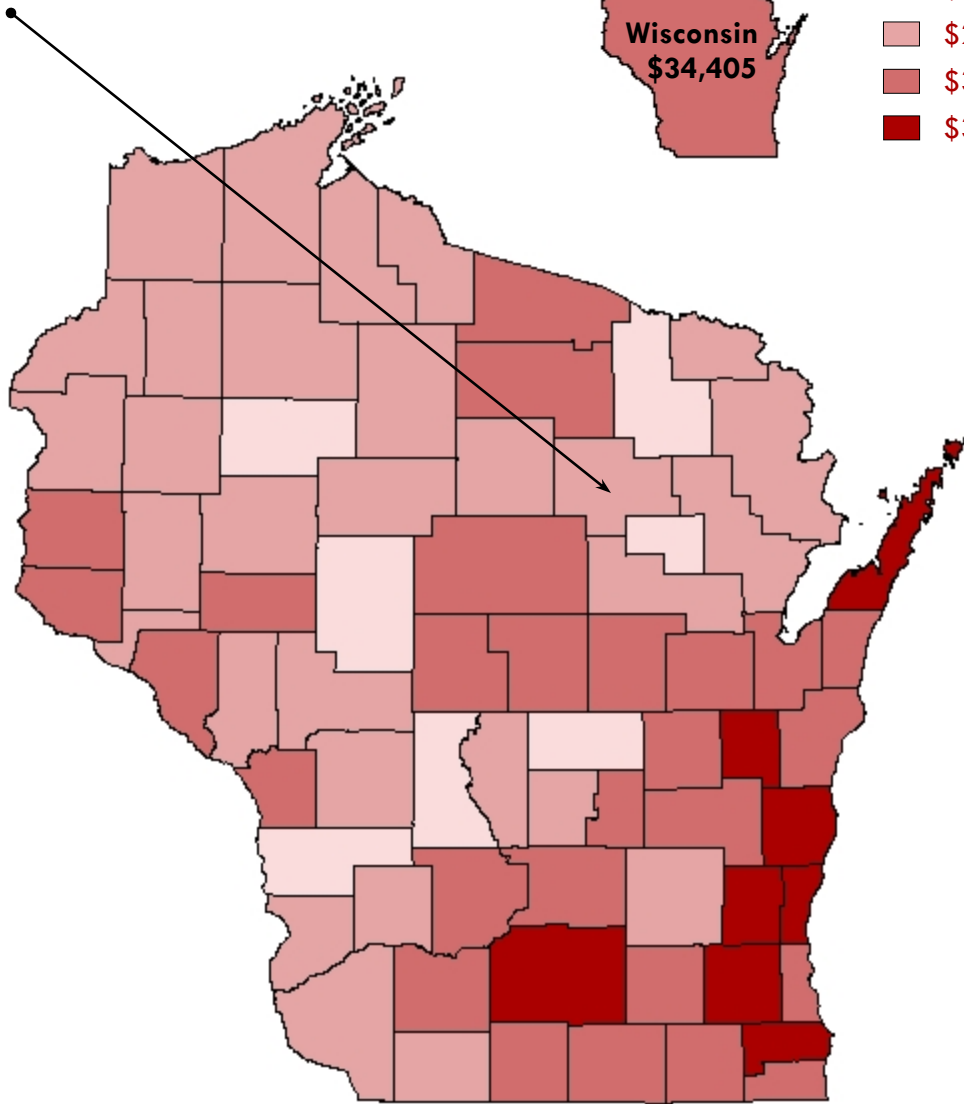


Langlade County Workforce Profile

Per Capita Personal Income in 2006

Langlade County
\$27,575



2008

Office of Economic Advisors

Wisconsin Department of Workforce Development
OEA-10626-P

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Population

Langlade County added 777 residents in the years between 2000 and 2007 to settle at a total population of 21,517 on January 1, 2007. The county's population increased 3.7 percent, less than the 5.3 percentage point growth in the state's population and 6.9 percent in the nation. An ever-expanding population base has become the norm in Langlade County, occurring in every year since 1987. In 2007 Langlade County's percent increase ranked 51st among the 72 counties in Wisconsin.

Even through the pace of new residents moving into the county has slowed since the early 2000s, people moving in to the county remain the only source of population growth in Langlade.

Since 2000 the county population increased 889 from net migration (the difference of residents moving into and out of the county) far exceeding the reduction in population of 112 from the difference in births (1,464) minus deaths (1,576) since 2000.

All municipal areas saw an increase in population between 2000 and 2007. The Town of Rolling added the most with the addition of 108 residents. Not far behind is the Town of Wolf River, which added 107 residents for an increase of 12.5 percent, the highest percentage increase in the county. The City of Antigo increased by 36, representing the third smallest number of residents and at 0.4 percent, the smallest percentage increase.

