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*Economic Impact of Out-Sourcing
From State Agencies in
Bismarck to Rural North Dakota*

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**Economic Impact of Out-Sourcing
From State Agencies in
Bismarck to Rural North Dakota
Senate Concurrent Resolution No. 4006**

Randall S. Sell and F. Larry Leistritz*

INTRODUCTION

This investigation of the potential savings to the State of North Dakota because of reduced office space and labor costs and alternatively, the potential benefits to rural communities of increasing employment by adding some state agency jobs was stimulated by Senate Concurrent Resolution No. 4006. This concurrent resolution directed the Legislative Council to study state agency office space needs to determine the feasibility and desirability of transferring state agencies or state employees to rural areas. As such, the objective of this analysis was two-fold; (1) determine the cost difference of operating offices in Bismarck versus rural communities and (2) determine the local/regional economic impacts of the potential jobs.

The Metropolitan Statistical Areas (MSA) (in North Dakota these include: Burleigh, Cass, Grand Forks, and Morton Counties) are continuing to increase in population and employment. As the MSAs expand, they are continuing to add more infrastructure (e.g., more homes, schools, roads, jails, etc.). Total employment increased nearly 20 percent in North Dakotas' MSAs from 1986 to 1996 (Table 1). At the same time, many rural areas of North Dakota continue to experience declining population, employment, and school enrollments. Many of these rural communities are facing school consolidation due to declining enrollments (Sell et al. 1996). The advantage to the state of providing a satisfactory level of service at the lowest possible cost, combined with the rural areas trying to decrease the rate of out-migration and population decline, have created the incentive to investigate the feasibility and practicality of transferring state agency jobs to rural areas. Advancements in computer and telecommunication technology are the tools which have made such investigations within the realm of consideration.

Table 1. Employment in North Dakota, by MSA Counties, and Rural Counties, 1986 to 1996

Area	Year		Percent Change
	1986	1996	
MSA's Counties ¹	131,797	155,204	17.8
Remaining Counties	181,204	177,717	(1.9)
North Dakota Total	313,001	332,921	6.4

¹ Burleigh, Cass, Grand Forks, and Morton Counties.

Source: Coon and Leistritz (1998).

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PROCEDURES

Two alternatives were considered for the satellite offices. The first alternative was for a 5-person office. The second alternative was for a 10-person office. For both alternatives, a single supervisor was considered sufficient for the type of work considered (this analysis is based upon the assumption that data entry jobs would be examples of the types of jobs which could most easily function within a satellite office) (Conway 1999).

To obtain the difference in wages for the Bismarck MSA and the rural areas of North Dakota, the specific positions of (1) supervisors, administrative support, clerical workers, and (2) data keyers, non-composing, were obtained (Job Service North Dakota 1999). A description of these jobs is shown below.

Supervisors, Administrative Support, Clerical Workers:

Directly supervise and coordinate activities of clerical and administrative support workers. Manager/Supervisors are generally found in smaller establishments where they perform both supervisory and management functions, such as accounting, marketing, and personnel work, and may also engage in the same clerical work as the workers they supervise.

Data Keyers, except composing:

Operate keyboard or other data entry devices to prepare data processing input on cards, disk, or tape. Duties include coding and verifying alphabetic or numeric data.

Job Service North Dakota divides the state into four regions and three MSA areas (Figure 1). In this analysis, only the Bismarck MSA is compared to the rural areas. The average wage of the supervisor in the Bismarck MSA was \$14.07/hour and the lowest supervisor wage was in the West Central region (Table 2). The data keyers' highest wage was in the West region. The lowest data keyer wage was in the East Central region.

A comparison of the relative annual wages of the 5-person and 10-person offices compared to the Bismarck MSA reveals there is a salary savings associated with the rural areas (Table 3). Ranking of the regions from the largest to least savings is as follows: West Central, East Central, Far East, and Far West. The relative ranking of the savings does not change from a 5-person to a 10-person office. The Far West region is the only region which the wage advantage decreases from the 5-person to the 10-person office. This results because the data keyer wage for the Far West region is greater than the data keyer wage in the Bismarck MSA.

