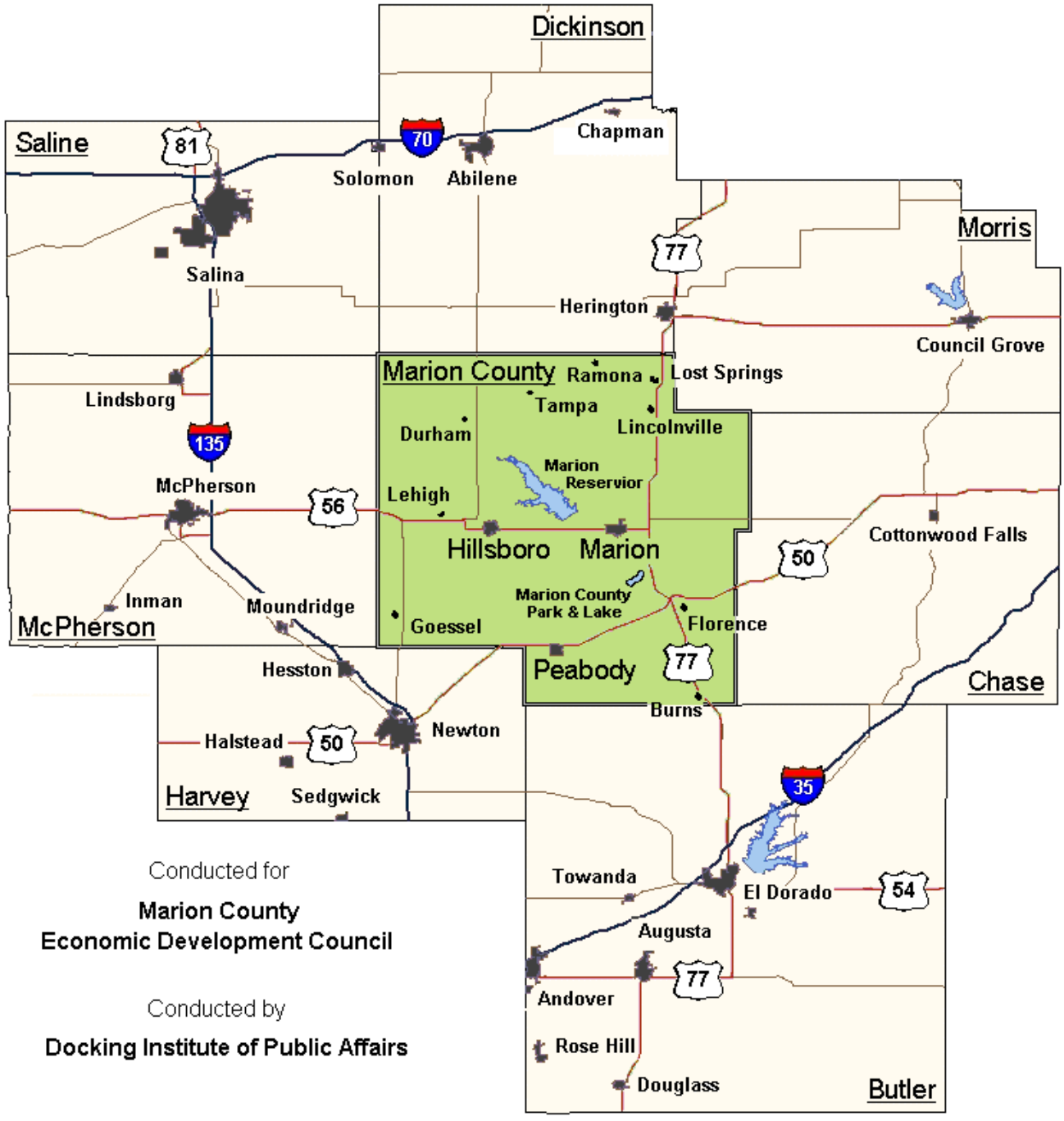
Marion-Hillsboro Labor Basin
Labor Availability Analysis

Butler, Chase, Dickinson, Harvey, Marion, McPherson, Morris, and **Saline**



Conducted for

Marion County
Economic Development Council

Conducted by

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Marion-Hillsboro Labor Basin
Labor Availability Analysis
Executive Summary

The Marion-Hillsboro Labor Basin includes Butler, Chase, Dickinson, Harvey, Marion, McPherson, Morris, and Saline Counties in central Kansas. The purpose of this report is to assess the "Available Labor Pool" in this labor basin. The "Available Labor Pool" represents those who indicate that they are looking for employment or would consider changing their jobs for the right employment opportunity. Included in this report is an analysis of the Available Labor Pool for Part-Time Employment.

The Docking Institute's independent analysis of this labor basin shows that:

- The population of the Marion-Hillsboro Labor Basin is estimated to be 218,212. About 19% of the total population (or 41,496 individuals) is considered to be part of the Available Labor Pool. Almost 9% (or 19,229 individuals) is part of the Available Labor Pool for Part-Time Work Only.

- Of the Available Labor Pool, it is estimated that 2,298 non-working and 6,375 working individuals are ***looking*** for new employment, while 5,394 non-working and 27,429 working individuals would ***consider*** new and/or different employment for the right opportunities.

- About 71% of the Available Labor Pool has at least some college education, while almost all (96.7%) have at least a high school diploma.

- Almost 27% of the members (or about 11,040 individuals) of the Available Labor Pool will commute 45 minutes or less, one way, for an employment opportunity. About 30,050 (72%) will travel 30 minutes or less for employment.

- About 68% of the Available Labor Pool (or an estimated 28,341 individuals) indicated that they would be "willing to travel to Marion-Hillsboro area for a job or a new job."

- About half (50% or about 20,850 members) of the Available Labor Pool is interested in a new job if offered $14.00 an hour. About 18,560 members (44%) of the Available Labor Pool are interested in a new opportunity at $12.00 an hour, and about 13,040 members (31%) are interested in new employment at $10.00 an hour.

- Slightly more than half (19,832 or 52%) of the working members of the Available Labor Pool consider themselves underutilized. Of these workers, almost 44% consider themselves as possessing education levels exceeding those needed for their current jobs. Practically all of the underutilized workers (or about 98.5%) have high school diplomas and almost four-fifths (79%) have some college experience.

Marion-Hillsboro Labor Basin
Labor Availability Analysis

The Marion-Hillsboro Labor Basin encompasses portions of eight counties in central Kansas (see Map 1 on next page). The criterion used to include a county in this labor basin is whether it has a significant border adjacent to Marion County in which the towns of Marion and Hillsboro are located and/or whether the county contains communities that are sufficiently isolated (but with adequate transportation access) to suggest their residents would commute to the Marion-Hillsboro area for an employment opportunity.

The Marion-Hillsboro Labor Basin has a total population of approximately 218,212, and a Civilian Labor Force (CLF) of 114,628. There is an unemployment rate of 3.45%, but there is an ample supply of available labor to support a major new employer. The Docking Institute's independent analysis of this labor basin shows that, of the Civilian Labor Force, there are 8,673 workers and non-workers (7% of the CLF) who are looking for new or different employment, and 32,823 (28% of the CLF) who would consider new or different employment for the right opportunity.

See Map of the Marion-Hillsboro Labor Basin on the Next Page


MAP 1
The Eight Counties of the Marion-Hillsboro Labor Basin
Dickinson
N
Saline
81
70
Chapman
Solomon
Abilene
Salina
77
Morris
Herington
Council Grove
Marion County
Ramona
Lost Springs
Tampa
Lindsborg
Durham
Lincolnville
135
Lake
Marion
McPherson
Lehigh
56
Hillsboro
Marion
Cottonwood Falls
50
Marion County
Lake and Park
Inman
Moundridge
McPherson
Goessel
Florence
Peabody
77
Chase
Hesston
Burns
Halstead
50
Newton
35
Harvey
Sedgwick
Towanda
El Dorado
54
Augusta
77
Andover
Rose Hill
Douglass
Butler
Legend
Cities
Interstate
Counties
Highways
0 4.5 9 18 27 36
Miles
Created by Arthur T. Hammeke and Mike Walker
for the Docking Institute of Public Affairs
4/21/2003

The Civilian Labor Force

Traditional methods of assessing the dynamics of the labor force have concentrated on what the Bureau of Labor Statistics (BLS) calls the Civilian Labor Force (CLF). The CLF represents "all civilians 16 years of age and over classified as employed or unemployed," with unemployed civilians defined as civilians available for work and who had "made specific efforts to find employment" in the previous four weeks. The CLF for the Marion-Hillsboro Labor Basin is 114,628 workers.

While a review of CLF statistics represents the starting point for understanding the labor force in and around the Marion-Hillsboro area, there are some limitations associated with these statistics. These limitations occur because the CLF *excludes* individuals who may be willing and able to be gainfully employed but have not made specific efforts to find employment in the last four weeks. These individuals may include full-time students who do not work, homemakers, the unemployed who are no longer seeking employment, military personnel who may be leaving military employment in the near future, and retired individuals who may be willing to work but have not been looking for work recently.

In addition, most new employers draw their workforce from those who are presently employed, not those who are unemployed. As such, Census-based and BLS data (such as the CLF) does not address the possibility of workers moving from one industry to another in search of other/better employment opportunities. Relying solely upon CLF-type statistics can lead communities to be stereotyped as providing only certain types of workers to potential employers. For example, a labor basin might be classified as able to provide blue-collar employment only, while, in reality, the quantity and quality of workers might be sufficient to support the needs of non-professional service sector/information-based employers. In sum, aggregate CLF-type data simply cannot reveal detailed aspects of a labor pool that might be available for new employment opportunities.

Available Labor Pool

An alternative to the CLF is the "Available Labor Pool[1]." The Available Labor Pool is composed of workers categorized as either 1) currently employed (full- or part-time) *and* seeking other full-time employment, 2) currently retired and/or non-working in any manner *and* seeking employment, or 3) currently employed and not seeking a new job, *but* willing to consider different employment for the "right opportunity."

