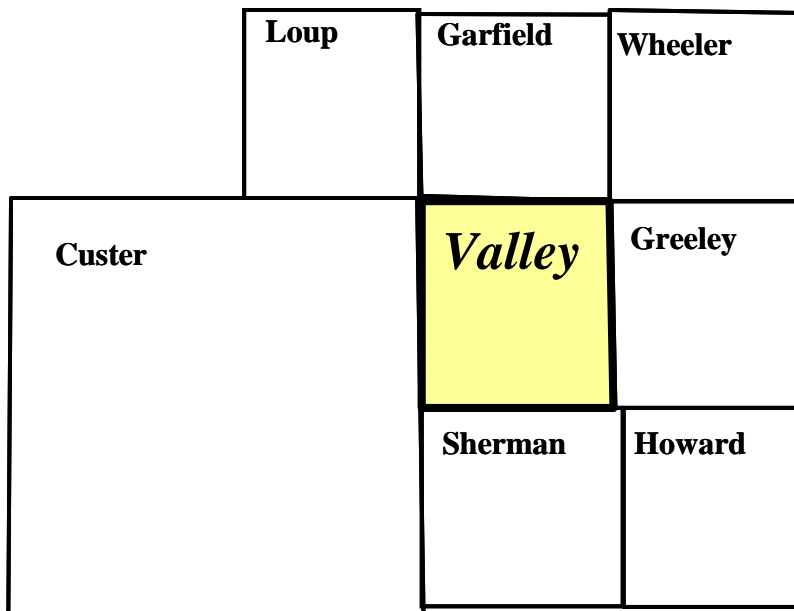


Labor Supply Factors and Labor Availability for the Valley County Labor Area



Prepared by:

Kenneth M. Lemke, Ph.D.
Economist
Nebraska Public Power District
1414 15th Street - P.O. Box 499
Columbus, Nebraska 68602-0499
(800) 282-6773, Ext. 5535
E-Mail: kmlemke@nppd.com
Web Site: sites.nppd.com

Labor Supply Factors and Labor Availability for the Valley County Labor Area

Executive Summary

The information provided in this report indicates that a prospective new employer providing job opportunities with competitive wages and benefits and offering career opportunities would be a welcome addition to the employment base in Valley County. The response to such employment opportunities would be substantial, and as this report shows, there is a sizeable labor force and population base living within the Valley County Labor Area. Some of the pertinent findings of the report include:

- Population in the Valley County Labor Area (Valley County plus the seven contiguous counties) totaled 30,238 people in 2007, with the Valley County population totaling 4,263. Population in Valley County declined by 8.3 percent during the 2000–2007 period, compared to a population decrease of 7.1 percent for the eight-county Valley County Labor Area as a whole.
- The labor force for the Valley County Labor Area totaled 17,384 in 2007, with 16,932 local residents employed in jobs either within or outside the area. A total of 9,056 persons were employed in nonfarm wage and salary jobs located within the area. These data suggest that a substantial number of residents of the Valley County Labor Area were commuting out of the area for employment.
- The number of people who lived in Valley County that were employed totaled 2,472 in 2007; yet, there were 1,690 persons employed in nonfarm wage and salary jobs within the county. This indicates residents of Valley County are commuting to surrounding counties for employment opportunities.
- Average annual wages for all nonfarm wage and salary employees in the Valley County Labor Area were \$11,429 less than the Nebraska average. Within the labor area, Wheeler had the highest average wage, \$26,705 or \$6,911 lower than the Nebraska average. In Valley County, average annual salaries were \$13,133 less than the state average.

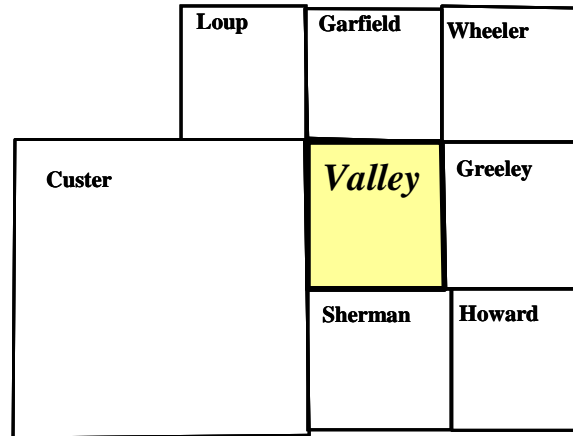
The basic conclusion of this report, which follows from the data and analysis presented, is that the Valley County Labor Area and Valley County would be able to provide a significant number of dedicated and skilled workers to meet the needs of additional employers in the area. While this report has not estimated a precise number of people that may be available for a prospective new employer in the Valley County area, it is anticipated that if attractive working conditions with competitive wages and employee benefits were offered, a prospective new employer would be able to select their workforce from a substantial pool of applicants.

