

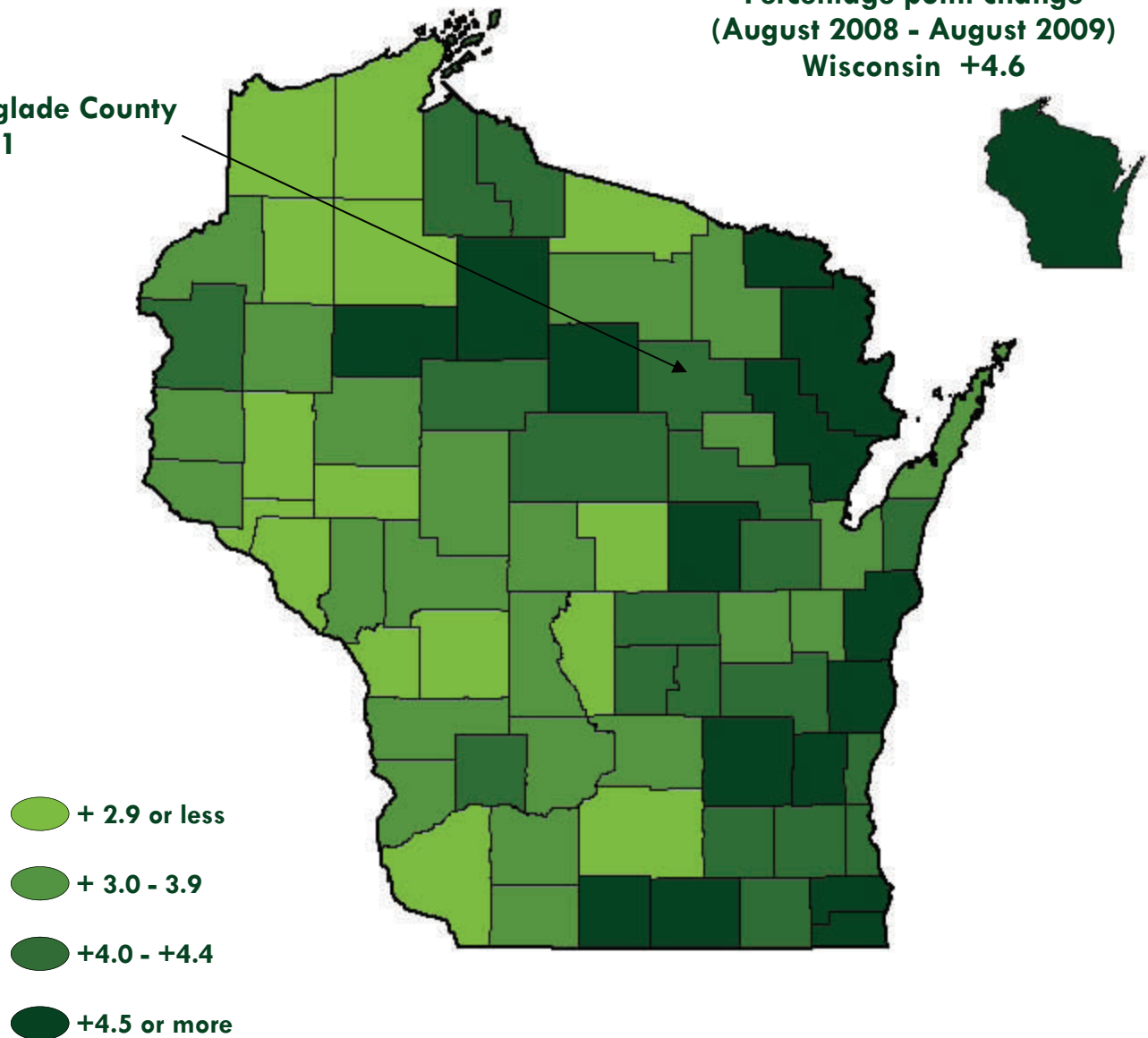
# Langlade County Workforce Profile 2009

## Unemployment Rate Increases

Percentage point change  
(August 2008 - August 2009)

Wisconsin +4.6

Langlade County  
+ 4.1



**Note:** This year's County Workforce Profile has a slightly different layout. The first two pages give a brief synopsis of the recession, the worst by most measures since the Great Depression. We would be remiss if this publication didn't recognize and report on it. More information about the stages of the recession can be found on our website: <http://dwd.wisconsin.gov/oea/>. In the subsequent pages of the Profile, readers will find the figures and analysis they depend on. If you have any questions or comments, please don't hesitate to contact us.