There are two key differences between the Civilian Labor Force and the Available Labor Pool. First, the Available Labor Pool methodology expands the pool of potential workers by including workers excluded from the CLF[2]. Secondly, the number of potential workers is then

[1] The Available Labor Pool includes potential workers excluded from the CLF (such as full-time students willing to take a job, homemakers who have not yet sought employment, military personnel who may be leaving military employment in the near future, and retired individuals who may be willing and able to be gainfully employed).

[2] The number that is added to the Civilian Labor Force is derived by taking from the survey the total number of full-time students, homemakers, military, retirees, and long-term unemployed, who state that they are seeking employment and are within a reasonable commute distance to the center of the labor basin, and dividing this number by the total number of respondents. This quotient is then multiplied by the total number of people in the labor basin who are 18 to 65 years old.

restricted to those workers who indicate they are looking for or are available for new employment. The advantage of this methodology is that it allows researchers to examine those members of the labor pool that have a propensity to consider a job opportunity given their employment expectations and a realistic potential to take a new job. Even with these restrictions, it should be noted that in practice, not all members of the Available Labor Pool would apply for a new job opportunity. However, the Available Labor Pool figure for a labor basin represents to planners and potential employers a much more solid number than Civilian Labor Force data and unemployment statistics upon which to base conclusions about potential labor. The Available Labor Pool for the Marion-Hillsboro Labor Basin includes 41,496 individuals. Planners may also be interested to know that the Available Labor Pool for Part-Time Employment Only is 19,229. This represents a substantial number of workers for employers to draw upon in the Hillsboro-Marion Labor Basin for part-time employees.

The Marion-Hillsboro Labor Basin's Available Labor Pool

This section assesses the characteristics of the Available Labor Pool in the Marion-Hillsboro Labor Basin by answering the following questions: 1) What proportion of the labor force—employed, unemployed, homemaker, military, student, and retired—would seriously consider applying for a new employment opportunity? 2) What types of considerations (pay, benefits, commuting distance) shape their decision-making? 3) What is the quality of those who would seriously consider a new employment opportunity? 4) What portion of those workers among the available labor pool are considered "underutilized " workers? and 5) What are some of the characteristics of those underutilized workers?

The percent of the study area population in the Available Labor Pool is derived from a random digit telephone survey of 631 employed and non-employed adults living in the Marion-Hillsboro Labor Basin. When all 631 respondents are included in the analysis, the survey findings have a margin of error of +/- 3.9%. The margin of error for subgroups is higher. Most of these analyses are based on a subgroup of respondents who were determined to be in the Available Labor Pool (see definition above). For these 245 respondents, the survey has a margin of error of +/- 6.26%. Please see the Methods section of this report for more details about the survey methodology used in this study.

Figure 1 (next page) shows that there is an Available Labor Pool in the Marion-Hillsboro Labor Basin of 41,496[3]. It is estimated that 2,298 non-employed[4] and 6,375 employed individuals are looking for new or different employment, while 5,394 non-employed individuals and 27,429 employed individuals would consider changing employment for the right opportunities.

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[3] The Available Labor Pool includes individuals that indicate that they are looking for or are available for full-time employment, and individuals that indicate that they are available for both full-time and part-time employment.

[4] The terms "non-employed" and "non-working" refer not only to official unemployed members of the Civilian Labor Force. These terms also include any non-employed/non-working full-time students, homemakers, retirees, and disabled individuals.

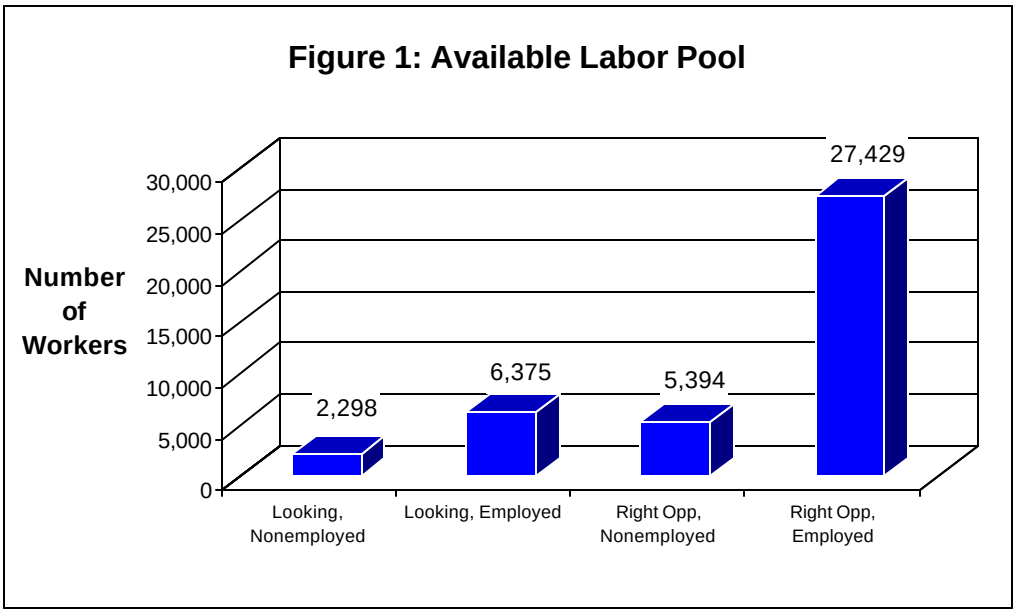


Table 1 shows the various occupational categories of the 41,496 members of the Available Labor Pool. Traditional blue-collar occupations represent about 42% of the Available Labor Pool, including 9,549 general laborers, 1,722 farm workers, and 2,686 technicians. Traditional service-related occupations represent about 41% of the Available Labor Pool, including 3,880 customer-service/clerical, 3,059 social service/paraprofessional workers, and 5,627 managers and sales operatives.

Table 1: Occupation of Available Labor

	Number	Percent
General Labor	9,549	23.0
Farm/Ranch Labor	1,722	4.1
Factory Worker/HEO	744	1.8
Technician/Mechanic	2,686	6.5
Gov't Service/Other BC	2,759	6.6
Customer Service/Clerical	3,880	9.3
Social Service/Para-Prof.	3,059	7.4
Management/Sales	5,627	13.6
Executives/Professionals	3,018	7.3
Arts/Other WC	759	1.8
Hmaker/Student/Unemp	4,044	9.7
Retired/Disabled	3,648	8.8
Total	41,496	100.0

Table 2 shows the gender, age statistics, and educational levels of the 41,496 member Available Labor Pool. About 51% are men, and the average age is about 45. The educational levels of the Available Labor Pool are very high. Almost three-quarters (71%) members have at least some college education, while almost all (96.7%) have at least a high school diploma.

Table 2: Age, Gender, and Education Level of Available Pool

Age			
	Age in 2002		
Average	45		
Median	44		
Gender			
	Number	Percent	
Female	20,250	48.8	
Male	21,246	51.2	
Total	41,496	100.0	
Highest Level of Education Achieved			
	Number	Percent	Cum. Percent
Doctoral Degree	92	0.2	0.2
Masters Degree	2,367	5.7	5.9
Bachelors Degree	8,657	20.9	26.8
Associates Degree	5,661	13.6	40.4
Some College	12,674	30.5	71.0
High School Diploma Only	10,688	25.8	96.7
Less HS Diploma	1,357	3.3	100.0
Total	41,496	100.0	

Turning to the Available Labor Pool for ***Part-Time*** Employment only, Figure 2 (next page) shows that an estimated that 1,555 non-employed and 1,895 employed individuals are looking for new or different ***part-time*** employment, while 4,494 non-employed individuals and 11,286 employed individuals would consider new or different ***part-time*** employment for the right opportunities.

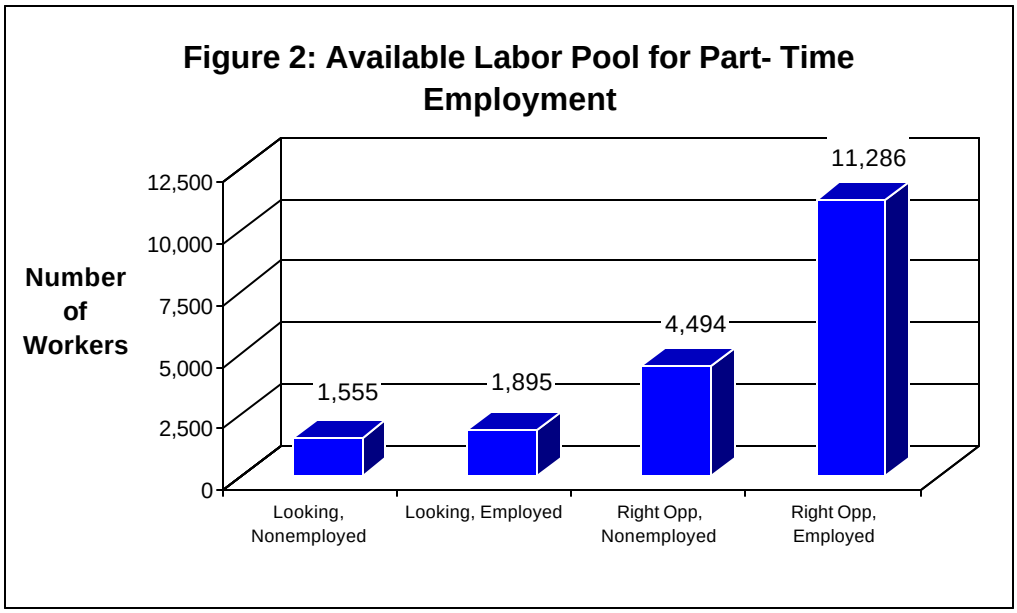


Table 3 shows the various occupational categories of the 19,229 members of the Available Labor Pool for Part-Time Employment[5]. Traditional blue-collar occupations represent about 26.5% of the Available Labor Pool for Part-Time Employment, including 2,798 general laborers, 402 farm workers, and 1,097 technicians. Traditional service-related occupations represent about 42% of the Available Labor Pool for Part-Time Employment, including 2,772 customer-service/clerical, 1,723 social service/paraprofessional workers, and 2,590 managers and sales operatives. Interestingly, more than 25% of the Available Labor Pool for Part-Time Employment is currently retired.

