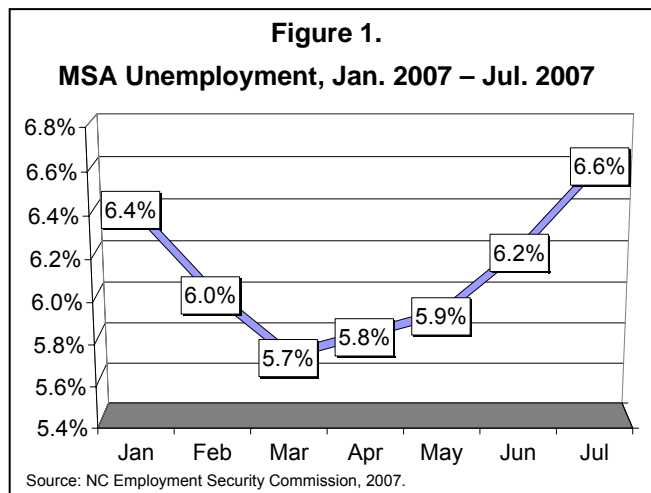


# Economic Indicators Newsletter

Reporting Economic Trends in the Hickory-Morganton-Lenoir NC Metropolitan Statistical Area (MSA)

## Civilian Labor Force

The Hickory MSA's unemployment rate rose from 5.7% in March to 6.6% in July, the second highest among NC metro areas (Figure 1). While the number of employed grew by 299 between March and July, the unemployment rate increase was due to growth in the number of available workers or "civilian labor force." North Carolina Employment Security Commission statistics show that the civilian labor force in the Hickory Metro grew by 2,011 persons to 179,434. All other Metro areas in North Carolina saw similar increases in unemployment rates between March and July. The July 2007 NC MSA rates are shown in Table 1. County unemployment rates for July were Alexander 6.0%, Burke 6.8%, Caldwell 7.8% and Catawba 6.0%.



**Table 1.**  
**MSA Unemployment Rate, July 2007**

Raleigh-Cary	3.9%
Asheville	3.9%
Wilmington	4.2%
Durham	4.2%
Jacksonville	4.8%
Winston-Salem	4.9%
Charlotte-Gastonia-Concord	5.2%
Greensboro-High Point	5.4%
Goldsboro	5.5%
Burlington	5.6%
Fayetteville	5.8%
Greenville	6.0%
<b>Hickory-Morganton-Lenoir</b>	<b>6.6%</b>
Rocky Mount	6.7%

Source: NC Employment Security Commission, 2007.

## Gross Collections

North Carolina gross collection figures include money from registration fees, penalties, interest, and sales and use taxes (County sales taxes are excluded). State gross collections for the Hickory MSA have risen from less than \$100 million in 2002 to \$121.23 million in 2006 (Figure 2). The 23.4% increase in gross collections is an indication of the strength in the Hickory Metro's retail economy over the past four years.

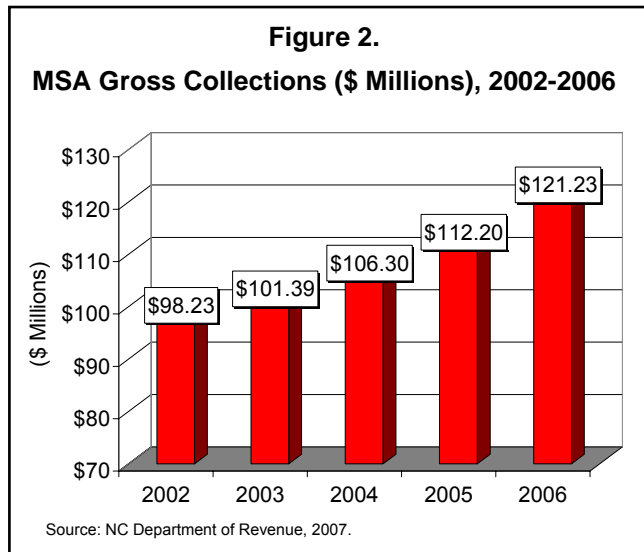


Table 2 displays gross collections for the four MSA counties from 2004 to 2006. Each MSA county experienced growth in gross tax collections over the past two years. The largest total and percentage increase occurred in Catawba County where collections grew from \$66.8 to \$77.8 million, a gain of 16.4%. Caldwell County's collections increased 13.1%, Alexander's grew 13% and Burke's rose 6.6%.

**Table 2.**  
**Gross Tax Collections**

Counties	2004	2005	2006
Alexander	\$4,654,719	\$4,849,372	\$5,258,379
Burke	\$18,038,723	\$18,102,489	\$19,236,022
Caldwell	\$16,756,871	\$17,027,005	\$18,950,467
Catawba	\$66,848,024	\$72,267,672	\$77,785,106

Source: NC Department of Revenue, 2007.



## “EIN Spotlight”

### 2006 American Community Survey Results

In 1999 the US Census Bureau initiated the American Community Survey or ACS. The ACS program replaces the Census “long form” (conducted once every ten years) and provides yearly updates on a number of socio-economic indicators for communities and metro areas. In 2003 the first ACS reported results for Hickory Metro region. In 2005, the ACS results were provided to all areas (counties and municipalities) with over 65,000 persons and with this change ACS data became available for Burke, Caldwell and Catawba counties.

The 2006 version of the American Community Survey is important for the US Census Bureau and the region since it represents the first time that group quarters data (group quarters includes dormitories, group homes, half-way houses, nursing homes and prisons) is included in the survey results. This additional data will provide a more complete picture of demographic, income and housing data trends in the Hickory Metro. The region will receive even more data from the ACS in years to come. The 2007 ACS will have data available for areas larger than 20,000 instead of only for areas over 65,000. Data for areas smaller than 20,000 will become available in 2010.

A few cautions must be taken into consideration when analyzing ACS results. First, the survey does allow for comparisons between metro areas; however, the data is not fully comparable to the 2000 Census “long form” due to different weighting and sampling techniques. Also, for some data categories the sample size is still too small to provide fully reliable data with margins of error up to 10%. Even with these caveats, the ACS still provides timely data in many social and economic categories. This edition of the *EIN Spotlight* will focus on population, social and income results of the 2006 ACS including comparisons with other metros in North Carolina. The next *Economic Indicators Newsletter* will include an article analyzing housing data results from the 2006 ACS.