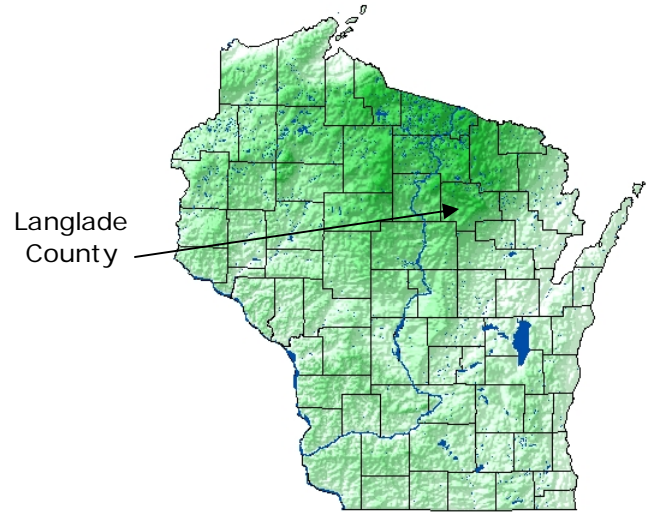
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OEA-10654-P



Wisconsin Department of Workforce Development

# Langlade County Workforce Profile



Note: All data appearing in this profile are subject to revision.

## The Big Picture

As this piece of the profile is written in mid-September 2009, the economic recovery appears to be underway. It is expected that the trough of the recession will be registered in the third quarter of 2009 when it is finally decided by the National Bureau of Economic Research (NBER) in about a year from now. It is the NBER that pegged the beginning of the recession at December 2007. This recession will be documented as the longest recession since the Great Depression of the early 1930s. This 2007 recession has lasted more than twenty months, twice the length of the average post-war recession.

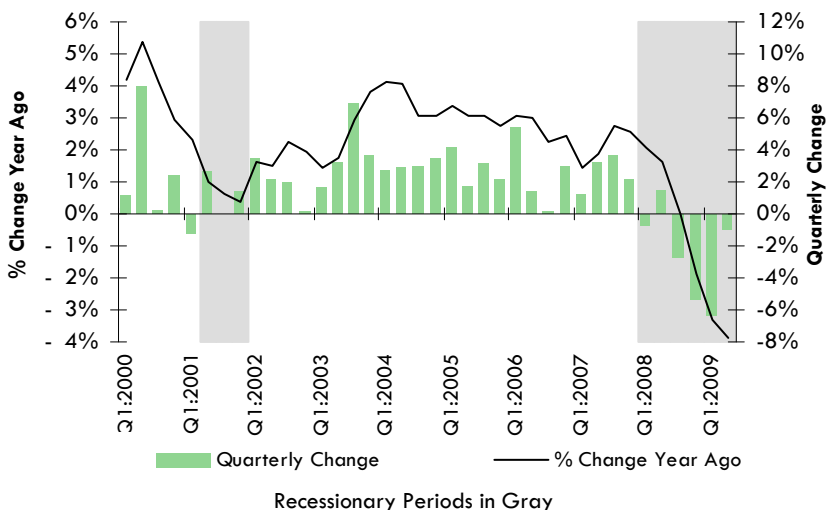
How bad was this downturn? Bad. Real GDP growth was negative for four quarters in a row. That has never happened before in quarterly data dating back to 1947. Only two quarters in the last fifty-three years suffered as

large a GDP loss as did the back-to-back quarters of Q4 2008 and Q1 2009, one was Q1 of 1958 and the other was Q2 in 1980. This is the first time that the economies of the U.S. and Japan were in recession at the same time. In fact, it was the first time since WWII that aggregate global economic growth turned negative.

