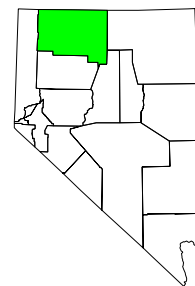


**ANALYSIS OF SOCIO-ECONOMIC DATA AND TRENDS FOR  
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY  
(CEDs) FOR HUMBOLDT COUNTY:**

**PART I**



**ANALYSIS OF SOCIO-ECONOMIC DATA AND TRENDS FOR COMPREHENSIVE  
ECONOMIC DEVELOPMENT STRATEGY (CEDs) FOR  
HUMBOLDT COUNTY:  
PART I**

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**HUMBOLDT COUNTY:**

**PART I**

**EXECUTIVE SUMMARY**

The University Center for Economic Development conducted a study of socioeconomic trends in Humboldt County. The results of this study can be used for background material for a Comprehensive Economic Development Strategy (CEDS) in Humboldt County.

**ANALYSIS OF POPULATION TRENDS**

- Humboldt County's population from the 2000 Census was 16,106 which ranked Humboldt County 9<sup>th</sup> among Nevada's seventeen counties.
- Between Census 1990 and Census 2000, Humboldt County's population increased by 3,262 people.
- The Nevada State Demographer projects county population each year. From 1970 to 2004, Humboldt County realized average annual population growth rates of 2.91 percent, which ranked Humboldt County 9<sup>th</sup> among Nevada's seventeen counties
- During the last two years, Humboldt County has realized an increase in annual growth rates. Population growth rate for Humboldt County was 0.91 percent in 2003 and 1.43 percent in 2004.
- In 2003, six Nevada counties realized negative population growth rates (Elko, Lander, Esmeralda, Lincoln, Mineral and White Pine Counties.) However, by 2004, only two of Nevada's seventeen counties had negative growth rates (Pershing and Mineral Counties).
- Overall population for Humboldt County increased from 1990 to 2000, however, population decreased by 12.38 percent for age group 20 to 34 years of age. This is of some concern because this age group is the basis for future economic and entrepreneurial growth in Humboldt County.
- In Humboldt County, the Hispanic or Latino population increased by 705 persons or a 30.19 percent increase from 1990 to 2000. Proportionate share of total Humboldt County

population that is Hispanic or Latino increased from 18.18 percent in 1990 to 18.87 percent in 2000.

- For the state of Nevada, Hispanic or Latino population increased by 269,551 persons, or a 216.65 percent increase from 1990 to 2000. Proportionate share of total state of Nevada population that is Hispanic or Latino increased from 10.35 percent in 1990 to 19.72 percent in 2000.
- From 1990 to 2000, national Hispanic or Latino population increased by 12,951,759 persons or a 57.94 percent increase from 1990 to 2000. Also, the proportionate share of total national population that is Hispanic or Latino increased from 8.99 percent in 1990 to 12.55 percent in 2000.

### **ANALYSIS OF PERSONAL AND PER CAPITA INCOME**

- Total 2002 place of work earnings for Humboldt County were \$318,421,000. Place of work earnings are adjusted by adding the net resident adjustment to derive resident earnings. For Humboldt County, the net residence adjustment for 2002 was -20,086,000. This means \$20,086,000 more was earned by people living outside Humboldt County but working in Humboldt County than by people living in Humboldt County and working outside the county. This may constitute a leakage of potential spending from Humboldt County.
- Per capita income for Humboldt County in 2002 was \$25,917, which was 15.19% less than the state's average (\$30,559) and approximately 16.14% less than the nation's average (\$30,906).
- Proportionate share of total earnings from dividends, interest and rents; and transfer payments are 30.73% in Humboldt County. This proportionate share is lower than the state value of 32.35% and the national value of 31.93%.

### **ANALYSIS OF EDUCATIONAL DATA AND NATIVE BIRTH DATA**

- From the 2000 Census, Humboldt County's proportionate share of people 25 years and older with a high school diploma or higher education was 78.3 percent. This is lower than the state value of 80.7 percent and lower than the national value of 80.4 percent.
- For the new economy (high-tech industries) the pool of college educated people is important. In 2000, Humboldt County's proportionate share of people 25 years and older with a bachelor's degree of 14.2 percent. This is lower than the state value of 18.2 percent and the national value of 24.4 percent.

- In 2000, the state of Nevada was the fastest growing state in the nation, but had the lowest percentage of native-born population. In 2000, only 21.3 percent of the state's population had been born in Nevada.
- Humboldt County had the fifth highest percentage of native-born population in 2000. In 2000, 32.7 percent of Humboldt County's population was born in Nevada. In contrast, only 19.1 percent of Clark County's 2000 population was born in Nevada.

### **ANALYSIS OF LABOR DATA**

- For Humboldt County, the unemployment rate declined from 6.2 percent in 2001 to 4.2 percent in 2004. The number of unemployed in Humboldt County decreased from 463 in 2001 to 311 in 2004. During the same time period, Humboldt County's labor force decreased from 7,928 in 2000 to 7,180 in 2003, and increased again to 7,475 in 2004. The number of Humboldt county residents who were employed decreased from 7,524 in 2000 to 6,820 in 2003 and increased to 7,164 in 2004. As for covered employment or place of work employment for Humboldt County, the county realized losses in covered employment from 2001 to 2002. Covered employment declined from 6,757 in 2001 to 6,536 in 2002. After that covered employment increased from 6,741 in 2003 to 7,221 in 2004.
- These statistics show the fallacy in using a singular economic statistic, such as unemployment rate to judge a county's economic activity or viability. Humboldt County's unemployment rate and number of employed declined from 2000 to 2003, and increased in 2004. However, the county's labor force, resident employment and industrial employment declined, which would indicate a county in trouble.
- An alternate statistic used to estimate county economic vitality is the out-migration/population loss statistic. This statistic was developed from an EDA funded research publication by Feser and Sweeney (1998).

### **ANALYSIS OF LAND OWNERSHIP**

- Humboldt County ranks fourth largest among Nevada's seventeen counties with 6,210,560 acres.
- Approximately 80 percent of Humboldt County acreage is administered by the federal government.
- Only 20 percent of total Humboldt County acreage is owned by local government and the private sector.

## ANALYSIS OF NATIONAL, STATE AND COUNTY ENTREPRENEURIAL ACTIVITY

- County economies that are dependent on extractive industries and branch plants frequently have capital flows or profits going outside their local economies.
- With the loss of export sector jobs in rural America and the downsizing of employment by large corporations, serious questions arise regarding future employment for these released workers.
- Released workers have five options:
  - i. Leave Humboldt County,
  - ii. Become employed in another economic sector, probably at a lower pay scale, in Humboldt County,
  - iii. Work in an adjacent county and continue to live in Humboldt County,
  - iv. Become unemployed and continue to live in Humboldt County, or
  - v. Become self-employed in Humboldt County as sole proprietor or a partner in a business.
- Renewed interest in the advantages of a strong entrepreneurial base to local economies has been generated.
- Entrepreneurs are likely to be innovative and adaptive to the new economy and their capital flows and profits are often retained locally.
- Humboldt County is classified as a “Strong Growth and Strong Entrepreneurship” county. This means that Humboldt County had employment growth greater than the U.S. average and ratio of entrepreneurs to workers was greater than the national ratio.

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## **Introduction**

The University Center for Economic Development conducted a study of socioeconomic trends in Humboldt County. The results of this study can be used for background material for a Comprehensive Economic Development Strategy (CEDS) in Humboldt County. 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 analyzes trends in U.S., state and Humboldt County population. Data from the U.S. Census and the State Demographer for the state of Nevada are used.

Section II provides an analysis of 2002 personal per capita income for the nation, state and Humboldt County.

Section III analyzes national, state and Humboldt County educational attainment and proportion of the population that is native-born.

Section IV provides an analysis of labor force, number of unemployed, resident employed and industrial employment for the nation, state and Humboldt County.

Section V analyzes the ownership of land in Humboldt County between the federal government, state government and local government and private sector ownership.

Finally, Section VI provides an analysis of entrepreneurial activity in the nation, state and Humboldt County.

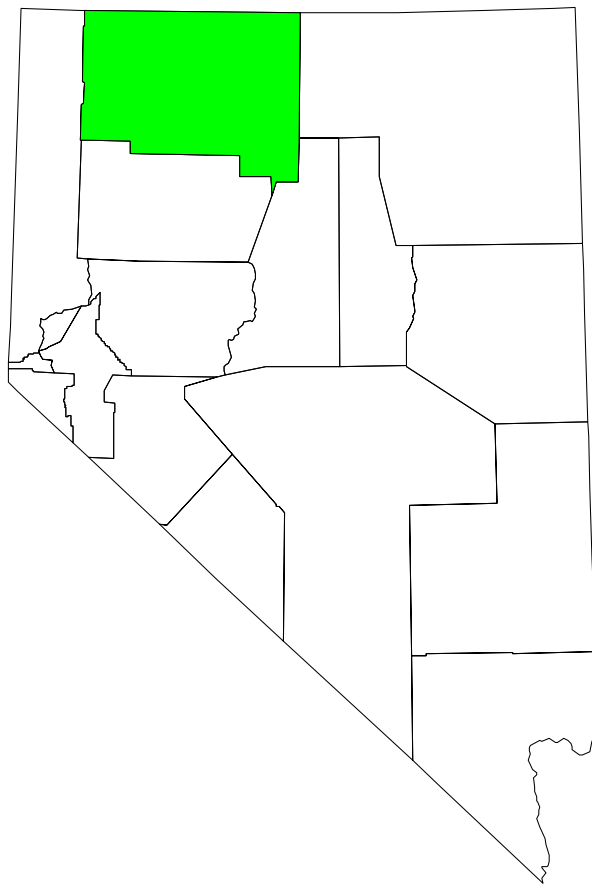
Additional in-depth county-level socioeconomic data and trends can be found on a University Center-sponsored web site. The web address is:

<http://niip.wsu.edu/Nevada>

Socioeconomic data at the sub-county level will be presented in a later University Center Technical Bulletin.

