

# The Geographic Distribution and Characteristics of Older Workers In Alabama: *a 2007 Update*

## LOCAL EMPLOYMENT DYNAMICS

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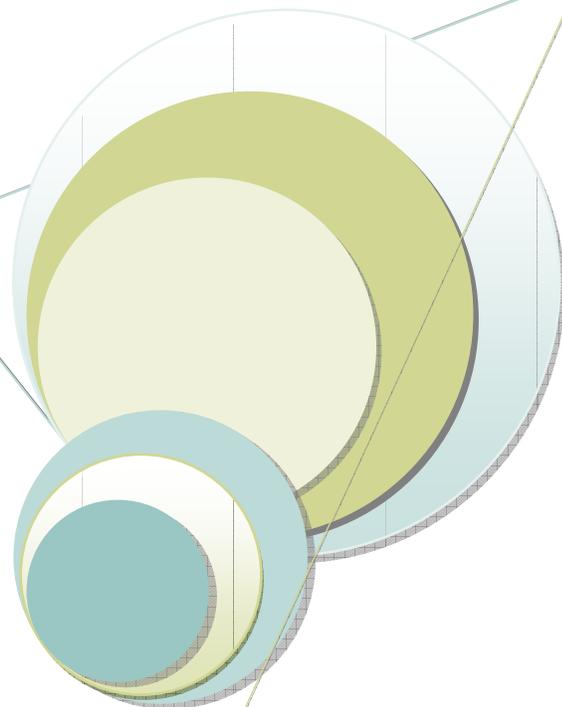
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## HIGHLIGHTS

The statistics about older workers in Alabama in 2007 show this group's proportion of the state's labor force has increased. Changes in the size and composition of age groups may affect government program and policy choices and the options available to businesses. National projections indicate that the population 65 and older will increase from about 1 in 8 people to 1 in 5 people by 2030, so that older workers will likely compose an increasingly larger proportion of each state's workforce.<sup>1</sup> Whether, and in what industries, the large wave of workers born during the Baby Boom of 1946 to 1964 are currently working may influence their labor force behavior beyond traditional retirement ages. That is important information for firms planning for the eventual loss of experienced workers and the payout of pensions. In 2007, the Baby Boom cohort was aged 43 to 61.

This report uses data from the Local Employment Dynamics (LED) program to show the geographic distribution and the economic dynamics among private sector workers 55 and older (also including some statistics on those aged 45 to 54). It includes comparisons among the counties (and county equivalents) and between metropolitan and nonmetropolitan areas of Alabama.<sup>2</sup>

This document has been updated by the Alabama Department of Industrial Relations, Labor Market Information Division. The original text as presented with 2004 data by the U.S. Census Bureau<sup>3</sup> has been maintained largely intact with the information refreshed using available 2007 data. For more information, please visit <<http://lehd.did.census.gov>>.

<sup>1</sup> U.S. Census Bureau, 2004. "U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin," <<http://www.census.gov/ipc/www/usinterimproj/natprojtabo2a.xls>>.

<sup>2</sup> The metropolitan and nonmetropolitan county classifications are based on Census 2000. For definitions of specific metropolitan statistical areas, see <<http://www.census.gov/population/www/estimates/metroarea.html>>.

<sup>3</sup> Taeuber, Cynthia and Matthew R. Graham, 2009. The Geographic Distribution and Characteristics of Older Workers in Alabama: 2004. LED Older Workers Profile, LED-OW04- AL. U.S. Census Bureau, Washington, DC.

## CHARACTERISTICS AND EMPLOYMENT DYNAMICS OF OLDER WORKERS

### Age Composition of the Workforce

•One in 5 individuals of the total workforce was 55 and older in 6 out of the 67 counties in Alabama during 2007.

•Statewide, 16.5 percent of workers were 55 and older. The five counties with the highest percentage of workers 55 and older were:

| County     | Percentage of Workforce |
|------------|-------------------------|
| Perry      | 22.1                    |
| Washington | 22.1                    |
| Macon      | 22.0                    |
| Henry      | 21.6                    |
| Coosa      | 21.6                    |

•Statewide, 3.5 percent of workers were 65 and older. The five counties with the highest percentage of workers 65 and older were:

| County  | Percentage of Workforce |
|---------|-------------------------|
| Perry   | 6.1                     |
| Pickens | 6.0                     |
| Macon   | 5.9                     |
| Coosa   | 5.3                     |
| Conecuh | 5.0                     |

•All counties in Alabama experienced an increase from 2001 to 2007 in percentage of workforce that was 55 and older, with the largest increase occurring in Perry County.