A rural population adding residents from net migration tends to see a faster rate of increase in the average age

Langlade County's Ten Most Populous Municipalities

	April 2000 Census	Jan.1, 2007 Estimate	Numeric Change	Percent Change
United States	281,421,906	300,888,812	19,466,906	6.9%
Wisconsin	5,363,715	5,647,000	283,285	5.3%
Langlade County	20,740	21,517	777	3.7%
Antigo, City	8,560	8,596	36	0.4%
Rolling, Town	1,452	1,560	108	7.4%
Antigo, Town	1,487	1,519	32	2.2%
Elcho, Town	1,317	1,383	66	5.0%
Neva, Town	994	1,050	56	5.6%
Polar, Town	995	1,026	31	3.1%
Norwood, Town	918	1,002	84	9.2%
Wolf River, Town	856	963	107	12.5%
Upham, Town	689	731	42	6.1%
Ainsworth, Town	571	620	49	8.6%

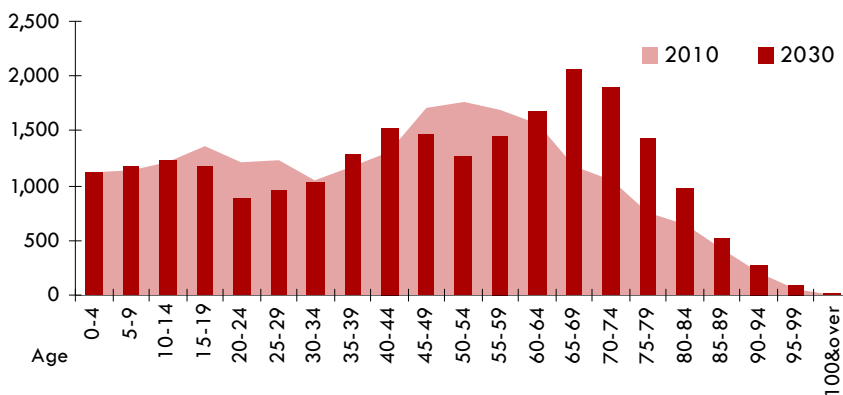
Source: WI Dept. of Administration, Demographic Services, Population Est., July 2008

of its residents, since the in-migrants are almost always adults and often retirees. This is the case in Langlade County where the average age was 42.7 years in 2000. By 2020 it is anticipated that the average age of county residents will be 44.8 years, and by 2030 it will be 46.9 years. This puts the county's average age substantially above the state average of 38.1 years of age in 2000, and the gap will widen with time as the state average age increases to 39.6 years in 2020, and 41.0 years in 2030.

The graph on the left not only demonstrates the 'weight' of this older population in Langlade County, but also reflects the low birth rate and the loss of young people who leave the area seeking more enticing opportunities or more excitement away from their "home town". Without attractive job prospects, young people move in pursuit of more education and better jobs.

The county faces a future that includes meeting the needs of an elderly population and a shortage of workers to replace those retiring. While it is now true that many baby boomers don't plan to fully retire most will move into other positions. Studies show that only five percent of retirement-age workers remain full-time in their pre-retirement positions. Additionally, health care demands increase as the population ages. Due to the relatively advanced age of Langlade County residents, this demand will increase sooner than later.

Population by Age Cohorts in Langlade County



In 2010, the average Langlade County resident will be 42.7 years old.
 In 2020, the average Langlade County resident will be 44.8 years old.
 In 2030, the average Langlade County resident will be 46.9 years old.

Source: WI Dept. of Administration, Demographic Services, & WI DWD, OEA

Population & Labor Force

Population Projections for Langlade County						
Age Group:	0-15	16-34	35-54	55+	Labor-Force- Aged Population	Total Population
Years	Population					
2010	3,739	4,578	5,972	7,573	18,123	21,862
2020	3,768	4,369	5,251	9,515	19,135	22,903
2030	3,769	3,800	5,547	10,382	19,729	23,498
Distribution of Labor-Force-Aged Population						
2010		25.3%	33.0%	41.8%	100.0%	
2020		22.8%	27.4%	49.7%	100.0%	
2030		19.3%	28.1%	52.6%	100.0%	

Source: WI Dept. of Administration, Demographic Services

The graph on page one is indicative of the significance that baby boomers have on the overall age distribution. Population growth in Langlade County is dominated by an older generation that will be less likely to participate in the workforce.

The relationship between the population and the labor force has entered a new era. The previous era's labor scenario was defined by the large size of the Baby Boomer generation (those born from 1946 to 1964) plus the propensity of women to enter the workforce. This combination immensely swelled the workforce beginning in the late 1960s. Forty years later, that workforce expansion is on the cusp of deflating. The first Baby Boomers entered the workforce around 1964 and the rest followed *en masse*. The first Boomers are now eligible for reduced Social Security benefits (the '46ers turned 62 years of age in 2008).

The above table delineates the population by selected age groups over the next three decades. Note that even though the size of the population in the youngest age group increases by 0.8 percent over the 20-year span, that increase pales in comparison the 37 percent increase in the oldest group. Meanwhile, both of the middle age groups are projected to diminish in size, both numerically and proportionately. Additionally, the population aged 55 years and older is projected to increase from 41.8 percent of the labor force aged population (the population aged 16 years and older) to 52.6 percent in 2030.

