%  | 4.7%  | 4.8%  | 5.0%  | 5.1%  |
| Manufacturing  | 8.1%  | 7.5%  | 7.1%  | 6.9%  | 6.8%  | 6.6%  |
| Trade/Transportation/Utilities                       | 14.7% | 14.5% | 14.4% | 14.4% | 14.4% | 14.3% |
| Wholesale  | 3.0%  | 2.9%  | 2.9%  | 2.9%  | 2.9%  | 2.9%  |
| Retail   | 8.8%  | 8.8%  | 8.7%  | 8.7%  | 8.7%  | 8.6%  |
| Transportation and Warehousing                       | 2.6%  | 2.5%  | 2.5%  | 2.5%  | 2.6%  | 2.6%  |
| Utilities  | 0.3%  | 0.3%  | 0.3%  | 0.3%  | 0.3%  | 0.3%  |
| Information  | 1.9%  | 1.8%  | 1.7%  | 1.7%  | 1.6%  | 1.6%  |
| Financial Activities & Real Estate                   | 6.4%  | 6.5%  | 6.6%  | 6.8%  | 7.0%  | 7.1%  |
| Professional & Business Services                     | 10.4% | 10.4% | 10.4% | 10.7% | 10.7% | 10.9% |
| Educational Services                                 | 1.5%  | 1.5%  | 1.6%  | 1.6%  | 1.6%  | 1.7%  |
| Health Care & Social Services                        | 7.4%  | 7.6%  | 7.8%  | 7.8%  | 7.9%  | 8.0%  |
| Leisure & Hospitality                                | 6.7%  | 6.8%  | 6.9%  | 6.9%  | 7.0%  | 7.0%  |
| Other Services                                       | 15.3% | 15.6% | 15.7% | 15.5% | 15.4% | 15.3% |
| Federal Civilian & Military & Government Enterprises | 13.3% | 13.5% | 13.5% | 13.3% | 13.1% | 12.9% |
| Local Government                                     | 6.3%  | 6.5%  | 6.5%  | 6.4%  | 6.3%  | 6.3%  |
| State Government                                     | 2.4%  | 2.4%  | 2.4%  | 2.4%  | 2.3%  | 2.3%  |

### Trend in Employment LQ Relative to State by Industry and Year

*Trend in Employment LQ Relative to State by Industry* refers to the assessment of the location quotient employment share trend for a selected industry. The employment LQ measures the relative concentration of employment in an area relative to the state. If LQ exceeds (less than) unity, it means that employment in the selected industry is a larger (smaller) proportion of the total employment in an area as compared to the counterpart measure for the state.

In addition, this measure helps analyze whether the chosen industries have become more or less concentrated compared to the state's employment over the years from 2002 to 2006. Data for 2001 are not available, and thus the comparison is made for the years 2002 through 2006. Also, Trend in Employment LQ Relative to State by Industry and Year indicates whether production in an industry or in the economy as a whole is being dominated by a few large firms.

| Clay County<br>Employment LQ Relative to State       |      |      |      |      |      |      |
|--|------|------|------|------|------|------|
| Industry   | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| Natural Resources & Mining                           | 0.61 | 0.60 | 0.62 | 0.61 | 0.64 | 0.65 |
| Construction   | 0.95 | 0.93 | 0.98 | 0.98 | 0.96 | 0.99 |
| Manufacturing  | 0.64 | 0.63 | 0.63 | 0.63 | 0.64 | 0.64 |
| Trade/Transportation/Utilities                       | 0.93 | 0.91 | 0.92 | 0.93 | 0.93 | 0.94 |
| Wholesale  | 1.10 | 1.10 | 1.11 | 1.10 | 1.09 | 1.10 |
| Retail   | 0.99 | 0.99 | 1.00 | 0.99 | 1.00 | 1.01 |
| Transportation and Warehousing                       | 0.68 | 0.65 | 0.65 | 0.66 | 0.67 | 0.68 |
| Utilities  | 0.78 | 0.76 | 0.75 | 0.76 | 0.75 | 0.72 |
| Information  | 1.52 | 1.46 | 1.38 | 1.36 | 1.36 | 1.36 |
| Financial Activities & Real Estate                   | 1.38 | 1.38 | 1.42 | 1.42 | 1.42 | 1.41 |
| Professional & Business Services                     | 1.38 | 1.35 | 1.33 | 1.31 | 1.31 | 1.33 |
| Educational Services                                 | 1.99 | 1.88 | 1.89 | 1.94 | 1.94 | 1.92 |
| Health Care & Socail Services                        | 1.00 | 1.00 | 0.99 | 0.99 | 1.00 | 0.99 |
| Leisure & Hospitality                                | 1.24 | 1.25 | 1.26 | 1.25 | 1.24 | 1.24 |
| Other Services                                       | 0.98 | 0.99 | 0.97 | 0.97 | 0.97 | 0.96 |
| Federal Civilian & Military & Government Enterprises | 0.99 | 1.00 | 0.99 | 0.99 | 0.96 | 0.95 |
| Local Government                                     | 1.14 | 1.15 | 1.13 | 1.13 | 1.13 | 1.12 |
| State Government                                     | 0.67 | 0.67 | 0.66 | 0.64 | 0.64 | 0.61 |

### Trend in Employment Growth by Industry and Year

*Trend in Employment Growth by Industry and Year* refers to the trend in employment growth in selected industries and year. Data generated indicate which industries experienced employment growth or decline in a specific year. Overall employment growth is correlated with the economic cycle of a county and reflects whether the county is able to establish sustainable employment opportunities. Employment growth by individual industry reflects the industry's economic activities within a county. The following table shows Clay County's employment growth trends for 2006 by industry.

| Employment Growth Trends           | 2006  |
|------------------------------------|---|
| Natural Resources & Mining         | NA  |
| Construction                       | Construction industry did not gain employment in 2006                       |
| Manufacturing                      | Manufacturing industry did not gain employment in 2006                      |
| Trade/Transportation/Utilities     | Trade/Transportation/Utilities industry did not gain employment in 2006     |
| Wholesale                          | Wholesale industry did not gain employment in 2006                          |
| Retail                             | Retail industry did not gain employment in 2006                             |
| Transportation and Warehousing     | NA  |
| Utilities                          | NA  |
| Information                        | Information industry did not gain employment in 2006                        |
| Financial Activities & Real Estate | Financial Activities & Real Estate industry did not gain employment in 2006 |
| Professional & Business Services   | Professional & Business Services industry gained employment in 2006         |
| Educational Services               | NA  |
| Health Care & Socail Services      | Health Care & Socail Services industry did not gain employment in 2006      |
| Leisure & Hospitality              | NA  |
| Other Services                     | Other Services industry gained employment in 2006                           |
| Federal Civilian & Military        | Federal Civilian & Military industry did not gain employment in 2006        |
| Local Government                   | Local Government industry gained employment in 2006                         |
| State Government                   | State Government industry did not gain employment in 2006                   |
| Total                              | Total industry did not gain employment in 2006                              |

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## Conclusion

The county profile analysis tool provides a means to assess current BEA REIS county data. It provides the basic employment and earnings data by various categories and by industry, as well as having several measures that assess the performances of a county economy in terms of jobs and earnings. The graphing capability of the tool allows the data to be displayed graphically or the data can be copied and pasted into a spread sheet for further analysis.