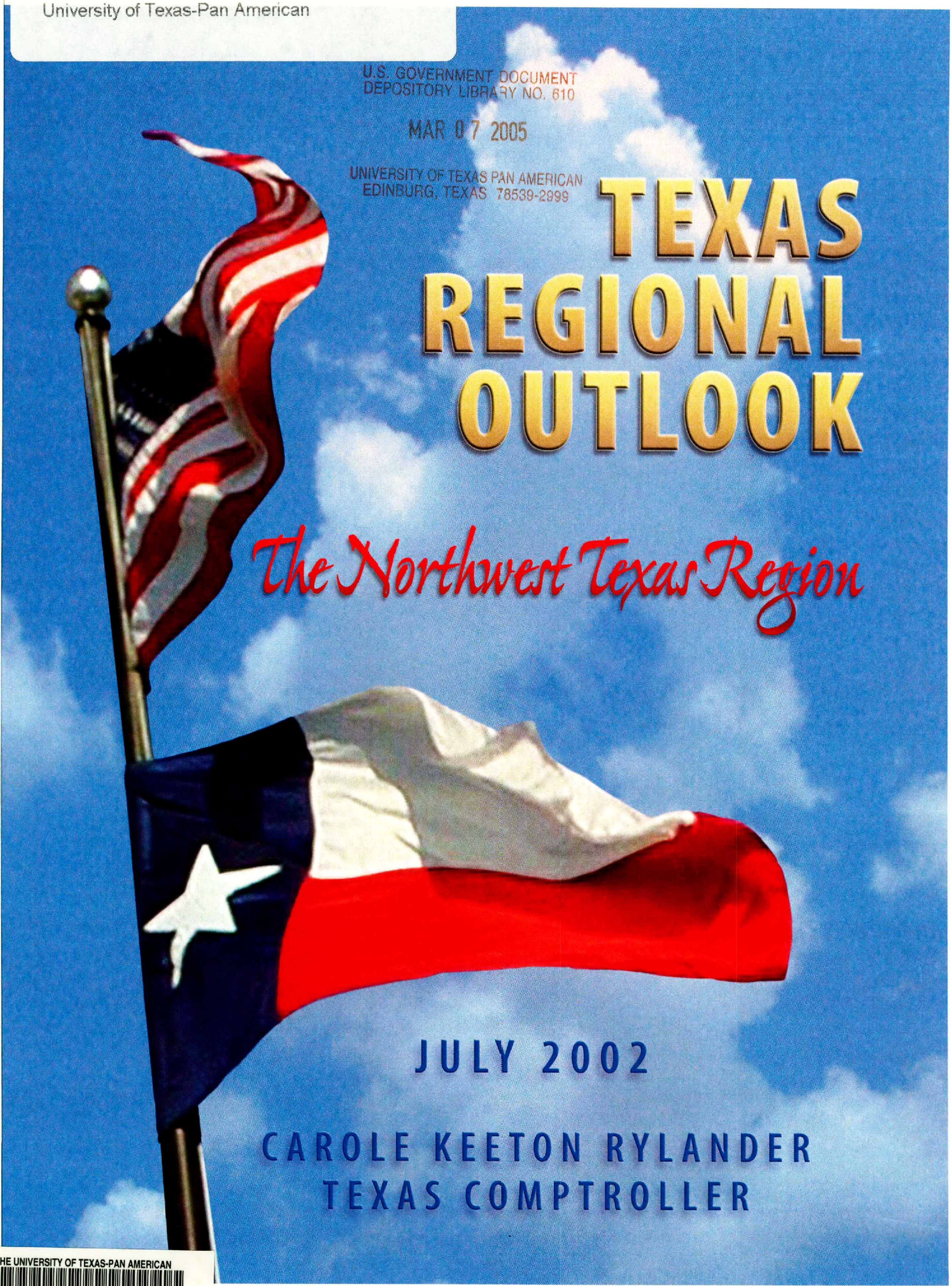


TEXAS REGIONAL OUTLOOK

The Northwest Texas Region

JULY 2002

CAROLE KEETON RYLANDER
TEXAS COMPTROLLER

Carole Keeton Rylander
Texas Comptroller of Public Accounts

512/463-4000
Fax: 512/463-4965
P.O. Box 13528
Austin, Texas 78711-3528

July 2002

Fellow Texans:

I am pleased to share with you the *Texas Regional Outlook* for the Northwest Texas region. This report presents my latest economic forecast for the state as a whole and the outlook for this unique 30-county region surrounding the Abilene and Wichita Falls metropolitan areas from the Red River to the Colorado River.

This report is one in a series of regional outlooks that I have asked my staff economists to prepare for all 13 regions of Texas. In addition to these reports, I will be traveling throughout the state to listen to what you and other fellow Texans have to say about the challenges facing your region and to get ideas on what the state can do to bring more jobs and economic growth to your area.

After these open forums, I plan to take your ideas and consult with the finest minds I can find—a blue-ribbon panel of experts who will work with me to produce a list of recommendations that I can present to the 78th Texas Legislature. With your help, we can identify opportunities for growth in your region and recommend changes to remove any obstacles that may stand in the way of building local economies and to provide for sound economic policies in the years to come.

For information regarding our regional meetings, please call Ann Quirk at 1-800-531-5441, extension 6-4159, or visit my Web site at www.window.state.tx.us/ecodata/regional/forums/. If you are unable to attend one of our meetings, you may still submit your comments and suggestions by e-mail to regional.forums@cpa.state.tx.us, or write to:

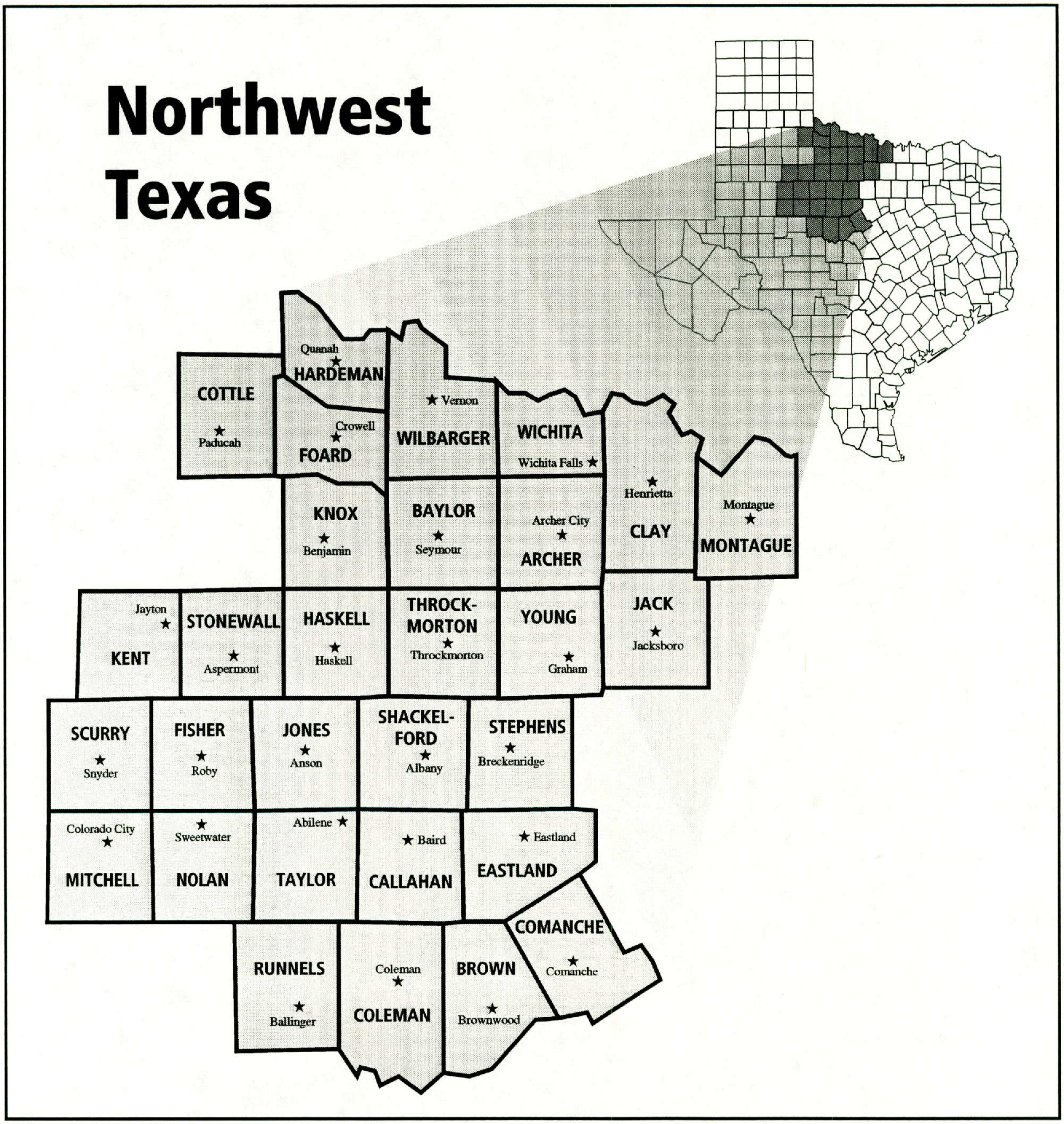
Strategic Research Division
Texas Comptroller of Public Accounts
Post Office Box 13528
Austin, Texas 78711-3528

I look forward to hearing from you. Thanks for all that you do for Texas.

Sincerely,

Carole Keeton Rylander

Carole Keeton Rylander
Texas Comptroller


Northwest Texas
Quanah
HARDEMAN
COTTLE
Paducah
Crowell
FOARD
Vernon
WILBARGER
WICHITA
Wichita Falls
Henrietta
CLAY
Montague
MONTAGUE
KNOX
Benjamin
BAYLOR
Seymour
Archer City
ARCHER
Jayton
KENT
STONEWALL
Aspermont
HASKELL
Haskell
THROCK-
MORTON
Throckmorton
YOUNG
Graham
JACK
Jacksboro
SCURRY
Snyder
FISHER
Roby
JONES
Anson
SHACKEL-
FORD
Albany
STEPHENS
Breckenridge
Colorado City
MITCHELL
Sweetwater
NOLAN
Abilene
TAYLOR
Baird
CALLAHAN
Eastland
EASTLAND
COMANCHE
Comanche
RUNNELS
Ballinger
Coleman
COLEMAN
BROWN
Brownwood

★ = County Seat

Texas Regional Outlook

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Texas Economy Poised for Rebound

Texas continues to outpace national economic growth. Despite the slump in the national economy, Texas faired relatively well and is poised for a rebound. This is largely attributable to strong productivity growth, enhanced by the state's central Sunbelt location, relatively low business and housing costs, and the continued flood of new residents into the state.

Despite this resilience, however, like practically every other part of the country, the Texas economy has been affected by the national downturn. From May 2001 to May 2002, overall nonfarm employment in the state fell by 91,800, or 1 percent, compared with 1.3 percent growth during the same period a year earlier and an average annual growth rate of 4 percent during the economic boom of 1997 and 1998.

More than ever, the economy of Texas has become tied to the health of the national economy. This is evidenced by the nearly identical job loss rates of approximately 1 percent in Texas and the U.S. over the past year. The breadth of the national downturn was such that 36 states lost jobs during this period. Although relatively high energy prices allowed the oil and gas industry to benefit during most of 2001, other sectors of the Texas economy, such as manufacturing and, to a lesser extent, consumer spending, were affected by the national economy

Wary of the threat of a national downturn, the Federal Reserve Board reduced short-term interest rates 11 times in 2001. Despite lower borrowing costs, the National Bureau of Economic Research declared that the national economy had fallen into recession in March. The downturn accelerated after the September 11 terrorist attacks. The national economy now appears to have bottomed out and has begun a slow upswing.

The Texas economy continued to display growth during the first half of 2001. During the year, real (inflation-adjusted) gross state product increased an estimated 3.2 percent and 167,000 more residents moved into the state than left. Even with slowing employment growth, the statewide unemployment rate averaged less than 5 percent for the fourth straight year, for its lowest rates since the late 1970s. Perhaps most importantly, Texas continued to outpace national economic growth.

The outlook for the Texas economy for the remainder of 2002 and 2003 is looking up. Real gross state product growth is projected to be 2.1 percent in 2002 (see Table 1). In 2003, however, following a strong national economic recovery fueled by low interest rates, federal tax cuts and stimulative federal spending in response to September 11, Texas' economic growth will rebound at a relatively robust 4.6 percent rate. Nonfarm employment and personal income growth should follow a similar trend.

With continued population and labor force growth accompanied by fewer job opportunities than in recent years, the statewide unemployment rate will rise from an average of 4.9 percent in 2001 to 5.7 percent in 2002. As the national and state economies rebound, however, the state jobless rate will drop slightly to 5.4 percent in 2003.

Looking toward the future, the outlook for 2004 and 2005 is even more favorable, as the U.S. and Texas economies return to normal growth. During the two years, real gross state product growth will average 4.3 percent, nonfarm employment will rise by 2.9 percent annually, personal income will increase by 6.8 per year, and the statewide unemployment will plunge to 4.6 percent by the end of the two years. Overall, despite the slowdown in 2002, from 2001 through 2005, Texas economic growth will outpace U.S. growth by approximately 0.75 percent per year, while the state's population increases by 1.7 percent annually, reaching almost 23 million.

Manufacturing

Both 2001 and 2002 were years that most Texas manufacturers will not want to remember. Faced with weighty inventories and faltering personal computer sales worldwide, Dell Computer Corporation and Compaq Computer Corporation both announced job layoffs during this period. Largely because of the personal computer market, the state's semiconductor and electronic component producers also felt the effects.

TABLE 1

Texas Economic History and Outlook for Calendar Years, 1999-2005

Spring 2002 Forecast

	1999	2000	2001	2002*	2003*	2004*	2005*
TEXAS ECONOMY							
Gross State Product							
(Billion 1996 Dollars)	670.1	711.5	734.4	749.8	784.4	822.0	853.0
Annual % Change	*5.1*	*6.2*	*3.2*	*2.1*	*4.6*	*4.8*	*3.8*
Personal Income							
(Billion Dollars)	539.1	581.3	607.5	633.1	674.5	723.6	770.1
Annual % Change	*5.3*	*7.8*	*4.5*	*4.2*	*6.5*	*7.3*	*6.4*
Nonfarm Employment							
(Thousands)	9,158.9	9,432.2	9,515.9	9,517.5	9,709.4	10,013.1	10,270.9
Annual % Change	*2.4*	*3.0*	*0.9*	*0.0*	*2.0*	*3.1*	*2.6*
Resident Population							
(Thousands)	20,590.5	20,991.9	21,371.3	21,754.3	22,116.1	22,490.8	22,889.4
Annual % Change	*2.5*	*1.9*	*1.8*	*1.8*	*1.7*	*1.7*	*1.8*
Unemployment Rate (%)	4.6	4.2	4.9	5.7	5.4	4.7	4.6
Oil Price (Dollars per Barrel)	$17.29	$28.82	$23.77	$22.69	$22.73	$23.24	$23.74
Natural Gas Price							
(Dollars per MCF)	$2.01	$3.50	$3.78	$2.65	$2.55	$2.61	$2.66
U.S. ECONOMY							
Gross Domestic Product							
(Billion 1996 Dollars)	8,856.5	9,224.0	9,332.3	9,484.0	9,848.5	10,218.9	10,524.4
Annual % Change	*4.1*	*4.1*	*1.2*	*1.6*	*3.8*	*3.8*	*3.0*
Consumer Price Index							
(1982-84=100)	166.6	172.2	177.1	180.2	184.9	189.8	194.8
Annual % Change	*2.2*	*3.4*	*2.8*	*1.8*	*2.6*	*2.6*	*2.6*
Prime Interest Rate (%)	8.0	9.2	6.9	5.0	7.0	8.0	8.0

* Projected

SOURCES: Carole Keeton Rylander, Texas Comptroller of Public Accounts and WEFA Group.

Outside of high-tech, the news was not much happier. Apparel manufacturers, largely concentrated along the Texas-Mexico border, continued to be affected by international competition, and they reduced their work forces in response. Even so, the news could have been much worse had consumers not remained willing to spend, often in response to promotional offers. From May 2001 to May 2002, statewide manufacturing employment declined by 5.6 percent, or 60,300, which was still slightly better than the 6.1 percent loss in manufacturing employment nationwide.

Productivity was affected temporarily by the terrorist attacks, partly because of increased security at airports and border checkpoints. The increased travel and waiting times and the unpredictability of delays have hindered trade at the border and increased transportation costs. Productivity growth typically slows in a national recession in any event, because output falls faster than companies' ability to adjust their work forces. In 2001, however, the productivity of American workers rose at almost a 2 percent annual rate. If the recovery follows historical patterns, productivity will shoot up even more with renewed demand for goods and services when the economy improves.