### Population Demographics

Results from the ACS show that the Hickory MSA’s older population groups are increasing. The population of the 45 to 64 age group grew by 15.6% to 95,240 persons, while the 65 and older group increased 11.4% to 48,659 (Table 3). There are several key factors behind the population increases. The first is the aging of the “baby boom” generation into the 45 to 64 and 65 and older age groups. Another factor is the in-migration of persons at or near retirement age to the region.

Age Group	2000	% of Population	2006	% of Population	Change 2000-2006	% Change 2000-2006
Under 5	22,057	6.5%	23,324	6.5%	1,267	5.7%
5-19	68,685	20.1%	71,275	19.8%	2,590	3.8%
20-44	125,032	36.6%	121,358	33.7%	-3,674	-2.9%
45-64	82,411	24.1%	95,240	26.5%	12,829	15.6%
65 and Older	43,666	12.8%	48,659	13.5%	4,993	11.4%
<b>Totals</b>	<b>341,851</b>	<b>100.0%</b>	<b>359,856</b>	<b>100.0%</b>	<b>18,005</b>	<b>5.3%</b>

Source: American Community Survey, US Census Bureau, 2007.

The data in Table 3 also indicate a troubling trend for the region with respect to the future labor pool of younger workers. Between 2000 and 2006 the population of the 20 to 44 age group declined 2.9% to 121,358. This decline has probably due to the region’s job losses since 2000, which may have forced younger residents to seek employment elsewhere. The loss of population in the 20 to 44 age group would likely be even more significant were it not for Asians and Hispanics migrating to the region, whose majority tends to be younger than the local population.

Although the population of the 20 to 44 age group declined between 2000 and 2006, Table 3 does show some growth taking place in the youngest age group cohorts since 2000. The under age 5 group grew from 22,057 in 2000 to 23,324 in 2006 for a 5.7% increase. The population of the 5 to 19 group increased 3.8% to 71,275. These population gains are probably due to an increased number of Hispanic children migrating to the region, plus Hispanics as a group have a higher birth rate than the local population.



2006 American Community Survey Results

The population change in Hickory MSA ethnic groups is shown in Table 4. Between 2000 and 2006 the number of Hispanics grew from 13,834 to 21,479 for an increase of 55.3%. The estimated Hispanic population in 2006 was only 1,509 persons fewer than the African American count, currently the largest minority group in the Hickory MSA. The Census Bureau estimates that the African American population has actually declined 2.7% since 2000, perhaps due to job losses in the region. Based on current population trends, Hispanics will become the largest minority group in the region by 2008.

Table 4. Hickory MSA Ethnic Group Population Changes, 2000-2006						
Ethnic Group	2000	% of Population	2006	% of Population	Change 2000-2006	% Change 2000-2006
White	299,032	88.4%	306,403	85.1%	7,371	2.5%
African American	23,626	6.6%	22,988	6.4%	-638	-2.7%
Asian & Pacific Islander	8,188	2.3%	9,327	2.6%	1,139	13.9%
Other Race	6,678	1.9%	15,088	4.2%	8,410	125.9%
Mixed Race	3,480	1.0%	4,790	1.3%	1,310	37.6%
<b>Total Population</b>	<b>341,851</b>	<b>100.0%</b>	<b>359,856</b>	<b>100.0%</b>	<b>18,005</b>	<b>5.3%</b>
Hispanics (Any Race)	13,834	3.8%	21,479	6.0%	7,645	55.3%

Source: American Community Survey, US Census Bureau, 2007.

According to the Census Bureau, the fastest growing minority group in the Hickory MSA since 2000 has been the "other race" category. Its population has increased 126% from 6,678 persons in 2000 to 15,088 in 2006. It would appear that the increase in "other race" is a result of Hispanics marking "other" for race and Hispanic for ethnicity on the Census form. Figure 3 shows the origin of Hispanics in the Hickory MSA. Of the 21,479 Hispanics in the region, 11,044 or 51% are of Mexican decent. A small fraction is from Cuba and Puerto Rico while the remaining 39% is from other countries in Central or South America.

Social Demographics

Besides asking questions concerning age and ethnicity, the ACS also has estimates of several "social demographics" such as households by type. Of the 135,237 total households in the Hickory MSA, 70.1% are families (Table 5). Of these households, 71,939 or 75.9% are married couple families. The vast majority of the 40,395 non-family households are householders living alone. Nearly 10% of households in the Hickory MSA are persons 65 and older living alone.

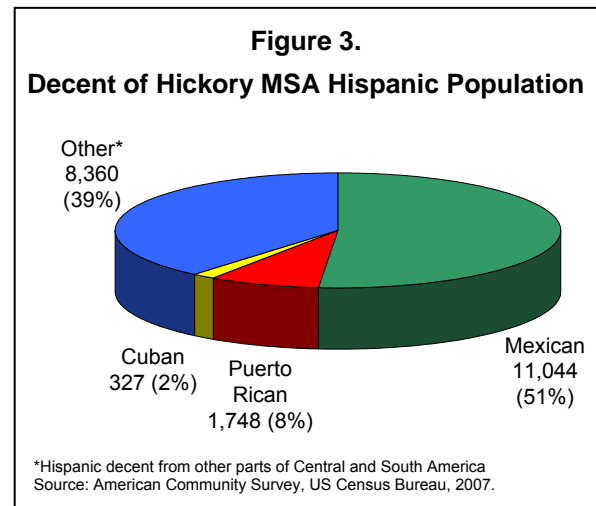


Table 5. Hickory MSA Households by Type, 2006 American Community Survey				
Households by Type	Households	% of All Households	% of Family Households	% of Nonfamily Households
<b>Total households</b>	<b>135,237</b>	<b>100.0</b>		
Family households (families)	94,842	70.1	100.0	
With own children under 18 years	40,223	29.7	42.4	
Married-couple families	71,939	53.2	75.9	
With own children under 18 years	27,910	20.6	29.4	
Male householder, no wife present	6,765	5.0	9.4	
With own children under 18 years	2,962	2.2	4.1	
Female householder, no husband present	16,138	11.9	22.4	
With own children under 18 years	9,351	6.9	13.0	
Nonfamily households	40,395	29.9		100.0
Householder living alone	35,188	26.0		87.1
65 years and over	13,166	9.7		32.6

Source: American Community Survey, US Census Bureau, 2007.



