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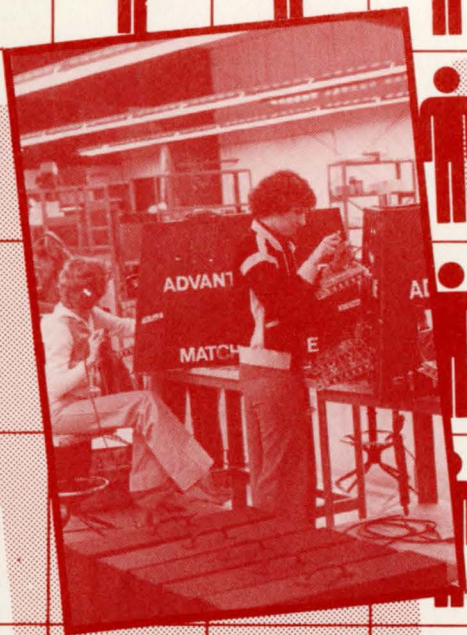
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South Dakotans at Work

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POPULATION UPDATE



South Dakotans at Work

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South Dakotans at Work

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The nation's industries—and the jobs associated with those industries—are being created, destroyed, or moved at an accelerating pace. The impact on the U.S. economy is large, and the western plains states of the North-Central Region have been particularly vulnerable to these changes.

In South Dakota the changes have been especially dramatic.

Total employment

Total employment in South Dakota increased by approximately 35% from 220,677 in 1960 to 297,856 in 1980.

However, the increase was not consistent throughout the working population. At the same time the number of male workers increased by 10%, the number of female workers increased by approximately 100%.

For males, the largest increases came in the industrial categories² of professional and related services and in finance, insurance, and real estate. Largest increases for women were also in professional and related services and in retail trade. By 1980 these two categories employed most of the working women in the state.

Most male workers, however, were still in agriculture and retail trade.

In comparison, total employment in the North-Central Region increased from 22 to 26 million (over 21%) between 1960 and 1980. Virtually all industrial categories gained numbers; only ag-forestry-fisheries declined. In terms of total regional employment in 1980, the largest categories were manufacturing, professional services, and retail trade.

Median income

For male workers in South Dakota, the median income³ for all occupational categories increased from \$3,444 in 1960 to \$11,281 in 1980 (Table 1a). Categories with the highest median income in 1980 were those including finance, insurance, and real estate (\$17,027), mining (\$15,639), and transportation, communications, and public utilities (\$15,680).

The income for female workers also increased substantially from 1960 to 1980, although the gains were far more modest (Table 1b).

Median income of women workers rose from \$1,467 to \$5,449 in the 20-year period. As of 1980, industries with the highest median incomes for

female workers were mining (\$10,919) and transportation, communications, and public utilities (\$9,109).

Median income figures by industrial category were not available for the North-Central Region for 1960. During the 70s, however, median income for all workers increased substantially, from \$6,448 to \$12,021. All industries saw increases. By 1980, the highest worker incomes were in mining (\$18,034); in transportation, communications, and public utilities (\$16,925); and in manufacturing (\$15,013). Lowest incomes were in personal services (\$5,007) and entertainment and recreation (\$5,220).

As of 1980 in the region, the fewest workers were employed in mining, entertainment and related services, personal services, business and repair services, and agriculture. The largest categories of workers were manufacturing and professional services.

South Dakota close-up

More important than the trends alone are the changes these shifts have brought to South Dakota.

Constant income estimates

While real wages increased in the 60s, they declined in the 70s.

Median incomes, converted into 1967 equivalent incomes, are shown in Table 2. Male workers, as a whole, made substantial

¹Funds for this research project were awarded by the North-Central Regional Center for Rural Development.

²"Industrial categories" are those designated by the U.S. Bureau of the Census.

³"Median income" is that point at which half of the population is below and half above the figure; it is not an average calculated by totalling all incomes and dividing by the number of workers.

Table 1a. Industry and earnings of total male South Dakota civilian labor force, by year.