Why was this recession so bad? There were two downturns, one on top of the other. The first one started in December 2007 and was an economic recession, based on falling demand for housing construction. The second began in earnest in September 2008 and was a financial crisis, based on weak underlying supports (housing) of new unregulated financial tools and products. The first downturn led to the second. They are now interdependent. Volumes will be written on this great recession of 2007. A brief synopsis follows here.

Low interest rates and incentives led to a wave of debt-based asset accumulation — buying stuff on credit: homes, businesses, cars, vacations. A home buying spree ensued as did commercial debt-financed acquisitions. Housing developers responded with enthusiasm. Lenders, with the help of the federal government, did their part to make home ownership more accessible. Early on, housing supply could not keep up with demand and housing prices increased. In parallel, global economic gains swelled stock market values. Debt was cheap and highly utilized across all sectors of the economy around the world. The financial industry created new tools to extend and diversify the new debt loads, many based on home mortgage debt.

Real GDP Growth 2000 Q1 - 2009 Q2



Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, July 2009

## The Big Picture Cont.

These new tools — derivatives — were unregulated, off-exchange transactions between individual parties.

When housing became over supplied and prices began to adjust (fall), mortgage defaults increased, and it was discovered that the newly created financial products were under-collateralized. More important perhaps, the issuers of debt insurance were hugely under capitalized (short of money to pay out claims). When the homeowner couldn't pay and the insurer couldn't pay, the lenders faced gigantic losses — a financial crisis. The crisis quickly spread as financial markets are highly integrated worldwide.

At present, global financial and political institutions continue to work on repairing the financial wreck. With cash and credit being the grease that lubricates the global economic engine, the rapidity and robustness with which the economy recovers is dependent on the speed and strength of the financial markets fix.

The severity of this recession affected employment in a commensurate manner. Wisconsin's unemployment rate increased from a seasonally adjusted 4.5 percent in December of 2007, when the recession began, to 8.8 as of August 2009, almost doubling over the period. Wisconsin

## The Current Employment Landscape

Wisconsin lost 137,000 jobs during this downturn, almost 5 percent of its job base since the recession began in December 2007, on a seasonally adjusted basis. All sectors suffered job losses with the exception of health care.

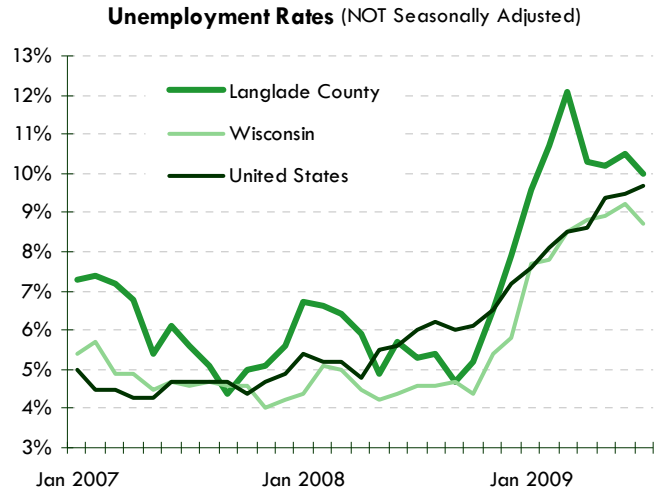
The manufacturing sector lost 13 percent of its jobs statewide during this recession, some 66,000 on a seasonally adjusted basis. All of the upper Midwest major manufacturing states took a beating in this business cycle. Especially hard hit were Michigan, Indiana, and Ohio, due to the collapse of the auto industry. With large manufacturing job losses in Indiana, Wisconsin became the leader in the share of its workers employed in manufacturing.

Construction, which was the first industry to be affected with the housing turn that began in Wisconsin in 2006, lost 16 percent of its jobs since December 2007, and almost 20 percent since its peak in February of 2006. Professional and Business Services also lost more jobs on a percentage basis than the state average, 8.9 percent. Other sectors lost jobs as well, but were not impacted quite as severely as those above. Leisure and Hospitality, for example, lost 1.4 percent of its jobs.

