

# 2019 WORKFORCE PROFILE

## *Barron County*



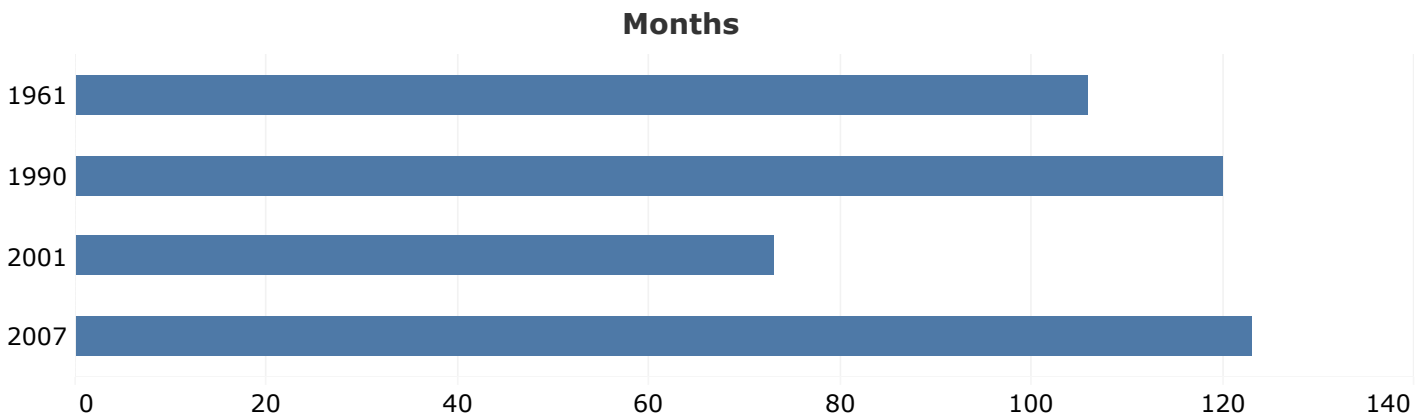
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## 2019 Wisconsin Overview

The county workforce profiles provide snapshots of the labor market for each of the 72 Wisconsin counties. In addition to a static PDF version, each county profile will be available as an interactive document in which the reader can do additional manipulation of some tables. The profiles begin with an overview of the entire state's labor market outlook. From there, the profiles highlight the respective labor market with analyses of the current and projected population and labor force, community patterns, industries, occupations, and wages. We conclude each profile with an examination of the impact of automation on the county's workforce.

### Record Economic Expansion

The economic expansion is now the longest on record. This current expansion surpassed the previous mark of 120 months set in the 1991-2001 stretch in June 2019. What has been good for the country has been good for Wisconsin and most other states.



\*Bureau of Labor Statistics, OEA

Wisconsin's workforce and employment numbers have attained new highs. Employment exceeded the 3 million mark in the summer of 2016. Wisconsin jobs reached new highs in 2019 with not-seasonally adjusted, total non-farm jobs breaking through 3 million at 3.026 million in June 2019. The state's unemployment rate has reached lows not seen since at least 1976, 2.8% in the months of April and May of 2019. New unemployment rate lows were also recorded for the U.S. as a whole at 3.6%. Thirty of 72 Wisconsin counties reached new job highs in the last two years. Thirty state counties hit new unemployment rate lows. Initial and continued unemployment insurance claims have been tracking at 40-year lows over the past three years.

Given that new records are being set largely across the board for expansion longevity, employment highs, and unemployment lows, the question turns to when will the trends reverse.

Economic expansions don't die of old age. Expansions are usually curtailed by decreasing jobs, spending, investments, inflation, or interest rate pressures. Decreasing jobs lead to lower incomes that result in less consumption, which is the driving force in the U.S. economy. Employment numbers are not good indicators of pending recessions. In fact, they are a lagging indicator of economic downturns and recoveries.

## What's next in the short-run?

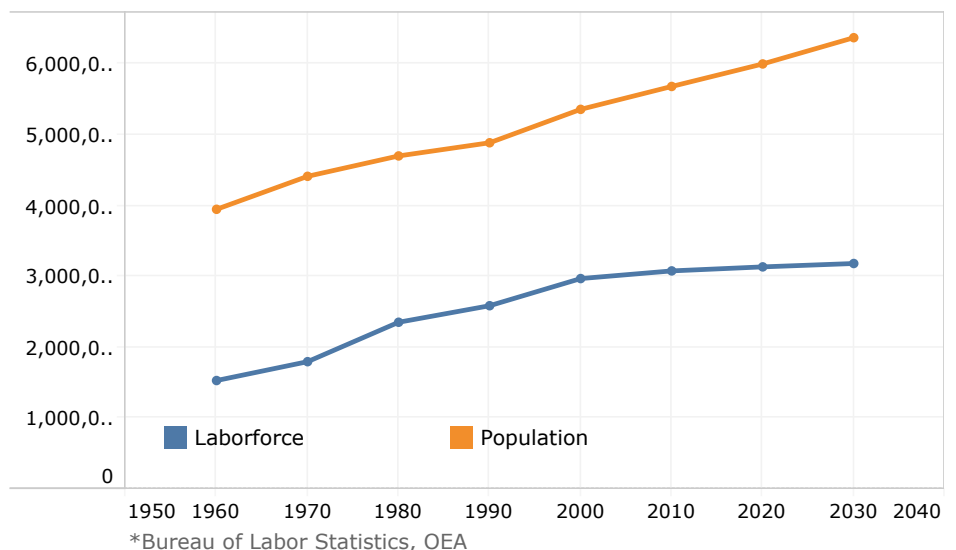
As this is being written in November 2019, job numbers are still climbing, earnings and income are rising, retail sales are expanding, debt-to-income ratio is low, and inflation is subdued at about 2%. Housing sales are relatively flat, vehicle sales have leveled off, and some European countries' economies are sagging. The primary unknown at the moment is the status of tariff and trade policy on the North American countries' trade agreement and trade with China. The uncertainty is dampening capital investment, injecting volatility in the equity markets, and causing household cogitation.

