

# Calumet County

## 2023 WORKFORCE PROFILE



## 2022 Wisconsin Overview

Wisconsin's economy broke numerous records during 2022, as the rebound from the COVID-19 pandemic continued.

During January through April, the state achieved a record low seasonally adjusted unemployment rate of 2.8%, while also achieving record lows in initial and continuing weekly unemployment insurance claims. As the number of unemployed people trended downward, construction employment reached a record high, and the manufacturing industry also experienced strong growth.

By year end, the state had regained 99% of the 404,000 jobs lost during the COVID-19 pandemic, including the short, sharp recession of March and April 2020. In addition to the strong rebound in jobs during 2022, Wisconsin's real GDP reached record highs and the state concluded the year with a record high state surplus approaching \$7 billion.

While Wisconsin's year-ending labor force participation rate of 64.6% remained more than two percentage points above the national average, demographic trends including the aging and retirement of Baby Boomers contributed to the labor quantity challenge. Concerns over inflation, compounded by China's response to the COVID-19 pandemic and resulting supply chain disruptions, also defined the year.

As demand for workers grew throughout 2022, employers voiced concerns about their inability to attract talent and workers in general. This is unlikely to change in the foreseeable future. The primary underlying challenge is the demographic situation as Baby Boomers exit the workforce. This lifecycle event will continue to complicate employers' ability to find workers and talent. These demographic problems extend beyond Wisconsin and affect the upper Midwest, the U.S. as a whole, much of Western Europe, and in fact, the developed world. Even China faces a talent shortage.

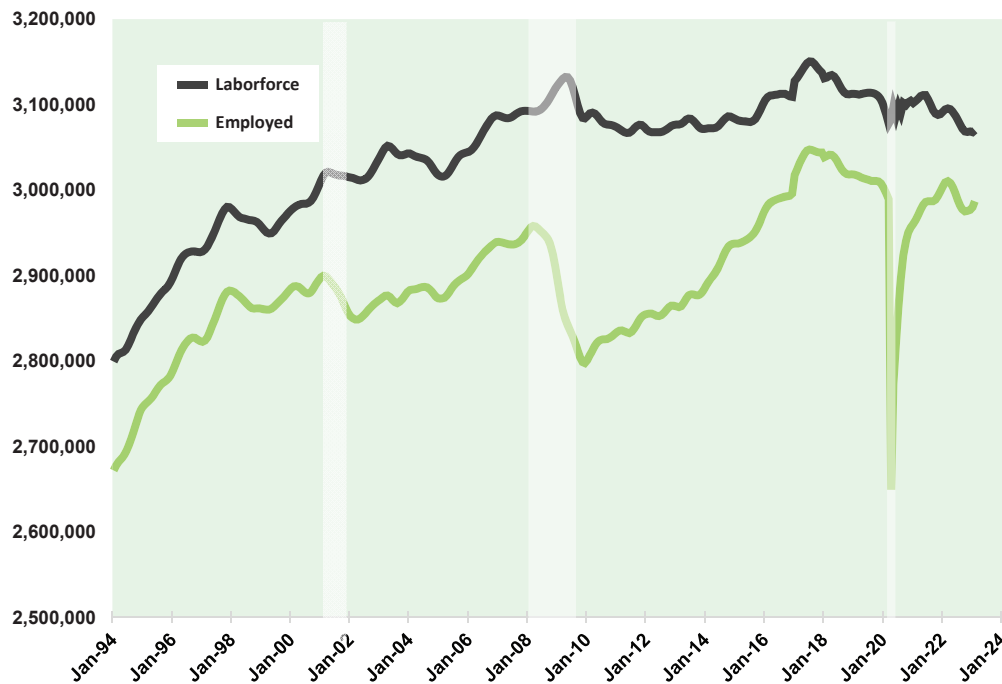


## EMPLOYMENT

Wisconsin's labor force held relatively steady through the pandemic, while employment dropped severely and then recovered quickly. See Graphic 1.

The employment gyrations pushed the unemployment rate to 14.1% in April 2020. As employment recovered, the unemployment rate fell to new lows of 2.8% in March and April of 2022. As of December 2022, Wisconsin's seasonally adjusted unemployment is 3.2%.

**Graphic 1: Wisconsin's Labor Force and Employment**



Source: Local Area Unemployment Statistics (LAUS), Bureau of Labor Statistics

## SHORT-RUN OUTLOOK

The short-run outlook for the state looks positive. Job levels continue at high levels, registering gains in 10 out of 12 months in 2022.

Job gains coupled with higher wages translate into healthy consumption, which makes up two-thirds of the economy. Wage gains have been robust. However, the surge in inflation brought about by supply chain disruptions and the war in Europe have undercut the gains in real terms. We expect high inflation to be transitory while wage gains will be permanent. With continued job and wage gains, consumption will be the underpinning of economic growth.