Employment recovery always lags economic recover. Following recessions since WWII, the economic upswings led job gains by nine to nineteen months. After the 2001

last reached an unemployment rate peak of 11.8 percent in January of 1983, after the harsh recession of 1981-82.

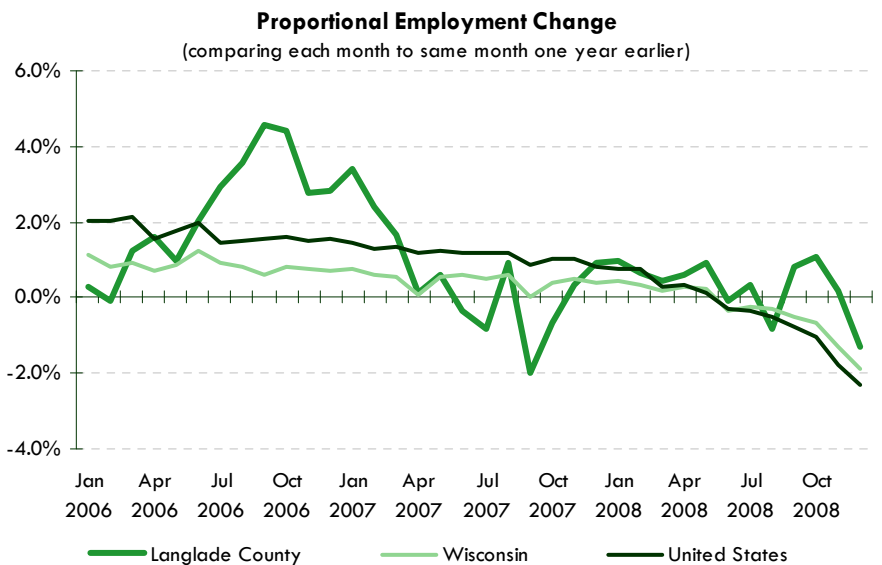
The graph below shows a comparison of county, state, and national unemployment rates through the recession.



Source: U.S. Bureau of Labor Statistics, CPS, LAUS, 2009

recession, it took Wisconsin twenty-six months before job numbers began to increase again on a sustained basis. It was fifty months before the state's job levels recovered to pre-2001 recession levels. Job recovery following the current recession is expected to be slow as well. Consumers are not expected to be the driving sector in the economic recovery, as the huge destruction in home and financial equity wealth will force an increased proclivity for savings instead of consumption.

The chart below is a comparison of employment change.



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2009

**Population**

Langlade County continues to show growth. With the addition of 940 new residents, the county has grown by 4.5 percent since the 2000 census. This is 1.3 percentage points less than the state and 3.3 percentage points lower than the nation. In terms of total population, Langlade County was ranked 51st out of the 72 counties in Wisconsin.

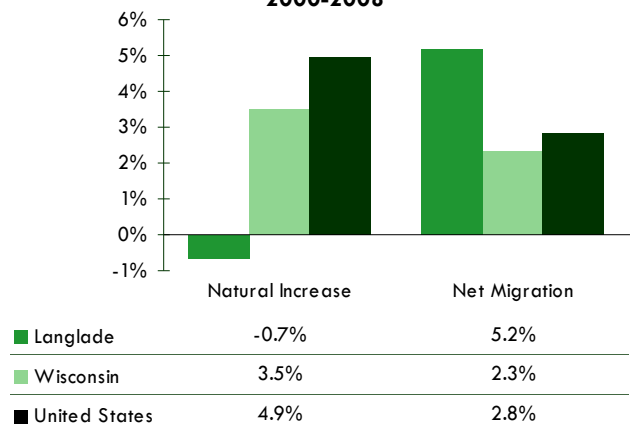
All of the most populous municipalities experienced growth, although at varying rates. The Town of Rolling added the most new residents, 136, which added 9.4 percent to the 2000 census report. The municipality with the largest percentage point increase is the Town of Wolf River, which saw its population increase by 14.4 percent.