## What are the long-run influences?

The primary long-term challenge facing Wisconsin's economic future is its workforce quantity. The demographic situation facing the state, other upper Midwest states, and most western state economies will advance unaltered in the coming decades. The number of retiring baby boomers nearly match the influx of new workers, resulting in a slow growing workforce that is constraining employers' abilities across industries to secure talent. Many businesses report the lack of available workers have hindered expansion and, in some cases, even curtailed their ability to meet current product orders.

### Wisconsin Population and Labor Force

The blue-line, orange-line graph to the right portrays the labor force facing Wisconsin and other upper-Midwest states. While Wisconsin's population will continue to grow over the next 20 years, the workforce faces serious constraints. The curve began to flatten in 2008 as the first baby boomers (those born in 1946) reached age 62 and began to leave the workforce.



Baby boomers continue to exit the workforce in great numbers. However, the labor force participation rates for workers over 55 years of age have risen significantly. The need or want to remain in the workforce has assisted in staving off more severe worker shortages.

Our analysis shows a marked decrease in per capita personal income growth in the coming decades. The consequences for shared tax burden will be real and require new policy discussions about the social contract for infrastructure and government services.

One of the remedies for labor scarcity and increased productivity is the incorporation of labor-saving technology in the workplace. As such, not only does Wisconsin have a quantity challenge, the state must also make all available workers technologically savvy. The propensity for automation varies by occupation, but routine activities are the most susceptible to displacement.

To summarize, the state needs to find every body it can and get everybody trained up to their maximum potential.

## Barron County Population and Demographics

Barron County added 466 residents from 2010 to 2018, growing at a rate of 1.02%, slower than the state growth rate of 2.27%. It ranked as the 36th fastest growing among the state's 72 counties. The City of Rice Lake, located along the lake that is its namesake, is Barron's largest population center. The city gained 220 residents from 2010 to 2018. Outside of Rice Lake, most growth in the county tends to be near popular lakes. Cameron and nearby communities benefit from proximity to Rice Lake and to Highway 53, a major north-south route.

### 10 Most Populous Municipalities in County

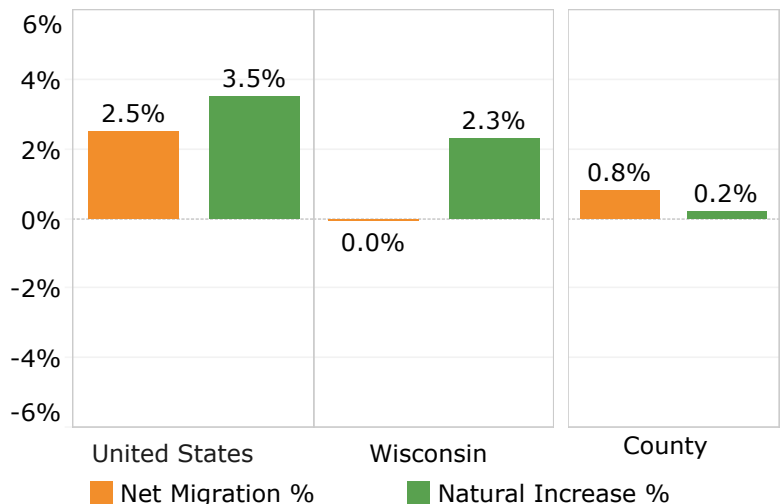
	2010 Census	2018 Final Estimate D	Numeric Change	Percent Change
Rice Lake, City	8,419	8,639	220	2.61%
Barron, City	3,423	3,341	-82	-2.40%
Rice Lake, Town	3,060	3,110	50	1.63%
Stanley, Town	2,546	2,570	24	0.94%
Chetek, City	2,221	2,181	-40	-1.80%
Cumberland, City	2,170	2,167	-3	-0.14%
Cameron, Village	1,783	1,849	66	3.70%
Chetek, Town	1,644	1,675	31	1.89%
Prairie Lake, Town	1,532	1,528	-4	-0.26%
Lakeland, Town	975	1,002	27	2.77%
<b>Barron County</b>	45,870	46,336	466	1.02%
<b>United States</b>	308,400,408	327,167,434	18,767,026	6.09%
<b>Wisconsin</b>	5,686,986	5,816,231	129,245	2.27%

Source: Demographic Services Center, Wisconsin Department of Administration

### Components of Change

Net-migration, which is defined as people moving into the county minus those leaving, was positive for the period studied, as it was in two-thirds of Wisconsin counties. Growth due to natural increase, or births minus deaths, was 0.2% in Barron County, much lower than the state percent gain. While Barron's birth rate is relatively high, the median age drives the relatively slow natural increases. A low rate of natural increase tends to indicate an older population with fewer younger residents starting families. Barron County's median age of 44.2 is ranked the 30th oldest in the state.