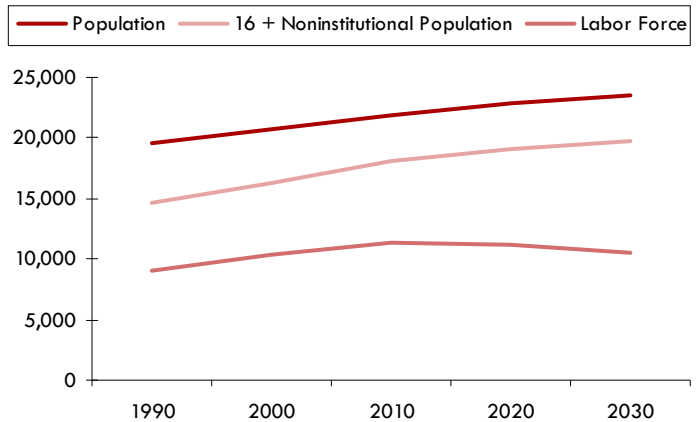
The labor force includes only that share of the population that is engaged in either working or actively looking for work. Beginning near age 55 the rate at which people participate in the labor force begins to drastically decline. As more of the labor force aged population reaches 55 years the number of departures from the labor force increases. These departures impede workforce growth.

In fact, the 16 years and older population is projected to add 1,606 residents from 2010 to 2030, but the labor force is expected to decline by 771 participants (bottom table).

The graph below shows Langlade County's total population, labor force aged population, and labor force. The top two lines, representing the total population and the labor-force-aged population respectively, indicate continued

growth through 2030, albeit somewhat slower than during the 1990s. The bottom line, representing the county's labor force, peaks by 2010, then begins to decline. Competition to fill openings for replacements may be fierce in this tightening labor market.

Langlade County Historic and Projected Population and Labor Force



Source: WI DWD, OEA

Labor Force Projections for Langlade County				
Age Group:	16-34	35-54	55+	Total Labor Force
Years	Labor Force			
2010	3,674	5,093	2,529	11,295
2020	3,492	4,517	3,251	11,261
2030	3,037	4,765	2,722	10,524
Distribution of Labor Force				
2010	32.5%	45.1%	22.4%	100.0%
2020	31.0%	40.1%	28.9%	100.0%
2030	28.9%	45.3%	25.9%	100.0%

Source: WI DWD, OEA

Labor Force

Langlade County's older population is increasing at a much faster rate than the rest of the population. While the total population of 16 and older is expected to increase by about 13 percent between 2000 and 2030, those 60 and older are expected to increase by about 63 percent, an increase almost 5 times faster than that of the general population.

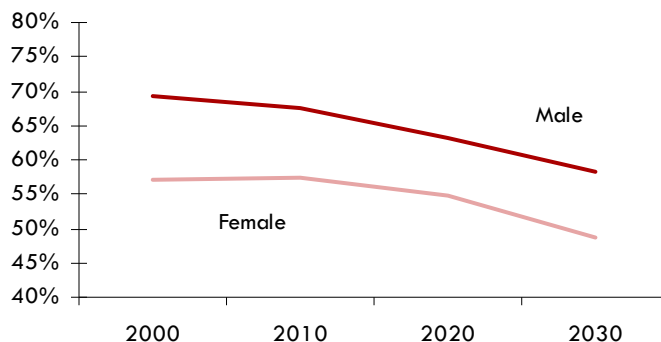
Langlade County is aging and the impact on the labor force will be widespread. Why the aging population has such an impact on the labor force is demonstrated graphically by the Labor Force Participation Rates chart on this page. Labor force participation tends to peak around age 54 and then declines with age. At 45 to 54, the participation rate is about 85 percent. At the 64 to 74 year old bracket, the participation rate has dropped to about 20 percent, and for those 75 and older, the participation rate is only 8.3 percent. Noting the participation rate by age and the aging population helps explain the decreasing participation rate from 2000 to 2030.

Historically, women in Langlade County have about an 10 percent lower labor force participation rate than men. This is illustrated by the Labor Force Participation Rates by Sex chart on this page. Reasons for this may include women being full-time caretakers and women generally living longer than men.

In addition to the labor force issues involved in the aging population, there are other issues such as providing health care and other senior services that must be addressed by the community. The aging population will not only put a strain on employers but also on communities coping with this increasing population segment.