**SECTION I:**

**ANALYSIS OF POPULATION TRENDS**



## **Population Trends**

Humboldt County is located in the northwestern part of the state. The county is bordered by Elko and Lander Counties to the east, Washoe County to the West, and Lander and Pershing Counties to the south. Its northern edge borders Oregon's Harney and Malheur Counties. The community of Winnemucca is the county seat and population center. Population and rates of population growth provide vital information to federal, state and local government employees as well as to the private sector personnel regarding areas of economic growth. Population estimates provide information used under several programs to allocate federal and state funds and sales taxes to counties and to allocate justices of the peace for townships. In addition, population estimates are used to determine various vital statistics, such as poverty, mortality, fertility, per capita income and others for use in official grant requests.

### **Census Population Trends**

Every ten years, the U.S. Bureau of Census conducts a population census of the United States. Results of the 2000 Census are now available and provide helpful information to Humboldt County decision-makers.

Table 1 shows the 2000 and 1990 county populations, population rankings and changes in ranking for Nevada's seventeen counties. Population for Humboldt County increased from 12,844 in 1990 to 16,106 in 2000. Humboldt County maintained its population rank as ninth among Nevada's seventeen counties in 1990 and 2000. It is also of interest that two counties in northeast Nevada (Lander and White Pine Counties) saw their population numbers decline. White Pine County's population declined from 9,264 in 1990 to 9,181 in 2000, but White Pine County was able to retain its rank as the tenth most populated county in 2000. Lander County's population declined from 6,266 in 1990 to 5,794 in 2000. However, Lander County's rank remained at twelfth most populous county in the state of Nevada in 2000.

**Table 1. County Population, Rank of Population and Change in Population Rank, State of Nevada, 1990 to 2000.**

County	2000		1990		Change in Rank
	Population	Rank	Population	Rank	
Clark	1,375,765	1	741,459	1	0
Washoe	339,486	2	254,667	2	0
Carson City	52,457	3	40,443	3	0
Elko	45,291	4	33,530	4	0
Douglas	41,259	5	27,637	5	0
Lyon	34,501	6	20,001	6	0
Nye	32,485	7	17,781	8	1
Churchill	23,982	8	17,938	7	-1
<b>Humboldt</b>	<b>16,106</b>	<b>9</b>	<b>12,844</b>	<b>9</b>	<b>0</b>
White Pine	9,181	10	9,264	10	0
Pershing	6,693	11	4,334	13	2
Lander	5,794	12	6,266	12	0
Mineral	5,071	13	6,475	11	-2
Lincoln	4,165	14	3,775	14	0
Storey	3,399	15	2,526	15	0
Eureka	1,651	16	1,547	16	0
Esmeralda	971	17	1,344	17	0
Urban <sup>1</sup>	1,767,708		1,036,569		
Rural <sup>2</sup>	230,549		165,264		
<b>TOTAL</b>	<b>1,998,257</b>		<b>1,201,833</b>		

Source: U.S. Department of Commerce. "Census 2000 Redistricting Data (PL-94-171) Summary File, Table PL1 and 1990 Census." Bureau of Census: Washington D.C. 2000 and 1990.

<sup>1</sup> Urban counties of Nevada are Carson City, Clark and Washoe Counties.

<sup>2</sup> Rural counties are the remaining fourteen of Nevada's seventeen counties.

Of interest is the growth of Nevada's urban counties (Carson City, Clark, and Washoe) growing from 1,036,569 in 1990 to 1,767,708 in 2000. The rural counties of Nevada have also realized population growth, increasing from 165,264 in 1990 to 230,549 in 2000. However, even with the rural Nevada population increase, the proportionate urban share of Nevada's population increased from 86.25 percent in 1990 to 88.46 percent in 2000.

Table 2 details population growth, county population growth rates and county proportionate share of total state of Nevada population growth from 1990 to 2000. Humboldt County realized population increase of 3,262 people from 1990 to 2000, which ranked the county ninth among Nevada's seventeen counties in population growth from 1990 to 2000. This is a 25.40 percent increase in county census population from 1990 to 2000. However, Humboldt County only contributed 0.41 percent to total state population growth.

Even though rural Nevada realized a 37.63 percent growth rate in population from 1990 to 2000, this growth was less than the urban Nevada counties. As seen in Table 2, the state of Nevada realized a growth rate of 66.27 percent from 1990 to 2000, which was the largest of any state in the nation. However this growth was not evenly distributed throughout the state. In fact, four of Nevada's seventeen counties realized population decreases during the state's rapid population increase. Unfortunately, two of these counties, Lander and White Pine are located in northeast Nevada.

From Table 2, Clark County had the largest population growth with 634,306 people, which is a county population growth rate of 85.55 percent. Also Clark County accounted for approximately 80 percent of the state's total population growth. Nevada's three urban counties, Carson City, Clark and Washoe, realized a population growth of approximately 71 percent from 1990 to 2000.

**Table 2. Change in County Population, Percentage Change in County Population and Percentage of State Change in Population by County, State of Nevada, 1990 to 2000.**

County	Population Change from 1990 to 2000			
	Number	Rank	Percentage	Percentage of State Change
Clark	634,306	1	85.55	79.64
Washoe	84,819	2	33.31	10.65
Nye	14,704	3	82.70	1.85
Lyon	14,500	4	72.50	1.82
Douglas	13,622	5	49.29	1.71
Carson City	12,014	6	29.71	1.51
Elko	11,761	7	35.08	1.48
Churchill	6,044	8	33.69	0.76
<b>Humboldt</b>	<b>3,262</b>	<b>9</b>	<b>25.40</b>	<b>0.41</b>
Pershing	2,357	10	54.36	0.30
Storey	873	11	34.56	0.11
Lincoln	390	12	10.33	0.05
Eureka	104	13	6.72	0.01
White Pine	-83	14	-0.90	-0.01
Esmeralda	-373	15	-27.75	-0.05
Lander	-472	16	-7.53	-0.06
Mineral	-1,404	17	-21.68	-0.18
Urban <sup>1</sup>	731,139		70.53	91.80
Rural <sup>2</sup>	65,285		39.50	8.20
State	796,424		66.27	100.0

Source: U.S. Department of Commerce. "Census 2000 Redistricting Data (PL-94-171) Summary File, Table PL1 and 1990 Census." Census Bureau: Washington D.C. 2000 and 1990.

<sup>1</sup> Urban counties of Nevada are Carson City, Clark, and Washoe Counties.

<sup>2</sup> Rural counties are the remaining fourteen of Nevada's seventeen counties.

Also, these three urban counties accounted for approximately 92 percent of total state population growth from 1990 to 2000. This indicates that the urban counties of Nevada, especially Clark County, will gain in political strength during the next decade.

Trends in the Census of Population data from 1990 to 2000 for Humboldt County can be summarized as follows:

- Humboldt County's 2000 population of 16,106 ranked the county ninth among Nevada's seventeen counties.
- Humboldt County did not change its rank among counties in the state of Nevada from 1990 to 2000.
- Humboldt County's population increased from 1990 Census to 2000 Census by 3,262 persons. This means that Humboldt County realized a population growth rate of 25.40 percent during the past decade.
- From 1990 to 2000, the county with the largest population growth was Clark County with 634,306 additional people.
- The population growth rate for Clark County was 85.55 percent accounting for 79.64 percent of total state population growth.
- In contrast, Humboldt County contributed 0.41 percent to overall state population growth from 1990 to 2000.
- Given one-man, one-vote, the population growth which occurred in Clark County will only increase the county's political importance.

### **Census Population by Age**

Demographic characteristics of an area refer to age and gender of residents.

Demographic composition changes slowly over time as new residents are added through birth and immigration, and as resident population are lost through death and outmigration.

Table 3 shows county median age for 1990 and 2000. Even at the state and national levels, the population is aging. Median population age for the nation increased from 32.9 years of age in 1990 to 35.3 years of age in 2000, while the state of Nevada increased from 33.3 years of age in 1990 to 35.0 years of age in 2000 (U.S. Department of Commerce, 2000 and 1990). For all counties in the state of Nevada, median age was older in 2000 than in 1990.

For Humboldt County, the median age increased from 30.6 years of age in 1990 to 33.4 years of age in 2000. This aging of the population should be of interest to policymakers in Humboldt County. Also, compared to the median values for the state and the nation, Humboldt County has a younger population.



**Table 3. Median Age by County for the State of Nevada, 1990 and 2000.**

<b>County</b>	<b>1990</b>	<b>2000</b>
	years of age	years of age
Carson City	36.6	38.7
Churchill	33.0	34.7
Clark	33.1	34.4
Douglas	36.2	41.7
Elko	29.4	31.2
Esmeralda	35.8	45.1
Eureka	33.3	38.3
<b>Humboldt</b>	<b>30.6</b>	<b>33.4</b>
Lander	28.7	34.1
Lincoln	33.4	38.8
Lyon	36.4	38.2
Mineral	33.9	42.9
Nye	36.5	42.9
Pershing	31.7	34.4
Storey	37.6	44.5
Washoe	33.6	35.6
White Pine	33.8	37.7
State Of Nevada	33.3	35.0
U.S.	32.9	35.3

Source: U.S. Department of Commerce. "Census 2000 Redistricting Data (PL-94-171) Summary File, Table PL1 and 1990 Census." Bureau of Census: Washington D.C. 2000 and 1990.