Table 3: Occupation of Available Part-Time Labor

	Number	Percent
General Labor	2,798	14.5
Farm/Ranch Labor	402	2.1
Factory Worker/HEO	31	0.2
Technician/Mechanic	1,097	5.7
Gov't Service/Other BC	768	4.0
Customer Service/Clerical	2,772	14.4
Social Service/Para-Prof.	1,723	9.0
Management/Sales	2,590	13.5
Executives/Professionals	940	4.9
Arts/Other WC	31	0.2
Hmaker/Student/Unemp	1,144	5.9
Retired/Disabled	4,936	25.7
Total	19,229	100.0

[5] The Available Labor Pool for Part-Time Employment in Figure 2 is 19,230. The total number in Table 3 is 19,229. The difference is due to rounding during extrapolation.

Table 4 shows the gender, age statistics, and educational levels of the 19,229-member Available Labor Pool for ***Part-Time*** Employment. Almost 58% are women, and the average age is about 51 (making the average year born 1951). When comparing these figures to those of the Available Labor Pool, it is suggested that the pool of workers available for ***part-time work***, is about six years older on average, and is made up of more females.

The educational levels of the Available Labor Pool for ***Part-Time*** Employment are high. More than half (52%) has at least some college education, while almost 94% have at least a high school diploma. These figures are not quite as high as with the Available Labor Pool, but still indicate an educated ***part-time*** workforce.

Table 4: Age, Gender, and Education Level (Available for Part-Time Employment)

Age

	Age in 2002
Average	51
Median	52

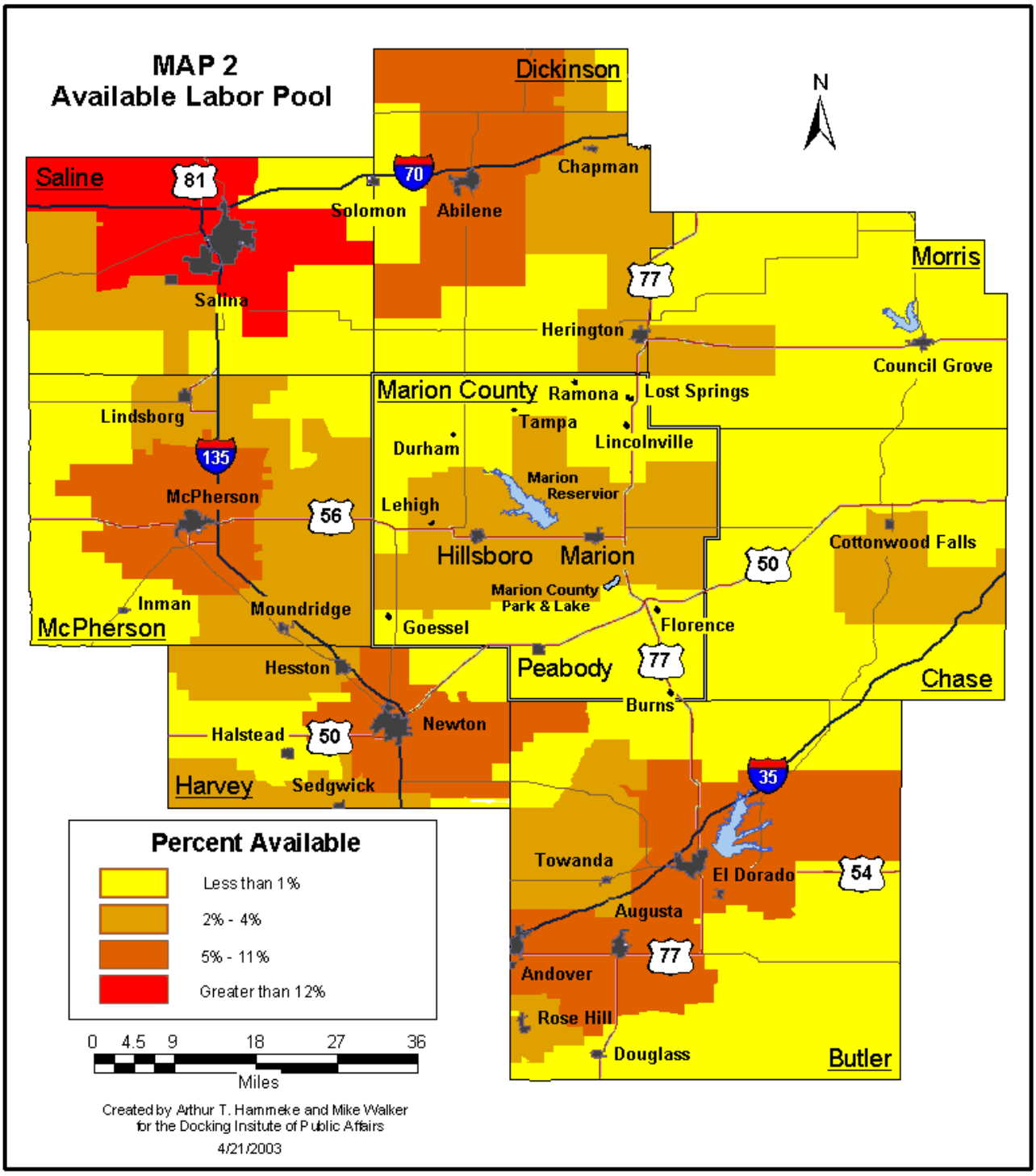
Gender (Part-Time Workers)

	Number	Percent
Female	11,095	57.7
Male	8,134	42.3
Total	19,229	100.0

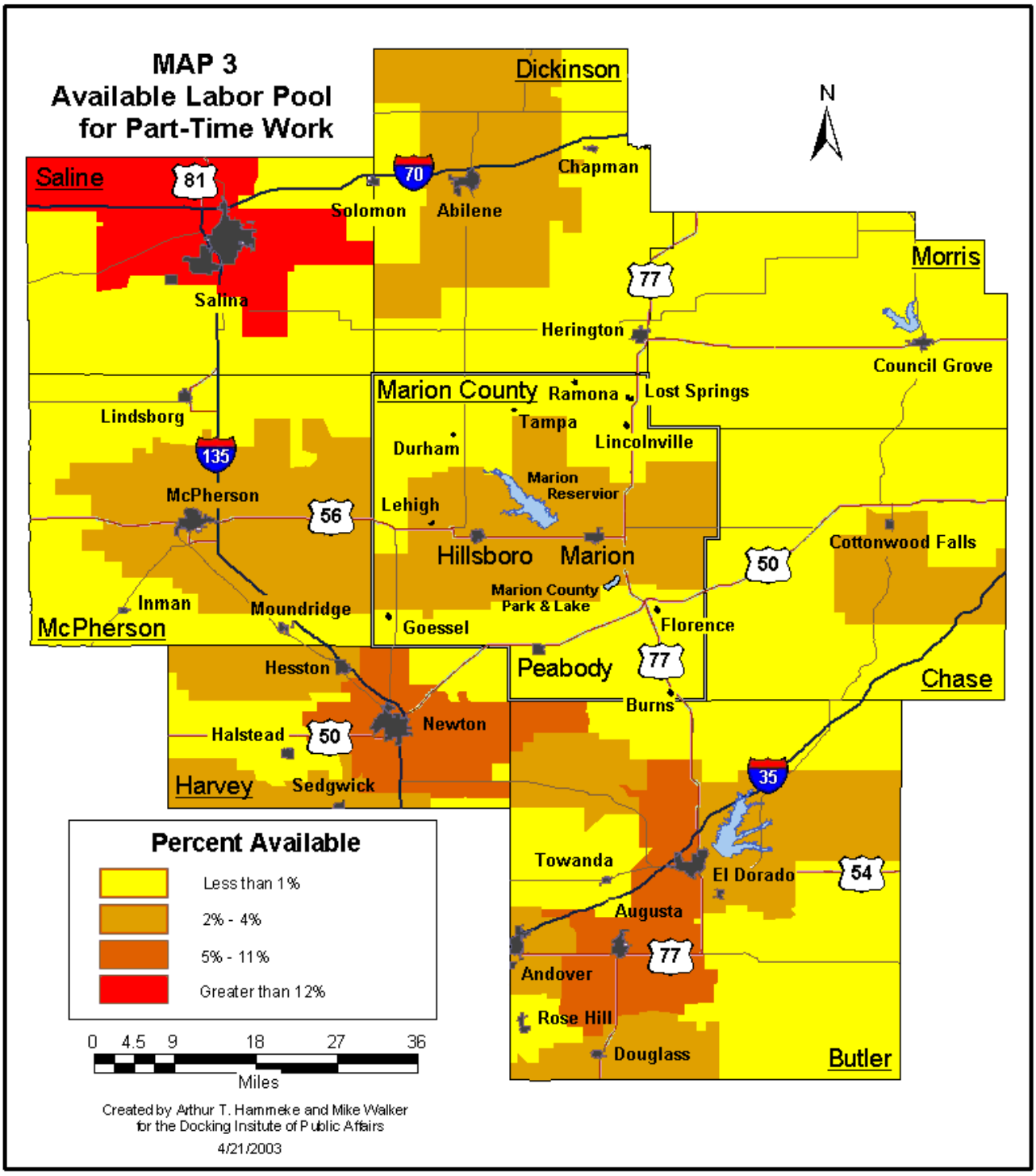
Highest Level of Education Achieved (Part-Time Workers)

	Number	Percent	Cum. Percent
Doctoral Degree	0	0.0	0.0
Masters Degree	908	4.7	4.7
Bachelors Degree	2,827	14.7	19.4
Associates Degree	2,752	14.3	33.7
Some College	3,523	18.3	52.1
High School Diploma Only	7,965	41.4	93.5
Less HS Diploma	1,254	6.5	100.0
Total	19,229	100.0	

Zip codes of respondents were used to map the Available Labor Pool. Map 2 shows how each zip code in the basin compares to all other zip codes in terms of percent of total available workers for a job in the Marion-Hillsboro Labor Basin. Each zip code is grouped into one of four categories specified in the key. Not surprisingly, the zip codes with the highest levels of available labor within the Marion-Hillsboro Labor Basin are located around Salina.