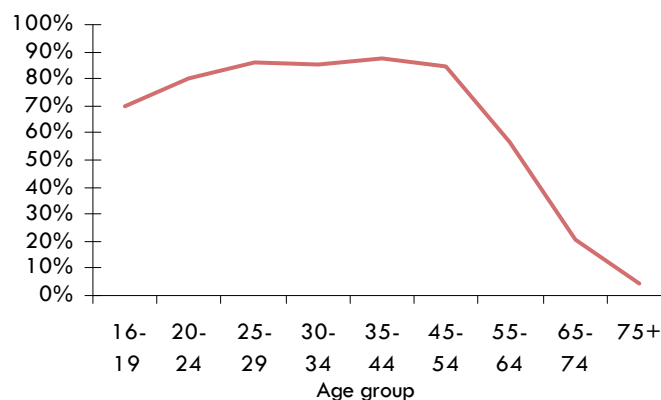
Employment in Langlade County has remained fairly consistent over the past five years. While there has been movement up and down over the years, the unemployment rate has decrease by 1.2 percentage points while the number employed actually decreased by 172. Changes in the unemployment rate are affected by changes in the number employed and the labor force. If there is a decrease in the labor force without a change in the

Labor Force Participation Rates by Sex: 2000-2030



Source: WI DWD, OEA

Labor Force Participation Rates by Age in 2000



Source: Census 2000, SF-3

number employed, the unemployment rate will go down. While a decrease in the unemployment rate is normally a good thing, one that comes about because less people are in the labor force can signal an increase in discouraged workers, more retirees or others not available to work. Whatever the reason, a decrease in the labor force could signal problems for employers trying to hire people to grow their companies.

The chart on the left details unemployment rates for Langlade County over the last five years. While as of this writing (Fall 2008), an economic downturn appears to be on the horizon, the fact remains that after recovery and in the future, unemployment rates will stabilize and labor shortages will ensue. These shortages will be due to the continuing shift in age demographics and the resulting decline in labor force participation in Langlade County.

Langlade County Civilian Labor Force Data

	2003	2004	2005	2006	2007
Labor Force	11,248	10,846	10,706	10,892	10,726
Employed	10,411	10,129	10,058	10,238	10,061
Unemployed	837	717	648	654	665
Unemployment Rate	7.4%	6.6%	6.1%	6.0%	6.2%

Source: WI DWD, Bur. of Workforce Training, Local Area Unemployment Statistics, 2008

Jobs & Wages

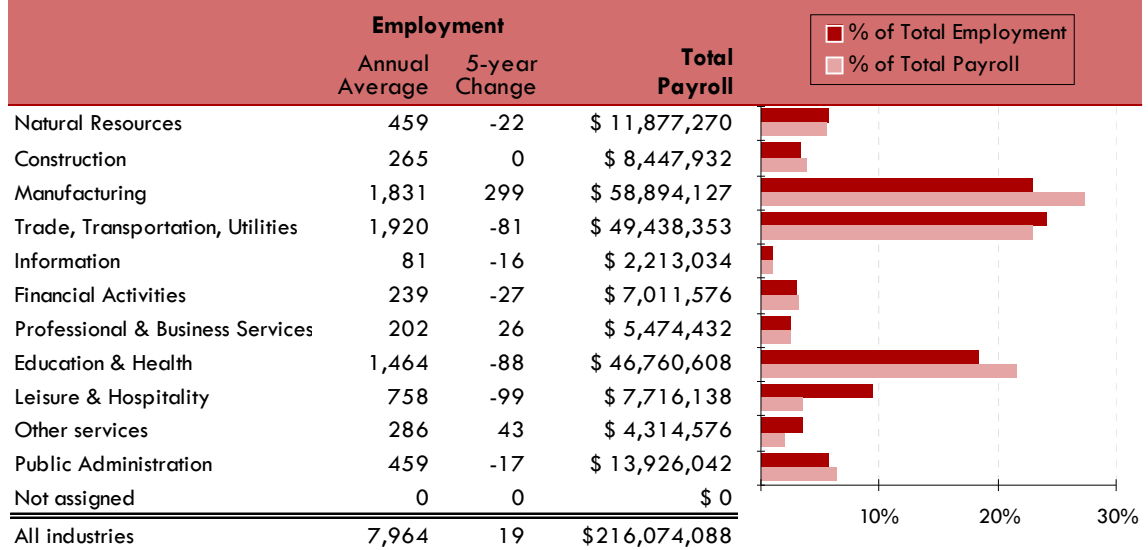
Overall Langlade County gained 19 positions over the past 5 years. While some industries fared better than others, this represents a loss of 0.2 percent of total employment. A trend which, if continued, could indicate future economic problems for the county.

The industry with the greatest economic impact on Langlade County employment is manufacturing. With the addition of 299 jobs over the

past five years, this industry has the second highest number of employees. With about 1,800 jobs (more than 23 percent of total employment), manufacturing contributes about 27 percent of the total payroll, highest in the county.

Even with the loss of 81 positions over the past 5 years, trade, transportation and utilities, has the largest number of employees. The 1,920 positions account for 24.2 percent of total employment and about 23 percent of

2007 Employment and Wage Distribution by Industry in Langlade County



Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2008

total payroll. Education and health, the industry with the third highest number of employees, represents 18.4 percent of employment and 21.6 percent of total payroll.

A comparison of wages in Langlade County to the average annual wage paid in Wisconsin shows that for all industries, Langlade County's wage rate is lower than the state. The amounts range from a low of 56.4 percent for information to a high of 88.5 percent for natural resources. Natural resources pays a wage closest to the state average but has only 459 employees, who together earn only 5.8 percent of total payroll in the county.