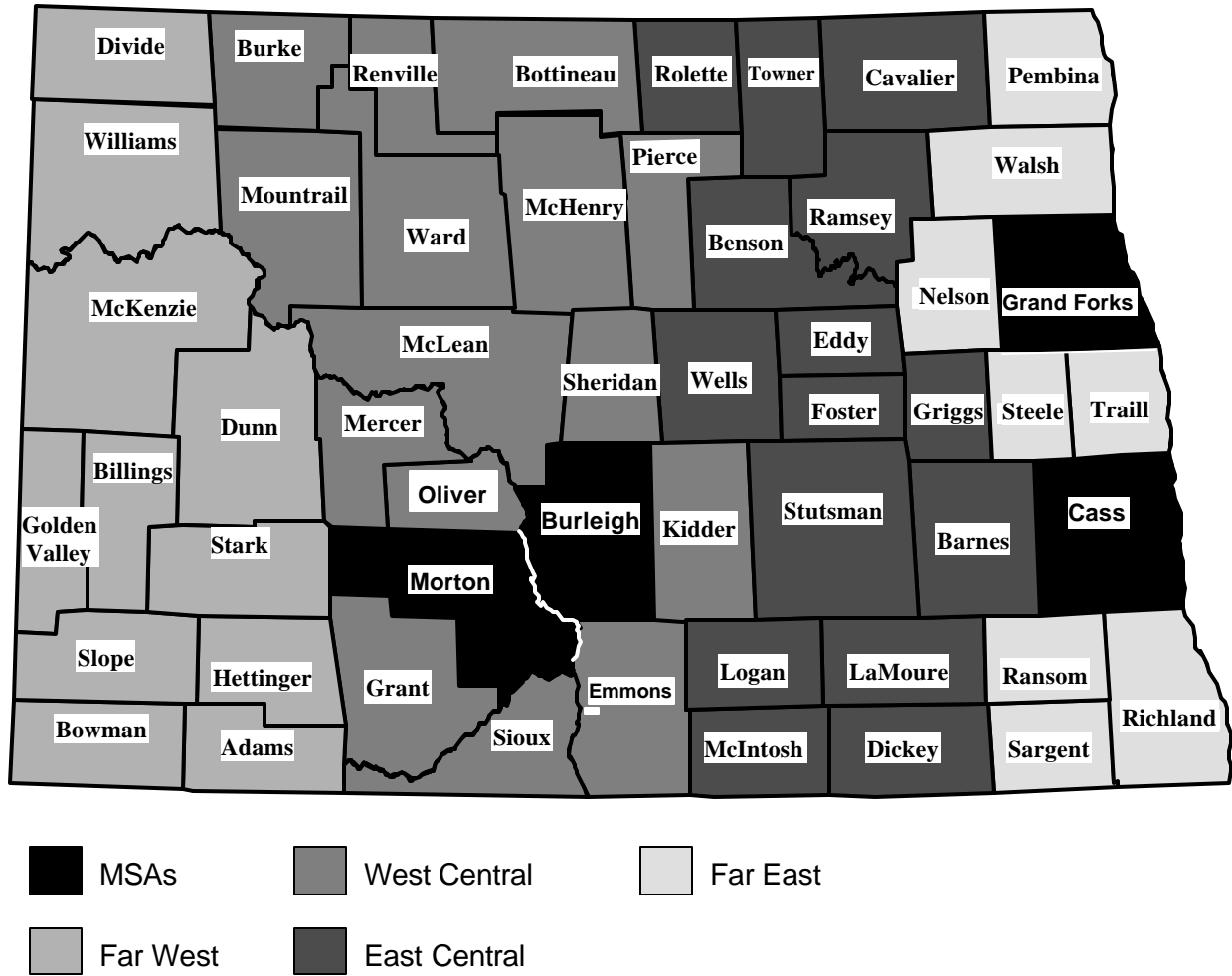


Figure 1. Job Service North Dakota Regional Designations

Table 2. Hourly Wage of Supervisors and Data Keyers by Location, 1999

Location	<u>Supervisors</u> \$/hour	<u>Data Keyers</u> \$/hour
Bismarck MSA	\$14.07	\$8.80
Far West	\$12.04	\$8.92
West Central	\$10.57	\$7.21
East Central	\$11.19	\$7.18
Far East	\$12.12	\$7.43

Source: Job Service North Dakota (1999).

Table 3. Number of Employees, Annual Salary, and Difference in Total Salary for Each Office Relative to Bismarck for a 5-person and 10-person Office

<u>- # of Employees -</u>		
Supervisors, administrative support	1	
Data keyers	<u>4</u>	
Total	5	

<u>Location</u>	<u>Annual Office Salary</u>	<u>Savings Relative to Bismarck MSA</u>
Bismarck MSA	\$102,482	\$0
Far West	99,258	3,224
West Central	81,973	20,509
East Central	83,013	19,469
Far East	87,027	15,454

<u>- # of Employees -</u>		
Supervisors, administrative support	1	
Data keyers	<u>9</u>	
Total	10	

<u>Location</u>	<u>Annual Office Salary</u>	<u>Savings Relative to Bismarck MSA</u>
Bismarck MSA	\$194,002	\$0
Far West	192,026	1,976
West Central	156,957	37,045
East Central	157,685	36,317
Far East	164,299	29,702

Note: Full-time position was 2,080 hours per year.