Changes in population are made up of two components. These are natural increase, when births outnumber deaths, and migration increase, when more people move into an area than move out. The combination of these two factors makes up increases or decreases in population. As shown on the chart to the right, Langlade's natural increase was a negative 0.7 percent while migration was a robust 5.2 percent. Langlade County's natural increase is much lower than either the state or nation, but the net migration is 2.9 percentage points higher than the state's rate of 2.3 percent, and is 2.4 percentage points higher than the nation's 2.8 percent. The diminished natural increase in Langlade may be a reflection of the older population in the county. By 2010, the expected average age of county residents will be 42.7 years, older than the state average of 38.1 years.

Langlade County's Ten Most Populous Municipalities				
	April 1, 2000 Census	Jan 1, 2008 Estimate	Numeric Change	Proportional Change
<b>United States</b>	281,421,906	303,352,376	21,930,470	7.8%
<b>Wisconsin</b>	5,363,715	5,675,156	311,441	5.8%
<b>Langlade County</b>	20,740	21,680	940	4.5%
Antigo, City	8,560	8,637	77	0.9%
Rolling, Town	1,452	1,588	136	9.4%
Antigo, Town	1,487	1,515	28	1.9%
Elcho, Town	1,317	1,403	86	6.5%
Neva, Town	994	1,062	68	6.8%
Polar, Town	995	1,040	45	4.5%
Norwood, Town	918	995	77	8.4%
Wolf River, Town	856	979	123	14.4%
Upham, Town	689	743	54	7.8%
Ainsworth, Town	571	629	58	10.2%

Source: WI Dept. of Administration, Demographic Services, Population Est., July 2009

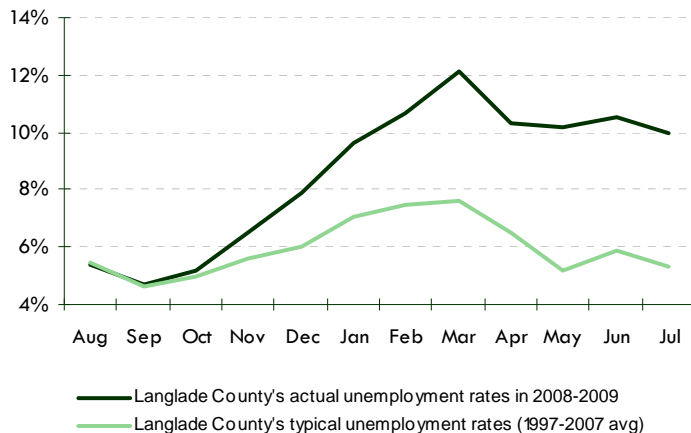
**Components of Population Change, 2000-2008**



Source: WI Dept. of Administration, Demographic Svcs, Pop Est.

**County Unemployment Rate Situation**

**Langlade County's Typical & Current Unemployment Rates**



Source: WI DWD, Bureau of Workforce Training, LAUS, 2009

The graph to the left presents Langlade County's unemployment rates from August 2008 through July 2009 and compares them to eleven-year historical averages. Like most counties in the state and nation, Langlade's unemployment rates have climbed to levels not experienced since the early 1980s. A rise in the rates during the fourth quarter of 2008 is evident and, as seen, the rise accelerated in earnest during 2009.

Readers can take note that rates continue to follow typical seasonal patterns, albeit at higher levels.

Even if economic recovery is declared in the second half of 2009, it is likely that unemployment rates will remain quite elevated for the remainder of 2009 and into year 2010.



