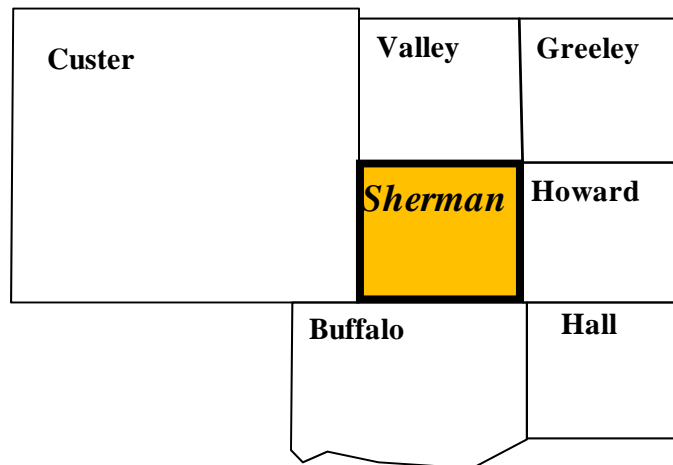


# Labor Supply Factors and Labor Availability for the Sherman County Labor Area



Prepared by:

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

# **Labor Supply Factors and Labor Availability for the Sherman 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 the Sherman County Labor Area. 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 Sherman County Labor Area. Some of the pertinent findings of the report include:

- Population in the Sherman County Labor Area (Sherman County plus the six contiguous counties) totaled 128,656 people in 2008, with the Sherman County population totaling 2,994. Population in Sherman County declined by 9.8 percent during the 2000–2008 period, compared to a population increase of 3.1 percent for the seven-county Sherman County Labor Area as a whole.
- The labor force for the Sherman County Labor Area totaled 76,444 in 2008, with 74,292 local residents employed in jobs either within or outside the area. A total of 70,559 persons were employed in nonfarm wage and salary jobs located within the area. These data suggest that a number of residents of the Sherman County Labor Area were commuting out of the area for employment.
- The number of people who lived in Sherman County that were employed totaled 1,847 in 2008; yet there were only 783 persons employed in nonfarm wage and salary jobs within the county. This indicates a large percentage of residents of surrounding counties are commuting to jobs outside Sherman County.
- Average annual wages for all nonfarm wage and salary employees in the Sherman County Labor Area were \$5,431 less than the Nebraska average. Within the labor area, Buffalo County had the highest average wage, \$31,616 or \$4,174 less than the Nebraska average. In Sherman County, average annual salaries were \$14,669 less than the state average.

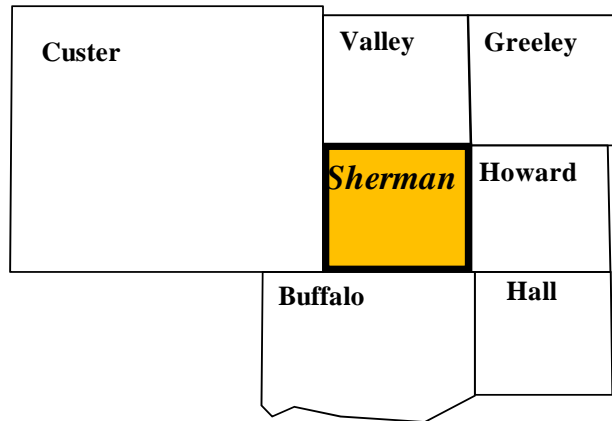
The basic conclusion of this report, which follows from the data and analysis presented, is that the Sherman County Labor Area and Sherman County would be able to provide a significant number of dedicated and skilled workers to meet the needs of additional employers in the area. While this report has not estimated a precise number of people that may be available for a prospective new employer in the Sherman 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 Sherman County Labor Area

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

In reviewing the data presented in this report, it will be evident that the Sherman 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 Sherman County and for the surrounding counties that make up the potential laborshed area for Sherman County. Figure One includes a map outlining the geographic area which has been defined as the Sherman County Labor Area.

