

## Workforce Supply

- **Workforce Development Region 6 has a 13,546-strong available labor pool that includes 8,124 underemployed workers who are looking for better jobs, as well as 5,422 unemployed residents.**

The underemployed are willing to commute farther and longer for a better job. For the one-way commute, 54 percent are prepared for 20 or more minutes longer and 51 percent will go 20 or more extra miles.

Labor Force	33,601
Employed	28,179
Underemployment rate	28.8%
Number of underemployed workers	8,124
Unemployed	5,422
<b>Available labor pool</b>	<b>13,546</b>

Note: Based on January 2011 labor force data.

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

- **Congestion has eased due to job losses; less people are traveling to work and both commute time and distance are down in 2010 from 2009.**

However, continuous maintenance and development of the region's transportation infrastructure and systems is still essential in the region. Impeding the mobility of workers and the flow of goods can slow economic development.

- **Region 6 has lower educational attainment and population growth than the state.**

Of the region's age 25 and over population, 75.2 percent were high school graduates and 14.2 percent held bachelor's or higher degrees in 2005 to 2009. For the state as a whole, 80.8 percent were high school graduates and 21.5 percent held bachelor's or higher degrees.

The region's population declined 4.4 percent from 1990 to 2000, compared to 10.1 percent growth for the state. From 2000 to 2010 population declined by 7.2 percent for Region 6 while Alabama's population grew at 7.5 percent. Decline of the prime working age group (20-64) and youth (0-19) will be deeper than that of the total population through 2025, as the 65 and over population increases rapidly.

## Workforce Demand

- **Employment is currently growing faster than the labor force and population.**
- **By sector and in decreasing order, the region's five largest employers are manufacturing, health care and social assistance, educational services, retail trade, and public administration.**

These five sectors provided 19,850 jobs, about 72 percent of the regional total, in the first quarter of 2010. Two of these leading employers—manufacturing and educational services—had wages that were above the region's average monthly wage of \$2,620.

- **On average about 1,700 jobs were created per quarter from second quarter 2001 to first quarter 2010; quarterly net job flows averaged 61.**

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 are mainly in management, health, engineering, public administration, and education fields and have a minimum salary of \$47,474. Eighteen of these do not require bachelor's or higher degrees. Six of the top 10 occupations are in management and four are in health.**

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

Child Care Workers  
 Combined Food Preparation and Serving Workers, Including Fast Food  
 Correctional Officers and Jailers  
 Elementary School Teachers, Except Special Education  
 Middle School Teachers, Except Special and Vocational Education

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

Pharmacy Technicians  
 Farm, Ranch, and Other Agricultural Managers  
 Special Education Teachers, Preschool, Kindergarten, and Elementary School

Correctional Officers and Jailers  
 Hotel, Motel, and Resort Desk Clerks

- **Only one occupation is high-earning, fast-growing, and in high-demand:**

Registered Nurses

- **The region has 13 jobs that are both fast-growing and in high-demand:**

Pharmacy Technicians  
 Farm, Ranch, and Other Agricultural Managers  
 Special Education Teachers, Preschool, Kindergarten, and Elementary School  
 Correctional Officers and Jailers  
 Hotel, Motel, and Resort Desk Clerks  
 Home Health Aides  
 Elementary School Teachers, Except Special Education  
 Middle School Teachers, Except Special and Vocational Education  
 Farm workers and Laborers, Crop, Nursery, and Greenhouse  
 Registered Nurses  
 Child Care Workers  
 Combined Food Preparation and Serving Workers, Including Fast Food  
 Team Assemblers

## Implications for Workforce Development

- From a 2008 base, a worker surplus of 54 for 2018 and a worker shortfall of 2,737 for 2025 are expected.

Worker skills and the expected shortfall must be priorities through 2025 with heavy emphasis on the near term. Worker shortfalls for the critical occupations will need to be addressed continuously.

- **Strategies to address skill needs and worker shortfalls should aim to increase labor force participation, encourage in-migration, and raise worker productivity.**

Such strategies might include:

1. Improving education and education 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
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.

Workforce development must view all of education and other programs (e.g. adult education, career technical training, worker retraining, career readiness, etc.) as one system.

Financial support for workforce development may require tax reform at state and local levels and should provide for flexibility as workforce needs change over time and demand different priorities.

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 especially important for a region with declining population and labor force.

Of the region's 576 occupations and occupational categories, 210 are expected to decline over the 2008 to 2018 period. Twenty occupations are expected to see a sharp decline of at least 8 percent, with each losing a minimum of 20 jobs. 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 needs to increase for technical, resource management, social, and basic skills. The scale of training must be raised for social and basic 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 6 economy by retaining, expanding, and attracting more high-wage providing industries. This is necessary because the average regional wage is low.

- **Workforce development and economic development can together build a strong and well-diversified Region 6 economy. Indeed, one cannot achieve success without the other.**

## State of the Workforce Report V: Region 6 2010 Summary



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