The double whammy of a shrinking workforce and lower paying jobs may lead to serious issue for employers trying to find and retain qualified workers, and may have a serious economic impact on the county. Governmental agencies and private employers may want to work together to improve the prospects of hiring and retaining qualified workers especially as the Boomers move out of the labor market.

Average Annual Wage by Industry Division in 2007

	Average Annual Wage		Langlade County as a Share of Wisconsin	Langlade County 5-year % Change	Wisconsin 5-year % Change
	Langlade County	Wisconsin			
All industries	\$27,131	\$38,070	71.3%	18.3%	17.4%
Natural Resources	\$25,876	\$29,235	88.5%	22.8%	14.7%
Construction	\$31,879	\$47,489	67.1%	8.1%	19.8%
Manufacturing	\$32,165	\$47,106	68.3%	16.9%	16.1%
Trade, Transportation & Utilities	\$25,749	\$32,762	78.6%	16.6%	15.3%
Information	\$27,321	\$48,483	56.4%	59.7%	24.7%
Financial Activities	\$29,337	\$50,749	57.8%	39.4%	25.8%
Professional & Business Services	\$27,101	\$44,328	61.1%	-1.5%	22.0%
Education & Health	\$31,940	\$39,606	80.6%	16.3%	17.3%
Leisure & Hospitality	\$10,180	\$13,589	74.9%	22.9%	14.8%
Other Services	\$15,086	\$22,073	68.3%	-5.4%	13.2%
Public Administration	\$30,340	\$39,879	76.1%	18.4%	18.1%

Source: WI DWD, Workforce Training, QCEW, June 2008

Jobs & Wages

Prominent Industries in Langlade County							
Industry Sub-sectors (3-digit NAICS)	Average Employment			Average Wages			
	2007 Avg.	5-year Percent Change		2007 Average		5-year Percent Change	
	Langlade County	Langlade County	Wisconsin	Langlade County	Wisconsin	Langlade County	Wisconsin
Food services & drinking places	613	-11.2%	9.1%	\$ 9,181	\$ 10,859	19.8%	14.5%
Educational services	566	-9.4%	2.0%	\$ 32,367	\$ 39,753	7.5%	15.0%
General merchandise stores	415	-7.2%	7.1%	\$ 19,705	\$ 17,914	19.5%	16.3%
Executive, legislative, & gen government	407	-3.6%	-4.7%	\$ 29,935	\$ 36,340	20.4%	16.4%
Machinery manufacturing	403	12.9%	-4.5%	\$ 44,855	\$ 53,720	42.2%	19.1%
Hospitals	*	not avail.	12.6%	*	\$ 43,750	not avail.	24.1%
Fabricated metal product manufacturing	377	156.5%	8.6%	\$ 27,029	\$ 43,765	-14.0%	15.4%
Wood product manufacturing	360	-6.5%	-6.8%	\$ 31,477	\$ 31,799	17.7%	12.3%
Nursing & residential care facilities	260	2.0%	3.6%	\$ 21,031	\$ 23,295	7.9%	12.0%
Crop production	258	-10.7%	-1.0%	\$ 20,899	\$ 26,476	24.1%	20.0%

Note: * data suppressed for confidentiality and not available for calculations

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, June 2008

The top ten employers in Langlade County are grouped into five different industries with manufacturing represented by four employers; health care, and retail each with two employers; and education and government completing the list with one employer for each industry.

The food services and drinking sub-sector has the largest number of employees but there aren't any employers in this sub-sector represented on the prominent employer list. This is not surprising since employers in this sub-sector tend to be small, family owned businesses.

Educational services employs 566 and is represented in the list by the Unified School District of Antigo. Wal-Mart with between 100 and 249 employees is joined by Fleet Wholesale Supply Co. with 100 to 249 employee to make up part of the general merchandise stores.

There are three manufacturing sub-sectors in the prominent industry sub-sector list. Machinery, fabricated metal products and wood products all have a substantial presence in the county as demonstrated by the employers on the prominent employer list. Amtec Corp.; Kretz Lumber Co, Inc.; Johnson Electric Coil Co.; and Robbins Sport Surfaces; are all involved in some form or manufacturing.

Langlade Memorial Hospital is in the fifth largest sub-sector, hospitals. In the health care area, Langlade Memorial is joined by Eastview Medical and Rehab Center representing the nursing and residential care facilities sub-sector. Combining the hospital with nursing and residential care facilities into the general health care industry would put this group very close to, if not higher than, the number one ranked sub-sector, food services.

The final sub-sector group is executive, legislative and general government, represented in part by the County of Langlade which employs between 100 and 249 people.