**Table 4. Population by Age and Proportionate Share of Population by Age for Humboldt County, 1990 and 2000.**

Age Group	1990		2000	
	Number	Proportionate share (%)	Number	Proportionate share (%)
Under 5	1,099	8.56	1,294	8.03
5 to 9	1,177	9.16	1,403	8.71
10 to 14	1,042	8.11	1,490	9.25
15 to 19	853	6.64	1,279	7.94
20 to 24	932	7.26	812	5.04
25 to 34	2,445	19.04	2,147	13.33
35 to 44	2,074	16.15	2,873	17.84
45 to 54	1,336	10.40	2,293	14.24
55 to 59	538	4.19	743	4.61
60 to 64	412	3.21	559	3.47
65 to 74	628	4.89	708	4.40
75 to 84	257	2.00	402	2.50
85 and above	50	0.39	103	0.64
<b>TOTAL</b>	<b>12,844</b>	<b>100.00</b>	<b>16,106</b>	<b>100.00</b>

Source: U.S. Department of Commerce. Table DP-1, Profile of General Demographic Characteristics: 2001.” Bureau of Census: Washington D.C. 2001.

Table 4 sheds some light on the aging of the population in Humboldt County. When analyzing the age grouping in Humboldt County it should be noted that overall county population increased from 1990 to 2000. For the 20 to 24 years of age group and the 25 to 34 years of age group, their proportionate share declined by 8 percent and their absolute numbers decreased by 418 persons from 1990 to 2000. For these two age groups, population numbers declined by 12.38 percent from 1990 to 2000.

The demographics for Humboldt County are similar to many rural counties in the nation. Often rural counties lose population in age groups 20 to 24 years and 25 to 34 years of age because the young people with the best education, health, the most marketable skills and abilities leave the rural areas to realize their potential. With their departure, the county area loses future leaders, innovators and entrepreneurs. Taxes collected in the county to invest in local education will now earn dividends for the people and economies of other counties and states. Encouraging this age group to remain in the county is always a goal of rural economic development.

The age-population data for Census 1990 to 2000 for Humboldt County can be summarized as follows:

- Median age for Humboldt County has increased to 33.4 years of age in 2000, compared to 30.6 years of age in 1990.
- The aging of the population is a state and national trend; however, Humboldt County's aging has been less.
- With overall population for Humboldt County increasing from 1990 to 2000, population decreased by 12.38 percent for age groups 20 to 24 years of age and 25 to 34 years of age.
- The decrease in these two population groups should be of concern to Humboldt County's decision makers because these young people are the basis for future economic and entrepreneurial growth for the county.

### **Population by Race Trends**

Tables 5 through 7 show the change in population by race for Humboldt County, the state of Nevada, and the nation. From 1990 to 2000 in Humboldt County, White population increased by 24.53 percent, Black or African-American population increased by 1.23 percent, American Indian or Alaska Native population decreased by 9.38 percent, Asian and Pacific Islander population increased by 63.49 percent, and Other Race population increased by 52.90 percent (Table 5). Overall, Humboldt County population from 1990 to 2000 increased by 25.40 percent. The Hispanic or Latino population in Humboldt County increased by 705 persons, or 30.19 percent from 1990 to 2000.

For the state of Nevada from 1990 to 2000, White population increased by 48.31 percent, Black or African-American population increased by 71.99 percent, American Indian or Alaska Native population increased by 34.54 percent, Asian and Pacific Islander population increased by 158.85 percent, and Other Race population increased by 348.23 percent (Table 6). Overall state of Nevada population from 1990 to 2000 increased by 66.27 percent. The Hispanic or Latino population in the state of Nevada increased by 269,551 persons, or 216.65 percent from 1990 to 2000.

**Table 5. Trends in Population by Race for Humboldt County, 1990 and 2000.**

Race	1990		2000		Percentage Increase from 1990 to 2000
	Number	Proportionate Share (%)	Number	Proportionate Share (%)	
White	10,671	83.78	13,401	83.21	24.53
Black or African-American	81	0.63	82	0.51	1.23
American Indian or Alaska Native	714	5.56	647	4.02	-9.38
Asian & Pacific Islander	63	0.49	103	0.64	63.49
Other Race	1,225	9.54	1,873	11.63	52.90
Total	12,844	100.00	16,106	100.00	25.40
Hispanic or Latino (of any race)	2,335	18.18	3,040	18.87	30.19

**Source:** U.S. Department of Commerce. "Table DP-1, Profile of General Demographic Characteristics: 2000." Bureau of Census: Washington, D.C., 2001.

**Table 6. Trends in Population by Race for the State of Nevada, 1990 and 2000.**

Race	1990		2000		Percentage Increase from 1990 to 2000
	Number	Proportionate Share (%)	Number	Proportionate Share (%)	
White	1,012,695	84.26	1,501,886	75.16	48.31
Black or African-American	78,711	6.55	135,477	6.78	71.99
American Indian or Alaska Native	19,637	1.63	26,420	1.32	34.54
Asian & Pacific Islander	38,127	3.17	98,692	4.94	158.85
Other Race	52,603	4.38	235,782	11.80	348.23
Total	1,201,833	100.00	1,998,257	100.00	66.27
Hispanic or Latino (of any race)	124,419	10.35	393,970	19.72	216.65

**Source:** U.S. Department of Commerce. "Table DP-1, Profile of General Demographic Characteristics: 2000." Bureau of Census: Washington, D.C., 2001.

For the nation from 1990 to 2000, White population increased by 5.90 percent, Black or African-American population increased by 15.58 percent, American Indian or Alaska Native population increased by 26.37 percent, Asian and Pacific Islander population increased by 46.31 percent, and Other Race population increased by 126.27 percent (Table 7). Overall, national population from 1990 to 2000 increased by 13.15 percent. The Hispanic or Latino population in the nation increased by 12,951,759 persons or 57.94 percent from 1990 to 2000.

**Table 7. Trends in Population by Race in the United States, 1990 and 2000.**

Race	1990		2000		Percentage Increase from 1990 to 2000
	Number	Proportionate Share (%)	Number	Proportionate Share (%)	
White	199,686,070	80.29	211,460,626	75.14	5.90
Black or African-American	29,986,060	12.06	34,658,190	12.32	15.58
American Indian or Alaska Native	1,959,234	0.79	2,475,956	0.88	26.37
Asian and Pacific Islander	7,273,662	2.92	10,641,791	3.78	46.31
Other Race	9,804,847	3.94	22,185,343	7.88	126.27
Total	248,709,873	100.00	281,423,906	100.00	13.15
Hispanic or Latino (of any race)	22,354,059	8.99	35,305,818	12.55	57.94

**Source:** U.S. Department of Commerce. "Table DP-1, Profile of General Demographic Characteristics: 2000." Bureau of Census: Washington, D.C., 2001.

Trends in the Census of Population by Race from 1990 to 2000 for Humboldt County can be summarized below:

- In Humboldt County, proportionate share of total county population that is White decreased from 83.78 percent in 1990 to 83.21 percent in 2000 despite growing by 24.53 percent from 1990 to 2000.
- From 1990 to 2000, Humboldt County Hispanic or Latino population increased by 705 persons, or a 30.19 percent increase from 1990 to 2000.
- Proportionate share of total Humboldt County population that is Hispanic or Latino increased from 18.18 percent in 1990 to 18.87 percent in 2000.
- For the state of Nevada, proportionate share of total state population that is White decreased from 84.26 percent in 1990 to 75.16 percent in 2000 despite growing by 48.31 percent from 1990 to 2000.
- From 1990 to 2000, state of Nevada Hispanic or Latino population increased by 269,551 persons or a 216.65 percent increase from 1990 to 2000.
- Proportionate share of total state of Nevada population that is Hispanic or Latino increased from 10.35 percent in 1990 to 19.72 percent in 2000.
- For the nation, proportionate share of total national population that is White decreased from 80.29 percent in 1990 to 75.14 percent in 2000 despite growing by 5.90 percent from 1990 to 2000.
- From 1990 to 2000, national Hispanic or Latino population increased by 12,951,759 persons or a 57.94 percent increase from 1990 to 2000.
- Proportionate share of total national population that is Hispanic or Latino increased from 8.99 percent in 1990 to 12.55 percent in 2000.

#### **State Demographer Population Growth and Stability, 1970 to 2004**

The State of Nevada Demographer derives annual population estimates for the State of Nevada Department of Taxation (2004). Using these annual estimates, the county average of annual population growth rates and stability from 1970 to 2004 were developed and shown in Table 8. Humboldt County's average annual population growth rate was estimated to be 2.91 percent, which ranks Humboldt County ninth among Nevada's seventeen counties. Humboldt County also ranked ninth highest in instability of population growth rates. Results from Table 8 show Humboldt County population growth to be somewhat unstable and somewhat lower than half the other counties of Nevada. This instability is linked to the "boom-bust" nature of Humboldt County's primary economic sector, which is mining.

The average of annual percentage growth rate of population (AAGR) used in Table 8 is the summation of each year's percentage change from 1970 to 2004 divided by the number of years:

$$AAGR = \frac{\sum_{t=1970}^{2004} \left( \frac{population_{t+1} - population_t}{population_t} \right)}{2004 - 1970}.$$

The instability index is the coefficient of variation, or the absolute value of the standard deviation of the series of annual population growth rates divided by AAGR as defined above. A high instability index indicates that the annual percentage population growth varies considerably over time. Such instability may be characteristic of a one sector county economy and may signify the need for local economic diversification.