Zip codes of respondents were used to map the Available Labor Pool for ***Part-Time*** Employment. Map 3 shows how each zip code in the basin compares to all other zip codes in terms of percent of total available workers for a ***part-time*** job in the Marion-Hillsboro Labor Basin. Each zip code is grouped into one of four categories specified in the key.



An important consideration for many employers looking to locate or expand operations is whether workers are willing to pursue new employment opportunities. Some workers may be available for a new employment, but are unwilling to switch from their current job to a different type of position. If there are a large percentage of those unwilling to change their jobs, it limits the type of employers who can enter the labor basin. This is not the case in the Marion-Hillsboro Labor Basin. Figure 3 indicates that 85% of the Available Labor Pool, or 35,603 employed and non-employed individuals, are willing to accept positions outside of their primary fields of employment (for example, blue collar employment to service sector employment).

Figure 3: Willing to Work Outside of Primary Field

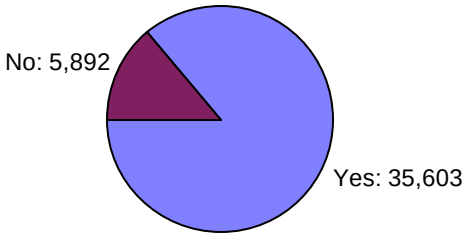


Figure 4 shows that a slightly higher percentage (almost 88%) of the Available Labor Pool for ***Part-Time*** Employment (or 16,864 employed and non-employed individuals), are willing to accept positions outside of their primary fields of employment.

Figure 4: Part-Time Willing to Work Outside of Primary Field

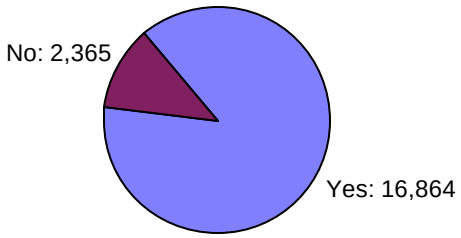


Figure 5 shows that most (about 68% or an estimated 28,341 individuals) of the Available Labor Pool indicate that they are willing to "travel to the Marion-Hillsboro area for a new employment opportunity." In addition, Table 5 and Figure 6 (next page) indicate that the Available Labor Pool in the Marion-Hillsboro Labor Basin is open to commuting.

Figure 5: Willing to Travel to the Marion-Hillsboro Area for Work

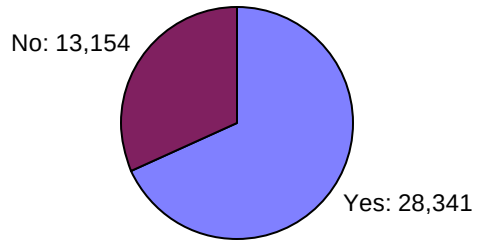
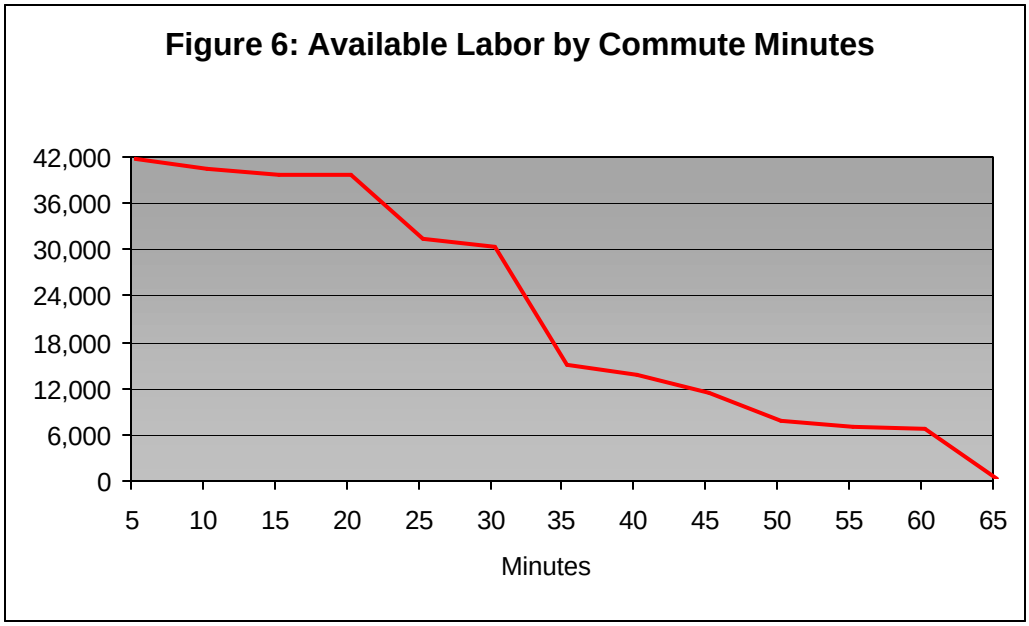


Table 5: Time Available Will Commute

	Number	Cumulative Percent
More than 60 Minutes	0	0.0
60 Minutes or Less	6,560	15.8
55 Minutes or Less	6,835	16.5
50 Minutes or Less	7,525	18.1
45 Minutes or Less	11,039	26.6
40 Minutes or Less	13,523	32.6
35 Minutes or Less	14,708	35.4
30 Minutes or Less	30,051	72.4
25 Minutes or Less	31,010	74.7
20 Minutes or Less	39,419	88.6
15 Minutes or Less	39,419	95.0
10 Minutes or Less	40,103	96.6
5 Minutes or Less	41,496	100.0



More than 90% of the workers in the Available Labor Pool will commute 15 minutes or less, one way, for an employment opportunity, and 72.4% (or about 30,051 individuals) will commute 30 minutes or less for employment.

Turning to the Available Labor Pool for ***Part-Time*** Employment, Figure 7 indicates that a smaller percentage (41%) (compared to the Available Labor Pool) is willing to travel to the Marian-Hillsboro area for employment. However, Figure 7 shows that almost 8,000 individuals are available for ***part-time*** work in the Marion-Hillsboro area.

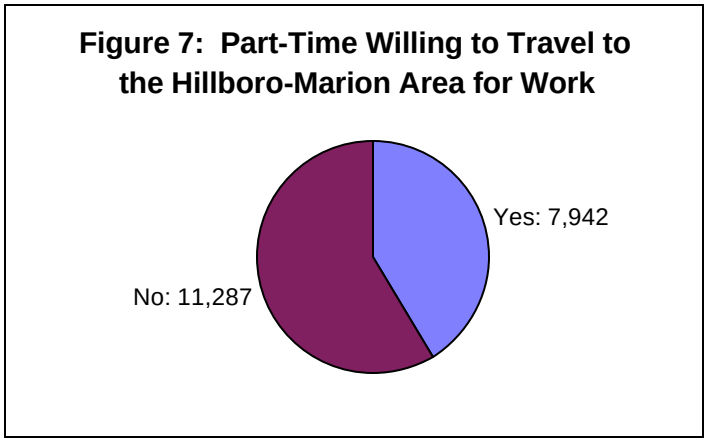


Table 6 and Figure 8 (on the next page) indicate that the Available Labor Pool for ***Part-Time*** Employment is open to commuting as well. Similar to the Available Labor Pool, about 90% of the workers in the Available Labor Pool for ***Part-Time*** employment will commute 15 minutes or less, one way, for an employment opportunity. A slightly lower percentage (65.3%) when compared to the Available Labor Pool will commute 30 minutes or less for employment.

Table 6: Minutes Part-Time Available Will Commute

	Number	Cumulative Percent
More than 60 Minutes	0	0.0
60 Minutes or Less	681	3.5
55 Minutes or Less	681	3.5
50 Minutes or Less	681	3.5
45 Minutes or Less	2,511	13.1
40 Minutes or Less	3,239	16.8
35 Minutes or Less	3,552	18.5
30 Minutes or Less	12,550	65.3
25 Minutes or Less	13,073	68.0
20 Minutes or Less	17,447	83.0
15 Minutes or Less	17,447	90.7
10 Minutes or Less	18,670	97.1
5 Minutes or Less	19,229	100.0

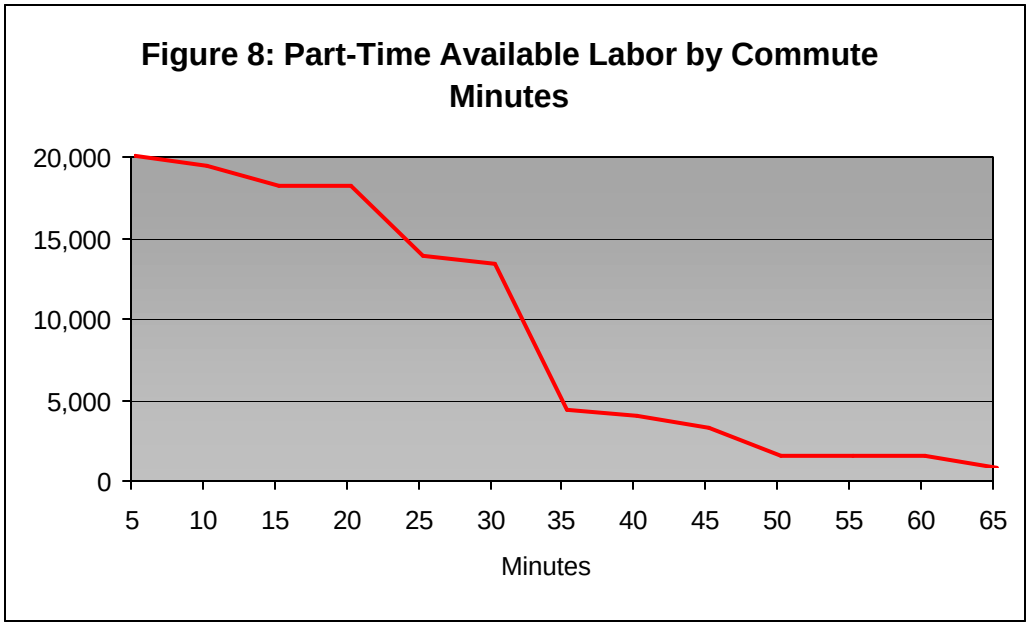


Table 7[6] shows various benefits affecting the decisions of workers and potential workers decisions to take a new or different job. The most important benefits are good salary and on-the-job training (85.8% each), followed by good retirement benefits (84.7%), good vacation benefits (84.3%), good health benefits (82.8%), and flexible hours (82%). The high percentage of respondents desiring flexible hours and on-the-job-training is somewhat unusual compared to similar labor basin studies. This suggests a couple of new benefits that Marion-Hillsboro employers might offer to attract potential employees.

