ANALYSIS OF SOCIO-ECONOMIC DATA AND TRENDS FOR LINCOLN COUNTY
Analysis of Socio-Economic Data and Trends for Lincoln County

Report Prepared by

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Introduction

The University Center for Economic Development conducted a study of socioeconomic trends in Lincoln County. The results of this study can be used for background material for a Comprehensive Economic Development Strategy (CEDS) in Lincoln County and additional economic development projects. The analysis in this publication provides an understanding of past and future socio-economic trends at the county, state, and national level. Sub-county analysis will follow in a separate publication.

Section I: Socio-Economic Trends for Lincoln County analyzes trends in the U.S., state and Lincoln County population. Data from the U.S. Census and the State Demographer for the state of Nevada are used.

Section II: Leading-Slipping-Gaining-Lagging Analysis provides a versatile way to compare, portray and classify the patterns of total economic growth across all of Nevada’s seventeen counties. Data from the Regional Economic Analysis Project is used.

Section III: Background of Recessions looks at the last four recessions and the impact each had on the county. In addition, employment in Lincoln County is compared to Nevada and the U.S. for the 2007 recession.

Section IV: Expansion Analysis provides a comparison of the average employment of Lincoln County with that of the state for the last five expansion periods. For the two most recent expansion periods the county and state are also compared to the national changes.

Section V: Historical Unemployment Rate shows the unemployment rate for Lincoln County, the State of Nevada and the U.S. from 1990 to the present.

Section VI: Historical Labor Force shows the change in the overall labor force for the county since 1990 and analyzes the percent change for the county, state and nation.

Section VII: Historical Employment looks at the overall employment for Lincoln County then compares the percent change for the county compared to Nevada and the U.S.
Additional in-depth county-level socioeconomic data and trends can be found on a University Center-sponsored web site. The web address is:

http://www.reaproject.org/

Also, additional socioeconomic data and analyses are available upon request by the University Center for Economic Development. This socioeconomic data in addition can be used on data input for local CEDS publications.
SOCIO-ECONOMIC TRENDS
FOR LINCOLN COUNTY
Section I: SOCIO-ECONOMIC TRENDS FOR LINCOLN COUNTY

Lincoln County is located in eastern Nevada. The county is bordered by White Pine County to the north, Nye County to the west, and Clark County to the south. It is also bordered by Utah to the east and northeast and Arizona to the southeast. The community of Pioche is the county seat and population center for Lincoln County.

- According to the U.S. Census in 2010, the population for Lincoln County increased from 4,165 in 2000 to 5,345 in 2010. During this timeframe the population rank in the state for Lincoln County moved up from fourteenth highest to thirteenth (Table 1).

- Also of interest is the growth of Nevada’s urban counties (Clark, Carson City and Washoe Counties), which grew from 1,767,708 in 2000 to 2,424,950 in 2010. The urban share of Nevada’s total population increased from 88.46% in 2000 to 89.79% in 2010. The rural counties of Nevada have also realized a population increase from 230,549 in 2000 to 272,601 in 2010; however the rural share decreased from 11.54% in 2000 to 10.09% in 2010.

Former professor Gary Smith of Washington State University notes in the Nevada Regional Economic Analysis Project (NV-REAP) website (Smith, 2010): “Attracting and retaining people to live, work, raise a family, and retire underlies the economic growth of any region. Population growth is both a cause – and a consequence – of economic growth.” With this basic understanding, a comparative trend analysis of major economic indicators is presented below using data, graphs, and discussion from the NV-REAP website.
Table 1. County Population, Rank of Population, and Change in Population Rank, State of Nevada, 2000 to 2010

<table>
<thead>
<tr>
<th>County</th>
<th>2010 Population</th>
<th>Rank</th>
<th>2000 Population</th>
<th>Rank</th>
<th>Change in Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clark</td>
<td>1,951,269</td>
<td>1</td>
<td>1,375,765</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Washoe</td>
<td>421,407</td>
<td>2</td>
<td>339,486</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Carson City</td>
<td>55,274</td>
<td>3</td>
<td>52,457</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Lyon</td>
<td>51,980</td>
<td>4</td>
<td>34,501</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Elko</td>
<td>48,818</td>
<td>5</td>
<td>45,291</td>
<td>4</td>
<td>-1</td>
</tr>
<tr>
<td>Douglas</td>
<td>46,997</td>
<td>6</td>
<td>41,259</td>
<td>5</td>
<td>-1</td>
</tr>
<tr>
<td>Nye</td>
<td>43,946</td>
<td>7</td>
<td>32,485</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Churchill</td>
<td>24,877</td>
<td>8</td>
<td>23,982</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Humboldt</td>
<td>16,528</td>
<td>9</td>
<td>16,106</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>White Pine</td>
<td>10,030</td>
<td>10</td>
<td>9,181</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Pershing</td>
<td>6,753</td>
<td>11</td>
<td>6,693</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>Lander</td>
<td>5,775</td>
<td>12</td>
<td>5,794</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Lincoln</td>
<td>5,345</td>
<td>13</td>
<td>4,165</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>Mineral</td>
<td>4,772</td>
<td>14</td>
<td>5,071</td>
<td>13</td>
<td>-1</td>
</tr>
<tr>
<td>Storey</td>
<td>4,010</td>
<td>15</td>
<td>3,399</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Lincoln</td>
<td>1,987</td>
<td>16</td>
<td>1,651</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>Esmeralda</td>
<td>783</td>
<td>17</td>
<td>971</td>
<td>17</td>
<td>0</td>
</tr>
</tbody>
</table>