Over the next two years, the state's manufacturing sector should improve as national and worldwide demand for computers, semiconductors and other high-tech products rebuilds, and excess inventories diminish. Overall, manufacturing employment will decline by 4.1 percent in 2002 as the high tech downturn and national recession play out. But in 2003, the Comptroller's forecast expects 2.4 percent job growth, which would be Texas' best manufacturing growth year since 1997.

Oil and Gas Counter the Trend

In 2001, the resurgence of the state's oil and gas sector partially countered the losses borne by the state's battered manufacturers. Because of tight worldwide markets, Texas wellhead oil prices moved above $30 per barrel in fall 2000, and a cold winter in the Northeast and Midwest pushed the taxable price of natural gas to a record $8 per thousand cubic feet in January 2001. Although oil and gas prices subsequently abated, they remained relatively high, spurring statewide and national drilling activity. By spring 2001, the Texas rotary rig count surged past 500, its highest level in 15 years.

By summer, however, the slowing world economy and excess supplies began to push energy prices downward, affecting drilling activity in Texas. By November 2001, the drilling rig count of 407 had fallen to the November 2000 level; by May 2002, the rig count of 325 was down 35 percent from its May 2001 level. Nevertheless, because of the lag between drilling activity and hiring plans, year-over-year mining employment was up as recently as March of this year, but by May, sector jobs were down by 2,400, or 1.5 percent, from the May 2001 level.

Over the next two years, the outlook for the state's oil and gas sector is challenging. As worldwide energy prices flatten again over the next two to three years, Texas mining employment will fall 2.2 percent in 2002 and another 3.5 percent in 2003 before these trends begin slowing in 2004.

Construction Points Downward

From an historical perspective, Texas' construction sector benefited in more in past years than most industries from the national and state economic boom. Rapid job and income growth, combined with the influx of new residents, kept home sales and new housing construction brisk, while strong industrial and commercial growth spurred nonresidential construction activity.

Compared to the gains in 1997 and 1998, statewide construction growth clearly has been plateauing over the past few years. Sector employment continued to grow through most of 2001 because of the backlog of active projects, but ended the year with reduced year-over-year employment. Growth slowed from a 9.2 percent annual rate at the end of 1998, to 5.2 percent at the end of 1999, to 3.8 percent at the end of 2000 and to a loss of 1.9 percent, or 10,500 jobs, from May 2001 to May 2002.

Due to relatively low mortgage rates, both statewide home sales and housing permits are running close to their respective post-1990 record highs. But even with the revival of residential construction, the state's economic cycle and higher office vacancy rates point to a further deceleration in statewide construction employment growth over the short term, thereby dampening the demand for new construction projects. In 2002, construction employment is expected to decline by an average of 1 percent, another 1.7 percent in 2003, and then rebound in 2004.

Transportation, Communications and Public Utilities: September 11 Hits Hard

Perhaps more than any other sector, transportation, communications and public utilities (TPU) has been affected by the events of September 11. After the September 11 attacks, U.S. air traffic abated and layoffs were announced at most major U.S. air carriers, including Texas-based American and Continental Airlines. Consequently, job growth in the states air transportation industry fell from a year-to-year gain of 3,800 in May 2001 to a year-to-year loss of 8,500 in May 2002. Largely because of these losses, TPU lost 23,300 jobs from May 2001 to May 2002, a 3.9 percent drop.

Although national air traffic is recovering, it will take some time for it to move past its pre-September 11 levels. According to the Federal Aviation Administration, nationwide passenger enplanements in both 2001 and 2002 will be well below the year 2000 record level.

In recent years, Texas' trucking, warehousing and a number of other transportation services have benefited from the expanding national and state economies, as well as from increasing trade with Mexico. In 2001, while the U.S. and Texas economies were retrenching, trade with Mexico remained fairly resilient through much of the year. But the U.S. recession eventually affected this industry as well, with trucking and warehousing employment down by 2.2 percent, or 3,100 jobs, by May 2002.

With the rapidly growing popularity of the Internet and cellular communications, Texas communications employment boomed at a 7 percent average annual rate from 1999 to 2001. The national downturn took hold and intensified here as well, so that by May 2002, employment in this sector had fallen by 7,800 jobs statewide, or 5.1 percent, largely because of job reductions at the state's major telephone providers.

Finally, utilities employment—until the folding of Enron—had enjoyed a trend-bucking year, growing by 4,000 jobs, or 5.4 percent, from October 2000 to October 2001, largely because of the deregulation of the state's electric utility sector. The construction of gas-fired electricity generation facilities in Texas has boomed in recent years, as the prospect of selling power at a reasonable return to the state's rapidly growing residential, industrial and commercial sectors emerged. However, with Enron's bankruptcy and ensuing layoffs, the utilities sector quickly gave back the 4,000 jobs it had gained the previous year. Even with job gains in electric utilities, by May 2002 the utilities sector overall had 1,700 fewer employees than in May 2001, a loss of 2.2 percent.

Over the next two years, Texas TPU employment will gain strength as the air transportation sector rebounds and the U.S. and Mexican economies improve. With the recovery beginning in the second half of the year, overall TPU employment is expected to fall by 1.5 percent in 2002 and then rebound at a strong 4.6 percent rate in 2003.

Finance, Insurance and Real Estate Drifts Downward

Finance, insurance and real estate (FIRE) turned in a relatively flat year, with a 0.7 percent loss of 3,700 jobs from May 2001 to May 2002. During this period, employment in banks and other financial institutions was up by 0.2 percent, supported by the state's growing population and moderate demand for new home financing. Jobs among the state's insurance providers registered no change, at 166,200 in both May 2001 and May 2002. Real estate, securities and investment industries, which were boosted by increasing home sales but hurt by weaknesses in the U.S. stock market and Texas nonresidential construction, accounted for essentially all of FIRE's net employment decline, experiencing a job loss of 2 percent from May 2001 to May 2002.

As business loan demand remains weak and real estate demand remains fragmented, the outlook for the state's FIRE sector does not appear promising. Statewide FIRE employment will fall 0.7 percent in 2002, followed by a somewhat larger 1.1 percent drop in 2003, before turning upwards in 2004.

Trade Softens

Consumer confidence and spending faltered as job layoffs mounted in 2001 and then fell further following the September 11 attacks. By the end of the year, however, both U.S. and Texas confidence began to rebound as the U.S. economy apparently reached bottom.

During the first nine months of fiscal 2002 (September through May), state sales tax receipts—of which just more than 50 percent come from household expenditures—fell by 1.2 percent, compared with a gain of almost 5 percent in all of fiscal 2001. Partially spurred by dealer incentives at the beginning of the fiscal year, motor vehicle sales tax collections increased 5 percent during the same period.

Even though Texas consumer confidence began recovering at the end of 2001, it remains 13 percent below its August 2001, pre-attack level. Consequently, flagging consumer expenditures have reduced the wholesale and retail trade job count by 1.1 percent from May 2001 to May 2002, compared with annual average gains of more than 3 percent in fiscal 1999 to 2001. Just under half of this loss was in wholesale trade, which has been hurt by a decreased demand for manufactured products. Net job losses in wholesale trade totaled 11,800 over the past year, a 2.2 percent loss. Retail trade—including building materials, restaurants, automobile dealers and service stations, food, furniture, clothing, general merchandise stores and other miscellaneous retailers—cut back 12,000 jobs, a 0.7 percent decline. Bucking the trend, a few sectors—sellers of building materials, automobile dealers/service stations, and eating and drinking places—added jobs.

Over the next two years, statewide trade employment growth should slowly improve as consumer confidence and spending is buoyed by renewed state and national economic growth. In 2002, sector employment is expected to rise by only 0.1 percent as the national economic recovery gains strength in the second half of the year. In 2003, a more robust 1.8 percent job gain is likely.

Services Also Suffer

Because of the breadth of the national downturn, in 2001 the Texas service sector lost jobs for the first time in more than 30 years. From May 2001 to May 2002, services lost 6,600 jobs, a decrease of 0.2 percent.

Not all service sector industries lost jobs. Most notably, health services employment rose by 20,900 jobs, a 2.9 percent increase. This growth was influenced by the aging of the population, the availability and use of new medical procedures and rapidly increasing spending on prescription drugs and other medical services. Jobs at establishments providing social and rehabilitation services increased 3.1 percent and accounted for 6,300 new jobs. Private educational services added 4,500 jobs, a 3.7 percent increase, and agricultural services took advantage of a particularly strong demand for veterinary and landscape/horticultural services to add 2,100 jobs, a 3.4 percent increase.

Most of the state's service sectors added or lost a relatively small portion of their employment, over the past year—with two notable exceptions. First, motion pictures lost 2,700 jobs, an 8.4 percent decrease, as terrorism concerns and economic weakness cut into discretionary consumer expenditures. Second, and much more significant, business services, owing mostly to adjustments in the once-booming personnel supply sector, lost 38,600 jobs over the year, a 5.4 percent decline and over 40 percent of all the jobs lost statewide from May 2001 to May 2002. The silver lining in this otherwise troubling statistic is that these were largely part-time jobs, so the state's loss of full-time jobs was a smaller share of the losses than the bottom-line number might indicate.

Service jobs are sometimes mischaracterized as requiring relatively low skills, being poorly paid and contributing little to overall economic growth. Many jobs in business, health, engineering and other professional services require extensive advanced education and training, and generate significant economic returns to the community and the state. Some of these high-wage sectors are the ones faring the best; over the long term, much of the growth of the Texas economy will continue to be generated by this sector.

Over the next two years, the outlook for the state's service sector should improve greatly as the demand for business-related services returns with the improving overall economy. In 2002, service sector employment will increase by 1.4 percent and then rise another 3.8 percent in 2003.

Local Public Schools Propel Government Sector Job Growth

Federal, state and local government employment growth continues at a moderate and steady rate. Overall, from May 2001 to May 2002, public sector employment was up 2.5 percent, or 38,800 jobs, with most of these gains coming from increased hiring at public schools and other local governments.

Texas' civilian federal government employment rose 2 percent, or by 3,500, during this period. The number of jobs in state government increased by 2.4 percent, or by 8,000. Local government employment, about half of which is fueled by public schools, increased by a whopping 27,300 jobs, or 2.6 percent, over the past year. The remaining local government job gains were in various other programs at the city, county and special district level. A relatively high birth rate and influx of new students from other states and countries continues to keep the state's school-age population growing.

As the economy picks up, the outlook calls for a gradual slowdown of Texas' public sector job growth over the next two years. In 2002, government employment growth is expected to continue to increase at a moderate 1.6 percent rate, but in 2003, growth will slow to 1 percent as tight budgets prevail and as school hiring needs at local public schools become, at least temporarily, satisfied.

People Keep Moving to Texas

New residents continue to move to Texas. Migration in general responds to the economic opportunities in one region relative to the opportunities in other parts of the country and the world. At the height of the state economic boom in 1998, 225,000 more people moved into Texas than moved out. As the gap between Texas and U.S. job growth closed, however, migration declined to an estimated 167,000 in 2001. Over the next two years, the flood of new residents is expected to slip further, reaching a low point of 149,000 in 2003, before turning sharply upwards as job opportunities once again become more plentiful in Texas than the nation as a whole.

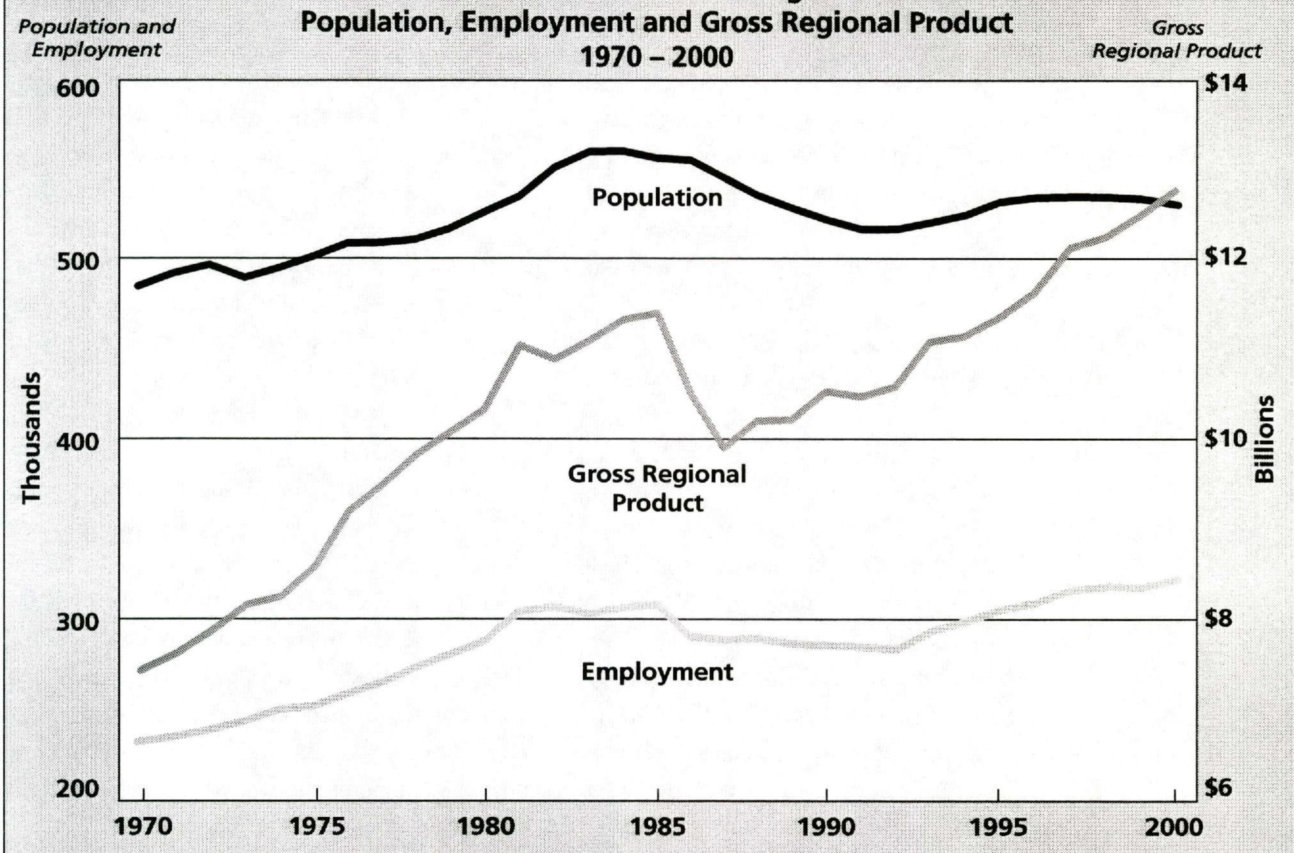
With natural increase (births minus deaths) averaging a little more than 210,000 per year, the state's population is expected to increase at an average of 1.7 percent annually, from 21.3 million in July 2001 to 22.1 million in July 2003. And by 2005, Texas will have nearly 23 million residents. Because a growing population helps support the demand for retail trade, services and government output, in the coming years Texas' continued population gains will help stabilize the state economy.

Northwest Texas Region Economic Trends and Outlook

Based on the Comptroller's new 13-region economic model of Texas, employment in the Northwest Texas region (covering a 30-county area surrounding the Abilene and Wichita Falls metropolitan areas from the Red River to the Colorado River) is projected to grow at a 1 percent annual rate, about the same growth rate seen in the region since 1995. By 2005, total employment in the Northwest Texas region should reach more than 338,900 and should add an average of more than 4,800 jobs each year from 2002 to 2005.

Based on historical data since 1970, the Comptroller projects stable economic growth for the region. During the next five years, the Northwest Texas region should add jobs at about the same rate it has during the last 30 years. The primary challenge for this region is providing the

GRAPH 1
The Northwest Texas Region
Population, Employment and Gross Regional Product
1970 – 2000



SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

educational skills needed to train its work force to meet the changing needs of business in an internet economy.

This report details recent economic changes in the Northwest Texas region, presents "baseline" economic forecasts for key indicators through 2005, discusses the structural changes that have led and will lead to economic growth in the region, presents a forecast for occupational changes likely in the region over the next five years and identifies possible target industries for future development. Economic development leaders within the region should use this report to guide development of the region's economy in upcoming years.