Labor Supply Factors and Labor Availability for the Valley County Labor Area

This report presents selected labor-related and demographic data that provide insights into the labor supply situation in Valley County and the surrounding area.

In reviewing the data presented in this report, it will be evident that the Valley County Labor Area has a sizeable pool of labor to provide for the labor requirements of additional employers in the area, both in the near term and over the long run. Data presented in this report includes tables on labor force, employment, and population for Valley County and for the surrounding counties that make up the potential laborshed area for Valley County. Figure One includes a map outlining the geographic area which has been defined as the Valley County Labor Area.

**Figure One
Valley County Labor Area**



An important resource for new or expanding businesses is a readily available supply of workers. Whether an employer requires 5 or 500 workers, they must be confident there will be a sufficient number of workers available to meet their labor requirements. This report is provided as a key analytical tool to identify and quantify the number and selected characteristics of workers available in the Valley County Labor Area.

Available labor supply is defined as the number of persons who would potentially apply for employment when a job becomes available. Potential workers are categorized into two groups; those currently employed who would consider other employment opportunities and those who do not currently have a job.

One factor contributing to the available supply of workers is the willingness of workers already employed to change jobs. Factors influencing this decision are related to wages, fringe benefits, hours, and working conditions. Generally, workers are more inclined to change jobs when the wages and benefits for the potential new job are better and/or when they are optimistic about the economy.

Factors contributing to the available supply of people without jobs include the unemployment rate, labor force participation, and migration. To be classified as unemployed, an individual must have been actively looking for work in the last four weeks, unless they were expecting recall from a layoff or waiting to start a job within 30 days.

There are also potential workers that are classified as not presently in the labor force. These individuals may not be participating in the labor force as employed or unemployed workers for various reasons. They may be unable to work because of school or family responsibilities or they may have an illness that has prevented them from becoming part of the labor force. There may also be workers who have not been able to find employment in the past and have become discouraged or who are no longer actively seeking employment because they perceive there are no attractive job opportunities available in the area. Retired persons are also classified as not in the labor force, although this population group often can provide substantial labor resources for selected business operations. Within the group of persons not currently in the labor force, and therefore not actively seeking employment, are many individuals who would accept a job with attractive working conditions, competitive wages and employee benefits if one became available.

Population migration is another factor that affects the available labor supply of potential workers who are not presently employed (and may not be seeking work within the local labor market). Persons without jobs and who perceive that there are no job opportunities available locally are the most likely to leave (migrate out) the area for employment opportunities elsewhere.

Labor Force and Employment

Table One provides data showing labor force and employment trends for the Valley County Labor Area and for Valley County for selected years from 2001 to 2007. Data in Table One (Part A and Part B) provide two alternate measures of employment for two distinct areas. Data presented in Table One Part A include labor force, unemployment, employment, and nonfarm wage and salary employment data for the entire Valley County Labor Area (see Figure One). As these data indicate, both the total labor force and total employment for the laborshed area as a whole have declined, with the area labor force declining by 0.7 percent between 2001 and 2007 and total employment falling by 0.6 percent during the same period.

Table One
Labor Force and Employment
Part A
Valley County Labor Area^(a), 2001-2007

(Place of Residence)	2001	2002	2003	2004	2005	2006	2007	% Chg. 2001-2007
Labor Force^(b)	17,513	17,755	18,101	17,865	17,686	17,517	17,384	-0.7
Unemployment (#)	478	537	605	624	591	456	452	-5.4
Unemployment Rate (%)	2.7	3.0	3.3	3.5	3.3	2.6	2.6	(N/A)
Employment	17,035	17,218	17,496	17,241	17,095	17,061	16,932	-0.6
(Place of Work)								
Nonfarm Employment^(c)	8,991	9,164	8,952	8,891	8,969	8,951	9,056	0.7

^(a) The Valley County Labor Area includes Valley County and the contiguous counties (Custer, Garfield, Greeley, Howard, Loup, Sherman, and Wheeler).

^(b) The labor force data are measured based on the county of residence, irrespective of the county of employment.

^(c) The Nonfarm Employment data are for wage and salary employment and are based on the place (county) where the individual is employed, irrespective of the the county of residence.

Source: Nebraska Department of Labor, Labor Market Information, ftp.dol.state.ne.us/lmi/laborforce_workforce.