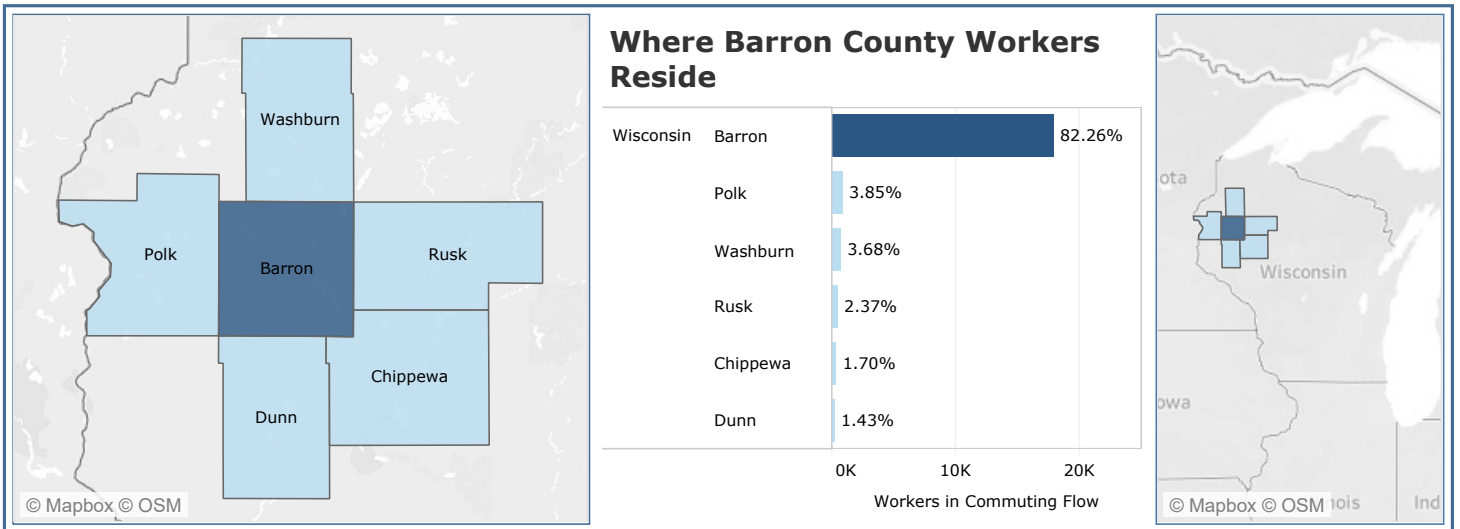
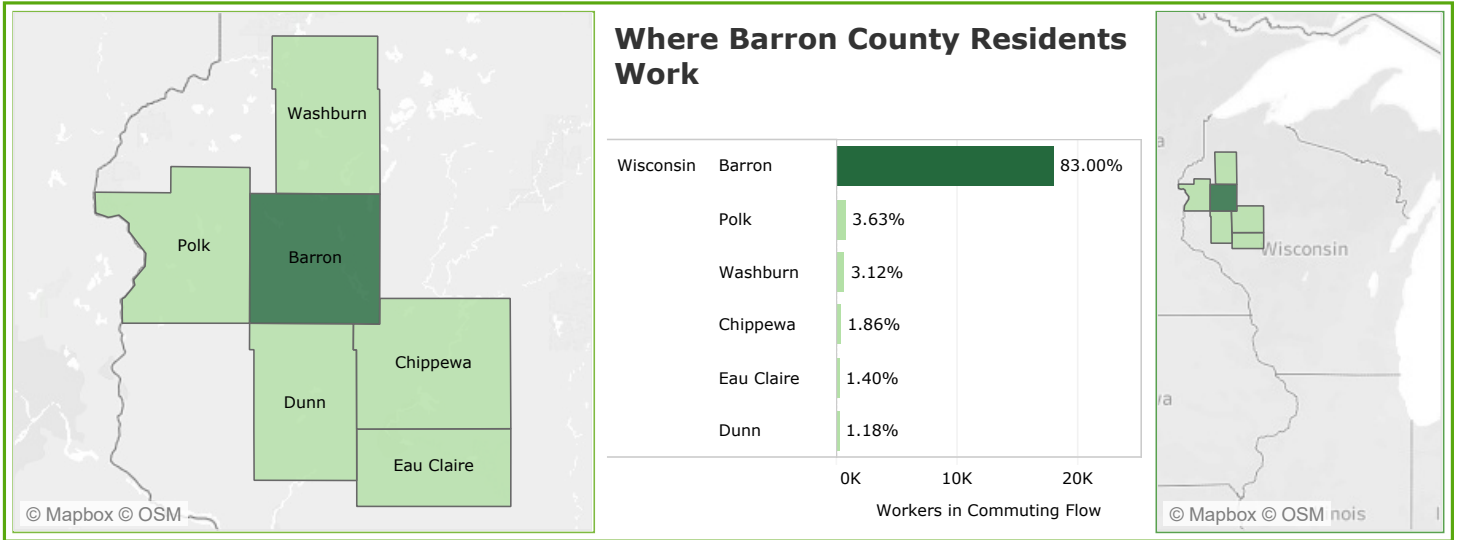
### Components of Population Change