**Table 8. Nevada County Population Growth Rate and Stability Index, 1970 – 2004.**

County	1970-2004		Instability	
	Average of Annual Growth Rates	Rank	Index	Rank
Nye	6.07	1	1.06	10
Douglas	5.85	2	0.64	14
Clark	5.52	3	0.26	17
Storey	5.26	4	1.06	11
Lyon	5.05	5	0.51	15
Carson City	3.80	6	0.85	12
Elko	3.68	7	1.09	8
Washoe	3.42	8	0.32	16
<b>Humboldt</b>	<b>2.91</b>	<b>9</b>	<b>1.07</b>	<b>9</b>
Pershing	2.80	10	1.37	7
Churchill	2.69	11	0.79	13
Esmeralda	2.46	12	4.78	3
Lander	2.30	13	2.97	5
Eureka	1.69	14	4.94	2
Lincoln	1.30	15	2.99	4
White Pine	-0.28	16	14.05	1
Mineral	-1.13	17	2.40	6
Nevada	4.77		0.22	

### **State Demographer Population Growth by Different Time Periods**

Table 9 shows annual compound percentage change in population and county ranks for Nevada's seventeen counties from 1970 to 2004. Also annual compound growth rates and ranks are derived by each decade, that is, 1970 to 1979, 1980 to 1989, 1990 to 1999, and 2000 to 2004. In addition the two latest county growth rates and ranks were derived for 2003 and 2004.<sup>1</sup>

It is interesting to look at the variability of Humboldt County through time. From 1970 to 1979, Humboldt County grew at an annual rate of 3.37 percent. From 1980 to 1989, the annual growth rate declined to 3.23 percent and from 1990 to 1999, the annual growth rate for Humboldt County population further declined to 3.08 percent and from 2000 to 2004, Humboldt County growth rate was 0.76 percent.

During the 1990's, only three counties realized negative average population growth rates (Lander, Mineral and Esmeralda Counties). However, from 2000 to 2004, six Nevada counties realized negative population growth rates (Eureka, Lander, Lincoln, Mineral, Pershing, and White Pine Counties). In 2003, six Nevada counties realized negative population growth rates, while in 2004 only two Nevada counties had negative population growth rates. Of interest is that in 2003, Humboldt County population increased by 0.91 percent and increased by 1.43 percent in 2004, as well.

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<sup>1</sup> Note that the compound growth rate will differ somewhat from the average of annual growth rates calculated in Table 8. Annual compound growth rate is calculated with the formula,  $CGR = [(population_{final\ year} / population_{initial\ year})^{(1/t)}] - 1$ .



**Table 9. Nevada Population by County Annual Compound Growth Rate, 1970 - 2004, by Decade, 2003 and 2004.**

County	1970 - 2004 Growth Rate (%)	Rank	1970 - 1979 Growth Rate (%)	Rank	1980 - 1989 Growth Rate (%)	Rank	1990 - 1999 Growth Rate (%)	Rank	2000- 2004 Growth Rate (%)	Rank	2003 Growth Rate (%)	Rank	2004 Growth Rate (%)	Rank
Nye	5.89	1	4.62	6	7.63	1	6.27	1	3.72	3	4.60	2	4.17	6
Douglas	5.78	2	11.22	1	3.70	8	4.26	5	3.49	4	3.15	5	4.82	4
Clark	5.51	3	5.30	4	4.84	6	6.23	2	5.31	2	4.59	3	5.84	2
Storey	5.12	4	7.19	3	5.72	4	3.80	6	2.12	7	2.67	7	1.63	10
Lyon	5.02	5	4.37	7	4.47	7	5.70	3	5.76	1	6.36	1	8.25	1
Carson City	3.75	6	7.89	2	2.49	14	2.83	11	1.35	9	0.69	10	1.68	9
Elko	3.61	7	1.61	14	7.03	2	3.43	7	0.47	11	(1.66)	15	1.52	12
Washoe	3.41	8	4.82	5	2.95	11	2.97	10	2.91	5	3.84	4	2.74	7
<b>Humboldt</b>	<b>2.87</b>	<b>9</b>	<b>3.37</b>	<b>10</b>	<b>3.23</b>	<b>9</b>	<b>3.08</b>	<b>9</b>	<b>0.76</b>	<b>10</b>	<b>0.91</b>	<b>9</b>	<b>1.43</b>	<b>13</b>
Pershing	2.73	10	1.73	13	3.06	10	4.96	4	(1.52)	13	0.43	11	(4.74)	17
Churchill	2.67	11	2.75	12	2.89	12	3.25	8	1.96	8	2.76	6	1.15	15
Lander	2.09	12	3.45	9	4.90	5	(0.25)	15	(1.94)	14	(4.87)	17	1.52	11
Esmeralda	1.89	13	2.82	11	6.42	3	(2.90)	17	2.61	6	(0.80)	14	5.38	3
Eureka	1.36	14	0.71	15	2.66	13	1.20	12	(2.63)	17	2.60	8	4.51	5
Lincoln	1.23	15	4.02	8	0.20	17	0.91	13	(2.13)	16	(3.35)	16	1.95	8
White Pine	(0.36)	16	(2.46)	17	0.64	15	0.41	14	(0.64)	12	(0.24)	13	1.40	14
Mineral	(1.17)	17	(1.46)	16	0.43	16	(2.11)	16	(2.02)	15	(0.17)	12	(0.30)	16
Nevada	4.77	-	4.96	-	4.23	-	5.17	-	4.48	-	4.10	-	4.97	

The trend in Humboldt County population may be summarized below:

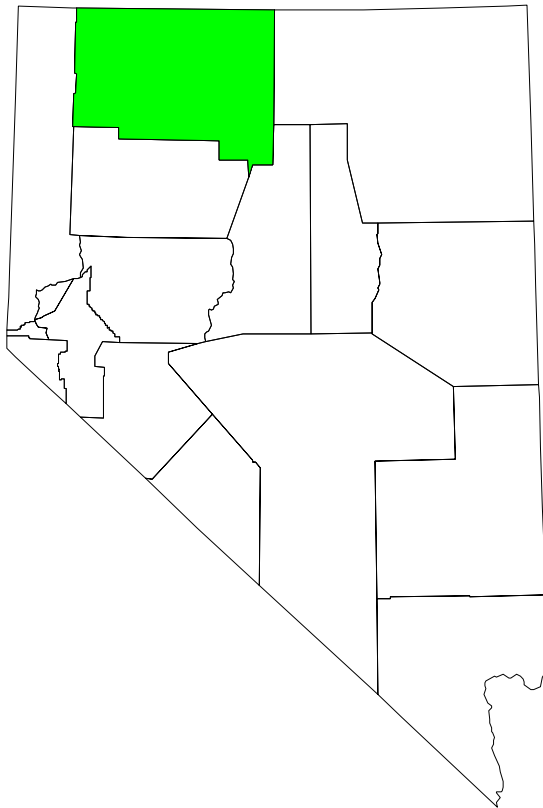
- Humboldt County's 2000 population of 16,106 amounted to 0.81 percent of the state's total and ranked Humboldt County 9<sup>th</sup> among Nevada's seventeen counties.
- From 1970 to 2004, Humboldt County realized average annual population growth rates of 2.91 percent, which ranked Humboldt County 9<sup>th</sup> among Nevada's seventeen counties.
- From 1970 to 2004, Humboldt County had the 9<sup>th</sup> highest instability index of Nevada's seventeen counties.
- Humboldt County's compound annual rate of population growth in the 1980's (3.23 percent) was approximately 95.85 percent of the 1970's average (3.37) percent. In the 1990's Humboldt County's compound annual rate of population growth (3.08) percent was approximately 95.4 percent of the 1980 value.
- Population growth rate for Humboldt County from 2000 to 2004 was 0.76 percent. In 2003, Humboldt County population growth rate was 0.91 and it continued to increase in 2004 with a population growth rate of 1.43 percent.
- From 2000 to 2004, six Nevada counties realized negative population growth rates. These counties were Eureka (-2.63 percent), Lander (-1.94 percent), Lincoln (-2.13 percent), Mineral (-2.02 percent), Pershing (-1.52 percent) and White Pine (-0.64 percent) Counties. All of these counties were heavily dependent upon the mining sector, which decreased operations from 2000 to 2004.
- The variability of county population growth rates from 1970 to 2004 indicates the dependency on a single economic sector such as mining, especially the growth rates from 2000 to 2004, which saw negative population growth for six Nevada counties.

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- U.S. Department of Commerce. "Census 2000 Redistricting Data (PL-94-171) Summary File Table PL1 and 1990 Census." Bureau of Census: Washington, D.C., 2000 and 1990.
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**SECTION II:**

**ANALYSIS OF PERSONAL AND PER CAPITA INCOME**



## Personal Income

In 2002, Humboldt County residents received approximately \$385 million in personal income. Of this amount, approximately \$318.4 million were total earnings in the county in the form of wages and salaries, other labor income and proprietor’s income. This number is adjusted to net earnings of approximately \$266.7 million by taking into account social security contributions and commuting adjustments. Almost \$72 million was in the form of unearned income from dividends, interest and rent. Approximately \$46.4 million came from transfer payments, such as social security, food stamps, unemployment payments and veteran’s benefits. These income figures are shown in Table 10.

**Table 10. Personal Income of Humboldt County Residents, 2002.**

Income Category	(\$1000)	(\$1000)
Wages and Salaries	\$237,098	
Supplements to wages and salaries	\$54,982	
Proprietor's Income	\$26,341	
<b>Total Earnings in Humboldt County</b>		\$318,421
Less Personal Social Security Contributions	\$31,681	
Plus Residence/Commuting Adjustments	-\$20,086	
<b>Net Earnings of Humboldt County Residents</b>		\$266,654
Dividends, Interest, and Rent	\$71,948	
Transfer Payments	\$46,366	
<b>Total Personal Income, Humboldt County Residents</b>		\$384,968
<b>Per Capita Personal Income (dollars)</b>		\$25,917

Source: U.S. Department of Commerce. “Regional Economic Information System.” Bureau of Economic Analysis: Washington, D.C. 2004.