Table One -- Continued
Part B
Labor Force and Employment by Industry
Valley County, 2001-2007

(Place of Residence)	2001	2002	2003	2004	2005	2006	2007	% Chg. 2001-2007
Labor Force^(b)	2,385	2,546	2,641	2,581	2,522	2,552	2,537	6.4
Unemployment (#)	75	73	88	86	88	64	65	-13.3
Unemployment Rate (%)	3.1	2.9	3.3	3.3	3.5	2.5	2.6	(N/A)
Employment	2,310	2,473	2,553	2,495	2,434	2,488	2,472	7.0
<hr/>								
(Place of Work)								
Nonfarm Employment^(c)	1,504	1,639	1,638	1,624	1,605	1,664	1,690	12.4
Goods Producing	85	85	86	90	107	113	111	30.6
Manufacturing	15	15	14	22	24	27	27	80.0
Mining & Construction	70	70	72	68	83	86	84	20.0
Service Providing	1,420	1,554	1,552	1,534	1,498	1,552	1,579	11.2
Total Trade	258	275	286	285	266	270	278	7.8
Trans., Warehousing & Utilities	49	51	49	56	60	60	59	20.4
Financial Activities	73	76	78	80	78	79	81	11.0
Education & Health Services	95*	103	113	110	111	128	134	41.1
Leisure and Hospitality	131	141*	129	128	115	149	153	16.8
Other Services(d)	127	225	0	62	62	56	58	-54.3
Total Government	687	683	658	648	643	651	646	-6.0
Federal Government	33	33	37	36	35	36	35	6.1
State Government	41	36	32	32	30	29	31	-24.4
Local Government	613	614	589	579	578	587	579	-5.5

^(a) The Valley County Labor Area includes Valley County and the contiguous counties (Custer, Garfield, Greeley, Howard, Loup, Sherman, and Wheeler).

^(b) The labor force data are measured based on the county of residence, irrespective of the county of employment.

^(c) The Nonfarm Employment data are for wage and salary employment and are based on the place (county) where the individual is employed, irrespective of the county of residence.

^(d) Other Services include Information, Education & Health, and Other Services, Except Public Administration.

* Values suppressed by Department of Labor, estimates by Ken Lemke, Nebraska Public Power District.

Source: Nebraska Department of Labor, Labor Market Information, ftp.dol.state.ne.us/lmi/laborforce_workforce.

The second employment measure presented for the Valley County Labor Area, nonfarm wage and salary employment, increased from 8,991 in 2001 to 9,056 in 2007, an increase of 0.7 percent. In the case of the labor force data (labor force, unemployment, and employment), the respective measures are based on the county of residence. The nonfarm wage and salary employment data are measured based on the county of employment, irrespective of the place of residence of the workers.

The labor force and employment measures presented for Valley County (Part B of Table One) indicate that the total labor force in the county grew by 6.4 percent between 2001 and 2007, with total employment (of people residing in Valley County, irrespective of their county of employment) growing by 7.0 percent during this period. It is also of interest to note that unemployment decreased by 13.3 percent, from 75 in 2001 to 65 in 2007, recording an unemployment rate of 2.6 percent in 2007.

As previously noted, the second employment measure presented for Valley County, nonfarm wage and salary employment, is based on the county where the person is employed irrespective of their county of residence. Nonfarm wage and salary employment in Valley County increased by 12.4 percent between 2001 and 2007. The

data presented in Part B of Table One show that the fastest growing employment sector in Valley County during the 2001–2007 review period was the Manufacturing sector, recording a 80.0 percent increase between 2001 and 2007. Other economic sectors experiencing significant growth in employment between 2001 and 2007 include the Education & Health Services sector (41.1percent), Transportation, Warehousing & Utilities (20.4 percent), and the Mining & Construction sector (20.0 percent). In the case of the Total Government sector, Federal government employment grew by 6.1 percent while State government employment declined by 24.4 percent and local government employment declined by 5.5 percent.

Further review of the employment data reported for the Valley County Labor Area (Table One Part A) and for Valley County (Table One Part B) indicates that for both areas there were differences between the nonfarm wage and salary employment reported in the areas and the total employment of persons living in the respective areas. In the case of the entire Valley County Labor Area, nonfarm wage and salary employment was reported to be 9,056 in 2007, which was significantly less (7,876 less) than the reported total employment of persons living within the eight-county Valley County Labor Area. Recalling that nonfarm wage and salary employment is based on the county of employment while the total employment data is based on the county of residence helps explain how this can occur. It is obvious that a number of persons living within the eight-county Valley County Labor Area work outside of the area and commute to other areas for employment.