# Barron County Worker Commute

## Residents Work

The majority of Barron County residents (83%) actually work in Barron County itself. Some employed residents do travel to adjacent counties, like Washburn or Polk, or south to more populous counties, like Dunn or Chippewa, for employment opportunities. Of note, some residents will even commute as far as Eau Claire County, which highlights the longer distances rural residents are willing to commute.



## Workers Reside

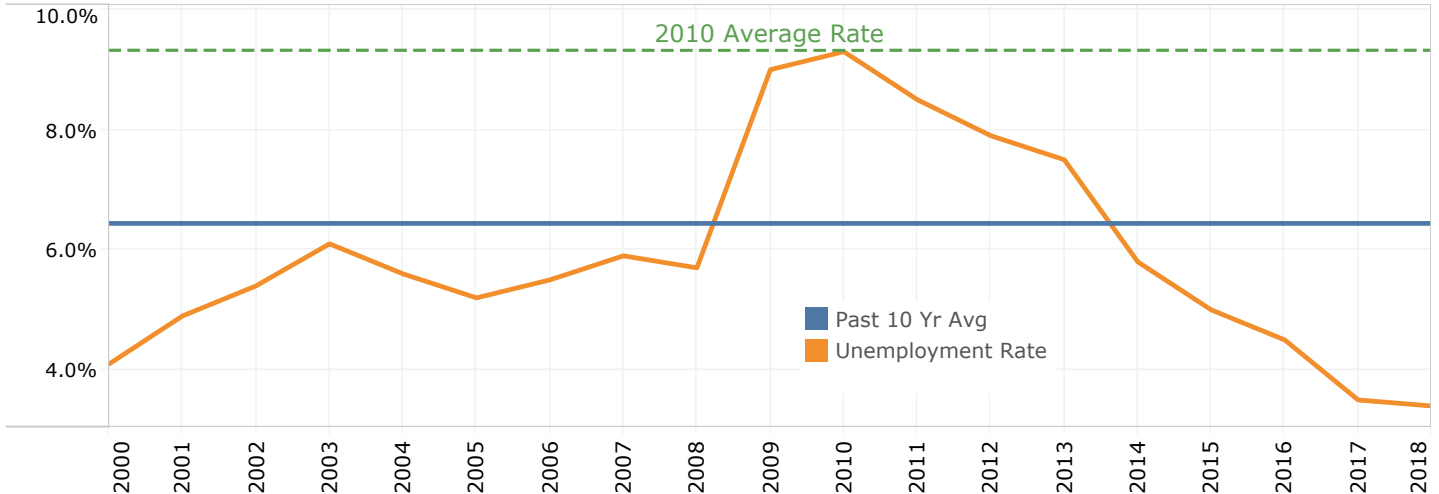
Close to 83% of Barron County jobs are filled by residents of the county itself. Barron is also something of a rural employment center for the surrounding area. It tends to draw workers from its more rural neighbors. Polk, Washburn, and Rusk are the largest suppliers of labor from outside the county.

\*source: 2011-2015 5-Year American Community Survey Commuting Flows, US Census Bureau

## Labor Force Dynamics

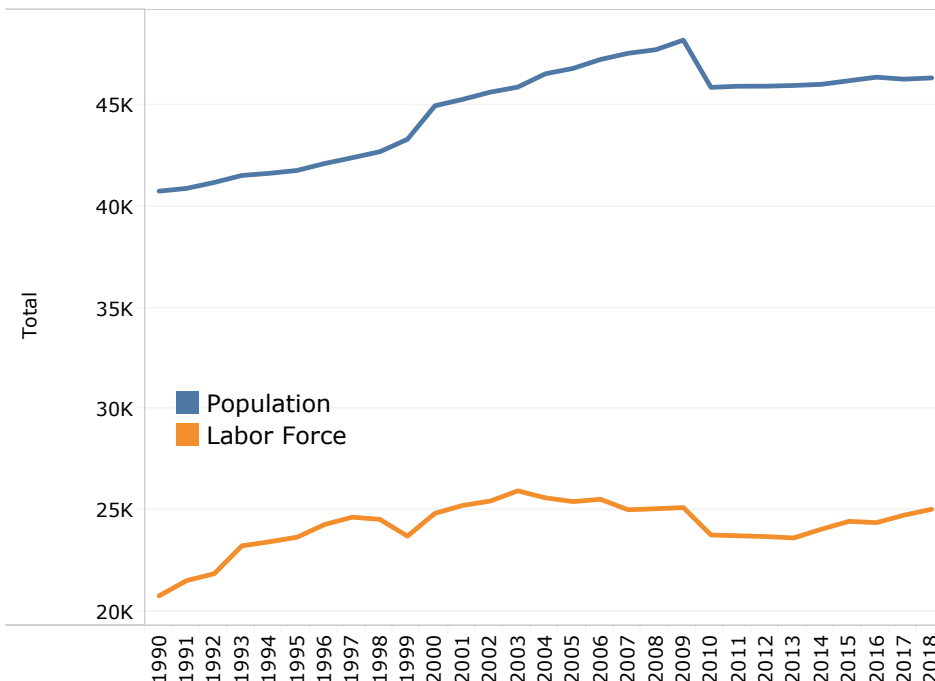
Barron's rate of 3.4% in 2018 is quite low historically speaking, and is significantly lower than the 10-year average as seen in the first graph below. This rate is lower than even during the booming economy of the late 1990s, when many counties hit their previous historic lows. While a growing economy is partially responsible for today's low unemployment rates, the trend of slow labor force growth, or even declines in some counties, due to baby boomers leaving the labor force has a major impact on the rates. This concept is illustrated on the second graph below.