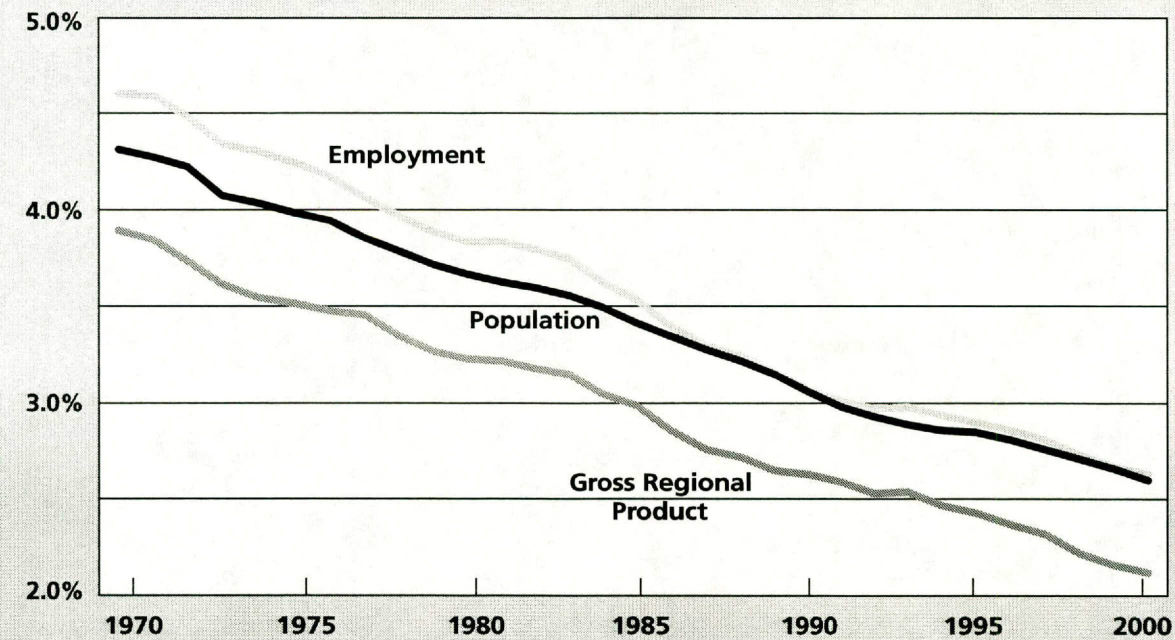
The Last 30 Years

The Northwest Texas region, surrounding Abilene and Wichita Falls, saw significant growth during the last 30 years of the 20th century. In real terms (1992 dollars), gross regional product in this region—the sum total of all value added within the region—grew by 72 percent from $7.5 billion in 1970 to $12.8 billion in 2000 (Graph 1). This is an average annual growth rate of 1.8 percent.

During this time, the population of the Northwest Texas region also grew, rising from 485,700 to 530,700. As a result of growth in the value of production in the region and somewhat slower population growth, per capita real incomes rose dramatically over the last 30 years. For example, in real terms (1992 dollars), disposable personal income—income not used to pay federal taxes—rose from $12,000 in 1970 to $21,600 in 2000. This means that the average person or household in the region has 80 percent more real purchasing power in 2000 than they did in 1970.

In terms of jobs, growth in this region was good during much of the 1970s and very early 1980s. Following the collapse in world oil prices in the early 1980s, the Northwest Texas region's economy drifted slowly downward before

GRAPH 2
The Northwest Texas Region
Percent Share of Texas' Population, Employment and Gross Regional Product
1970 – 2000



SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

resuming growth again in 1993. In addition to severe economic shocks in the oil and gas economy which saw a halving of oil services employment between 1985 and 1990, falling from 24,500 jobs to 12,200, the region also suffered some military job losses as the result of base realignments from 1986 to 1988. Since 1992, the region has seen some good job growth with employment rising at a 1.8 percent rate through 2000.

These growth rates determine if the region is playing a larger role in the Texas economy. Largely because of exceptionally rapid economic growth in some parts of the state, the size of the Northwest Texas region, in terms of population employment and gross regional product, has declined in comparison to the state as a whole. In 1970, this region accounted for 4.6 percent of the state's employment, 4.3 percent of the state's population and 3.9 percent of the gross regional product. By 2000, the Northwest Texas region accounted for 2.6 percent of both employment and population, and 2.1 percent of gross regional product (Graph 2).

Shifting Growth Patterns

Even within slowly growing economies, important structural shifts occur over time. These shifts often result from regional and even nationwide changes in production, consumption and technology. Understanding these shifts can help identify prospects for future growth within the region.

Table 2 presents the historical employment figures for the Northwest Texas region for 18 broad industries in 1980, 1990 and 2000.[1] These industries correspond to a functional classification of activities within the region rather than one more traditionally defined through Standard Industrial Classification (SIC) codes usually used to examine the economic structure of a region. The sectors in this table are ranked according to the average annual growth rate in employment over the last 20 years.

Topping this list is business services. This growth is largely the result of a long-term reorganization of many existing businesses that increasingly rely on outsourcing. The post-World War II model of industrial organization

TABLE 2

Northwest Texas Region Employment and Growth 1980-2000

	Employment in Region			Average Annual Growth Rate
	1980	1990	2000	
Services to Business	6,493	14,055	13,668	3.8%
Healthcare	14,499	23,082	28,166	3.4%
State Government	7,413	8,673	11,600	2.3%
Tourism and Entertainment	16,639	18,178	24,042	1.9%
Local Government	23,162	25,032	32,302	1.7%
Personal Services	11,878	12,695	15,133	1.2%
Other Services	12,252	13,125	14,568	0.9%
Finance, Insurance and Real Estate	16,461	14,849	19,105	0.7%
Construction, Building Materials	19,231	15,281	21,595	0.6%
Agriculture, Agr-Related, Ag Processing	32,778	30,477	35,685	0.4%
Other Durable Goods Manufacturing	8,487	7,958	8,925	0.3%
Wholesale and Retail Trade	42,850	39,507	43,846	0.1%
Other Transportation and Public Utilities	8,471	8,208	7,806	(0.4)%
Federal Government	5,760	5,115	5,252	(0.5)%
High Tech, Communications, Aviation and Electronics	6,528	6,842	5,932	(0.5)%
Other Non-Durable Goods Manufacturing	7,732	6,127	4,888	(2.3)%
Other	845	581	512	(2.5)%
Oil and Gas Production, Refining and Petrochemicals	31,966	22,593	15,475	(3.6)%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

continues to divide as more and more responsibilities that were previously held within the structure of the parent firm are now outsourced to other companies. In the case of responsibilities such as janitorial services, this is a trend toward specialization. In the case of copy machine repair or training personnel to use new computer programs, outsourcing is driven by increasing technological sophistication as specially trained workers are needed to operate equipment. Increased use of contract workers that may replace full-time employees is direct outsourcing and drives the growth of business services employment because some of these contract workers are provided through temporary help agencies.

To a large extent the increasing use of contract labor is merely a reshuffling of employment opportunities from other sectors (manufacturing in particular) to this sector. As such, this shift represents a positive change in the productivity and competitiveness of these businesses rather than degradation of manufacturing capacity.

The second fastest growing industry is health care. Here, national trends are dominating regional growth. As incomes grow and as populations age, more and more is spent on health care. The increasing technological sophistication of health care, while improving the effectiveness of health care, also drives up costs. Unfortunately, because health care is a service that most often must be administered by trained professionals on a one-on-one basis, the ability of technological innovations to lower personnel requirements—a biproduct of technology seen in many other industries—has not been as broadly felt in health care. As a result, the demand for health care services has risen rapidly over the past 20 years.

State government is the third fastest growing sector in the region. This largely stems from increased prison employment and growth at area higher educational institutions.

The fourth fastest growing sector is tourism and entertainment reflecting increasing wealth. With rising incomes consumers often have more leisure time—or at least more money to spend on leisure and entertainment. Rising real incomes are behind many of the gains in this sector as local residents spend more in the region on entertainment, and tourists from other regions visit the area.

Growth in local government is driven by local population growth and administrative changes. Important in this regard is shrinking elementary and secondary class sizes, which serve to drive job growth even if population were to remain unchanged, which it did not.

At the other end of the growth spectrum are the areas in which the region has lost ground. In some cases, such as in the oil and gas industry, this is part of a much wider trend brought on by the distribution of natural resources and industry consolidation. While it may be surprising to see the high tech industry rated low on this list in light of its growth elsewhere during this time period, in part this is the result of two different trends. Some areas of high tech, like aerospace, have seen some job losses. Yet, other parts of high tech, in particular computer programming and data processing, have been consistent sources of job growth. The net total of these two trends has been high tech about holding its own in the Northwest Texas region over the past 20 years.

Identifying Regional Comparative Advantage

One key to understanding how a region's economy grows and evolves is to examine what unique advantages the region provides to certain industries and how those industries have fared over time.

One device for identifying and summarizing the industries in which a region specializes is through a "location quotient." This descriptive statistic identifies which industries are unique to a region by comparing the percentage of employment in each industry in the region to the percentage of employment that the same industry accounts for in the nation as a whole. If an industry accounts for more of the region's total employment than it does of the nation's, the region is seen as specializing in that industry. Moreover, because the industry has flourished in the region, the region is said to have demonstrated a comparative advantage for that industry. In practice, the percentage of an industry in the region's employment base must usually greatly exceed the national percentage for the industry to be considered truly unique to the region.

The industries with location quotients greater than 1.5 in 2000 in the Northwest Texas region are identified in Table 3 along with the national employment growth rates from 1990 to 2000 of these industries. This list contains industries that are typically found in any list of industries unique to Texas as well as many industries that are unique to the Northwest Texas region.

Prominent in this list are industries related to oil and gas drilling. These activities have been mainstays of the Northwest Texas economy for some time. But, as indicated by the negative growth rate in employment in these industries in the U.S. from 1990 to 2000, employment in these industries has been in decline for some time, going back to the early 1980s.

The region is an important center of the manufactured housing industry, and this sector has enjoyed some strong growth throughout the nation during the 1990s.

TABLE 3
Location Quotients for Key Industries in the Northwest Texas Region

	Location Quotient	National Employment Average Annual Growth Rate 1990-2000
Oil and Gas Field Services	20.0	(0.8)%
Crude Petroleum, Natural Gas and Gas Liquids	15.0	(4.9)%
Wood Buildings and Mobile Homes	6.5	5.7%
Pipelines, Except Natural Gas	6.2	(2.8)%
Glass and Glass Products	6.1	(0.9)%
Stone, Clay, and Misc. Mineral Products	5.0	(0.8)%
Farm	4.8	(0.1)%
Hydraulic Cement	4.3	(1.0)%
Iron and Steel Foundries	4.1	0.1%
Footwear, Except Rubber and Plastic	3.4	(8.6)%
Metal Cans and Shipping Containers	2.7	(3.3)%
Concrete, Gypsum, and Plaster Products	2.6	0.9%
Grain Mill Products and Fats and Oils	2.4	(0.2)%
Cutlery, Hand Tools, and Hardware	2.4	0.1%
Miscellaneous Electrical Equipment	2.3	(1.3)%
Nonferrous Rolling and Drawing	2.2	(0.3)%
Electrical Repair Shops	2.2	1.4%
Fabricated Structural Metal Products	2.1	1.3%
Health Services	2.0	5.8%
Plumbing and Nonelectric Heating Equipment	1.9	0.1%
Funeral Service and Crematories	1.8	2.3%
Nursing and Personal Care Facilities	1.8	2.4%
Agricultural Services	1.7	4.4%
Agricultural Chemicals	1.7	(0.9)%
Railroad Equipment	1.6	1.4%
Office and Misc. Furniture and Fixtures	1.6	1.1%
Video Tape Rental	1.6	2.1%
Gas Utilities	1.5	(2.2)%
Electric Utilities	1.5	(2.4)%
Miscellaneous Equipment Rental and Leasing	1.5	2.4%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

Overall, the profile of industries that the Northwest Texas region tends to specialize in is varied, displaying a certain level of diversification in the local economy. In some cases the recent national growth history for these industries has been good, such as in the case of health services, nursing services and agricultural services.

Unfortunately, some of the industries in the Northwest Texas region that have grown there due to the region's unique attributes in the past are unlikely to be able to carry the region further into the next millennium. In particular, the oil and gas industry and sectors related to construction and footwear have not created many new jobs over the past decade.

But while the location quotient is a useful measure to summarize the industries in which the region specialized in the past, it is a static measure. A more dynamic approach looks at the growth of industries in the region and compares that growth to what might have been expected had the industries followed the same growth pattern of these industries in other parts of the nation. This dynamic approach to looking at the region's economic structure is known as shift-share analysis.

Like the location quotient, the approach in shift-share analysis is to develop a standard through which to assess if the currently observed level of industry concentration in a region is higher than expected, about what should be expected, or less than expected. If local employment is greater than might otherwise be expected, then the region has demonstrated some strength in attracting the growth of that industry.

TABLE 4

Industry Growth Differentials in the Northwest Texas Region for Industries with at least 200 Employees in 2000

Industry	Regional Industry Growth Differential	Average Annual Employment Growth 1980-2000
Motor Vehicles and Equipment	2.97	5.4%
Office and Misc. Furniture and Fixtures	2.74	6.1%
Footwear, Except Rubber and Plastic	2.47	(4.5)%
Nonferrous Rolling and Drawing	1.87	0.6%
Iron and Steel Foundries	1.87	(0.5)%
Concrete, Gypsum, and Plaster Products	1.63	1.7%
Glass and Glass Products	1.63	0.0%
Stone, Clay, and Misc. Mineral Products	1.63	0.1%
Farm	1.58	(0.0)%
Local and Interurban Passenger Transit	1.50	4.2%
Aerospace	1.49	(0.8)%
Cutlery, Hand Tools, and Hardware	1.45	(0.5)%
Fabricated Structural Metal Products	1.45	0.4%
Plumbing and Nonelectric Heating Equipment	1.45	(0.3)%
Job Training and Related Services	1.38	3.9%
Child Day Care Services	1.38	4.6%
Membership Organizations	1.38	2.6%
Individual and Miscellaneous Social Services	1.38	4.7%
Residential Care	1.37	7.2%
Insurance Agents, Brokers, and Services	1.33	2.5%
Insurance Carriers	1.33	1.5%
Wood Buildings and Mobile Homes	1.33	2.6%
Nursing and Personal Care Facilities	1.27	3.0%
Hospitals	1.27	2.0%
Offices of Health Practitioners	1.27	4.0%
Health Services	1.27	7.4%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

In practice, the yardstick usually employed is changes in each industry in the national economy, modified somewhat for local conditions.

One result of shift-share analysis is the "regional industry growth differential." This measure is the ratio of what employment in an industry in the region actually was in the most recent period divided by what industry employment would have been if it had historically grown at the same rate as the industry did across the nation. The interpretation of this measure of dynamic growth potential is that it represents the number of times larger (or smaller) actual employment is in the most recent time period compared to what it would have been if the industry had grown at the same rate as the industry did across the nation. In practice, industries identified as unique in the region through the location quotient measure tend to be those that have demonstrated a sustained period of economic strength in the region, whereas those identified by the growth differential measure can be those starting to show some emerging strength.

Table 4 presents the industries in the Northwest Texas region that have a regional industry growth differential greater than 1.25 and employed at least 200 workers in 2000. The average annual rate of employment growth in the industry from 1980 to 2000 in the Northwest Texas region is also shown. The 1.25 cut-off point indicates that industry employment in 2000 in the region was 25 percent larger than would have been expected based on the industry's employment in 1980 and the growth of the region and industry nationwide from 1980 to 2000. In the same sense as with the static location quotient, these industries have demonstrated a significant level of concentration over time in the Northwest Texas region and show that this region has some comparative advantage in their development.

There is some overlap between this list and Table 3, but it is far from complete. The region has shown some strength in attracting parts of the automobile business and in office furniture. In several cases, the region displays some attractiveness to industries that have declined both within the region and nationally, but because the decline has been much less severe within Northwest Texas, these industries appear as possible sources of economic strength on the growth-oriented shift-share approach.

Overall, there does appear to be some significant trends toward diversification of the industrial base of the Northwest Texas region including industries involved in international trade and many industries that require more highly skilled workers.

Table 4 confirms some of the comparative advantages identified in the location quotient and helps identify others. Measures such as the location quotient or the industry growth differential identify industries for which the Northwest Texas region has demonstrated a comparative advantage. These industries define the competitive character of the region, and these measures will be used in the last section of this report to help identify industries with strong potential to help the region grow in the future.

Growth Forecasts Through 2005

Forecasted changes in the statewide economy and the strong theoretical framework of the 13-region Texas model allow the estimation of baseline forecasts of growth for each region in Texas. Overall, depending on the measure used, the Northwest Texas region during the first five years of the new millenium is expected to grow at about the same rate as it did during the last five years of the 1990s. Through 2005, real gross regional product in the region—the total value added through production within the region—should expand at a 1.3 percent annual rate, from $12.8 billion in 1992 dollars in 2000 to $13.7 billion in 2005.

Through 2005, employment growth in the Northwest Texas region should average 1 percent annually, about the same growth rate posted from 1995 to 2000 in the region. The region should add about 16,000 additional jobs from 2000 to 2005, rising from 322,900 in 2000 to

338,900 in 2005. As expected across the state, this rate of growth will be slowest during the next couple of years but will accelerate into 2004 and 2005.