The Facilities Management Department of the Office of Management and Budget (OMB) maintains records of existing office and warehouse leases between the State of North Dakota and the private sector for the entire state. Most of the existing office and warehouse leases are within Burleigh County. According to OMB statistics, the average annual office rental rate in 1999 was \$8.74/sq. ft. (Table 4) (Zimmerman 1999). Approximately 80 percent of OMB's office rental contracts include utilities, parking, snow removal, air conditioning, and custodial services (Zimmerman 1999). Economic developers from several communities within the four regions were asked to provide current office space lease rates and availability (Klewin 1999).

It is difficult to speculate on the necessary telecommunication hardware required for the model offices without knowing the nature of the telecommunication capacities (i.e., the number of lines, switches, and capacities) which would be necessary. For this analysis it was assumed data could be simply transferred electronically at various times during the work day (i.e., each terminal does not require a direct line). This type of access would allow the data keyers to enter data or process forms on their terminal and transfer that information at given times throughout the day (Burke 1999, Conway 1999).

The 5-person (terminal) office would require one “proxy server” and two additional lines (Overton 1999). The terminals would be linked in a Local Area Network (LAN) at the office. As the data keyers needed to share data with the host agency (in Bismarck), they would be able to E-mail data at a capacity of 33,000 to 56,000 kilobits per second per line (modem). The total additional fixed cost for an office set up in this manner would be almost \$1,200 (Table 5). This cost occurs once and was depreciated over 10 years (zero salvage value) to estimate an annualized cost. This cost does not include a charge for the voice or fax line because this was also needed for the office in Bismarck and as such is not an *additional* cost for the satellite office. The only change for the 10-person office is the addition of one phone line and the networking of 5 more terminals in the LAN. The total additional fixed cost for the 10-person office is about \$1,500. The additional access and phone service charges for the 5- and 10-person offices are \$1,560 and \$2,340, respectively.

Table 4. Office Space Requirements and Rental Rates by Location and Office Size, ND, 1999

		5	10
Total office employment		5	10
Total square feet of office space ¹		850	1,600
	<u>Rental Rates/ Square Foot</u>	<u>Annual Office Rental Cost</u>	
<u>Location</u>			
Burleigh County ²	\$8.74	\$7,432	\$13,989
Far West ³	4.40	3,740	7,040
West Central ³	8.88	7,544	14,200
East Central ³	6.00	5,100	9,600
Far East ³	3.05	2,593	4,880

¹ The 5-person office includes one supervisor office at 250 square feet and four data keyers at 150 square feet per cubical; the 10-person office is one supervisor and nine data keyers (Goldmark Commercial Corporation 1999).

² Rental rates for Bismarck is the average of annual office space rental rate reported by Office of Management and Budget for 1999-2000 in Burleigh County (Zimmerman 1999).

³ The office rental rates for the other locations are the average of actual rates reported by rural communities within their respective regions (Klewin 1999). The office rental rates include custodial services, utilities, parking, snow removal, and air conditioning.

Table 5. Estimated Additional Telecommunication Costs by Location and Number of Terminals

<u>Fixed Costs</u>			
	"Proxy Server" cost	\$700	
	Labor and setup	\$150	
	Total fixed hardware costs	\$850	
	Connect charge (per line)	\$48	
	LAN hub and network cable (per terminal)	\$50	
		<u>5 Terminals</u>	<u>10 Terminals</u>
Fixed, Setup Costs ¹		\$1,196	\$1,494
		<u>Additional Annual</u>	
<u>Location</u>		<u>Telecommunication Charges ²</u>	
		5 Terminals	10 Terminals
Bismarck MSA		NA	NA
Far West		\$1,560	\$2,340
West Central		\$1,560	\$2,340
East Central		\$1,560	\$2,340
Far East		\$1,560	\$2,240

¹ All offices (existing Bismarck offices and 5- and 10-person satellite offices) were assumed to need one voice line and one fax line. The 5-person office (5 computer terminals) would require an additional two lines and one proxy server (Overton 1999). The 10-person office (10 computer terminals) would require three additional lines and one proxy server (Overton 1999).