	1960 (14 +)		1970 (16 +)		1980 (16 +)	
	Total workers	Median earnings	Total workers	Median earnings	Total workers	Median earnings
TOTAL	161,859	3,444	157,085	5,811	178,053	11,281
Agriculture, Forestry, and Fisheries	57,218	2,191	49,020	4,152	39,978	7,134
Mining	2,273	4,828	2,245	7,239	2,671	15,639
Construction	16,655	3,841	13,800	5,865	18,733	11,310
Manufacturing	13,265	4,718	13,525	7,360	19,629	13,287
Transportation, Communication, and Public Utilities	10,060	4,634	10,168	7,293	14,554	15,680
Wholesale Trade	7,002	4,372	7,472	7,100	11,255	13,402
Retail Trade	21,193	3,510	23,491	5,353	24,979	9,385
Finance, Insurance, Real Estate	3,775	5,789	4,759	9,302	6,268	17,027
Business and Repair Services	4,273	3,393	3,755	5,056	5,768	9,800
Personal Services	2,996	2,558	2,653	4,043	2,266	6,779
Entertainment and Recreation Services	1,079	1,448	1,094	1,978	1,342	5,569
Public Administration	7,793	4,779	8,381	7,653	10,077	12,790
Professional and Related Services	11,152	4,313	16,722	6,554	20,067	12,266

gains during the 60s (up from \$3,883 in 1960 to \$4,997 in 1970), and then lost ground in the 70s (down to \$4,571).

This pattern occurred in every industrial sector in the 60s. Only four (utilities, retail trade, entertainment, and recreation services) continued to increase in the 70s. However, these four exceptions accounted for only 24% of all male workers in 1980. Consequently, declines in real wages affected the industrial sectors employing most male workers in South Dakota.

Female workers, despite their growth in numbers, experienced similar fluctuations.

The median income for female workers rose substantially during the 60s (up from \$1,654 in 1960 to \$2,158 in 1970) and then stabilized (at \$2,208 in 1980).

Inflation-adjusted median incomes for women increased in all work sectors in the 60s. The 70s decade was more volatile; higher incomes in some sectors were balanced by losses in others. The higher-paying categories, however, accounted for only 17% of all female workers in 1980. The overwhelming majority of female workers lost ground economically in the 70s.

Stability of employment

In the 60s, most workers in South Dakota could be more or less optimistic about stable employment—working full-time, year-round. The figure wasn't 100% for every group, but it was improving.

In the 70s, stability took a turn downward. More jobs were part-time or temporary. Stability of employment⁴ increased from 77.6% to 78.2% for males from 1960 to 1970 and from 47.7% to

⁴“Stability of employment” is defined as the percentage of full-time, year-round workers to the number of all workers in a category.

53.6% for women (Table 3). However, by 1980 males had dropped back to 70.6% and females to 42.1%.

For males, 11 of the 13 categories for which information is available increased their level of work stability during the 60s. But by 1980, every category had experienced declines; several were severe. Three categories dropped over 10% in number of full-time workers, while nine had declines of between 5 and 10%.

Job stability for women experienced the same trends. The stability rate for every category but two increased during the 60s; it decreased in every category except one in the 70s. Eight of the 13 categories declined more than 10%, and four dropped between 5 and 10%.

Losses in job stability meant, among other things, layoffs or unemployment or part-time jobs without the benefits of health and retirement insurance.

Adequacy of median income

The median income of many categories of workers in South Dakota is near or below the poverty line. Half (or more) of all workers in the state are in economic distress.

Presented in Table 4 are "adequacy of median income" (AMI) values calculated to represent the degree to which the median income of a work category will keep an average family above the official poverty line.

Since the "poverty line" varies with size of family, an adequate income for an "average" worker was assumed to be one that would allow a worker to support an "average" family (one with two dependent children).

However, given the current divorce rate and the fact that so many women are now the sole providers for their families, it was necessary to establish two separate AMI values—one for males and one for females. A

Table 1b. Industry and earnings of total female South Dakota civilian labor force, by year.