Urban\(^1\)        | 2,424,950       | 1,767,708 |
Rural\(^2\)        | 272,601         | 230,549  |
TOTAL               | 2,700,551       | 1,998,257 |

Source: U.S. Census Bureau, Census 2000 Redistricting Data (Public Law 94-171) Summary File, Table P1, and 2010 Census Redistricting Data (Public Law 94-171) Summary File, Table P1.

\(^1\) Urban counties of Nevada are Carson City, Clark, and Washoe Counties.
\(^2\) Rural counties are the remaining 14 of Nevada’s 17 counties.

**Comparative Trend Analysis, 1969-2009**

**Population**

Patterns of population growth and change reflect differences among regions to attract and retain people both as producers and consumers in their economy.

- Figure 1 shows Lincoln County's population growth compared with Nevada and the nation in a more long-term context. Growth indices express each region's population in 1969 as 100, and the populations in later years as a percentage of 1969. They allow for a direct comparison of the differences in population growth between regions although they may differ vastly in size.

- Lincoln County's overall population growth of 110.0% over 1969-2010 trailed Nevada's increase of 463.4%, and outpaced the national increase of 53.7%.
Figure 1. Population Indices, Lincoln County, State of Nevada, the United States, 1969 to 2010.

- Figure 2 highlights the short-run pattern of Lincoln County’s population growth by tracking the year-to-year percentage change from 1969 to 2009. The average annual percentage change for the entire 41 years is also traced on Figure 2 to provide a benchmark for gauging periods of relatively high and relatively low growth against the long-term trend.

- Lincoln County's population grew on average at an annual rate of 1.88% over 1969-2010. The annual population growth rate rose above the 41-year average in 2004, but began a slight decline in 2009.
Employment

Employment numbers remain the most popular and frequently cited statistics used for tracking local area economic conditions and trends. The employment estimates measure the number of full- and part-time wage and salary employees, plus the number of proprietors of unincorporated businesses. People holding more than one job are counted in the employment estimates for each job they hold. This means employment estimates represent a job count, not a people count. Also, employment is by place-of-work, rather than by place-of-residence. Jobs held by neighboring county residents who commute to Lincoln County to work are included in the employment count for Lincoln County.

- The cumulative growth indices displayed in Figure 3 are for comparing the long-term growth of Lincoln County's employment over 1969-2010 with Nevada and the nation. The indices express each region's employment in 1969 as 100, and the employment in subsequent years as a percentage of 1969. Although they differ in size, one can directly compare the long-term employment growth of Lincoln County with that of Nevada and the nation.
- Lincoln County's employment posted a 123.5% gain over 1969-2010. This trailed the growth of Nevada of 513.3% but outpaced the national increase of 90.8.
Figure 3. Employment Indices (1969 = 100) for Lincoln County, State of Nevada, and the United States, 1969 to 2010.

- Figure 4 highlights the short-run pattern of Lincoln County’s employment growth by tracking the year-to-year percentage change over 1969-2010. The average annual percentage change for the entire 41-year period is also traced on this chart to provide a benchmark for gauging periods of relative high—and relative low—growth against the long-term trend.

- Lincoln County’s employment grew on average at an annual rate of 2.22% over 1969-2010. The employment growth rate was much higher than the 41-year average in 2003 but began declining in 2004 and fell below the 41-year average in 2008.
Jobs Ratio

The job ratios shown in Figure 5 for Lincoln County, Nevada, and the nation not only portray a number of important trends, they also serve as a thumbnail guide to evaluating an economy’s capacity to generate enough jobs fast enough to absorb the increasing number of workers attendant to a growing population. The job ratio is the number of full-time and part-time jobs by place of work, divided by population.

- Nationally, the job ratio rose from 0.45 to 0.56 between 1969 and 2010. Lincoln County’s job ratio registered 0.37 in 1969 and 0.40 in 2010. Underlying the rising job ratio over the past several decades have been the increases in the labor force participation rates, with the number and proportion of women in the labor market playing a leading role.

- An assortment of other factors can contribute to regional differences in the job ratio. They include differences in the proportion of elderly and retirees who no longer work and participate in the labor force, differences in the number and proportion of part-time vs. full-time workers, differences in industry composition, and differences in age and sex distribution and degree of urbanization. Also, a disproportionate number of workers commuting to work outside the county tends to lower the local job ratio, while a net inflow of workers commuting to work inside the county tends to augment the local job ratio.
• Lincoln’s job ratio fell below that of Nevada and the U.S in 1995 and has remained lower than the state and nation.