The employment growth seen in the region will not fall evenly across all industries, but there are two ways to look at the distribution of this growth. Table 5 presents the 25 top growth industries in the region in terms of the number of new jobs they will generate between 2000 and 2005. Large industries dominate this list because even low growth rates applied to a large employment base generate large numbers of new jobs. In fact, two of the top three industries listed in Table 5 are actually projected to grow slower than the overall regional wide average from 2000 to 2005. But, because these two industries (retail trade and local government) are large employers, they will generate a large number of jobs, even at modest growth rates.

Many of the industries generating large numbers of new jobs in the Northwest Texas region through 2005 will be driven by changes in consumer expenditure patterns that have been seen over the past few years. For example, there is a continued shift toward expenditures on consumer services such as restaurants, health services, and child care. Many of the industries supplying these services employ a large number of people, so that even modest growth in the demand for these industries can result in some sizeable employment growth. But in the case of

TABLE 5

Northwest Texas Industries Adding the Most Jobs Between 2000 and 2005 (Projected)

		Regional Employment		Jobs	Average Annual
		2000	2005	Added	Growth Rate
1	Retail Trade, Exc. Eating and Drinking Places	34,250	35,832	1,582	0.9%
2	Health Services	5,323	6,752	1,429	4.9%
3	Local Government	32,420	33,724	1,304	0.8%
4	Eating and Drinking Places	16,518	17,636	1,118	1.3%
5	Construction	15,646	16,623	977	1.2%
6	Personnel Supply Services	4,062	4,989	927	4.2%
7	Communications	2,352	3,244	892	6.6%
8	State Government	11,642	12,517	875	1.5%
9	Educational Services	5,096	5,891	795	2.9%
10	Wholesale Trade	9,596	10,268	672	1.4%
11	Miscellaneous Business Services	2,749	3,383	634	4.2%
12	Automobile Parking, Repair, and Services	3,026	3,653	627	3.8%
13	Offices of Health Practitioners	4,725	5,218	493	2.0%
14	Trucking and Warehousing	4,662	5,149	487	2.0%
15	Miscellaneous Plastics Products	1,637	2,081	444	4.9%
16	Membership Organizations	5,818	6,261	443	1.5%
17	Amusement and Recreation Services	3,128	3,561	433	2.6%
18	Child Day Care Services	2,377	2,789	412	3.2%
19	Nursing and Personal Care Facilities	6,172	6,580	408	1.3%
20	Hotels and Other Lodging Places	1,925	2,307	382	3.7%
21	Management and Public Relations	1,675	2,044	369	4.1%
22	Insurance Agents, Brokers, and Services	2,544	2,878	334	2.5%
23	Residential Care	917	1,235	318	6.1%
24	Services to Buildings	1,646	1,923	277	3.2%
25	Computer and Data Processing Services	480	748	268	9.3%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

health services, an expected 4.9 percent annual growth applied to a sizeable employment base will generate a substantial number of new jobs.

Also fueling strong growth will be services provided to business, including personnel supply services, building services, management and public relations and miscellaneous business services. This will help existing firms continue to improve productivity through outsourcing jobs, a strong trend seen in the business community over the past 20 years. Increased trade with Mexico will also likely fuel growth in trucking and warehousing activity.

A ranking of industries by their likely growth rate from 2000 to 2005, detailed in Table 6, reveals some of the forces driving changes in the Northwest Texas region. More technical, higher skilled workers are needed in these industries. Topping this list of high-growth industries is computer and data processing services, followed by communications, health practitioners, and management and public relations—all industries relying on a well-trained, highly educated work force.

The importance of education and the need for work force training is most apparent when looking at how projected industrial growth translates into occupational change. Table 7 presents the forecast for the 25 occupations expected to add the most positions over the next five years. As in the case of the 25 industries adding the most jobs, this list tends to be dominated by

TABLE 6

25 Fastest Growing Industries in the Northwest Texas Region 2000 to 2005 (Projected)

		Regional Employment		Jobs	Percentage
		2000	2005	Gained	Growth
1	Computer and Data Processing Services	480	748	268	9.3%
2	Communications	2,352	3,244	892	6.6%
3	Residential Care	917	1,235	318	6.1%
4	Water and Sanitation	228	297	69	5.4%
5	Miscellaneous Plastics Products	1,637	2,081	444	4.9%
6	Health Services	5,323	6,752	1,429	4.9%
7	Miscellaneous Business Services	2,749	3,383	634	4.2%
8	Personnel Supply Services	4,062	4,989	927	4.2%
9	Iron and Steel Foundries	973	1,189	216	4.1%
10	Management and Public Relations	1,675	2,044	369	4.1%
11	Miscellaneous Equipment Rental and Leasing	1,023	1,246	223	4.0%
12	Individual and Miscellaneous Social Services	1,203	1,459	256	3.9%
13	Automobile Parking, Repair, and Services	3,026	3,653	627	3.8%
14	Hotels and Other Lodging Places	1,925	2,307	382	3.7%
15	Rubber Products and Plastic Hose and Footwear	250	297	47	3.5%
16	Child Day Care Services	2,377	2,789	412	3.2%
17	Services to Buildings	1,646	1,923	277	3.2%
18	Educational Services	5,096	5,891	795	2.9%
19	Job Training and Related Services	229	264	35	2.9%
20	Plumbing and Nonelectric Heating Equipment	205	235	30	2.8%
21	Meat Products	919	1,050	131	2.7%
22	Amusement and Recreation Services	3,128	3,561	433	2.6%
23	Insurance Carriers	1,247	1,413	166	2.5%
24	Insurance Agents, Brokers, and Services	2,544	2,878	334	2.5%
25	Manufactured Products	384	434	50	2.5%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

occupations that employ a lot of people at the start of the forecast period, and grow moderately thereafter.

For example, the 13-region model breaks regional employment into 94 occupations. In the case of the Northwest Texas region, this would mean each occupational category would contain an average of about 3,400 people in 2000. The 25 categories generating the most jobs in the region through 2005 typically have at least twice that number of jobs. Most of these large occupational categories will see moderate growth rates over the next few years, but because of their size generate a large number of new positions. In a few cases, expected rapid growth rates in smaller occupational categories will drive large occupational growth, as is the case with computer scientists.

Table 8 presents the 25 occupational categories expected to grow at the fastest rates

TABLE 7

Occupations in the Northwest Texas Region Adding the Most Positions 2000-2005 (Projected)

		Occupations		Occupation	Average Annual
		2000	2005	Job Gain	% Growth
1	Managerial and Administrative	19,125	20,402	1,277	1.3%
2	Other Clerical and Administrative Support Workers	18,473	19,567	1,094	1.2%
3	Teachers, Librarians, Counselors	10,750	11,755	1,005	1.8%
4	Computer Scientists, Mathematicians and Operations Researchers	2,863	3,820	957	5.9%
5	Food Preparation and Service	17,934	18,856	922	1.0%
6	Protective Service	9,098	9,984	886	1.9%
7	Motor Vehicle Operators	9,380	10,177	797	1.6%
8	Personal Service	5,426	6,216	790	2.8%
9	Helpers, Laborers and Material Movers, Hand	11,318	11,991	673	1.2%
10	Social, Recreational and Religious Workers	4,503	5,162	659	2.8%
11	Construction Trades	10,358	10,940	582	1.1%
12	Health Service	5,905	6,482	577	1.9%
13	Salespersons, Retail	9,025	9,581	556	1.2%
14	All Other Sales and Related Workers	5,767	6,319	552	1.8%
15	Cashiers	7,378	7,908	530	1.4%
16	Health Assessment and Treating	6,916	7,422	506	1.4%
17	Management Support	9,832	10,329	497	1.0%
18	Health Technicians and Technologists	6,411	6,897	486	1.5%
19	Hand Workers, Including Assembly and Fabrication	5,036	5,390	354	1.4%
20	Information Clerks	4,305	4,645	340	1.5%
21	Marketng and Sales Worker Supervisors	3,759	4,081	322	1.7%
22	Blue Collar Worker Supervisors	4,936	5,247	311	1.2%
23	Other Mechanics, Installers and Repairmen	2,932	3,235	303	2.0%
24	Adjustors, Investigators and Collectors	2,514	2,789	275	2.1%
25	Other Machine Setters and Operators and Tenders	3,866	4,135	269	1.4%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

though 2005. In this list, the importance of future training and education is evident. It is led by the need for additional computer scientists, and communication equipment workers, and includes health service workers, teachers, librarians, counselors, lawyers, health diagnosing workers, other technicians, information clerks, health technicians, technologists and health assessment and treating workers. At least 12 of the top 25 occupations expected to growth the fastest during the next five years will require some advanced training beyond high school, and most of these will require either an associate's degree, a bachelor's degree or other advanced degrees.

Endnote

1 State and Local government sectors were not defined separately until 1979.

TABLE 8
25 Fastest Growing Occupations in the Northwest Texas Region 2000-2005 (Projected)

		Occupations 2000	Occupations 2005	Occupational Gain	Average Annual Percent Gain
1	Computer Scientists, Mathematicians and Operations Researchers	2,863	3,820	957	5.9%
2	Communication Equipment Mechanics, Installers and Repairmen	211	266	55	4.7%
3	Metal and Plastic Process Machine Operators	858	1,030	172	3.7%
4	Social, Recreational and Religious Workers	4,503	5,162	659	2.8%
5	Personal Service	5,426	6,216	790	2.8%
6	Writers, Artists and Entertainers	2,164	2,413	249	2.2%
7	Adjusters, Investigators and Collectors	2,514	2,789	275	2.1%
8	Insurance Sales Workers	463	513	50	2.1%
9	Other Mechanics, Installers and Repairmen	2,932	3,235	303	2.0%
10	Counter and Rental Clerks	1,152	1,270	118	2.0%
11	Health Service	5,905	6,482	577	1.9%
12	Protective Service	9,098	9,984	886	1.9%
13	All Other Sales and Related Workers	5,767	6,319	552	1.8%
14	Gas and Petroleum Plant and System Workers	329	360	31	1.8%
15	Teachers, Librarians, Counselors	10,750	11,755	1,005	1.8%
16	Lawyers	931	1,013	82	1.7%
17	Health Diagnosing	2,099	2,282	183	1.7%
18	Marketing and Sales Worker Supervisors	3,759	4,081	322	1.7%
19	Technicians, Except Health, Engineering and Scientific	2,008	2,180	172	1.7%
20	Motor Vehicle Operators	9,380	10,177	797	1.6%
21	Information Clerks	4,305	4,645	340	1.5%
22	Health Technicians and Technologists	6,411	6,897	486	1.5%
23	All Other Service Workers	2,621	2,815	194	1.4%
24	Vehicle and Mobile Equipment Mechanics and Repairmen	3,557	3,819	262	1.4%
25	Health Assessment and Treating	6,916	7,422	506	1.4%

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

Directions for Growth in the Northwest Texas Region

The preceding analysis of statewide and regional economic trends attests to a couple of concerns about the future direction of the region and the state. First, growth seems likely to slow in Texas and in the Northwest Texas region for the next few years. Second, although the region will experience a continuation of the level of growth seen in the last decade, future growth will focus in areas requiring a highly trained work force.

To help promote a brighter economic future both in the number of wage earners and the amount of wages earned, this section of the report will examine likely growth prospects for various industries in the Northwest Texas region. In particular, this section examines both the traditional approach of seeking industries that have a *comparative* advantage in the region and the newer approach of identifying industry clusters as the driving force of economic development—industries that display a *competitive* advantage. Using both approaches and the advanced geographical concepts embedded in the Comptroller's new 13-region economic model, this section identifies industries likely to be the cornerstones of future economic development in the region.

Comparative Advantage, Industry Clusters and Competitive Advantage

The traditional model of industrial development held that a region would tend to specialize in industries for which it held a comparative advantage. The source of this comparative advantage was usually access to some key raw material, transportation mode or a labor supply with particularly scarce skills. Because the presence of this advantage allowed producers in the region to underbid other producers, the industry flourished.

More recently, in a much more interconnected world in which transportation costs are a much smaller component of production and workers and their skills are more mobile, industrial development experts have come to note another trend in the location of jobs.

The economic growth of regions now involves "clusters" of interrelated industries that reinforce each other and foster the development of competitive advantage rather than basing development targets on the older and less dynamic theory of comparative advantage.

Economic clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries and associated institutions such as universities and trade associations, that compete but also cooperate.[1]

Today's economic landscape is littered with industry clusters, some with household names such as Silicon Valley, Hollywood or Wall Street. Other clusters may be more anonymous or more geographically diffuse—mutual-fund companies in Boston, the California wine industry, textile companies in North Carolina, fashion in northern Italy, insurance companies in Hartford and recreation in Florida.

Oddly, clusters are becoming more prevalent just when geographical location seems to be less of a business determinant because of worldwide outsourcing, just-in-time inventory and commerce over the Internet. In some important ways, however, things have changed.

In the old economy, in which production costs were heavily based on input costs, locations with some key attribute or endowment—a raw material, a natural harbor, cheap labor—often enjoyed a comparative advantage over other sites. This advantage persisted for long periods of time and encouraged the growth of industry that could capitalize on the particular attribute.

For example, the development of the steel industry along the Great Lakes was the result of cheap transportation bringing together iron ore from the upper Great Lakes with the coal of Western Pennsylvania, Ohio and New York. Later, the low cost of labor led to the migration of New England's textile industry to the South and, ultimately, overseas.

In the modern economy, competition is global, not local or regional. Transportation modes are more efficient and faster. And competitive advantage based on making more productive use of inputs through continual innovation many times outweighs comparative advantage based on costs of production.

This has not led to the death of geography as a factor in business success, but it has certainly changed how geography affects profitability. Harvard Business School professor Michael Porter notes, "The enduring competitive advantages in a global economy lie increasingly in local things, such as knowledge, relationships, motivation—things that distant rivals cannot match."[2]

Competitive and Comparative Advantage

The idea that economic clusters support economic growth and development is best presented by Porter in his book, *The Competitive Advantage of Nations*.[3] Porter argues what has long been appreciated by economists, that a region's economic vitality is a direct product of the competitiveness of local industries. Porter's contribution is to document that conditions affecting competitiveness are not always simply cost-related or attributable to the availability of natural resources, particularly in "new economy" firms in which input costs are a small component of total costs. Instead, he notes that other conditions affecting a firm's ability to compete in the international marketplace are related in the degree to which it has successfully faced competition locally, and the degree to which the local economic environment supports the firm.

Porter says that any intense competition a firm faces in its local market is desirable because companies that survive a tough local market become stronger international competitors. This is contrary to older, conventional wisdom that geographic isolation shields a producer from the unhealthy competition of a major rival, thus allowing the company to survive.

Porter sees the geographic concentration of competitors as a positive for long-term economic growth and innovation in the region instead of ruinous, cutthroat and ultimately destructive competition between major employers that undermines the region's economy.

Porter's second contribution—that local linkages between suppliers, purchasers and other organizations supporting an industry's competitiveness can also be a source of increasing competitive strength—is largely a recasting of an older economic concept of agglomerative economies of scale or the reductions in costs enjoyed by firms that locate near suppliers, purchasers or labor markets. Clusters of competing and cooperative firms together strengthen the competitive abilities of the affected industries. And in strengthening the competitive advantage of local firms, these same forces strengthen the local economy.

Measuring Comparative and Competitive Advantage

This concept of balancing both competitive and cooperative factors when defining a healthy local business environment has greatly complicated efforts to use simplistic tools to identify industry clusters. Tools such as the location quotient or shift-share analysis discussed in the previous chapter help identify industries that have flourished in the region in the past or at least are showing signs of relative strength. But such measures, while useful, are incomplete. Instead, a more unified approach is needed, taking into account not only what industries are found in the local area and in what concentrations, but also what industries are found in all other regions, in what concentrations, and how these concentrations interact.

One of the best tools available is the framework offered by Regional Economic Modules Inc. (REMI) in constructing their composite cost indexes for industries across the nation.[4] These indexes summarize the relative cost of production for an industry located in a region based on access to material inputs, labor market conditions, labor productivity and other important cost components such as the local cost of construction, electricity and other fuels. If a region contains an abundant supply of materials critical to production or occupational types used by the industry, then the industry's composite cost index in the region should be low.

