

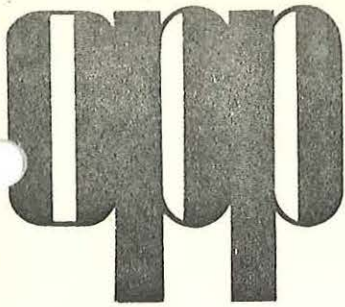
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IOWA TRENDS
ACTUAL AND PROJECTED
1960-1980

Preliminary Report

Office for Planning and Programming
State Capitol
Des Moines, Iowa

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STATE OF IOWA

Office for Planning and Programming

STATE CAPITOL DES MOINES, IOWA 50319 TELEPHONE 515 281-5974

HAROLD E. HUGHES
Governor

FRANK M. COVINGTON
Director

JUNE 1, 1968

Governor Harold E. Hughes
Office of the Governor
State Capitol
Des Moines, Iowa

Dear Governor Hughes:

In accordance with your request to assemble, organize, evaluate, and classify existing data and to perform necessary basic research on population and economic factors in order to provide a common data base for all state planning, the Office for Planning and Programming undertook population and economic studies with specialized assistance from Iowa State University. Primary research was conducted by Dr. John Hartman and Dr. Wilbur Maki. Direct assistance to OPP in finalizing the report was rendered by Dr. Eber Eldridge and Dr. Marvin Julius, also of Iowa State University.

These studies are still in progress and will yield a variety of projections for Iowa in 1970, 1975, and 1980. This report is preliminary; issued now to provide, for the first time, a common data base for state agency budget planning for the upcoming budget cycle for 1969-71, and to aid in other planning activities of state government. A more extensive report will be published in the next few months.

Enclosed is Iowa Trends, Actual and Projected, 1960-1980 -- a preliminary report.

Sincerely yours,

Frank M. Covington

Frank M. Covington

FMC:nh

INTRODUCTION

In order to provide a common data base for all state planning, the Office for Planning and Programming has undertaken population and economic studies with specialized assistance from Iowa State University, Department of Economics.

These studies are still in progress and, when tabular data obtained has been refined and analyzed, will yield a variety of projections for Iowa in 1970, 1975, and 1980.

This is a preliminary report only, issued for agency and department budget planning for the upcoming budget cycle of 1969-1971.

Summary data and a brief explanation of the two major types of research conducted are included in this presentation.

STATE POPULATION

Iowa's population is expected to increase from 2,757,537 to 3,149,518 in the twenty-year period from 1960 to 1980. This is a 14.2 percent increase for this time span, or 381,981 total population increase in the State.

Figure I shows the population trend lines A, B, and C, projected by the studies.

Trend A gives the anticipated population growth for Iowa to 1980. Trend A assumes increasing industrialization in Iowa, influenced by the Chicago complex. Trend A also assumes increasing service-type employment relative to commodity-producing employment because of rising levels of income and leisure time.

Trend B is the population Iowa would have if the net migration, birth and death rates, and rate of industrialization were to continue on the same patterns existing during the decade 1950 to 1960.