### Barron County Unemployment Rates - Not Seasonally Adjusted



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

### Population and Labor Force



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics and Wisconsin Department of Administration

### Barron County Labor Force Components

Barron's labor force has seen significantly slower growth this decade than in the past, a worldwide trend likely to continue into at least the next decade. Finding talent is a struggle everywhere. Addressing the many challenges will require a multi-prong approach of talent attraction, retention, and creation (via education/local business partnerships for example). Lower net migration can indicate a difficult path for attraction, but rural areas often have much higher retention. The key to recruiting area youths into local jobs is often increasing awareness of those opportunities.

## Industry Employment and Wages 2018 Employment and Wage Distribution by Industry Barron County

	2018 Annual Average Employment	1-year change	Total Payroll (2018)	
Trade, Transportation, Utilities	4,271	167	\$135,377,496	
Public Administration	1,196	40	\$45,721,538	
Professional & Business Services	1,312	33	\$52,113,229	
Other services	449	-17	\$13,626,617	
Natural Resources	790	96	\$36,770,793	
Manufacturing	5,882	159	\$264,329,346	
Leisure & Hospitality	2,509	-11	\$41,914,575	
Information	169	-4	\$7,640,978	
Financial Activities	567	4	\$24,623,479	
Education & Health	4,558	-9	\$209,375,478	
Construction	710	6	\$32,522,808	
All industries	22,413	464	\$864,016,337	

Source: WI DWD, Labor Market Information, QCEW, June 2019

Barron County saw job gains of roughly 2.1% (464 jobs) from 2017 to 2018, ranking it 13th among the state's 72 counties by percent change. Manufacturing, the largest industry in the county, by employment, and even more so by total payroll, gained 159 jobs from 2017 to 2018.

Manufacturing employment in Barron County has risen steadily since 2010, reversing a declining trend in the previous decade. Food Manufacturing is top of the heap with about 40% of the manufacturing jobs in the county. The Jennie-O Turkey Store is the largest employer in the county. Machinery, Fabricated Metal Product, and Wood Product Manufacturing are also important sub-sectors of manufacturing in Barron.

### 2018 Average Annual Wage by Industry

	Wisconsin Average Annual Wage	County Average Annual Wage	2018 % Wisconsin	1-Year % Change*
Trade, Transportation, Utilities	\$41,901	\$31,697	75.7%	0.3%
Public Administration	\$47,859	\$38,229	79.9%	-3.1%
Professional & Business Services	\$60,729	\$39,720	65.4%	-1.1%
Other services	\$30,674	\$30,349	98.9%	7.5%
Natural Resources	\$39,444	\$46,545	118.0%	7.4%
Manufacturing	\$58,048	\$44,939	77.4%	1.7%
Leisure & Hospitality	\$18,757	\$16,706	89.1%	-4.6%
Information	\$73,577	\$45,213	61.5%	-1.6%
Financial Activities	\$71,474	\$43,428	60.8%	-1.8%
Education & Health	\$49,185	\$45,936	93.4%	-0.9%
Construction	\$61,909	\$45,807	74.0%	-3.8%
All Industries	\$48,891	\$38,550	78.9%	-0.2%

Source: WI DWD, Labor Market Information, QCEW, June 2019  
\*Difference in the 2018 share of Wisconsin and the 2017 share of Wisconsin

Job growth in Education & Health, the second largest super-sector of employment, was relatively flat from 2017 to 2018. Despite Barron being a rural county, healthcare wages nearly match the state average, owing to the relatively new Marshfield Clinic location in Rice Lake.

Sand mines that produce a specific grade of proppant for fracking operations in other states have also boosted jobs in the area. This is highlighted by high wages in Natural Resources and Mining, which are 118% of the state average. Mining alone gained 91 jobs from 2017-2018.