Table 7: Benefit Very Important In Decision to Change Employment

	Percent Responding "Yes"
Good Salary	85.8
OJT or Paid Training	85.8
Good Retirement Benefits	84.7
Good Vacation Benefits	84.3
Good Health Benefits	82.8
Flexible Hours	82.0
Good Life Insturance Benefits	72.8
Good Education Benefits	62.4
Work Closer to Home	51.2
Transportation to Work	37.3
Work in Different Community	27.9
Assistance with Childcare	27.9

Figure 9 (on the next page) shows the wage demands of the Available Labor Pool. About 20,850 people (or about 50% of the available labor) would be interested in a job if offered $14.00 an hour. About 18,560 people, or 44% of the available labor, would be interested in a job at $12.00. Almost 13,040 people, or about 30% of the Available Labor Pool, would be interested in new employment at $10.00 an hour. About 3,500 people (or about 8% of the available labor) indicated interest in a new employment opportunity with a wage of $8.00 an hour.

[6] The responses shown in Table 7 are ***not*** mutually exclusive (i.e., respondents could answer “yes” or “no” to more than one question).

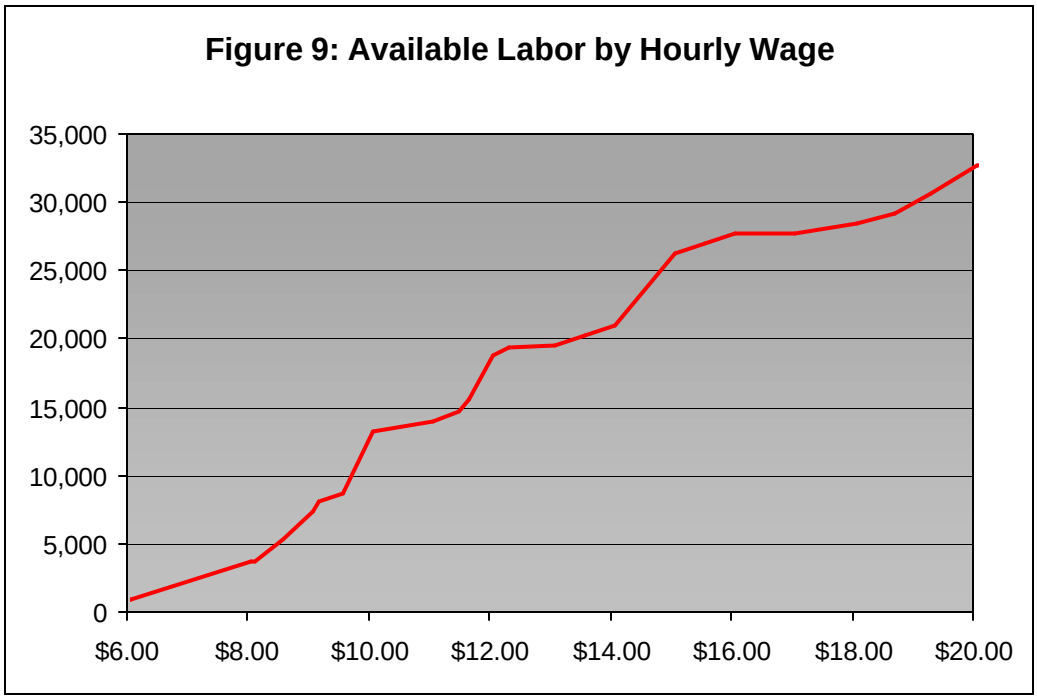


Table 8[7] shows various benefits affecting the decisions of workers and potential workers decisions to take a ***part-time*** job. The most important benefits for ***part-timers*** are flexible hours (91.8), followed by on-the-job training (81.7%), good vacation benefits (77.2%), good retirement benefits (74.3%), good salary (73.3%), and good health benefits (72.7%).

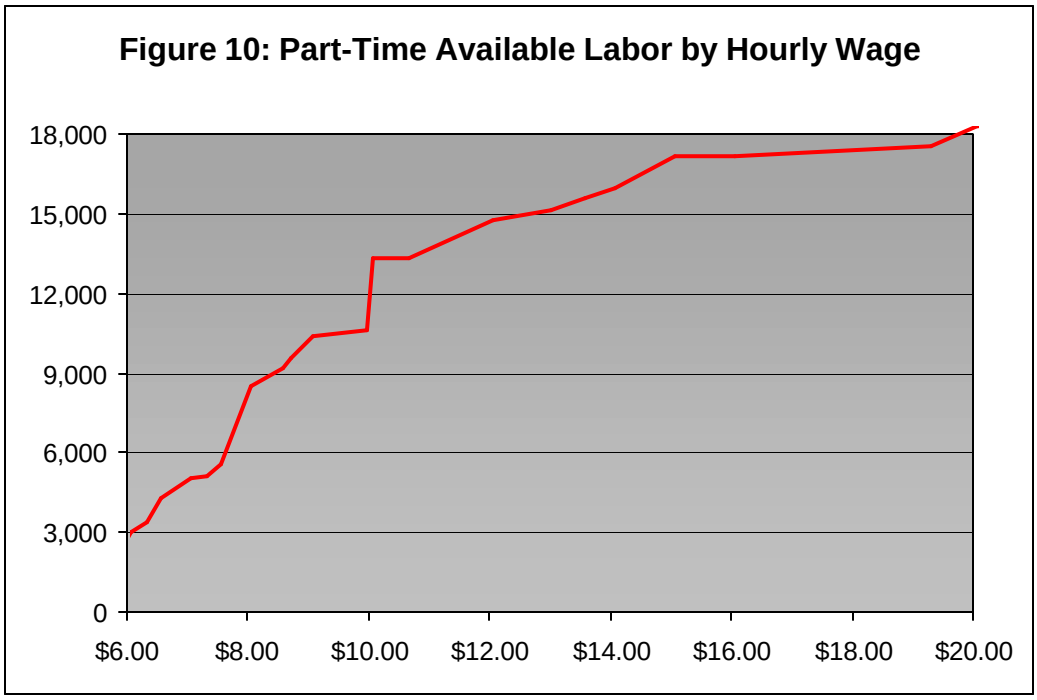
Table 8: Benefit Very Important for Part-Time Workers to Change Employment

	Percent Responding "Yes"
Flexible Hours	91.8
OJT or Paid Training	81.7
Good Vacation Benefits	77.2
Good Retirement Benefits	74.3
Good Salary	73.3
Good Health Benefits	72.7
Work Closer to Home	69.5
Good Life Insturance Benefits	69.2
Good Education Benefits	63.1
Transportation to Work	33.7
Work in Different Community	27.6
Assistance with Childcare	21.5

[7] The responses shown in Table 8 are ***not*** mutually exclusive (i.e., respondents could answer "yes" to more than one question).

Figure 10 shows the wage demands of the Available Labor Pool for ***Part-Time*** Employment. About 15,660 people (or about 80% of the available labor for ***part-time*** work) would be interested in a job if offered $14.00 an hour. About 14,460 people, or 75% of the available labor for ***part-time*** work, would be interested in a job at $12.00. Almost 13,025 people, or about 67% of the available labor for ***part-time*** work, would be interested in new employment at $10.00 an hour. About 8,208 people (or about 40% of the available labor for ***part-time*** work) indicated interest in a new employment opportunity with a wage of $8.00 an hour. Importantly, there are more individuals available for ***part-time*** work at the $8 per hour rate than there are for full-time employment at that rate (8,208 and 3,050, respectively).