In the case of Valley County, the same situation is evident. Total employment of persons living in Valley County (irrespective of their county of employment) was 2,472 in 2007, which was 782 more than the 1,690 nonfarm wage and salary jobs within the county for the same year. These data suggest that a number of workers are commuting out of Valley County for employment on a regular basis. However, it must be noted that the total number of reported employed people living in Valley County includes those who are self employed as well as those employed in agriculture. This means the difference between total employment and nonfarm wage and salary jobs (782) likely overstates the number of workers commuting out of Valley County.

Included in Table Two are additional employment data for 2007, showing the deviations between total employment and nonfarm wage and salary employment for the Valley County Labor Area as a whole and for each county within the area. For the Valley County Labor Area as a whole, the total employment of area residents (16,932), irrespective of their place of employment, is 7,876 greater than the nonfarm wage and salary employment working within the area. Also shown in Table Two are agricultural employment and nonfarm proprietor data for 2006, the latest year for which these data are available. Farm employment and proprietor data can reflect place of residence, place of employment, or a location other than place of residence or employment. However, it is assumed proprietor data largely indicate place of residence.

The total of agricultural employment and nonfarm proprietors for the Valley County Labor Area, 9,235, is slightly greater than the difference, 7,876, between total

employment of area residents and nonfarm wage and salary employees within the area. These data suggest a slight net inflow of workers commuting to the Valley County Labor Area for employment than are commuting to jobs outside the area. It is important to note that proprietor data reflect the total number of sole proprietorships or partnerships active at any time during a year and can include a significant number of small, seasonal businesses. This means many sole proprietors, especially those in the farm sector, often work at other jobs. For example, approximately 49 percent of Nebraska farm operators work off the farm with 32 percent having a full-time job off the farm. Therefore, it is likely the net number of people commuting into the Valley County Labor Area is much smaller than the difference, 1,359, between total employment and the sum of nonfarm wage and salary jobs, agricultural employment, and nonfarm proprietors.

Table Two
Labor Force, Employment, and Non-Farm Wage and Salary Employment,
Valley County Labor Area, 2007

County	Labor Force (2007)^(a)	Total Employment (2007)^(a)	Nonfarm Wage & Salary Employment (2007)^(b)	Total Employment Minus NF W&S Employment	Agricultural Employment (2006)^(c)	Non-farm Proprietors (2006)^(c)
Valley	2,537	2,472	1,690	782	498	539
Custer	6,061	5,923	3,614	2,309	1,572	1,739
Garfield	1,043	1,015	764	251	212	418
Greeley	1,315	1,279	636	643	422	407
Howard	3,764	3,658	1,356	2,302	801	909
Loup	347	333	87	246	159	111
Sherman	1,875	1,822	759	1,063	503	424
Wheeler	442	430	150	280	355	166
Labor Area	17,384	16,932	9,056	7,876	4,522	4,713

^(a) Labor force and employment data are measured based on the county of residence.

^(b) Non Agricultural Employment data are for wage and salary employment and are based on the place (county) where the individual is employed, irrespective of the the county of residence.

^(c) Agricultural employment and proprietor data are for 2006.

Sources: Labor Data - Nebraska Department of Labor, Labor Market Information, ftp.dol.state.ne.us/lmi/laborforce_workforce. Farm Employment Data - U.S. Bureau of Economic Analysis, Regional Accounts Data website: <http://www.bea.gov/bea/regional/reis/>.

Further review of the data presented in Table Two provides an indication of the commuting patterns for the counties within the Valley County Labor Area. It is evident that a significant percentage of the employed people are commuting out of Howard and Sherman Counties for employment, most likely to employment in the Grand Island and Kearney areas. Data in Table Two also suggests that a significant number of people may be commuting into Custer, Garfield, and Wheeler Counties. The data presented in Table Two suggest that the creation of additional jobs within the Valley County Labor Area and Valley County would provide opportunities for area residents to work closer to their places of residences instead of having to commute to other areas for employment.

The number of nonfarm wage and salary workers in the Valley County Labor Area is shown by major industry sector and by county in Table Three. The reader is reminded that nonfarm wage and salary workers are counted in the county where they are employed. Individuals with more than one job are counted at each establishment (and in each county) where they work. Table Three provides information about the number of workers in the labor area, by county and major industry category.