**Figure One**  
**Sherman 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 need to have confidence 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 Sherman 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 Sherman County Labor Area and for Sherman County for selected years from 2003 to 2008. 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 Sherman 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 increased, with the area labor force growing by 5.9 percent between 2003 and 2008 and total employment growing by 6.7 percent during the same period.

**Table One**  
**Labor Force and Employment, Sherman County Labor Area<sup>(a)</sup>, 2003–2008**

**Part A**  
**Labor Force and Employment**  
**Sherman County Labor Area<sup>(a)</sup>, 2003–2008**

(Place of Residence)	2003	2004	2005	2006	2007	2008	% Chg. 2003–2008
<b>Labor Force<sup>(b)</sup></b>	<b>72,208</b>	<b>73,068</b>	<b>73,127</b>	<b>73,876</b>	<b>75,315</b>	<b>76,444</b>	<b>5.9</b>
Unemployment (#)	2,599	2,817	2,476	1,980	1,934	2,150	-17.3
Unemployment Rate (%)	3.6	3.9	3.4	2.7	2.6	2.8	(N/A)
Employment	69,610	70,249	70,651	71,895	73,383	74,292	6.7
<b>(Place of Work)</b>							
<b>Nonfarm Employment<sup>(c)</sup></b>	<b>63,501</b>	<b>64,026</b>	<b>65,324</b>	<b>67,323</b>	<b>69,479</b>	<b>70,559</b>	<b>11.1</b>

Table One continued on following page; notes and sources on following page.

**Table One -- Continued**  
**Part B**  
**Labor Force and Employment by Industry**  
**Sherman County, NE**

(Place of Residence)	2003	2004	2005	2006	2007	2008	% Chg. 2003-2008
<b>Labor Force <sup>(b)</sup></b>	<b>1,866</b>	<b>1,908</b>	<b>1,917</b>	<b>1,888</b>	<b>1,892</b>	<b>1,902</b>	<b>1.9</b>
Unemployment (#)	60	67	74	53	54	55	-8.3
Unemployment Rate (%)	3.2	3.5	3.9	2.8	2.9	2.9	(N/A)
Employment	1,806	1,841	1,843	1,835	1,839	1,847	2.3
<b>(Place of Work)</b>							
<b>Nonfarm Employment <sup>(c)</sup></b>	<b>709</b>	<b>739</b>	<b>742</b>	<b>755</b>	<b>778</b>	<b>783</b>	<b>10.4</b>
Goods Producing	27	25	27	30	31	31	14.8
Manufacturing	17*	17*	15*	13*	12*	12*	-29.4
Mining & Construction	10	8	12	17	19	19	90.0
Service Providing	682	713	715	725	747	752	10.3
Trade, Transportation, Warehousing & Utilities	180	207	210*	230*	255*	261	45.0
Professional & Business Services	12	13	14	14	15	16	33.3
Education & Health Services	29	24	24	24	22	22	-24.1
Leisure and Hospitality	37	46	56	41	38	39	5.4
Other Services, except Public	121	117	115	117	114	111	-8.3
Total Government	303	306	296	299	303	303	0.0
Federal Government	22	21	22	22	21	19	-13.6
State Government	14	15	15	16	16	15	7.1
Local Government	268	270	258	262	266	269	0.4

<sup>(a)</sup> The Sherman County Labor Area includes Sherman County and the contiguous Nebraska counties (Buffalo, Custer, Greeley, Hall, Howard, and Valley)

<sup>(b)</sup> The labor force data are measured based on the county of residence, irrespective of the county of employment.

<sup>(c)</sup> 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.

\* Estimated values provided by Ken Lemke, Nebraska Public Power District.

Source: Nebraska Department of Labor, Labor Market Information, [ftp.dol.state.ne.us/lmi/laborforce\\_workforce](http://ftp.dol.state.ne.us/lmi/laborforce_workforce).