Figure 5. Job Ratios for Lincoln County, the State of Nevada, and the United States, 1969 to 2010.

Earnings Per Job

Regions vary greatly in the make-up of their labor force, in their industry composition of employment, and their economic experience. Reviewing and examining recent development in average earnings per job locally with comparison to a secondary state and the nation is an important first step in understanding the economic forces at play in Lincoln County.

Industry earnings are incomes received by people who are directly involved with producing goods and services. Earnings include (1) wage and salary disbursements, (2) other labor income such as employer contributions to private retirement and medical insurance programs, and (3) the net incomes of proprietors (i.e., the owners of unincorporated enterprises). Just like the employment data, earnings data are reported on a place-of-work basis. Average annual earnings per job are computed by dividing total industry earnings estimates by total full-time and part-time job estimates. There is no adequate way to convert the job estimate to full-time equivalents.
• In constant (2005) dollars, average earnings per job in Lincoln County climbed 16.3% from $26,654 in 1969 to $31,006 in 2010. Constant dollar measurements remove the effects of inflation. This allows for comparison of changes in the real purchasing power of average earnings per job over time.

• Figure 6 shows the comparison of the average amount earned per job for the nation, the state, and Lincoln County (in 2005 Dollars). Since 1992, average earnings per job in Lincoln County have been below that of the nation and the state. Earnings per job in 2009 for Lincoln County, Nevada, and the U.S. were approximately $31,006, $42,406 and $46,542 respectively.


• Figure 7 tracks the changes in real average earnings per job in Lincoln County, relative to the state and the nation, indexed to the initial year of 1969. Lincoln County’s real average earnings per job climbed 16.3% over the 41 year, trailed the state at 21.7% and fell below the nation increase of 47.7%.

• Figure 8 highlights the short-run pattern of growth in Lincoln County's real average earnings per job by tracking its percentage change year-to-year since 1969. The overall average annual percentage change for the 41-year period is plotted to serve as a reference for identifying periods of relative high—and relative low—growth against the long-term trend.

• Lincoln County's real average earnings per job grew on average at an annual rate of 0.50% over 1969-2009. The earnings per job growth rate was lower than the 41-year average beginning in 2003, was able to climb above the 41-year average in 2008, but fell below the average in 2009.
Figure 7. Average Earnings Per Job Indices (1969 = 100): Lincoln County, State of Nevada and the United States, 1969 to 2010.

Figure 8. Lincoln County Average Earnings per Job: Annual Percentage Change, 1970 to 2010.
**Per Capita Income**

Per Capita Income is one of the most widely used indicators for gauging the economic performance and changing fortunes of local economies. It is used as a yardstick to assess the economic well being of a region's residents and the quality of consumer markers. It serves as a barometer for calibrating the economic performance of a county over time and to judge differences in relative economic prosperity between regions.

Personal income is the sum of earnings, capital returns (dividends, interest, and net rent), and transfer payments. Examples of transfer payments are Social Security payments, Medicare payments, unemployment insurance payments and veterans’ pensions. Personal income is measured before the deduction of personal income taxes and other personal taxes. Per capita income is the total personal income of an area divided by its resident population as of July 1.

- Per capita income also grew in Lincoln County since 1969 from $13,953 in constant (2005) dollars to $19,179 in 2010. Constant dollar measurements remove the effects of inflation. This allows for comparison of changes in the real purchasing power of average earnings per job over time.

- Figure 9 demonstrates the per capita income (expressed in 2005 dollars) of Lincoln County, the state, and the nation. During most of the period between 1969 and 2010, Lincoln’s per capita income has been well below that of Nevada and the U.S. Per capita income in 2009 for Lincoln County, Nevada, and the U.S was approximately $19,179, $33,244, and $35,943 respectively.
• The long-term growth of Lincoln County’s real per capita income is compared with that of Nevada and the nation in Figure 10. Cumulative growth indices express each region’s real per capita income as 100 for the base year 1969, and the per capita income of subsequent years as a percentage of 1969. These indices allow a direct comparison of the differences in cumulative growth in per capita income for Lincoln County, Nevada, and the nation.

• Lincoln County’s real per capita income climbed 37.5% over 1969-2010, trailed the gain by Nevada (65.9%), and fell below the increase nationally (111.9%).
Figure 10. Per Capita Income Indices (1969 = 100) for Lincoln County, State of Nevada, and the United States, 1969 to 2010.

- Figure 11 highlights the short-run pattern of growth in Lincoln County's real per capita income by tracking its percentage change year-to-year since 1969. The overall average annual percentage change for the 41-year period is plotted to serve as a reference for identifying periods of relative high—and relative low—growth against the long-term trend.

- Lincoln County's real per capita income grew on average at an annual rate of 0.94 % over 1969-2009. The per capita income growth rate has been lower than the 41-year average since 2004, rising above the average for a short time in 2007.
Comparison between Earnings Per Job and Per Capita Income

Figure 12 provides a comparison of average earnings per job and per capita income in Lincoln County. Average earnings per job have continuously been higher than per capita income.
There are several factors that contribute to the differences between the two indicators:

- **Earnings per job** measures the average amount earned at the place of work in Lincoln County, while **per capita income** measures the average amount of income of area residents, no matter where they earned their income. A large number of workers living in other counties commuting to Lincoln for work can increase earnings per job relative to per capita income.