•Of the total workforce employed in metropolitan statistical areas, about 16.2 percent was 55 and older; and in nonmetropolitan area workplaces, the figure was 18.4 percent.

### Industry Sectors with the Highest Proportions of Older Workers in 2007

•Statewide, among industry sectors that employed 100 or more workers 55 and older, Educational Services (NAICS 61) had the highest proportion of workers in this age group. This sector had the highest percentage of workers 55 and older in 33 counties.

•Statewide, industry sectors with more than 20 percent of workers 55 and older that employed at least 100 or more workers from that age group were:

| Industry   | Percentage of Workforce |
|--|-------------------------|
| 61 Educational Services                          | 23.5                    |
| 21 Mining, Quarrying, and Oil and Gas Extraction | 22.2                    |
| 92 Public Administration                         | 21.3                    |
| 11 Agriculture, Forestry, Fishing and Hunting    | 20.8                    |

| Industry   | Percentage of Workforce |
|--|-------------------------|
| 81 Other Services (except Public Administration) | 20.5                    |
| 53 Real Estate and Rental and Leasing            | 20.2                    |

•In metropolitan statistical areas of the state, the industry sector that employed the largest percentage of workers 55 and older was Educational Services (NAICS 61), with 23.5 percent; the industry sector with the highest proportion of workers 65 and older was Other Services (except Public Administration) (NAICS 81), with 6.3 percent.

•In nonmetropolitan area work-places in Alabama, the industry sector that employed the largest percentage of workers 55 and older was Other Services (except Public Administration) (NAICS 81), with 25.2 percent. This industry sector also had the highest proportion of workers 65 and older, with 8.9 percent.

## Industry Sectors Most Likely to Employ Older Workers in 2007

•Of the workers in the state 55 and older, 15.3 percent were employed in Manufacturing (NAICS 31-33), the highest proportion for that age group of any industry sector in the state. This industry was ranked number one in 41 of 67 counties.

•Of the workers 55 and older in the state's metropolitan statistical areas, 14.2 percent were employed in Manufacturing (NAICS 31-33), the highest proportion for that age group statewide among industrial sectors.

•Of the workers 55 and older in the state's nonmetropolitan area workplaces, 22.5 percent were also employed in Manufacturing (NAICS 31-33), the highest proportion for that age group statewide among industrial sectors.

## Quarterly Job Gains and Losses in 2007

•On average, for workers 55 to 64 years old, 9,754 jobs were created quarterly and 12,612 jobs were lost quarterly. For workers 65 and older, the numbers were 3,734 and 5,471, respectively.

•The county with the largest share of job gains for workers 55 to 64 years old was Coosa County, with 17.8 percent. The largest share of job losses for such workers was in Choctaw County, with 23.1 percent.

•The county with the largest share of job gains for workers 65 and older was Pickens County, with 7.3 percent. The largest share of job losses for such workers was in Bullock County, with 11.7 percent.

•The industry sector with the largest gain in jobs for workers 55 to 64 years old was Retail Trade (NAICS 44-45), with an average of 1,242 jobs gained per quarter at the state level. The most jobs lost by that age group were in Manufacturing (NAICS 31-33), with an average of 1,843 jobs lost per quarter at the state level.

•The industry sector with the largest gain in jobs for workers 65 and older was Retail Trade (NAICS 44-45), with 506 jobs gained per quarter at the state level. The most jobs lost by that age group were also in Retail Trade (NAICS 44-45), with 772 jobs lost per quarter at the state level.

## Average Earnings of Older Workers in 2007

•Statewide, on average, workers 55 to 64 earned \$3,695 a month; workers 65 to 99, on average, earned \$2,485.