² Additional "data lines" charges are included. Therefore, the 5-terminal office additional cost was \$130/month for the two additional lines (\$40/line basic phone line charge plus \$25/month internet access charge). The 10-terminal office would require an additional three lines for a monthly cost of \$195 (Overton 1999, Conway 1999).

RESULTS

Cost Differential

The East Central region had the greatest advantage over the Bismarck MSA for the 5- and 10-person offices, \$25,961 and \$49,111, respectively (Table 6). This region was closely followed by the West Central and the Far East regions. The financial advantage to siting the 5-person office in the Far West region was nearly 80 percent less than the other regions. The financial advantage for the 10-person office in the West region was nearly 90 percent less than the other regions. Even though office space rental was relatively lower in the West region, this did not outweigh the increased wages of the data keyers.

Another method of considering the financial advantage of satellite offices would be to accrue the financial change to the office rental rates. Dividing the financial advantage by the office square footage reveals that in the 5-person, Far West region annual office rent could be increased by \$7.30/sq. ft. before there would be no difference in costs between the Bismarck MSA office and the West region office (Table 7). Alternatively, if the savings in office operations was allowed to accrue to the average wages, the increase in hourly average wages in the East Central region would be \$2.35/hour. This would result in an average wage of \$9.94/hour for the 10-person office.

Table 6. Summary of Wages, Office Space Rent, Telecommunication Charges, and Office Setup by Location and Number of Employees

Total Number of Employees Per Office 5

<u>Location</u>	<u>Wages</u>	<u>Benefits</u> ¹	<u>Office Rent</u> ²	<u>Telecommunication</u> ³	<u>Office Setup Annual Depreciation</u> ⁴	<u>Total</u>	<u>Savings Relative to Bismarck MSA</u>
Bismarck MSA	\$102,482	\$30,744	\$7,432	\$0	\$0	\$140,658	\$0
Far West	99,258	29,777	3,740	1,560	120	134,454	6,203
West Central	81,973	24,592	7,544	1,560	120	115,788	24,870
East Central	83,013	24,904	5,100	1,560	120	114,696	25,961
Far East	87,027	26,108	2,593	1,560	120	117,407	23,250

Total Number of Employees Per Office 10

<u>Location</u>	<u>Wages</u>	<u>Benefits</u> ¹	<u>Office Rent</u> ²	<u>Telecommunication</u> ³	<u>Office Setup Annual Depreciation</u> ⁴	<u>Total</u>	<u>Savings Relative to Bismarck MSA</u>
Bismarck MSA	\$194,002	\$58,200	\$13,989	\$0	\$0	\$266,191	\$0
Far West	192,026	57,608	7,040	2,340	149	259,163	7,028
West Central	156,957	47,087	14,200	2,340	149	220,733	45,458
East Central	157,685	47,305	9,600	2,340	149	217,080	49,111
Far East	164,299	49,290	4,880	2,340	149	220,958	45,232

Note: Property insurance and office supplies were also investigated; however, no difference between the Bismarck MSAs and rural areas could be determined and, therefore, these operating expenditures were not included.

¹ State employees benefit package assumed to be 30% of wages.

² Utilities, custodial, parking, air conditioning, and snow removal were included in office rent.

³ These costs only include the additional data lines required in rural offices (i.e., does not include a voice and fax line per office).

⁴ Includes additional costs of setting up telecommunication networks associated with remote offices. These are fixed costs (i.e., these fees only occur one time).

Table 7. Office Rental Space Cost Per Square Foot and Average Wage Which Results in Zero Overall Differential Between Bismarck MSA and Other Regions

<u>5 Employees Per Office</u>			
<u>Location</u>	<u>Current Rental Rate</u> --- \$/sq ft ---	<u>Increase in Rental Rate</u> ¹ --- \$/sq ft ---	<u>Total</u> --- \$/sq ft ---
Bismarck MSA	8.74		
Far West	4.40	7.30	11.70
West Central	8.88	29.26	38.13
East Central	6.00	30.54	36.54
Far East	3.05	27.35	30.40
<u>10 Employees Per Office</u>			
<u>Location</u>	<u>Current Rental Rate</u> --- \$/sq ft ---	<u>Increase in Rental Rate</u> ¹ --- \$/sq ft ---	<u>Total</u> --- \$/sq ft ---
Bismarck MSA	8.74		
Far West	4.40	4.39	8.79
West Central	8.88	28.41	37.29
East Central	6.00	30.69	36.69
Far East	3.05	28.27	31.32
<u>5 Employees Per Office</u>			
<u>Location</u>	<u>Current Average Hourly Wage</u> --- \$/hour ---	<u>Increase in Average Wage</u> ¹ --- \$/hour ---	<u>Total</u> --- \$/hour ---
Bismarck MSA	9.85		
Far West	9.54	0.60	10.14
West Central	7.88	2.39	10.27
East Central	7.98	2.50	10.48
Far East	8.37	2.24	10.60
<u>10 Employees Per Office</u>			
<u>Location</u>	<u>Current Average Hourly Wage</u> --- \$/hour ---	<u>Increase in Average Wage</u> ¹ --- \$/hour ---	<u>Total</u> --- \$/hour ---
Bismarck MSA	9.33		
Far West	9.23	0.33	9.56
West Central	7.55	2.18	9.72
East Central	7.58	2.35	9.94
Far East	7.90	2.17	10.07