The most prominent economic risk is the Federal Reserve Bank (Fed) aggressively combatting inflation through higher interest rates. The Fed raised interest rates 7 times in 2022 – going from essentially zero to 5%. They set a range of 25 basis points. As of March 1, 2023 the range is 4.7 – 5%. Interestingly, Fed fiscal policy contributed to inflation pressures over the last few years.

Experts expect that inflation pressures will ease as supply chains readjust. As inflation pressures ease, the Fed will be able to conduct a more accommodative monetary policy. Tighter fiscal policy will have an influence over the coming years as well.

Businesses continue to voice lack of workforce talent as the primary constraint on production growth. Pursuit of workers has brought about wage and benefit increases, signing bonuses, and other incentives to attract workers. However, other workforce barriers such as transportation, dependent care, housing affordability, and the uncertainty of workplace safety surrounding COVID-19. Solutions to these barriers are discussed below.



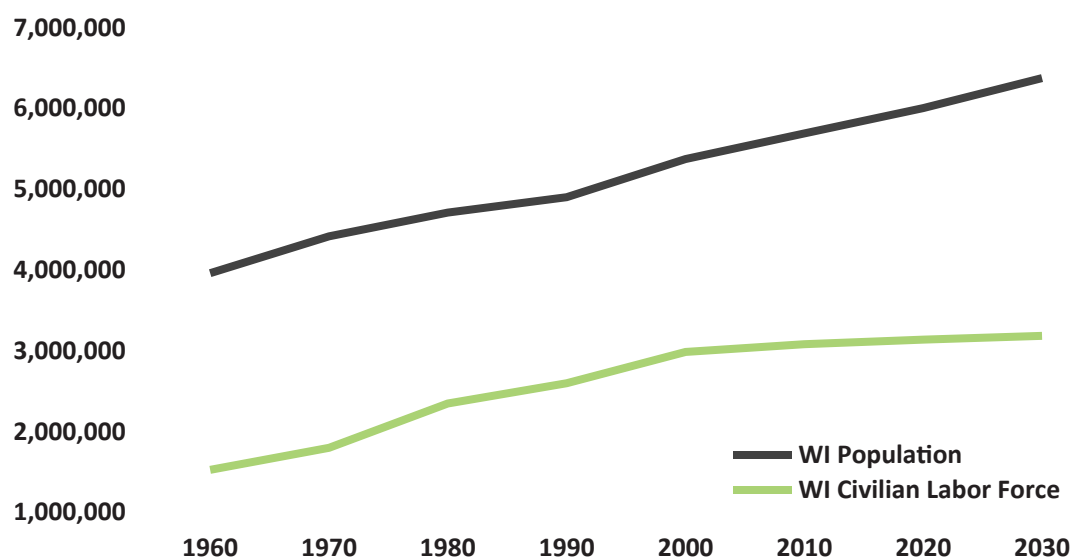
## LONG-RUN CHALLENGE

Workforce quantity is the primary challenge facing Wisconsin's economic future. The demographic dynamics facing the state, other upper-Midwest states, the U.S., and most of the developed economies will advance unaltered in the coming decades.

While Wisconsin's population will continue to grow over the next 20 years, the workforce faces serious constraints. The labor force trend began to seriously flatten in 2008 after slowing in the late 1990s 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 and will continue to do so over the next 20 years.

The number of retiring baby boomers nearly match the influx of new workers, resulting in a slow-growing workforce. This constrains employers' ability to secure talent across industries. Many businesses report that the lack of available workers has hindered expansion, and in some cases, even curtailed the ability to meet current business needs.

**Graphic 2: Wisconsin Population and Labor Force**



Source: WI DWD, OEA Special Tabulation

There are four solutions to the macroeconomic labor quantity challenge: 1) offshoring production, 2) immigration, 3) mitigating barriers to employment of the chronically unemployed, and 4) technological advancement. Critical to the technology solution is the concomitant match of labor skills with technologies' sophistication. This is true for designing, building, installing, operating, and maintaining the advanced technology being put in place as well as for development of the infrastructure and facilities needed to support technological progress: broadband, power, water, transportation.

Worker skills must align with skills demanded by the position. If you have the talent and not the job, the talent goes elsewhere. If you have the job and not the talent, the job goes elsewhere. For Wisconsin to successfully compete in the global economy, the state needs to attract and retain every body it can and educate and train everybody to match the requirements of the new technologies.