•Of industry sectors employing at least 100 workers 55 and older, the highest paying was Mining, Quarrying, and Oil and Gas Extraction (NAICS 21). Workers in that sector earned, on average, \$5,950 per month. The lowest paying was Accommodation and Food Services (NAICS 72). Workers in this sector earned, on average, \$1,555 per month. The following table shows statewide average monthly earnings in 2007 for full-quarter, private-sector wage and salary workers 55 to 64 and 65 to 99 by NAICS sector.

| Industry   | Earnings (\$) |       |
|--|---------------|-------|
|  | 55-64         | 65-99 |
| All NAICS Sectors                                | 3,695         | 2,485 |
| 11 Agriculture, Forestry, Fishing and Hunting    | 2,790         | 2,014 |
| 21 Mining, Quarrying, and Oil and Gas Extract    | 5,937         | 4,482 |
| 22 Utilities                                     | 6,259         | 3,172 |
| 23 Construction                                  | 3,959         | 3,091 |
| 31-33 Manufacturing                              | 4,137         | 3,225 |
| 42 Wholesale Trade                               | 4,617         | 3,141 |
| 44-45 Retail Trade                               | 2,552         | 1,753 |
| 48-49 Transportation and Warehousing             | 3,476         | 2,424 |
| 51 Information                                   | 462           | 2,592 |
| 52 Finance and Insurance                         | 5,144         | 3,746 |
| 53 Real Estate and Rental and Leasing            | 3,121         | 2,099 |
| 54 Professional, Scientific, and Technical Se    | 5,719         | 4,539 |
| 55 Management of Companies and Enterprises       | 4,938         | 3,872 |
| 56 Administrative and Support and Waste Mgt      | 2,497         | 1,669 |
| 61 Educational Services                          | 3,433         | 2,385 |
| 62 Health Care and Social Assistance             | 3,519         | 2,738 |
| 71 Arts, Entertainment, and Recreation           | 2,083         | 1,180 |
| 72 Accommodation and Food Services               | 1,669         | 1,267 |
| 81 Other Services (except Public Administration) | 2,625         | 1,663 |
| 92 Public Administration                         | 3,370         | 2,040 |

## Older Workers in Metropolitan Statistical Areas and in Nonmetropolitan Area Workplaces in 2007

•In metropolitan statistical areas, the five industry sectors with the largest percentage of workers 55 and older were:

| Industry   | Percentage of workers |
|--|-----------------------|
| 61 Educational Services                          | 24.0                  |
| 11 Agriculture, Forestry, Fishing and Hunting    | 20.9                  |
| 92 Public Administration                         | 20.5                  |
| 81 Other Services (except Public Administration) | 20.3                  |
| 53 Real Estate and Rental and Leasing            | 19.5                  |

•In nonmetropolitan area work-places, the five industry sectors with the largest percentage of workers 55 and older were:

| Industry   | Percentage of workers |
|--|-----------------------|
| 61 Educational Services                          | 24.9                  |
| 48-49 Transportation and Warehousing             | 23.0                  |
| 81 Other Services (except Public Administration) | 23.0                  |
| 92 Public Administration                         | 23.0                  |
| 52 Finance and Insurance                         | 21.5                  |

•In metropolitan area work-places, of industry sectors employing at least 100 workers that were aged 55 to 64, the highest paying sector for those workers was Utilities (NAICS 22). On average, this sector paid \$6,517 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid an average \$1,609 a month.

•In metropolitan area work-places, of industry sectors employing at least 100 workers ages 65 to 99, the highest paying for this age group was Professional, Scientific, and Technical Services (NAICS 54), which paid on average, \$4,668 a month. The lowest paying was Arts, Entertainment, and Recreation (NAICS 71), which paid on average, \$1,198 a month.

•In nonmetropolitan statistical areas, of industry sectors employing at least 100 workers ages 55 to 64, the highest paying for workers in this age range was Management of Companies and Enterprises (NAICS 55) which paid an average \$4,675 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid \$1,548 on average a month.

•In nonmetropolitan statistical areas, of industry sectors employing at least 100 workers ages 65 to 99, the highest paying for workers 55 and older was Management of Companies and Enterprises (NAICS 55) which paid an average \$2,959 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid \$1,174 on average a month.