Table Three
Non-Farm Wage and Salary Employment, by Industry Sector
Valley County Labor Area, by County, 2007

County	Constr. & Mining		Trans.	Trade	Financial		Govt.	Total NF
	Manufact.		Whr. & Ut.		Activities	Services		W. & S. Emp
Valley	28*	84	59	278	81	514	646	1,690
Custer	459*	131	116	665	172	1,182	889	3,614
Garfield	63*	33	42	176*	48*	226	176	764
Greeley	27*	26*	30	128*	37	101	287	636
Howard	10	39	55	264	83	316	589	1,356
Loup	0	0	2*	9*	10	5	61	87
Sherman	15*	15	44	188*	52*	150	295	759
Wheeler	0*	3	8*	32*	11*	33	63	150
Total Labor Area	602*	328*	348*	1,708*	483*	2,494	2,943	8,906
Nebraska	101,184*	49,583	54,927	149,384	66,311	378,670	162,334	962,393

	Percent of Total NonFarm Wage & Salary Employment							
	Manufact.	Constr. & Mining	Trans.	Trade	Financial	Services	Govt.	Total NF W. & S. Emp
Total Labor Area	6.8*	3.7*	3.9*	19.2*	5.4*	28.0	33.0	100.0
Nebraska	10.5	5.2	5.7	15.5	6.9	39.3	16.9	100.0

* Employment estimated for county sectors where data have been withheld; values estimated by Ken Lemke, NPPD.
Source: Nebraska Department of Labor, Labor Market Information, ftp.dol.state.ne.us/lmi/laborforce_workforce.

In addition to displaying the number of workers by major industry sector, Table Three also compares the percentage distribution of workers by industry in the Valley County Labor Area with the distribution for the State of Nebraska. As these data show, the industry distribution of employment for the Valley County Labor Area is significantly different than that for Nebraska as a whole.

The most significant deviations between Nebraska and the Valley County Labor Area occur in the Govt. sector employment, with 33 percent of nonfarm wage and salary workers in the Valley County area employed in that sector, compared to 16.9 percent for Nebraska. In the case of the Services sector, in which only 28 percent of nonfarm wage and salary workers in the Valley County Labor Area are employed, compared to 39.3 percent for Nebraska as a whole.

Part A of Table Four provides data showing labor cost comparisons, by county, for all private wage and salary workers for the Valley County Labor Area. It is important to remember that the wage and salary employment is reported by county of employment, and does not provide an indication of the average weekly and annual wage for residents of the respective counties. Obviously, labor cost is an important consideration in any

analysis of the labor availability in an area. Pay data for workers covered by unemployment insurance laws in Nebraska are the source of the labor cost information. Average annual pay is calculated by dividing the total payroll for wage and salary workers by the number of employees.

A review of the data in Part A of Table Four indicates that average annual salaries in Valley County (\$20,483 for all wage and salary employees for all private industries) are slightly lower than for the Valley County Labor Area as a whole and four of the other counties that make up the area and are significantly less than the state average. Average annual salaries for the Valley County Labor Area (\$22,187) were \$11,429 (34.0 percent) less than the Nebraska average, with Valley County average annual salaries were \$13,133 (39.1 percent) less. These data suggest, of course, there would be a positive labor supply response in Valley County to the creation of additional employment opportunities with competitive wages and benefits.

Table Four
Part A
Average Annual and Average Weekly Wages, Wage and Salary Workers
All Covered^(a) Workers, All Industries, by County, and Nebraska
2nd Quarter, 2007

County	Average Employment	Average Weekly Wages	Average Annual Wages
Valley	1,156	\$394	\$20,483
Custer	2,926	\$473	\$24,614
Garfield	599	\$340	\$17,659
Greeley	355	\$427	\$22,192
Howard	800	\$383	\$19,938
Loup	39	\$469	\$24,365
Sherman	456	\$364	\$18,916
Wheeler	173	\$514	\$26,705
Labor Area	6,504	\$426	\$22,187
Nebraska	762,700	\$646	\$33,616

Part B
Average Annual Pay of Wage and Salary Workers, Covered^(a) Employers, by Industry Group
Valley County Labor Area, by County, and Nebraska, 2nd Quarter 2007

