

## Workforce Supply

- **Workforce Development Region 8 has a 36,130-strong available labor pool that includes 27,931 underemployed workers who are looking for better jobs, as well as 8,199 unemployed residents.**

The underemployed are willing to commute farther and longer for a better job. For the one-way commute, about 37.4 percent are prepared for 20 or more minutes longer and 28.9 percent will go 20 or more extra miles.

Labor Force	116,669
Employed	108,470
Underemployment rate	25.8%
Number of underemployed workers	27,931
Unemployed	8,199
<b>Available labor pool</b>	<b>36,130</b>

Note: Based on December 2012 labor force data.

Source: Center for Business and Economic Research, The University of Alabama and Alabama Department of Labor.

- **Average commute times and distances are down in 2012 from 2011 implying that congestion eased although it remains a concern.**

Continuous maintenance and development of the region's transportation infrastructure and systems is essential because impeding the mobility of workers and the flow of goods can slow economic development.

- **Region 8 has comparable educational attainment but faster population growth than Alabama.**

	Region 8	AL
Population growth, 2000-2010	9.5%	7.5%
<i>Educational attainment, age 25 and over</i>		
High School or higher	80.8%	81.9%
Bachelor's or higher degree	22.3%	22.0%

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

## Workforce Demand

- **Employment is expected to grow faster than labor force and population in the long term.**
- **By sector and in decreasing order, the five largest employers in the region provided 52,392 jobs (68.2 percent of the region's 76,876 total) in the first quarter of 2012.**

Industry	Employment	Share
Educational Services	12,801	11.7%
Manufacturing	11,223	14.6%
Retail Trade	10,666	13.9%
Health Care and Social Assistance	9,014	11.7%
Accommodation and Food Services	8,688	11.3%

Source: Alabama Department of Labor and U.S. Census Bureau.

- **On average 3,917 jobs were created per quarter from second quarter 2001 to first quarter 2012; quarterly net job flows averaged 437.**

Job creation is the number of new jobs that are created either by new businesses or through expansion of existing firms. Net job flows reflect the difference between current and previous employment at all businesses.

- **The 50 highest earning occupations earn a minimum mean salary of \$72,197 and are in management, health, postsecondary education, engineering, computer, and science fields. Seven of these do not require a bachelor's or higher degree. Four of the top 10 occupations are in management, three are in postsecondary education and two are in health.**

- **The top five high-demand occupations are:**

Secretaries, Except Legal, Medical, and Executive  
Nursing Aides, Orderlies, and Attendants  
Licensed Practical and Licensed Vocational Nurses  
Sales Representatives, Wholesale and Manufacturing,  
Except Technical and Scientific Products  
Accountants and Auditors

- **The top five fast-growing occupations are:**

Aircraft Structure, Surfaces, Rigging, and Systems  
Assemblers  
Aircraft Mechanics and Service Technicians  
Chemical Equipment Operators and Tenders  
Biological Technicians  
Personal and Home Care Aides.

- **Nine jobs are high-earning and in high-demand:**

Education Administrators, Postsecondary  
Pharmacists  
Computer and Information Systems Managers  
Industrial Production Managers  
Physical Therapists  
Medical and Health Services Managers  
Computer Programmers  
Management Analysts  
Occupational Therapists

- **The region has three occupations that are both fast-growing and in high-demand:**

Logisticians  
Occupational Therapists  
Physical Therapists

- **Only two occupations are high-earning, fast-growing, and in high-demand:**

Occupational Therapists  
Physical Therapists.

## Implications for Workforce Development

- From a 2010 base, worker shortfalls of 7,831 and 17,672 are expected for 2020 and 2030 respectively.

<i>Change from 2010</i>	2020	2030
Total population growth	9.5	18.0
Age 20-64 population growth	6.2	10.1
Job growth	13.9	27.5
Worker shortfall (percent)	7.7	17.3
Worker shortfall (number)	7,831	17,672

Source: Center for Business and Economic Research, The University of Alabama.

Thus, worker skills and the expected shortfall must be priorities through 2030, with heavy emphasis on the shortfalls in the long term. Worker shortfalls for critical occupations will also need to be addressed.

- **Strategies to address skill needs and the long term worker shortfall should aim at raising worker productivity and increasing labor force participation.**

Such strategies might include:

1. Improving education and its funding
2. Continuing and enhancing programs to assess, retrain, and place dislocated workers
3. Focusing on hard-to-serve populations (e.g. out-of-school youth)
4. Using economic opportunities to attract new residents
5. Facilitating in-commuting and reducing in-commuting
6. Encouraging older worker participation

- **Investment in education/training and skills development is crucial.**

Improving education is important because: (a) a highly educated and productive workforce is a critical economic development asset, (b) productivity rises with additional education, (c) more educated people are more likely to work, and (d) education yields high private and social rates of return on investment.

Publicizing both private and public returns to education can encourage individuals to raise their own educational attainment levels and also promote public and legislative support for education.

Higher incomes that come with improved educational attainment and work skills would help increase personal income for the region as well as raise additional local (county and city) tax revenues. This is important, especially for a region that has high population and labor force growth rates.

Of the region's 597 occupations, 19 are expected to decline over the 2010 to 2020 period. These occupations are expected to see a sharp decline of at least five percent. Education and training for declining occupations should slow accordingly.

- **Skill and education requirements keep rising. In the future, more jobs will require postsecondary education and training at a minimum.**

The importance of basic skills generally and for high-demand, high-growth, and high-earning jobs indicates a strong need for training in these skills.

The pace of training must increase for technical, systems, and two basic (science and mathematics) skills, while the scale of training is raised for basic and social skills.

Ideally, all high school graduates should possess basic skills so that postsecondary and higher education can focus on other and more complex skills.

Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- **Economic development should target high-earning industries and workforce development should ensure availability of workers for such industries.**

Economic development should aim to diversify and strengthen the Region 8 economy by retaining, expanding, and attracting more high-wage providing industries. This is necessary despite having three large employment sectors paying higher than average wages.

- **Workforce development and economic development can together build a strong and well-diversified Region 8 economy. Indeed, one cannot achieve success without the other.**

## State of the Workforce Report VII: Region 8 2012 Summary



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