The second employment measure presented for the Sherman County Labor Area, nonfarm wage and salary employment, grew from 63,501 in 2003 to 70,559 in 2008, an increase of 11.1 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 Sherman County (Table One, Part B) indicate that the total labor force in the county grew by 1.9 percent between 2003 and 2008, with total employment (of people residing in Sherman County, irrespective of

their county of employment) growing by 2.3 percent during this period. It is also of interest to note that unemployment decreased by 8.3 percent, from 60 in 2003 to 55 in 2008, recording an unemployment rate of 2.9 percent in 2008.

As previously noted, the second employment measure presented for Sherman 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 Sherman County grew by 10.4 percent between 2003 and 2008. Data presented in Part B of Table One show that the fastest growing employment sector in Sherman County during the 2003–2008 review period was the Mining & Construction sector, recording a 90.0 percent increase between 2003 and 2008. Other economic sectors experiencing significant growth in employment between 2003 and 2008 include the Trade, Transportation, Warehousing & Utilities sector (45.0 percent), Professional & Business Services (33.3 percent), and the Leisure and Hospitality sector (5.4 percent). In the case of the Total Government sector, Federal employment declined by 13.6, while employment in the State government sector grew by 7.1 percent and local government employment grew by 0.4 percent.

Further review of the employment data reported for the Sherman County Labor Area (Table One, Part A) and for Sherman 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 Sherman County Labor Area, nonfarm wage and salary employment was reported to be 70,559 in 2008, which was slightly less (3,733) than the reported total employment of persons living within the seven-county Sherman 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 leads to an explanation of how this can occur. It is possible that more persons living within the seven-county Sherman County Labor Area are commuting to work outside of the area than are commuting into the area for employment.

In the case of Sherman County, the same situation is evident. Total employment of persons living in Sherman County (irrespective of their county of employment) was 1,847 in 2008, which was 1,064 more than the 783 nonfarm wage and salary jobs within the county for the same year. These data suggest that a number of workers are commuting out of Sherman County for employment on a regular basis. The total number of reported employed people living in Sherman 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 (1,064) likely overstates the number of workers commuting out of Sherman County.

Included in Table Two are additional employment data for 2008, showing the deviations between total employment and nonfarm wage and salary employment for the Sherman County Labor Area as a whole and for each county within the area. For the Sherman County Labor Area as a whole, the total employment of area residents (74,292), irrespective of their place of employment, is 3,733 greater than the nonfarm wage and

salary employment working within the area. It appears that all of this difference could be accounted for by agricultural employment, which includes farm proprietors. Agricultural employment shown in Table Two shows that 5,654 people were employed in agriculture in 2007, the last year that agricultural employment data were available. It is important to note, however, that for Nebraska as a whole, approximately 32 percent of farm operators also have a full-time job off the farm and 49 percent work off the farm, either in full or part-time employment. Therefore, it is possible that a significant number of people are commuting out of the area for employment.

**Table Two**  
**Labor Force, Employment, and Nonfarm Wage and Salary Employment,**  
**Sherman County Labor Area, 2008**

County	Labor Force (2008) <sup>(a)</sup>	Total Employment (2008) <sup>(a)</sup>	Nonfarm Wage & Salary Employment (2008) <sup>(b)</sup>	Total Employment Minus NF W&S Employment	Agricultural Employment (2007) <sup>(c)</sup>
<b>Sherman</b>	<b>1,902</b>	<b>1,847</b>	<b>783</b>	<b>1,064</b>	<b>488</b>
Buffalo	29,119	28,418	27,985	433	1,149
Custer	6,063	5,910	3,691	2,219	1,506
Greeley	1,268	1,228	616	612	407
Hall	31,542	30,534	34,242	-3,708	862
Howard	3,852	3,733	1,398	2,335	764
Valley	2,698	2,622	1,844	778	478
<b>Labor Area</b>	<b>76,444</b>	<b>74,292</b>	<b>70,559</b>	<b>3,733</b>	<b>5,654</b>

<sup>(a)</sup> Labor force and employment data are measured based on the county of residence.