¹ Assuming fixed office setup costs depreciated over 10 years with no salvage value.

Economic Impact

Another major issue was the economic impact that relocated data processing jobs would have for the community where they might be located. The estimated costs for operating 5-person and 10-person offices in different regions of the state provided the basis for the economic impact analysis (see Table 6). Of the office operation expenses, the wages, benefits, office rent, telecommunication and office setup expenditures were assumed to accrue primarily to the local area. The estimates of direct expenditures were applied to an input-output model to obtain estimates of the total (direct plus secondary) impacts of the alternative office formats.

The North Dakota Input-Output Model (used in this analysis) consists of interdependence coefficients or multipliers that measure the level of business activity generated in each economic sector from an additional dollar of expenditures in a given sector. (A sector is a group of similar economic units, e.g., the firms engaged in retail trade comprise the retail trade sector.) For a complete description of the input-output model, see Coon and Leistriz (1989). This model estimates the changes in gross business volume (gross receipts) for all sectors of the area economy that arise from the direct expenditures associated with operation of the relocated office jobs. The increased gross business volumes are used to estimate secondary employment based on historic relationships.

The estimated direct expenditures for 5-person and 10-person offices are summarized in Table 8. For each office size two scenarios are shown. The high cost scenario corresponds to the highest cost rural area (Far West) while the low cost scenario corresponds to the lowest cost area (East Central). The annual direct expenditures were estimated to range from \$115,000 (5-person, low cost) to \$259,000 (10-person, high cost).

The total (direct plus secondary) economic impacts were estimated to range from \$371,000 annually for the 5-person office, low cost scenario, to \$836,000 for the 10-person office, high cost scenario (Table 9). Sectors experiencing substantial impacts included *households*, (which represents increased personal income, area wide), *retail trade*, and *finance, insurance, and real estate*. Secondary employment was estimated to range from 1 job for the 5-person office, low cost scenario, to 4 jobs for the 10-person office, high cost scenario. These economic effects would represent a substantial stimulus for a small rural community. For instance, a 10-person office in Bowman County (which had total employment of 1,797 in 1996) would be equivalent to a new employer directly creating 374 jobs in Cass County, or one employing 209 persons in Burleigh County.

Another consideration regarding metropolitan (metro) vs. rural location of new economic activity is the public infrastructure costs associated with economic population growth in metro areas. Because of past patterns of economic and population change, North Dakota's major metro centers have little or no excess capacity in their local services, while most rural communities have the capacity to absorb some population increase within their local infrastructure (i.e., schools, city services, etc.). The costs of accommodating the service demands associated with a new employer will vary depending on a number of factors. The North Dakota Economic-Demographic Assessment Model (MEDAM)

was developed to evaluate these and other localized impacts of new industrial resource development projects (Coon et al. 1993). Based on the MEDAM model, the infrastructure investment costs of accommodating new data processing jobs in MSA counties (along with the associated secondary economic effects and population in-migration) would range from \$22,500 to \$38,000 per direct job, depending on the extent of local multiplier effects and the demographics of the workforce, among other factors. These costs were estimated to be distributed among local governments roughly as follows: city -- 65 to 70 percent, schools -- 25 to 30 percent, and county -- 2 to 10 percent.