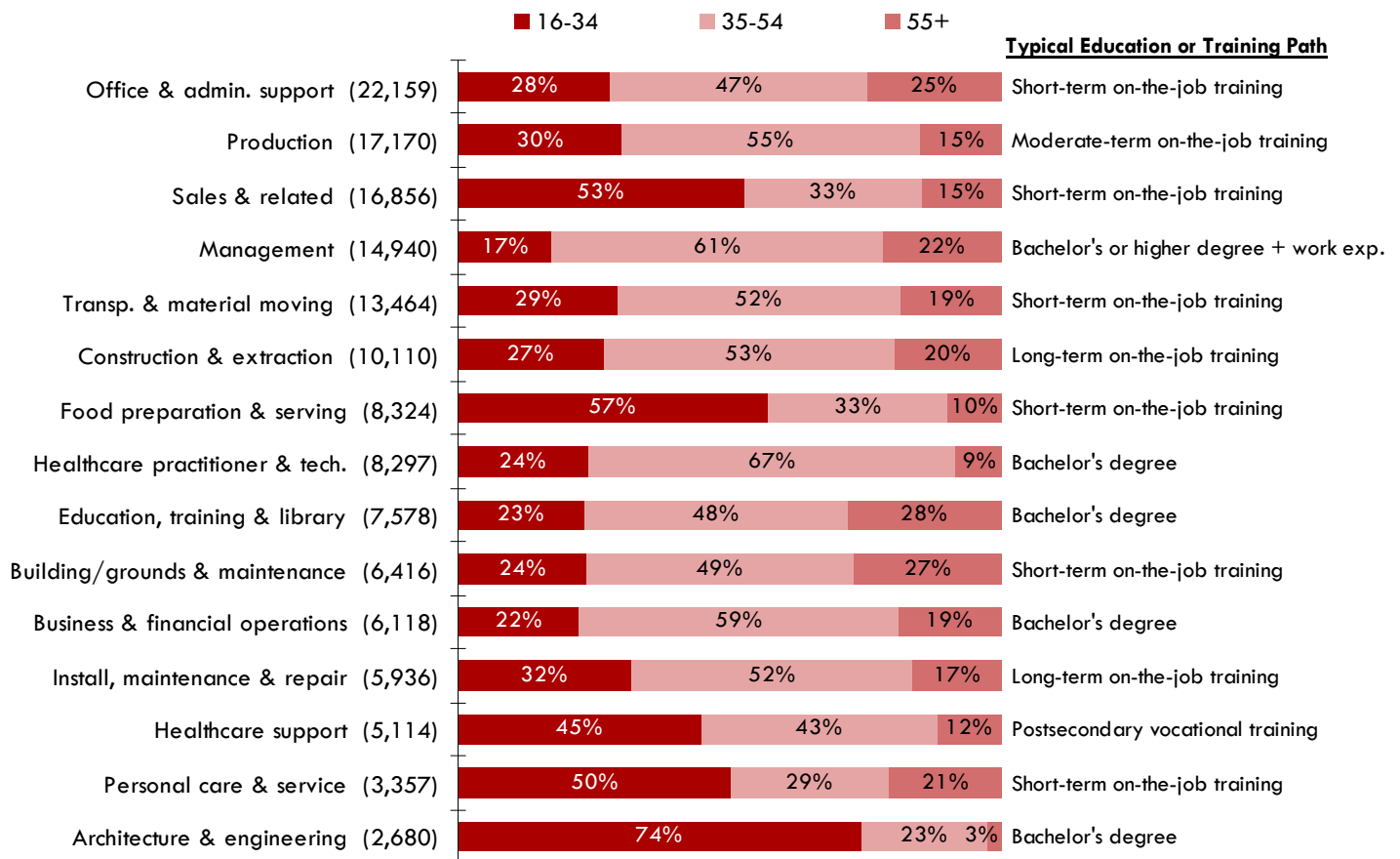
Prominent Public and Private Sector Employers in Langlade County		
Establishment	Service or Product	Number of Employees (March 2007)
Unified School District of Antigo	Elementary & secondary schools	250-499 employees
Langlade Memorial Hospital	General medical & surgical hospitals	250-499 employees
Amtec Corp	Small arms ammunition manufacturing	250-499 employees
Wal-Mart	Discount department stores	100-249 employees
County of Langlade	Executive & legislative offices, combined	100-249 employees
Eastview Medical and Rehab Center	Nursing care facilities	100-249 employees
Kretz Lumber Co Inc	Sawmills	100-249 employees
Johnson Electric Coil Co	Electric power & specialty transformer mfg.	100-249 employees
Robbins Sport Surfaces	Other millwork, including flooring	100-249 employees
Fleet Wholesale Supply Co	Warehouse clubs & supercenters	100-249 employees

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, April 2008

Occupations & Typical Education or Training

Age Distribution of Workers in Selected Occupational Groups

Data includes residents of Adams, Forest, Juneau, Langlade, Lincoln, Oneida, Portage, Vilas, and Wood counties.



Note: Occupation groups are in descending order based on the number of workers in each.

Source: 2006 U.S. Census, PUMS 5% file, & WI DWD, OEA

Information on jobs by industry (pages 4-5) is readily available because the data is collected from employers' quarterly reports on total payroll and jobs. However, industry reports lack information on the occupations and the training required of the workers who fill those jobs. One source of occupational information is the American Community Survey conducted by the U.S. Census Bureau. Unfortunately this information is not available for small population areas, like Langlade County. In order to meet a minimum population standard the data is grouped with eight neighboring counties listed in the above chart's title.

