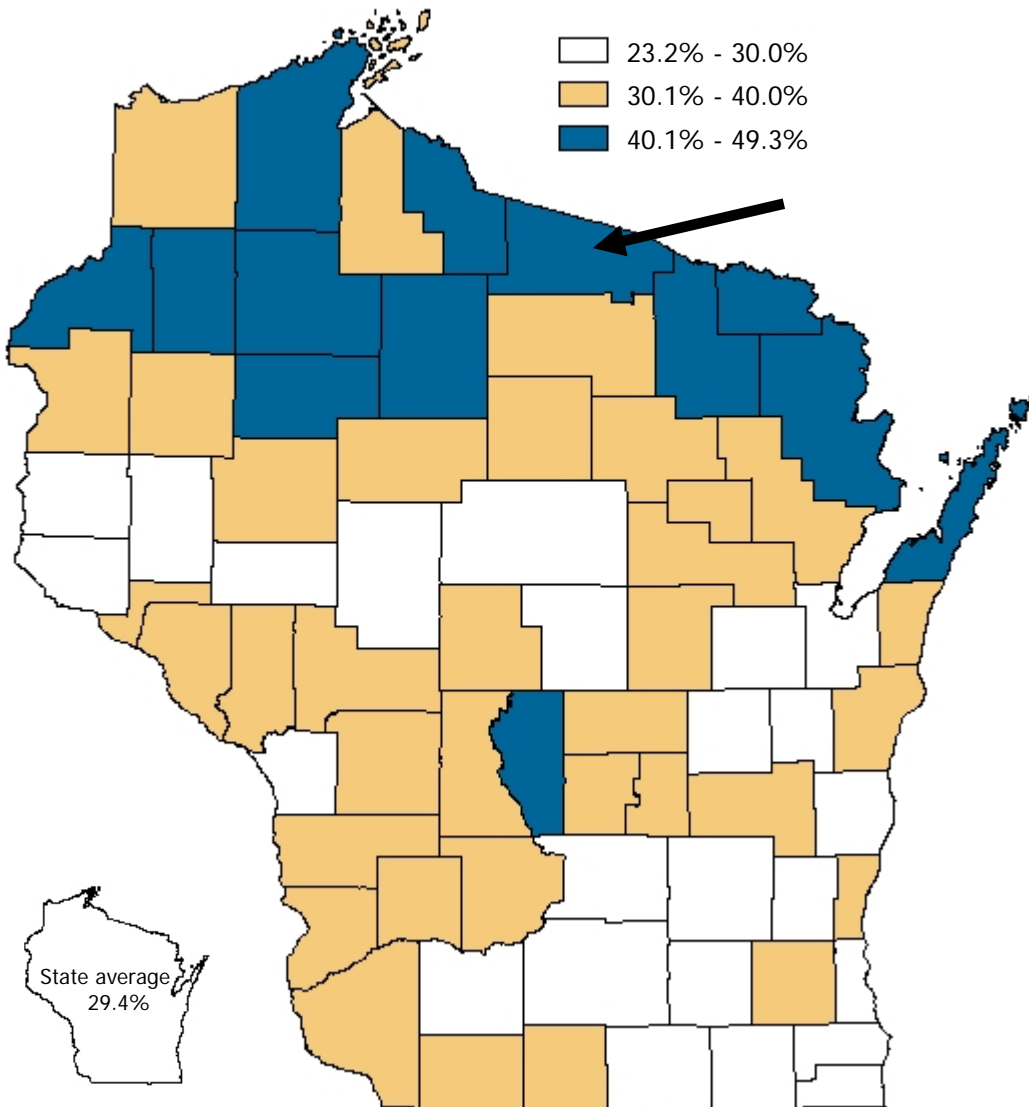


# Vilas County Workforce Profile

Percentage of working-age population aged 60 years and older in 2020



2007

**Office of Economic Advisors**

Wisconsin Department of  
Workforce Development  
OEA-10656-P

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## Population

Vilas County added 1,512 residents from 2000 to 2007, growing to 22,545. The county's seven percent growth rate ranked it 23 amongst Wisconsin's 72 counties.

