

Workforce Supply

- **Workforce Development Region 10 has a 39,211-strong available labor pool that includes 33,015 underemployed workers who are looking for better jobs, as well as 6,196 unemployed residents.**

The underemployed are willing to commute farther and longer for a better job. For the one-way commute, 42 percent are prepared for 20 or more minutes longer and 30 percent will go 20 or more extra miles.

Labor force	150,999
Employed	144,803
Underemployment rate	22.8%
Number of underemployed workers	33,015
Unemployed	6,196
Available labor pool	39,211

Note: Based on May 2008 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 2008. 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 10 has lower educational attainment and population growth than the state.**

Of the region's age 25 and over population, 72.1 percent were high school graduates and 15.4 percent held bachelor's or higher degrees in 2000. For the state as a whole, 75.3 percent were high school graduates and 19.0 percent held bachelor's or higher degrees. The region's population growth from 1990 to 2000 amounted to 6.7 percent, compared to 10.1 percent for the state. The 2000 to 2010 projected population growth is 5.5 percent for Region 10 and 8.8 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 is currently growing faster than the labor force and population.**
- **In decreasing order, the five largest employment sectors in the region are manufacturing; health care and social assistance; retail trade; educational services; and accommodation and food services.**

These five sectors provided 82,270 jobs, about 63 percent of the regional total, in the second quarter of 2007. Three of these leading employers had wages that were above the region's average monthly wage of \$2,734.

- **On average 6,557 jobs were created per quarter from second quarter 2001 to second quarter 2007; quarterly net job flows averaged 713.**

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, postsecondary education, computer, legal, and science and have a minimum salary of \$61,411. 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:** Waiters and Waitresses; Registered Nurses; Customer Service Representatives; Maids and Housekeeping Cleaners; and Cooks, Restaurant.
- **The top five fast-growing occupations are:** Fitness Trainers and Aerobics Instructors; Veterinary Technologists and Technicians; Helpers, Construction Trades, All Other; Amusement and Recreation Attendants; and Hotel, Motel, and Resort Desk Clerks.
- **Three occupations are high-earning, fast-growing, and in high-demand:** Computer Software Engineers, Applications Physical Therapists Computer Software Engineers, Systems Software

- **Seven jobs are high-earning and in high-demand:** Computer Software Engineers, Applications; Aerospace Engineers; Engineering Managers; Pharmacists; Physical Therapists; Computer Software Engineers, Systems Software; and Surgeons.
- **The region has 30 jobs that are both fast-growing and in high-demand:** Waiters and Waitresses Customer Service Representatives Maids and Housekeeping Cleaners Cooks, Restaurant Counter and Rental Clerks Home Health Aides Amusement and Recreation Attendants Hotel, Motel, and Resort Desk Clerks Medical Assistants Fitness Trainers and Aerobics Instructors Computer Software Engineers, Applications Pharmacy Technicians Aircraft Mechanics and Service Technicians Dental Hygienists Dental Assistants Clergy Avionics Technicians Social and Human Service Assistants Tire Repairers and Changers Emergency Medical Technicians and Paramedics Bill and Account Collectors Special Education Teachers, Preschool, Kindergarten, and Elementary School Industrial Engineers Veterinary Technologists and Technicians Network Systems and Data Communications Analysts Physical Therapists Lodging Managers Physical Therapist Assistants Computer Software Engineers, Systems Software Directors, Religious Activities and Education

Implications for Workforce Development

- Worker shortfalls of about 16,400 and 42,300 are estimated by 2016 and 2025, respectively, due to strong economic output growth combined with low labor force and population growth rates, low labor force participation, and below average educational attainment in the region.
- Strategies to address these shortfalls should aim at increasing labor force participation, encouraging immigration, 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, especially for a region that has fairly low population and labor force growth rates.

Of the region's 751 occupations and occupational categories, 64 are expected to decline over the 2006 to 2016 period. Twenty-one 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.

In Region 10 the pace of training needs to increase for technical, science, and social 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.

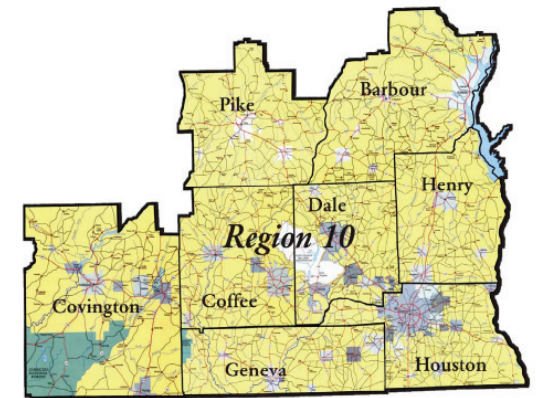
Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- 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 10 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 10 economy. Indeed, one cannot achieve success without the other.

State of the Workforce Report III: Region 10 2008 Summary



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