**Industry Employment Projections**  
**West Central WDA - Industry Projections 2016-2026**  
**Barron, Chippewa, Clark, Dunn, Eau Claire, Pepin, Pierce, Polk, and St. Croix Counties**

Industry	2016 Employment	Projected 2026 Employment	Employment Change	Percent Change
Total All Industries	212,692	229,547	16,855	7.9%
Natural Resources and Mining	3,842	4,233	391	10.2%
Construction	7,725	8,814	1,089	14.1%
Manufacturing	33,967	34,583	616	1.8%
Trade, Transportation, and Utilities	39,950	43,478	3,528	8.8%
Information	1,666	1,272	-394	-23.6%
Financial Activities	6,856	7,555	699	10.2%
Professional and Business Services	16,712	19,121	2,409	14.4%
Education and Health Services	46,552	50,204	3,652	7.8%
Leisure and Hospitality	20,110	22,353	2,243	11.2%
Other Services (except Government)	8,050	8,705	655	8.1%
Public Administration	12,303	12,561	258	2.1%
Self Employed and Unpaid Family Workers	14,959	16,668	1,709	11.4%


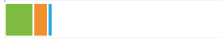








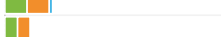











Source: Office of Economic Advisors, Wisconsin Department of Workforce Development, December 2018

While studying past trends is useful, DWD also produces projections of industry and occupation employment into the future. The projections in this profile are for the nine-county West Central Workforce Development Area. These projections are produced every two years following Bureau of Labor Statistics methodology. New for the 2016-2026 projections, the Bureau of Labor Statistics (BLS) has changed the methodology to better project the workforce of the dynamic new economy in which a worker will likely have many occupations in a lifetime. The workforce is constantly evolving. Workers leave an occupation for reasons other than retirement or death, such as changing careers, promotions or completing retraining programs. The new BLS "separations" methodology accounts for these different types of job changes (i.e. job growth, job exits, job transfers). The Occupation Employment Projections discussion on the next page reviews the impact of this revision. While this projections region includes more than just Eau Claire County with 30% of the employment, the economic dynamics are similar enough throughout the region to comment on general trends.

Total industry employment is expected to grow by about eight percent over the 10 year period, or almost 17,000 workers. Most industries are expected to grow over this period. The industry projections shown here forecast levels of filled positions rather than demand. This illustrates the issues associated with the aging population. While growth in the labor force is slowing and, in some counties, declining, job growth is expected to continue. The aging population will increase the need for replacements. Employers may have trouble finding replacement workers even if overall employment in the industry declines. As a result, businesses that are already having difficulty filling job openings vacated by retirees, will also strain to fill new openings. This could restrict job growth by limiting businesses ability to expand. Solutions to these problems will differ for each business but will likely include a combination of developing a talent pipeline such as Wisconsin Fast Forward training grants or business alliances aimed at marketing specific careers; increasing focus on talent attraction and retention; engaging under-utilized workforces; increasing automation; and retaining retirees in non-conventional work arrangements.



**Occupational Employment Projections**  
**West Central WDA - Occupation Projections 2016-2026**  
**Barron, Chippewa, Clark, Dunn, Eau Claire, Pepin, Pierce, Polk, and St. Croix Counties**

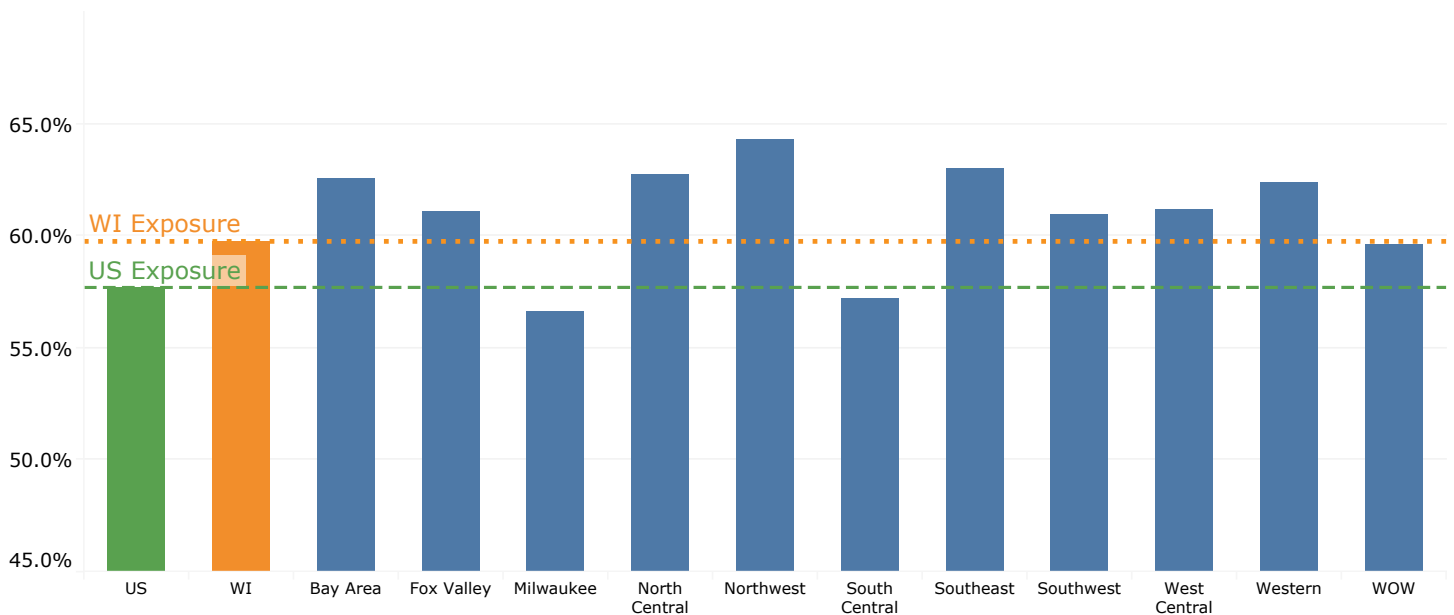
Occupation Title	2016 Employment	2026 Projected Employment	Occupational Openings	Percent Change (2016-2026)	
Total, All	212,690	229,550	26,400	7.9%	
Management	11,870	13,150	1,090	10.8%	
Business and Financial Operations	7,330	8,180	780	11.6%	
Computer and Mathematical	2,270	2,610	190	15.0%	
Architecture and Engineering	3,310	3,540	270	6.9%	
Life, Physical, and Social Science	910	1,050	100	15.4%	
Community and Social Service	2,820	3,100	350	9.9%	
Legal	780	810	50	3.8%	
Education, Training, and Library	12,690	13,290	1,130	4.7%	
Arts, Design, Entertainment, Sports, and Media	2,500	2,650	270	6.0%	
Healthcare Practitioners and Technical	12,050	13,270	800	10.1%	
Healthcare Support	5,980	6,640	780	11.0%	
Protective Service	3,860	3,990	410	3.4%	
Food Preparation and Serving Related	18,250	20,310	3,500	11.3%	
Building and Grounds Cleaning and Maintenance	6,260	6,800	860	8.6%	
Personal Care and Service	11,890	13,660	2,010	14.9%	
Sales and Related	20,170	21,730	3,040	7.7%	
Office and Administrative Support	27,840	28,590	3,250	2.7%	
Farming, Fishing, and Forestry	2,390	2,620	390	9.6%	
Construction and Extraction	9,010	10,070	1,060	11.8%	
Installation, Maintenance, and Repair	9,080	10,020	990	10.4%	
Production	25,380	25,750	2,910	1.5%	
Transportation and Material Moving	16,070	17,720	2,210	10.3%	