County	All Goods			All Service Providing	Trade Trans & Util	Financial Services	Bus & Prof Services	Oth Svc-Prv
	Producing	Manf.	Oth Good-Prd					
Valley	\$25,353	\$35,867	\$21,427	\$19,129	\$21,951	\$27,963	\$21,885	-D-
Custer	\$32,892	\$36,189	\$29,512	\$20,641	\$20,241	\$28,974	\$19,219	\$19,658
Garfield	\$25,968	\$22,960	\$29,667	\$15,989	\$15,245	-D-	\$21,636	-D-
Greeley	\$26,656	\$24,422	\$27,472	\$20,977	\$22,398	\$28,246	\$20,725	\$14,815
Howard	\$25,342	\$21,103	\$25,975	\$19,098	\$21,758	\$25,281	\$18,550	\$13,671
Loup	\$31,017	-D-	-D-	\$15,269	-D-	-D-	-D-	-D-
Sherman	\$23,256	-D-	-D-	\$18,398	\$17,951	\$27,140	\$12,307	\$17,446
Wheeler	\$33,867	-D-	-D-	\$16,970	\$13,240	-D-	-D-	\$33,755
Nebraska	\$37,327	\$38,440	\$35,482	\$32,615	\$30,245	\$43,882	\$42,385	\$27,254

^(a) Includes employers that are subject to Nebraska Employment Security Laws.

-D-: Data withheld by U.S. Department of Labor.

Sources: U.S. Department of Labor, Quarterly Census of Employment & Wages <http://www.bls.gov/cew/> and

Nebraska Department of Labor, Labor Market Information <http://www.dol.state.ne.us/lmiindustry/index.asp>.

Part B of Table Four provides average annual wages, by county and by major industry sector, for the counties that make up the Valley County Labor Area. As these data indicate, the highest average annual wages in the area are for wage and salary workers employed in Wheeler. The average annual wage for all wage and salary workers (working) in Wheeler County was \$26,705 in 2007, which was \$4,518 (20.4 percent) more than the average for the Valley County Labor Area as a whole, and \$6,911 (20.6 percent) less than the Nebraska average. A review of the industry specific data for average annual wages for Wheeler indicates that the high average annual wage results from the extremely high average wage in the Goods Producing sector.

Commuting Patterns

Table Five provides data from the 2000 Census of Population showing commuting patterns for workers living in the Valley County Labor Area. As the data in Table Five Part A indicate, a significant number (and percentage) of workers in the area commuted outside of their county of residence for employment. Data for Valley County indicate that 313, or 14.2 percent of the employed workers, commuted to other counties for employment. For six of the other seven counties in the Valley County Labor Area, the percentage of commuters was greater than for Valley County, and in most cases substantially greater. In the case of Howard, 1,566, or 47.5 percent of employed workers commuted out of their county of residence for employment. Other counties with a high percentage of employed workers commuting to other counties for employment include Sherman (34.4 percent), Loup (29.7 percent), Greeley (24.5 percent), and Garfield, with 18.1 percent of employed workers commuting out of their county of residence for employment.

Table Five
Commuting Data for Workers in the Valley County Labor Area

Part A
Commuting Outside County, 2000

County	Working Outside County	
	Number	Percent
Valley	313	14.2
Custer	630	11.1
Garfield	163	18.1
Greeley	309	24.5
Howard	1,566	47.5
Loup	95	29.7
Sherman	556	34.4
Wheeler	74	16.3

Source: U.S. Bureau of the Census, *Census of Population, 2000*.

Table Five -- Continued
Commuting Data for Workers in the Valley County Labor Area

Part B
Commuting Times of Workers, 2000

County	Less Than 10 Minutes		10 - 19 Minutes		20 - 29 Minutes		30 - 44 Minutes		45 + Minutes	
	Number	%	Number	%	Number	%	Number	%	Number	%
Valley	1,071	54.5	485	24.7	141	7.2	113	5.7	156	7.9
Custer	2,172	43.8	1,416	28.6	450	9.1	482	9.7	437	8.8
Garfield	424	53.7	151	19.1	77	9.8	94	11.9	43	5.4
Greeley	517	48.5	208	19.5	106	9.9	90	8.4	146	13.7
Howard	857	28.5	558	18.6	557	18.5	779	25.9	252	8.4
Loup	89	36.2	65	26.4	21	8.5	37	15.0	34	13.8
Sherman	495	34.8	317	22.3	139	9.8	168	11.8	305	21.4
Wheeler County	167	47.2	85	24.0	35	9.9	31	8.8	36	10.2
Labor Area	5,792	42.0	3,285	23.8	1,526	11.1	1,794	13.0	1,409	10.2
Nebraska	214,676	25.8	318,145	38.2	161,468	19.4	88,452	10.6	49,940	6.0

Source: U.S. Bureau of the Census, *Census of Population, 2000*.

Table Five (B) provides further data illustrating the willingness of workers in the area to travel for employment. For the Valley County Labor Area as a whole, there were 3,203 workers in 2000, or 23.2 percent of residents employed outside of their home, which traveled 30 minutes or more commuting to their place of employment. In the case of Howard County, 34.3 percent traveled 30 minutes or more to their place of employment, while for Sherman County the workers traveling 30 minutes or more accounted for 33.2 percent. For Nebraska as a whole, the comparable percentage (traveling 30 minutes or more for employment) was 16.6 percent.