The chart includes the 15 largest occupational groups, listed in descending order by employment (number of workers in parenthesis), and shows the age distribution of area workers in each group. The three age categories represent all workers in each occupation group while the

typical training path represents the dominant path for the occupations within the group. This does **not** mean that every occupation within that group requires that education or training path.

Many of the occupation groups listed are heavily weighted with workers in the prime working years (35-54 years old). Others have obvious deviations. For example, the two groups of food preparation and sales are skewed to younger workers. It's not surprising that these occupation groups, with many part-time and seasonal jobs, low wages, and low training requirements employ a high proportion of young workers. This kind of work is also popular with students, both high school and post secondary, because of the large number of frequent job openings and low training requirements. Many of the jobs in these occupational groups fall in Langlade County's

Occupations & Typical Education or Training

leisure and hospitality sector or the retail trade segment of the trade, transportation, and utilities sector.

Another group, architects and engineering, also has a preponderance of young workers. Most of the young workers in this group are in mechanical engineering, drafting, and engineering technician occupations, jobs not readily found in Langlade County.

Of particular interest are the occupation groups with more than one-fifth of the workers aged 55 years or more. These workers are now within normal retirement age. For at least one of the groups - education, training, and library occupations - replacements for retiring workers will be critical and difficult. These occupations more often than not require post-secondary education and the most-qualified candidates have years of on-the-job experience and knowledge. This is also one occupation group where the proportion of younger workers (23 percent) is less than the share of older workers (28 percent).

A similar scenario is playing out in management occupations. Management occupations naturally tend to have an older age breakout simply because many of these occupations typically require work experience in

addition to post-secondary education. This is reflected in the typical education path, bachelor's degree or higher plus work experience, and explains the high wages paid in this group. But the higher barriers to entry, coupled with 22 percent of this group being over the age of 55, means that there could be significant problems filling all the positions vacated by the upcoming boomer retirees.

Skilled healthcare occupations also have a low proportion of younger workers. High education and work experience requirements for doctors and nurses play a major role here. With more and more new openings due to demand from aging baby boomers, and a high number of upcoming retirements, healthcare (already a field with a high number of job openings) will need a tremendous number of new workers of all skill levels in the near future.

Older workers also fill one in four building/grounds and maintenance occupations. Even closer scrutiny of the data shows that over half of these workers are over the age of 60. Many of the job characteristics in this group are similar to those dominated by young workers and for those reasons attract "retirees".

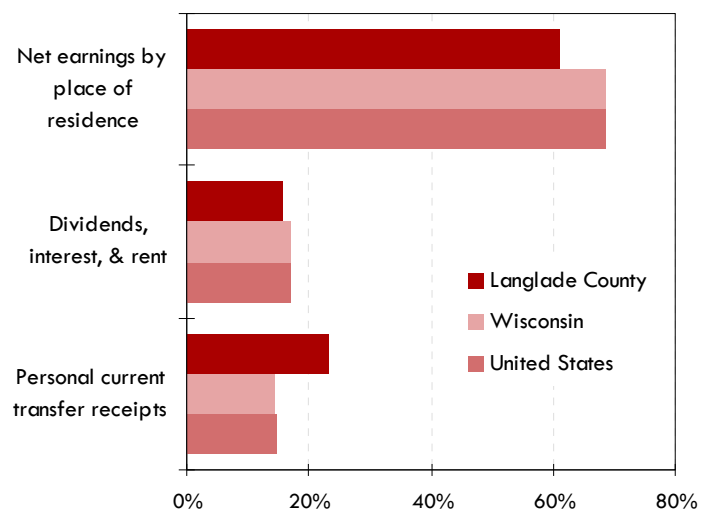
Income

Total personal income, the broadest collection of income data, includes income from three main sources: net earnings; dividends, interest and rent; and transfer receipts. Net earnings come from employment, whether self-employed or employed by someone else. Dividends, interest and rents come from investments, savings accounts, dividends, retirement payments from company pensions, or 401(k) plans. Transfer receipts come from state and federal governments, primarily in the form of Social Security, Medicare payments, unemployment insurance, veterans benefits, welfare, and other payments received from public agencies.