## 2006 American Community Survey Results

About 30% (40,233) of Hickory MSA family households have children less than 18 years old. About 3,000 of these households have a male householder with no wife present. A total of 9,351 households have children with a female householder (no husband present).

Data from the 2006 ACS show that some progress is being made towards improving the region's educational attainment. The number of persons over 25 that have reached the attainment level of "high school graduate or equivalent," for instance, has increased by 12,156 persons to 85,343 (Table 6). Meanwhile, the number of persons with less than a 12<sup>th</sup> grade education has declined by nearly 10,000 since 2000. While it is true that some of this decline has been caused by the deaths of older residents with low educational attainment, the data shows that many adults over 25 with less education are attempting to achieve their GED or equivalent.

Educational Attainment	2000	% of Population	2006	% of Population	Change 2000-2006	% Change 2000-2006
<b>Population 25 Years and Over</b>	<b>230,937</b>	<b>100.0%</b>	<b>245,413</b>	<b>100.0%</b>	<b>14,476</b>	<b>6.3%</b>
Less than 9th Grade	25,286	10.9%	19,786	8.1%	-5,500	-21.8%
9th to 12th Grade	43,199	18.7%	38,564	15.7%	-4,635	-10.7%
High School Graduate	73,187	31.7%	85,343	34.8%	12,156	16.6%
Some College, No Degree	42,672	18.5%	43,526	17.7%	854	2.0%
Associate's Degree	15,139	6.6%	18,923	7.7%	3,784	25.0%
Bachelor's Degree	22,333	9.7%	24,050	9.8%	1,717	7.7%
Graduate Degree	9,121	3.9%	15,221	6.2%	6,100	66.9%

Source: American Community Survey, US Census Bureau, 2007.

Results in Table 6 also indicate that progress is being made with respect to "higher education" achievement. The number of persons over 25 with associate degrees has grown 25% since 2000 to 18,923. The largest percentage increase in educational achievement has occurred in the number of persons with graduate degrees. This group has grown by 66.9% since the 2000 Census for a total of 15,221 persons.

Despite the progress that the Hickory Metro has made increasing educational attainment levels, the region still trails all other Metro's in North Carolina (Table 7). In 2000 the Hickory MSA ranked as having the lowest percentage of population over 25 with a high school degree or higher among the 14 North Carolina MSAs. Although the percentage of the population with a high school diploma or equivalent has improved from 70.3% in 2000 to 76.2% in 2006, the Hickory MSA still has the lowest percentage of high school attainment among the 14 Metro areas in North Carolina.

MSA	2000 Census				2006 American Community Survey			
	% High School or Higher	Rank (1=High)	% Bachelor's Degree or Higher	Rank (1=High)	% High School or Higher	Ranking (1=High)	% Bachelor's Degree or Higher	Ranking (1=High)
Asheville	80.9	7	23.1	8	84.1	6	27.0	7
Burlington	76.5	12	19.2	9	79.0	12	19.3	11
Charlotte-Gastonia-Concord	81.9	6	29.0	3	85.3	3	30.5	3
Durham	82.8	4	38.7	1	85.2	4	40.0	1
Fayetteville	83.8	3	18.3	10	87.7	1	21.9	10
Goldsboro	77.2	11	15.0	11	80.6	11	15.1	13
Greensboro-High Point	78.2	9	23.5	7	81.3	10	24.3	9
Greenville	77.9	10	23.9	6	83.5	7	27.4	5
<b>Hickory-Morganton-Lenoir</b>	<b>70.3</b>	<b>14</b>	<b>13.6</b>	<b>14</b>	<b>76.2</b>	<b>14</b>	<b>16.0</b>	<b>12</b>
Jacksonville	84.3	2	14.8	12	83.5	8	27.4	6
Raleigh-Cary	86.3	1	37.7	2	87.3	2	39.2	2
Rocky Mount	71.8	13	13.9	13	78.4	13	14.9	14
Wilmington	82.6	5	24.2	4	84.9	5	28.2	4
Winston-Salem	79.8	8	24.1	5	83.2	9	26.1	8

Source: American Community Survey, US Census Bureau, 2007.



## 2006 American Community Survey Results

ACS survey results were slightly better for the percentage of the population with a bachelor's degree or higher. In 2000 the Hickory Metro ranked among North Carolina MSAs as having the lowest percentage of population with a bachelor's degree or higher (Table 7). Since 2000 the percentage of population over 25 with a bachelor's degree or higher has increased from 13.6% to 16.0%. By 2006 the Hickory Metro improved its ranking to third lowest (or 12th highest) of the 14 North Carolina MSAs.

There are reasons behind the Hickory MSA's educational achievement advances. The region's community colleges are graduating more students with associate degrees. Degrees are also being achieved through various undergraduate and graduate programs offered at the Hickory Metro Higher Education Center and at other locations in the region through Appalachian State University, Gardner-Webb University, Lenoir-Rhyne College, Western Carolina University and other institutions. Another explanation is that some of the new jobs being created in the Hickory MSA are requiring associate, bachelor or graduate degrees.

### Employment by Occupation

Since 2000 the number of employed residents has dropped from 176,415 to 164,912 (Table 8). Two reasons for this employment decline are the thousands of net job losses in the region since 2000 plus some employed persons in 2000 have retired.

Occupation	2000 Census	% of Employed Workers	2006 ACS	% of Employed Workers	Change 2000-06	% Change 2000-06
Management, professional, and related occupations	39,129	22.2	45,013	27.3	5,884	15.0
Service occupations	20,855	11.8	25,378	15.4	4,523	21.7
Sales and office occupations	38,713	21.9	32,739	19.9	-5,974	-15.4
Farming, fishing, and forestry occupations	811	0.5	620	0.4	-191	-23.6
Construction, extraction, maintenance and repair occupations	16,481	9.3	15,879	9.6	-602	-3.7
Production, transportation, and material moving occupations	60,426	34.3	45,283	27.5	-15,143	-25.1
<b>Total Employed (Civilian Labor Force)</b>	<b>176,415</b>	<b>100.0</b>	<b>164,912</b>	<b>100.0</b>	<b>-11,503</b>	<b>-6.5</b>

Source: American Community Survey, US Census Bureau, 2007.