- **Per capita income** is based on the total population, not the number of wage earners or income recipients. The presence of large institutional populations—such as residents attending a local college or the residents of a local prison or state mental institution—can significantly lower the per capita income estimates of an area. Likewise, a larger number of children in the population will dilute per capita income.

- **“Income”** includes other sources of income besides wages and salaries, such as dividend interest and transfer payments. Thus a larger level of transfer payments due to a high population of senior citizens can increase per capita income relative to earnings per job.

The next section explores the different sources of personal income in Lincoln County and compares them to Nevada and the U.S.
Composition of Personal Income

In 2010, Lincoln County residents received approximately $114.3 million in personal income, which includes net earnings of Lincoln residents, none-earned income, and transfer payments.

Total place-of-work earnings in Lincoln, which are comprised of wages and salaries, other labor income, and proprietor's income, were approximately $73.5 million. This number is adjusted for social security contributions and commuting adjustments to derive net earnings of Lincoln County residents.

Social security contributions are subtracted from total earnings in order to better measure income available to Lincoln County residents before income taxes (a concept called personal income by economists). Approximately $7.1 million of contributions to social insurance programs such as Social Security, Medicare, unemployment, etc. were paid by residents of Lincoln County.

A net residence/commuting adjustment is also made to total earnings. Some people commute to the county to work and take their paycheck back to their county of residence. Likewise, some Lincoln County residents work outside the county and bring income back to Lincoln. Lincoln County residents who work outside the county earn approximately $7.7 million less in income than non-residents who work in Lincoln County. This could be seen as a leakage of income outside of Lincoln County. The $7.7 million is subtracted from total place-of-work earnings in Lincoln County to derive net earnings of Lincoln County. Total net earnings of Lincoln residents were approximately $58.7 million.

Approximately $20.6 million of personal income was in the form of unearned income from dividends, interest and rents. An additional $35.0 million came from transfer payments such as social security, food stamps, unemployment payments, and veteran’s benefits. Total personal income is divided by population to yield per capita income of $21,312. These income figures are shown in Table 2.
Table 2. Personal Income of Lincoln County Residents, 2010.

<table>
<thead>
<tr>
<th>Income Category</th>
<th>Millions of $</th>
<th>Millions of $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Salaries</td>
<td>$54.3</td>
<td></td>
</tr>
<tr>
<td>Other Labor Income</td>
<td>$15.7</td>
<td></td>
</tr>
<tr>
<td>Proprietor’s Income</td>
<td>$3.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total Earnings in Lincoln County</strong></td>
<td></td>
<td><strong>$73.5</strong></td>
</tr>
<tr>
<td>Less Personal Social Security Contributions</td>
<td></td>
<td>$7.1</td>
</tr>
<tr>
<td>Plus Residence/Commuting Adjustment</td>
<td></td>
<td>-7.7</td>
</tr>
<tr>
<td><strong>Net Earnings of Lincoln County Residents</strong></td>
<td></td>
<td><strong>$58.7</strong></td>
</tr>
<tr>
<td>Dividends, Interest and Rents</td>
<td>$20.6</td>
<td></td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>$35.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Personal Income, Lincoln County Residents</strong></td>
<td></td>
<td><strong>$114.3</strong></td>
</tr>
<tr>
<td><strong>Per Capita Personal Income (dollars)</strong></td>
<td></td>
<td><strong>$21,312</strong></td>
</tr>
</tbody>
</table>


Table 3 gives the percentage breakdown of Lincoln County’s income by source and presents similar data for the state and nation. Net earnings by Lincoln County residents are approximately 51.3% of total personal income compared to 62.7%, and 64.8% for the state and nation, respectively. Dividends, interest and rents in Lincoln County account for a smaller percentage of total personal income (18.0%) than in the state (20.9%) but greater than nation (16.8%), while transfer payments in Lincoln County (30.6%) are a much higher share than in the state (16.4%) and the nation (18.5%).

The last line of Table 3 shows that Lincoln County’s per capita income is lower than the nation’s and the state’s. At $21,313, Lincoln County’s 2010 income per capita was approximately 42.3% less than the state’s $36,938 and approximately 47.0% less than the nation’s average of $39,937.
### Table 3. Comparison of Personal Income Sources, Lincoln County, State of Nevada and the United States, 2010.