However, Vilas is one of a minority of counties that relies entirely on net migration for its population growth. Net migration added 1,952 new residents—ranking Vilas 17th amongst Wisconsin's 72 counties. The other component of population change, natural increase, or births minus deaths, was actually negative—only four counties in Wisconsin had a more negative rate, in fact. With 440 more residents dying than being born, that cuts Vilas' population growth to 1,512. This indicates an older population, and in Vilas' case, many of the

people moving in to this scenic, recreation-rich county are relatively affluent retirees. This is certainly born out by the median age in the county of 46.2, the second oldest population statewide!

The City of Eagle River, a rural trade center for the surrounding area and popular resort area, is the most heavily populated area in Vilas County. The tiny, 2.5 square mile city has a population density of 605 residents per square mile, much higher than the rest of the county where the population is more spread out. This small land area is why Eagle River does not have largest population in the county, that distinction belongs to Arbor Vitae, which has twice the population of Eagle River, but covers almost 63 square miles. Eagle River had one of the slower growth rates in the county, at 4.2 percent.

Growth tends to be clustered in sub-divisions near popular lakes and recreation areas, and relatively close to amenities like retail and healthcare. The majority of desirable lakefront

### Vilas County's Ten Most Populous Municipalities

	April 2000 Census	Jan.1, 2007 estimate	Numeric change	Percent change
<b>United States</b>	281,421,906	300,888,812	19,466,906	6.9%
<b>Wisconsin</b>	5,363,715	5,647,000	283,285	5.3%
<b>Vilas County</b>	21,033	22,545	1,512	7.2%
Arbor Vitae, Town	3,153	3,345	192	6.1%
Lac du Flambeau, Town	3,004	3,250	246	8.2%
Lincoln, Town	2,579	2,765	186	7.2%
St. Germain, Town	1,932	2,026	94	4.9%
Washington, Town	1,577	1,566	-11	-0.7%
Eagle River, City	1,443	1,512	69	4.8%
Phelps, Town	1,350	1,475	125	9.3%
Conover, Town	1,137	1,256	119	10.5%
Cloverland, Town	919	1,030	111	12.1%
Boulder Junction, Town	958	1,019	61	6.4%

Source: WI Dept. of Admin., Demographic Services, Population Est., Aug. 2007

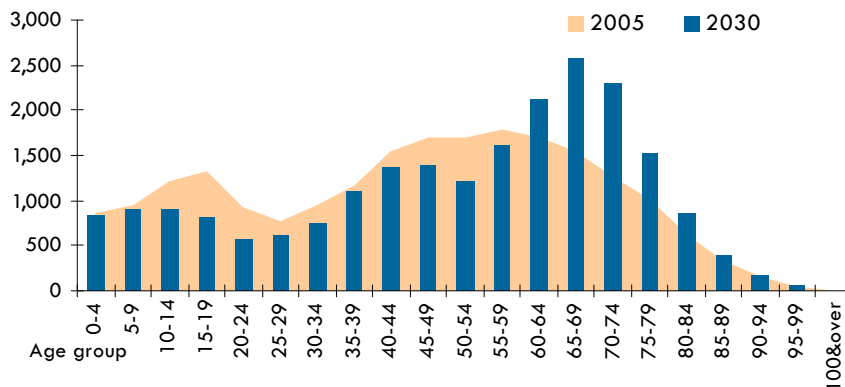
properties have already been developed in Eagle River, and the neighboring township of Washington, accounting for their slower growth. The fastest growing townships of Conover and Cloverland are on the outskirts of the city, and clearly show the spread of development from the epicenter of Eagle River.

Because of the nature of Vilas' population growth, workforce issues loom large on the horizon. Few things in life are as certain as aging, and the inexorable march of time is starting to catch up to the largest generation this nation has ever seen. The baby boomers, commonly defined as the generation born from 1946 to 1964, caused a stir when they entered the workforce, and their work preferences have greatly impacted the business landscape. Now, they're having another major impact on the workforce... they're about to leave it.

The oldest baby boomers turned 61 in 2007, and while guessing exactly when people will leave the workforce is tricky business, it is inevitable. This raises a whole host of issues for businesses, from finding replacements in a tighter labor market to how to prevent the loss of retirees' accumulated expertise.

"...Vilas is one of a minority of counties that relies entirely on net migration for its population growth."

### Population by Age Groups in Vilas County



Source: WI Dept. of Administration, Demographic Services

Note: Data included in all tables and charts in this profile are subject to revision.