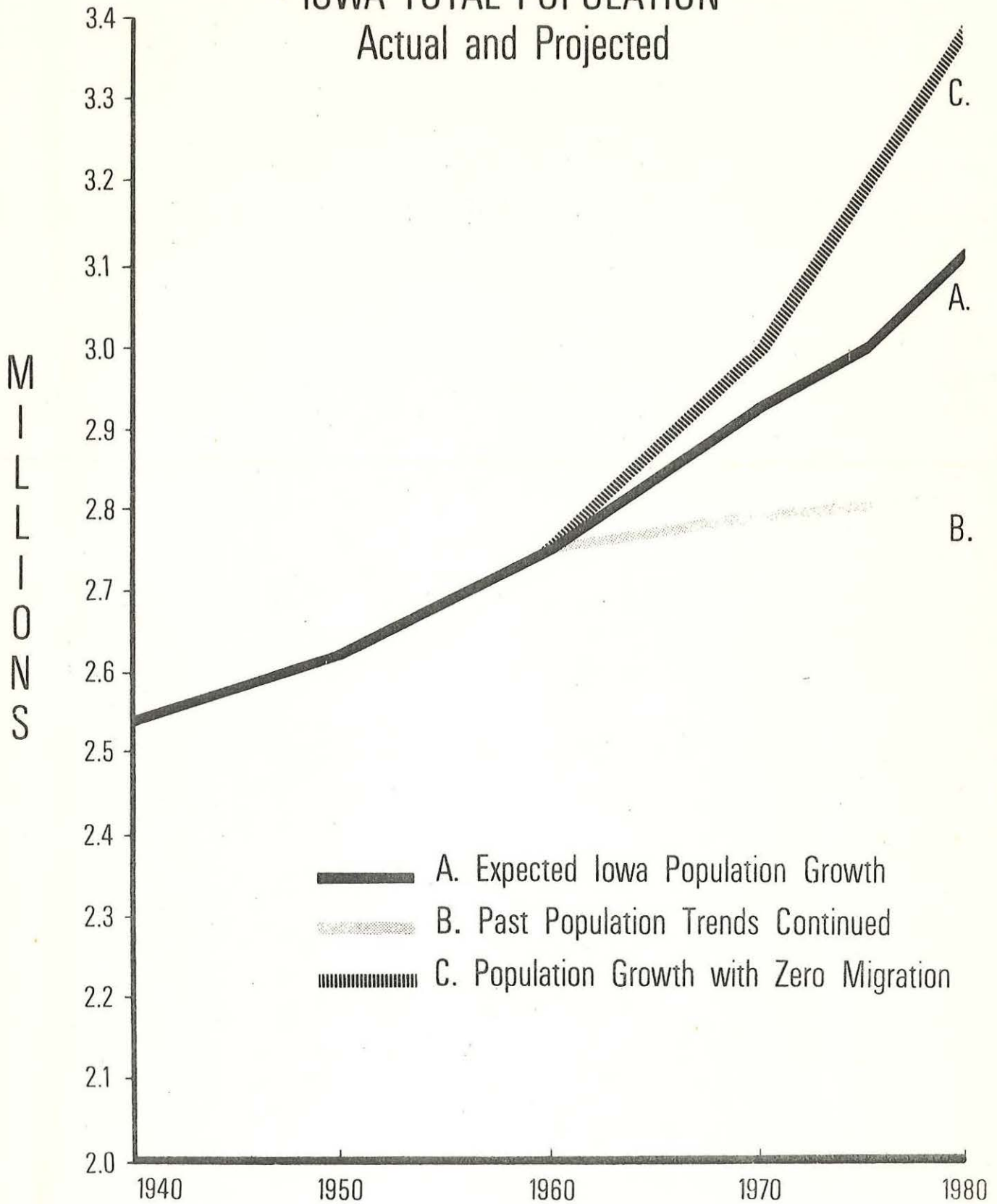
Trend C shows Iowa's population if there were to be no net migration out of, or into the State -- a zero net migration.

Iowa's expected population, as shown by Trend A, leads to the assumption that outmigration will continue for the State, but increasing employment opportunities will cause the rate of outmigration to be lower than for the period between 1950 and 1960.

Table I presents the same data which were graphically displayed in Figure I, based on the same three projection methods:

Figure I

IOWA TOTAL POPULATION Actual and Projected



- A. The expected population growth in Iowa based on economic trends
- B. Iowa's population if past population trends continued
- C. Iowa's population if net migration was zero.

POPULATION BY REGION

Table 2 gives the anticipated population for each of Iowa's 16 multi-county regions (functional economic regions).¹ Counties included in each region are shown in Figure II.