In addition, REMI has an index that rates the various industries in the region relative to the national average based solely on labor costs. This index incorporates the agglomerative effects of having a readily available labor supply

TABLE 9

Top 25 Potential Employment Growth Targets for the Northwest Texas Region 2000-2005 (Projected)

	Average Regional Applicability Rank (1)	Average Employment Growth Potential Rank During 2000 to 2005	Total Rank
1 Health Services	135	165	300
2 Offices of Health Practitioners	123	153	276
3 Nursing and Personal Care Facilities	134	139	272
4 Amusement and Recreation Services	129	135	264
5 Management and Public Relations	102	160	262
6 Communications	112	147	259
7 Computer and Data Processing Services	88	166	254
8 Research and Testing Services	91	163	254
9 Security and Commodity Brokers	103	149	252
10 Residential Care	89	163	251
11 Accounting, Auditing, and Other Services	109	139	248
12 Miscellaneous Equipment Rental and Leasing	111	134	245
13 Commercial Sports	122	121	243
14 Legal Services	101	141	242
15 Luggage, Handbags, and Leather Products	117	123	240
16 Individual and Miscellaneous Social Services	90	149	239
17 Museums, Botanical, Zoological Gardens	82	157	239
18 Trucking and Warehousing	118	115	233
19 Agricultural Services	92	140	232
20 Educational Services	97	135	231
21 Hospitals	131	99	230
22 Child Day Care Services	95	135	230
23 Miscellaneous Business Services	96	132	228
24 Books	90	137	227
25 Personnel Supply Services	98	127	225

(1) Based on rankings on location quotient, regional industry growth differential, composite total production costs and composite labor costs.

Note: Ranks may not add exactly due to rounding.

SOURCES: Carole Keeton Rylander, Texas State Comptroller of Public Accounts; and REMI.

of key occupational needs. As such, it is a crucial rating of how the region compares to a national norm based on labor costs.

Unfortunately, neither a low composite cost index, a high location quotient or a strong upward trend in shift-share measures can assure that an industry is a good growth prospect for the future. Some industries, because of international pressures, shifting consumer tastes or technological change simply are not in a growth mode. While it is possible for a region to gain an increasing share of a declining industry, as good public policy, pursuing such "hospice" industries is probably not an effective tool for economic development.

Accordingly, any list of industries purporting to rate prospects for future development must combine both comparative and competitive strength in a region with likely growth prospects for the industry as a whole either in the nation or in an area much larger than the region. Table 9 brings these considerations together to define a ranking for each industry in the region based on its location quotient, regional industry growth differential, composite price index, labor cost index and likely national and state growth potential over the next five years.

The first column of Table 9 is a regional advantage index, which shows the industry's average ranking in the region among all industries based on the location quotient in the region, shift-share competitive trends, the composite price index and the labor cost index.[5] The second column is a growth potential ranking based on the projected national growth trends for the industry and the state growth trends for the industry.[6] The third column is the overall ranking of the industries for future development potential based on adding together the regional advantage ranking and the growth potential ranking.

Using this methodology, Table 9 presents the top 25 ranked industries for the Northwest Texas region based on both their display of some advantage within the region relative to the rest of the country and the likely growth potential.

The top three ranked industries involve some aspect of health care. This underscores that the Northwest Texas region is well-suited for these industries and that these will likely be national and statewide growth industries in the next few years. These sectors have been good job generators for the region in the recent past, have shown some affinity for the region and will likely continue to be good growth targets. These include miscellaneous health services (such as audiologists, nurses, paramedics, physician assistants, psychologists), general health practitioners, nursing and personal care facilities and, somewhat further down the list, residential care and hospitals.

High-technology and evolving technology industries such as computer programming, research and testing services and communications appear high on this list. Also included are a number of business service sectors including management and public relations, auditing and accounting services, legal services and personnel supply services.

Endnotes

1 Massachusetts Technology Collaborative, "The New Economy—What's a Cluster?" (http://www.mtpc.org/cluster/clustermore.htm).

2 Michael E. Porter, "Clusters and the New Economics of Competition," *Harvard Business Review* (November-December 1998), p. 77.

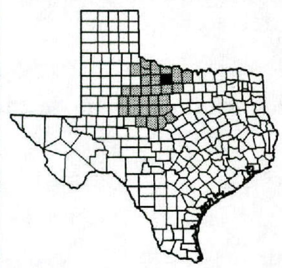
3 Michael Porter, *The Competitive Advantage of Nations* (New York: Free Press, 1990).

4 The composite price indexes in REMI's modules which reflect new economic geography concepts of agglomeration have just been released in a new beta version of REMI. For further information contact REMI in Amhearst, Mass. At 413-549-1169 or <info@remi.com>.

5 The industries with a higher rank indicated a better fit for the region.

6 As in the regional advantage index, this growth index was scaled so that the industry with the best growth prospects was given a higher ranking.

Archer County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	8,854	11.0	
Under age 5	556	(2.5)	6.3
Under 18	2,496	11.8	28.2
65 and over	1,232	10.6	13.9
85 and over	153	40.4	1.7
Male	4,431	11.3	50.0
Female	4,423	10.8	50.0
White	8,459	8.6	95.5
Black	7	(36.4)	0.1
Asian	11	175.0	0.1
Hispanic	431	128.0	4.9

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,880	3.3	1.4		233
Agricultural Services, Forestry, Fishing	173	(3.9)	(0.6)	9.2	28
Mining	123	17.1	2.6	6.5	16
Construction	83	(3.5)	10.7	4.4	23
Manufacturing	15	25.0	6.4	0.8	4
Transportation/Public Utilities/Communications	102	61.9	12.3	5.4	17
Wholesale Trade	172	7.5	(1.1)	9.1	25
Retail Trade	382	4.4	16.1	20.3	28
Services	256	(5.9)	(11.4)	13.6	40
Financial, Insurance, Real Estate	72	1.4	7.1	3.8	13
Government	500	(0.8)	1.4	26.6	39

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.4 %	(0.2)	(0.5)	218th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$213,125	7.2	7.2	163rd
Average Per Capita Income	$23,728	1.0	5.3	68th

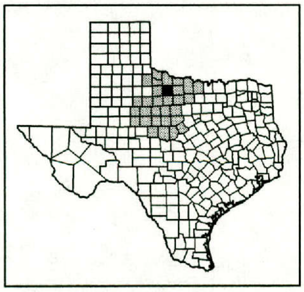
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	9.0 %	(1.2)	(2.1)	237th
Ages 0-17	10.2 %	(5.4)	(3.8)	242nd
Ages 5-17 in Families	9.5 %	(4.8)	(3.0)	242nd

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$486,986,827	4.6	2.3	189th
Property Value Per Capita	$55,002	(2.5)	0.6	124th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$24,188,420	15.3	7.3
Sales Tax Outlets	216	(4.8)	(5.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	8	1,957	(2.7)
Higher Education Fall 2001				

Baylor County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	4,093	(6.7)	
Under age 5	199	(28.4)	4.9
Under 18	958	(2.1)	23.4
65 and over	985	(13.8)	24.1
85 and over	144	9.1	3.5
Male	1,933	(6.7)	47.2
Female	2,160	(6.6)	52.8
White	3,723	(6.0)	91.0
Black	137	(23.9)	3.3
Asian	21	61.5	0.5
Hispanic	382	14.4	9.3

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,134	(1.1)	(0.8)		185
Agricultural Services, Forestry, Fishing	64	14.3	6.8	5.6	18
Mining	1	0.0	(24.2)	0.1	1
Construction	55	(16.7)	7.7	4.9	16
Manufacturing	40	5.3	(10.3)	3.5	4
Transportation/Public Utilities/Communications	58	(7.9)	0.7	5.1	13
Wholesale Trade	64	(3.0)	(6.4)	5.6	12
Retail Trade	199	(2.9)	(0.1)	17.5	26
Services	312	(1.6)	(2.5)	27.5	48
Financial, Insurance, Real Estate	52	10.6	3.9	4.6	15
Government	287	0.0	0.3	25.3	30

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.2 %	0.1	(1.1)	117 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$81,535	3.0	2.6	211 th
Average Per Capita Income	$20,004	3.9	3.4	162 nd

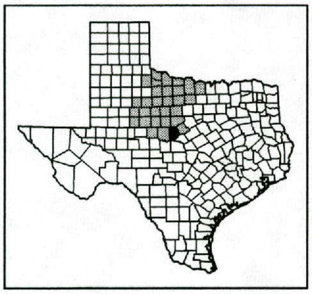
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	16.1 %	(4.4)	(3.6)	136 th
Ages 0-17	26.3 %	(4.1)	(0.6)	68 th
Ages 5-17 in Families	22.7 %	(10.1)	(2.0)	91 st

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$251,496,581	5.0	0.7	236 th
Property Value Per Capita	$61,446	4.9	1.3	104 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$12,761,022	(21.9)	0.3
Sales Tax Outlets	125	(4.6)	(3.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	2	676	(6.9)
Higher Education Fall 2001				

Brown County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	37,674	9.6	
Under age 5	2,338	(1.7)	6.2
Under 18	9,731	5.3	25.8
65 and over	6,179	1.7	16.4
85 and over	895	21.9	2.4
Male	18,587	11.6	49.3
Female	19,087	7.8	50.7
White	32,910	8.7	87.4
Black	1,509	(2.8)	4.0
Asian	140	59.1	0.4
Hispanic	5,793	52.5	15.4

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	15,053	0.7	1.8		843
Agricultural Services, Forestry, Fishing	123	0.8	2.8	0.8	20
Mining	81	19.1	6.2	0.5	13
Construction	543	6.3	1.1	3.6	63
Manufacturing	3,611	(0.2)	1.7	24.0	49
Transportation/Public Utilities/Communications	340	(9.3)	(2.5)	2.3	33
Wholesale Trade	495	8.8	3.7	3.3	57
Retail Trade	2,751	(0.5)	0.2	18.3	195
Services	3,817	2.0	4.0	25.4	283
Financial, Insurance, Real Estate	391	(0.5)	2.3	2.6	64
Government	2,897	0.1	1.1	19.2	65

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.7 %	(0.1)	(2.7)	156th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$765,621	6.3	5.0	71st
Average Per Capita Income	$20,307	5.7	4.4	151st

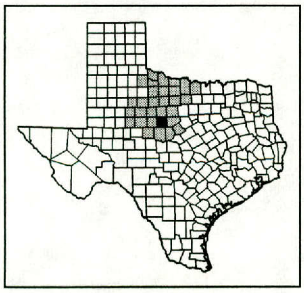
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	17.2 %	(1.4)	(2.2)	115th
Ages 0-17	23.6 %	(2.1)	(2.6)	105th
Ages 5-17 in Families	21.9 %	(4.3)	(2.6)	107th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$1,546,467,576	11.0	5.8	89th
Property Value Per Capita	$41,049	8.6	5.1	195th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$228,791,145	(0.2)	1.6
Sales Tax Outlets	946	(4.2)	(2.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	7	24	7,177	(0.7)
Higher Education Fall 2001		1	1,506	1.8

Callahan County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	12,905	8.8	
Under age 5	704	(10.5)	5.5
Under 18	3,378	3.7	26.2
65 and over	2,194	7.4	17.0
85 and over	251	2.9	1.9
Male	6,267	9.3	48.6
Female	6,638	8.4	51.4
White	12,231	6.5	94.8
Black	29	1,350.0	0.2
Asian	34	(15.0)	0.3
Hispanic	812	66.1	6.3

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,894	2.7	(0.1)		211
Agricultural Services, Forestry, Fishing	34	13.3	6.3	1.8	11
Mining	61	5.2	(14.6)	3.2	16
Construction	106	(0.9)	5.5	5.6	15
Manufacturing	68	(2.9)	(7.4)	3.6	9
Transportation/Public Utilities/Communications	62	12.7	9.2	3.3	12
Wholesale Trade	68	15.3	13.6	3.6	16
Retail Trade	410	4.3	0.1	21.6	48
Services	300	3.8	(0.5)	15.8	43
Financial, Insurance, Real Estate	99	6.5	(0.2)	5.2	14
Government	683	(1.0)	0.4	36.1	26

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.7 %	0.0	(0.3)	154th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$266,850	4.8	6.2	146th
Average Per Capita Income	$20,635	3.6	5.0	139th

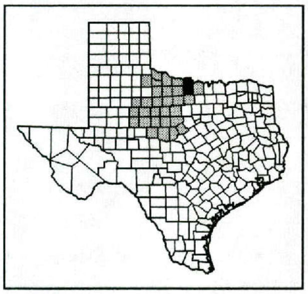
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	12.2 %	(4.5)	(4.3)	208th
Ages 0-17	14.8 %	(8.3)	(7.2)	210th
Ages 5-17 in Families	14.5 %	(8.7)	(5.2)	206th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$493,963,898		2.5	188th
Property Value Per Capita	$38,277		1.6	213th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$24,957,011	3.9	2.9
Sales Tax Outlets	308	(6.4)	(3.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	12	2,795	(3.2)
Higher Education Fall 2001				

Clay County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	11,006	9.8	
Under age 5	641	1.3	5.8
Under 18	2,735	3.6	24.9
65 and over	1,769	3.7	16.1
85 and over	223	17.4	2.0
Male	5,333	9.3	48.5
Female	5,673	10.3	51.5
White	10,494	7.6	95.3
Black	46	39.4	0.4
Asian	11	(52.2)	0.1
Hispanic	404	66.9	3.7

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	2,004	(1.1)	3.2		195
Agricultural Services, Forestry, Fishing	72	0.0	3.0	3.6	24
Mining	7	0.0	(2.6)	0.3	4
Construction	119	(20.1)	(3.7)	5.9	16
Manufacturing	289	(8.8)	1.4	14.4	11
Transportation/Public Utilities/Communications	55	3.8	0.0	2.7	10
Wholesale Trade	68	(24.4)	11.2	3.4	9
Retail Trade	349	5.1	3.4	17.4	37
Services	450	9.5	12.0	22.5	34
Financial, Insurance, Real Estate	43	10.3	0.0	2.1	11
Government	549	(1.1)	0.4	27.4	36

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.4 %	(0.4)	(0.9)	220th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$227,423	5.5	5.6	157th
Average Per Capita Income	$20,492	1.5	3.9	145th

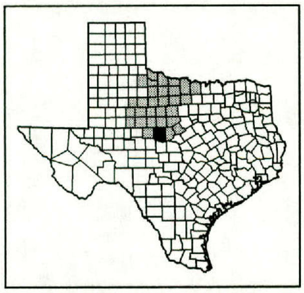
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	10.3 %	(0.6)	(1.5)	230th
Ages 0-17	12.1 %	(1.3)	(2.7)	232nd
Ages 5-17 in Families	11.9 %	(3.3)	(0.7)	227th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$631,430,180	7.9	3.6	161st
Property Value Per Capita	$57,371	3.0	1.8	117th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$17,398,454	0.7	1.2
Sales Tax Outlets	188	(11.7)	(5.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	5	8	2,024	(0.4)
Higher Education Fall 2001				

Coleman County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	9,235	(4.9)	
Under age 5	533	(17.4)	5.8
Under 18	2,182	(6.3)	23.6
65 and over	2,128	(14.8)	23.0
85 and over	342	3.0	3.7
Male	4,430	(3.7)	48.0
Female	4,805	(5.9)	52.0
White	8,176	(9.1)	88.5
Black	202	(17.9)	2.2
Asian	20	185.7	0.2
Hispanic	1,289	13.2	14.0

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	2,082	(3.8)	(4.1)		250
Agricultural Services, Forestry, Fishing	54	(6.9)	(3.0)	2.6	19
Mining	32	14.3	(3.4)	1.5	7
Construction	79	(3.7)	(0.7)	3.8	17
Manufacturing	45	2.3	(29.0)	2.2	8
Transportation/Public Utilities/Communications	89	2.3	(1.9)	4.3	17
Wholesale Trade	84	(15.2)	(18.6)	4.0	14
Retail Trade	393	(9.9)	(3.1)	18.9	47
Services	408	(5.6)	(4.1)	19.6	64
Financial, Insurance, Real Estate	97	(1.0)	(0.6)	4.7	15
Government	801	0.5	1.7	38.5	40

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.8 %	(0.2)	(2.0)	86th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$185,629	3.5	3.5	176th
Average Per Capita Income	$20,206	5.5	4.4	153rd

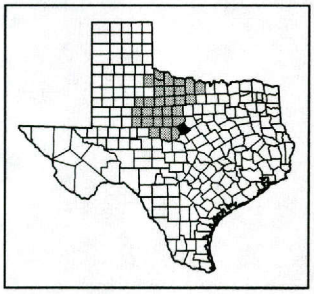
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	19.9 %	(3.5)	(3.5)	60th
Ages 0-17	27.6 %	(5.9)	(3.8)	62nd
Ages 5-17 in Families	24.6 %	(11.5)	(6.6)	65th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$511,113,826	1.2	3.6	183rd
Property Value Per Capita	$55,345	3.5	4.4	123rd

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$31,617,000	6.7	0.4
Sales Tax Outlets	259	(0.4)	(2.0)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	9	1,590	(2.5)
Higher Education Fall 2001				

Comanche County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	14,026	4.8	
Under age 5	883	2.9	6.3
Under 18	3,551	13.1	25.3
65 and over	2,849	(9.5)	20.3
85 and over	458	13.1	3.3
Male	6,861	4.8	48.9
Female	7,165	4.9	51.1
White	12,245	(0.4)	87.3
Black	62	287.5	0.4
Asian	18	125.0	0.1
Hispanic	2,928	32.8	20.9