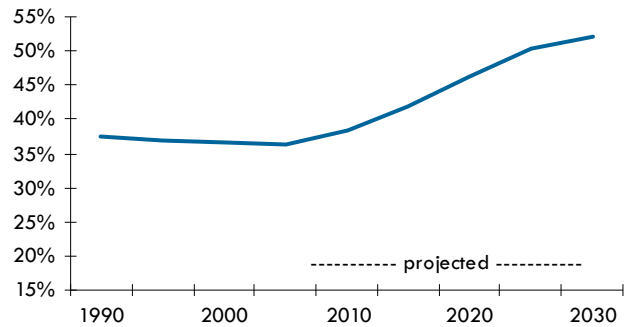
## Labor Force

Vilas County, as mentioned on the previous page, had a median age of 46.2 in 2006—only Iron County had an older population in Wisconsin. This has major implications for the available workforce in the area.

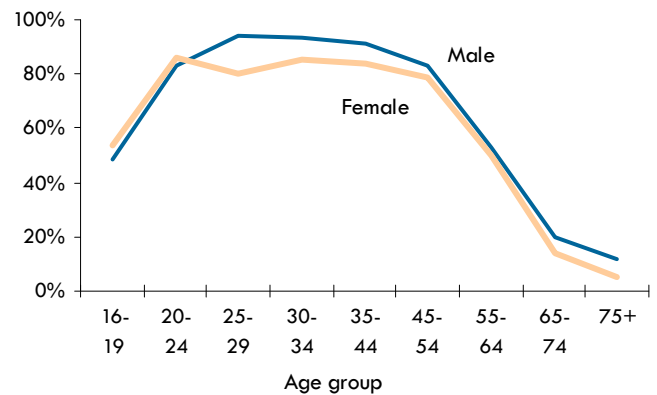
The labor force is a measure of its working age residents available for employment. It is defined as the subset of the population that is at least 16 years of age, and working (the employed) or actively looking for work (the unemployed). It's important to note that since this is a "place of residence" measure, it only includes those living in the county, regardless of where they work. It does not include commuters into the county. Vilas' labor force has actually grown slightly for the last several years, as seen on the table below.

The labor force participation rate is the percentage of an area's 16 years and older non-institutional population that is in the labor force—Vilas' was an estimated 63.4 percent in 2006. That's significantly lower than the statewide rate of 70 percent—only eight of Wisconsin's counties had a lower rate. This is not really surprising, given that as we can see on the graph to the right, labor force participation rates begin to drop sharply around age 55. Reasons for this could range from the younger retirement ages in fields like protective services, to an increased incidence of career ending illness or injury

**Vilas County population aged 60 years and older as a share of population aged 16 years and older**



**Labor force participation rates of men and women by age in 2000**



Source: Wisconsin Dept. of Administration, Demographic Services Population estimates & projections, and Census 2000, SF3

Vilas' population. As early as 2010 the graph starts trending dramatically upward, with an estimated 48 percent of the labor force aged population over 60 years old by 2030! This could pose problems for area businesses. It will

get harder and harder to fill the positions vacated by retirees, not to mention filling new positions that might arise.

Of Vilas' labor force in 2006, about 11,200 residents were employed. About 715 people were unemployed, but this only includes residents actively looking for work; the

unemployed estimate does not include "discouraged workers" for example.

The unemployment rate, which is the unemployed as a percentage of the total labor force, was 6.0 percent annually in 2006, unchanged from 2005. Rates tend to fluctuate throughout the year, from winter highs in February or March, to typical lows in August—the height of the tourist season.

### Vilas County Civilian Labor Force Data

	2002	2003	2004	2005	2006
Labor Force	11,723	11,628	11,804	11,816	11,928
Employed	11,026	10,822	11,047	11,102	11,213
Unemployed	697	806	757	714	715
Unemployment Rate	5.9%	6.9%	6.4%	6.0%	6.0%

Source: WI DWD, Bur. of Workforce Training, Local Area Unemployment Statistics, 2007

beginning at age 55, but regardless of causes, this trend has a huge impact on an area's workforce. This is especially true in a county like Vilas, with an older population. Essentially, it means that a larger portion of the population is not available to work. And that segment of the population will only grow in the coming years, as the large baby boomer generation ages. The graph near the top right of the page illustrates this projected shift in

## Occupations, Education and Wages

The occupational mix in an area can be a very revealing statistic, linking everything from average wages to education levels of residents.