**Table 1—Percentage of Workers by Age in Metropolitan Statistical Areas and Nonmetropolitan Area Workplaces in Alabama: 2007**

| Area of Workplace          | 45 - 54 years | 55 - 64 years | 65 - 99 years | 55 - 99 years |
|----------------------------|---------------|---------------|---------------|---------------|
| Alabama                    | 22.9          | 12.9          | 3.5           | 16.5          |
| <i>Metropolitan Areas</i>  |               |               |               |               |
| Anniston-Oxford, AL        | 21.8          | 12.8          | 3.5           | 16.3          |
| Auburn-Opelika, AL         | 19.9          | 11.3          | 2.9           | 14.2          |
| Birmingham-Hoover, AL      | 22.8          | 12.9          | 3.5           | 16.4          |
| Columbus, GA-AL (AL part)  | 23.8          | 13.8          | 3.3           | 17.1          |
| Decatur, AL                | 23.7          | 12.9          | 3.4           | 16.2          |
| Dothan, AL                 | 22.7          | 13.2          | 3.8           | 17.0          |
| Florence-Muscle Shoals, AL | 22.2          | 12.8          | 3.7           | 16.5          |
| Gadsden, AL                | 21.7          | 13.8          | 3.8           | 17.6          |
| Huntsville, AL             | 23.8          | 12.3          | 3.4           | 15.7          |

| Area of Workplace                             | 45 - 54 years | 55 - 64 years | 65 - 99 years | 55 - 99 years |
|---|---------------|---------------|---------------|---------------|
| Mobile, AL                                    | 23.1          | 12.9          | 3.6           | 16.5          |
| Montgomery, AL                                | 22.6          | 12.9          | 3.5           | 16.4          |
| Tuscaloosa, AL                                | 22.3          | 11.5          | 2.9           | 14.4          |
| <i>Metropolitan Areas</i>                     |               |               |               |               |
| Albertville, AL                               | 20.6          | 11.9          | 3.6           | 15.5          |
| Alexander City, AL                            | 23.5          | 14.1          | 4.0           | 18.1          |
| Cullman, AL                                   | 22.2          | 13.5          | 3.9           | 17.4          |
| Daphne-Fairhope-Foley, AL                     | 21.7          | 12.6          | 3.9           | 16.5          |
| Enterprise-Ozark, AL                          | 22.9          | 14.3          | 3.6           | 18.0          |
| Eufaula, AL-GA (AL part)                      | 22.3          | 13.6          | 3.5           | 17.1          |
| Fort Payne, AL                                | 21.2          | 12.1          | 4.0           | 16.1          |
| Scottsboro, AL                                | 22.8          | 13.6          | 3.3           | 17.0          |
| Selma, AL                                     | 26.3          | 15.1          | 3.9           | 19.0          |
| Talladega-Sylacauga, AL                       | 24.1          | 12.0          | 3.2           | 15.1          |
| Troy, AL                                      | 22.4          | 13.9          | 4.2           | 18.1          |
| Tuskegee, AL                                  | 22.5          | 16.2          | 5.9           | 22.0          |
| Valley, AL                                    | 25.1          | 15.5          | 3.6           | 19.1          |
| <i>All metropolitan areas</i>                 | 22.5          | 12.8          | 3.4           | 16.2          |
| <i>Nonmetropolitan, nonmicropolitan areas</i> | 24.3          | 14.4          | 4.0           | 18.4          |

**Figure 1—Alabama Workforce by Age Group: 2001 to 2007**

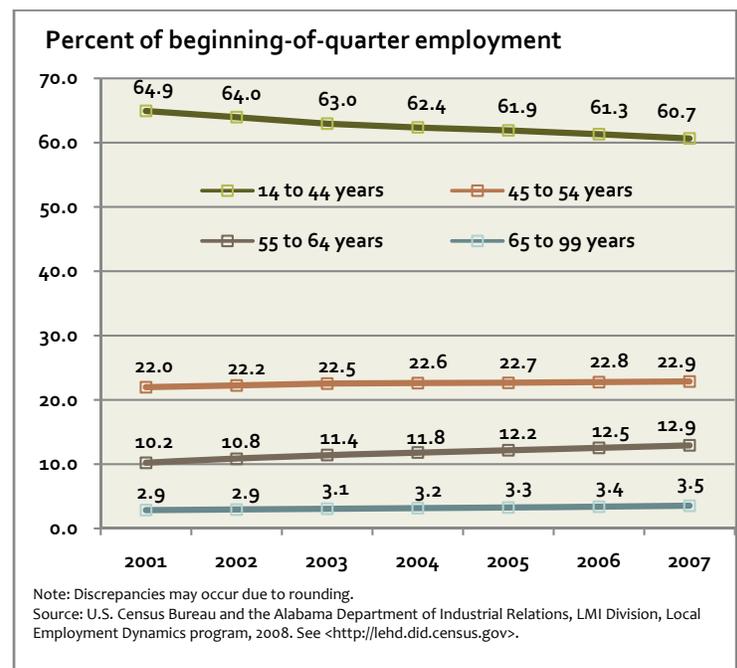


Figure 2—Percentage of Workers 45 to 54 Years Old by County of Workplace in Alabama: 2007