<sup>(b)</sup> 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.

<sup>(c)</sup> Agricultural employment data are for 2007.

Sources: Labor Data - Nebraska Department of Labor, Labor Market Information,

[ftp://dol.state.ne.us/lmi/laborforce\\_workforce](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 Sherman County Labor Area. It appears that persons from other counties are commuting into Hall County County for employment. For most of the other counties within the area, however, a significant percentage of the employed people are commuting out of the counties for employment. In the case of Howard County, for example, the number of employed persons living in the county is 2,335 greater than total nonfarm wage and salary employment within the county. This indicates a significant number of the people commuting out of Howard County for employment, most likely to Hall County (Grand Island). Other counties where there are indications of significant commuting out of the county for employment include Sherman, Custer, Greeley, and Valley. Data presented in Table Two suggest that the creation of additional jobs within the Sherman County Labor Area and Sherman 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 Sherman 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**  
**Nonfarm Wage and Salary Employment, by Industry Sector**  
**Sherman County Labor Area, by County, 2008**

County	Manuf.	Constr. Mining	Trade Trans. & Util.	Financ. Activ.	Leisure & Hosp.	All Other Services	Govt.	Tot NF W. & S. Emp.
<b>Sherman</b>	<b>12</b>	<b>19</b>	<b>261</b>	<b>44</b>	<b>39</b>	<b>105</b>	<b>303</b>	<b>783</b>
Buffalo	4,099	1,832	5,804	919	3,244	7,768	4,318	27,984
Custer	453	157	783	179	328	874	917	3,691
Greeley	20	19	157	34	11	90	285	616
Hall	6,446	2,217	8,556	1,825	2,920	7,478	4,799	34,241
Howard	13	51	346	83	65	246	594	1,398
Valley	67	106	384	90	178	347	672	1,844
<b>Labor Area</b>	<b>11,110</b>	<b>4,401</b>	<b>16,291</b>	<b>3,174</b>	<b>6,785</b>	<b>16,908</b>	<b>11,888</b>	<b>70,557</b>
<b>Nebraska</b>	<b>100,485</b>	<b>51,270</b>	<b>206,049</b>	<b>70,305</b>	<b>83,688</b>	<b>296,941</b>	<b>163,874</b>	<b>972,612</b>

Percent of Total Nonfarm Wage & Salary Employment								
	Manuf.	Constr. Mining	Trade Trans. & Util.	Financ, Activ.	Leisure & Hosp.	All Other Services	Govt.	Tot NF W. & S. Emp.
<b>Labor Area</b>	<b>15.7</b>	<b>6.2</b>	<b>23.1</b>	<b>4.5</b>	<b>9.6</b>	<b>24.0</b>	<b>16.8</b>	<b>100.0</b>
<b>Nebraska</b>	<b>10.3</b>	<b>5.3</b>	<b>21.2</b>	<b>7.2</b>	<b>8.6</b>	<b>30.5</b>	<b>16.8</b>	<b>100.0</b>

Source: Nebraska Department of Labor, Labor Market Information, [ftp.dol.state.ne.us/lmi/laborforce\\_workforce](http://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 Sherman County Labor Area with the distribution for the State of Nebraska. As these data show, the industry distribution of employment for the Sherman County Labor Area is significantly different than that for Nebraska as a whole.

The most significant deviations between Nebraska and the Sherman County Labor Area occur in the manufacturing sector employment, with 15.7 percent of nonfarm wage and salary workers in the Sherman County area employed in that sector, compared to 10.3 percent for Nebraska. Conversely, only 24 percent of nonfarm wage and salary workers in the Sherman County Labor Area are employed in the All Other Services sector, compared to 30.5 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 Sherman 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 average annual number of employees.