## FOUR SOLUTIONS



## Calumet County

### POPULATION AND DEMOGRAPHICS

In recent years, population growth in Calumet County was nearly four percentage points greater than the statewide rate. Since the 2020 Census, the county's population increased by 4.9%, or 2,555 residents. Population growth was largely concentrated in the Village of Harrison, which increased its population by over 2,000 residents alone. When discussing local population trends, it is important to note that Harrison is situated in the northwestern region of the county nearby both Appleton and Menasha. The populations in both of those cities are mostly in Outagamie and Winnebago Counties, but their borders also extend into Calumet County. Also, Harrison recently expanded its boundaries into land that is the site of new residential construction.

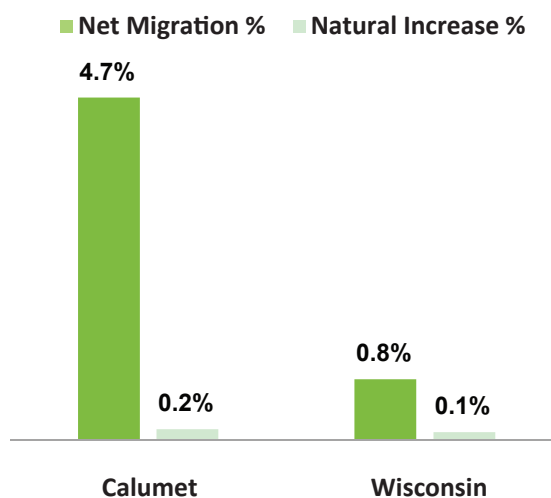
**Graphic 3: 10 Most Populous Municipalities in County**

	2020 Census	2022 Final Estimate	Numeric Change	Percent Change
Harrison, Village	12,418	14,424	2,006	16.2%
Appleton, City	11,304	11,276	-28	-0.3%
Chilton, City	4,080	4,064	-16	-0.4%
Brillion, City	3,262	3,487	225	6.9%
Sherwood, Village	3,271	3,352	81	2.5%
Menasha, City	3,007	3,243	236	7.9%
New Holstein, City	3,195	3,177	-18	-0.6%
Brillion, Town	1,650	1,682	32	1.9%
New Holstein, Town	1,534	1,527	-7	-0.5%
Stockbridge, Town	1,453	1,446	-7	-0.5%
<b>Calumet County</b>	<b>52,442</b>	<b>54,997</b>	<b>2,555</b>	<b>4.9%</b>
<b>Wisconsin</b>	<b>5,893,718</b>	<b>5,949,155</b>	<b>55,437</b>	<b>0.9%</b>

Source: WI Dept. of Administration, Demographic Services Center

Natural increase and net migration are the two sources of population change. A natural increase in population occurs when there are more births than deaths, while an increase through net migration arises when more people enter the county than exit. Observing the two sources of population change shows that net migration accounted for over 96% of Calumet County's recent growth. The local net migration rate was nearly four percentage points higher than the state. However, the natural increase rate (0.2%) was much more in-line with Wisconsin's overall trend (0.1%). Natural increase is largely a function of age, which provides one way of illustrating how the workforce quantity issues often discussed at the state level are likely to be present locally.

**Graphic 4: Components of Population Change**



Source: Demographic Services Center, WI Dept. of Administration

## EMPLOYMENT BY INDUSTRY

Employment changes in 2021 were unsurprisingly less volatile than the prior year, but jobs totals will also be compared to 2019 to provide a pre-pandemic benchmark. Employment in Calumet County increased by 5.4% or 788 jobs across all industries from 2020 to 2021. In comparison, Wisconsin's total employment grew by 2.4% over the year. As of 2021, employment in the county was 5.36% above the 2019 total while Wisconsin's total employment was 3.1% below 2019. Out of all 72 counties in the state, Calumet County had the highest two-year employment growth rate.

**Graphic 5: Employment Change by Industry**

	2021 Average Monthly Employment	1-year Numeric Change	1-year Percent Change	2-year Numeric Change	2-year Percent Change	Percent of Total Employment
Construction	691	3	0.4%	177	34.4%	4.5%
Education & Health Services	1,650	25	1.5%	-14	-0.8%	10.8%
Financial Activities	513	22	4.5%	29	6.0%	3.4%
Information	669	20	3.1%	73	12.2%	4.4%
Leisure & Hospitality	1,446	80	5.9%	-204	-12.4%	9.4%
Manufacturing	4,593	190	4.3%	147	3.3%	30.0%
Natural Resources & Mining	846	50	6.3%	69	8.9%	5.5%
Other Services	296	2	0.7%	-15	-4.8%	1.9%
Professional & Business Services	578	24	4.3%	20	3.6%	3.8%
Public Administration	577	11	1.9%	9	1.6%	3.8%
Trade, Transportation, Utilities	3,452	363	11.8%	488	16.5%	22.5%
<b>All Industries</b>	<b>15,310</b>	<b>788</b>	<b>5.4%</b>	<b>779</b>	<b>5.4%</b>	<b>100.0%</b>

Source: WI DWD, Labor Market Information, QCEW 2021

Unlike most counties in the state, all 11 local industries registered growth between 2020 and 2021. However, three industries still remained below 2019 levels. The two largest industries in terms of employment share are manufacturing and trade, transportation, utilities. These two industries make up 52.6% of total employment and 81.5% of the overall increase in employment from 2019 to 2021.