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	3,761	(0.6)	0.8		360
Agricultural Services, Forestry, Fishing	657	(2.7)	2.5	17.5	63
Mining	36	260.0	43.1	1.0	5
Construction	139	2.2	9.1	3.7	23
Manufacturing	211	(24.6)	(9.5)	5.6	13
Transportation/Public Utilities/Communications	202	(4.3)	5.6	5.4	22
Wholesale Trade	235	(5.6)	(5.0)	6.2	27
Retail Trade	588	1.4	0.1	15.6	78
Services	568	3.3	0.6	15.1	76
Financial, Insurance, Real Estate	138	6.2	1.2	3.7	17
Government	982	2.9	2.5	26.1	33

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.7 %	0.2	(1.6)	204th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$286,126	0.7	4.6	139th
Average Per Capita Income	$20,438	1.0	4.0	147th

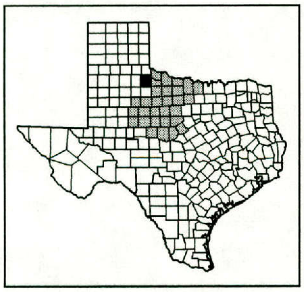
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	17.3 %	(4.0)	(3.4)	114th
Ages 0-17	22.9 %	(10.2)	(4.4)	119th
Ages 5-17 in Families	20.3 %	(10.5)	(5.2)	128th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$729,985,149	10.0	3.9	147th
Property Value Per Capita	$52,045	6.6	3.0	138th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$56,742,457	7.5	4.5
Sales Tax Outlets	340	(2.9)	(2.4)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	9	2,466	(1.1)
Higher Education Fall 2001				

Cottle County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	1,904	(15.3)	
Under age 5	97	(26.5)	5.1
Under 18	456	(21.1)	23.9
65 and over	487	(10.3)	25.6
85 and over	81	42.1	4.3
Male	887	(18.9)	46.6
Female	1,017	(11.8)	53.4
White	1,551	(16.3)	81.5
Black	188	(5.5)	9.9
Asian	0	(100.0)	0.0
Hispanic	360	(1.9)	18.9

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	583	1.9	1.1		121
Agricultural Services, Forestry, Fishing	67	21.8	(2.0)	11.5	12
Mining	4	0.0	(16.7)	0.7	2
Construction	18	12.5	(1.1)	3.1	8
Manufacturing	18	0.0	2.4	3.1	6
Transportation/Public Utilities/Communications	22	46.7	25.7	3.8	6
Wholesale Trade	29	11.5	6.7	5.0	16
Retail Trade	88	2.3	3.0	15.1	11
Services	147	0.0	3.0	25.2	34
Financial, Insurance, Real Estate	24	(7.7)	8.4	4.1	6
Government	164	(6.3)	(2.1)	28.1	17

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	5.0 %	0.8	(2.3)	77th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$43,491	5.9	5.8	234th
Average Per Capita Income	$23,097	10.5	7.6	77th

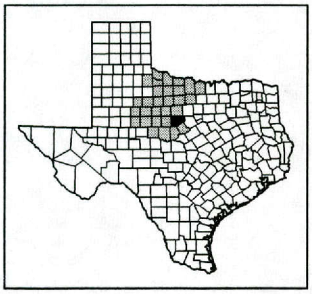
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	18.4 %	(9.1)	(7.5)	84th
Ages 0-17	29.4 %	(11.0)	(5.8)	46th
Ages 5-17 in Families	26.3 %	(15.2)	(7.0)	56th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$146,940,180	4.2	3.4	251st
Property Value Per Capita	$77,174	3.4	4.5	71st

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$3,319,979	(13.3)	0.1
Sales Tax Outlets	43	(8.5)	(9.8)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	2	301	(7.1)
Higher Education Fall 2001				

Eastland County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	18,297	(1.0)	
Under age 5	1,071	3.6	5.9
Under 18	4,247	(1.3)	23.2
65 and over	3,815	(10.0)	20.9
85 and over	525	(2.6)	2.9
Male	8,870	(0.1)	48.5
Female	9,427	(1.9)	51.5
White	16,656	(4.7)	91.0
Black	399	0.5	2.2
Asian	38	2.7	0.2
Hispanic	1,976	40.7	10.8

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	6,940	0.7	3.5		484
Agricultural Services, Forestry, Fishing	40	11.1	(7.8)	0.6	11
Mining	224	19.1	(4.2)	3.2	26
Construction	1,111	4.8	28.8	16.0	39
Manufacturing	1,306	(3.8)	1.3	18.8	31
Transportation/Public Utilities/Communications	206	(1.0)	1.1	3.0	34
Wholesale Trade	196	(22.2)	(8.5)	2.8	34
Retail Trade	1,074	(6.5)	2.8	15.5	109
Services	1,162	13.3	3.6	16.7	121
Financial, Insurance, Real Estate	179	2.3	(0.8)	2.6	33
Government	1,441	0.3	1.0	20.8	46

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.6 %	(0.2)	(1.1)	158 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$382,384	7.2	6.6	121 st
Average Per Capita Income	$20,866	6.4	6.6	131 st

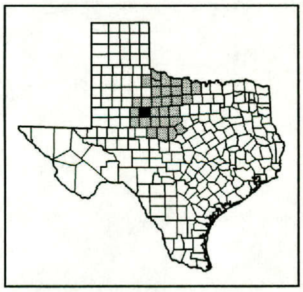
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	16.8 %	(4.2)	(4.8)	119 th
Ages 0-17	23.3 %	(6.1)	(4.5)	111 th
Ages 5-17 in Families	21.2 %	(7.1)	(3.4)	117 th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$714,123,360	8.2	2.6	149 th
Property Value Per Capita	$39,030	3.4	2.2	208 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$76,319,308	(0.3)	3.4
Sales Tax Outlets	546	(4.7)	(2.5)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	5	13	3,108	(2.6)
Higher Education Fall 2001		2	3,556	2.0

Fisher County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	4,344	(10.3)	
Under age 5	249	(14.7)	5.7
Under 18	1,040	(16.9)	23.9
65 and over	985	(5.1)	22.7
85 and over	144	29.7	3.3
Male	2,092	(10.6)	48.2
Female	2,252	(10.0)	51.8
White	3,638	(18.2)	83.7
Black	120	(36.8)	2.8
Asian	6		0.1
Hispanic	928	(6.9)	21.4

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	963	2.1	(0.4)		113
Agricultural Services, Forestry, Fishing	123	30.9	8.4	12.8	25
Mining	0			0.0	0
Construction	4	33.3	5.9	0.4	3
Manufacturing	87	(3.3)	(1.1)	9.0	1
Transportation/Public Utilities/Communications	84	78.7	2.0	8.7	11
Wholesale Trade	31	(8.8)	4.4	3.2	5
Retail Trade	93	(11.4)	(2.0)	9.7	18
Services	107	(15.7)	(4.5)	11.1	17
Financial, Insurance, Real Estate	52	(3.7)	(2.5)	5.4	7
Government	375	(2.1)	(1.1)	38.9	23

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.2 %	(0.1)	(1.9)	179th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$82,071	(8.8)	2.7	210th
Average Per Capita Income	$18,923	(8.7)	3.9	187th

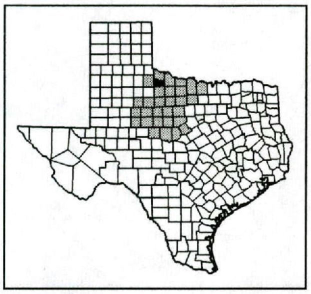
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	17.5 %	(1.5)	(1.0)	108th
Ages 0-17	27.7 %	1.0	2.1	61st
Ages 5-17 in Families	26.8 %	(0.9)	3.1	51st

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$287,390,489	3.3	(0.4)	230th
Property Value Per Capita	$66,158	(0.3)	0.4	96th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$6,472,363	(13.7)	1.7
Sales Tax Outlets	81	(4.7)	(4.1)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	2	5	712	(1.9)
Higher Education Fall 2001				

Foard County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	1,622	(9.6)	
Under age 5	93	(16.2)	5.7
Under 18	419	(2.3)	25.8
65 and over	375	(17.4)	23.1
85 and over	84	44.8	5.2
Male	752	(9.1)	46.4
Female	870	(10.0)	53.6
White	1,365	(12.0)	84.2
Black	53	(39.8)	3.3
Asian	3	(25.0)	0.2
Hispanic	265	13.7	16.3

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	408	(5.8)	(6.0)		68
Agricultural Services, Forestry, Fishing	22	(38.9)	6.6	5.4	9
Mining	0			0.0	0
Construction	6	(50.0)	(7.8)	1.5	3
Manufacturing	46	(8.0)	(23.6)	11.3	1
Transportation/Public Utilities/Communications	17	(26.1)	4.0	4.2	5
Wholesale Trade	15	0.0	(7.4)	3.7	4
Retail Trade	57	5.6	5.8	14.0	11
Services	91	2.2	(2.6)	22.3	17
Financial, Insurance, Real Estate	17	(5.6)	(5.0)	4.2	2
Government	138	3.0	(1.4)	33.8	15

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.7 %	0.2	(2.1)	207th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$36,218	(5.4)	5.2	241st
Average Per Capita Income	$22,496	(2.9)	6.5	89th

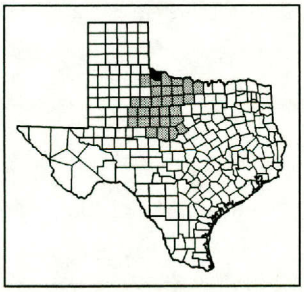
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	14.3 %	(7.3)	(3.6)	171st
Ages 0-17	14.5 %	(16.7)	(8.2)	213th
Ages 5-17 in Families	14.9 %	(17.2)	(5.0)	200th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$97,443,828	3.7	0.3	254th
Property Value Per Capita	$60,076	4.3	1.3	110th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$1,942,677	(9.9)	(1.5)
Sales Tax Outlets	39	2.6	(3.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	2	319	(5.3)
Higher Education Fall 2001				

Hardeman County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	4,724	(10.6)	
Under age 5	308	(14.0)	6.5
Under 18	1,198	(13.1)	25.4
65 and over	956	(21.6)	20.2
85 and over	152	(6.2)	3.2
Male	2,230	(10.9)	47.2
Female	2,494	(10.3)	52.8
White	4,035	(8.9)	85.4
Black	228	(29.0)	4.8
Asian	14	(12.5)	0.3
Hispanic	685	16.3	14.5

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,399	(2.1)	(0.9)		142
Agricultural Services, Forestry, Fishing	29	(12.1)	(3.1)	2.1	10
Mining	10	11.1	(6.5)	0.7	4
Construction	16	33.3	26.2	1.1	4
Manufacturing	324	1.9	(1.0)	23.2	5
Transportation/Public Utilities/Communications	55	(46.1)	(6.0)	3.9	8
Wholesale Trade	58	52.6	9.4	4.1	8
Retail Trade	205	(3.8)	(1.8)	14.7	24
Services	208	(1.9)	(0.7)	14.9	37
Financial, Insurance, Real Estate	54	3.8	(0.4)	3.9	7
Government	441	0.2	(1.1)	31.5	35

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.5 %	(0.2)	(1.7)	165 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$97,415	1.0	2.5	204 th
Average Per Capita Income	$20,687	1.3	4.0	135 th

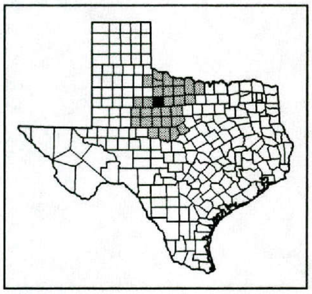
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	17.8 %	(1.9)	(1.3)	98 th
Ages 0-17	26.2 %	(1.9)	1.5	70 th
Ages 5-17 in Families	27.3 %	(2.3)	3.1	45 th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$290,215,170	6.3	1.4	229 th
Property Value Per Capita	$61,434	(1.2)	1.9	105 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$11,782,985	(6.3)	(3.3)
Sales Tax Outlets	113	(7.4)	(4.2)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	2	5	841	(3.7)
Higher Education Fall 2001				

Haskell County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	6,093	(10.7)	
Under age 5	303	(29.7)	5.0
Under 18	1,447	(15.0)	23.7
65 and over	1,553	(7.4)	25.5
85 and over	228	17.5	3.7
Male	2,868	(12.6)	47.1
Female	3,225	(8.8)	52.9
White	5,044	(8.0)	82.8
Black	170	(30.3)	2.8
Asian	9	(43.8)	0.1
Hispanic	1,249	(4.8)	20.5

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,904	12.2	2.4		248
Agricultural Services, Forestry, Fishing	160	7.4	0.0	8.4	40
Mining	17	41.7	(7.4)	0.9	6
Construction	226	121.6	55.3	11.9	13
Manufacturing	32	(20.0)	1.3	1.7	7
Transportation/Public Utilities/Communications	79	3.9	(0.3)	4.1	13
Wholesale Trade	46	27.8	(14.4)	2.4	13
Retail Trade	389	1.6	(0.8)	20.4	49
Services	285	11.3	1.8	15.0	52
Financial, Insurance, Real Estate	94	(2.1)	(1.2)	4.9	16
Government	573	5.5	2.6	30.1	38

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.0 %	(0.6)	(1.1)	191st

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$121,261	(3.2)	3.6	198th
Average Per Capita Income	$20,066	(0.8)	4.8	158th

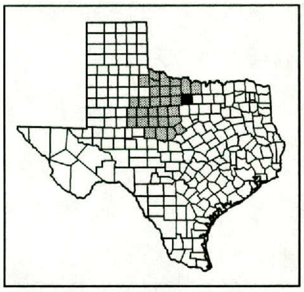
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	22.8 %	(1.3)	1.2	36th
Ages 0-17	34.2 %	(0.9)	5.3	26th
Ages 5-17 in Families	32.9 %	(3.0)	5.5	27th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$344,822,684	1.0	(0.1)	214th
Property Value Per Capita	$56,593	(1.1)	0.5	119th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$18,633,623	(1.7)	2.6
Sales Tax Outlets	171	0.6	(4.5)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	5	1,042	(4.5)
Higher Education Fall 2001				

Jack County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	8,763	25.5	
Under age 5	502	2.9	5.7
Under 18	2,051	9.6	23.4
65 and over	1,330	1.4	15.2
85 and over	171	8.9	2.0
Male	4,787	40.6	54.6
Female	3,976	11.2	45.4
White	7,771	15.2	88.7
Black	486	852.9	5.5
Asian	24	140.0	0.3
Hispanic	691	197.8	7.9

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,815	(2.4)	1.3		193
Agricultural Services, Forestry, Fishing	52	(21.2)	(2.8)	2.9	13
Mining	278	10.3	(1.1)	15.3	29
Construction	35	6.1	0.0	1.9	11
Manufacturing	52	4.0	22.3	2.9	6
Transportation/Public Utilities/Communications	103	(4.6)	(2.3)	5.7	13
Wholesale Trade	43	(2.3)	8.2	2.4	10
Retail Trade	238	(11.5)	(1.1)	13.1	36
Services	405	(1.2)	5.6	22.3	30
Financial, Insurance, Real Estate	110	1.9	8.5	6.1	18
Government	498	(4.2)	(0.7)	27.4	26

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.2 %	0.0	(0.3)	177th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$157,455	7.6	6.3	184th
Average Per Capita Income	$17,964	6.1	3.3	201st

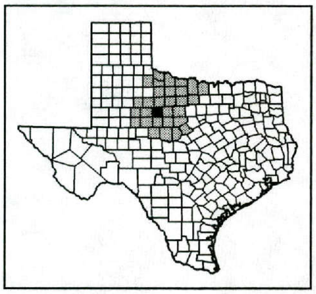
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	12.9 %	(3.6)	(4.6)	200th
Ages 0-17	15.0 %	(7.2)	(7.8)	209th
Ages 5-17 in Families	12.0 %	(11.1)	(8.7)	226th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$656,304,323	13.3	3.8	156th
Property Value Per Capita	$74,895	(3.3)	(0.8)	76th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$30,411,128	16.0	8.0
Sales Tax Outlets	220	(6.0)	(3.3)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	3	6	1,612	(1.7)
Higher Education Fall 2001				

Jones County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	20,785	26.0	
Under age 5	1,016	(8.2)	4.9
Under 18	4,674	2.7	22.5
65 and over	2,903	(6.8)	14.0
85 and over	408	7.9	2.0
Male	12,474	58.1	60.0
Female	8,311	(3.4)	40.0
White	16,378	18.8	78.8
Black	2,392	259.2	11.5
Asian	97	212.9	0.5
Hispanic	4,346	56.0	20.9