<table>
<thead>
<tr>
<th>Personal Income Source</th>
<th>Lincoln County</th>
<th>Nevada</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(%)</td>
<td>(%)</td>
<td>(%)</td>
</tr>
<tr>
<td>Wages and Salaries</td>
<td>47.5%</td>
<td>50.9%</td>
<td>51.8%</td>
</tr>
<tr>
<td>Other Labor Income</td>
<td>13.7%</td>
<td>11.9%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Proprietor’s Income</td>
<td>3.1%</td>
<td>7.7%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Less Personal Social Insurance Contributions</td>
<td>6.2%</td>
<td>7.4%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Plus Residence/Commuting Adjustments</td>
<td>-6.8%</td>
<td>-0.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Net Earnings of Residents</td>
<td>51.3%</td>
<td>62.7%</td>
<td>64.8%</td>
</tr>
<tr>
<td>Dividends, Interest and Rents</td>
<td>18.0%</td>
<td>20.9%</td>
<td>16.8%</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>30.6%</td>
<td>16.4%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Per Capita Personal Income</td>
<td>$21,313</td>
<td>$36,938</td>
<td>$39,937</td>
</tr>
</tbody>
</table>


Lincoln County income can be summarized as follows:

- Per capita income for Lincoln County in 2010 was $21,313 which fell below the state’s and nation’s averages.

- Total 2009 place-of-work earnings for Lincoln County were $73.5 million. Place-of-work earnings are adjusted by subtracting personal social security contributions of $7.1 million, and adding the net residence/commuting adjustment of -$7.7 million to derive resident earnings for Lincoln County of $58.7 million. The net resident/commuting adjustment means $7.7 million less was earned by Lincoln residents who work outside the county than non-county residents who work inside Lincoln. This can be seen as a leakage of income outside of the county.

- Proportionate share of total earnings from dividends, interest and rents is 18.0% in Lincoln County, which is lower than the state but about equal to national values.

- Proportionate share of total personal income from transfer payments is 30.6% in Lincoln County, which is much higher than the state and national values. This might mean a higher retiree population base for Lincoln County.
LSGL analysis is a handy and versatile way to compare, portray and classify the patterns of total economic growth across all of Nevada’s 17 counties. LSGL is used to compare the total population, employment, per person capita income, total personal income, and total industry revenue growth rates of Nevada’s 17 counties over the past year (2010) against the backdrop of their growth over the past decade (2001 to 2010). In so doing we classify their growth and performance into 4 broad categories: Leading, Slipping, Gaining and Lagging:

- **Leading counties**...are counties whose average annual growth rate surpassed the statewide average both long-term and near-term.

- **Slipping counties**...are counties whose long-term average annual growth rate exceeded the statewide average, but whose near-term growth has "slipped" by falling below the states average.

- **Gaining counties**...are counties whose long-term average annual growth rate fell below the statewide average, but whose near-term growth has "gained" by registering above the average statewide.

- **Lagging counties**...are counties whose average annual growth rate fell under the statewide average both long-term and near-term.

**Population Growth**

- Lincoln County is classified among those Nevada counties whose population growth was *Gaining* in 2010 (Figure 1).
Figure 2 displays the 17 counties of Nevada as dots on a scattergram, with the vertical axis representing the average annual population growth rate over the past decade (2001 to 2010), and the horizontal axis representing the population growth rate for the near-term (2010).

Figure 2 sets apart those counties whose long-term population growth exceeded the statewide average of 2.97%, by portraying them in the top two quadrants demarcated at 2.97% on the vertical axis. Counties whose long-term average annual population growth rate trailed the statewide average (2.97%) are distributed in the bottom two quadrants. In all, 2 counties surpassed the statewide average during the decade 2001 to 2010, while 15 counties fell below.

Similarly, the two quadrants on the right of Figure 2 present the positions of the 8 counties whose most recent (2010) population growth rate exceeded the statewide average (0.73%). The two quadrants on the left feature those 9 counties whose population growth in 2010 trailed the statewide average.

Accordingly, each quadrant portrays the performance of all 17 counties corresponding with their long-term (2001 to 2010) and near-term (2010) performance.
relative to their respective statewide averages of 2.97% from 2001 to 2010 and 0.73% in 2010:

- Lincoln County's population growth rate of 2.54% trailed the statewide overall average of 2.97% from 2001-2010, while its 2.23% growth rate exceeded Nevada's statewide average of 0.73% in 2010. Accordingly, Lincoln County is classified as "Gaining" in that its population growth recorded above the Nevada average in 2010 while its longer-term average fell below that of the average statewide from 2001-2010.

- Lincoln County is among 7 of 17 (41%) Nevada counties whose population growth was classified as Gaining in 2010. In 2010, it ranked 3rd out of the 17, while from 2001 to 2010 it ranked 4th.

Figure 2.

**Employment Growth**

- Lincoln County is classified among those Nevada counties whose employment growth was Gaining in 2010 (Figure 3).
Figure 3.

Figure 4 displays the 17 counties of Nevada as dots on a scattergram, with the vertical axis representing the average annual total employment growth rate over the past decade (2001 to 2010), and the horizontal axis representing the total employment growth rate for the near-term (2010).

Figure 4 sets apart those counties whose long-term total employment growth exceeded the statewide average of 1.87%, by portraying them in the top two quadrants demarcated at 1.87% on the vertical axis. Counties whose long-term average annual total employment growth rate trailed the statewide average (1.87%) are distributed in the bottom two quadrants. In all, 6 counties surpassed the statewide average during the decade 2001 to 2010, while 11 counties fell below.