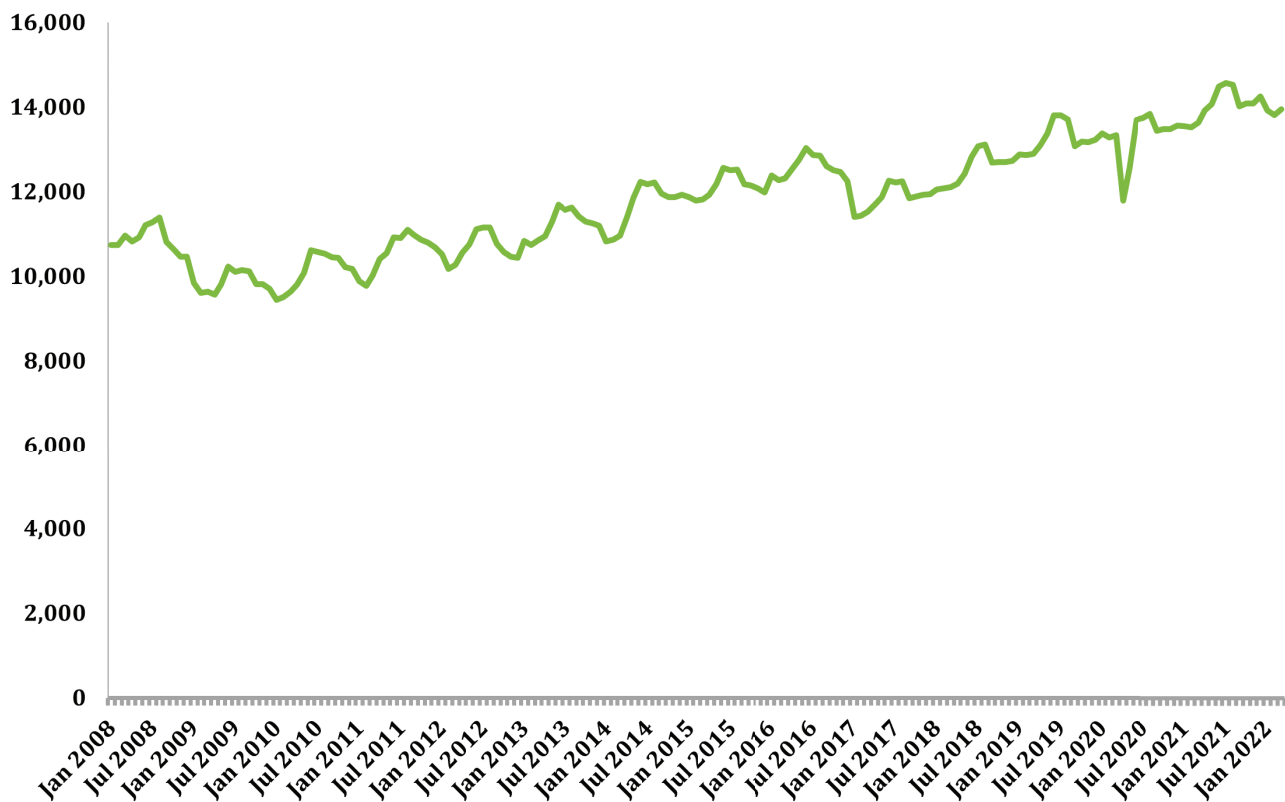
Construction was Calumet County's most rapidly growing industry since 2019, with much of that growth occurring in 2020. Within the construction industry, one notable area of employment growth was specialty trade contractors. According to the Bureau of Labor Statistics it, "comprises establishments whose primary activity is performing specific activities (pouring concrete, site preparation, plumbing, painting, and electrical work) involved in building construction or other activities that are similar for all types of construction, but that are not responsible for the entire project." This subsector gained 171 jobs from 2019 to 2021.



## TOTAL MONTHLY EMPLOYMENT

The monthly employment data in Graphic 6 provide a more timely look at local employment trends compared to the table on the last page, given that this series extends to March 2022. In addition, seasonal patterns are also evident here, with employment typically reaching a bottom in February and peaking in August. With these seasonal changes in mind, it is constructive to view employment changes by comparing the same month across different years. For example, total employment in Calumet County was 14,525 in August 2021 and 13,704 in August 2019.