Source: Office of Economic Advisors, Wisconsin Department of Workforce Development, December 2018

While industry projections have their uses, a more functional approach is projected occupational growth. An examination of projected occupational employment growth reveals a possible explanation for the moderate growth rates anticipated in a number of the region’s largest industry sectors. We first see that the most significant growth can be observed in a number of occupational categories largely concentrated in the Health Services sector, including Healthcare Practitioners, Healthcare Support, and Personal Care and Services workers.

Significant growth is also anticipated in many other occupational sectors, supporting the narrative of long-range stability in many of the region’s largest industries. However, Wisconsin is experiencing labor constraints. The projected job openings created by replacing retiring workers outnumber openings generated by new growth by over three-to-one in the region. Facing the challenges of an aging baby boom population, an increased importance must be placed on the availability and skill sets of young workers entering the region’s workforce. Slow growth can be attributed to factors such as increased automation and higher productivity, but there will be many openings simply due to retirements.

## Automation Exposure by Workforce Development Area



Source: The Future of Employment: How Susceptible are Jobs to Computerisation, C.B. Frey and M.A. Osborne, September 17, 2013, Oxford Martin School, University of Oxford; OES

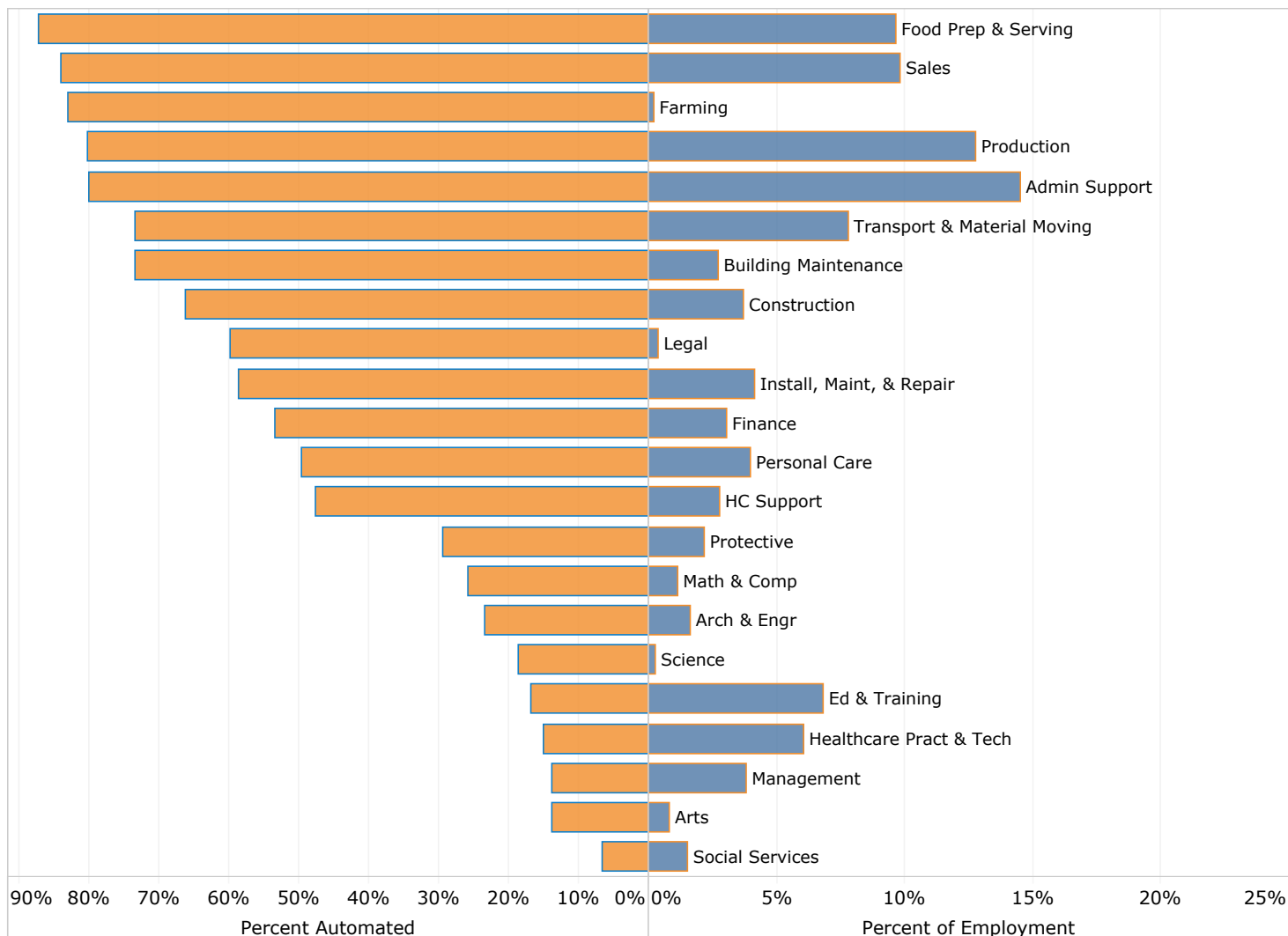
Technological advancements are changing the occupational landscape of the nation and Wisconsin is no exception. Developments in the fields of artificial intelligence, the internet of things (ability of electronic devices to communicate with each other), autonomous transportation, and many others are widely expected to have significant impacts on the nature of work, both in terms of the job mix and the skillsets needed to succeed in the labor market. By merging occupational-level probabilities of automation from a 2013 Oxford study with employment data from the Occupational Employment Statistics data set, we are able to estimate the overall level of exposure to automation and compare it across different geographies, which is identified in the chart above.

The graph above shows the overall exposure to future automation for the 11 Workforce Development Regions around Wisconsin. The state as a whole has a higher exposure than the national average, which is directly related to industry/occupation mix prevalent in the state. Wisconsin has one of the highest concentrations of manufacturing jobs in the country. Although a strength, this industry is highly exposed to automation. Transportation and Materials Moving sector, which is linked to manufacturing, finds itself on the cusp of greater automation, especially truck drivers. Agriculture, another major industry in Wisconsin, has already seen a significant amount of automation, which may hint at things to come for other industries.