	1960 (14 +)		1970 (16 +)		1980 (16 +)	
	Total workers	Median earnings	Total workers	Median earnings	Total workers	Median earnings
TOTAL	58,818	1,467	79,740	2,533	119,803	5,449
Agriculture, Forestry, and Fisheries	1,604	846	1,868	1,698	4,095	3,062
Mining	133	—	105	4,413	237	10,919
Construction	425	2,234	550	3,754	1,233	6,439
Manufacturing	2,926	2,199	4,471	3,313	10,306	6,689
Transportation, Communication, and Public Utilities	2,229	2,626	2,481	3,912	4,151	9,109
Wholesale Trade	1,144	1,828	1,518	3,215	2,774	6,459
Retail Trade	13,874	1,111	18,247	1,813	26,496	3,662
Finance, Insurance, Real Estate	2,670	2,312	3,764	3,567	7,664	7,073
Business and Repair Services	455	1,276	907	2,340	1,884	5,159
Personal Services	9,379	675	8,734	1,081	8,118	2,822
Entertainment and Recreation Services	543	732	797	1,239	1,051	3,351
Public Administration	3,320	2,902	4,181	4,173	7,271	7,734
Professional and Related Services	18,457	2,032	32,117	2,997	44,497	6,228

Table 2. Constant income estimates, by industry, year, and sex.

	1960 (14 +)		1970 (16 +)		1980 (16 +)	
	Male median earnings	Female median earnings	Male median earnings	Female median earnings	Male median earnings	Female median earnings
TOTAL	3,883	1,654	4,997	2,158	4,571	2,208
Agriculture, Forestry, and Fisheries	2,470	954	3,570	1,460	2,891	1,241
Mining	5,443	—	6,224	3,794	6,337	4,424
Construction	4,330	2,519	5,043	3,228	4,583	2,609
Manufacturing	5,319	2,479	6,328	2,849	5,384	2,710
Transportation, Communication, and Public Utilities	5,224	2,961	6,271	3,364	6,353	3,691
Wholesale Trade	4,929	2,061	6,105	2,764	3,803	2,617
Retail Trade	3,957	1,251	4,603	1,559	5,187	1,484
Finance, Insurance, Real Estate	6,526	2,607	7,998	3,067	6,899	2,866
Business and Repair Services	3,825	1,439	4,347	2,012	3,971	2,090
Personal Services	2,884	761	3,476	929	2,747	1,143
Entertainment and Recreation Services	1,632	825	1,701	1,065	2,256	1,358
Public Administration	5,388	3,272	6,580	3,588	5,182	3,134
Professional and Related Services	4,862	2,291	5,635	2,577	4,970	2,524

male worker needed an income sufficient to support a family of four (himself, a wife, and two children), while a female worker needed an income that would support a family of three (herself and two children).

A value of "1" indicates that the median income exactly equals the poverty line, not all that great in itself. A value of less than "1" indicates the family is below poverty level.

When the AMI values for the two decades are compared, it is clear that while the 60s represented a period of substantial gain for workers in South Dakota, the 70s were a period of economic consolidation or actual retreat.

From 1960 to 1970, the AMI values for both male and female workers increased substantially (from 1.14 to 1.46 for males and .64 to .84 for females). From 1970 to 1980 they either declined (down to 1.34 for males) or stabilized (at .85 for females).

For male workers, 12 of the 13 work categories showed substantial positive shifts in AMI values from 1960 to 1970. The AMI value of the thirteenth still increased, although only by a small amount.

Most AMI values had declined by 1980. In 10 of the 13 categories, they declined significantly. For the remaining three, AMI values increased substantially for one and remained essentially stationary for the other two.

All told, the work categories with significant AMI declines accounted for 90% of the total male labor force in 1980.

For female workers, the AMI pattern for the 60s was virtually identical to that of males; all 12 industries for which the Census Bureau provided information experienced positive shifts, and 11 showed significant increases.

However, women's AMI values departed from the trend during the 70s and became relatively stable. Eight of the 13 categories had only minor fluctuations, three experienced significant

declines, and two showed significant increases.