**Graphic 6: QCEW Monthly Employment**



Source: WI DWD, Labor Market Information, QCEW Second Quarter

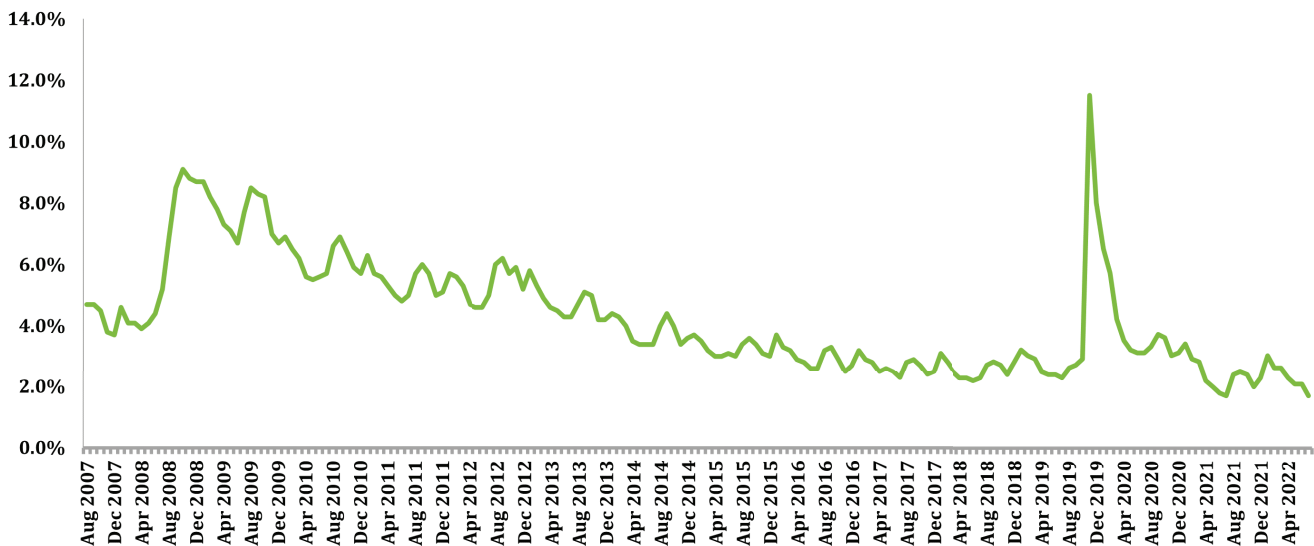
Local employment declined by over 1,550 jobs (11.6%) in April 2020, and the subsequent recovery period has been inconsistent. The most rapid rebound occurred in the spring and early summer of 2020, but the pace of recovery slowed the following winter in the midst of a new COVID wave at the time. Jobs growth continued throughout much of 2021 and into 2022 as well. As of March 2022, local employment stood at 13,945, representing a 12-month gain of 316. That is 606 jobs higher than the March 2020 level of 13,339.

In contrast to most counties statewide, employment in Calumet County is mostly in-line with its pre-COVID trend. Local employment increased by an average of about 350 jobs per year over the course of the 2010s, and the relative lack of growth in 2020 was compensated for by higher than average growth in 2021. In the short term, the jobs outlook remains quite uncertain amid continued concerns over issues such as inflation, international supply chain disruptions, pandemic-induced behavioral changes, and subsequent monetary policy responses. Expected changes over the longer-term will be covered in the discussion of industry and occupational employment projections.

## UNEMPLOYMENT AND LABOR FORCE PARTICIPATION

In contrast to the Great Recession, the increase in unemployment that occurred at the onset of the pandemic was more severe but less persistent. While Calumet County's unemployment rate peaked at 9.1% in the aftermath of the financial crisis, in April 2020 it climbed up by more than eight percentage points to 11.5%. The subsequent recovery was most rapid in the immediate aftermath of the most stringent lockdowns being lifted; however, the local unemployment rate has still been trending toward pre-pandemic levels throughout 2021 and 2022. The August 2022 rate of 1.7% was equal to the same month a year prior, which is notable given the continued economic uncertainties fueled by recent inflation trends.