Social Security contributions are subtracted from total earnings in order to better measure income available to Humboldt County residents before income taxes (a concept called personal income by economists). Approximately \$31.7 million of personal contributions to social insurance programs such as social security, Medicare, unemployment, etc. were paid by residents of Humboldt County.

A commuting adjustment is made to total earnings since some people who earn income in Humboldt County are not county residents. These people commute into the county to work and take their paycheck back to their county of residence. Humboldt County residents do the

same; work outside the county and bring income back to Humboldt County. Approximately \$20.1 million more in income is earned by workers who live outside Humboldt County, but work in Humboldt County, than by Humboldt County residents who work outside the county. This value is subtracted from total earnings in Humboldt County to derive net earnings of Humboldt County residents.

Table 11 gives the percentage breakdown of Humboldt County's income by source, and presents similar data for the state and nation. Net earnings by Humboldt County residents are approximately 69.27 percent of total personal income compared to 67.66 percent, and 68.07 percent for the state and nation, respectively. Dividends, interest and rents and transfer payments in Humboldt County account for a smaller percentage of total personal income than in the state or nation. The last line of Table 11 shows that Humboldt County's per capita income is lower than that of the state and nation. At \$25,917, Humboldt County's 2002 income per capita was approximately 15.19 % less than the state's \$30,559 and approximately 16.14 % less than the nation's average of \$30,906.

**Table 11. Comparison of Personal Income Sources, Humboldt County, State of Nevada and the U.S., 2002.**

<b>Personal Income Source</b>	<b>Humboldt County</b>	<b>Nevada</b>	<b>U.S.</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
Wages and Salaries	61.59	57.10	55.84
Supplements to wages and salaries	14.28	11.77	11.66
Proprietor's Income	6.84	7.08	8.99
Less Personal Social Security Contributions	8.23	7.83	8.41
Plus Residence/Commuting Adjustments	-5.22	-0.47	-0.01
<b>Net Earnings of Residents</b>	<b>69.27</b>	<b>67.66</b>	<b>68.07</b>
Dividends, Interest, and Rent	18.69	20.74	17.42
Transfer Payments	12.04	11.61	14.51
TOTAL	100.00	100.00	100.00
<b>Per Capita Personal Income (dollars)</b>	<b>\$25,917</b>	<b>\$30,559</b>	<b>\$30,906</b>

Source: U.S. Department of Commerce, "Regional Economic Information System." Bureau of Economic Analysis, Washington, D.C. 2004.

The trend in Humboldt County personal income can be summarized as follows:

- Per capita income for Humboldt County in 2002 was \$25,917, which was 15.19% less than the state's average (\$30,559) and approximately 16.14% less than the nation's average (\$30,906).
- Total 2002 place of work earnings for Humboldt County were \$318,421,000. Place of work earnings are adjusted by adding the net resident adjustment to derive resident earnings. For Humboldt County, the net residence adjustment for 2002 was -20,086,000. This means \$20,086,000 more was earned by people living outside Humboldt County but working in Humboldt County than by people living in Humboldt County and working outside the county. This may constitute a leakage of potential spending from Humboldt County.
- Proportionate share of total earnings from dividends, interest and rents; and transfer payments are 30.73% in Humboldt County. This proportionate share is lower than the state value of 32.35% and the national value of 31.93%. This might mean a lower retiree population base for Humboldt County.

### **Per Capita Income**

Economic quality of life is difficult to measure because of differences in cost of living and non-monetary income between locations. However, per capita income is still an important basis for comparing economic quality of life, especially among geographically similar areas. On this basis, the quality of life in Humboldt County lags behind that of many Nevada counties. In Table 12 the 2002 per capita income for each county is shown, and in comparison, Humboldt County has the tenth highest 2002 Nevada county per capita income level at \$25,917. In comparison, the highest 2002 per capita income level for a Nevada county was in Douglas County with \$40,997 while the lowest 2002 per capita income was \$16,463 in Pershing County.

**Table 12. Nevada County Per Capita Income and Rank, 2002.**

<b>County</b>	<b>Per Capita Income</b>	<b>Rank</b>
Douglas	\$40,997	1
Washoe	\$36,831	2
Carson City	\$32,522	3
Storey	\$29,609	4
Clark	\$29,396	5
Esmeralda	\$28,018	6
Churchill	\$27,234	7
White Pine	\$26,516	8
Lander	\$26,300	9
<b>Humboldt</b>	<b>\$25,917</b>	<b>10</b>
Nye	\$25,833	11
Elko	\$25,266	12
Eureka	\$23,927	13
Mineral	\$23,495	14
Lyon	\$23,340	15
Lincoln	\$21,135	16
Pershing	\$16,463	17
State of Nevada	\$30,559	
U.S.	\$30,906	

Source: U.S. Department of Commerce. "Regional Economic Information System." Bureau of Economic Analysis, Washington, D.C. 2004.

The trend in Humboldt County 2002 per capita income can be summarized as follows:

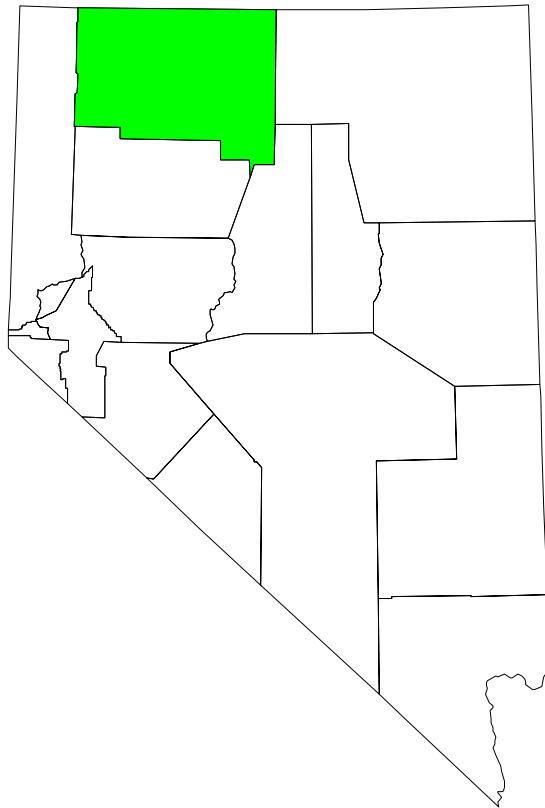
- In 2002, the per capita income value for Humboldt County was \$25,917, which ranked Humboldt County tenth highest among Nevada's seventeen counties.
- In comparison, Douglas County had the highest per capita income value of the seventeen Nevada counties at \$40,997, which is approximately 58.19 percent above Humboldt County's value.



## **References**

U.S. Department of Commerce. "Regional Economic Information System." Bureau of Economic Analysis, Washington, D.C. 2004.

**SECTION III:**  
**ANALYSIS OF EDUCATIONAL DATA**  
**AND NATIVE BORN DATA**



### Educational Attainment

High levels of educational attainment imply a skilled county workforce. Skilled workers add more value because of higher productivity and tend to be more adaptive to the changing demands of an economy. According to the 2000 census data, 78.3 percent of all adults 25 years of age or older in Humboldt County graduated from high school or higher. This percentage was lower compared to all adults statewide (80.7%) and nationally (80.4%). Approximately 14.2 percent of all adults 25 years and older in Humboldt County graduated with bachelor’s degrees or higher. This percentage was also lower compared to the state value of 18.2 percent and the nation’s value at 24.4 percent.

**Table 13. Educational Attainment for Humboldt County, State of Nevada and the Nation, 2000.**

Location	Percentage 25 years and older with high school degree or better (%)	Percentage 25 years and older with Bachelor’s degree or better (%)
Humboldt	78.3	14.2
Nevada	80.7	18.2
U.S.	80.4	24.4

Source: U.S. Department of Commerce. “Census 2000 Summary File 3 (SF-3); DP-2 Profile of Selected Social Characteristics.” Bureau of Census: Washington, D.C., 2002.

The trend in Humboldt County for educational attainment can be summarized as follows:

- In 2000, Humboldt County’s proportionate share of people 25 years or older with a high school diploma or higher was 78.3 percent. This is lower than the state value of 80.7 percent and lower than the national value of 80.4 percent.
- For the new economy (high-tech industries) the pool of college educated people is important. In 2000, Humboldt County’s proportionate share of people 25 years or older with a bachelor’s degree or higher was 14.2 percent. This is lower than the state of Nevada value of 18.2 percent and the national value of 24.4 percent.

## LENGTH OF RESIDENCE

From the 1980's to the 1990's, the state of Nevada was the fastest growing state in the nation. A unique feature of this rapid growth is that the state of Nevada has the lowest percentage of native-born Nevadans in their population. In 2000, only 21.3 percent of Nevada's population was native-born. The second lowest state was Florida with a native-born percentage of 32.7 percent. This low number of native-born reflects a rapidly changing population, which might make it difficult to sustain long-term state economic development objectives.

Table 14 ranks the counties of the state of Nevada by percentage of native-born residents. In 2000, Humboldt County had the fifth largest proportionate share of native-born population at 32.7 percent. Clark County, the fastest growing county in the state, had only 19.1 percent of total county population born in the state of Nevada.