Table 8. Direct Impacts of Relocated Office Activities to Rural Areas

Sector	Alternative			
	5 High	5 Low	10 High	10 Low
Communications and Public Utilities	\$2,000	\$2,000	\$2,000	\$2,000
Finance, Insurance, and Real Estate	34,000	30,000	65,000	57,000
Households	<u>99,000</u>	<u>83,000</u>	<u>192,000</u>	<u>158,000</u>
Total	\$135,000	\$115,000	\$259,000	\$217,000

Table 9. Total (direct plus secondary) Economic Impacts of Relocating Office Activities to Rural Areas

Sector	Alternative			
	5 High	5 Low	10 High	10 Low
Retail Trade	\$98,000	\$83,000	\$188,000	\$157,000
Finance, Insurance, and Real Estate	56,000	48,000	107,000	92,000
Households	196,000	166,000	378,000	315,000
Others	<u>85,000</u>	<u>74,000</u>	<u>163,000</u>	<u>138,000</u>
Total	\$435,000	\$371,000	\$836,000	\$702,000
Secondary Employment (FTE)	2	1	4	3

DISCUSSION

Development of satellite data processing offices may be a way for the State of North Dakota to save resources by decreasing operating expenses for wages and office rent. The increase in telecommunication costs would not outweigh the benefits. Furthermore, the metro areas of North Dakota do not have an excess capacity in local services (e.g., schools, city services) which means the metro areas are faced with additional investments in public infrastructure that many rural communities would not be faced with. The relative impact of an additional 5 employees in Bowman, North Dakota has the same relative impact of an additional 374 jobs in Bismarck.

There are, however, some points which were beyond the scope of this analysis. These include:

- Additional Training Costs - - especially those related to logistics and increased travel costs.
- Computer and telecommunication hardware are extremely important for this system. It is important to understand the implications of machine downtime and the impact that would have on the efficiency of the offices.
- Computer software can be a problem; is there readily available expertise to address these needs within rural communities?
- The impact of decreasing the growth rate of Bismarck's MSA (i.e., decreasing the rate of increase in home building, employment, etc.; sometimes referred to as the "Zero Sum Game").
- The potential savings to the state will be decreased if the costs of the necessary telecommunication systems are increased.
- This analysis did not consider additional moving expenses, nor did it address the potential problems if current workers do not want to move.

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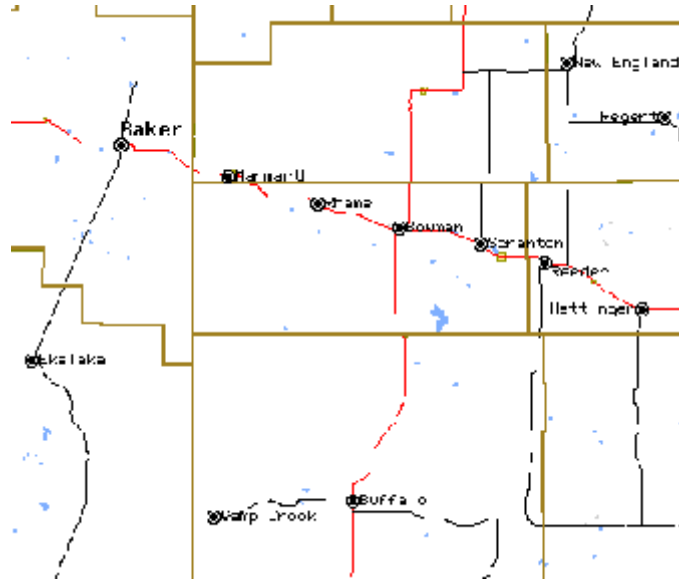
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APPENDIX

Labor Availability Study for the Area Around Slope - Bowman Counties

General Population

In an effort to determine the availability of labor in the Slope - Bowman area the Bowman County Development Corporation with the help of other agencies funded a random telephone survey administered by the University of North Dakota's Social Science Research Institute. The Slope-Bowman area is part of a larger survey that was done in the fall of 1998. In the Slope - Bowman area there were 564 people who responded to the survey. The level of accuracy for Slope - Bowman area is plus or minus 4 percent.



Map of Area Studied

The average age of the adults (18 and older) who responded to the survey was 47 years old. The data was analyzed by Job Service North Dakota. The Slope - Bowman geographic area included in the survey was estimated to have an adult population of 5,563 in 1995.

Approximately 52 percent of the people who responded were employed.

	<u>Employed</u>	<u>Not Employed</u>
North Dakota	1,799	1,752
South Dakota	511	386
Montana	560	535
Total	2,870	2,673

Of those who are employed, they travel an average of 11 miles to go to work, receive approximately \$7.50 to \$9.99 an hour, and work for 40 hours a week. Approximately 81.5 percent work at least 30 hours per week. Most of the people who work, do so year round (88.3 percent). Only 22.6 percent of those who are working are working shift-work. Over half of those who are employed would be interested in working a different job and almost one-third (29.1 percent) would consider an additional job.