A review of the data in Part A of Table Four indicates that average annual salaries in Sherman County (\$21,121 for all wage and salary employees for all private industries) are lower than the Sherman County Labor Area as a whole and all of the other counties that make up the area. Also, Sherman County average annual salaries are \$14,669 (41.0 percent) less than the state average. Average annual salaries for the Sherman County Labor Area (\$30,359) were \$5,431 (15.2 percent) less than the Nebraska average. These data suggest, of course, there would be a positive labor supply response in Sherman County to the creation of additional employment opportunities with competitive wages and benefits.

**Table Four**  
**Average Pay, Sherman County Labor Area & Nebraska, 2008**

**Part A**  
**Average Annual Pay and Average Weekly Wages**  
**All Covered<sup>(a)</sup> Wage and Salary Workers, All Industries**

<b>County</b>	<b>Average Employment</b>	<b>Average Weekly Wages</b>	<b>Average Annual Wages</b>
<b>Sherman</b>	<b>486</b>	<b>\$406</b>	<b>\$21,121</b>
Buffalo	21,959	\$608	\$31,616
Custer	2,976	\$520	\$27,022
Greeley	373	\$448	\$23,293
Hall	28,981	\$586	\$30,480
Howard	798	\$412	\$21,425
Valley	1,084	\$461	\$23,960
<b>Labor Area</b>	<b>56,657</b>	<b>\$582</b>	<b>\$30,359</b>
<b>Nebraska</b>	<b>794,451</b>	<b>\$688</b>	<b>\$35,790</b>

Table Four continued on following page; notes and sources on following page.

**Table Four -- Continued  
Part B**

**Average Annual Pay All Covered<sup>(a)</sup> Wage and Salary Workers  
By Selected Industry Groups**

County	All Goods Producing	Manuf.	Construction	All Service Providing	Trade Trans & Util	Financial Services	Bus & Prof Services	Leisure & Hospitality
<b>Sherman</b>	<b>\$22,692</b>	<b>N/A</b>	<b>N/A</b>	<b>\$20,917</b>	<b>\$21,862</b>	<b>\$31,538</b>	<b>N/A</b>	<b>\$8,002</b>
Buffalo	\$39,016	\$41,224	\$35,477	\$29,173	\$24,768	\$35,423	\$40,049	\$11,119
Custer	\$38,119	\$43,586	\$36,110	\$21,812	\$20,967	\$33,388	\$27,866	\$8,566
Greeley	\$25,908	\$22,667	\$21,631	\$22,329	\$25,035	\$31,416	<b>N/A</b>	\$6,826
Hall	\$37,117	\$37,447	\$37,100	\$27,544	\$27,302	\$36,997	\$34,967	\$12,302
Howard	\$26,627	\$20,589	\$26,941	\$20,488	\$22,523	\$27,503	\$18,696	\$8,395
Valley	\$28,562	\$38,903	\$21,639	\$22,597	\$25,217	\$30,835	\$23,788	\$7,804
<b>Nebraska</b>	<b>\$39,685</b>	<b>\$40,534</b>	<b>\$40,253</b>	<b>\$34,742</b>	<b>\$31,653</b>	<b>\$47,475</b>	<b>\$46,295</b>	<b>\$12,259</b>

N/A: Not available.

<sup>(a)</sup> Includes employers that are subject to Nebraska Employment Security Laws.

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 Sherman County Labor Area. As the data in Table Four, Part A indicate, the highest overall average annual wages in the area are for wage and salary workers employed in Buffalo County. The average annual wage for all wage and salary workers working in Buffalo County was \$31,616 in 2008 which was \$1,257 (4.1 percent) more than the average for the Sherman County Labor Area as a whole, and \$4,174 (11.7 percent) less than the Nebraska average. A review of the industry specific data for average annual wages for Buffalo indicates that the high average annual wage results from the extremely high average wage in the Manufacturing and Business and Professional Services industries.