The trend in Humboldt County for residence can be summarized as follows:

- In 2000, the state of Nevada was the fastest growing state in the union, but also had the lowest percentage of population born in the state. The percentage of native-born in the state of Nevada in 2000 was 21.3 percent, compared to 32.7 percent for the state of Florida, which was second lowest.
- The percentage of native-born population in Humboldt County in 2000 was 32.7 percent, which ranked Humboldt County as the fifth highest of Nevada's seventeen counties.
- For comparison, Clark County, which was the state's most populous county in 2000, had only 19.1 percent of total county population born in the state of Nevada.
- Humboldt County is unique in its percentage of native-born, which may reflect a populace with a better understanding of rural Nevada's unique "boom-bust" economic cycles.

**Table 14. Nevada Counties Ranked by Percentage of Population Born in the State of Nevada, 2000.**

<b>County</b>	<b>Proportionate Share of County Population</b>
White Pine	42.3
Mineral	38.0
Pershing	33.0
Lander	32.9
<b>Humboldt</b>	<b>32.7</b>
Eureka	30.2
Lincoln	29.9
Churchill	29.1
Elko	28.9
Lyon	26.9
Washoe	26.6
Carson City	23.8
Storey	22.9
Nye	20.0
Clark	19.1
Douglas	15.8
Esmeralda	14.3
State	21.3

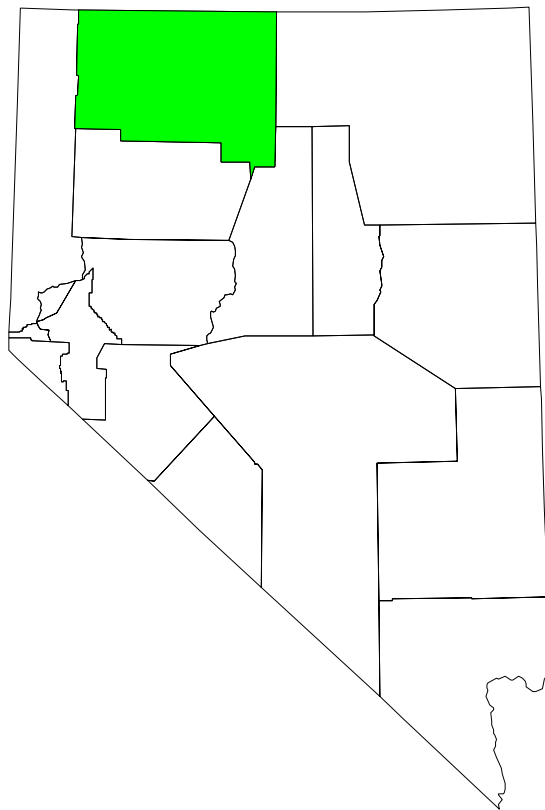
**Source:** U.S. Department of Commerce. "Census 2000 Summary File (SF-3); DP-2 Profile of Selected Social Characteristics." Bureau of Census: Washington, D.C., 2002.

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U.S. Department of Commerce. "Census 2000 Summary File (SF-3); DP-2 Profile of Selected Social Characteristics." Bureau of Census: Washington, D.C., 2002.

**SECTION IV:**

**ANALYSIS OF LABOR DATA**



**Labor Force, Unemployment Rate, Number Unemployed, Resident Employed  
And Industrial Employment**

Labor force is an economic statistic that shows the number of persons either looking for employment or already employed. In the Mountain States when a mine closes, the unemployment rate may not increase, as in other areas of the nation. This occurs because people leave the area and as a consequence, the labor force declines. Table 15 compares labor force for Humboldt County, state of Nevada and the United States from 2000 to 2004.

**Table 15. Labor Force for Humboldt County, Nevada, State of Nevada and U.S., 2000-2004.**

Year	Humboldt (number)	Nevada (1,000)	United States (1,000)
2000	7,928	1,065.4	142,583.0
2001	7,426	1,107.0	143,734.0
2002	7,240	1,128.5	144,863.0
2003	7,180	1,141.3	146,510.0
2004	7,475	1,177.6	147,401.0

**Source:** State of Nevada Department of Employment, Rehabilitation and Training. "Labor Force, Employment, Unemployment, and Unemployment Rates (LAUS)." Research and Analysis Bureau: Carson City, Nevada, Various Issues.

From Table 15, Humboldt County has realized a steady decline in labor force from 2000 to 2003 declining from 7,928 in 2000 to 7,180 in 2003, and then an increase in labor force in 2004 to 7,475. The state of Nevada and the nation realized a steady increase in labor force from 2000 to 2004 (Table 15). The decrease in labor force from 2000 to 2004 in Humboldt County reflects the slowdown in local mining activity.

Table 16 shows the problem that many Mountain State counties, like Humboldt County in Nevada, face. With declining labor force values the unemployment rate does not reflect downturns in the mining economy. For Humboldt County, unemployment rate was at its highest at 6.2 percent in 2001 but has dropped to a low of 4.2 percent in 2004. The unemployment rate for 2002 screens the effects of the mining sector slowdowns and closures because the labor force has dropped.



**Table 16. Unemployment Rate for Humboldt County, State of Nevada and U.S., 2000-2004.**

<b>Year</b>	<b>Humboldt (%)</b>	<b>Nevada (%)</b>	<b>United States (%)</b>
2000	5.1	4.0	4.0
2001	6.2	5.3	4.7
2002	5.7	5.5	5.8
2003	5.0	5.2	6.0
2004	4.2	4.4	5.5

**Source:** State of Nevada Department of Employment, Rehabilitation and Training. “Labor Force, Employment, Unemployment, and Unemployment Rates (LAUS).” Research and Analysis Bureau: Carson City, Nevada, Various Issues.

If only Tables 16 and 17 are examined, Humboldt County seems to be rather well off. From Table 17, the number of unemployed in Humboldt County has declined steadily from 463 in 2001 to 311 in 2004. When the county number of unemployed is compared to state and national values, the decline in Humboldt County unemployment is quite remarkable. The state of Nevada and the nation were profoundly impacted by the September 11<sup>th</sup> terrorist attacks and the national recession. The problem with comparing the values is that it fails to recognize the people who leave the county’s labor force, which artificially lowers the county’s unemployment rate and number of unemployed.

**Table 17. Number of Unemployed for Humboldt County, State of Nevada and U.S., 2000-2004.**

<b>Year</b>	<b>Humboldt (number)</b>	<b>Nevada (1,000)</b>	<b>United States (1,000)</b>
2000	404	42.7	5,692.0
2001	463	59.1	6,801.0
2002	410	62.1	8,378.0
2003	360	59.4	8,774.0
2004	311	51.2	8,149.0

**Source:** State of Nevada Department of Employment, Rehabilitation and Training. “Labor Force, Employment, Unemployment, and Unemployment Rates (LAUS).” Research and Analysis Bureau: Carson City, Nevada, Various Issues.

A more reflective picture of the Humboldt County economy is shown in Table 18. Table 18 shows the number of persons employed who live in Humboldt County, or employment by place of residence. This value is derived as:

$$1. LF_r = EMP_r - INC_r + OUTC_r + UE_r$$

Where:

$LF_r$  is labor force in county r;

$EMP_r$  is employment by place of work in county r;

$INC_r$  is the number of incommuters in county r. That is, the number of workers who live outside county r, but work in county r.

$OUTC_r$  is the number of outcommuters in county r. That is, the number of workers who live in county r, but work outside of county r; and

$UE_r$  is the number of unemployed in county r.

Re-arranging equation 1:

$$2. LF_r - UE_r = EMP_r - INC_r + OUTC_r$$

$$3. REMP_r = LF_r - UE_r = EMP_r - INC_r + OUTC_r$$

Where  $REMP_r$  is the number of resident employed who live in county r.

The outcommuter and incommuter values are derived from journey to work data estimated from census relationships. It should be noted that the incommuter and outcommuter values and relationships are adjusted every ten years.<sup>2</sup>

**Table 18. Resident Number Employed for Humboldt County, State of Nevada and U.S., 2000 to 2004.**

Year	Humboldt (number)	Nevada (1,000)	United States (1,000)
2000	7,524	1,022.6	136,891.0
2001	6,964	1,047.8	136,933.0
2002	6,830	1,066.4	136,485.0
2003	6,820	1,081.9	137,736.0
2004	7,164	1,126.3	139,252.0

**Source:** State of Nevada Department of Employment, Rehabilitation and Training. "Labor Force, Employment, Unemployment, and Unemployment Rates (LAUS)." Research and Analysis Bureau: Carson City, Nevada, Various Issues.

From Table 18, the number employed who resides in Humboldt County has decreased from 7,524 in 2000 to 6,820 in 2003 and then increased again in 2004 to 7,164. For the state of

<sup>2</sup> Note that the value given in Table 18 for the year 2004 used Census 2000 commuter data, whereas the values for 2000 to 2003 use Census 1990 commuter data. The earlier years will be rebenchmarked to reflect the 2000 Census data, but had not yet been changed as of the date of writing for this publication.

Nevada, resident employment has steadily increased from 1,022,600 in 2000 to 1,126,300 in 2004. Nationally, resident employment increased from 136,891,000 in 2000 to 136,933,000 in 2001, then decreased in 2002 to 136,485,000 and finally increased again from 136,485,000 in 2002 to 139,252,000 in 2004. Using resident employment, Humboldt County is showing stress. If only unemployment rate and number of employed are used to indicate stress, one comes to a different conclusion.

Table 19 shows covered employment by place of work for Humboldt County, state of Nevada and the U.S. Covered employment is employment covered by unemployment insurance. Table 19 shows that covered employment for the state of Nevada increased steadily from 2000 to 2004. However, national covered employment decreased from 2001 to 2003, and then increased again from 2003 to 2004, showing impacts of September 11<sup>th</sup> and the national recession. However, Humboldt County covered employment declined from 2000 to 2002 and increased again from 2002 to 2004.