	<u>Currently Employed</u>	
Interested in Changing Jobs	1,544	53.8%
Interested in Working Another Job	835	29.1%

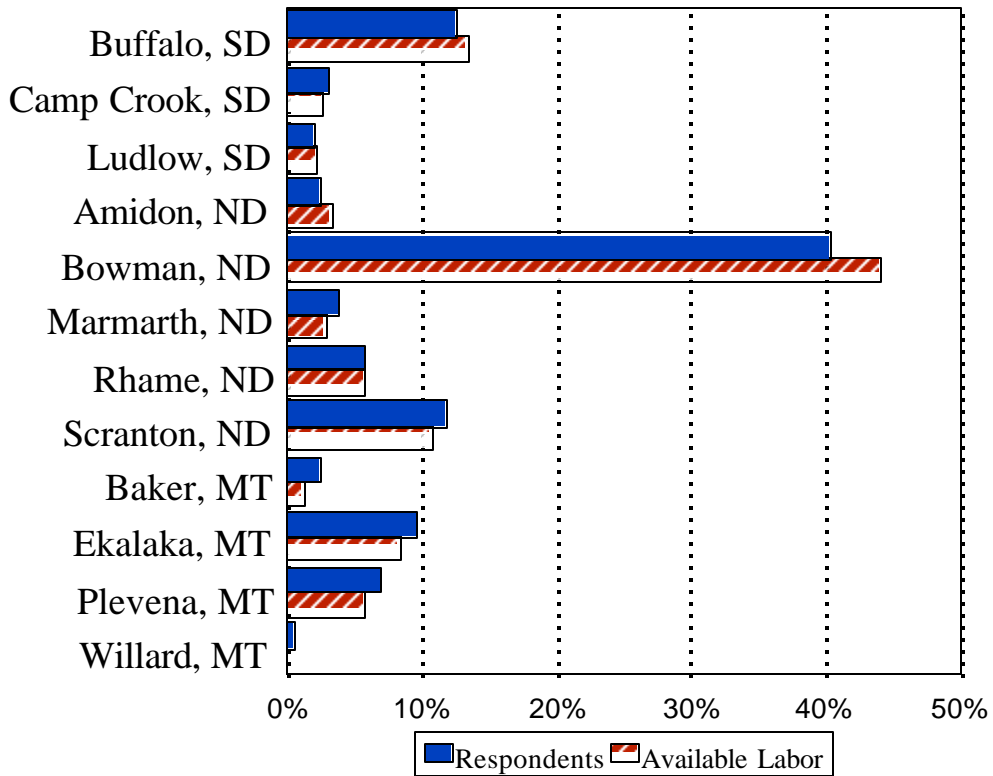
Available Labor

Of those who responded to the questionnaire, 42.6 percent (approximately 2,369) would either consider a different job, an additional job, were seeking a job or planning to seek a job within a year. Even though the traditional definition of those who were actively seeking a job was only 2.1 percent (approximately 117 individuals). This shows that if job opportunities were made available a sizeable number of individuals would come forward.

	<u>Number</u>	<u>Percent</u>
Available Labor	2,369	42.6
Employed, Available Labor	1,854	33.3
Employed, Interested in Changing Jobs	1,854	33.3
Employed, Interested in an Additional Job	1,152	20.7
Plan to Find a Job Within the Year	244	4.4
Actively Seeking a Job	117	2.1
Discouraged Worker	0	0.0

Percentage of Individuals by Community

As seen in the chart below, 44 percent of the available labor reside in Bowman, North Dakota.



Those who would consider a different job stated that compensation was one of the main reasons they would change employers.

	<u>Number</u>	<u>Percent</u>
An Increase in Pay	423	27.4
An Increase in Benefits	99	6.4
Because I am Underutilized	137	8.9
Combination of Pay and Benefits	590	38.2

The average age of the available laborer was 42 years, as compared to the general population, which was 47 years old. Those individuals who would be interested in employment opportunities have relatively high skills with over 90 percent having at least a high school education.

Level of Education	<u>Number</u>	<u>Percentage</u>	<u>Cumulative Percentage</u>
No High School Diploma	178	7.5	7.5
High School Diploma or GED	772	32.6	40.1
Some College or Vocational Technical Schooling	723	30.5	70.6
College or Vocational Technical Graduate	694	29.3	99.9

May not add to 100 due to rounding.