Figure 10: Part-Time Available Labor by Hourly Wage



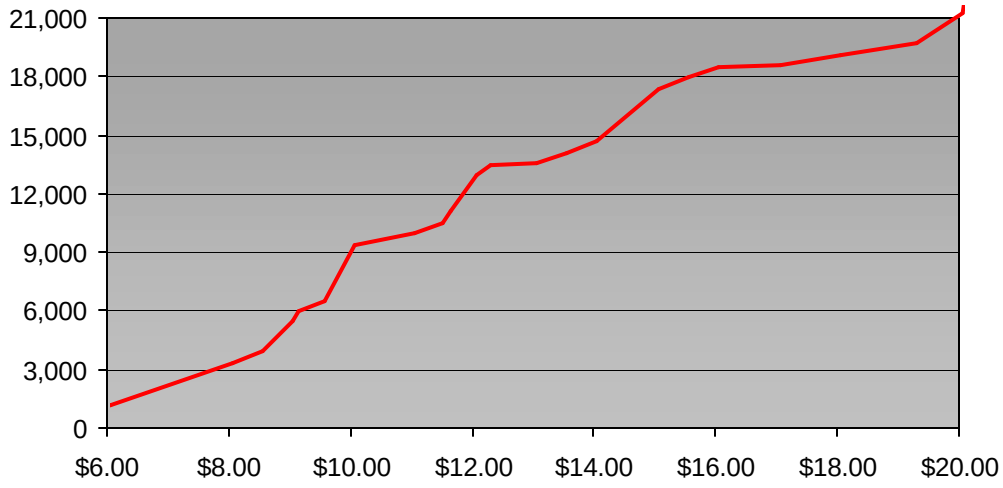
Blue Collar and Pink Collar Sector Scenarios for Available Labor Pool

To present an even more refined picture regarding the number of workers that would seriously consider a new employment opportunity, a number of factors are considered. These factors include commute time, desired wages, and willingness to change job fields. Specifically, the following analyses *excludes* those members of the Available Labor Pool who:

- Are unwilling to commute the necessary time from his/her community to the center of the labor basin.
- Have wage expectations exceeding $20.00 an hour.
- Are unwilling to change their primary field of employment (for example: service sector to blue collar).

Given these exclusions[8], Figures 11 and 12 (next page) suggest the number of employees that employers of unskilled and skilled blue-collar workers, and customer service and social service workers, might find available at given wage levels. The available labor for an unskilled and skilled blue-collar employer, for example, offering $14.00 an hour is about 14,035 workers. At $12.00 an hour the available labor is about 12,300 workers, at $10.00 an hour the available labor is almost 8,750, and at $8.00 the available labor is slightly less than 2,650 people.

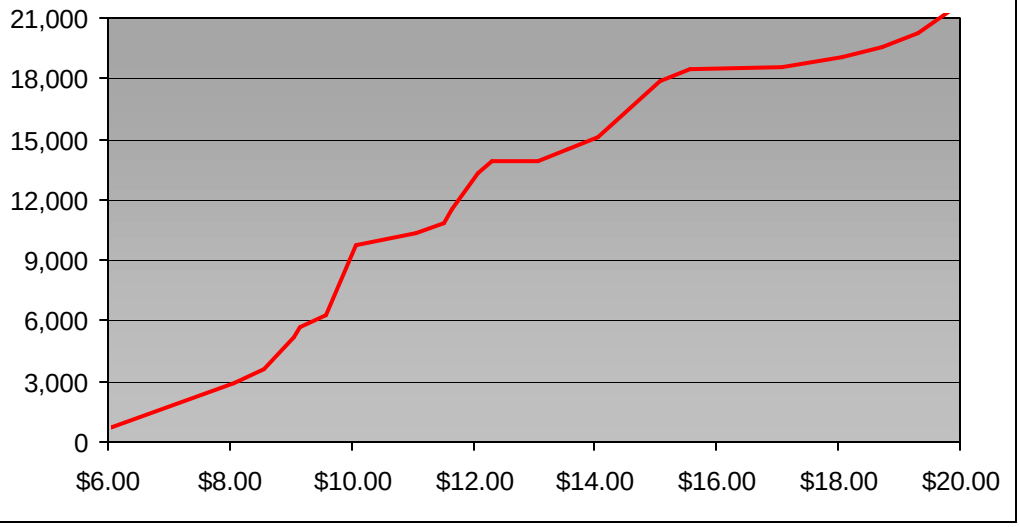
Figure 11: Available Labor for Employers of Semi-Skilled Blue Collar Workers by Hourly Wage



[8] In addition, certain professional occupations are excluded from the data presented in ***Figures 11 and 12***. These occupations include Doctors, Lawyers, Engineers, Professors, Machinists, Electricians and others that are highly skilled but are unlikely to transfer into lower-skilled Blue Collar (manual labor) and Pink Collar (service and support) occupations.

Figure 12 shows that for a service sector employer offering $14.00 an hour, the available labor is slightly more than 14,850 workers. At $12.00 there are about 13,120 workers available, at $10.00 an hour there are about 9,480, and at $8.00 there are about 2,700 people available.

Figure 12: Available Labor for Employers of Semi-Skilled Service Workers by Hourly Wage



Figures 13 and 14 (on the next page) show the available labor for highly skilled workers. Here, however, (in contrast to the information provide in footnote 8), occupations such as general laborers, general maintenance workers, clerks, cashiers, waitresses, and customer service workers are excluded form the analysis. It is assumed that these workers will have neither the skills nor the training necessary to transfer to a highly skilled white-collar or blue-collar job[9].

[9] In addition, it is assumed that the two groups of highly skilled workers presented in figures 13 and 14 will ***not*** be willing/able to transfer from one group to the other (i.e., from highly skilled white-collar professions to highly skilled blue-collar profession, and vice versa).

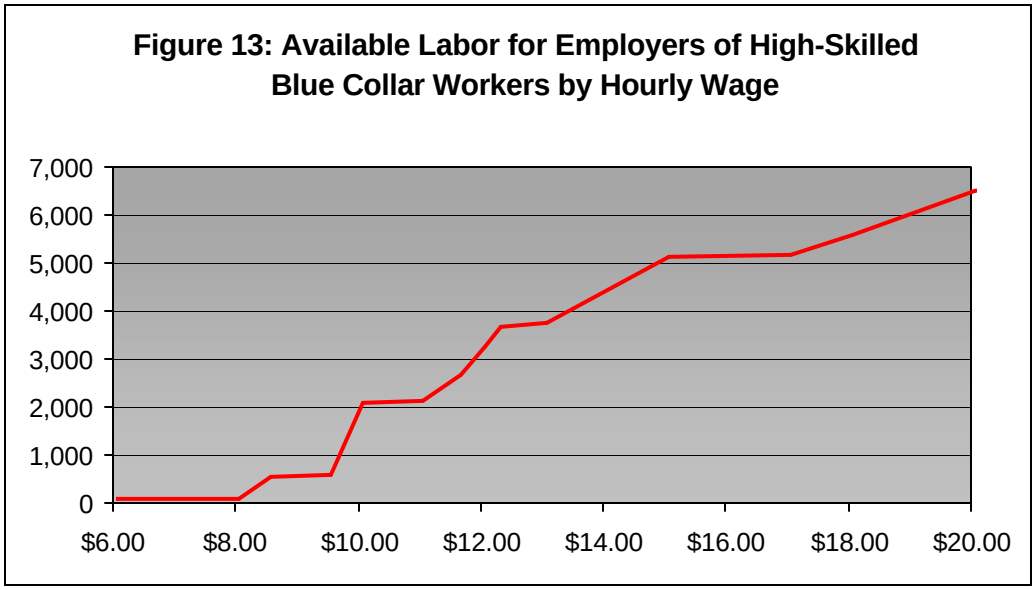
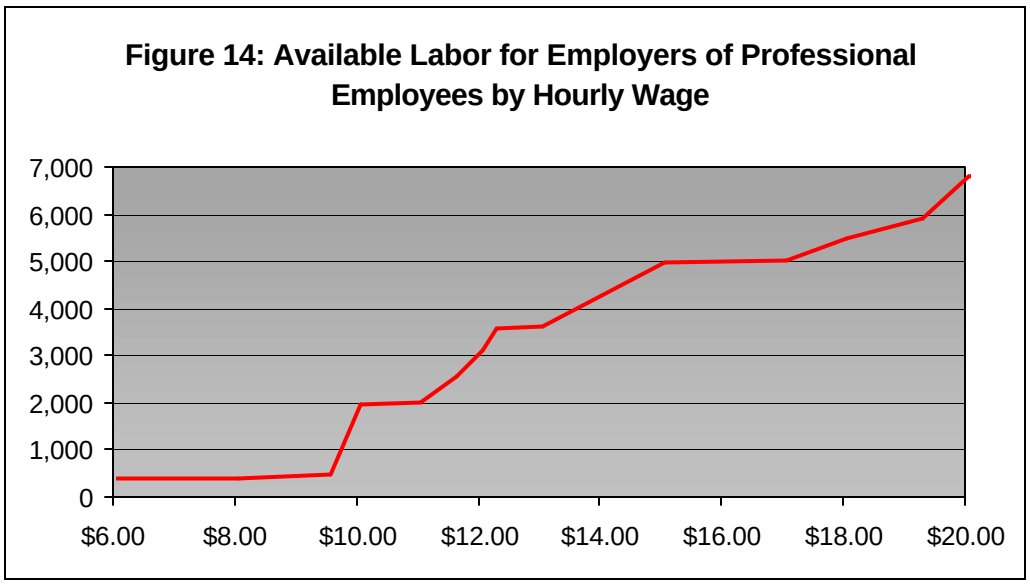


Figure 13 shows that an employer offering $18.00 an hour (or $37,440 per year) for highly skilled blue-collar workers, the available labor is about 5,555 individuals. At $16.00 per hour (or $33,280 or year) there are about 5,100 individuals available, and at $14.00 per hour (or $29,120 per year) there are about 4,200 individuals available.

For employers offering $18.00 an hour for highly skilled white-collar workers (Figure 14), the available labor is about 5,110 individuals. At $16.00 per hour there are about 4,650 individuals available, and at $14.00 per hour there are about 4,000 individuals available.



Blue Collar and Pink Collar Sector Scenarios for Available Labor Pool for Part-Time Employment

Figure 15 shows the ***part-time*** available labor for unskilled and skilled blue-collar employers offering $14.00 an hour is about 9,560 workers. At $12.00 an hour the available labor is about 9,200 workers, at $10.00 an hour the available labor is almost 8,080, and at $8.00 the available labor is slightly less than 5,120 people.

