ALABAMA WORKFORCE

The Changing Workforce in Alabama

What will the job outlook be in Alabama over the next decade? The Alabama Department of Industrial Relations, Labor Market Information Division has compiled data on projected future employment opportunities to assist the citizens of Alabama in their effort to obtain gainful employment.

In reviewing the information provided, please keep in mind your unique interests, qualifications and educational training goals. The key to successful employment decision making is the knowledge you obtain about upcoming trends in the job market. Hopefully this information will enable you to make informed and appropriate career choices.

National Population and Workforce Projections

The total civilian noninstitutional population 16 years of age or older in the United States was 233.8 millioni in 2008 with a labor force population of 154.3 millionii. By the year 2018, the civilian working age population is projected to increase to 258.9 millioni and the labor force is expected to climb to 166.9 millionii.

While women in the labor force are expected to increase annually by .9 percent from 2008 to 2018, men will only increase .7 percent per year. The labor force in 2018 is expected to be older and more diverse. It is projected that people 55 years and older will make up 23.9 percent of the labor force. This is an increase of 3.6 percent for the period. The Hispanic population should show varied rates of growth depending on the area of the country. By 2018, the Hispanic labor force is projected to reach 29.3 million, an increase of 33.1 percent over the period. Groups other than Hispanic are expected to grow only 4.0 percent over the periodii.

Older Workforce

As the baby boomer generation ages, the median age of the labor force is expected to rise from 41.2iii years of age to 42.3iii by the year 2018. About 63.5 percentii of the labor force will be 25 to 54 years of age as compared to 23.9 percentii of the labor force 55 and over. The 55 and older group is expected to grow the fastest among all age groups; 4.5 timesii the overall labor force. The subgroup driving this growth is 65 to 74 years of age with a 2.3 percentiv annual growth rate.

Entrants

New entrants into the U.S. labor force will account for over 20% of the total labor force during the 2008-2018 periods. Just fewer than 74.4 percent of these will be White, 24.5 will be Hispanic, 14.4 Black, and 7.5 Asian. Growth in the Hispanic share of the civilian labor force is expected to outpace other groups due to overall population growth including high birth rates,
larger numbers of immigrants, and the higher labor force participation rates of Hispanic men.

**Statewide Population and Employment Outlook**

The population in Alabama is expected to increase from just over 4.6 million in 2008 to close to 5.1 million by the year 2018. Industry employment in the state will increase over 10.5% for the period, for an annual average increase of 1.01 percent. Alabama’s economy is expected to provide an estimated 233,930 new jobs by 2018. Around 65% of all projected employment opportunities over the 10-year period will be due to employee turnover and retirements, and the remainder should be attributed to growth.

**Employment in Major Industries**

Net change is the difference between the 2008 and 2018 employment levels for the 10 year projection period. Percent change represents the share of net change to the 2006 employment level. Industries that provide services are expected to add 199,750 and this translates to an employment change of just under 12.5%. Within the Service Providing Group, Healthcare and Social Assistance is anticipated to have the most new jobs with 44,510. This is followed by Accommodation and Food Services with 23,640 additional jobs and Administrative and Support and Waste Management and Remediation Services with an addition of 22,620 openings by 2018. Industries that produce goods are anticipating 20,440 new jobs with 5% change in the employment level. In Goods Producing, Construction is expected to have 15,290 openings. The Manufacturing sector follows with a net change of 5,500 in employment. This small change in employment openings is due to the difference in Durable Goods with 17,260 and Nondurable Goods with a loss of 11,760 jobs through 2018.

**Employment by Occupation**

Total job openings represent openings due to growth as well as replacement needs due to attrition. Sales and Related Occupations are expected to provide the highest number of 10,825 total job openings per year through 2018 with 10,165. Annually, 2,425 openings are expected due to growth and the remaining 7,720 should be due to replacement. Office and Administrative Support Occupations follow closely with 9,855 total average annual openings and Food Preparation and Serving Related Occupations with 7,310. Office and Administrative Support Occupations expect 2,680 new job openings and replacement openings of 7,165. Food Preparation and Serving Related Occupations should expect 2,455 new and 4,855 replacement openings annually through 2018.

**Fastest Growing Occupations Alabama 2008-2018**

In terms of *high growth*, Healthcare Support Occupations are expected to grow the most, at an annual average rate of 2.11%. Computer and Mathematical Occupations are expected to grow an average 2.03% annually with 825 new jobs and 830 needed for occupational replacement.
Through 2018, half of Alabama’s top 25 fastest growing occupations are expected to be in either health related or computer related occupations. Of the top 25, Bill and Account Collectors are expected to have the smallest employment gain of just over 27%, from 2008 to 2018. Fifth on the fast-growing list, Home Health Aides is projected to add the greatest quantity of jobs over the period with 3,900, climbing from 10,530 in 2008 to 14,430 in 2018. Topping the fast-growing list is Veterinary Technologists and Technicians. This somewhat small occupation in the state with only 800 employees is expected to grow 47.5% over the period, adding 380 jobs.

Although fast growing occupations offer new employment opportunities because of growth, they may not provide the high number of annual job openings in comparison to high demand occupations.

Selected High Demand Occupations Alabama 2008-2018

Occupations classified as high demand are selected based on growth rate, annual openings, and wage criteria. Thirteen of the top forty occupations are health related. These occupations are Pharmacists, Physical Therapists, Registered Nurses, Dental Hygienists, Veterinarians, Medical and Public Health Social Workers, Medical Assistants, Pharmacy Technicians, Physical Therapist Assistants, Home Health Aides, Occupational Therapists, Dental Assistants, and Anesthesiologists. Of all the occupations on the entire list, Registered Nurses are expected to have the most openings with 1,525 per year. Six Computer and Mathematical Occupations met the high demand criteria and four appear at the top of the list; Computer Software Engineers, Applications, Network Systems and Data Communications Analysts, Computer Systems Analysts, and Computer Software Engineers, Systems Software. Applications Computer Software Engineers is the number one occupation overall on the high demand list with 190 average annual openings per year, but Computer Systems Analysts are anticipated to have the most openings for the Computer and Mathematical Occupations group with an annual average 380 jobs through 2018. Three of the occupations making the high demand list over the period are production occupations, which are high skilled occupations requiring an associate degree or less. These occupations include Welding, Solderers, and Brazing Machine Setters, Team Assemblers, and Aircraft Structure, Surfaces, Rigging, and Systems Assemblers. Of these three, Team Assemblers is expected to experience the largest number of average annual openings with 1,460.

Selected Declining Occupations Alabama 2008-2018

Occupations classified as declining are selected based on the net loss of jobs over the period and also a minimum of 10 percent decline through 2018. Half of the 20 jobs listed are Production Occupations, which are jobs directly involved in creating new goods. Sewing Machine Operators are number one on the declining list with a net loss of 1,760 jobs. Seven out of the 20 fastest declining jobs over the period are expected in Office and Administrative Support Occupations. These occupations include File Clerks, Order Clerks, Computer Operators, Switchboard Operators, Mail Clerks and Mail Machine Operators, Postal Service Mail Sorters, and New
Accounts Clerks. Of these office jobs, File Clerks are projected to decrease by 960 jobs over the 10 years indicated\textsuperscript{vii}. 


\textsuperscript{vii} Alabama Department of Industrial Relations, Labor Market Information Division, WIA Unit; Available from: http://www2.dir.alabama.gov/projections/default.aspx