Two occupational groups have experienced employment growth since 2000: the management, professional and related occupation group and service occupations. The management, professional and related group's employment grew from 39,129 in 2000 to 45,013 in 2006. Since an associate degree or higher is usually required for these occupations, the growth in the number of persons with associate, bachelors and graduate degrees coincides with this increase in management/professional occupations.

The Hickory MSA sustained losses in the sales and office occupations; farming, fishing and forestry; construction, extraction, maintenance and repair; and production, transportation and material moving occupation groups. The greatest decline was in the production, transportation and material moving occupations which lost over 15,000 workers since 2000. This decrease represents the majority of the losses in the manufacturing sector over the past six years. Also, job losses of 5,974 workers occurred in the sales and office occupations. This drop is due to sales and office jobs being lost in the manufacturing industry as well as some retail employment cuts that have occurred since 2000.

Table 9 on page 6 reveals several occupational trends among the 14 North Carolina MSAs. The Hickory MSA, despite losing 15,143 in the production, transportation and material moving occupations between 2000 and 2006, still has the highest percentage of workers in those fields of any NC MSA. Conversely, the Hickory Metro had the lowest percentage of workers in sales and office occupations and the second lowest percentage in management, professional and related occupations.



## 2006 American Community Survey Results

**Table 9.**  
**North Carolina MSA Employment Distribution by Occupation Group, 2000-2006**

MSA	Management, professional and related occupations	Service	Sales and office	Farming, fishing and forestry	Construction, extraction, maintenance and repair	Production, transportation and material moving
Asheville	32%	17%	24%	1%	13%	14%
Burlington	30%	15%	24%	<1%	13%	19%
Charlotte-Gastonia-Concord	35%	14%	27%	<1%	11%	13%
Durham	44%	17%	21%	<1%	10%	7%
Fayetteville	33%	18%	26%	1%	10%	12%
Goldsboro	28%	16%	23%	3%	13%	17%
Greensboro-High Point	30%	15%	27%	<1%	10%	18%
Greenville	31%	15%	26%	<1%	10%	17%
<b>Hickory-Morganton-Lenoir</b>	<b>27%</b>	<b>15%</b>	<b>20%</b>	<b>&lt;1%</b>	<b>10%</b>	<b>27%</b>
Jacksonville	28%	20%	26%	<1%	15%	11%
Raleigh-Cary	44%	12%	25%	<1%	11%	7%
Rocky Mount	24%	18%	25%	1%	11%	21%
Wilmington	31%	18%	25%	<1%	14%	11%
Winston-Salem	32%	16%	24%	<1%	11%	16%

Source: American Community Survey, US Census Bureau, 2007.

### Commuting to Work

Table 10 shows changes in commuting patterns of Hickory MSA workers since 2000. Of the 13,215 Hickory MSA workers who lost their jobs since 2006, over 60% (8,232) were workers who carpooled. This result maybe a surprise to some, especially with the recent rise of gasoline prices to nearly \$3.00 a gallon. Perhaps the results seen in Table 10 are due to the loss of manufacturing jobs since carpooling in the Hickory MSA appears to be more common of manufacturing workers than service workers.

**Table 10.**  
**Hickory MSA Commuting to Work, 2000-2006**

Commuting to Work	2000	% of Population	2006	% of Population	Change 2000-2006	% Change 2000-2006
Drove Alone	140,827	81.3%	135,720	84.9%	-5,107	-3.6%
Carpooled	25,173	14.5%	16,941	10.6%	-8,232	-32.7%
Public Transportation	322	0.2%	162	0.1%	-160	-49.7%
Walked	1,877	1.1%	2,321	1.5%	444	23.7%
Other Means	1,845	1.1%	1,253	0.8%	-592	-32.1%
Worked at Home	3,123	1.8%	3,555	2.2%	432	13.8%
<b>All Workers</b>	<b>173,167</b>	<b>100.0%</b>	<b>159,952</b>	<b>100.0%</b>	<b>-13,215</b>	<b>-7.6%</b>

Source: American Community Survey, US Census Bureau, 2007.

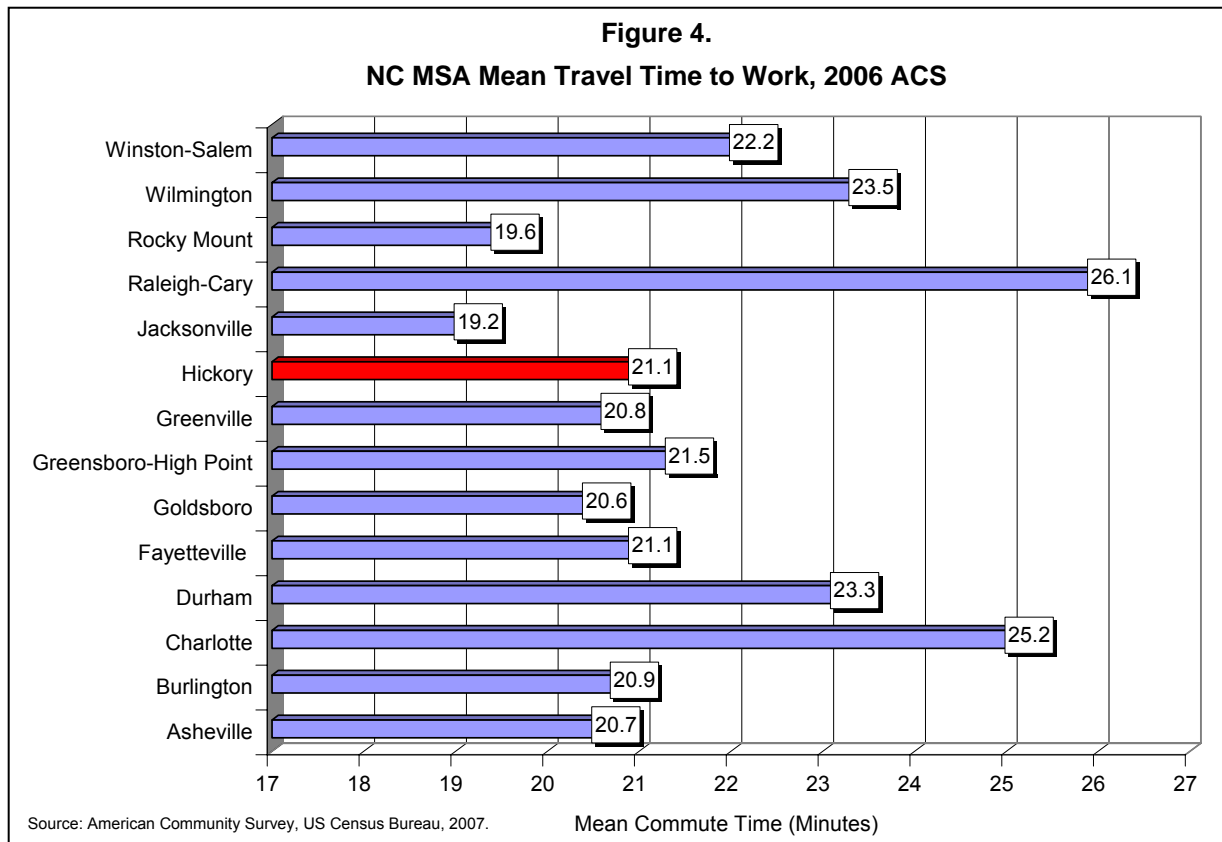
The number of workers who drove alone fell from 140,827 in 2000 to 135,720 workers in 2006. Despite this decrease, as of 2006 approximately 85% of Hickory MSA workers drove alone to work compared to 81.3% in 2000 due to a significant decline in the number of workers who regularly carpooled. The only increases in commuting characteristics occurred in the "walking to work" and "working from home" categories.

