

Lafayette, LA– The Lafayette MSA is ranked 24th out of 200 metro areas in the Best Cities Index, compiled annually by the Milken Institute. Lafayette was the biggest mover in the index, jumping up 119 spots over last year’s ranking.

The index ranks U.S. metros based on their ability to create and sustain jobs. It includes both long-term (five years) and short-term (one year) measurements of employment and salary growth. There are also measurements of technology output growth, reflecting technology’s crucial role in regional economic growth.

Lafayette ranked 10th in job growth and 16th in wage and salary growth in 2005-06—echoing similar US Department of Labor numbers released last January. Employment growth is weighted most heavily in the index because of its critical importance in determining a community’s vitality.

Job growth along with a significant increase in wages demonstrates that the Lafayette MSA’s economy is diverse and wealth creation is being shared by a greater percentage of the population. A gauge of the quality of Lafayette’s economy is steady income growth. Without a prosperous population, Lafayette could not continue to attract and support the variety of goods and services that residents have grown accustomed to.

“I’m often asked what indicators demonstrate a successful economic development effort. The best indicators are per capita income and wage growth,” says LEDA president and CEO Gregg Gothreaux. “Over the last decade we’ve done better than the state and nation as a whole on per capita income growth. This shows that the amazing success of our economy.”

The report shows that between 2005 and 2006, the MSA’s employment grew 2.8 percent faster than the national average, while wages and salary grew 3.7 percent above the national average during the same period. Management companies and enterprises added more than 580 jobs and fabricated metal product and machinery manufacturing generated another 570 jobs during that time.

Technology also plays a role in the index as technology output growth determines the economic vibrancy of cities. Lafayette ranks 15th in high-technology GDP growth between 2001 and 2006. Much of Lafayette’s community development work over the past couple of decades has been aimed at fostering technology across industries as an economic driver. The report specifically mentions the Louisiana Immersive Technologies Enterprise (LITE) which opened its doors in September 2006.

"I don't think we can give credit to any one area for this ranking, but what you see is Lafayette being recognized as a complete community with all of the things that go along with it such as technology, our university, our location, our embracing the arts and culture, and our quality of life," says LCG president Joey Durel. "This will, once again, bring more positive recognition to Lafayette."

Officials with the Milken Institute say Lafayette say the tremendous move on the index is a result of the population shifts caused by Hurricane Katrina and the booming oil industry.

While Hurricanes Katrina and Rita did skew Lafayette's short-term growth pattern, Lafayette's economy has been on an upswing for a decade according to Gothreaux.

"Lafayette's recent economic successes are not solely resulting from the hurricanes. Since the mid-1990s, Lafayette has seen steadily increasing retail sales, construction valuation, per capita income, and employment numbers," says Gothreaux. "The economy has been doing well for over a decade and in that time we've demonstrated a leadership position in the nation in various economic indicators, which is substantiated in this ranking.

Other Louisiana cities in the index are Baton Rouge, Shreveport, and New Orleans.

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