

Employment Opportunity.—Increases in employment opportunity in alternative employment industries would be expected to affect the number of employees in the given industry in a manner similar to that of increases in wages in other industries. Increases in employment opportunity in other manufacturing industries should decrease employment in the industry of present employment. Growth in other industries that are complementary to a particular industry would be expected to positively affect employment in the industry. In the construction industry, employment increases are likely to occur as the number of jobs in other industries increases since this reflects overall expansion in the area's economy.

Number of Firms.—Changes in the number of manufacturing firms were used as predetermined variables in the manufacturing analysis. An increase in the number of firms in general would be expected to bring about an increase in employment.

AGRICULTURAL ANALYSIS

Estimates of the effects of each independent variable on agricultural employment follow. Equations (1.1) and (1.2) were estimated separately for the urban and rural groups of counties. Counties were excluded if no employment was reported in both 1960 and 1970. The estimates for the two-equation models used for agriculture are given in Tables 2 and 3 with each table presenting three equations for one of the two groups of counties.

Employment and Farm Numbers

Trends in agricultural employment during the decade of 1960 to 1970 were generally downward. Urban counties experienced about one-half the average decline per county in agricultural employment as rural counties. However, urban counties had considerably fewer agricultural employees. The number of farm firms per county declined for each group although relative differences were not as large as experienced in employment.

A decline in farm numbers would be expected to cause a decrease in the number of hired agricultural workers. Fewer, but larger, more efficient, and more mechanized farms would also reflect a decline in the number of farm operators and therefore agricultural employment. The effect of a decrease of one farm firm on agricultural employment was important in the rural counties.