In 2006 Hickory MSA drivers had a mean (or average) travel time to work of 21.1 minutes. The average commute time in 2006 for Hickory MSA workers is virtually unchanged from 2000 (21.2 minutes). The 2006 Hickory MSA mean commute time is a few minutes less than the national average of 25 minutes and the North Carolina average of 23.4 minutes.

Figure 4 on page 7 compares the mean commute time of the Hickory MSA with the other Metros in North Carolina. The average Hickory MSA commute of 21.1 minutes is within plus or minus 2.5 minutes compared to all other Metros areas in North Carolina except for the Raleigh and Charlotte MSAs, which have the highest commute times in the State. The Raleigh-Cary MSA had the highest commute time of 26.1 minutes followed by Charlotte-Gastonia-Concord with 25.2 minutes. Highest commute times among metro areas in the US included the New York metro area with an average commute of 34.1 minutes, Washington DC at 33.2 minutes, and Los Angeles with 28.0 minutes.



2006 American Community Survey Results



**Household Income**

The data seen in Table 11 indicates a decline of low to middle income households earning from \$15,000 to \$75,000 between 2000 and 2006. Over 50% of these losses occurred in the \$24,999 to \$50,000 household group, which declined from 46,992 in 2000 to 41,458 in 2006. There are three possible explanations for the loss of households earning between \$15,000 and \$75,000. It is likely that some middle income households that were earning less than \$75,000 in 2000 are now earning more than \$75,000 since the number of \$75,000 to \$99,999 households increased by 3,385 between 2000 and 2006. It is also possible that some middle income households fell into the under \$15,000 bracket, which grew by 10.8% between 2000 and 2006. Finally, some households may have relocated out of the Hickory Metro after losing their jobs.

**Table 11.**  
**Hickory MSA Household Income, 2000-2006**

Households	2000	% of Households	2006	% of Households	Change 2000-2006	% Change 2000-2006
Less than \$15,000	20,816	12.0%	23,061	17.1%	2,245	10.8%
\$15,000 to \$24,999	19,625	11.3%	17,513	12.9%	-2,112	-10.8%
\$24,999 to \$50,000	46,992	27.1%	41,458	30.7%	-5,534	-11.8%
\$50,000 to \$74,999	27,952	16.1%	27,680	20.5%	-272	-1.0%
\$75,000 to \$99,999	10,179	5.9%	13,564	10.0%	3,385	33.3%
\$100,000 to \$199,999	6,948	4.0%	9,694	7.2%	2,746	39.5%
\$200,000 or More	1,593	0.9%	2,267	1.7%	674	42.3%
<b>Total Households</b>	<b>134,105</b>	<b>77.4%</b>	<b>135,237</b>	<b>100.0%</b>	<b>1,132</b>	<b>0.8%</b>
Median Household Income	\$37,818		\$39,213		\$1,395	3.7%

Source: American Community Survey, US Census Bureau, 2007.

Table 11 also shows increases in Hickory MSA higher income households with the number of households earning between \$75,000 to \$99,999 growing 33.3%, \$100,000 to \$199,999 households increasing 39.5% and \$200,000 or more income households rising 42.3%. Some of the higher income household growth is due to middle income households in 2000 now earning more than \$75,000. It also appears that the Hickory MSA is generating some new higher wage employment.



**2006 American Community Survey Results**

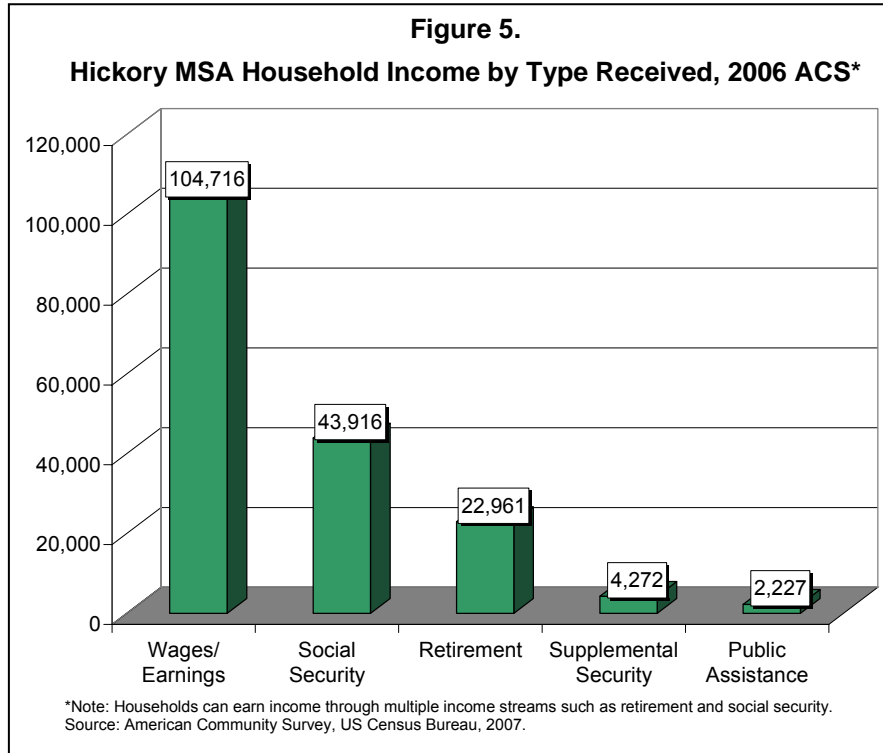
Median household income in the Hickory MSA has risen from \$37,818 in 2000 to \$39,213 in 2006 (Table 11). The 3.7% increase is much lower than the rate of inflation (17.1%) between 2000 and 2006. Comparing other MSAs in North Carolina, Hickory had the fifth lowest median household income among the 14 NC MSAs (Table 12). The 2006 Hickory MSA median household income was \$16,937 less than the highest median household income metro, the Raleigh-Cary MSA.