**Table 19. Covered Employment Place of Work for Humboldt County, State of Nevada and U.S., 2000 to 2004.**

<b>Year</b>	<b>Humboldt (number)</b>	<b>Nevada (1,000)</b>	<b>United States (1,000)</b>
2000	7,230	1,017.8	129,877.1
2001	6,757	1,043.5	129,635.8
2002	6,536	1,045.0	128,233.9
2003	6,741	1,080.6	127,795.8
2004*	7,221	1,139.5	129,853.2

**Source:** State of Nevada Department of Employment, Rehabilitation, and Training. “Industrial Employment: Covered Employment (ES-202 Data).” Research and Analysis Bureau: Carson City, Nevada, Various Issues.

\* Note that data for 2004 include only second quarter.

Therefore when comparing activity levels of mining counties such as Humboldt County with others in the nation, the number of unemployed, or the unemployment rate, should not be the sole statistic used for evaluation. Since people are free to move, labor force, resident employed and covered employment values are important to detect loss of workforce, which can artificially lower the unemployment rate. By not including the labor force or covered employment trends, an incorrect picture could be drawn for the economy of Humboldt County.

The trend in Humboldt County for labor force, unemployment rate, number of unemployed, resident employed and covered employment can be summarized as follows:

- A county's unemployment rate is often used as the singular statistic for county economic activity and government assistance. Unfortunately for many Mountain States which are resource industry dependent, the unemployment rate hides true economic viability. This occurs because as county economic activity declines, people leave the county in pursuit of employment in other areas of the state and nation.
- For Humboldt County, the unemployment rate declined from 6.2 percent in 2001 to 4.2 percent in 2004. The number of unemployed in Humboldt County decreased from 463 in 2001 to 311 in 2004. During the same time period, Humboldt County's labor force decreased from 7,928 in 2000 to 7,180 in 2003, and increased again to 7,475 in 2004. The number of Humboldt county residents who were employed decreased from 7,524 in 2000 to 6,820 in 2003 and increased to 7,164 in 2004. As for covered employment or place of work employment for Humboldt County, the county realized losses in covered employment from 2001 to 2002. Covered employment declined from 6,757 in 2001 to 6,536 in 2002. After that covered employment increased from 6,741 in 2003 to 7,221 in 2004.
- These statistics show the fallacy in using a singular economic statistic such as unemployment rate to judge a county's economic activity or viability. As discussed earlier, Humboldt County's unemployment rate and number employed has declined which often reflects a robust county economy. However, the labor force, resident employment and industrial employment have declined, which reflects an economy in decline. This example shows that judgement of a county's vitality is quite complex and requires more than a singular economic statistic.
- An alternative statistic to estimate county economic vitality is the out-migration/population loss statistic. This statistic was developed from an EDA funded research publication by Feser and Sweeney (1998). Usually low income and high unemployment express tangible forms of economic stress, whereas population loss or stagnation and high out-migration may reflect either positive or negative economic outcomes. Out-migration may act as a positive force for a declining area as idle workers seek job opportunities in other regions, thereby reducing unemployment and demand for social services for declining areas. Out-migration and population loss (stagnation) exert an adverse impact on county economies by depleting critical human capital (encouraging "brain-drain") placing increased rather than decreased fiscal pressure on local governments and limiting subsequent development potential. For many "boom-bust" economies rapid population adjustments can damage fiscal positions of local governments as maintenance of infrastructure and services expanded during the boom must be financed by a smaller population with fewer financial resources following the bust.

- To estimate out-migration/population loss statistics, the employment data from the State of Nevada Department of Employment, Training and Rehabilitation needs to be augmented with annual county-level migration data from the U.S. Internal Revenue Service. Also the out-migration/population loss statistics developed by Feser and Sweeney (1998) may need to be adjusted to account for population stagnation.

## References

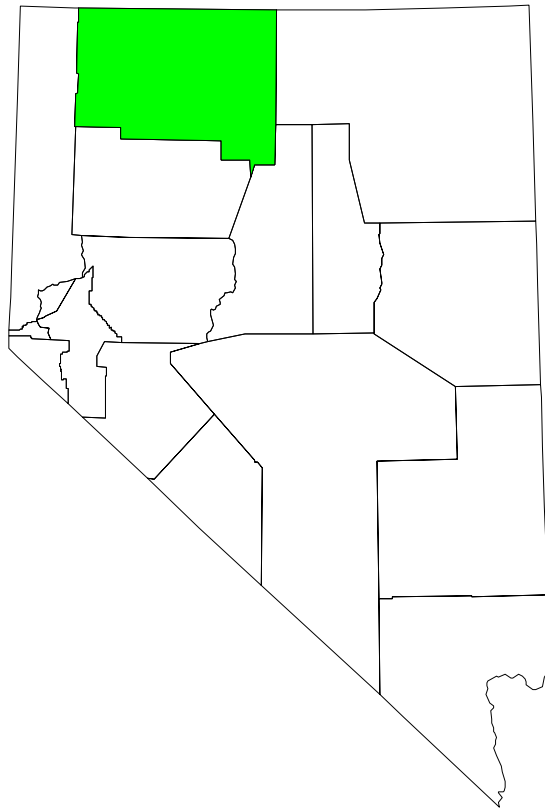
Feser, E. and S. Sweeney. "Out-Migration, Population, Decline, and Regional Economic Distress." U.S. Department of Commerce: Economic Development Administration: Washington, D.C., 1998.

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**SECTION V:**

**ANALYSIS OF LAND OWNERSHIP**



## Land Ownership

In terms of land area, Humboldt County ranks fourth largest in the state with 6,210,560 acres. Approximately 80 percent of the land in Humboldt County is administered by the federal government with Bureau of Land Management managing approximately 70 percent of total Humboldt County acreage. Table 20 shows the proportionate share of total Humboldt County acreage by federal and state government administration and local government and private sector ownership. Only 19.53 percent of total Humboldt County acreage is owned by local government and the private sector.

**Table 20. Federal, State and Local Government and Private Sector Lands in Humboldt County, 2000.**

Categories	Acreage	Share of Total (%)
Federal Agencies:		
Bureau of Land Management	4,321,308	69.58
Forest Service	268,296	4.32
Other Federal Agencies	372,012	5.99
Total Federal Lands	4,961,616	79.89
Native American Reservations	27,948	0.45
State Government Lands	8,074	0.13
Local Government and Private Sector Lands	1,212,922	19.53
TOTAL	6,210,560	100.00

**Source:** Zimmerman, J. and T. Harris. *An Update of Federal and State Land-Based Payments in Nevada*. University of Nevada, Reno: Reno, Nevada, University Center for Economic Development Technical Report UCED 2000/01-06, 2000.

Trends in ownership and administration of land can be summarized as follows:

- Humboldt County ranks fourth largest among Nevada’s seventeen counties with 6,210,560 acres.
- Approximately 80 percent of the Humboldt County acreage is administered by the federal government with the Bureau of Land Management managing approximately 69.6 percent of total county acreage.
- Only 19.53 percent of total Humboldt County acreage is owned by local government and the private sector.

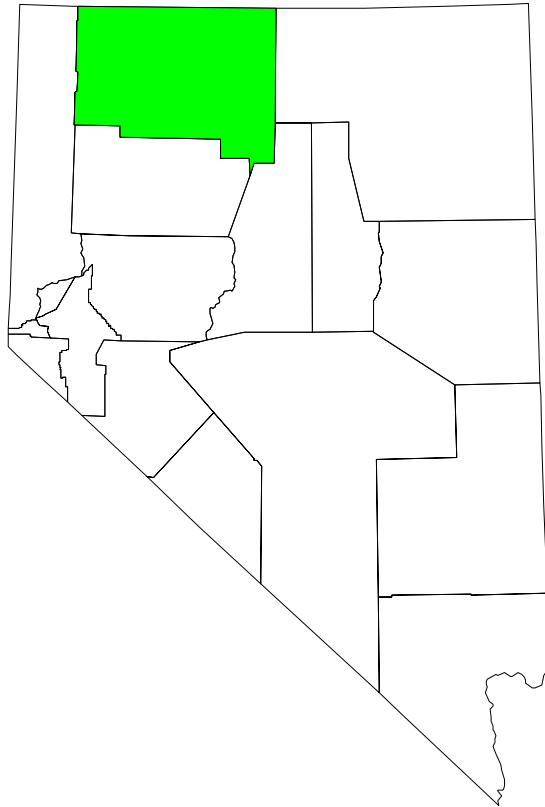


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Zimmerman, J. and T. Harris. *An Update of Federal and State Land-Based Payments in Nevada*. University of Nevada, Reno: Reno, Nevada, University Center for Economic Development Technical Report UCED 2000/01-06, 2000.

**SECTION VI:**

**ANALYSIS OF NATIONAL, STATE AND COUNTY ENTREPRENEURIAL  
ACTIVITY**



## Measurement of Entrepreneurial Activity

With the loss of export sector jobs in rural America and downsizing of employment by large corporations, serious questions arise regarding future employment for these released workers. Decreased employment in Humboldt, particularly in the natural resource industry of mining, has produced uncertainty in the county's economy. Released workers have five options: leave Humboldt County; become employed in another economic sector, probably at a lower pay scale, in Humboldt County; work in an adjacent county and continue to live in Humboldt County; become unemployed and continue to live in Humboldt County; or become self-employed in Humboldt County as sole proprietor or a partner in a business.