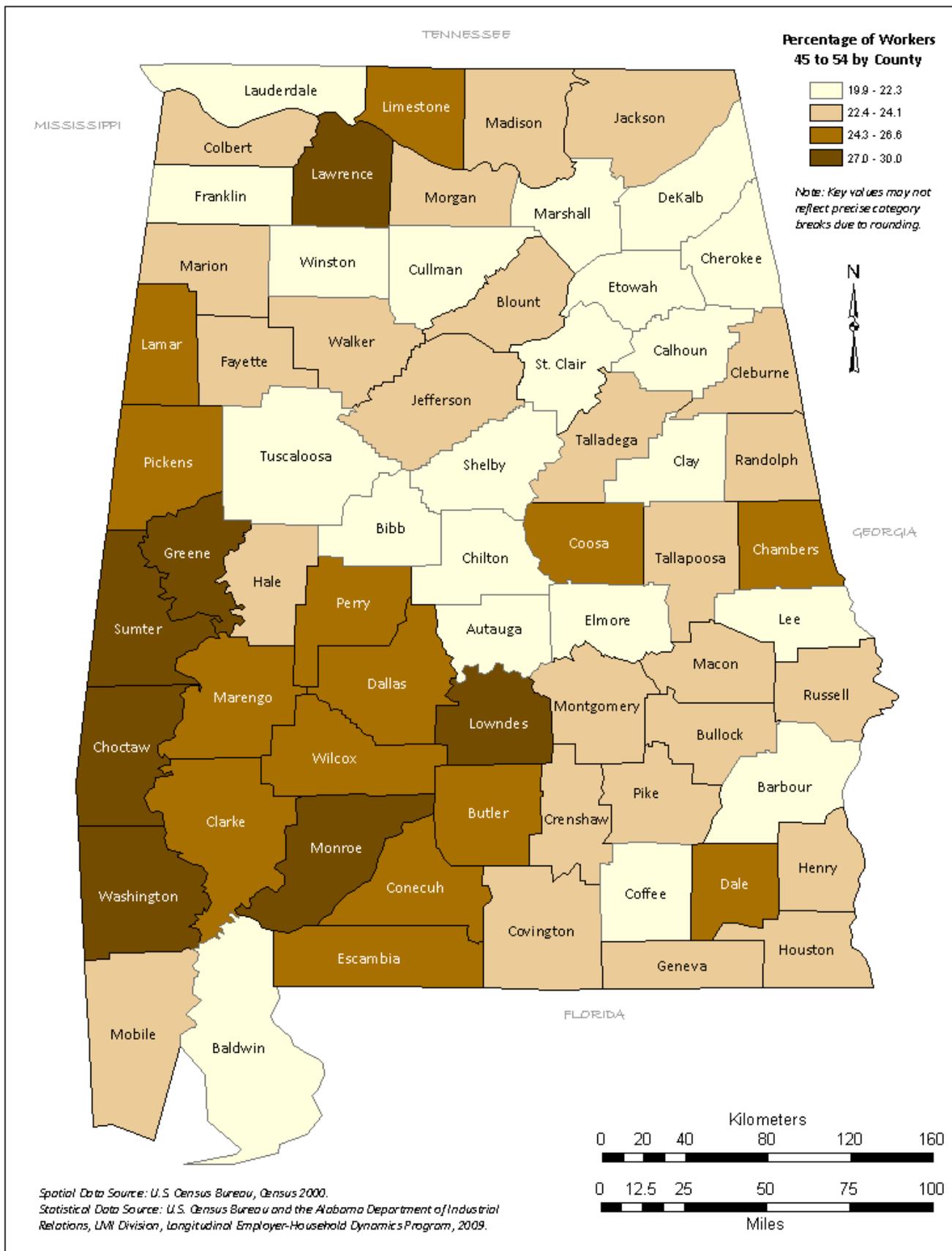
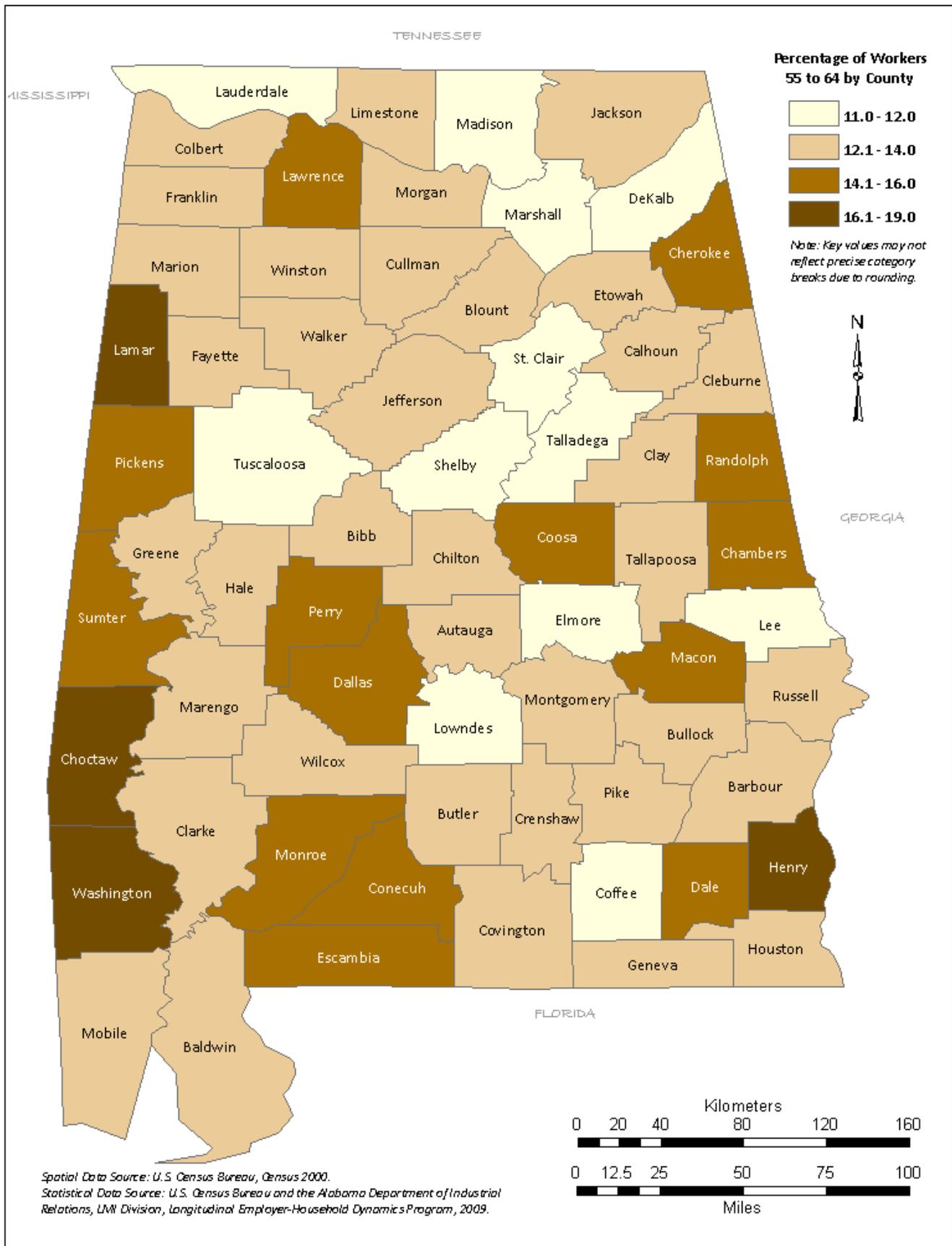


Figure 3—Percentage of Workers 55 to 64 Years Old by County of Workplace in Alabama: 2007





**Figure 5—Percentage Change in Number of Workers 55 and Older by County of Workplace in Alabama: 2001 to 2007**

