

Workforce Supply

- **Workforce Development Region 7 has a 48,908-strong available labor pool that includes 40,606 underemployed workers who are looking for better jobs, as well as 8,302 unemployed residents.**

The underemployed are willing to commute farther and longer for a better job. For the one-way commute, 47 percent are prepared for 20 or more minutes longer and 32 percent will go 20 or more extra miles.

Labor force	189,581
Employed	181,279
Underemployment rate	22.4%
Number of underemployed workers	40,606
Unemployed	8,302
Available labor pool	48,908

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, but both commute time and distance are down in 2008. Congestion is an issue in several areas.**
- 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 7 has higher educational attainment and its population should grow faster than the state's in this decade.**

Of the region's age 25 and over population, 78 percent were high school graduates and 23 percent held bachelor's or higher degrees in 2000. For the state as a whole, 75 percent were high school graduates and 19 percent held bachelor's or higher degrees. The region's population growth from 1990 to 2000 amounted to 12.0 percent, compared to 10.1 percent for the state. The 2000 to 2010 projected population growth is 10.4 percent for Region 7 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.**
- **By sector and in decreasing order, the five largest employers in the region are manufacturing; public administration; retail trade; health care and social assistance; and accommodation and food services.**

These five sectors provided 101,630 jobs, about 56 percent of the regional total, in the second quarter of 2007. Two of these leading employers had wages that were above the region's average monthly wage of \$2,986.

- **On average 8,538 jobs were created per quarter from second quarter 2001 to second quarter 2007; quarterly net job flows averaged 1,015.**

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 top 50 high-earning occupations are in management, health, computer, engineering, postsecondary education, and legal fields and have a minimum salary of \$66,581. Two of these do not require a bachelor's or higher degree. Six of the top 10 are health occupations.**
- **The top five high-demand occupations are:** Team Assemblers; Registered Nurses; Customer Service Representatives; Elementary School Teachers, Except Special Education; and Correctional Officers and Jailers.
- **The top five fast-growing occupations are:** Veterinary Technologists and Technicians; Home Health Aides; Medical Assistants; Court Reporters; and Network Systems and Data Communications Analysts.
- **Eight occupations are high-earning, fast-growing, and in high-demand:** Personal Financial Advisors; Veterinarians; Network and Computer Systems Administrators; Physical Therapists; Network Systems and Data Communications Analysts; Architects, Except Landscape and Naval; Computer Software Engineers, Systems Software; and Computer Software Engineers, Applications.

- **Thirteen jobs are high-earning and in high-demand:** Computer Systems Analysts; Network Systems and Data Communications Analysts; Network and Computer Systems Administrators; Mechanical Engineers; Computer Software Engineers, Applications; Instructional Coordinators; Architects, Except Landscape and Naval; Public Relations Managers; Anesthesiologists; Personal Financial Advisors; Veterinarians; Physical Therapists; and Computer Software Engineers, Systems Software.
- **The region has 30 jobs that are both fast-growing and in high-demand:** Team Assemblers
Registered Nurses
Customer Service Representatives
Home Health Aides
Bill and Account Collectors
Welders, Cutters, Solderers, and Brazers
Assemblers and Fabricators, All Other Clergy
Preschool Teachers, Except Special Education
Network Systems and Data Communications Analysts
Medical Assistants
Social and Human Service Assistants
Network and Computer Systems Administrators
Computer Software Engineers, Applications
Machinists
Advertising Sales Agents
Medical and Public Health Social Workers
Dental Assistants
Architects, Except Landscape and Naval
Industrial Engineers
Dental Hygienists
Veterinary Technologists and Technicians
Personal Financial Advisors
Veterinarians
Physical Therapists
Computer Software Engineers, Systems Software
Vocational Education Teachers, Postsecondary
Court Reporters
Physical Therapist Assistants
Substance Abuse and Behavioral Disorder Counselors

Implications for Workforce Development

- Worker shortfalls of 5,750 and 25,830 are estimated by 2016 and 2025, respectively, due to stronger economic output growth than labor force and population gains and relatively low labor force participation, despite higher 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 especially important, even for a region that has slightly higher population and labor force growth rates than the state.

Of the region's 800 occupations and occupational categories, 77 are expected to decline over the 2006 to 2016 period. Twenty-two occupations are expected to see a sharp decline of at least 6 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, systems, 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 7 economy by retaining, expanding, and attracting more high-wage providing industries. This is necessary despite having two large employment sectors paying higher than average wages.

- Workforce development and economic development can together build a strong and well-diversified Region 7 economy. Indeed, one cannot achieve success without the other.

State of the Workforce Report III: Region 7 2008 Summary



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