### **Commuting Patterns**

Table Five provides 2006 estimates from the Bureau of the Census Local Employment Dynamics program showing commuting patterns for workers living in the Sherman County Labor Area. 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 in Part A indicate that 610 jobs or 55.7 percent of all jobs held by Sherman County residents are located in other counties. For two of the six other counties in the labor area, the percentage of commuters was larger than for Sherman County. In the case of Howard County, 1,877 or 66.2 percent of jobs held by county residents were in other counties. In the case of Greeley County, 369 or 57.7 percent of jobs held by county residents were in other counties.

**Table Five**  
**Commuting Patterns, Sherman County Labor Area, 2006**

**Part A**  
**Jobs Outside County of Residence, 2006**

<b>County</b>	<b>Working Outside County</b>	
	<b>Number</b>	<b>Percent</b>
Sherman	610	55.7%
Buffalo	4,528	21.2%
Custer	1,448	33.3%
Greeley	369	57.7%
Hall	5,974	22.7%
Howard	1,877	66.2%
Valley	637	38.0%

Source: U.S. Bureau of the Census, *Local Employment Dynamics*.

**Part B**  
**Sherman County and Sherman County Residents**  
**Employment by County, 2006**

<b>County Where Jobs are Located</b>	<b>Number of Jobs in County</b>	<b>Percent of All Jobs</b>
Sherman	485	44.3%
Buffalo	209	19.1%
Hall	100	9.1%
Valley	58	5.3%
Lancaster	35	3.2%
All Other Locations	208	19.0%
<b>Total Resident Jobs</b>	<b>1,095</b>	<b>100.0%</b>

Source: U.S. Bureau of the Census, *Local Employment Dynamics*.

Table Five, Part B provides further detail illustrating the willingness of workers in Sherman County to travel for employment. In 2006, residents of Sherman County worked at a total of 1,095 jobs; a resident may have worked at more than one job. Of these 1,095 jobs, the largest number, 485 or 44.3 percent, were located in Sherman County, while 610 or 55.7 percent were located in other counties. Counties with high numbers of workers from Sherman County were Buffalo (209 jobs), Hall (100 jobs), Valley (58 jobs), and Lancaster (35 jobs).

## Population Trends

The data provided in Table Six show population trends for the Sherman County Labor Area, by county, and for Nebraska for the 1950–2008 period. As these data indicate, the population of the Sherman County Labor Area was 124,832 in 2000. The Sherman County Labor Area population grew by 21.2 percent from 1950 to 2000 and grew 3.1 percent from 2000 to 2008. Population in Sherman County totaled 3,318 in 2000 and had declined by 48.3 percent from 1950 to 2000. During the latest Census decade of the 1990’s, the Sherman County population decreased by 10.8 percent, compared to the increase for the Sherman County Labor Area as a whole of 7.1 percent, and to the State rate of growth of 8.4 percent.