## Jobs &amp; Wages

Langlade County	First Quarter Employment		Second Quarter Employment		Third Quarter Employment		Fourth Quarter Employment	
	2008 level	2007-2008 change	2008 level	2007-2008 change	2008 level	2007-2008 change	2008 level	2007-2008 change
All industries	7,840	0.7%	8,122	0.5%	7,998	0.1%	7,996	0.0%
Natural Resources	413	2.0%	485	2.3%	474	- 4.2%	462	0.2%
Construction	230	- 0.4%	277	3.0%	301	3.8%	267	- 1.1%
Manufacturing	1,834	0.2%	1,844	0.9%	1,851	1.3%	1,843	0.3%
Trade, Transport. & Utilities	1,909	2.3%	1,963	1.7%	1,931	0.6%	1,894	- 3.5%
Information	81	- 1.2%	84	2.4%	suppressed	not avail.	suppressed	not avail.
Financial Activities	233	- 2.1%	242	- 0.8%	234	- 2.5%	253	7.7%
Prof. & Business Services	249	22.1%	196	- 1.0%	193	- 5.9%	181	- 9.0%
Education & Health	1,508	0.1%	1,502	0.1%	1,358	1.6%	1,511	- 0.1%
Leisure & Hospitality	623	- 11.5%	717	- 9.4%	766	- 10.0%	686	0.0%
Other Services	325	17.3%	325	15.7%	320	15.1%	339	9.4%
Public Administration	435	- 1.4%	486	0.0%	484	3.9%	476	7.4%

Source: WI DWD, Workforce Training, QCEW, June 2009

The table above is a quarter-by-quarter analysis of Langlade County's 2008 job market by industry sector and its rate of job growth from the same quarter in the year 2007. The intent of this annual comparison is to show how Langlade County's job market changed from 2007 to 2008.

The fourth quarter of 2008 was the only quarter showing no all-industry employment growth when compared to 2007. All other quarters in 2008 posted at least a modest gain in total employment although the percent increased decreased as the year went on.

Trade, transport and utilities, the largest industry in Langlade County; experienced its only quarterly decrease in employment in the fourth quarter. As of the fourth quarter of 2008, this industry accounted for 23.7 percent of total employment in the county. Manufacturing was a close second, accounting for 23.0 percent of total county employment.

Most Langlade annual average wage rates increased in 2008, except for a decrease of 1.3 percent in professional and business services wages and a decrease of 4.2 percent in other services wages.

The state witnessed increased wages in all industries with an average increase of 2.9 percent.

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 was lower than the state (74.4 percent of the state average). The amounts ranged from a low of 59.3 percent for professional and business services to a high of 83.5 percent for natural resources. Natural resources paid a wage closest to the state average but had only 462 employees (4th quarter, 2008), who together accounted for only 5.7 percent of employment in the county.

Langlade County	Langlade County Annual Average Wage			Wisconsin Annual Average Wage	
	2008 level	2007-2008 change	As a share of Wisconsin	2008 Level	2007-2008 change
All industries	\$29,142	7.4%	74.4%	\$39,169	2.9%
Natural Resources	\$26,078	0.8%	83.5%	\$31,227	6.8%
Construction	\$35,601	11.7%	71.7%	\$49,658	4.6%
Manufacturing	\$38,355	19.2%	79.7%	\$48,116	2.1%
Trade, Transport. & Utilities	\$26,563	3.2%	79.0%	\$33,604	2.6%
Information	suppressed	not avail.	not avail.	\$49,838	2.8%
Financial Activities	\$30,996	5.7%	59.6%	\$52,008	2.5%
Prof. & Business Services	\$26,752	- 1.3%	59.3%	\$45,114	1.8%
Education & Health	\$32,457	1.6%	78.7%	\$41,222	4.1%
Leisure & Hospitality	\$10,363	1.8%	73.5%	\$14,102	3.8%
Other Services	\$14,450	- 4.2%	63.9%	\$22,628	2.5%
Public Administration	\$30,862	1.7%	75.2%	\$41,040	2.9%

Source: WI DWD, Workforce Training, QCEW, June 2009

## Jobs &amp; Wages

## Prominent Industries in Langlade County

Industry Sub-sectors (3-digit NAICS)	Fourth Quarter Employment			Average Annual Wage		
	2008 Level Langlade County	Change 2007- 2008 Langlade County	Change 2007- 2008 Wisconsin	2008 Wage Langlade County	Change 2007- 2008 Langlade County	Change 2007- 2008 Wisconsin
Education services	*	not avail.	1.8%	\$33,719	4.2%	4.0%
Food services & drinking places	561	1.1%	- 2.2%	\$9,593	4.5%	2.1%
Machinery manufacturing	503	19.5%	- 0.7%	\$48,084	7.2%	2.4%
Hospitals	*	not avail.	2.2%	*	not avail.	4.2%
General merchandise stores	411	- 1.2%	0.3%	\$20,388	3.5%	2.5%
Executive legislative & general government	409	3.5%	0.5%	\$30,105	0.6%	1.8%
Fabricated metal product manufacturing	371	not avail.	- 2.8%	\$47,371	75.3%	4.2%
Wood product manufacturing	312	- 12.6%	- 15.4%	\$31,869	1.2%	1.2%
Nursing & residential care facilities	260	0.8%	2.8%	\$22,079	5.0%	3.5%
Crop production	237	- 6.7%	3.7%	\$21,481	2.8%	17.0%