The information on the tables below comes from the Occupational Employment Statistics program (OES), but using this data at the county level comes with a couple of caveats.

confidentiality. With all that said, however, some information on occupations is better than none.

It should be noted that an occupation refers to the primary task done at work, while an industry refers more to the primary focus of the company. So for example, an accountant at a manufacturing company would fall under the business and financial operations occupational group because of what they do at work, but would be grouped in the manufacturing industry because of the primary focus of the company. This interrelationship between occupations and industries can help answer many of the questions about employment and wage trends within an industry.

Office and administrative support occupations provide the greatest share of employment in Vilas County, as they do in 33 of Wisconsin's 72 counties. These occupations, the backbone of the massive service industry, employ 18 percent of Vilas' workforce.

Vilas has a higher concentration of food preparation occupations than the statewide average, as employment in the leisure and hospitality swells to cater to the small army of tourists who pour into the county each year, as well as the retirees relocating here.

The county also has a much higher concentration of construction occupations than statewide, employed in the building boom of vacationer and retiree housing.

### Common Occupations in Vilas County

Occupation	Education/training
Bartenders	1 month or less training
Bookkeeping/Accounting/Auditing Clerks	1-12 mos. on-the-job trng.
Carpenters	12-mos. plus on-the-job trng.
Cashiers	1 month or less training
Comb. Food Prep.-Servers, Incl. Fast Fd.	1 month or less training
Customer Service Representatives	1-12 mos. on-the-job trng.
Exec. Secretaries & Admin. Assistants	1-12 mos. on-the-job trng.
Landscaping/Groundskeeping Workers	1 month or less training
Maid & Housekeeping Cleaners	1 month or less training
Maintenance & Repair Workers, General	12-mos. plus on-the-job trng.
Office Clerks, General	1 month or less training
Op. Engineers/Const. Equip. Operators	1-12 mos. on-the-job trng.
Retail Salespersons	1 month or less training
Secretaries, not Legal/Med./Executive	1-12 mos. on-the-job trng.
Waiters & Waitresses	1 month or less training

Source: DWD, Bureau of Workforce Training, special request, July 2007

First, the OES sample is designed to collect metro area and statewide data, not county level data. So sampling can be spotty in some counties, which could give misleading results. Second, data in some counties can be suppressed to protect respondent