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	4,871	(2.8)	(1.5)		360
Agricultural Services, Forestry, Fishing	84	(15.2)	(6.3)	1.7	26
Mining	106	27.7	(10.6)	2.2	10
Construction	115	(2.5)	(0.8)	2.4	28
Manufacturing	190	2.2	(14.3)	3.9	11
Transportation/Public Utilities/Communications	209	(17.7)	(4.3)	4.3	26
Wholesale Trade	135	3.1	2.6	2.8	33
Retail Trade	463	(8.9)	(0.5)	9.5	61
Services	754	(5.8)	(5.1)	15.5	81
Financial, Insurance, Real Estate	145	2.8	6.1	3.0	26
Government	2,670	(0.8)	1.5	54.8	57

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.8 %	(0.4)	(0.4)	198th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$317,672	(0.5)	4.3	135th
Average Per Capita Income	$15,309	(1.0)	3.1	232nd

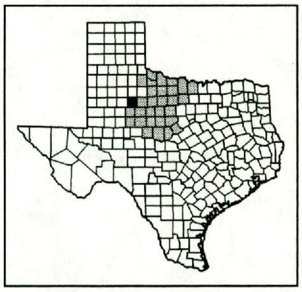
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	16.8 %	(5.0)	(5.9)	120th
Ages 0-17	23.0 %	(3.8)	(5.1)	117th
Ages 5-17 in Families	22.0 %	(5.0)	(3.4)	102nd

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$510,726,824	2.9	1.1	184th
Property Value Per Capita	$24,572	(6.7)	(1.3)	251st

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$110,579,961	21.3	8.6
Sales Tax Outlets	337	(7.7)	(3.1)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	5	14	3,012	(4.9)
Higher Education Fall 2001				

Kent County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	859	(15.0)	
Under age 5	30	(55.2)	3.5
Under 18	177	(32.2)	20.6
65 and over	219	0.9	25.5
85 and over	40	100.0	4.7
Male	411	(15.3)	47.8
Female	448	(14.7)	52.2
White	820	(9.1)	95.5
Black	2	(66.7)	0.2
Asian	0		0.0
Hispanic	78	(35.0)	9.1

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	267	(3.3)	0.7		36
Agricultural Services, Forestry, Fishing	17	(15.0)	(6.7)	6.4	3
Mining	11	10.0	12.9	4.1	2
Construction	0			0.0	0
Manufacturing	0			0.0	0
Transportation/Public Utilities/Communications	0	(100.0)		0.0	1
Wholesale Trade	3	200.0	24.6	1.1	2
Retail Trade	16	(15.8)	0.0	6.0	5
Services	13	0.0	7.6	4.9	6
Financial, Insurance, Real Estate	11	0.0	0.0	4.1	2
Government	196	(2.5)	1.5	73.4	14

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.1 %	(0.6)	(0.3)	231 st

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$18,549	7.6	1.9	249 th
Average Per Capita Income	$21,797	11.2	3.1	107 th

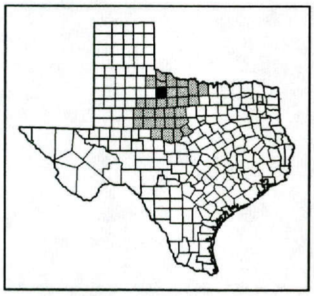
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	10.4 %	(2.6)	(2.3)	228 th
Ages 0-17	13.1 %	(8.4)	(3.1)	228 th
Ages 5-17 in Families	11.4 %	(7.1)	(3.2)	231 st

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$367,553,884	25.3	(14.3)	209 th
Property Value Per Capita	$427,886	24.6	(13.7)	5 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$863,860	(5.9)	(0.5)
Sales Tax Outlets	22	(15.4)	(3.3)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	1	146	1.4
Higher Education Fall 2001				

Knox County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	4,253	(12.1)	
Under age 5	272	(24.2)	6.4
Under 18	1,180	(11.3)	27.7
65 and over	964	(10.2)	22.7
85 and over	157	9.0	3.7
Male	2,008	(13.7)	47.2
Female	2,245	(10.5)	52.8
White	3,162	(16.0)	74.3
Black	294	(13.0)	6.9
Asian	10	100.0	0.2
Hispanic	1,067	(1.9)	25.1

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	1,297	(1.7)	(2.3)		184
Agricultural Services, Forestry, Fishing	167	12.8	0.7	12.9	37
Mining	116	7.4	(0.8)	8.9	9
Construction	28	(6.7)	(8.6)	2.2	12
Manufacturing	34	6.3	33.6	2.6	6
Transportation/Public Utilities/Communications	41	(12.8)	(0.5)	3.2	9
Wholesale Trade	106	(5.4)	5.0	8.2	13
Retail Trade	120	(12.4)	(6.6)	9.3	20
Services	187	(7.0)	(11.4)	14.4	30
Financial, Insurance, Real Estate	48	4.3	(2.3)	3.7	9
Government	452	(0.9)	0.8	34.8	38

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.3 %	(0.7)	(2.1)	172nd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$87,745	3.1	2.9	208th
Average Per Capita Income	$20,665	3.1	4.7	138th

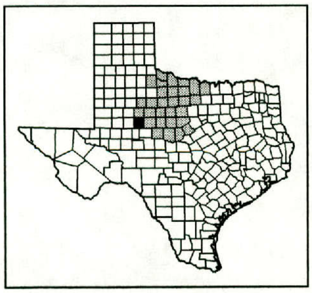
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	22.9 %	(2.0)	0.1	35th
Ages 0-17	35.3 %	(0.3)	5.5	23rd
Ages 5-17 in Families	32.9 %	(5.5)	4.7	28th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$191,832,075	1.9	2.0	243rd
Property Value Per Capita	$45,105	(1.7)	3.6	171st

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$15,252,233	(2.8)	3.7
Sales Tax Outlets	115	(10.2)	(4.0)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	7	897	0.4
Higher Education Fall 2001				

Mitchell County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	9,698	21.0	
Under age 5	456	(12.6)	4.7
Under 18	1,921	(12.8)	19.8
65 and over	1,468	(12.6)	15.1
85 and over	203	14.0	2.1
Male	5,958	55.8	61.4
Female	3,740	(10.8)	38.6
White	7,227	14.4	74.5
Black	1,242	242.1	12.8
Asian	35	600.0	0.4
Hispanic	3,009	26.0	31.0

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	2,418	1.7	2.5		196
Agricultural Services, Forestry, Fishing	104	16.9	3.2	4.3	30
Mining	75	27.1	5.6	3.1	8
Construction	134	(14.6)	19.9	5.5	12
Manufacturing	32	(17.9)	(7.0)	1.3	4
Transportation/Public Utilities/Communications	112	(12.5)	(0.9)	4.6	10
Wholesale Trade	44	(20.0)	(12.3)	1.8	8
Retail Trade	337	3.4	2.6	13.9	38
Services	240	15.9	(0.6)	9.9	40
Financial, Insurance, Real Estate	51	(1.9)	0.0	2.1	8
Government	1,290	2.1	3.4	53.3	38

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.8 %	(0.2)	(3.0)	146 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$146,759	(1.8)	3.4	187 th
Average Per Capita Income	$15,213	(0.1)	2.2	237 th

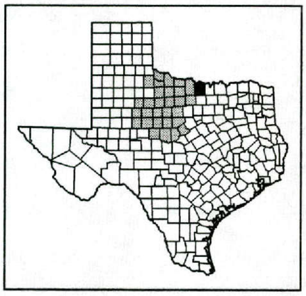
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	17.7 %	(5.9)	(5.4)	103 rd
Ages 0-17	23.0 %	(4.7)	(5.1)	114 th
Ages 5-17 in Families	21.6 %	(7.9)	(4.1)	112 th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$446,942,052	3.8	(1.8)	197 th
Property Value Per Capita	$46,086	(6.0)	(3.2)	166 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$26,909,636	0.3	2.0
Sales Tax Outlets	195	(8.9)	(4.4)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	3	6	1,361	(5.7)
Higher Education Fall 2001				

Montague County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	19,117	10.7	
Under age 5	1,152	2.5	6.0
Under 18	4,589	8.1	24.0
65 and over	3,784	(0.2)	19.8
85 and over	504	3.7	2.6
Male	9,185	10.9	48.0
Female	9,932	10.4	52.0
White	18,343	9.0	96.0
Black	34	580.0	0.2
Asian	49	276.9	0.3
Hispanic	1,035	88.9	5.4

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	4,116	(4.5)	(1.2)		460
Agricultural Services, Forestry, Fishing	51	(7.3)	(1.9)	1.2	22
Mining	230	25.7	3.3	5.6	22
Construction	162	11.0	10.4	3.9	33
Manufacturing	358	(35.4)	(12.9)	8.7	27
Transportation/Public Utilities/Communications	113	(2.6)	(4.9)	2.7	38
Wholesale Trade	98	(2.0)	(0.2)	2.4	29
Retail Trade	964	6.4	0.3	23.4	98
Services	680	(11.9)	(1.4)	16.5	115
Financial, Insurance, Real Estate	177	(1.1)	0.9	4.3	24
Government	1,279	(1.5)	0.9	31.1	51

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.5 %	(0.9)	(0.2)	103rd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$390,755	6.2	5.8	120th
Average Per Capita Income	$20,433	5.7	4.5	148th

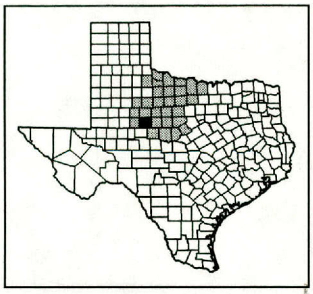
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	14.0 %	(1.9)	(3.5)	180th
Ages 0-17	18.1 %	(3.4)	(4.9)	177th
Ages 5-17 in Families	15.5 %	(6.5)	(4.9)	191st

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$909,036,689	1.7	7.5	134th
Property Value Per Capita	$47,551	(0.2)	6.0	153rd

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$78,087,386	7.7	4.2
Sales Tax Outlets	562	(5.9)	(4.0)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	7	15	3,326	2.7
Higher Education Fall 2001				

Nolan County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	15,802	(4.8)	
Under age 5	1,065	(13.6)	6.7
Under 18	4,281	(7.3)	27.1
65 and over	2,585	(5.7)	16.4
85 and over	359	8.1	2.3
Male	7,687	(4.7)	48.6
Female	8,115	(4.8)	51.4
White	12,397	(4.2)	78.5
Black	739	(4.6)	4.7
Asian	38	111.1	0.2
Hispanic	4,431	4.4	28.0

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	5,718	(2.1)	(0.4)		432
Agricultural Services, Forestry, Fishing	88	(12.0)	(4.4)	1.5	34
Mining	223	(8.6)	2.7	3.9	10
Construction	88	(33.3)	(5.4)	1.5	23
Manufacturing	839	(3.6)	(2.4)	14.7	14
Transportation/Public Utilities/Communications	500	18.2	7.5	8.7	38
Wholesale Trade	231	(0.4)	(1.7)	4.0	23
Retail Trade	896	(4.6)	(1.4)	15.7	85
Services	894	(0.3)	(1.5)	15.6	129
Financial, Insurance, Real Estate	168	(9.2)	0.0	2.9	21
Government	1,791	(1.4)	0.1	31.3	55

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.9 %	(0.1)	(2.4)	83rd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$321,871	2.5	3.3	133rd
Average Per Capita Income	$20,416	3.4	3.8	149th

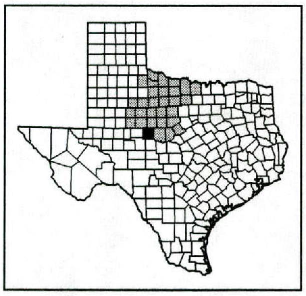
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	21.7 %	0.6	(0.0)	44th
Ages 0-17	29.7 %	(0.3)	0.5	44th
Ages 5-17 in Families	27.0 %	(3.2)	0.1	48th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$723,844,034	3.1	0.6	148th
Property Value Per Capita	$45,807	6.0	1.3	168th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$89,544,764	0.2	(1.2)
Sales Tax Outlets	418	(8.1)	(4.7)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	10	3,093	(3.7)
Higher Education Fall 2001		1	1,607	2.8

Runnels County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	11,495	1.8	
Under age 5	729	(6.7)	6.3
Under 18	3,097	0.3	26.9
65 and over	2,246	(4.0)	19.5
85 and over	381	24.9	3.3
Male	5,536	0.6	48.2
Female	5,959	2.9	51.8
White	9,361	(10.3)	81.4
Black	161	(12.0)	1.4
Asian	37	131.3	0.3
Hispanic	3,372	23.1	29.3

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	3,619	(2.2)	(1.3)		306
Agricultural Services, Forestry, Fishing	151	21.8	2.0	4.2	22
Mining	93	(4.1)	(11.8)	2.6	14
Construction	70	4.5	(0.3)	1.9	21
Manufacturing	924	(23.7)	(7.6)	25.5	16
Transportation/Public Utilities/Communications	67	(6.9)	(3.7)	1.9	16
Wholesale Trade	145	12.4	9.3	4.0	16
Retail Trade	761	34.0	5.5	21.0	60
Services	395	1.0	(1.1)	10.9	71
Financial, Insurance, Real Estate	133	3.9	8.9	3.7	24
Government	879	(3.2)	1.0	24.3	43

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.8 %	(1.0)	0.9	148 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$217,889	(0.0)	3.7	161 st
Average Per Capita Income	$18,955	(0.0)	3.5	185 th

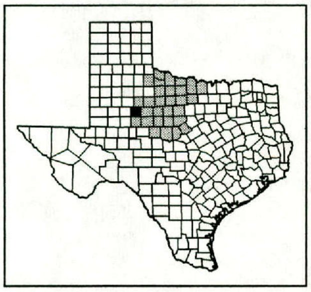
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	19.2 %	0.6	0.3	70 th
Ages 0-17	25.5 %	(0.3)	2.0	78 th
Ages 5-17 in Families	24.8 %	(0.6)	3.6	61 st

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$521,310,300	5.3	4.4	179 th
Property Value Per Capita	$45,351	3.9	4.0	170 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$51,021,526	12.1	0.6
Sales Tax Outlets	320	(2.1)	(1.4)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	4	11	2,346	(5.1)
Higher Education Fall 2001				

Scurry County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	16,361	(12.2)	
Under age 5	1,027	(23.6)	6.3
Under 18	4,116	(22.6)	25.2
65 and over	2,526	2.1	15.4
85 and over	340	29.3	2.1
Male	8,489	(10.8)	51.9
Female	7,872	(13.7)	48.1
White	13,296	(5.8)	81.3
Black	991	12.7	6.1
Asian	37	5.7	0.2
Hispanic	4,544	2.0	27.8

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	5,933	(0.5)	(1.6)		441
Agricultural Services, Forestry, Fishing	102	22.9	9.1	1.7	17
Mining	1,151	7.5	(5.6)	19.4	55
Construction	159	(31.2)	(2.3)	2.7	26
Manufacturing	309	(23.9)	0.3	5.2	13
Transportation/Public Utilities/Communications	255	4.9	1.6	4.3	34
Wholesale Trade	435	(2.5)	0.6	7.3	40
Retail Trade	998	(0.1)	(1.7)	16.8	71
Services	692	9.1	(1.4)	11.7	115
Financial, Insurance, Real Estate	226	10.2	4.9	3.8	31
Government	1,605	(2.2)	(0.8)	27.1	36

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	5.0 %	0.5	0.6	71st

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$343,919	4.0	2.2	126th
Average Per Capita Income	$21,177	7.3	4.0	122nd

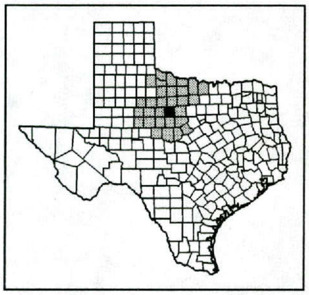
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	16.0 %	(2.3)	(1.9)	140th
Ages 0-17	22.1 %	(2.7)	(1.8)	128th
Ages 5-17 in Families	20.3 %	(5.2)	(1.2)	129th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$769,174,931	9.0	1.4	144th
Property Value Per Capita	$47,013	17.5	3.6	157th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$264,425,101	54.5	16.9
Sales Tax Outlets	438	(0.5)	(4.1)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	3	9	2,973	(2.2)
Higher Education Fall 2001		1	1,323	12.5

Shackelford County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	3,302	(0.4)	
Under age 5	179	(13.9)	5.4
Under 18	881	(0.8)	26.7
65 and over	602	(11.5)	18.2
85 and over	88	(6.4)	2.7
Male	1,565	(3.0)	47.4
Female	1,737	2.0	52.6
White	3,111	(0.4)	94.2
Black	16	33.3	0.5
Asian	0	(100.0)	0.0
Hispanic	251	(7.7)	7.6