Almost half, 47.3 percent, (1,121 people) of the available labor have received job skills training within the last five years. The majority of the available labor force has experience with personal computers 73.0 percent (1,729) and 40.7 percent (or 964 people) are willing to travel at least 30 miles (one way) to work. Half of these individuals would be interested in a job that paid \$7.50 per hour.

The type of industries that might attract employees appears to be medical products or information processing. However, when comparing those who would be available for work and not working to those who are the industry: computer assisted drafting is more likely to be considered desirable.

Type of Firm	Number of People <u>Interested</u>	Percent Interested <u>in</u> <u>Working</u>	Percentages of Those Currently <u>Working</u>
Welding and Metalwork	659	27.8	25.7
Assembly Line	796	33.6	28.4
Computer Assisted Drafting	1,023	43.2	44.5
Agricultural Equipment	1,111	46.9	42.5
Medical Products	1,199	50.6	46.2
Aircraft Manufacturing	943	39.8	33.6
Financial Service Center	933	39.4	38.7
Food Processing	777	32.8	29.5
Information Processing	1,149	48.5	42.1

While employees may be considering a different type of occupation or even a different employer. The survey also showed that those who are employed are loyal to their employers. Over 46 percent of the available labor force have been with their present employer for five years or more.

Months With Present Employer of Those who are Available for Work

	<u>Frequency</u>	<u>All Persons Percentage</u>	<u>Valid Percentage</u>	<u>Cumulative Percentage</u>
Up to 1 Year	521	22.0	29.6	29.6
12 Months up to 2 Years	206	8.7	11.7	41.3
25 Months up to 3 Years	109	4.6	6.2	47.5
37 Months up to 4 Years	50	2.1	2.8	50.3
49 Months up to 5 Years	59	2.5	3.3	53.6
61 Months up to 10 Years	315	13.3	17.9	71.5
Over 10 Years	502	21.2	28.5	100.0
Total Employed	1,763	74.4	100.0	
Unemployed	606	25.6		
Total	2,369	100.0		

Those who would be available for employment have a strong work ethic with over 25 percent of the available labor force not employed having a recent work history (they have worked within the last year).

Last Time the Respondent Worked for Wages of Those who are Available for Work

	<u>Number</u>	<u>Percentage</u>
Never	70	11.5
Less than Six Months	109	18.0
Six Months to One Year	59	9.8
Past One Year to Two Years	30	4.9
More than Two Years	339	55.7
	606	99.9

May not add to 100 due to rounding.

Current Occupations of the Availability Labor Force

	<u>Number</u>	<u>Percentage*</u>
Managerial and Professional	538	30.5
Technical, Sales and Admin Support	637	36.2
Service	222	12.6
Farming	121	6.9
Production, Craft & Repair	70	4.0
Operators and Laborer	81	4.6
Transportation	60	3.4
Handlers	19	1.1
Student	11	0.6
	1,759	99.9

May not add to 100 due to rounding.

The available labor force has strong skills and a high level of education. Over 92 percent of the available labor force has a high school education or the equivalent. Over 57 percent have some education beyond high school.

The Education Level of Those Working and Willing to Consider a Different Job

	<u>Percentage</u>	<u>Cumulative Percentage</u>
8th Grade or Less	4.5	4.5
9-11th Grade	3.2	7.7
High School Graduate or GED	34.6	42.3
Some Vocational Schooling	5.8	48.1
Vocational Or Technical Graduate	3.2	51.3
Some College (1-3 years)	26.3	77.6
College Graduate	18.6	96.2
Advanced College	3.8	100.0
Total	100.0	

The minimum acceptable wage and the distance they would be willing to commute is somewhat related with more people willing to travel further if they received higher wages.

	<u>10 Miles or Less</u>	<u>11 - 20 Miles</u>	<u>21 - 30 Miles</u>	<u>31 - 40 Miles</u>	<u>41 - 50 Miles</u>	<u>Over 50 Miles</u>	<u>Total by Wage</u>
Minimum Wage	324	67	38	10	10	19	449
\$5.16 thru \$6.00	67	0	0	10	0	0	77
\$6.01 thru \$7.49	258	48	10	0	0	0	316
\$7.50 thru \$9.99	439	124	29	0	0	10	592
\$10.00 thru \$12.49	334	67	0	0	10	29	411
\$12.50 thru \$14.99	200	19	10	10	0	19	239
\$15.00 thru \$17.49	229	19	0	10	10	19	268
\$17.50 thru \$19.99	76	19	10	0	0	10	105
\$20.00 thru highest	229	29	38	0	10	10	306
Total by Commute	2,156	392	135	40	40	116	2,763