**Table 12.**  
**NC MSA Median Household Income, 2006**

MSA	Median Household Income
Raleigh-Cary	\$56,150
Charlotte	\$50,367
Durham	\$46,563
Winston-Salem	\$44,706
Wilmington	\$44,166
Greensboro-HP	\$41,539
Burlington	\$40,934
Asheville	\$40,840
Fayetteville	\$40,788
<b>Hickory</b>	<b>\$39,213</b>
Jacksonville	\$38,991
Goldsboro	\$38,158
Greenville	\$36,802
Rocky Mount	\$35,933

Source: ACS, US Census Bureau, 2007.

About 77% of all households (104,716) collect part or all of their income through wages and earnings (Figure 5).



Households which obtain income through wages earn an average of \$52,008 per year. Another 43,916 or 32.5% of households receive social security benefits. These households earn an average of \$13,185. Retirement benefits other than social security are earned by 22,961 households while less than 5% of households receive supplemental security or public cash assistance.

**Poverty**

The poverty level in the United States is defined as an income of \$20,444 for a family of four with two children. Traditionally the Hickory MSA boasts one of the lowest poverty rates of any metro area in North Carolina. While the Hickory MSA poverty rate is still lower than many NC MSAs, it has been rising rapidly due in part to the job losses the area suffered after 2000. The number of individuals living in poverty in the Hickory MSA increased from 32,802 in 2000 to 49,300 in 2006 (Table 13). As a consequence, 50.3% more people are living in poverty in 2006 than in 2000. The poverty rate for all individuals has risen from 9.8% of the population in 2000 to 13.7% in 2006.

**Table 13.**  
**Hickory MSA Poverty Status, 2000-2006**

Population Group	Number Below Poverty Level (2000)	Percent Below Poverty Level (2000)	Number Below Poverty Level (2006)	Percent Below Poverty Level (2006)	Change 2000-2006	% Change 2000-2006
<b>All People</b>	<b>32,802</b>	<b>9.8</b>	<b>49,300</b>	<b>13.7</b>	<b>16,498</b>	<b>50.3%</b>
Under 18 Years	10,694	13.0	14,304	16.7	3,610	33.8%
Under 5 Years	3,384	15.3	4,851	20.8	1,467	43.4%
65 and Over	4,729	11.4	4,719	9.7	-10	-0.2%

Source: American Community Survey, US Census Bureau, 2007.

The number of children under 18 living in poverty has increased from 10,694 in 2000 to 14,303 in 2006. For children less than 5 years old, the poverty rate has risen above 20%. The poverty rate for persons over 65





has dropped from 11.4% in 2000 to 9.7% in 2006. This trend would suggest that some wealthier retirees have migrated to the region over the past six years.

Table 14 displays the 2000 and 2006 poverty rates by age group for the 14 North Carolina Metro areas. The Hickory Metro had the second lowest poverty rate (9.8%) in 2000, behind only the Charlotte MSA. In 2006 the Hickory MSA had the fifth lowest poverty rate for all individuals. Raleigh-Cary had the lowest 2006 poverty rate (10.2%) among North Carolina Metros. Burlington had the highest poverty rate for all individuals (20.1%).

**Table 14.**  
**North Carolina MSA Poverty Rates by Age Group, 2006 ACS**

MSA	All People	Under 18 Years	Under 5 Years	65 and Over
Asheville	11.6%	16.3%	22.7%	8.2%
Burlington	20.1%	32.5%	30.1%	12.1%
Charlotte-Gastonia-Concord	11.5%	14.9%	16.7%	8.9%
Durham	15.1%	19.6%	21.3%	8.6%
Fayetteville	18.6%	26.7%	34.9%	11.3%
Goldsboro	16.6%	20.9%	17.1%	14.0%
Greensboro-High Point	15.1%	22.0%	25.5%	9.4%
Greenville	21.2%	25.2%	36.0%	16.3%
<b>Hickory-Morganton-Lenoir</b>	<b>13.7%</b>	<b>16.7%</b>	<b>20.8%</b>	<b>9.7%</b>
Jacksonville	14.7%	22.1%	30.1%	9.8%
Raleigh-Cary	10.2%	13.3%	14.5%	8.3%
Rocky Mount	17.9%	26.7%	32.6%	15.6%
Wilmington	11.9%	15.1%	14.4%	8.4%
Winston-Salem	12.0%	17.9%	25.1%	8.6%

Source: American Community Survey, US Census Bureau, 2007.

## Hickory MSA Migration Patterns Based on IRS Returns

The 2006 American Community Survey includes a question asking whether an individual has moved to a different residence in the last 12 months. The results of the survey are shown in Table 15. ACS results indicate that 85.4% of the local population lives in the same house in 2006 as in 2005. Another 8.6% reside in the same county but in a different home. Only 5.7% have moved from another county, mostly from within North Carolina.

While Table 15 provides some basic migration information, it lacks several details. It does not show, for example, which specific county in North Carolina a person has moved from. It also does not tell from which state a person has moved into the Hickory MSA. The data also only covers a short time period, just the past 12 months. Finally, it does not reveal any data on where people that have left the Hickory MSA are currently residing.