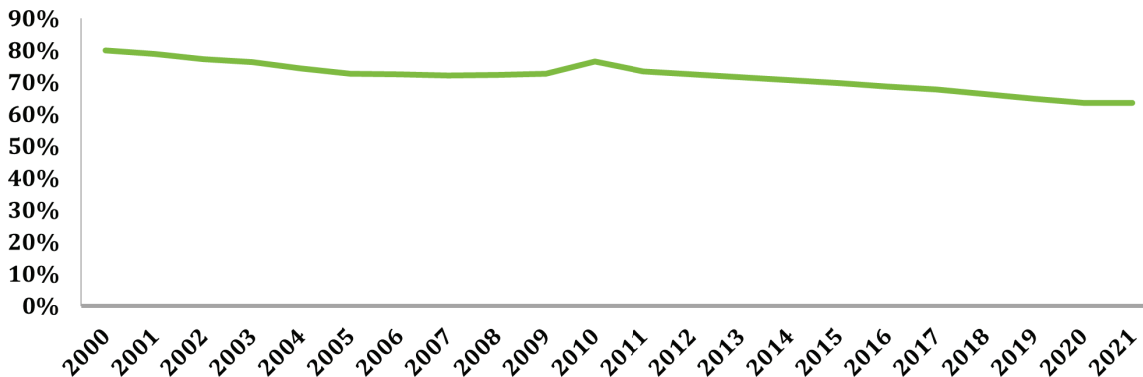
**Graphic 7: Unemployment Rate**



Source: Local Area Unemployment Statistics (LAUS), Bureau of Labor Statistics

Many of the current labor market challenges existed before COVID-19. Calumet County's labor force participation rate (LFPR) has been trending steadily downward since 2000, when the oldest members of the Baby Boomer generation were in the late stages of their prime working years. As of 2021, the local LFPR of 63.6% was 0.1 percentage points higher than 2020. However, this recent bump is relatively minor compared to the 16.4 percentage point decline since 2000.

**Graphic 8: Labor Force Participation Rate**



Source: WI DWD, Office of Economic Advisors (OEA)



## BARRIERS TO FULL UTILIZATION

As Calumet County's population ages and baby boomers exit the workforce, a long-term workforce quantity challenge arises. Therefore, it is increasingly important to address barriers that prevent people from participating or participating fully in the labor market. Although there is no single solution to demographically driven staffing challenges, four common barriers persist across areas and industries. These barriers are transportation, housing, child care, and access to broadband.

### Transportation

Job and residence location do not always align. Lack of reliable transportation can prevent individuals from pursuing opportunities and employers from filling good-paying positions. In Calumet County, 91.9% of employed residents rely on a car to get to work, with over 85% driving alone. The average commute time for residents is 21.5 minutes.

Inter-county commuting dynamics are much more apparent in Calumet County compared to the state as a whole as evidenced by the higher shares of residents commuting out of the county (67.2%) and workers who live in a different county (66.7%). These data may change as the impact of COVID-19 manifest into permanent structural changes. However, it is safe to say that the overwhelming majority of the incumbent workforce will continue to rely on a car to get to work. This dynamic leads to a difficult conundrum. Qualified individuals could fill good jobs if they had cars. They could afford cars if they had good jobs.

**Graphic 9: Means of Transportation**

	Wisconsin	Calumet County
Drive Car	87.6%	91.9%
Drive Alone	79.9%	85.2%
Mean Commute Time - Residents	22.2	21.5
Mean Commute Time - Workers	21.9	20.3
% of Residents Working in another County	28.0%	67.2%
% of Workers Residing in another County	24.3%	66.7%

Source: US Census Bureau, American Community Survey, 2020 5-year File

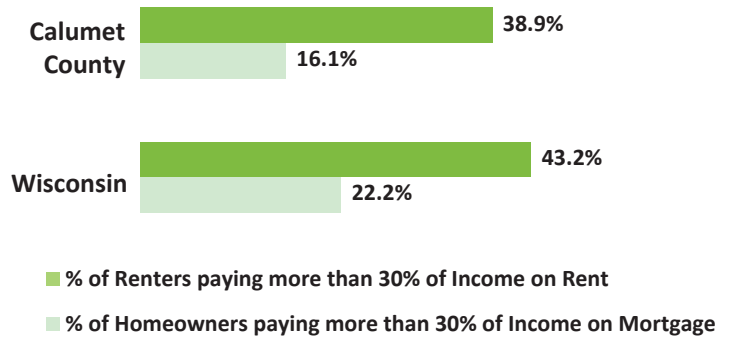


## Housing

Affordability and availability of housing are barriers that make it difficult for workers to relocate for job opportunities. The Department of Housing and Urban Development uses 30% of income as a guideline for housing affordability. Like the state, renters in Calumet County are more likely than homeowners to spend more than 30% of their income on monthly housing costs. Early data show that home values and monthly rent increased at an accelerated rate between 2020 and 2022, which suggests that the issue could be getting worse. Two ways of bringing this share down would be 1) providing more housing that is available at a lower cost and 2) increasing earnings.