Population Trends

The data provided in Table Six show population trends for the Valley County Labor Area, by county, and for Nebraska for the 1950–2007 period. As these data indicate, the population of the Valley County Labor Area was 32,539 in 2000. The Valley County Labor Area population declined by 36.7 percent from 1950 to 2000 and declined 7.1 percent from 2000 to 2007. Population in Valley County totaled 4,647 in 2000 and had declined by 35.9 percent from 1950 to 2000. During the latest Census decade of the 1990s, Valley County population decreased by 10.1 percent, compared to the decrease for the Valley County Labor Area as a whole of 4.3 percent, and to the State rate of growth of 8.4 percent.

Table Six
Population in the Valley County Labor Area, by County, and Nebraska
Selected Years, 1950–2007

COUNTY	1950	1960	1970	1980	1990	2000	2007	% Chg. 1950-2000	% Chg. 2000-07
Valley	7,252	6,590	5,783	5,633	5,169	4,647	4,263	-35.9	-8.3
Custer	19,170	16,517	14,092	13,877	12,270	11,793	10,849	-38.5	-8.0
Garfield	2,912	2,699	2,411	2,363	2,141	1,902	1,722	-34.7	-9.5
Greeley	5,575	4,595	4,000	3,462	3,006	2,714	2,326	-51.3	-14.3
Howard	7,226	6,541	6,807	6,773	6,055	6,567	6,612	-9.1	0.7
Loup	1,348	1,097	854	859	683	712	644	-47.2	-9.6
Sherman	6,421	5,382	4,725	4,226	3,718	3,318	3,013	-48.3	-9.2
Wheeler	1,526	1,297	1,054	1,060	948	886	809	-41.9	-8.7
Labor Area	51,430	44,718	39,726	38,253	33,990	32,539	30,238	-36.7	-7.1
Nebraska	1,325,510	1,411,330	1,485,333	1,569,825	1,578,385	1,711,263	1,768,331	29.1	3.3

Source: U.S. Bureau of the Census, *Census of Population, 1950-2000* and Annual Population Estimates, 2007.

Table Seven shows the age distribution of the resident population. Obviously, the age distribution of the population is important when evaluating the potential labor supply in an area. A key variable is the number of people in the working age populations of the counties making up the Valley County Labor Area. In 2006, there were 2,039 people in Valley County between the ages of 25 and 64, which represented 46.6 percent of the total population, compared to 47.8 percent of the population for the Valley County Labor Area as a whole and 50.8 percent of the Nebraska population in this age range.

Table Seven
Age Characteristics of the Population, Valley County Labor Area,
by County, and Nebraska, 2006

COUNTY	0 - 14		15 - 24		25 - 44		45 - 64		65 - Older		Median Age
	Number	% ^(a)	Number	% ^(a)	Number	% ^(a)	Number	% ^(a)	Number	% ^(a)	
Valley	757	17.3	547	12.5	836	19.1	1,203	27.5	1,030	23.6	45.7
Custer	2,067	18.4	1,460	13.0	2,274	20.2	3,141	27.9	2,300	20.5	44.0
Garfield	292	16.3	221	12.3	325	18.2	513	28.7	439	24.5	47.0
Greeley	478	19.5	351	14.3	403	16.4	651	26.5	571	23.3	44.9
Howard	1,269	18.8	938	13.9	1,605	23.8	1,734	25.7	1,190	17.7	40.3
Loup	109	16.6	90	13.7	134	20.4	206	31.4	117	17.8	44.4
Sherman	535	17.4	355	11.5	603	19.6	862	28.0	728	23.6	46.0
Wheeler	162	19.7	124	15.1	152	18.5	243	29.5	142	17.3	42.3
Labor Area	5,669	18.2	4,086	13.1	6,332	20.3	8,553	27.5	6,517	20.9	43.8
Nebraska	367,141	20.8	264,120	15.0	458,669	26.0	437,021	24.8	234,655	13.3	36.0

^(a) Percent of total population for each respective area.

Source: U.S. Bureau of the Census, *Population Estimates, by Age, 2006*.

Table Eight provides information showing population, the natural increase (births minus deaths) and net migration for the 1990–2000 period for Nebraska, for Valley County and for the Valley County Labor Area. As these data show, the Valley County Labor Area as a whole had a small rate of net out-migration during the Census decade of the 1990s, while Howard and Loup Counties experienced net in-migration. As indicated in the table, net out-migration for the Valley County Labor Area as a whole accounted for population decline of 909 people during the decade, contributing to a population decrease

equal to only 2.7 percent of the 1990 population. In the case of Valley County, net out-migration during the 1990s totaled 361 people, or 7.0 percent of the 1990 population.