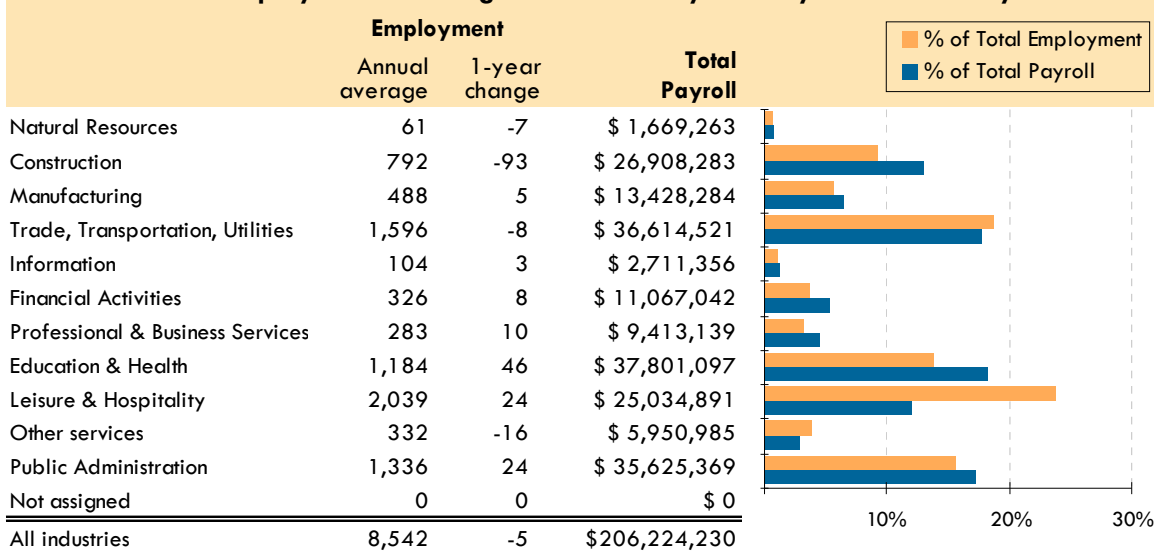
### Wages in Vilas County

by Occupation Group	County Employment Distribution	Median Wage	Wage Spread (10 <sup>th</sup> , 50 <sup>th</sup> , 90 <sup>th</sup> percentiles)	
			Lower range	Upper range
Legal	< 2%	\$35.19	\$25	\$55
Architecture & Engineering	< 2%	\$25.86	\$15	\$35
Management	3%	\$24.95	\$10	\$45
Business & Financial Operations	3%	\$21.63	\$15	\$30
Life, Physical, & Social Science	3%	\$20.94	\$10	\$25
Computer & Mathematical	< 2%	\$19.84	\$10	\$25
Healthcare Practitioners & Technical	3%	\$18.93	\$10	\$40
Protective Service	4%	\$17.60	\$10	\$25
Arts, Design, Entertainment, Sports, & Media	< 2%	\$16.33	\$10	\$30
Farming, Fishing, & Forestry	< 2%	\$15.79	\$10	\$20
Construction & Extraction	11%	\$14.82	\$10	\$20
Installation, Maintenance, & Repair	6%	\$14.31	\$10	\$20
Community & Social Services	2%	\$14.04	\$10	\$20
Education, Training, & Library	4%	\$13.30	\$10	\$20
Office & Administrative Support	18%	\$11.79	\$10	\$15
Transportation & Material Moving	5%	\$11.45	\$10	\$15
Healthcare Support	< 2%	\$11.24	\$10	\$15
Production	5%	\$9.83	\$10	\$15
Building & Grounds Cleaning & Maintenance	6%	\$9.52	\$10	\$15
Sales & Related	10%	\$9.25	\$10	\$15
Food Preparation & Serving-Related	12%	\$8.16	\$10	\$15
Personal Care & Service	2%	\$7.56	\$10	\$15

Source: DWD, Bureau of Workforce Training, special tabulation of 2006 Occupational Employment Statistics using North Carolina's Electronic Delivery System (EDS)

**Jobs  
and  
Wages**

**2006 Employment and Wage Distribution by Industry in Vilas County**



Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2007

Vilas County's average wage in 2006 was \$24,142—only 66 percent of the average wage in Wisconsin of \$36,830. Vilas County's largest industry of employment is the tourism-driven leisure and hospitality industry. Though the average wage in this industry, \$12,278, is 94 percent of the state wage, the fact that such a low paying industry employs so many people in the county accounts for much of the disparity between Vilas County and the state.

A different sub-sector mix within an industry can also affect wages, like in the trade, transportation & utilities sector. In Vilas, the relatively low-paying retail sub-sector makes up a much larger proportion of this sector than statewide. The higher paying wholesale trade and transportation sub-sectors are represented

much more statewide. This difference in the proportional makeup of trade, transportation & utilities contributes to a lower average wage countywide.

The other sectors that employ a large number of workers in Vilas also pay wages lower than the statewide average, like education and health, or construction. The lower wages in rural counties tend to be function of the occupational mix within those industries. For example, rural healthcare providers often have fewer highly paid specialists, lowering the industry wage.

Vilas County's jobs count changed very little in 2006. Losses in construction, probably related to the soft housing market, were largely balanced out by gains in other sectors, led by education and health. Average wages in Vilas rose by only 1.8 percent, slower than the state's growth of 3.7 percent.

The area's growing leisure and hospitality sector added 24 jobs, serving the large number of tourists visiting the county. This sector, with many seasonal and low paying jobs, is the lowest paying of any industry in the county. Leisure and hospitality wages grew by 3.7 percent from 2005, while statewide wages in this sector grew by 4.7 percent.

**Average Annual Wage by Industry Division in 2006**

	Average Annual Wage		Percent of Wisconsin	1-year % change
	Wisconsin	Vilas County		
All industries	\$ 36,830	\$ 24,142	65.5%	1.8%
Natural Resources	\$ 28,301	\$ 27,365	96.7%	3.7%
Construction	\$ 44,682	\$ 33,975	76.0%	1.7%
Manufacturing	\$ 45,952	\$ 27,517	59.9%	0.7%
Trade, Transportation & Utilities	\$ 31,935	\$ 22,941	71.8%	3.3%
Information	\$ 45,704	\$ 26,071	57.0%	-2.6%
Financial Activities	\$ 48,859	\$ 33,948	69.5%	7.5%
Professional & Business Services	\$ 42,612	\$ 33,262	78.1%	0.3%
Education & Health	\$ 38,492	\$ 31,927	82.9%	-0.7%
Leisure & Hospitality	\$ 13,058	\$ 12,278	94.0%	3.7%
Other Services	\$ 21,228	\$ 17,925	84.4%	9.5%
Public Administration	\$ 38,294	\$ 26,666	69.6%	1.2%