Area IX (Davenport) is expected to have the greatest population increase, 42.7 percent, because of peripheral expansion of the Chicago industrial complex, the access to river transportation, and the favorable distribution of the existing population in younger age groups.

Population loss is expected in Area IV (Sioux City), Area XII (Carroll), and Area XIV (Creston). This population decrease is primarily due to the expected decline in the importance of farm employment relative to non-farm employment in each of the three areas, and the proportionately greater number of people in the older age groups residing there.

STATE EMPLOYMENT

Projected employment for Iowa is given in Table 3 by 13 industrial sectors. This table reflects the rapid reduction of employment in farming due to increasing worker productivity. It also indicates an anticipated 25 percent increase in non-commodity producing employment between 1960 and 1980.

Table 4 gives the employment projections by regions. Areas IX (Davenport), X (Cedar Rapids), and XVI (Burlington) are expected to be major employment growth points due to three factors:

1. Existing industry mix
2. Average age of population
3. Geographic location.

Western Iowa will have a lower rate of gain, as in the past, compared to the eastern half of the State. Western Iowa, however, is expected to have a higher rate of employment gain than was the case between 1950-1960.

¹"A Regional Delineation for the State of Iowa," Office for Planning and Programming, December 1967.

STATE INCOME

Total Personal Income

Iowa's total personal income, shown by Table 5, is expected to more than double between 1960 and 1980. Personal income includes payments to individuals of wages and salaries, income in-kind, net earnings of unincorporated businesses and farms, property income (rent, dividends, and interest), and transfer payments of various kinds. This table includes the same groupings used in the employment categories. Total income for the farming industry is expected to increase by 44.0 percent for farm proprietors and 29.4 percent for farm hired labor. This is modest in comparison to greater increases projected for all other groups. However, as indicated in the next paragraph, the return to individual farmers and farm laborers is expected to increase very substantially.

Per Capita and Per Worker Income

Iowa's per capita income has been steadily gaining on the national average and is expected to be higher than the national average in 1980. From 1960 to 1980, the per capita income projection shows an impressive 105 percent increase. Five-year changes are shown below:

1960 -- 1,985	1970 -- 2,831	1980 -- 4,069
1965 -- 2,354	1975 -- 3,415	

Table 6 shows the per worker income projections for agriculture, mining and construction, manufacturing, and non-commodity (services) workers. The income of farm and non-farm proprietors is also compared. On a per worker basis, the income of farm proprietors and farm hired labor shows the largest projected increases for major employment sectors. Non-labor income includes investment income, government payments, etc.

GROSS STATE PRODUCT

Perhaps the best overall indicator of the State's economic progress in terms of production is the total value which the State adds to the national economy; and it is figured by subtracting the costs of all purchased inputs, except labor, from total sales. This computation operation can be done firm by firm or for the State as a whole. This measure of "value-added," known as the "Gross State Product," is projected in Table 7.

The dramatic increases demonstrated in Iowa's Gross State Product in the last few years are expected to continue, especially in crops production, several manufacturing sectors, and the service sectors of finance, insurance, and real estate.

This expectation is represented by the projection of a 92.5 percent increase in Gross State Product -- jumping from \$7.5 billion in 1960 to over \$14 billion in 1980.

STATE OF IOWA
Population Trends

Table 1

	<u>1940</u>	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>% Increase 1960-80</u>
Actual Population	2,538,268	2,621,073	2,757,537			
A. Expected Population Growth				2,937,475	3,149,518	+14.2
B. Past Trends Projected				2,793,000	2,814,000	+ 2.0
C. Population with Zero Migration				3,063,973	3,407,841	+23.6

-
- A. The expected population growth in Iowa based on economic trends.
- B. Iowa population if past population trends continued.
- C. Iowa's population if net migration was zero.