\* Data suppressed to protect employer confidentiality.

Source: WI DWD, Workforce Training, QCEW, July 2009

This section is a specific look at the industries and employers with the largest number of jobs in Langlade County in fourth quarter of 2008. Above are the top ten industries. The annual growth rate of jobs in each industry is compared to the growth rate of jobs in its respective industry statewide.

Of the sub-sectors with available data, only machine manufacturing had a double-digit increase in employment from the fourth quarter of 2007 to the fourth quarter of 2008. There were two other manufacturing sub-sectors listed in the prominent industries. One, fabricated metal products, did not have available data, while the other, wood product manufacturing, experienced a 12.6 percentage point drop in employment.

This emphasis in manufacturing is also demonstrated in the list of prominent employers. Of the ten prominent companies listed, five are in manufacturing, although not all manufacture the same products. Manufacturing in the

county includes small arms and ammunition, plastic bags, gears and flooring. Individual manufacturers in the county employ between 100 and 499 people.

The health services industry is represented by two sub-sectors; hospitals and residential care facilities. Langlade Memorial Hospital is one of the larger employers in the county, with between 250 and 499 employees.

Food services and drinking places, the second largest employment sub-sector does not have a corresponding prominent employer, but that is not unusual. Employers in this sub-sector tend to be owner operators with a small number of staff. There are a large number of these types of businesses which puts the sub-sector in the prominent industry list.

The retail industry has two prominent employers. Wal-Mart Associates and Fleet Wholesale Supply each employ between 100 and 249.

The list of prominent employers on this page lists only

## Prominent Private Employers in Langlade County

Establishment	Service or product	Number of Employees (December 2008)
Langlade Memorial Hospital	General medical & surgical hospitals	250-499 employees
Amtec	Small arms ammunition manufacturing	250-499 employees
Wal-Mart Associates	Discount department stores	100-249 employees
Vencor Nursing Centers	Nursing care facilities	100-249 employees
Plaspac USA	Plastics bag manufacturing	100-249 employees
Merit Gear	Speed changer, drive, & gear manufacturing	100-249 employees
Waukesha Bearings	Mechanical power transmission equipment mf	100-249 employees
Fleet Wholesale Supply	All other general merchandise stores	100-249 employees
Covantage Credit Union	Credit unions	100-249 employees
Robbins Sport Surfaces	Other millwork, including flooring	100-249 employees

private companies although there are two public employers that have a noticeable impact on jobs in the county. These two employers are the Unified School District of Antigo and the County of Langlade.

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, April 2009

**Income**

Total Personal income (TPI) is composed of all monies accrued in three distinct categories: (1) net employment earnings, which is payroll and self-employment income; (2) dividends, interest, and rental property income, which are returns on equities and other portfolio items, interest-bearing accounts, rental housing/business units; and (3) personal current transfer receipts, which are Social Security, Medicare/Medicaid, public assistance and other government or private retirement monies.

