

APPENDIX 7-7 EMPLOYMENT PROJECTIONS BY INDUSTRY SECTOR IN SOUTHEASTERN WISCONSIN

Employment projections for Kenosha County as described in Chapter 7 were developed as part of the regional land use planning program. More detailed employment projections for specific industry sectors were developed for the seven (7) county region as a whole as further described in this Appendix. The data provided in this Appendix is not available at the County or Village level.

EXISTING AND PROJECTED EMPLOYMENT BY INDUSTRY GROUP IN THE REGION: 2000 - 2035

Industry	Existing 2000	Projected Employment (number of jobs)			
		2010	2020	2030	2035
Manufacturing:					
Printing and Publishing	24,500	22,700	24,000	24,300	24,700
Fabricated Metal Products	25,600	15,700	14,000	12,200	11,600
Industrial Machinery and Equipment	48,000	32,000	29,400	26,100	24,900
Electronic and Other Electrical Equipment	27,000	19,300	18,000	15,900	15,300
All Other Manufacturing	99,200	87,400	86,300	83,900	83,900
Subtotal Manufacturing	224,300	177,100	171,700	162,400	160,400
Construction	53,800	53,600	56,000	56,500	57,100
Retail Trade	193,700	192,200	198,100	202,400	205,400
Wholesale Trade	64,400	60,400	62,600	63,400	64,400
Transportation, Communication, and Utilities	54,800	50,900	51,400	50,500	51,100
Services:					
Business Services	102,800	122,800	141,800	156,600	164,600
Health Services	97,700	108,900	118,200	126,100	132,000
Social Services	34,300	45,700	53,500	59,100	62,100
All Other Services ^a	171,200	197,700	216,300	226,600	231,300
Subtotal Services	406,000	475,100	529,800	568,400	590,000
Finance, Insurance, and Real Estate	93,700	98,800	103,100	103,600	103,600
Government and Government Enterprises^b	114,400	113,500	114,900	114,900	115,300
Agriculture	6,000	5,300	5,100	4,900	4,800
Other^c	11,700	13,200	15,300	16,100	16,200
Total Regional Employment	1,222,800	1,240,100	1,308,200	1,343,100	1,368,300

^a Includes educational services for those employed by private schools and colleges. Public school employees are included in the government and government enterprise category.

^b Includes all nonmilitary government agencies and enterprises, regardless of SIC code, and public school employees.

^c Includes agricultural services, forestry, commercial fishing, mining, and unclassified jobs.

Source: U.S. Bureau of Economic Analysis and SEWRPC.



Manufacturing Industries

Following the deep recession of the early 1980s, the regional manufacturing sector demonstrated a relatively stable level of employment through much of the 1980s and 1990s, but recently lost numerous jobs. The outlook for manufacturing in the Region does not look promising, except for the printing and publishing sector. Labor intensive sectors may be expected to continue to lose workers due to productivity gains and to lower-cost foreign competition. Labor supply may be a problem for the manufacturing sector toward the middle of the projection period.



Manufacturing at CPI

A key factor expected to impact the manufacturing sector in the Region, the State and the Nation, is the movement of jobs overseas. Overseas labor, particularly in Asia, is substantially cheaper than the American counterpart. Low overseas labor costs more than offset the transportation costs of raw materials and finished goods to market. Some of this dynamic will change as the overseas demand for personnel and material prices rise, which will decrease the profit margins for goods produced overseas. However, that shift is not expected to offset job losses in U.S. manufacturing over the foreseeable future.

Productivity gains are also expected to affect manufacturing employment. Manufacturing output continues to increase, but with less labor. There is relatively less demand for manufacturing labor even within growing manufacturing industries as a result. The rate of decline in manufacturing employment may be expected to slow somewhat later in the projection period as increases in the U.S. and global economies create greater demand for manufactured products. The labor force may also be expected to show some expansion during the later years of the projection period, supplying a slightly larger labor pool for manufacturing.