Table 2

EXPECTED POPULATION GROWTH BY REGION

<u>Region</u>	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>% Change 1960-80</u>
1. Decorah	72,329	76,786	79,539	81,234	79,850	+10.4
2. Mason City	163,787	172,247	166,804	165,402	167,609	+ 2.3
3. Spencer	110,778	107,182	108,685	110,053	111,590	+ 0.7
4. Sioux City	215,381	198,588	199,277	198,604	199,371	- 7.4
5. Fort Dodge	130,602	130,126	132,309	134,469	137,255	+ 5.1
6. Marshalltown	101,230	102,414	105,105	108,507	112,864	+11.5
7. Waterloo	241,097	244,504	253,096	263,311	277,779	+15.2
8. Dubuque	119,285	127,190	135,412	140,320	144,048	+20.1
9. Davenport	207,967	234,693	256,536	276,163	296,765	+42.7
10. Cedar Rapids	288,270	321,363	345,736	361,710	379,965	+31.2
11. Des Moines	462,094	468,134	487,829	513,667	545,625	+18.1
12. Carroll	97,912	97,568	94,287	93,541	94,308	- 3.7
13. Council Bluffs	193,268	200,633	197,527	198,578	202,759	+ 4.9
14. Creston	69,032	65,478	63,519	62,914	62,642	- 9.3
15. Ottumwa	167,216	164,253	165,813	168,847	172,220	+ 3.0
16. Burlington	117,289	135,625	146,001	155,849	164,868	+40.6