Since the work categories with declining AMI values represented a total of only 11% of all female workers in 1980, female workers were able to hold their own to a substantial degree during the hard times of the 70s.

This would be a somewhat optimistic finding if female workers were not consistently making far less than males in the same categories.

Summary

Will our future be altered by these changes in the South Dakota economy?

The economy of South Dakota did "grow" in the 60s and 70s (more workers were employed). However, the growth did not automatically translate into improvements in the personal economic circumstances of South Dakotans.

Male workers increasingly found it difficult to earn an income sufficient to support a family at a standard of living most Americans agree is a minimum ("above poverty"). Whether the difficulty is due to the inability to find full-time, year-round work or to the inability to maintain an income not consistently diminished by inflation, the average South Dakota male worker, as sole earner, may soon be unable to afford a family.

As bad as are the economic circumstances of the male workers, those of South Dakota female workers are worse. Regardless of the industry under consideration, female workers make far less than do males in similar work environments, have less opportunity to work full-time, and have less chance of earning enough to keep their families out of poverty.

And these trends seem destined to continue. As long as the growth in South Dakota's economy is in industries that rely

Table 3. Stability of employment, by industry, year and sex, percent.

	1960 (14 +)		1970 (16 +)		1980 (16 +)	
	Male	Female	Male	Female	Male	Female
TOTAL	77.6	47.7	78.2	53.6	70.6	42.1
Agriculture, Forestry, and Fisheries	85.2	56.4	85.4	76.3	81.4	53.9
Mining	81.0	—	82.2	72.4	73.5	82.7
Construction	55.5	56.7	64.8	72.2	57.2	39.9
Manufacturing	77.5	60.2	81.1	60.5	72.8	54.7
Transportation, Communication, and Public Utilities	79.8	69.6	81.7	66.8	75.3	61.7
Wholesale Trade	83.3	60.0	84.1	67.5	78.6	50.3
Retail Trade	77.0	48.7	72.9	52.2	62.1	32.6
Finance, Insurance, Real Estate	84.7	65.0	84.7	67.6	78.9	61.9
Business and Repair Services	72.5	58.2	73.8	49.2	65.9	38.0
Personal Services	65.4	38.6	68.9	47.5	56.3	29.2
Entertainment and Recreation Services	51.6	35.2	55.8	43.9	41.3	28.0
Public Administration	84.8	69.5	85.7	73.8	75.5	60.9
Professional and Related Services	70.1	39.3	67.0	45.3	61.6	37.7

heavily on female employees, the standard of living of the "average" South Dakotan stands little chance of improving radically.

As we plan for the future, we have two options. We can take the jobs the future hands us, or we can design our own economic growth and make the jobs we want. The first option gives us "jobs." The second gives us "good jobs." Either option involves decisions by individuals, the family, the community, and the state. The choice is ours.

Table 4. Adequacy of median income of South Dakota workers, by industry, sex of worker, and year (1 = poverty level).

	1960		1970		1980	
	Male	Female	Male	Female	Male	Female
TOTAL	1.14	.64	1.46	.84	1.34	.85
Agriculture, Forestry, and Fisheries	.72	.37	1.05	.57	.85	.48
Mining	1.60	—	1.82	1.47	1.86	1.71
Construction	1.27	.98	1.48	1.25	1.34	1.01
Manufacturing	1.56	.96	1.85	1.10	1.58	1.05
Transportation, Communication, and Public Utilities	1.53	1.15	1.84	1.30	1.86	1.43
Wholesale Trade	1.44	.80	1.79	1.07	1.59	1.01
Retail Trade	1.16	.49	1.35	.60	1.12	.57
Finance, Insurance, Real Estate	1.91	1.01	2.34	1.19	2.02	1.11
Business and Repair Services	1.12	.56	1.27	.78	1.16	.81
Personal Services	.85	.29	1.02	.36	.81	.44
Entertainment and Recreation Services	.48	.32	.50	.41	.66	.52
Public Administration	1.58	1.27	1.93	1.39	1.52	1.21
Professional and Related Services	1.43	.89	1.65	1.00	1.46	.98