Similarly, the two quadrants on the right of Figure 4 present the positions of the 11 counties whose most recent (2010) total employment growth rate exceeded the statewide
average (-1.58%). The two quadrants on the left feature those 6 counties whose total employment growth in 2009 trailed the statewide average.

Accordingly, each quadrant portrays the performance of all 17 counties corresponding with their long-term (2001 to 2010) and near-term (2010) performance relative to their respective statewide averages of 1.87% over 2001 to 2010 and -1.58% in 2010.

- Lincoln County's total employment growth rate of 1.19% trailed Nevada's overall average of 1.87% from 2001 to 2010, while its -0.28% growth rate exceeded the statewide average of -1.58% in 2010. Accordingly, Lincoln County is classified as "Gaining" in that its employment growth recorded above the statewide average in 2010 while its longer-term average fell below that of the average statewide from 2001 to 2010.

- Lincoln County is among 5 of 17 (29%) Nevada counties whose total employment growth was classified as *Gaining* in 2010. In 2010, it ranked 8th out of the 17, while from 2001 to 2010 it ranked 9th.

**Figure 4.**

![Nevada Total Employment Growth](image)

**Real Per Capita Income Growth**

- Lincoln County is classified among those Nevada counties whose real per capita income growth was *Lagging* in 2010 (Figure 5).
Figure 6 displays the 17 counties of Nevada as dots on a scattergram, with the vertical axis representing the average annual real per capita income growth rate over the past decade (2001 to 2010), and the horizontal axis representing the real per capita income growth rate for the near-term (2010).

Figure 6 sets apart those counties whose long-term real per capita income growth exceeded the statewide average of -0.30%, by portraying them in the top two quadrants demarcated at -0.30% on the vertical axis. Counties whose long-term average annual real per capita income growth rate trailed the statewide average (-0.30%) are distributed in the bottom two quadrants. In all, 13 counties surpassed the statewide average during the decade 2001 to 2010, while 4 counties fell below.

Similarly, the two quadrants on the right of Figure 6 present the positions of the 9 counties whose most recent (2010) real per capita income growth rate exceeded the statewide average (-0.66%). The two quadrants on the left feature those 8 counties whose real per capita income growth in 2010 trailed the statewide average.

Accordingly, each quadrant portrays the performance of all 17 counties corresponding with their long-term (2001 to 2010) and near-term (2010) performance
relative to their respective statewide averages of -0.30% over 2001 to 2010 and -0.66% in 2010.

- Lincoln County's real per capita income growth rate of -0.80% trailed the statewide overall average of -0.30% from 2001-2010, while its -4.80% growth rate trailed Nevada's statewide average of -0.66% in 2010. Accordingly, Lincoln County is classified as "Lagging" in that its real per capita income growth recorded below the Nevada average in 2010 and its longer-term average posted below that of the average statewide from 2001-2010.

- Lincoln County is among 3 of 17 (18%) Nevada counties whose real per capita income growth was classified as Lagging in 2010. In 2010, it ranked 16th out of the 17, while from 2001 to 2010 it ranked 17th.

Real Personal Income Growth

- Lincoln County is classified among those Nevada counties whose real personal income growth was Lagging in 2010 (Figure 7).
Figure 8 displays the 17 counties of Nevada as dots on a scattergram, with the vertical axis representing the average annual real total personal income growth rate over the past decade (2001 to 2010), and the horizontal axis representing the real total personal income growth rate for the near-term (2010).

Figure 8 sets apart those counties whose long-term real total personal income growth exceeded the statewide average of 2.70%, by portraying them in the top two quadrants demarcated at 2.70% on the vertical axis. Counties whose long-term average annual real total personal income growth rate trailed the statewide average (2.70%) are distributed in the bottom two quadrants. In all, 9 counties surpassed the statewide average during the decade 2001 to 2010, while 8 counties fell below.

Similarly, the two quadrants on the right of Figure 8 present the positions of the 9 counties whose most recent (2010) real total personal income growth rate exceeded the statewide average (0.07%). The two quadrants on the left feature those 8 counties whose real total personal income growth in 2010 trailed the statewide average.

Accordingly, each quadrant portrays the performance of all 17 counties corresponding with their long-term (2001 to 2010) and near-term (2010) performance
relative to their respective statewide averages of 2.70% from 2001 to 2010 and 0.07% in 2010.

- Lincoln County's real total personal income growth rate of 1.69% trailed the statewide average of 2.70% from 2001-2010, while its’ -2.68% growth rate trailed Nevada's statewide average of 0.07% in 2009. Accordingly, Lincoln County is classified as "Lagging" in that its real personal income growth recorded below the Nevada average in 2010 while its longer-term average fell below that of the average statewide from 2001-2010.

- Lincoln County is among 5 of 17 (29%) Nevada counties whose real total personal income growth was classified as Lagging in 2010. In 2010, it ranked 5th out of the 17, while from 2001 to 2010 it ranked 16th.