Net earnings make up the vast majority of income, with the remaining percentage divided between the other two components. In most Wisconsin counties, and in the state and nation, income from net earnings exceeds two-thirds of total personal income. However, at 61 percent in Langlade County, residents' share of income from earnings is lower than that of the state's 68.5 percent and the nation's 68.4 percent. There are two primary reasons for the lower share. First, the county's residents are older on average than in the state and depend to a greater degree on un-earned income. Second, many local jobs

are seasonal which generate less annual income, forcing workers to turn to other assistance in the off season (increasing transfer payments), and to jobs that pay on

Components of 2006 Total Personal Income



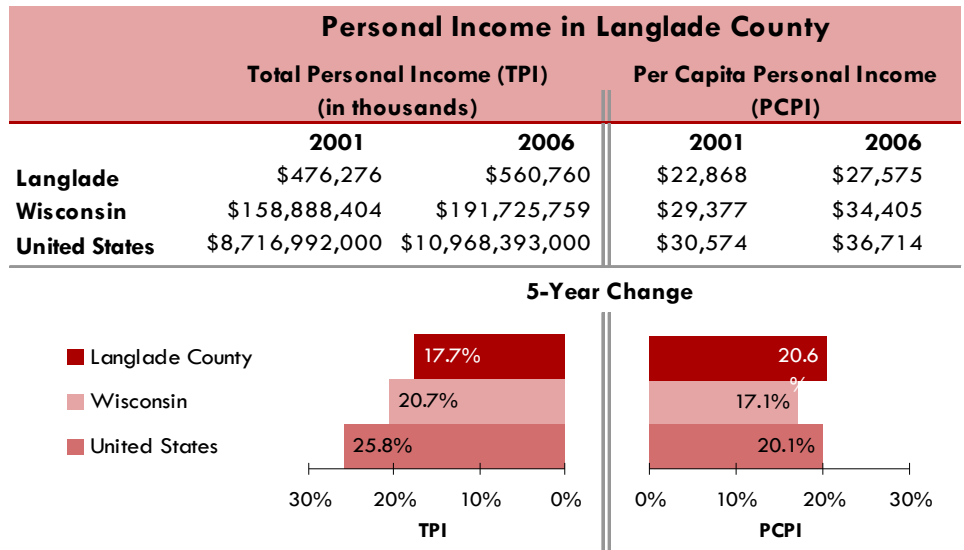
Source: US Dept. of Commerce, Bur. of Economic Analysis, 2008

Income

average 29 percent less than similar statewide jobs (see page 4). Net earnings also includes an adjustment for wages earned by residents working beyond the county's borders (inflow) and a similar adjustment for non-residents working for county employers (outflow).

The bottom chart shows that in 2006 residents working in jobs outside the county added \$64.2 million to Langlade County's total personal income while non-resident workers were paid \$31.2 million in wages that left the county. The total residency adjustment netted \$33,050,000 in residents' earnings. Commuting patterns from Census 2000 show that while Langlade County is both the leading destination and source of commuters, there are nearly twice as many outbound workers as inbound. Since 2001, the dollars from residency adjustment increased 23.5 percent, a greater percent increase than the 20.6 percent in total personal income over the five-year period.

While total personal income (TPI) is the sum of its parts, per capita personal income (PCPI) is derived by dividing total personal income by total population. Thus, PCPI can be affected by the county residents' demographics. For example, if there is a large number of younger residents



Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007

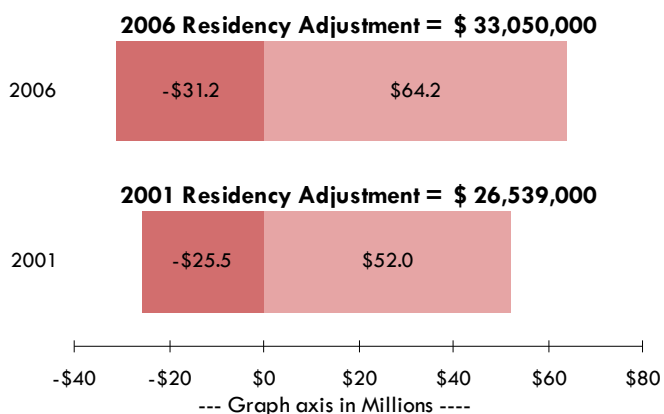
that don't work, PCPI will be less because it is calculated using the entire population. Also, if there is a large number of retiring residents in an area PCPI will probably be lower since the amount they receive from pensions and/or social security may be less than wages. This would also decrease the amount of TPI while keeping the same population denominator when calculating PCPI.

Due to Langlade County's high concentration of older residents, transfer receipts make up a larger share of total income in Langlade County (23 percent) compared with the state and nation (14 percent). Langlade's share of income from dividends (think retirement funds and tribal disbursements), interest, and rent (16 percent) is close to both the state and nation. The significantly higher reliance on transfer receipts contributed to both lower TPI and PCPI. In 2006, the PCPI of \$27,575 in Langlade County was 80 percent of the Wisconsin PCPI and ranked 47th highest among Wisconsin's 72 counties.

The major component of TPI, net earnings, is a significant factor in the lower PCPI. As mentioned earlier, the lower wages have a major impact on net earnings in Langlade County. While planners and developers strive to increase wages through better paying jobs, it is much more difficult to change overall occupational composition in the county. Large metropolitan areas often attract the higher-paying occupations found in large corporate offices, specialized research facilities, and financial institutions. Wisconsin's nonmetropolitan average wage for 2006 was \$29,022 and may be a better goal for the county.

Langlade County Commuting Impact

- Earnings of workers living in another county (outflow)
- Earnings of residents working in other counties (inflow)



Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007