Table Eight
Population, Births, Deaths and Migration, Valley County Labor Area
by County, 1990-2000

County	Population		1990 - 1999			Net Migration, 1990 - 2000	
	1990	2000	Births	Deaths	Nat. Incr.	Number	% 1990 Pop.
Valley	5,169	4,647	524	685	-161	-361	-6.98
Custer	12,270	11,793	1,455	1,725	-270	-207	-1.69
Garfield	2,141	1,902	210	326	-116	-123	-5.74
Greeley	3,006	2,714	362	378	-16	-276	-9.18
Howard	6,055	6,567	779	726	53	459	7.58
Loup	683	712	60	66	-6	35	5.12
Sherman	3,718	3,318	394	474	-80	-320	-8.61
Wheeler	948	886	133	79	54	-116	-12.24
Labor Area	33,990	32,539	3,917	4,459	-542	-909	-2.67
Nebraska	1,578,385	1,711,263	235,210	150,599	84,611	48,267	3.06

Sources: Population (1990, 2000) - U.S. Bureau of the Census, Census of Population, 1990, 2000;
 Births, Deaths, Natural Increase - Nebraska Department of Health; Migration - computed using
 population and vital statistics data.

Table Nine provides information showing population, the natural increase (births minus deaths), and net migration for the 2000–2007 period. As these data show, the Valley County Labor Area experienced significant net out-migration during this more recent seven-year period. As indicated in the table, out-migration for the Valley County Labor Area as a whole accounted for population decline of 2,089 during the 2000–2007 period, contributing to a population decrease equal to 5.9 percent of the 2000 population. In the case of Valley County, net out-migration during this seven-year period was 290, or 6.2 percent of the 2000 population. These data suggest that as job growth has occurred in the area, people have continued to move to Valley County, as well as to the other counties that comprise the Valley County Labor Area.

Table Nine
Population, Births, Deaths, and Migration, Valley County Labor Area
by County, 2000-2007

County	Population		2000-2007			Net Migration, 2000-2007*	
	2000	2007	Births	Deaths	Nat. Incr.	Number	% 2000 Pop.
Valley	4,647	4,263	337	431	-94	-290	-6.20
Custer	4,647	4,263	946	1,164	-218	-166	-3.60
Garfield	11,793	10,849	128	250	-122	-822	-7.00
Greeley	2,714	2,326	218	243	-25	-363	-13.40
Howard	6,567	6,612	565	455	110	-65	-1.00
Loup	712	644	42	46	-4	-64	-9.00
Sherman	3,318	3,013	246	317	-71	-234	-7.10
Wheeler	886	809	65	57	8	-85	-9.60
Labor Area	35,284	32,779	2,547	2,963	-416	-2,089	-5.90
Nebraska	1,711,263	1,768,331	187,564	109,569	77,995	-20,927	-1.20

* Net Migration from the Bureau of the Census estimates, includes residual component not shown separately.
Source: U.S. Bureau of the Census, *Population Estimates, 2005, and Components of Population Change, 2000-2007*.

Competitive Employment and Career Opportunities

An employer providing jobs with competitive wages and benefits and offering career opportunities would be a welcome addition to the employment base in the Valley County Labor Area and in Valley County. The expected response to such employment opportunities would be significant, and it is anticipated that there would be an adequate labor supply response for a prospective new employer offering competitive wages and benefits in the Valley County area. The labor force, employment, and demographic data presented in this report illustrate quite clearly that there is a sufficiently large labor force and population base living within the Valley County Labor Area, and that significant numbers of persons living in the area are commuting to other areas for employment.

In conclusion, the data and analysis presented in this report indicate that the Valley County Labor Area and Valley County would be able to provide a significant number of dedicated and skilled workers to meet the needs of additional employers in the area. While this report has not estimated a precise number of people that might be available to a prospective new employer in the Valley County area, it is anticipated that if attractive working conditions with competitive wages and employee benefits were offered, a prospective new employer would be able to select their workforce from a substantial pool of applicants.

Questions concerning this report and the supporting data should be addressed to:

Kenneth M. Lemke, Ph.D.
Economist
Nebraska Public Power District
P.O. Box 499
Columbus, Nebraska 68602-0499
(402) 563-5535 or (800) 282-6773, Ext. 5535
E-Mail: kmlemke@nppd.com