Further analysis of the interactions between automation and other occupational characteristics yields some interesting conclusions that have broad implications on the labor market. Automation exposure is anticipated to continue contributing to inequality both in terms of wages and education. In other words, automation exposure has a strong tendency to decrease as wages and educational requirements associated with the job increase. Technological advancements can also help mitigate the workforce quantity challenge by enhancing labor productivity, which is essential for continued economic prosperity without increasing labor force. Of note, these developments are also anticipated to accelerate the evolution of workplace skills, which puts additional emphasis on the roles of postsecondary education and upskilling while still on the job.

## Automation Exposure by Occupation Group for West Central WDA

Barron, Chippewa, Clark, Dunn, Eau Claire, Pepin, Pierce, Polk, and St. Croix Counties



Source: The Future of Employment: How Susceptible are Jobs to Computerisation, C.B. Frey and M.A. Osborne, September 17, 2013, Oxford Martin School, University of Oxford; OES

Above, the various occupation groups are classified by their overall exposure to automation on the left (orange), which is how the graph is ranked. On the right in blue, we see the overall employment in those occupation groups in West Central WDA 8. Those occupations near the bottom of the graph have relatively low levels of automation exposure. The skill sets required to do many of these jobs (e.g. interacting with the environment, creativity, problem solving, and working with others) render them less exposed to automation, at least as technology stands now. Education & Healthcare, two major areas of employment in this region, fall into this category. The area of concern tends to be those occupations located near the top - occupations that are particularly exposed to future automation trends. Production occupations, for example, also make up a high share of employment. It's important to note that not all occupations in these fields are likely to be automated in the immediate future, it depends largely on skills needed. For example, repetitive occupations that do not require a high degree of manual dexterity, problem solving, creativity, or adaptation are more likely to be automated. The Transportation and Material Moving sector is in a similar situation with the industry moving steadily into self-driving vehicles and highly automated warehouses. The ability of the workforce to adapt to these rapid changes and the new occupations they will bring will be essential to continued economic progress going forward.