**Table Six**  
**Population in the Sherman County Labor Area, by County, and Nebraska**  
**Selected Years, 1950–2008**

COUNTY	1950	1960	1970	1980	1990	2000	2008	% Chg.	% Chg.
								1950–2000	2000–08
<b>Sherman</b>	<b>6,421</b>	<b>5,382</b>	<b>4,725</b>	<b>4,226</b>	<b>3,718</b>	<b>3,318</b>	<b>2,994</b>	<b>-48.3</b>	<b>-9.8</b>
Buffalo	25,134	26,236	31,222	34,797	37,447	42,259	45,354	68.1	7.3
Custer	19,170	16,517	14,092	13,877	12,270	11,793	10,842	-38.5	-8.1
Greeley	5,575	4,595	4,000	3,462	3,006	2,714	2,290	-51.3	-15.6
Hall	32,186	35,757	42,851	47,690	48,925	53,534	56,401	66.3	5.4
Howard	7,226	6,541	6,807	6,773	6,055	6,567	6,593	-9.1	0.4
Valley	7,252	6,590	5,783	5,633	5,169	4,647	4,182	-35.9	-10.0
<b>Labor Area</b>	<b>102,964</b>	<b>101,618</b>	<b>109,480</b>	<b>116,458</b>	<b>116,590</b>	<b>124,832</b>	<b>128,656</b>	<b>21.2</b>	<b>3.1</b>
<b>Nebraska</b>	<b>1,325,510</b>	<b>1,411,330</b>	<b>1,483,493</b>	<b>1,569,825</b>	<b>1,578,385</b>	<b>1,711,263</b>	<b>1,783,432</b>	<b>29.1</b>	<b>4.2</b>

Source: U.S. Bureau of the Census, *Census of Population, 1950-2000* and Annual Population Estimates, 2008.

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 Sherman County Labor Area. In 2008, there were 1,442 people in Sherman County between the ages of 25 and 64, which represented 48.2 percent of the total population, compared to 49.4 percent of the population for the Sherman County Labor Area as a whole and 51.0 percent of the Nebraska population in this age range.

**Table Seven**  
**Age Characteristics of the Population, Sherman County Labor Area,**  
**by County, and Nebraska, 2008**

COUNTY	0-14		15-24		25-44		45-64		65-Older		Median Age
	Number	% <sup>(a)</sup>	Number	% <sup>(a)</sup>	Number	% <sup>(a)</sup>	Number	% <sup>(a)</sup>	Number	% <sup>(a)</sup>	
<b>Sherman</b>	475	15.9	339	11.3	581	19.4	861	28.8	738	24.6	<b>47.8</b>
Buffalo	9,082	20.0	9,161	20.2	11,889	26.2	9,919	21.9	5,303	11.7	31.4
Custer	1,963	18.1	1,357	12.5	2,077	19.2	3,158	29.1	2,287	21.1	45.1
Greeley	393	17.2	309	13.5	368	16.1	669	29.2	551	24.1	47.0
Hall	13,055	23.1	6,812	12.1	14,738	26.1	14,030	24.9	7,766	13.8	36.1
Howard	1,202	18.2	868	13.2	1,503	22.8	1,763	26.7	1,257	19.1	42.0
Valley	683	16.3	466	11.1	765	18.3	1,233	29.5	1,035	24.7	47.8
<b>Labor Area</b>	<b>26,853</b>	<b>20.9</b>	<b>19,312</b>	<b>15.0</b>	<b>31,921</b>	<b>24.8</b>	<b>31,633</b>	<b>24.6</b>	<b>18,937</b>	<b>14.7</b>	<b>36.4</b>
<b>Nebraska</b>	<b>371,462</b>	<b>20.8</b>	<b>262,190</b>	<b>14.7</b>	<b>457,177</b>	<b>25.6</b>	<b>451,756</b>	<b>25.3</b>	<b>240,847</b>	<b>13.5</b>	<b>36.2</b>

<sup>(a)</sup> Percent of total population for each respective area.

Source: U.S. Bureau of the Census, *Population Estimates, by Age, 2008*.

Table Eight provides information showing population, the natural increase (births minus deaths) and net migration for the 1990–1999 period for Nebraska, for Sherman County and for the Sherman County Labor Area. As these data show, the Sherman County Labor Area as a whole had a small rate of net out-migration during the Census decade of the 1990s, while Buffalo and Howard Counties experienced net in-migration. As indicated in the table, net out-migration for the Sherman County Labor Area as a whole accounted for population a decline of 309 people during the decade, contributing to a population decrease equal of only 0.3 percent of the population. In the case of Sherman County, net out-migration during the same period totaled 128 people, or 3.4 percent of the 1990 population.