Source: WI DWD, Workforce Training, QCEW, June 2007

**Jobs  
and  
Wages**

**Prominent Industries in Vilas County**

Industry Sub-sectors (3-digit NAICS)	2006 Ann. Average Employment	Change in average employment		2006 Annual Average Wage	Percent change in wages	
		1-year	5-year		1-year	5-year
Executive, Legislative, & Gen.Government	1,250	22	61	\$ 25,796	0.8%	8.7%
Food Services and Drinking Places	1,202	11	90	\$ 10,430	4.7%	8.6%
Accommodation	656	19	-26	\$ 14,981	2.7%	17.0%
Educational Services	629	3	13	\$ 34,839	0.2%	6.6%
Food and Beverage Stores	397	-18	24	\$ 15,846	13.0%	14.5%
Specialty Trade Contractors	336	-33	-31	\$ 30,557	2.6%	17.4%
Construction of Buildings	281	-43	-44	\$ 28,259	-1.6%	13.6%
Nursing and Residential Care Facilities	262	23	40	\$ 20,658	-6.7%	13.0%
Motor Vehicle and Parts Dealers	212	-6	13	\$ 28,264	1.6%	7.8%
Building Material & Garden Supply Stores	169	0	6	\$ 30,422	1.7%	37.0%

Note: \* data suppressed for confidentiality and not available for calculations

Source: WI DWD, Bureau of Workforce Training, QCEW, unpublished-special request, January 2007

Executive, legislative, & general government is the largest sub-sector of employment in Vilas County. It's not uncommon for government to be a proportionately high sector of employment in small rural counties, but in Vilas it's even higher than most, with two government employers on the ten largest list below. The Lac Du Flambeau Band of Lake Superior operates Lake of the Torches Casino in Vilas County, and this is included in tribal government employment, making them the largest employer in the county. Vilas County is the third largest employer.

The leisure and hospitality industry is big business in Vilas County, including both the food service/drinking places and accommodation sub-sectors on the list above. With 147 square miles in lakes, and another 393 in conservation and recreation land Vilas is a popular tourist destination, creating more demand for restaurants, bars and hotels. Though both sectors employ many workers, higher than some more populous counties, you won't find any of these businesses on the top ten employers list. Employment is spread amongst a high number of establishments. Jobs

in these sectors tend to be seasonal and low paying, with many part time workers. These factors account for the industry having some of the lowest average wages in the county.

Educational services (including both public and private institutions) is also a large source of employment in Vilas County. This is not really surprising, given that there are three elementary & secondary schools on the ten largest employers list. This sector includes all five school districts serving their areas of the county. Education is the highest paying sub-sector on the prominent industries list above, at almost \$35,000 a year.

Construction of condos, rental properties, and lakefront dream homes hasn't just altered the physical landscape of Vilas County, it's changed the employment picture as well. Employment in the building material and garden supply stores, construction of buildings, and specialty contractors, sub-sectors are all fueled by this growth. Construction of buildings and specialty trade contractors are both important sub-sectors, and unlike building materials stores, these two pay well over the average wage for Vilas.

**Prominent Public and Private Sector Employers in Vilas County**

Establishment	Service or product	Number of employees (Dec. 2006)
Lac du Flambeau Band - Lk. Superior Chippewa	Tribal governments	1000+ employees
Northland Pines Schools	Elementary & secondary schools	250-499 employees
County of Vilas	Executive & legislative offices, combined	100-249 employees
Trig's Food & Drug Store	Supermarkets & other grocery stores	100-249 employees
Howard Young Medical Group	General medical & surgical hospitals	100-249 employees
Lac du Flambeau Public School	Elementary & secondary schools	100-249 employees
Aspirus Lillian Kerr Healthcare	Nursing care facilities	100-249 employees
Jt #1 Woodruff Arbor Vitae School	Elementary & secondary schools	50-99 employees
Pick 'n Save	Supermarkets & other grocery stores	50-99 employees
Dr Kate Newcomb Convalescent Center	Nursing care facilities	50-99 employees

Source: WI DWD, Bureau of Workforce Training, QCEW, unpublished-special request, June 2007

## Income

Vilas County's total personal income (TPI) rose 4.2 percent in 2005, comparable to statewide growth, though slower than nationwide levels. TPI growth rate far exceeded both state and national averages over the long term, from 2000 to 2005.