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	882	8.1	(0.4)		137
Agricultural Services, Forestry, Fishing	50	6.4	1.2	5.7	14
Mining	239	3.9	(0.6)	27.1	28
Construction	13	0.0	(8.3)	1.5	4
Manufacturing	25	38.9	(6.0)	2.8	5
Transportation/Public Utilities/Communications	12	(14.3)	3.7	1.4	5
Wholesale Trade	19	46.2	(1.0)	2.2	7
Retail Trade	137	26.9	3.7	15.5	20
Services	120	0.8	(1.3)	13.6	27
Financial, Insurance, Real Estate	42	7.7	0.5	4.8	7
Government	225	4.7	(1.1)	25.5	20

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.3 %	(0.8)	(2.0)	224th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$76,229	8.9	4.1	215th
Average Per Capita Income	$23,121	9.6	4.0	76th

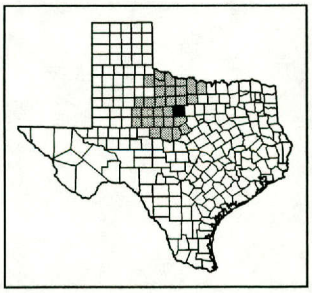
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	13.6 %	(3.5)	(2.2)	185th
Ages 0-17	16.8 %	(6.5)	(3.7)	189th
Ages 5-17 in Families	14.7 %	(9.8)	(4.0)	204th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$333,260,758	13.6	5.8	217th
Property Value Per Capita	$100,927	10.7	5.4	41st

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$13,620,532	25.8	4.7
Sales Tax Outlets	118	(5.6)	(0.3)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	2	3	704	(1.3)
Higher Education Fall 2001				

Stephens County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	9,674	7.4	
Under age 5	541	(12.2)	5.6
Under 18	2,361	(4.0)	24.4
65 and over	1,709	(1.3)	17.7
85 and over	210	4.5	2.2
Male	4,915	13.9	50.8
Female	4,759	1.4	49.2
White	8,406	2.7	86.9
Black	282	11.9	2.9
Asian	28	0.0	0.3
Hispanic	1,418	84.9	14.7

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	3,081	(0.9)	(0.5)		322
Agricultural Services, Forestry, Fishing	72	0.0	3.4	2.3	20
Mining	309	9.2	(3.3)	10.0	42
Construction	78	25.8	(4.8)	2.5	22
Manufacturing	552	(11.7)	(0.0)	17.9	18
Transportation/Public Utilities/Communications	79	(12.2)	(9.1)	2.6	12
Wholesale Trade	79	97.5	7.5	2.6	17
Retail Trade	581	(6.9)	(1.0)	18.9	57
Services	475	8.9	1.7	15.4	77
Financial, Insurance, Real Estate	106	(3.6)	(2.0)	3.4	21
Government	750	(2.0)	0.3	24.3	36

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.1 %	(0.8)	(0.6)	182nd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$207,941	4.0	4.9	166th
Average Per Capita Income	$21,555	5.0	4.8	111th

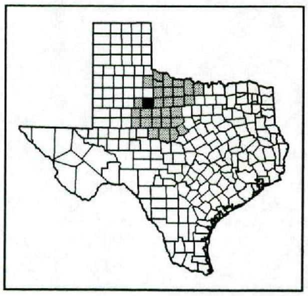
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	15.6 %	(3.1)	(4.1)	151st
Ages 0-17	22.9 %	(2.6)	(2.4)	118th
Ages 5-17 in Families	20.7 %	(4.6)	(2.4)	125th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$556,584,172	12.5	1.6	174th
Property Value Per Capita	$57,534	13.2	1.4	116th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$56,478,499	7.4	3.2
Sales Tax Outlets	336	(3.7)	(3.0)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	5	1,736	(2.9)
Higher Education Fall 2001				

Stonewall County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	1,693	(15.9)	
Under age 5	87	(36.5)	5.1
Under 18	386	(24.6)	22.8
65 and over	406	(2.6)	24.0
85 and over	82	57.7	4.8
Male	802	(17.7)	47.4
Female	891	(14.2)	52.6
White	1,494	(21.3)	88.2
Black	50	(43.8)	3.0
Asian	6	(14.3)	0.4
Hispanic	199	(16.0)	11.8

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	545	3.6	(2.1)		79
Agricultural Services, Forestry, Fishing	7	16.7	(8.6)	1.3	4
Mining	45	0.0	(9.7)	8.3	3
Construction	116	23.4	(1.2)	21.3	8
Manufacturing	0	(100.0)		0.0	0
Transportation/Public Utilities/Communications	16	(11.1)	(1.2)	2.9	4
Wholesale Trade	16	(36.0)	(12.9)	2.9	3
Retail Trade	45	(13.5)	(4.6)	8.3	14
Services	74	(2.6)	(0.3)	13.6	16
Financial, Insurance, Real Estate	13	(7.1)	(5.2)	2.4	3
Government	212	9.3	1.7	38.9	24

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.6 %	0.4	1.2	98 th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$36,544	1.2	1.6	240 th
Average Per Capita Income	$21,727	3.5	4.2	109 th

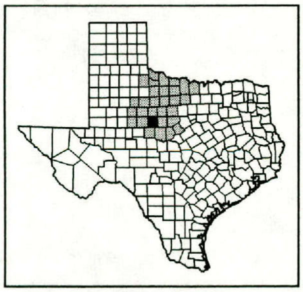
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	19.3 %	0.5	3.9	68 th
Ages 0-17	30.9 %	3.7	11.5	38 th
Ages 5-17 in Families	32.4 %	2.9	13.6	29 th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$166,470,546	8.0	10.0	246 th
Property Value Per Capita	$98,329	9.4	12.6	42 nd

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$7,068,068	1.1	0.2
Sales Tax Outlets	62	(15.1)	(7.0)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	1	3	257	(3.4)
Higher Education Fall 2001				

Taylor County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	126,555	5.8	
Under age 5	9,101	(7.2)	7.2
Under 18	33,660	3.2	26.6
65 and over	15,715	9.2	12.4
85 and over	2,038	18.6	1.6
Male	61,342	5.4	48.5
Female	65,213	6.1	51.5
White	102,016	1.8	80.6
Black	8,517	12.9	6.7
Asian	1,577	8.8	1.2
Hispanic	22,328	27.5	17.6

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	52,704	(2.0)	0.1		3,071
Agricultural Services, Forestry, Fishing	563	(42.6)	0.2	1.1	79
Mining	937	15.3	(8.5)	1.8	100
Construction	2,283	1.4	1.6	4.3	264
Manufacturing	3,238	(8.2)	(2.9)	6.1	121
Transportation/Public Utilities/Communications	2,399	(4.9)	(2.1)	4.6	135
Wholesale Trade	2,708	(1.8)	1.6	5.1	230
Retail Trade	11,672	0.4	(0.2)	22.1	568
Services	16,921	(0.4)	1.4	32.1	1,160
Financial, Insurance, Real Estate	2,469	3.3	4.7	4.7	309
Government	9,486	(4.5)	(0.6)	18.0	91

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.9 %	0.3	(1.0)	139th

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$3,096,098	4.5	5.1	24th
Average Per Capita Income	$24,487	4.4	4.7	58th

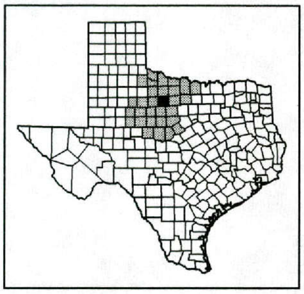
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	14.5 %	(1.8)	(3.1)	167th
Ages 0-17	18.2 %	(4.8)	(5.5)	176th
Ages 5-17 in Families	15.1 %	(6.6)	(6.3)	198th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$4,302,210,227	5.0	5.7	37th
Property Value Per Capita	$33,995	1.6	5.0	232nd

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$1,150,124,416	2.7	1.1
Sales Tax Outlets	3,307	(3.7)	(2.5)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	5	43	22,968	(1.8)
Higher Education Fall 2001		3	8,327	(3.6)

Throckmorton County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	1,850	(1.6)	
Under age 5	101	(17.9)	5.5
Under 18	466	4.7	25.2
65 and over	380	(10.4)	20.5
85 and over	61	(9.0)	3.3
Male	912	0.7	49.3
Female	938	(3.7)	50.7
White	1,704	(4.2)	92.1
Black	1		0.1
Asian	1	(87.5)	0.1
Hispanic	173	27.2	9.4

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	438	(0.9)	(0.8)		83
Agricultural Services, Forestry, Fishing	42	(2.3)	(2.6)	9.6	12
Mining	44	18.9	(0.4)	10.0	10
Construction	14	(17.6)	0.0	3.2	4
Manufacturing	20	17.6	7.4	4.6	2
Transportation/Public Utilities/Communications	17	(19.0)	(5.0)	3.9	5
Wholesale Trade	14	27.3	14.9	3.2	3
Retail Trade	49	6.5	(1.2)	11.2	9
Services	36	(2.7)	(5.6)	8.2	6
Financial, Insurance, Real Estate	17	(5.6)	(5.0)	3.9	6
Government	186	(4.6)	0.2	42.5	26

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.1 %	(0.5)	(1.1)	232 nd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$40,760	(16.8)	3.2	236 th
Average Per Capita Income	$22,237	(14.3)	4.4	97 th

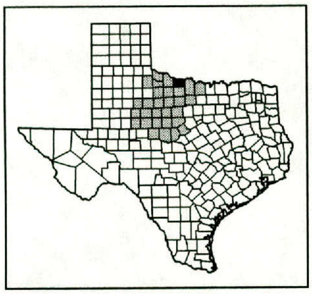
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	13.5 %	(5.2)	(0.5)	187 th
Ages 0-17	20.1 %	(8.4)	3.0	160 th
Ages 5-17 in Families	17.1 %	(9.3)	1.0	170 th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$203,733,617	3.9	0.2	240 th
Property Value Per Capita	$110,126	(4.8)	(0.1)	37 th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$3,501,137	(8.3)	(1.0)
Sales Tax Outlets	49	(15.5)	(6.3)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	2	3	345	(7.3)
Higher Education Fall 2001				

Wichita County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	131,664	7.6	
Under age 5	9,186	(1.7)	7.0
Under 18	33,120	3.6	25.2
65 and over	16,718	7.2	12.7
85 and over	1,999	8.1	1.5
Male	67,061	11.9	50.9
Female	64,603	3.5	49.1
White	103,705	1.2	78.8
Black	13,466	20.0	10.2
Asian	2,418	30.6	1.8
Hispanic	16,097	52.5	12.2

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	56,226	0.9	0.7		3,011
Agricultural Services, Forestry, Fishing	274	12.8	4.4	0.5	62
Mining	824	4.2	(4.8)	1.5	158
Construction	2,033	(4.4)	(0.6)	3.6	270
Manufacturing	8,315	(1.7)	1.2	14.8	161
Transportation/Public Utilities/Communications	2,389	18.2	(2.5)	4.2	125
Wholesale Trade	2,050	(1.6)	(0.4)	3.6	207
Retail Trade	11,610	(1.8)	0.8	20.6	585
Services	14,316	2.2	0.8	25.5	1,041
Financial, Insurance, Real Estate	2,167	1.8	0.7	3.9	289
Government	12,236	1.9	1.4	21.8	105

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	3.5 %	(0.6)	(1.1)	162nd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$3,324,223	5.8	4.6	23rd
Average Per Capita Income	$25,309	6.5	4.3	46th

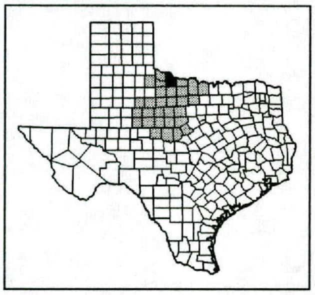
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	13.2 %	(2.0)	(3.7)	194th
Ages 0-17	17.7 %	(4.0)	(6.1)	183rd
Ages 5-17 in Families	15.7 %	(4.6)	(5.8)	188th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$4,625,760,090	3.7	3.5	29th
Property Value Per Capita	$35,133	1.0	2.7	227th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$1,033,829,837	4.1	3.5
Sales Tax Outlets	3,092	(5.7)	(4.1)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	5	47	22,527	0.5
Higher Education Fall 2001		1	5,960	2.5

Wilbarger County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	14,676	(2.9)	
Under age 5	973	(10.1)	6.6
Under 18	4,094	2.6	27.9
65 and over	2,375	(16.3)	16.2
85 and over	418	18.8	2.8
Male	7,264	(2.7)	49.5
Female	7,412	(3.2)	50.5
White	11,472	(4.5)	78.2
Black	1,301	(3.6)	8.9
Asian	93	13.4	0.6
Hispanic	3,015	38.0	20.5

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	6,565	1.5	2.3		379
Agricultural Services, Forestry, Fishing	252	19.4	1.0	3.8	29
Mining	44	4.8	0.0	0.7	13
Construction	142	31.5	14.9	2.2	22
Manufacturing	902	(1.0)	5.3	13.7	11
Transportation/Public Utilities/Communications	247	0.8	0.8	3.8	18
Wholesale Trade	139	(12.6)	(1.4)	2.1	19
Retail Trade	1,089	13.8	3.8	16.6	77
Services	840	(5.7)	(4.3)	12.8	115
Financial, Insurance, Real Estate	208	2.5	(0.2)	3.2	28
Government	2,702	(1.4)	3.6	41.2	47

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	2.4 %	(0.2)	(2.1)	221st

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$325,015	(2.1)	5.2	130th
Average Per Capita Income	$22,197	(1.6)	5.3	100th

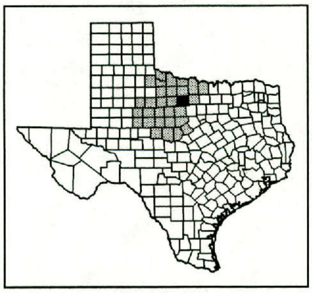
Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	13.1 %	(4.6)	(4.8)	196th
Ages 0-17	16.3 %	(9.0)	(7.6)	197th
Ages 5-17 in Families	13.9 %	(11.9)	(7.7)	207th

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$632,054,770	(21.8)	(6.0)	160th
Property Value Per Capita	$43,067	(25.2)	(6.4)	182nd

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$70,668,378	15.5	4.0
Sales Tax Outlets	343	(7.5)	(4.3)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	3	7	2,715	(0.6)
Higher Education Fall 2001		1	2,269	8.3

Young County



Population	Census 2000	Percent Change 1990-2000	Percent of County Population
Total	17,943	(1.0)	
Under age 5	1,083	(16.9)	6.0
Under 18	4,485	(7.0)	25.0
65 and over	3,531	6.5	19.7
85 and over	517	25.8	2.9
Male	8,578	(1.3)	47.8
Female	9,365	(0.7)	52.2
White	16,325	(4.1)	91.0
Black	218	(18.7)	1.2
Asian	46	(6.1)	0.3
Hispanic	1,906	63.7	10.6

Employment	2001	Percent Change 2000-2001	Average Annual Growth 1996-2001	Percent of County Employment	Firms in 2001
Total	6,160	(1.5)	0.3		584
Agricultural Services, Forestry, Fishing	64	8.5	(2.1)	1.0	14
Mining	564	7.2	(1.4)	9.2	92
Construction	190	(19.1)	1.4	3.1	42
Manufacturing	1,031	(8.6)	(1.2)	16.7	29
Transportation/Public Utilities/Communications	293	0.0	0.1	4.8	36
Wholesale Trade	214	(15.7)	(3.9)	3.5	33
Retail Trade	1,092	4.5	1.8	17.7	99
Services	983	0.3	0.7	16.0	144
Financial, Insurance, Real Estate	294	4.6	(1.4)	4.8	43
Government	1,433	(1.1)	1.7	23.3	49

Unemployment	2001	Change 2000-2001	Change 1996-2001	2001 State Ranking
Unemployment Rate	4.9 %	(0.8)	(2.0)	82nd

Income	2000	Percent Change 2000-2001	Avg. Annual Percent Change 1995-2000	2000 State Ranking
Personal Income (Thousands)	$440,838	5.9	5.0	114th
Average Per Capita Income	$24,602	6.2	5.0	56th

Poverty	1999	Change 1998-1999	Change 1993-1999	1999 State Ranking
Poverty Rate	15.7 %	(1.6)	(1.0)	149th
Ages 0-17	21.4 %	(2.1)	(0.0)	142nd
Ages 5-17 in Families	19.0 %	(5.3)	(0.1)	143rd

Property Values	2000	Percent Change 1999-2000	Avg. Annual Percent Change 1995-2000	2000 State Ranking
January 1st Total Property Value	$846,274,230	32.5	7.5	137th
Property Value Per Capita	$47,165	29.6	7.2	156th

Sales Activity	2001	Percent Change 2000-2001	Avg. Annual Percent Change 1996-2001
Taxable Sales	$110,653,932	2.5	3.1
Sales Tax Outlets	673	(4.9)	(3.9)

Education	Number of Districts	Number of Schools	Enrollment	Percent Enrollment Growth from Prior Year
Public Education 2001-02	3	10	3,396	(0.5)
Higher Education Fall 2001				

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