**Figure 8.**

Real Industry Earnings

- Lincoln County is classified among those Nevada counties whose real industry earnings growth was Gaining in 2010 (Figure 9).
Figure 10 displays the 17 counties of Nevada as dots on a scattergram, with the vertical axis representing the average annual real total industry earnings growth rate over the past decade (2001 to 2010), and the horizontal axis representing the real total industry earnings growth rate for the near-term (2010).

Figure 10 sets apart those counties whose long-term real total industry earnings growth exceeded the statewide average of 1.71%, by portraying them in the top two quadrants demarcated at 1.71% on the vertical axis. Counties whose long-term average annual real total industry earnings growth rate trailed the statewide average (1.71%) are distributed in the bottom two quadrants. In all, 9 counties surpassed the statewide average during the decade 2001 to 2010, while 8 counties fell below.

Similarly, the two quadrants on the right of Figure 10 present the positions of the 12 counties whose most recent (2010) real total industry earnings growth rate exceeded the statewide average (-1.95%). The two quadrants on the left feature those 5 counties whose real total industry earnings growth in 2010 trailed the statewide average.

Accordingly, each quadrant portrays the performance of all 17 counties corresponding with their long-term (2001 to 2010) and near-term (2010) performance
relative to their respective statewide averages of 1.71% from 2001 to 2010 and -1.95% from 2010.

- Lincoln County's real total industry earnings growth rate of 0.00% trailed the statewide average of 1.71% from 2001-2010, while its -1.84% growth rate exceeded Nevada's statewide average of -1.95% in 2009. Accordingly, Lincoln County is classified as "Gaining" in that its real industry earnings growth recorded above the Nevada average in 2010 while its longer-term average fell below that of the average statewide from 2001-2010.

- Lincoln County is among 6 of 17 (35%) Nevada counties whose real total industry earnings growth was classified as Gaining in 2010. In 2010, it ranked 12th out of the 17, while from 2001 to 2010 it ranked 13th.

Figure 10.

Table 1 shows the status for all 17 Nevada counties for 2010 as compared to the 2001-2010 timeframe. Of interest, four of the counties Elko, Humboldt, Lander and White Pine are the only Nevada counties which are gaining or leading in every category.
<table>
<thead>
<tr>
<th>County</th>
<th>Population Growth</th>
<th>Employment Growth</th>
<th>Real Per Capita Income Growth</th>
<th>Real Personal Income Growth</th>
<th>Real Industry Earnings</th>
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Section III: BACKGROUND OF RECESSIONS

The Business Cycle Dating Committee of the National Bureau of Economic Research determines the beginning and ending dates of U.S. recessions. Table 1 shows the official lengths of the last four recessions.

<table>
<thead>
<tr>
<th>Dates of Recession</th>
<th>Length of Recession (months)</th>
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<tr>
<td>Beginning</td>
<td>Ending</td>
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<td>July 1981</td>
<td>November 1982</td>
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<td>July 1990</td>
<td>March 1991</td>
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<td>March 2001</td>
<td>November 2001</td>
</tr>
<tr>
<td>December 2007</td>
<td>June 2009</td>
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</table>


The last two recessions in 1990/1991 and 2001 lasted eight months. The 1981 recession lasted 16 months, while the current recession, often called “The Great Recession,” started in December 2007 and lasted until June 2009, for a total of 18 months according to the National Bureau of Economic Research. This section will review how the Lincoln County economy was impacted by these past four national recessions.
Lincoln County Recession Impacts

Some may ask just how bad the current recession has been in Lincoln County and how quickly the economy will recover. Some may also ask how the current recession compares to the previous three recessions of 1981/1982, 1990/1991, and 2001. Figure 1 shows the percentage change in employment in Lincoln County for each month from the start of each recession. As seen in Figure 1, the current recession has been more intense in Lincoln County than the previous recessions of 1981/1982, 1990/1991, and 2001. Figure 1 shows that employment in Lincoln County was able to grow during the 1981/1982 recession, but did not have the same experience for the 1990/1991 recession. It also shows that employment in Lincoln County grew from the start of the 2001 recession, but fell 11.2% below the base year in January 2003. However, during the current recession, employment in Lincoln County has declined by more than 17% from the start of the recession. Figure 1 also shows that the current recession or “Great Recession” has been longer and much more intense in job losses in Lincoln County than during the previous three recessions.

Figure 1. Lincoln County Employment Change During Recessions

![Graph showing percentage change in employment in Lincoln County during recessions]

Figure 2 also gives perspective on the current recession as to its impact nationally, statewide, and on Lincoln County. From Figure 2, the percentage decline in national employment from the start of the recession leveled out at around seven percent (7%). However, the impact to the state of Nevada has been more severe, where the employment loss has been as much as 15.2% from the employment levels at the start of the current recession. When one looks at Lincoln County, the impact of “The Great Recession” is even worse than the state. After 36 months, employment for Lincoln County has declined by as much as 20.2% from employment levels when “The Great Recession” began. As seen from Figure 2, the impact as to percentage of job loss from the initiation of “The Great Recession” has been more pronounced in the state of Nevada and Lincoln County than the nation.
Section IV: Lincoln County Expansion Analysis

Expansion periods are defined as those periods between recessions. Here the past five expansion periods are examined for Lincoln County.