Figure II MULTI-COUNTY AREAS RECOMMENDED BY THE OFFICE FOR PLANNING AND PROGRAMMING

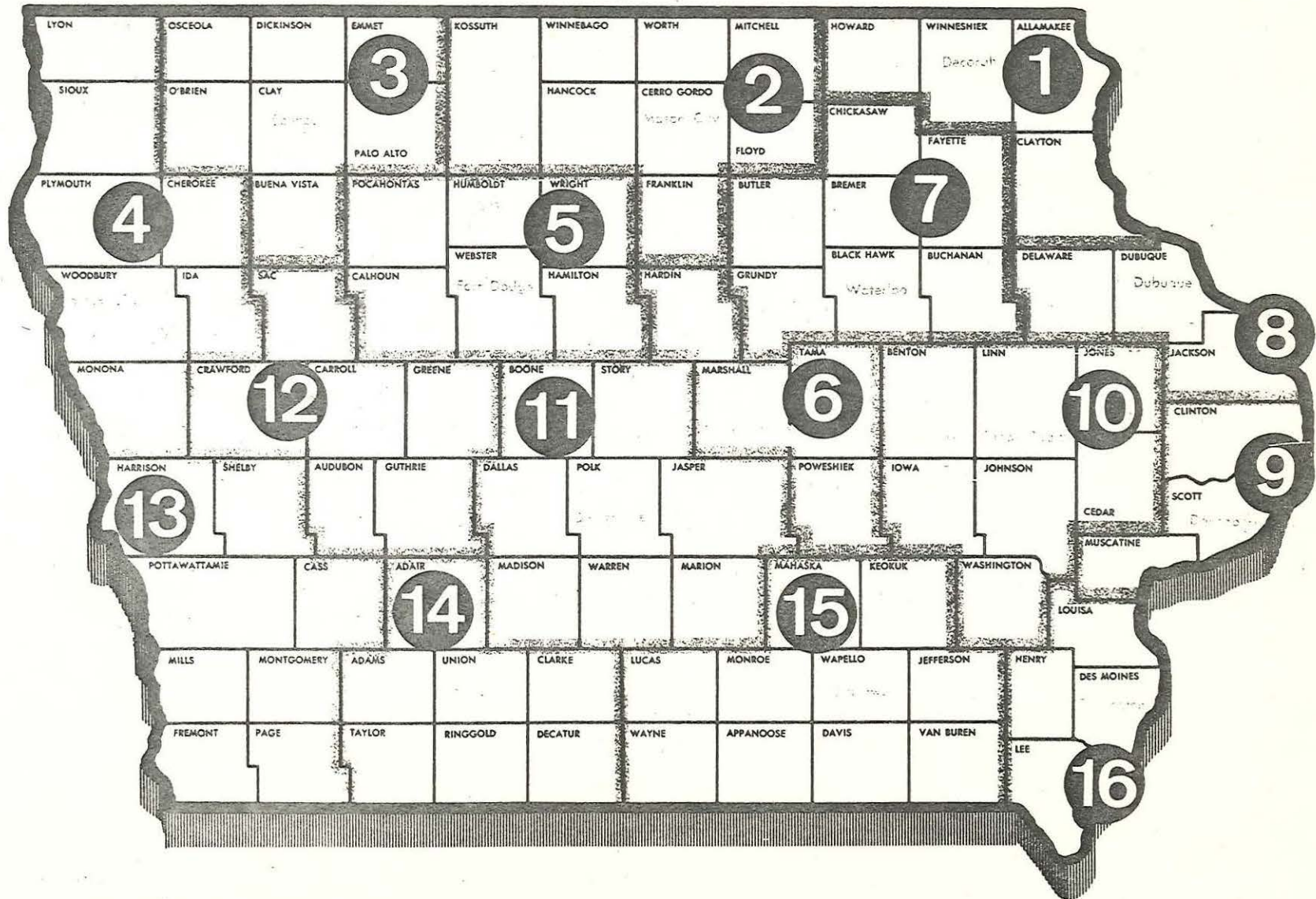


Table 3

IOWA TOTAL EMPLOYMENT

	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>% Change 1960-80</u>
1. Livestock	140,394	125,943	118,307	111,288	110,336	-21.4
2. Crops and other	75,473	63,160	55,418	48,608	36,832	-51.2
3. Meat products	27,313	25,636	25,666	24,649	24,156	-11.6
4. Other food & kindred products	29,731	29,500	32,068	34,008	36,260	+21.9
5. Other non-durables	36,999	41,259	44,601	48,407	51,986	+40.5
6. Farm machinery	22,060	26,730	30,147	33,561	36,979	+67.6
7. Other machinery	34,133	40,932	45,939	49,240	52,538	+53.9
8. Other durables	44,259	46,312	48,818	51,790	55,386	+25.1
9. Transportation, communication, utilities	66,016	61,440	57,468	55,124	51,964	-21.3
10. Wholesale & retail trade	203,648	215,712	224,657	232,642	241,109	+18.4
11. Finance, insurance & real estate	37,492	42,193	49,301	59,510	68,168	+81.8
12. Other services	244,717	280,517	330,078	383,763	435,389	+77.9
13. Construction	56,770	58,547	62,090	65,978	69,693	+22.8
14. State total	1,019,005	1,057,880	1,124,557	1,198,567	1,270,796	+24.7

Table 4

EMPLOYMENT BY REGION

	<u>Region</u>	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>% Change 1960-80</u>
1.	Decorah	26,646	28,199	29,868	30,993	30,962	+16.2
2.	Mason City	60,123	63,583	63,448	64,459	64,832	+ 9.5
3.	Spencer	38,671	37,873	39,797	41,327	42,109	+ 8.9
4.	Sioux City	77,127	71,900	74,692	76,740	78,093	+ 1.3
5.	Fort Dodge	46,643	47,028	49,259	51,600	53,511	+14.7
6.	Marshalltown	36,723	37,432	39,602	42,008	44,157	+20.2
7.	Waterloo	87,534	89,268	95,689	103,259	111,379	+27.2
8.	Dubuque	43,008	45,263	49,151	52,613	55,531	+29.1
9.	Davenport	78,471	88,463	99,011	110,245	121,775	+55.1
10.	Cedar Rapids	112,895	125,386	139,241	151,852	164,558	+45.8
11.	Des Moines	177,747	182,651	196,785	215,555	234,880	+32.1
12.	Carroll	34,021	34,367	33,904	34,102	34,482	+ 1.3
13.	Council Bluffs	71,180	71,476	71,776	73,986	76,948	+ 8.1
14.	Creston	24,704	23,915	23,710	23,732	23,638	- 4.3
15.	Ottumwa	60,073	59,990	62,102	64,249	66,111	+10.0
16.	Burlington	43,440	51,083	56,524	61,845	66,829	+53.8