Printing and Publishing: Printing and publishing is one (1) manufacturing industry that is projected to retain its overall strength. This industry includes establishments engaged in printing; in services for the printing trade such as bookbinding; and in publishing newspapers, books, and periodicals. The outlook for this sector is promising due to the continued expansion of periodical publications and bookbinding, which are expected to offset the reduced growth in newspaper publishing due to new media technologies. In addition, this sector requires investment in the latest of technologies to control costs and enhance product quality. The regional projection in 2035 for this industry sector is 24,700 jobs, which is nearly the same as 2000 (24,500 jobs).

Fabricated Metal Products: Fabricated metal products establishments produce items such as metal cans, tin ware, hand tools, cutlery, general hardware, fabricated structural metal products, and metal stampings. A number of these jobs are expected to move overseas for lower labor costs resulting in a projected 55% decrease in the Region from 25,600 jobs in 2000 to 11,600 jobs in 2035.

Industrial Machinery and Equipment: The industrial machinery and equipment industry includes the manufacture of engines, turbines, farm and garden machinery, construction machinery, metalworking machinery, and computer and office equipment. Jobs in this industry are projected to decrease from 48,000 to 24,900 in 2035 in the Region.

Electronic and Other Electrical Equipment: This industry includes business that manufacture electricity distribution equipment, electrical industrial apparatus, household appliances, electrical wiring and lighting, and electronic components. The projected number of jobs in this sector for the Region in 2035 is 15,300. This would result in a 43% decrease from the number of jobs in 2000 (27,000 jobs).

Other Manufacturing: These are jobs in a wide range of manufacturing businesses that taken individually are not large enough to be considered as a separate category. The number of jobs in other types of manufacturing jobs in the Region is projected to decline by 15% from 99,200 in 2000 to 89,400 jobs in 2035.

Construction Industries

Construction industry establishments are engaged in all forms of building construction as well as heavy construction such as roads, bridges, sewer and water lines, and sewage treatment facilities. The industry includes employment in activities involving new construction, additions, alterations, reconstructions, installations, and repairs. The number of jobs in this industry is projected to grow by 6% in the Region, from 53,800 in 2000 to 57,100 in 2035.

Retail Trade

Retail trade industry establishments sell merchandise primarily for personal and household consumption. It includes a wide variety of establishments, ranging from discount department stores to automobile dealerships to restaurants and coffee shops. Retail trade employment is projected grow in the Region and through 2035; however, a focus on reducing costs, more emphasis on e-commerce, and the lower wages associated with the retail sector are all issues that may slow job growth. The rate of growth will also depend on the health of the economy and personal income. Retail trade jobs are projected to grow by 6% between 2000 and 2035, from 193,700 to 205,400 jobs in the Region.



Wholesale Trade

Wholesale trade industry establishments primarily sell merchandise to retailers and industrial, commercial, institutional, farm, construction contractor, and professional business customers; or to other wholesalers. The highly competitive nature of this industry and the constant need to control costs may limit the overall growth in wholesale trade employment. The recent decline in manufacturing employment is reflected in the decline in wholesale trade employment because the industries are closely linked. Therefore, as the

employment outlook for the manufacturing sector is not promising, the wholesale trade sector is not projected to support a large increase in employment. These jobs are projected to decrease in the earlier portion of the projection period and recover in the later portion of the period to the 2000 level of 64,400.

Transportation, Communication, and Utilities

This industry includes establishments which provide—to the general public or to other business enterprises—all forms of passenger and freight transportation; shipping services; communications services; and gas, electricity, steam, water, and sanitary services. Regional employment in this industry is expected decrease by 7% from 54,800 jobs in 2000 to 51,100 jobs in 2035.

Services Sector Industries

The greatest future gains in employment for the Region, State, and Nation may be expected to be in the services sector. Employment in the business services sector, in particular, may be expected to experience significant growth in the future. As companies focus on core competencies, cost competition, and market expansion, many tasks that were completed in-house will be subcontracted to other firms specializing in auxiliary tasks such as marketing, payroll, human resources, and information technology.