One way to attempt to answer some of these questions is by looking at IRS tax returns. The Missouri State Data Center has developed a database that generates county by county migration profiles showing movements into and out of the chosen county based on tracking address changes reflected in IRS returns over consecutive tax years. The number of "tax returns" is approximately equal to the number of households moving in and out of a given county. An analysis of "tax exemptions" data can serve as an estimate of the number of persons involved in the migration.

This article will analyze migration patterns into and out of the Hickory MSA over the past three years (2003-2006) based on IRS tax returns for each Hickory MSA county. Some caution must be used in interpreting the results, however, since all people do not fill out tax returns and thus would not be included in the results.

Hickory MSA migration trends based on IRS tax returns are shown in Table 16 on page 10. In terms of total net migration, IRS data shows a net increase of 436 tax returns (assumed households) and 2,251 exemptions (assumed population) between 2003 and 2006. The number of returns from persons who that migrated to the Hickory MSA since 2003 equaled 14,920 with 30,315 exemptions, while 14,484 returns with 28,064 exemptions of 2003 Hickory MSA residents were filed outside the MSA by 2006.

**Table 15.**  
**Residence One Year Ago of Hickory MSA Population, 2006**

Group	Population	% of Population
Population 1 year and over	354,901	100.0
Same house	303,001	85.4
Different house in the US	50,725	14.3
Same county	30,533	8.6
Different county	20,192	5.7
Same state	14,074	4.0
Different state	6,118	1.7
Abroad	1,175	0.3

Source: American Community Survey, US Census Bureau, 2007.

Table 16. Hickory MSA Migration Flow from IRS Returns, 2003-2006						
Migration Flow (From/To) Area	Migration Into the Hickory MSA		Migration Out of the Hickory MSA		Net Hickory MSA In (+) or Out (-) Migration	
	Number of Returns	Number of Exemptions	Number of Returns	Number of Exemptions	Number of Returns	Number of Exemptions
<b>Total- US &amp; Foreign</b>	<b>14,920</b>	<b>30,315</b>	<b>14,484</b>	<b>28,064</b>	<b>436</b>	<b>2,251</b>
<b>US Only</b>	<b>14,829</b>	<b>30,188</b>	<b>14,412</b>	<b>27,945</b>	<b>417</b>	<b>2,243</b>
<b>Same State</b>	<b>7,741</b>	<b>15,148</b>	<b>8,068</b>	<b>15,201</b>	<b>-327</b>	<b>-53</b>
Avery County	46	85	65	109	-19	-24
Buncombe County	249	458	305	537	-56	-79
Forsyth County	166	298	243	461	-77	-163
Gaston County	410	832	434	912	-24	-80
Guilford County	172	315	252	408	-80	-93
Iredell County	1,108	2,299	1,025	2,049	83	250
Lincoln County	974	2,092	927	1,982	47	110
McDowell County	394	805	306	591	88	214
Mecklenburg County	955	1,701	1,010	1,635	-55	66
Rowan County	113	204	53	90	60	114
Rutherford County	91	188	40	81	51	107
Wake County	176	262	361	577	-185	-315
Watauga County	287	484	251	414	36	70
Wilkes County	273	547	281	574	-8	-27
Other Flows - Same State	2,327	4,578	2,515	4,781	-188	-203
<b>Different State</b>	<b>7,088</b>	<b>15,040</b>	<b>6,344</b>	<b>12,744</b>	<b>744</b>	<b>2,296</b>
Northeast	1,251	2,629	638	1,189	613	1,440
Midwest	1,005	2,225	790	1,743	215	482
South	4,039	8,381	4,178	8,140	-139	241
West	793	1,805	738	1,672	55	133

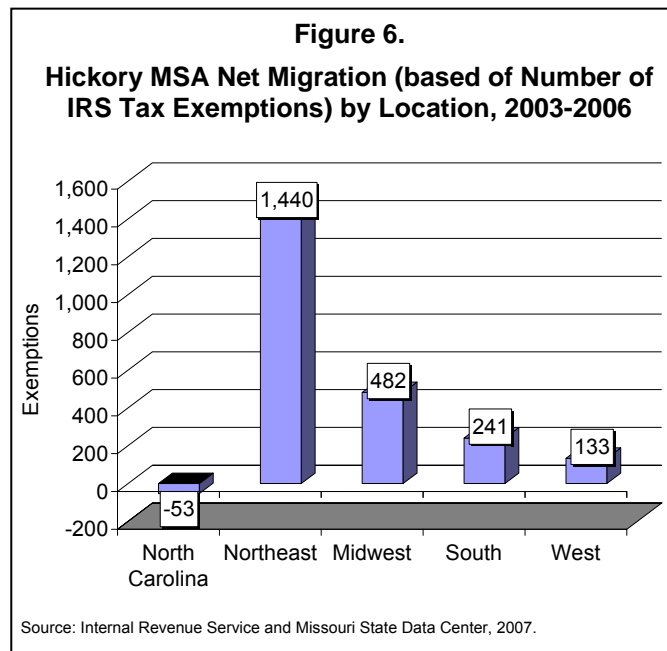
Source: Internal Revenue Service and Missouri State Data Center, 2007.

A closer look at the data in Table 16 provides insight with respect to migration patterns into and out of the Hickory MSA. IRS data indicates that more people moved out of the Hickory MSA to other areas of North Carolina than have moved into the MSA from other areas of North Carolina. The biggest net out-migrations occurred from the Hickory Metro to Wake County (315), Forsyth County (163), and Guilford County (93). The biggest net in-migrations to the Hickory MSA occurred from Iredell County (250), McDowell County (214), and Rowan County (114). Data for Mecklenburg County shows a small out-migration in terms of returns (households), but a slight net in-migration with respect to the number of exemptions (persons).

The Hickory MSA would have a net out-migration of IRS returns if not for in-migration from other areas of the United States (Figure 6). The biggest in-migration occurred from the Northeastern states

to the Hickory MSA with a net increase of 613 returns and 1,440 exemptions. Smaller increases occurred between the Hickory MSA and the Midwest and Western states. Hickory MSA migration results with other Southern states are similar to the situation between the Hickory MSA and Mecklenburg County. IRS data show a net drop in the number of returns (139), but a small net increase in the number of exemptions (241).