Figure 15: Part-Time Available Labor for Employers of Semi-Skilled Blue Collar Workers by Hourly Wage

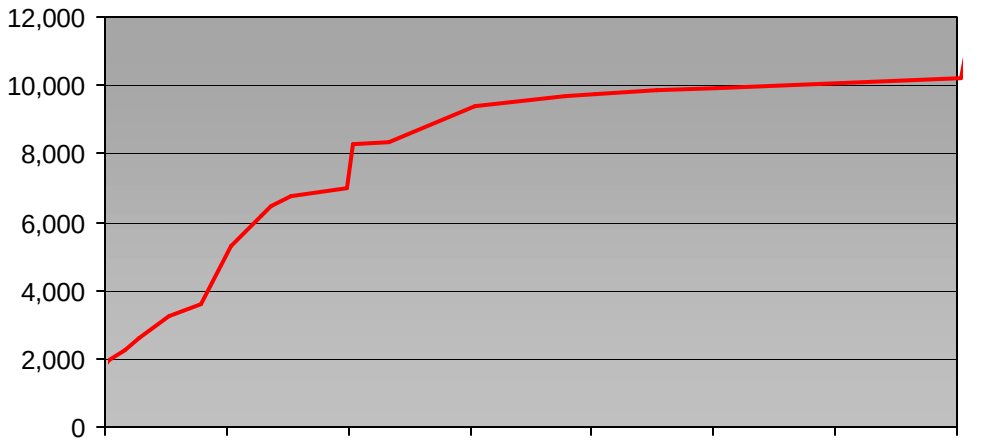
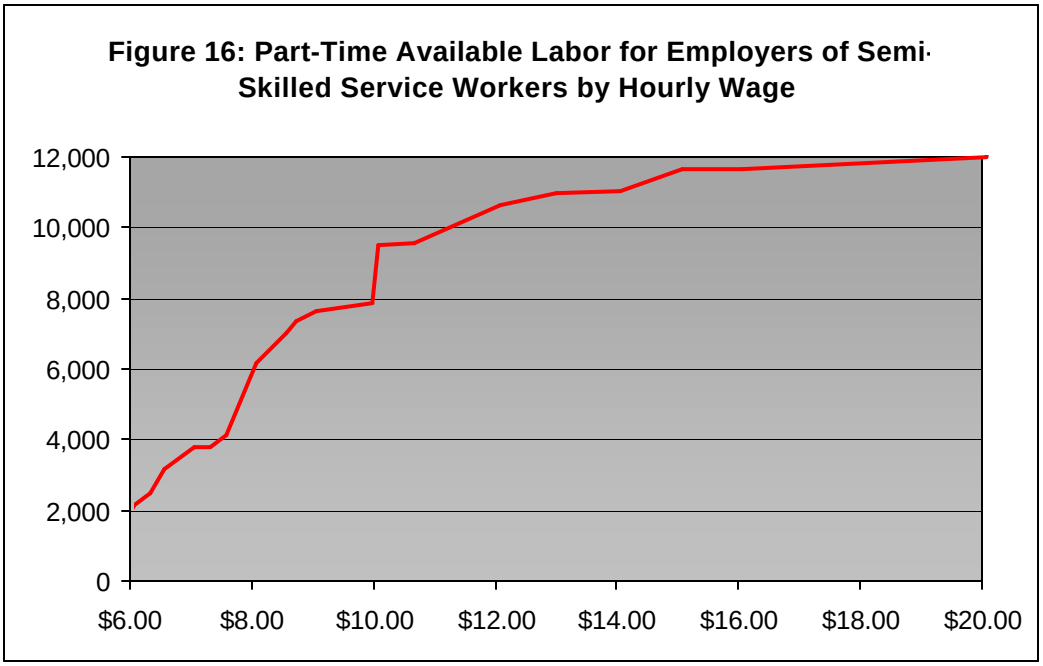
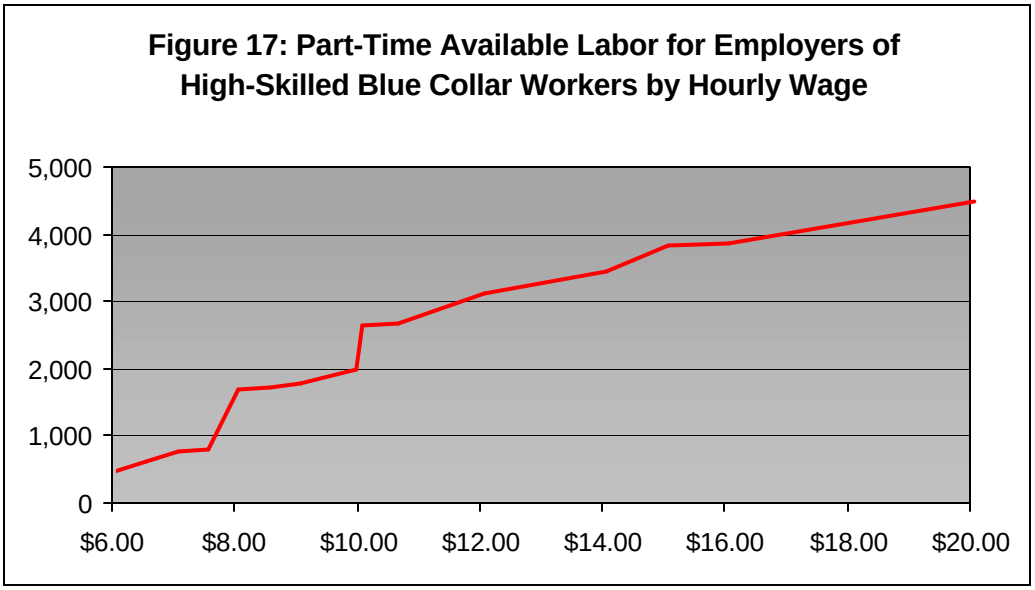


Figure 16 (next page) shows the ***part-time*** available labor for a service sector employer offering $14.00 an hour is slightly more than 10,950 workers. At $12.00 there are about 10,580 workers available, at $10.00 an hour there are about 9,450, and at $8.00 there are about 6,100 people available.



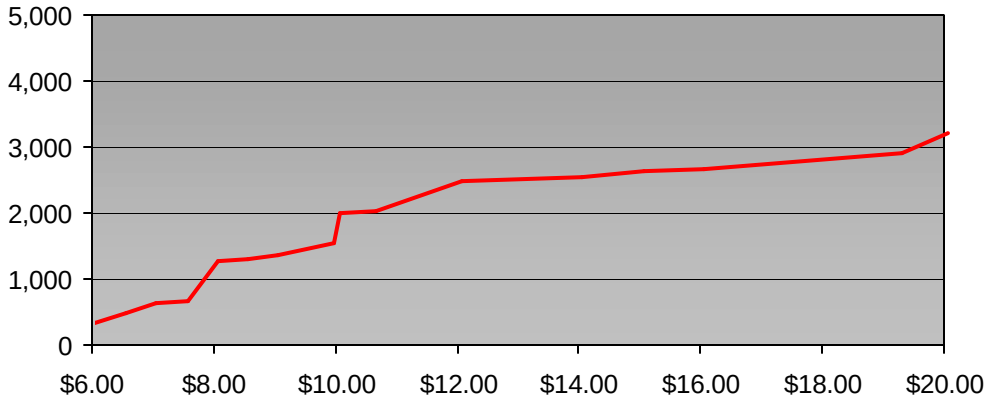
Figures 17 and 18 (on the next page) show the available labor for highly skilled workers. As before, occupations such as general laborers, general maintenance workers, clerks, cashiers, waitresses, and customer service workers are excluded from the analysis. It is assumed that these workers will have neither the skills nor the training necessary to transfer to a highly skilled white-collar or blue-collar job[10].



[10] In addition, it is assumed that the two groups of highly skilled workers presented in figures 17 and 18 will ***not*** be willing/able to transfer from one group to the other (i.e., from highly skilled white-collar professions to highly skilled blue-collar profession, and vice versa).

Figure 17 shows (previous page) that for an employer offering $18.00 an hour (or $37,440 per year) for highly skilled blue-collar workers, the available labor is almost 4,000 individuals. At $16.00 per hour (or $33,280 or year) there are about 3,600 individuals available, and at $14.00 per hour (or $29,120 per year) there are about 3,200 individuals available.

Figure 18: Part-Time Available Labor for Employers of Professional Employees by Hourly Wage



For employers offering $18.00 an hour for highly skilled white-collar workers (Figure 18 above), the available labor is about 2,700 individuals. At $16.00 per hour there are about 2,600 individuals available, and at $14.00 per hour there are about 2,400 individuals available.

Underutilization Among the Available Labor Pool

Underutilization — individuals possessing skills and/or training that exceeds the responsibilities of their current job — is a significant issue in many communities. To assess underutilization in the Marion-Hillsboro Labor Basin, ***working survey respondents*** were presented with a scenario describing underutilization. They were then asked a series of questions assessing if they perceived themselves as underutilized on the job because: their skill level was greater than their current job requires, they possess higher levels of education than is required on the job, they earned a higher income at a similar job previously, and/or they are unable to work full-time hours.

Figure 19 indicates that slightly more than half (or 19,832) answered "yes" to any of these questions, and consider themselves underutilized. Figure 20[11] shows the percentages of the positive responses (i.e., "yes" answers) to the various measures of underutilization. These figures show that many of the underutilized members of the Available Labor Pool consider themselves as possessing education levels exceeding those needed for their current jobs.