The number of self-employed are calculated for each county by the U.S. Bureau of Economic Analysis (U.S. Department of Commerce, 2001) using federal tax Form 1040 (Schedule C) for sole proprietorships and Form 1065 for partnership data. These estimates include individuals who may be otherwise employed but have additional income from self-employment and they may include multiple filings by the same individual. While proprietors cannot be equated with entrepreneurs, proprietors have more in common with entrepreneurs than wage and salary workers, workers who remain unemployed in Humboldt County, or workers who leave the development district. Proprietors create new jobs for themselves and often for others.

The assessment of entrepreneurial activity in Humboldt County will follow procedures outlined in a referenced study by Daphne Clones Corporation for Enterprise Development (1998). The factors used to estimate county entrepreneurial activity are listed below:

- **Employment Growth (%), 1969-2002**

This figure is calculated using the number of residents who are gainfully employed and is a key indicator of local economic growth. Unlike measure of economic output (how much in goods and services were sold) this measure tracks economic growth from the perspective of a community's residents and workforce.

- **Average Earnings Per Job (\$), 2002**

This figure indicates how much people are earning in the work force. This is a good indicator of the quality of jobs and economic opportunity in a county.

- **Per Capita Income (\$), 2002**

This figure is one of the most common measures of economic well-being. This figure shows how much money people have to buy goods and services and how much they can save. This figure is lower than average earnings per job, because it includes children and others not in the labor force.

- **Percentage of Proprietors to Wage and Salary Workers, 2002**

Dividing the number of proprietors by the number of wage and salary workers multiplied by one hundred shows the percentage of entrepreneurs that live in an area per wage employee. Almost always less than one hundred, the larger this measure, the greater the entrepreneurial activity in place. This percentage may somewhat exaggerate the strength of entrepreneurial activity.

- **Percentage of Proprietor's Income to Wages and Salaries, 2002**

Similar to the above measure, this number shows the amount of money coming into a community from proprietors earnings divided by the amount of money coming from wages multiplied by one hundred. The closer this number is to one hundred, the more important proprietors' income in sustaining local residents.

- **Annual Compound Percentage Growth in Number of Proprietors, 1969 to 2002**

This measure shows how the base of entrepreneurs is growing. A significant increase in number of proprietors can be interpreted as a response to either a strong or weak economy. In a strong economy, an increasing number of proprietors indicate a strengthening in the entrepreneurial base. In a weak economy, an increasing number of business owners may reflect "entrepreneurship of necessity" in which people supplement low income with small home-based enterprises. Either case is an opportunity for development with appropriate strategy.

- **Average Income Per Proprietor, 2002**

This measure helps to illustrate the financial success of a county's entrepreneurs. This value is usually lower than earnings per job.

- **Annual Compound Percentage Growth in Real Average Income per Proprietor, 1969 to 2002**

This measure indicates how well a county's entrepreneurs have been doing over time. The more local business-owners income increases, the more attractive it is for others to become entrepreneurs.

Table 21 shows the entrepreneurial factors for the seventeen counties of Nevada. The state of Nevada in response to its overall dynamic growth shows exceptional entrepreneurship activity. As for Humboldt County, the area has realized rapid, but cyclical employment growth. The ratio of proprietors to wage and salary workers is greater than the state or national average. However, the earnings of proprietors have been less, which could discourage further entrepreneurship growth.

Certain patterns of entrepreneurship activity emerge when reviewing Table 21. In comparing and contrasting entrepreneurship activity, one could look at employment growth and ratio of proprietors to wage and salary workers. Employment growth gives an overall indication of local job creation while the ratio of proprietors to wage and salary workers provides an indicator of a county's degree of dependence on proprietors for employment.

**Table 21. Overall Economic and Entrepreneurship Activity Indicators for Nevada Counties, 1969-2002.**

<b>Nevada</b>	<b>Overall Economic Indicators</b>			<b>Entrepreneurship Indicators</b>				
County	Employment Growth (%) 1969-2002	Avg. Earnings Per Job (\$) 2002	Per Capita Income (\$) 2002	Percentage of Proprietors/W&S Workers 2002 (%)	Percentage of Proprietors Income/Wages 2002 (%)	Avg. Ann. Compound Growth Proprietors 1969-2002 (%)	Avg. Inc Per Proprietor 2002 (\$)	Real Ann. Avg. Compound Growth Prop. Income 1969-2002 (%)
Churchill	294.09	28,230	27,234	65.43	23.75	5.41	11,147	3.16
Clark	606.33	39,438	29,396	16.36	12.12	7.68	25,700	7.42
Douglas	279.73	31,168	40,997	34.63	14.29	6.90	12,921	4.08
Elko	226.79	33,123	25,266	16.38	6.02	2.89	11,063	(0.46)
Esmeralda	16.57	27,480	28,018	38.25	1.84*	3.24	1,638	(4.25)*
Eureka	532.56	70,563	23,927	7.57	0.87	2.03	7,077	(3.94)
<b>Humboldt</b>	<b>173.45</b>	<b>35,502</b>	<b>25,917</b>	<b>26.63</b>	<b>11.11</b>	<b>3.17</b>	<b>13,967</b>	<b>0.50</b>
Lander	102.49	39,253	26,300	30.08	12.65	2.59	15,565	0.63
Lincoln	122.51	34,419	21,135	39.89	8.05	2.65	7,439	0.08
Lyon	412.98	28,030	23,340	30.17	10.06	4.76	9,205	1.31
Mineral	(27.54)	30,332	23,495	33.83	10.21	2.62	9,131	0.83
Nye	58.23	35,166	25,833	32.88	11.53	7.62	12,446	3.53
Pershing	106.16	33,956	16,463	19.14	2.24	0.52	3,749	(7.43)
Storey	255.62	30,488	29,609	49.37	8.81	4.88	6,156	(0.04)
Washoe	278.22	39,680	36,831	20.10	14.45	5.04	25,285	4.96
White Pine	(2.68)	32,896	26,516	27.60	10.77	1.26	11,978	(1.44)
Carson City	413.50	36,866	32,522	21.75	10.12	5.87	15,638	3.25
Nevada	432.11	38,798	30,559	18.49	12.40	6.31	23,180	5.67
USA	83.44	40,758	30,906	21.55	16.10	2.69	27,023	2.89

Source: U.S. Department of Commerce. "Regional Economic Information System." Table Bureau of Economic Analysis: Washington, D.C., 2003.

\*Because Esmeralda County had less than \$50,000 in proprietor's income in 2002, proprietor income for the year was not reported in REIS. The asterisked numbers use 2001 data.

These two indicators provide a measure of relative contribution of entrepreneurship to job creation within a given county or region, however, it does not show overall county or region economic health. Table 22 shows classifications of county entrepreneurship activity.

**Table 22. Classification of County or Region Entrepreneurship Activity.**

<b>Classification</b>	<b>Description</b>
Entrepreneurship of Necessity	Counties or region with employment growth <u>less</u> than the U.S. average and ratio of entrepreneurs to workers <u>greater</u> than U.S.
Strong Job Growth and Strong Entrepreneurship	County's or region's employment growth <u>greater</u> than U.S. average and ratio of entrepreneurs to workers <u>greater</u> than U.S.
Strong Job Growth and Weak Entrepreneurship	County's or region's employment growth <u>greater</u> than U.S. average and ratio of entrepreneurs to workers <u>less</u> than U.S.
Weak Job Growth and Weak Entrepreneurship	County or region with employment growth <u>less</u> than U.S. average and ratio of entrepreneurs to workers <u>less</u> than U.S.

Source: Daphne Clones Corporation for Enterprise Development. "An Assessment of Entrepreneurship in Local Appalachian Economies, 1989-1994." Appalachian Regional Commission, Washington, D.C. 1998.

Using the classification system, four counties exhibit "Entrepreneurship of Necessity". Eight counties are classified in the largest category of "Strong Job Growth and Strong Entrepreneurship." Five counties are categorized as "Strong Job Growth and Weak Entrepreneurship. No counties are categorized as "Weak Economies and Weak Entrepreneurship."

Humboldt County can be classified as "Strong Job Growth and Strong Entrepreneurship." A policy issue to consider is whether Humboldt County has benefited from private and public support services for small businesses. Given that income per proprietor is lower than the national average, public assistance such as the Small Business Development Center is needed to develop more efficient and successful local entrepreneurs.

The results of Table 22 help to identify counties with weak or strong entrepreneurial sectors. The table does not tell us why. Further research is required for dynamic entrepreneurship analysis. Additional geographic factors need to be examined, such as access to interstate highways or proximity to metropolitan areas. Finally, and most importantly, one must identify areas of need or assistance where none is currently available.

Trends in entrepreneurial activity in Humboldt County can be summarized as follows:

- With loss of export jobs in rural America and the downsizing of employment by large corporations, entrepreneurship is an area of economic development to keep workers in rural America.
- Following an Economic Development Administration publication (Daphne Clones Corporation for Enterprise Development, 1998) for gauging local proprietorship activity, it was judged that Humboldt County is a “Strong Job Growth and Strong Entrepreneurship” county. This means that Humboldt County from 1969 to 2002 has an employment growth rate higher than the national average and the ratio of entrepreneurs to workers was greater than the national average. However, given that income per proprietor in Humboldt County is lower than the national or state average, public education programs in small business development (SBDC) could be advantageous in Humboldt County.
- For entrepreneurial development, it is important for Humboldt County decision makers to understand factors that enhance or retard county-level entrepreneurship formation and growth.



## References

Daphne Clones Corporation for Enterprise Development. "An Assessment of Entrepreneurship in Local Appalachian Economies, 1989-1994." Appalachian Regional Commission, Washington, D.C. 1998.

U.S. Department of Commerce. "Regional Economic Information System." Bureau of Economic Analysis: Washington, D.C., 2004.