Table 5

IOWA TOTAL PERSONAL INCOME*

(\$1,000)

	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>% Change 1960-80</u>
1. Farm Hired Labor	66,987	72,231	81,677	76,498	86,666	+ 29.4
2. Mining, Construction	206,983	242,100	293,470	352,982	432,625	+109.0
3. Manufacturing	942,927	1,152,319	1,410,583	1,694,540	2,050,256	+117.4
4. Non-Commodity	1,781,221	2,189,225	2,751,794	3,434,824	4,263,682	+139.4
5. Farm Proprietor	609,937	639,641	703,458	797,351	878,567	+ 44.0
6. Non-farm Proprietor	628,040	744,359	838,992	995,546	1,039,849	+ 65.6
7. Other Labor	130,432	172,113	232,555	315,045	424,574	+225.5
8. Non-Labor	1,108,529	1,490,238	2,002,405	2,692,470	3,640,613	+228.4
Total	5,475,054	6,702,224	8,314,933	10,359,250	12,816,830	+134.1

*Constant 1960 dollars.

Table 6

PER WORKER INCOME

(Dollars)

	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>Average % Change 1960-80</u>
1. Farm, Hired Labor	2,182	2,686	3,307	4,070	5,010	+130.0
2. Mining, Construction	5,126	5,683	6,300	6,984	7,742	+ 51.0
3. Manufacturing	4,911	5,544	6,258	7,064	7,974	+ 62.4
4. Non-Commodity	3,795	4,230	4,716	5,258	5,862	+ 54.5
5. Farm Proprietor	3,294	3,943	4,720	5,651	6,765	+105.0
6. Non-farm Proprietor	6,194	7,380	8,794	10,478	12,485	+101.5
7. Other Labor	128	162	206	262	333	+160.0
8. Non-Labor	402	524	682	888	1,156	+187.5

Table 7

ESTIMATED GROSS STATE PRODUCT BY SECTOR

(\$1,000)

	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>% Change 1960-80</u>
1. Livestock	806,631	888,867	1,025,674	1,185,177	1,443,400	+ 78.9
2. Crops and Other	768,662	945,154	1,218,507	1,570,368	1,748,401	+127.5
3. Meat Products	212,114	244,562	300,770	354,825	427,148	+101.4
4. Other Food & Kindred Products	142,926	162,812	203,189	247,385	302,819	+111.9
5. Other Non-durables	281,740	366,773	462,852	586,442	735,229	+161.0
6. Farm Machinery	228,939	297,374	359,533	429,061	506,791	+121.4
7. Other Machinery	148,754	186,685	219,269	245,961	274,645	+ 84.6
8. Other Durables	437,673	504,119	584,940	683,076	804,110	+ 83.7
9. Transportation, Communi- cation, Utilities	742,069	868,021	1,020,444	1,230,236	1,457,587	+ 96.4
10. Wholesale & Retail Trade	1,456,884	1,665,079	1,848,693	2,053,206	2,282,223	+ 56.7
11. Finance, Insurance, Real Estate	838,127	991,176	1,217,043	1,543,760	1,858,276	+121.7
12. Other Services	962,936	1,134,830	1,326,150	1,561,589	1,779,854	+ 84.8
13. Construction	432,956	484,807	558,246	644,085	738,707	+ 70.6
Total	7,460,408	8,730,254	10,345,300	12,335,160	14,359,180	+ 92.5