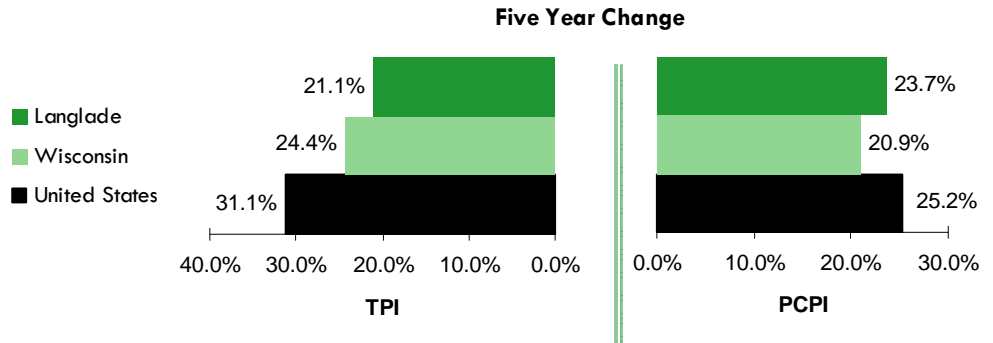
Langlade County's TPI increased to about \$582 million in 2007, a 21.1 percent growth in five years, which was 3.3 percentage points lower than the state's rate of increase, and which ranked Langlade 17th among the states' 72 counties. Per capita personal income (PCPI) is the result of dividing an area's total personal income (TPI) by its total population. The dynamics of the three components of TPI impact total personal income, and TPI and population are essential in shaping an area's PCPI. Thus, PCPI can be affected by the county residents' demographics. Langlade County's population is older than the state average which is reflected in the higher percent of income from transfer payments (20 percent in the county compared to 14 percent for the state), and the lower percent from earnings (65 percent for the county and 69 percent for the state). The dividend income percent was lower than the state rate which could again reflect the older population.

Even with the increase in PCPI, Langlade County's PCPI of \$28,727 was 79 percent of the statewide average and 74 percent of the national average. Langlade County's lower-than-average PCPI, compared to the state or nation, is at least partly due to its higher proportion of residents whose income source is current transfer payments. The increases of transfer payment recipients abetted slow growth in Langlade PCPI over the five-year period, since transfer payments tended to be lower than wages and year-to-year increases in transfer payments were smaller than wage increases.

PCPI in Wisconsin's metropolitan counties in 2007 was \$38,382 compared to \$30,627 in nonmetropolitan counties. Langlade County's PCPI was 94 percent of the average nonmetropolitan PCPI in Wisconsin.

The bottom chart shows that in 2007 residents working in jobs outside the county added \$66.6 million to

Personal Income in Langlade County				
	Total Personal Income (in thousands)		Per Capita Personal Income (PCPI)	
	2002	2007	2002	2007
<b>Langlade</b>	\$481,203	\$582,526	\$23,222	\$28,727
<b>Wisconsin</b>	\$163,308,733	\$203,083,544	\$29,994	\$36,272
<b>United States</b>	\$8,872,871,000	\$11,634,322,000	\$30,838	\$38,615

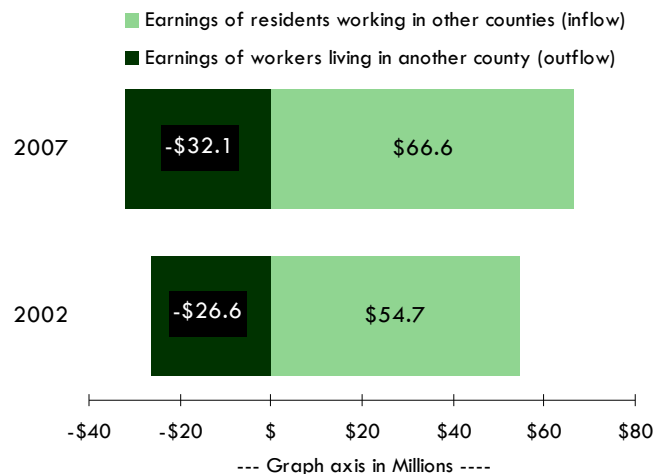


Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2008

Langlade County's total personal income, while non-resident workers were paid \$32.1 million in wages that left the county. The total residency adjustment netted an increase of \$34.5 million in the county's total earnings. Commuting patterns from Census 2000 show that Marathon and Oneida counties supply the most commuters into Langlade County. However, there are about 1,800 more workers leaving the county to work than coming into the county for employment.

This transfer of wages between Langlade and other counties has grown over time. In 2002, there were \$28.1 million additional earnings coming into the county. By 2007, that amount was \$34.5 million.

**Langlade County Commuting Impact**



Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2009