Figure 1 shows the percentage change in employment in Lincoln County for each month from the start of each expansion. The expansion of 1980/1981 experienced the most employment growth of any of the expansion periods. Although it did fall below the initial level at the end of 1981, it reached the highest point of the five expansions in May 1982 at 28.7% above the initial level. The expansion of 1982/1990 started with no employment growth but was able to rebound back with numbers above the initial level, while the expansion of 1991/1996 began the period with employment growth but ended with percentages below the initial level. The expansion of 2001/2007 began below initial levels but showed employment growth until January 2003 when employment plunged to 13.4% below the initial level from 5.3% above the initial level in December 2002. Although there is only 18 months worth of data, the trend for the 2009/2010 expansion is decreasing employment. As of December 2010, employment is at 6.1% below its initial level from the beginning of the expansion.
Figure 1. Lincoln County Employment Change During Expansions

Lincoln County Employment Change During Expansions

Sources: Bureau of Labor Statistics, NV Department of Employment, Training and Rehabilitation

Figure 2 compares the percentage employment change of Lincoln County with that of Nevada and the U.S. Although the national data is only available up to September 2010 it is showing an upward trend at this time. Nevada, although still below the employment level at the beginning of the expansion is showing signs of leveling off beginning in October 2010. However, Lincoln County suffered a large percentage decline in employment since the beginning of the expansion, falling to its lowest level in February 2010 at 9.7% below the initial level. By December 2010 there was some improvement, ending the period up slightly at 6.1% below the initial level.
Historically the unemployment rate for Lincoln County has tracked above both the State of Nevada and the U.S. Figure 1 shows that from 1990 until 2008 Nevada and the nation had very similar unemployment rates. Lincoln County unemployment rates fell in 2000 and remained close to the trends of the state and nation until it fell below those trends in 2008. Beginning in 2009 the State of Nevada continued to see an increase in unemployment rate while the nation was beginning to level off. Lincoln County kept pace with the nation until June 2009, when its unemployment levels began to rise, but at a slower rate than the state. The nation reached a maximum unemployment rate of 10.6% in January 2010. Nevada’s maximum unemployment rate reached 15.3% in January 2010 while Lincoln County’s maximum unemployment rate was 15.4%, in January 1993. By May 2011, the state and Lincoln County essentially had the same unemployment rate at 12.1% and 12.3%, respectively.
Figure 1 shows the labor force for Lincoln County from January 1990 to May 2011. It generally remains the same, with some fluctuation, from 1,460 in January 1990 to 1,395 in February 1995, when it begins slipping. In December 1999, Lincoln County reached a low in the labor force of 1,082, but a correction based on the 2000 census spiked the number to 1,630. A peak was reached in September 2001 at 1,836 and, with some fluctuation the labor force, was 1,665 by May 2011.

Section VI: Historical Labor Force
Figure 2 compares the percentage change in the labor force for Lincoln County as compared to the percentage change for Nevada and the percentage change for the U.S. Lincoln County's percent change in labor force has remained below that of the state and the nation, except for a short period between 2001 and 2003 when it was above the nation but below the state. Nevada's labor force increased substantially from January 1990 (the base level) reaching a high of 116.6% more than the base level in September 2009. The nation has risen steadily and has only slightly tapered off in 2010. Lincoln County's labor force reached a high of 28.8% above the base level in September 2002 falling back to 14.0% greater than the base year by the end of the period.
Figure 1 shows the constant fluctuation in employment in Lincoln County. There are two periods when employment peaked only to rapidly decrease soon afterwards. In September 2002, Lincoln County’s employment reached 1,490 only to fall to 1,186 in January 2003. A peak was again reached in June 2008 at 1,496 and fell to 1,167 by January 2009. Since then, employment has remained steady with slight fluctuation and ending the period with 1,181 in employment in December 2010.

Figure 2 shows a comparison of the percentage change in employment for Lincoln County, Nevada and the U.S. The U.S. had a slight rise from January 2002 (the base level) reaching a maximum of 8.8% above the base in both June and December of 2007. It then fell to 0.7% below the base in January 2010. The State of Nevada fared better reaching a high of 27.8% above its base level in June 2007 and only falling to 7.8% above the base level in February 2010. Lincoln County, in comparison, did not fare as well as the state through the recession years of 2007-2009 and even into 2010. Lincoln County reached a low of 13.2% below the base level in April 2010 and increased slightly to 11.2% below the base by December 2010.

Section VII: Historical Employment

Figure 2, Lincoln County Labor Force as Compared to Nevada and the U.S.

Figure 1. Lincoln County Employment

Lincoln County Employment

Source: NV Department of Employment, Training and Rehabilitation

Lincoln County % Change in Employment as Compared to State and Nation

Sources: Bureau of Labor Statistics, NV Department of Employment, Training and Rehabilitation