Figure 19: Underutilization of Workers

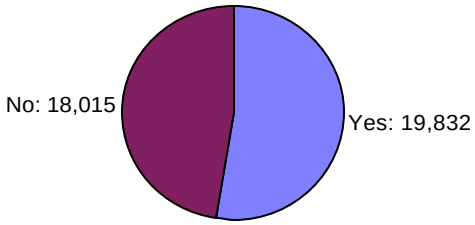
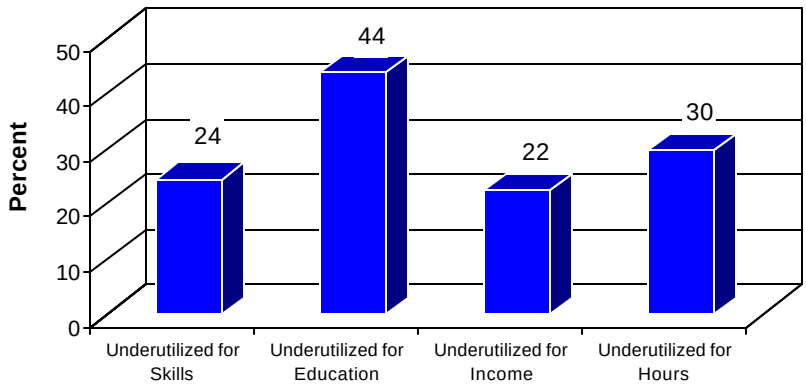


Figure 20: Reasons for Underutilization
(Percent of "Yes" Responses)



[11] The responses shown in Figure 20 are ***not*** mutually exclusive (i.e., respondents could answer "yes" to more than one question).

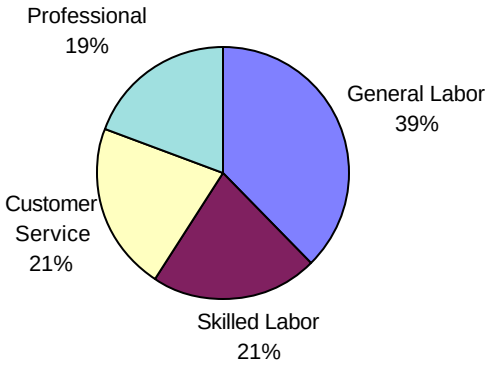
Table 9 and Figure 21 show some characteristics of the underutilized members of the Available Labor Pool. Table 9 indicates that the education level of the underutilized workers is high, with a substantial majority (79%) having at least some college education and almost all (98.5%) having high school diplomas.

Table 9: Highest Level of Education Achieved Among Underutulized

	Number	Percent	Cum. Percent
Doctoral Degree	56	0.3	0.3
Masters Degree	35	6.8	7.0
Bachelors Degree	4,835	24.4	31.4
Associates Degree	2,629	13.3	44.7
Some College	6,819	34.4	79.0
High School Diploma Only	3,864	19.5	98.5
Less HS Diploma	291	1.5	100.0
Total	19,832	100	

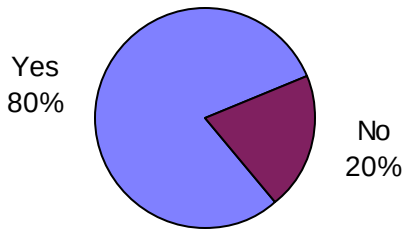
Figure 21 (below) suggests that the underutilized workers also tend to be currently employed in areas of strong demand, with 60% of the underutilized workers employed as general labor and skilled or semi-skilled blue-collar workers, and 40% are in customer service-related occupations and in professional positions.

Figure 21: Occupational Groups for Underutilized



Respondents indicating that they were underutilized were then asked a follow-up question addressing the willingness to change jobs in order for them to better utilize their skills and/or education. Figure 22 suggests that a large portion of the underutilized workers (about 80%) is willing to change jobs to address underutilization.

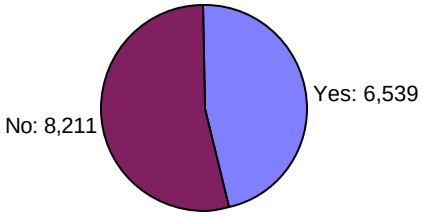
Figure 22: Willing to Change Job to Better Use Skills/Education



Underutilization Among the Available Labor Pool for Part-Time Employment

Turning to the Available Labor Pool for ***Part-Time*** Employment, Figure 23 shows that about 45% of the workers that indicate that they are available for ***part-time*** work (or 6,539) consider themselves underutilized. Figure 24[12] (next page) shows the percentages of the positive responses (i.e., "yes" answers) to the various measures of underutilization. These figures show that many of the underutilized members of the Available Labor Pool consider themselves as possessing education levels exceeding those needed for their current jobs.

Figure 23: Underutilization of Part-Time Workers



[12] The responses shown in Figure 24 are ***not*** mutually exclusive (i.e., respondents could answer "yes" to more than one question).

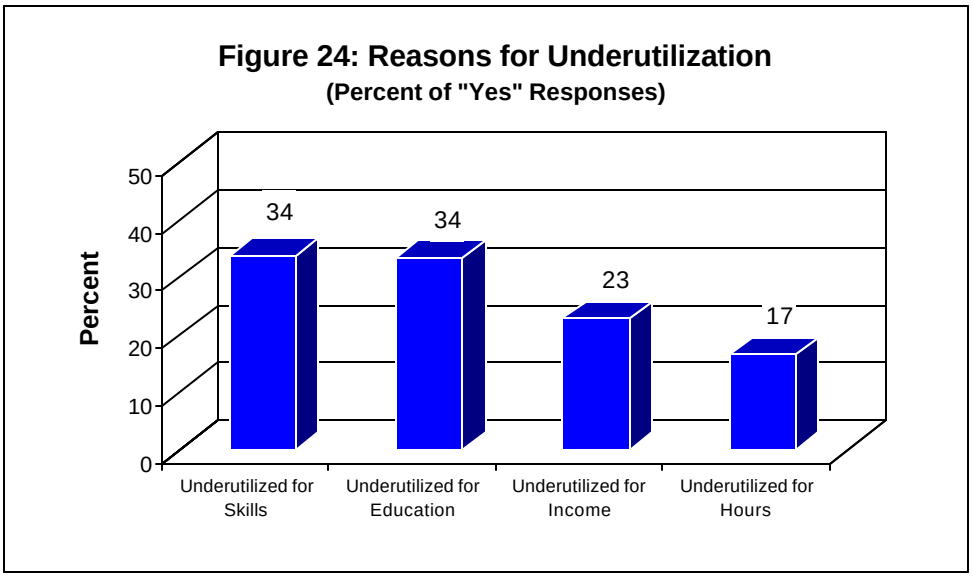


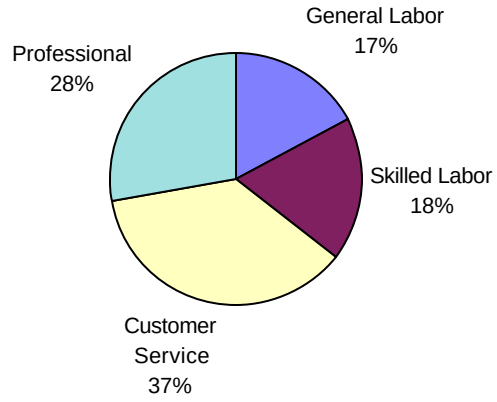
Table 10 and Figure 25 (next page) show some characteristics of the underutilized members of the Available Labor Pool for ***Part-Time*** Employment. Table 10 indicates that the education level of the underutilized workers is high, with substantial majority (73%) having at least some college education and virtually all (99.6%) having high school diplomas.

Table 10: Highest Level of Education Achieved Among Part-Time Underutulized

	Number	Percent	Cum. Percent
Doctoral Degree	0	0.0	0.0
Masters Degree	35	0.7	0.7
Bachelors Degree	1,598	24.4	25.2
Associates Degree	1,422	21.7	46.9
Some College	1,692	25.9	72.8
High School Diploma Only	1,755	26.8	99.6
Less HS Diploma	24	0.4	100.0
Total	6,539	100	

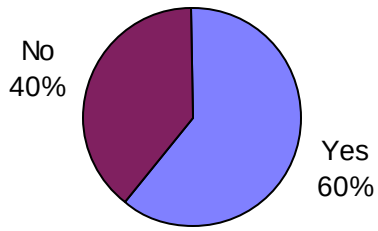
Figure 25 (next page) suggests that the underutilized workers also tend to be currently employed in areas of demand, with 35% of the ***part-time*** underutilized workers employed as general labor and skilled or semi-skilled blue-collar workers, and 65% are in customer service-related occupations and in professional positions.

Figure 25: Occupational Groups for Part-Time Underutilized



Finally, ***part-time*** underutilized workers were asked a follow-up question addressing the willingness to change jobs in order for them to better utilize their skills and/or education. Figure 26 suggests that a large portion of the ***part-time*** underutilized workers (60%) is willing to change jobs to address underutilization.

Figure 26: Willing to Change Job to Better Use Skills/Education



Methodology

The findings from this study are based on a random digit telephone sample[13] of 631 adults living in eight counties in central Kansas. The survey was conducted from October 11, 2002, to November 14, 2002, using a Computer Assisted Telephone Interviewing (CATI) system. A total of 892 households were successfully contacted during the phone survey, and in 631 of these households an adult who is working, unemployed, or retired agreed to do the interview. This represents a response rate of 71%. As previously mentioned, the margin of error for the survey findings of the 631 respondents is +/- 3.90%. The margin of error for the Available Labor Pool is +/- 6.26%.

The study sponsors and Institute personnel agreed upon the survey items used, with the former identifying the study objectives and the latter developing items that were valid, reliable, and unbiased. Question wording and design of the survey instrument are the property of the Docking Institute. A detailed summary of the method of analysis used in this report can be found in Joseph A. Aistrup, Michael S. Walker, and Brett A. Zollinger, "The Kansas Labor Force Survey: The Available Labor Pool and Underemployment." *Kansas Department of Human Resources*, 2002.

[13] The telephone numbers for the sample were assembled by randomly generating suffixes, within specific area codes and prefixes. As such, unlisted numbers were included in this sample, minimizing the potential for response bias. Known business, fax, modem, and disconnected numbers were screened from the sample in efforts to reach households only (and to minimize surveyor dialing time).

Up to eight attempts were made to contact each respondent during three calling periods (10 AM to Noon, 2 PM to 4 PM, and 6 PM to 9 PM) relative to the appropriate time zones. Initial refusals were re-attempted by specially trained "refusal converters," which aided in the high response rate.