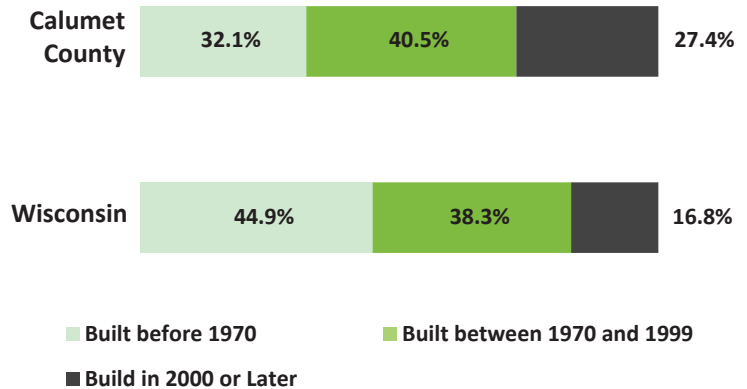
Lack of availability can make it difficult for individuals to find housing even if cost isn't an issue. Housing availability is difficult to quantify, but one way of assessing the issue is to view the age distribution of the existing housing stock. Compared to Wisconsin, Calumet County has a relatively high share of housing units built in more recent decades, particularly after the turn of the millennium. Overall, 67.9% of the local housing stock was built since 1970, which is 12.8 percentage points higher than the statewide rate.

**Graphic 10: % Paying more than 30% of Income on Housing**



Source: US Census Bureau, American Community Survey, 2020 5-year File

**Graphic 11: Housing Share by Year Built**



Source: US Census Bureau, American Community Survey, 2020 5-year File





## Child Care

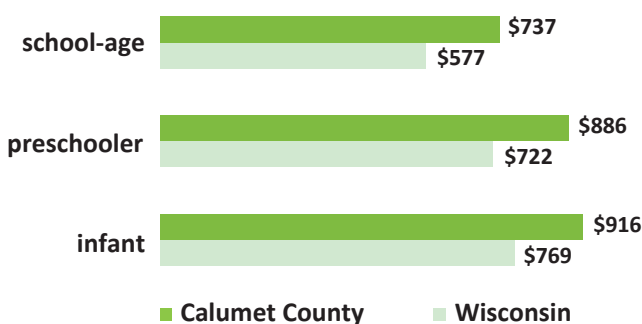
Due to its high cost, child care is a significant barrier to employment for families across Wisconsin. Child care costs in Calumet County exceed statewide levels across all three age groups, with monthly costs ranging from \$737 for a school-aged child to \$916 for an infant. In addition to cost, child care availability is also a barrier to employment. The YoungStar provider database tracks 82% of child care providers in the state. According to the database, Calumet County has 18 total providers with a potential capacity of 808 children. This capacity is relatively low capacity in comparison to the state. There are nine child care slots for every 100 children under the age of 14 in Calumet County compared to 14 statewide. Even families that have child care struggle with disruptions to access. Easing the cost and access burden would allow parents to more fully participate in the labor market. Employers could also improve participation by providing flexibility to employees with child care responsibilities.

**Graphic 12: Child Care Capacity**

	Wisconsin	Calumet County
Providers	3,863	18
Maximum Capacity	132,075	808
Capacity/100 Children Under 14**	0.14	0.09

Source: Wisconsin Department of Children and Families, Youngstar Database

**Graphic 13: Child Care Cost**



Source: Center for Women's Welfare, Uni. of Washington, 2019 Self-Sufficiency Standards

## Broadband

Elements of the work-from-home economy and best practices from virtual learning will remain after the pandemic is over. Employers can use innovations developed out of necessity to meet Wisconsin's workforce needs. For example, increased work-from-home options could alleviate talent shortages by providing flexible scheduling options that benefit workers. Despite these potential benefits, broadband internet availability issues limit employers and employees who need high-speed internet to make remote operations possible.

Graphic 14 displays broadband internet access distribution across households. Nearly 11% of households in Calumet County do not have internet, which is four percentage points lower than the state. Lack of access is especially notable in households earning less than \$20,000, where 47.0% of households in the county do not have broadband access. It is more difficult for individuals living in these households to take advantage of virtual employment, training, or education opportunities.

