

Workforce Supply

- **Workforce Development Region 9 has a 102,713-strong available labor pool that includes 68,642 underemployed workers who are looking for better jobs, as well as 34,071 unemployed residents.**

The underemployed are willing to commute farther and longer for a better job. For the one-way commute, 51 percent are prepared for 20 or more minutes longer and 37 percent will go 20 or more extra miles.

Labor force	312,424
Employed	278,353
Underemployment rate	24.7%
Number of underemployed workers	68,642
Unemployed	34,071
Available labor pool	102,713

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.

- **More people are traveling to work and both commute time and distance are up in 2010. Congestion is rising.**

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 9 has comparable educational attainment and slightly lower population growth than the state.**

Of the region's age 25 and over population, 82.1 percent were high school graduates and 19.9 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 growth from 1990 to 2000 amounted to 11.1 percent, compared to 10.1 percent for the state. The 2000 to 2010 population growth is 7.1 percent for Region 9 and 7.5 percent for Alabama. Growth of the prime working age group (20-64) and youth (0-19) will lag that of the total population through 2025, as the 65 and over population increases rapidly.

Workforce Demand

- **Employment growth is currently lower than the region's labor force and population.**
- **In decreasing order, the five largest employment sectors in the region are retail trade; health care and social assistance; manufacturing; educational services; and accommodation and food services.**

These five sectors provided 143,214 jobs, about 56 percent of the regional total, in the first quarter of 2010. Three of these leading employers had wages that were above the region's average monthly wage of \$3,009.

- **On average 15,618 jobs were created per quarter from second quarter 2001 to first quarter 2010; quarterly net job flows averaged 1,255.**

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 in the fields of management, health, engineering, and legal and have a minimum salary of \$75,340. Six of these do not require a bachelor's or higher degree. Seven of the top 10 are health occupations.**
- **The top five high-demand occupations are:** Registered Nurses; Welders, Cutters, Solderers, and Brazers; Construction Laborers; Electricians; and Bill and Account Collectors.
- **The top five fast-growing occupations are:** Metal-Refining Furnace Operators and Tenders; Pourers and Casters, Metal; Heat Treating Equipment Setters, Operators, and Tenders, Metal and Plastic; Grinding and Polishing Workers, Hand; and Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic.
- **Only one occupation is high-earning, fast-growing, and in high-demand:**

Industrial Engineers

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

Pharmacists
Chiropractors
Industrial Engineers

- **The region has 25 jobs that are both fast-growing and in high-demand:**

Welders, Cutters, Solderers, and Brazers
Bill and Account Collectors
Home Health Aides
Pharmacy Technicians
Medical Assistants
Dental Assistants
Dental Hygienists
Network and Computer Systems Administrators
Network Systems and Data Communications Analysts
Aircraft Structure, Surfaces, Rigging, & Systems Assemblers
Computer Software Engineers, Applications
Industrial Engineers
Extruding & Drawing Machine Setters, Operators, & Tenders, Metal & Plastic
Grinding and Polishing Workers, Hand
Metal-Refining Furnace Operators and Tenders
Physical Therapists
Vocational Education Teachers, Postsecondary
Welding, Soldering, & Brazing Machine Setters, Operators, & Tenders
Computer Software Engineers, Systems Software
Heat Treating Equipment Setters, Operators, & Tenders, Metal & Plastic
Physical Therapist Assistants
Pourers and Casters, Metal
Private Detectives and Investigators
Rolling Machine Setters, Operators, & Tenders, Metal & Plastic
Veterinarians

Implications for Workforce Development

- **Worker surpluses of 26,735 and 6,162 are estimated by 2018 and 2025, respectively.**

A focus on worker skills must be of high priority through 2025. Worker shortfalls in critical occupations will also need to be addressed continuously.

- **Strategies to address skill needs and critical occupation shortfalls should aim at increasing labor force participation and raising 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 important, even for a region that has moderate population and labor force growth rates.

Of the region's 841 occupations and occupational categories, 84 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, 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 9 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 9 economy. Indeed, one cannot achieve success without the other.**

State of the Workforce Report V: Region 9 2010 Summary



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