Migration trends based on IRS returns for each of the four Hickory MSA counties are displayed in Table 17 on page 11. Alexander County data shows little net migration between 2003 and 2006. IRS data for Burke shows the County losing population to other Hickory MSA counties and well as net out-migration to other Southern and Western states.



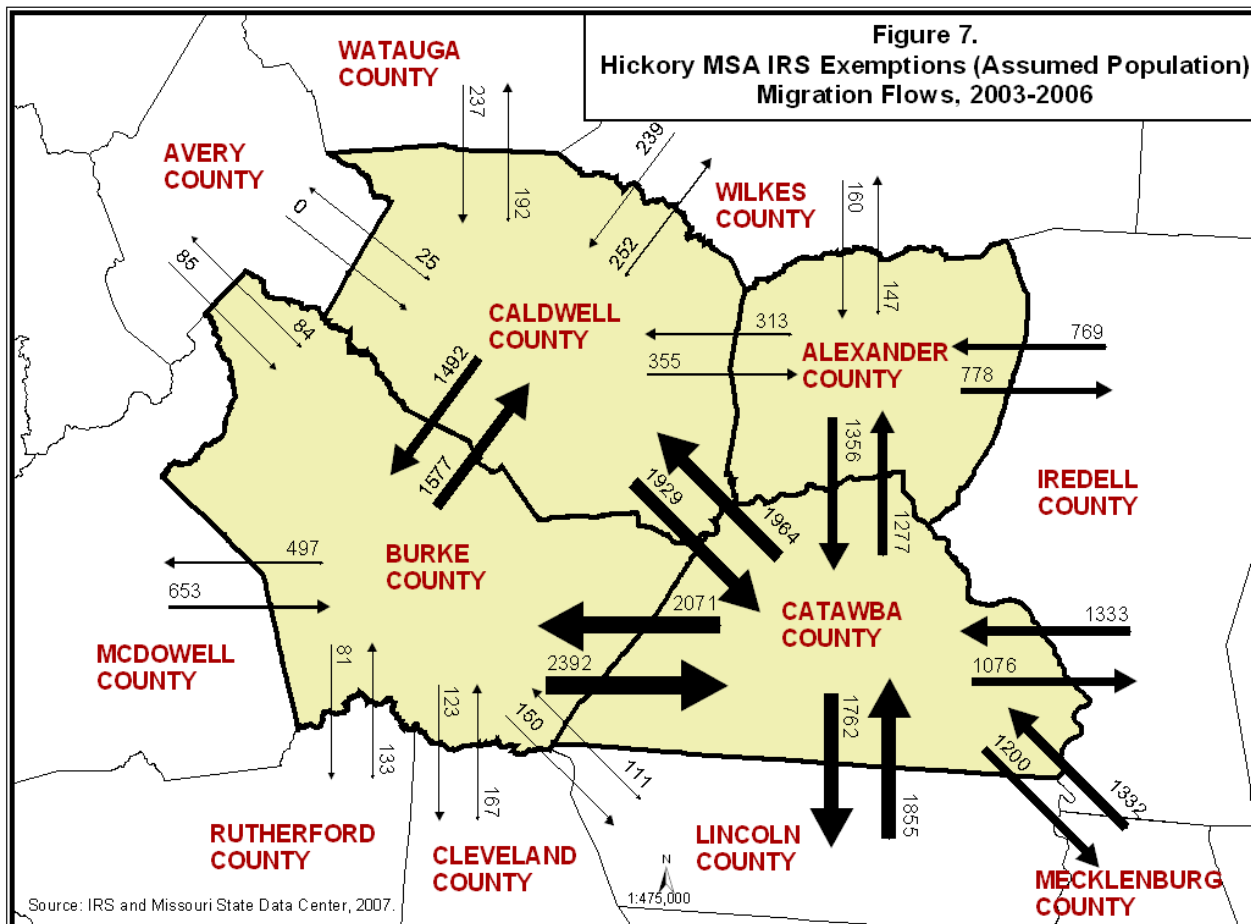
Caldwell County experienced a net increase in exemptions (297) despite a decrease of returns (64) between 2003 and 2006 (Table 17). Records indicate a net out-migration from Caldwell to other counties in North Carolina outside the Hickory MSA, but net in-migration from other states to Caldwell County. Catawba County results reveal net in-migration from other counties in the Hickory MSA, other North Carolina counties and from other states. About 45% of the net in-migration was from the Northeastern United States.

**Table 17.**  
**Hickory MSA Migration Flow from IRS Returns, 2003-2006**

Migration Flow (From/To) Area	Alexander		Burke		Caldwell		Catawba	
	Returns	Exemptions	Returns	Exemptions	Returns	Exemptions	Returns	Exemptions
<b>Total- US &amp; Foreign</b>	-110	83	-327	-461	-64	297	937	2,332
<b>US Only</b>	-110	83	-350	-497	-64	297	941	2,360
<b>Same State</b>	-114	-71	-336	-484	-142	-100	265	602
Other Hickory MSA Counties	-42	-30	-255	-426	33	91	264	365
Other Flows - Same State	-72	-41	-81	-58	-175	-191	1	237
<b>Different State</b>	<b>4</b>	<b>154</b>	<b>-4</b>	<b>32</b>	<b>69</b>	<b>357</b>	<b>678</b>	<b>1,630</b>
Northeast	24	51	81	191	40	146	468	1,052
Midwest	-10	40	18	44	41	85	166	313
South	-13	36	-88	-116	-34	103	-4	218
West	3	27	-25	-132	31	63	46	175

Source: Internal Revenue Service and Missouri State Data Center, 2007.

Figure 7 shows migration flows between Hickory MSA counties and between the Hickory MSA and neighboring counties based on IRS tax exemptions from 2003 to 2006. Catawba County had a net in-migration from all neighboring counties except Caldwell, which was nearly zero (1,964 exemptions into Caldwell and 1,929 exemptions into Catawba from Caldwell). Burke County experienced net out-migration to Caldwell and Catawba Counties, but net in-migration with McDowell County.



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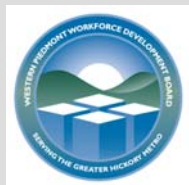
Writer Taylor Dellinger, GISP  
taylor.dellinger@wpcog.org

Contributing Editors John T. Kenny, AICP  
H. DeWitt Blackwell, Jr., AICP

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