**Graphic 14: Percent of Households that **DO NOT** have Internet Access by Annual Household Income**

	Wisconsin	Calumet County
Total	14.8%	10.8%
Less than \$20,000:	38.4%	47.0%
\$20,000 to \$74,999:	17.5%	13.3%
\$75,000 or more:	4.6%	2.3%

Source: US Census Bureau, American Community Survey, 2020 5-year File

## INDUSTRY EMPLOYMENT PROJECTIONS

Graphic 15: Industry Employment Projections

Industry	2020 Employment	Projected 2030 Employment	Employment Change	Percent Change (2020-2030)
Total All Industries	203,474	214,775	11,301	5.6%
Natural Resources and Mining	6,443	5,957	-486	-7.5%
Construction	10,104	11,234	1,130	11.2%
Manufacturing	43,829	45,759	1,930	4.4%
Trade, Transportation, and Utilities	32,032	33,969	1,937	6.0%
Information	3,036	2,865	-171	-5.6%
Financial Activities	7,830	7,894	64	0.8%
Professional and Business Services	15,633	16,716	1,083	6.9%
Education and Health Services	37,901	41,191	3,290	8.7%
Leisure and Hospitality	13,902	16,185	2,283	16.4%
Other Services (except Government)	10,323	11,238	915	8.9%
Public Administration	10,621	11,028	407	3.8%
Self Employed and Unpaid Family Workers	11,820	10,739	-1,081	-9.1%

While studying past trends is useful, DWD also produces projections of industry and occupation employment into the future. The state is composed of 11 Workforce Development Areas (WDAs), and projections are updated every two years. Calumet County is part of the Fox Valley WDA, which includes six counties in northeast Wisconsin. DWD's projections methodology accounts for various ways the local workforce continuously evolves, including retirements, career changes, and changing demand.

Regional employment is expected to grow by 5.5%, or 11,301 jobs from 2020 to 2030. Statewide employment is projected to grow at a slightly faster rate during the same timeframe (6.2%). Growth is projected to be stronger in service-providing industries than goods-producing industries, due in large part to a projected rebound in leisure and hospitality. Note that these projections only forecast levels of filled positions rather than potential demand, which can further illustrate the issues associated with an aging population. Job growth is expected to continue, despite declines in labor force growth. Employers have difficulties replacing workers even if overall employment in the industry declines. Businesses already face difficulty replacing retirees' positions, and this difficulty will expand to filling new openings, too. This could constrain job growth by limiting expansion. Although solutions will be different for each business, they will likely include a combination of talent pipeline development, increased focus on talent attraction and retention, engagement of under-utilized populations, increased automation, and retention of retirees in non-conventional work arrangements.





## OCCUPATIONAL EMPLOYMENT PROJECTIONS

Graphic 16: Occupational Employment Projections

Occupation Title	2020 Employment	Projected 2030 Employment	Occupational Openings	Percent Change (2020-2030)
Total All Occupations	203,474	214,775	24,022	5.6%
Management	11,674	11,608	952	-0.6%
Business and Financial Operations	10,782	11,270	1,002	4.5%
Computer and Mathematical	3,618	3,822	279	5.6%
Architecture and Engineering	4,674	5,137	374	9.9%
Life, Physical, and Social Science	1,357	1,402	133	3.3%
Community and Social Service	2,538	2,906	305	14.5%
Legal	717	762	56	6.3%
Education, Training, and Library	12,283	13,001	1,173	5.9%
Arts, Design, Entertainment, Sports, & Media	2,243	2,340	236	4.3%
Healthcare Practitioners and Technical	10,758	11,604	706	7.9%
Healthcare Support	7,670	8,997	1,136	17.3%
Protective Service	3,691	4,012	512	8.7%
Food Preparation and Serving Related	13,525	15,379	2,765	13.7%
Building & Grounds Cleaning & Maintenance	4,691	4,980	655	6.2%
Personal Care and Service	5,372	6,239	905	16.1%
Sales and Related	16,200	16,883	2,250	4.2%
Office and Administrative Support	24,066	23,430	2,554	-2.6%
Farming, Fishing, and Forestry	3,675	3,259	497	-11.3%
Construction and Extraction	10,217	11,183	1,140	9.5%
Installation, Maintenance, and Repair	8,042	8,696	856	8.1%
Production	28,764	29,556	3,222	2.8%
Transportation and Material Moving	16,917	18,309	2,316	8.2%

DWD's occupational projections are widely used for the purposes of workforce and career planning. Consistent with the previous few iterations, this current cycle of projections utilizes the separations methodology. This method more accurately captures the churn of the labor market by estimating the number of openings induced by workers who leave the labor force entirely (exits) and workers who change occupations (transfers). Looking at the table can yield a better idea of the occupations that will be in demand in the future. The fastest-growing occupational groups in terms of percentage change are healthcare support, personal care and service, community and social service, food preparation and serving, and architecture and engineering.

Over 45 percent of the projected annual openings in the Fox Valley are concentrated in four occupational groups: production, food preparation and serving, office and administrative support, and transportation. This result may seem unexpected because two of these areas are projected to grow less than the Fox Valley overall. A more detailed look at the sources of openings provides clarity. Even though there are several occupational groups that have a larger number of openings due to growth, the number of openings induced by exits and transfers is more than enough to compensate. One of the main takeaways is that opportunities will abound in fields not associated with high growth due to the openings brought about by other causes.