Total personal income includes income from three main sources: net earnings; dividends, interest and rent; and transfer receipts. Net earnings make up the vast majority of income, with the remaining percentage divided between the other two components. However, despite this common pattern, the exact distribution can tell us a lot about an area.

In Vilas County, 48 percent of TPI is from net earnings, very low compared to the state or nation (a little over 69 percent). Net earnings includes wages earned from employers, as well as earnings of self-employed workers and proprietors, and adjustments for wages earned by residents who work outside the county. We already know from page 4 that industry wages from employers, at least those covered by unemployment insurance, are below state levels—one reason for income disparity in this county. The adjustment for residency in 2005 made up only 6.4 percent of net earnings—implying a small outflow of commuters.

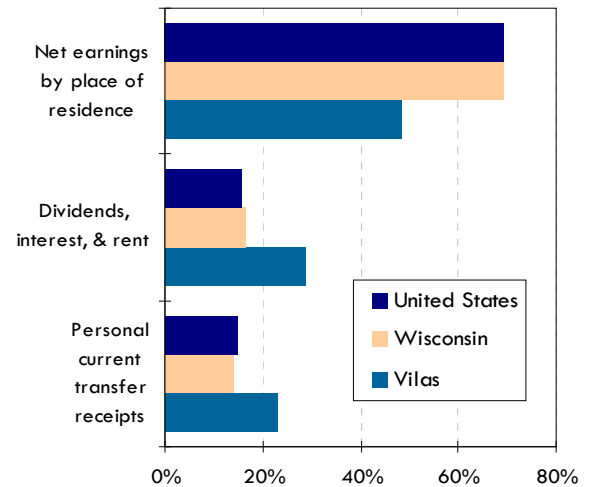
The second major component of TPI is dividends, interest and rent. This type of income accounts for roughly 29 percent of TPI in Vilas County, a much higher share than the state and national levels. Pensions of retirees fall into this category, as well as the income from the many vacation rentals in the county.

The third component of TPI is income from transfer receipts. Transfer receipts refer to benefits like Social Security, Medicaid, Medicare, unemployment insurance, disability payments, and welfare. About 23 percent of TPI in Vilas County is from transfer receipts,

significantly higher than the state and national averages, 14 and 15 percent respectively. A high share of income made up of transfer receipts tends to indicate an older population, which fits what we know about Vilas to a tee.

Total personal income divided by the total population produces per capita personal income (PCPI). Vilas' per capita personal income of \$29,307 ranks 33rd among Wisconsin's 72 counties, though it is still below state and national PCPI.

### Components of 2005 Total Personal Income



Source: US Dept. of Commerce, Bur. of Economic Analysis, 2007

A per capita personal income increase of 3.7 percent over the one-year timeframe was comparable to statewide growth, though still below national levels, but the five-year growth rate of 19.6 percent exceeded both state and national growth, highlighting the influx of affluent retirees. Vilas' PCPI is actually about \$1,500 higher than the \$28,254 average PCPI for other non-metropolitan counties in the state.

Personal Income in Vilas County						
	Total Personal Income (TPI) (in thousands)			Per Capita Personal Income (PCPI)		
	2000	2004	2005	2000	2004	2005
<b>Vilas</b>	\$517,653	\$627,259	\$653,903	\$24,496	\$28,263	\$29,307
<b>Wisconsin</b>	\$153,547,595	\$176,482,330	\$183,948,002	\$28,568	\$32,095	\$33,278
<b>United States</b>	\$8,422,074,000	\$9,716,351,000	\$10,220,942,000	\$29,843	\$33,090	\$34,471
<b>Percent Change</b>		<b>1-year</b>	<b>5-year</b>		<b>1-year</b>	<b>5-year</b>
<b>Vilas</b>		4.2%	26.3%		3.7%	19.6%
<b>Wisconsin</b>		4.2%	19.8%		3.7%	16.5%
<b>United States</b>		5.2%	21.4%		4.2%	15.5%

Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007