Employment in the health and social services may also be expected to increase. The most profound effect on health and social services in the Region will be the aging of the population. As the baby-boomers reach retirement age, health and social services will be in *greater demand, directly affecting employment in these sectors. The outlook for entertainment services is also promising; rising personal income and retirees having more leisure time in the future are expected to play a role in that growth.*

Business Services: These establishments provide services such as advertising, computer programming, data processing, security systems services, and building cleaning and maintenance services to other businesses. Business services also include workers with temporary employment firms and people that provide services on a contract or fee basis to others (businesses that provide engineering, accounting, research, management, and other related services are included in other services). This sector is expected to continue to grow rapidly. Under the regional projection, business services employment will increase by 60% from 102,800 in 2000 to 164,600 jobs in 2035.



Rentsys Recovery Services



St. Catherine's Hospital

Health Services: Health services industry establishments provide medical, surgical, and other health services including hospitals, offices and clinics of physicians and health care practitioners, nursing and rest homes, medical and dental laboratories, and home health care services. This sector is poised for growth due to the County's aging population. Under the regional projection, health services employment is expected to exceed 132,000 jobs in 2035, an increase of 35% over the 2000 level.

Social Services: Social services establishments provide help and rehabilitation services to individuals with needs requiring special care. This industry group also includes child day-care facilities and certain residential facilities for children, the aged, and others with limits on ability for self care, but where medical care is not a major element. This sector is expected to see significant growth as the aging of the County's population continues, along with the movement to outpatient care and more home based assistance living. Social services employment is expected to increase by almost 81% from 34,300 jobs in 2000 to 62,100 in 2035.

Other Services: This category includes those service activities that are not large enough, in terms of their employment levels, to be accorded dominant or subdominant industry status. It includes a wide range of service establishments such as lodging places; laundry and dry-cleaning facilities; funeral homes; automotive repair facilities; miscellaneous repair shops; motion picture theaters and various other amusement and recreation places; and

establishments which provide engineering, accounting, research, management, and related services. Employment of this nature is expected to increase by 35% from 171,200 jobs in 2000 to 231,300 jobs in 2035.

Finance, Insurance, and Real Estate

These establishments include banks and credit unions; other personal and business credit institutions; security brokerages; insurance carriers, agencies, and brokerages; real estate agencies; and land development firms. Regulatory changes, the increasing use of the Internet, demographic trends, and legislation allowing financial institutions to provide a greater variety of financial products and services may result in growth in this industry. However, new technology applications, including increasing Internet transactions and data base management tools, will continue to be used to control costs, as firms substitute technology for labor. This sector is expected to grow by 11% from 93,700 jobs in 2000 to 103,600 jobs in 2035.



Johnson Bank

Government

Government includes employment in all nonmilitary government agencies and enterprises, regardless of SIC code. This includes city, village, town, county, state, and federal units and agencies of government; public schools; publicly owned enterprises; and the U.S. Postal Service. Government employment is projected to increase slightly over the next 30 years from 114,400 in 2000 to 115,300 by 2035.



Farm on 88th Ave.

Agriculture Industry

This industry includes establishments (e.g., farms, orchards, greenhouses, nurseries) primarily engaged in the production of crops, plants, and trees, excluding forestry operations. It also includes establishments (e.g., farms, dairies, feedlots, egg production facilities) primarily engaged in raising livestock for sale or for the sale of livestock products. While the agricultural sector constitutes a small and declining share of the regional economy, it still

constitutes a viable economic sector. Wisconsin agriculture is expected to hold a comparative advantage in the dairy and vegetable segments. However, due to continued technological advances in genetics and mechanization, cost pressures from national and global competition, and modern management practices, the employment levels in agriculture may be expected to continue to decline. The continued conversion of farmland to urban uses may also be expected to reduce agricultural employment in the Region. Agricultural employment is expected to decrease by 20%, from 6,000 jobs in 2000 to 4,800 jobs in 2035.

Other Employment

This category includes jobs in forestry, commercial fishing, mining, and agricultural services such as crop services, veterinary services, landscaping services, and lawn and garden services. The regional projection shows a 39% increase, from 11,700 jobs in 2000 to 16,200 jobs in 2035.



Regner Veterinary Clinic



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