**Table Eight**  
**Population, Births, Deaths and Migration**  
**Nebraska and Sherman County Labor Area by County, 1990–1999**

County	Population		1990–1999			Net Migration*, 1990–1999	
	1990	2000	Births	Deaths	Nat. Incr.	Number	% 1990 Pop.
<b>Sherman</b>	<b>3,718</b>	<b>3,470</b>	<b>361</b>	<b>481</b>	<b>-120</b>	<b>-128</b>	<b>-3.4</b>
Buffalo	37,447	40,249	5,015	2,772	2,243	559	1.5
Custer	12,270	11,825	1,389	1,593	-204	-241	-2.0
Greeley	3,006	2,812	326	350	-24	-170	-5.7
Hall	48,925	51,764	7,684	4,563	3,121	-282	-0.6
Howard	6,057	6,540	701	647	54	429	7.1
Valley	5,169	4,527	490	656	-166	-476	-9.2
<b>Labor Area</b>	<b>116,592</b>	<b>121,187</b>	<b>15,966</b>	<b>11,062</b>	<b>4,904</b>	<b>-309</b>	<b>-0.3</b>
<b>Nebraska</b>	<b>1,578,417</b>	<b>1,666,028</b>	<b>217,510</b>	<b>139,754</b>	<b>77,756</b>	<b>9,855</b>	<b>0.6</b>

\* Net Migration from the Bureau of the Census estimates, includes residual component not shown separately.

Source: U.S. Bureau of the Census, *County Population Estimates for July 1, 1999 and Population Change for April 1, 1990 to July 1, 1999*.

Table Nine provides information showing population, the natural increase (births minus deaths), and net migration for the 2000–2008 period. As these data show, the Sherman County Labor Area experienced significant net out-migration during this more recent eight-year period. As indicated in the table, out-migration for the Sherman County Labor Area as a whole accounted for a population decline of 2,013 during the 2000–2008 period, contributing to a population decrease equal to 1.6 percent of the 2000 population. In the case of Sherman County, net out-migration during this eight-year period was 236, or 7.1 percent of the 2000 population.

**Table Nine**  
**Population, Births, Deaths, and Migration**  
**Nebraska and Sherman County Labor area, by County, 2000-2008**

County	Population		2000-2008			Net Migration, 2000-2008*	
	2000	2008	Births	Deaths	Nat. Incr.	Number	% 2000 Pop.
<b>Sherman</b>	<b>3,318</b>	<b>2,994</b>	<b>268</b>	<b>356</b>	<b>-88</b>	<b>-236</b>	<b>-7.1</b>
Buffalo	42,259	45,354	5,308	2,717	2,591	504	1.2
Custer	11,793	10,842	1,066	1,293	-227	-724	-6.1
Greeley	2,714	2,290	240	272	-32	-392	-14.4
Hall	53,534	56,401	7,708	4,120	3,588	-721	-1.3
Howard	6,567	6,593	629	529	100	-74	-1.1
Valley	4,647	4,182	392	487	-95	-370	-8.0
<b>Labor Area</b>	<b>124,832</b>	<b>128,656</b>	<b>15,611</b>	<b>9,774</b>	<b>5,837</b>	<b>-2,013</b>	<b>-1.6</b>
<b>Nebraska</b>	<b>1,711,263</b>	<b>1,783,432</b>	<b>214,642</b>	<b>124,319</b>	<b>90,323</b>	<b>-18,154</b>	<b>-1.1</b>

\* Net Migration from the Bureau of the Census estimates, includes residual component not shown separately.

Source: U.S. Bureau of the Census, *Population Estimates, 2008, and Components of Population Change, 2000-2008*.

### **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 Sherman County Labor Area and in Sherman 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 Sherman 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 Sherman 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 Sherman County Labor Area and Sherman 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 Sherman 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: [kmlenke@nppd.com](mailto:kmlenke@nppd.com)