

## Workforce Supply

- **Workforce Development Region 4 has a 140,829-strong available labor pool that includes 110,529 underemployed workers who are looking for better jobs, as well as 30,300 unemployed residents.**

The underemployed are looking for a better job and willing to commute farther and longer for such job. For the one-way commute, about 32.9 percent are prepared to travel for 20 or more minutes longer and 27.1 percent will go 20 or more extra miles.

Labor Force	524,837
Employed	494,537
Underemployment rate	22.4%
Number of underemployed workers	110,529
Unemployed	30,300
<b>Available labor pool</b>	<b>140,829</b>

Note: Based on March 2016 labor force data.

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

- **Commute time and distance rose in 2015 from 2014 implying that congestion worsened. Congestion will remain an issue in areas such as the Birmingham-Hoover metropolitan as the regional economy recovers from the last recession.**

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 4 has higher educational attainment than the state, and similar population growth.**

	Region 4	AL
Population growth, 2010-2015	1.6%	1.7%
<i>Educational attainment, age 25 and over</i>		
High School or higher	86.4%	83.7%
Bachelor's or higher degree	28.1%	23.1%

Source: Center for Business and Economic Research, The University of Alabama and U.S. Census Bureau.

## Workforce Demand

- **Employment growth is expected to be faster than labor force and population growth in the medium- and long-term.**
- **By sector, the five largest employers in the region provided 253,274 jobs (51.8 percent of the region's 489,399 total) in the first quarter of 2015.**

Industry	Employment	Share
Health Care and Social Assistance	70,879	14.5%
Retail Trade	62,456	12.8%
Accommodation & Food Services	42,400	8.7%
Educational Services	39,188	8.0%
Manufacturing	38,351	7.8%

Source: Alabama Department of Labor and U.S. Census Bureau.

- **On average 22,276 jobs were created per quarter from second quarter 2001 to first quarter 2015; quarterly net job flows averaged 1,843.**

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 mostly in management, health, and engineering fields and have a minimum salary of \$89,114. Only two of these do not require a bachelor's or higher degree. Eight of the top 10 are health occupations.**

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

Registered Nurses  
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products  
Personal Care Aides  
Home Health Aides  
Licensed Practical and Licensed Vocational Nurses

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

Special Education Teachers, Preschool  
Biological Science Teachers, Postsecondary  
Personal Care Aides  
Home Health Aides  
Community Health Workers

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

Health Specialties Teachers, Postsecondary  
Management Analysts  
Construction Managers  
Medical and Health Services Managers  
Computer and Information Systems Managers  
Personal Financial Advisors  
Nurse Anesthetists

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

Personal Care Aides  
Home Health Aides  
Diagnostic Medical Sonographers  
Physical Therapist Assistants  
Physician Assistants  
Physical Therapists  
Medical Secretaries  
Personal Financial Advisors  
Logisticians

- **Only one of the occupations is high-earning, fast-growing, and in high-demand:**

Personal Financial Advisors

## Implications for Workforce Development

- From a 2012 base, worker shortfalls of about 48,737 and 33,125 are estimated by 2022 and 2030, respectively.

Change from 2012	2022	2030
Total population growth	6.7	11.5
Age 20-64 population growth	1.6	2.6
Job growth	11.2	9.1
Worker shortfall (percent)	9.6	6.5
Worker shortfall (number)	48,737	33,125

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

Thus, a focus on worker and critical skills shortfalls must be a priority through 2030.

- **Strategies to address critical skill needs and worker shortfalls are needed to raise worker productivity, increase labor force participation, and encourage job growth.**

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. Offering economic opportunities that attract new and younger 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.

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 about average population and labor force growth rates.

Of the region's 743 occupations, 81 are expected to decline over the 2012 to 2022 period. Twenty occupations are expected to see a sharp decline of at least 10.0 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 complex problem solving 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.

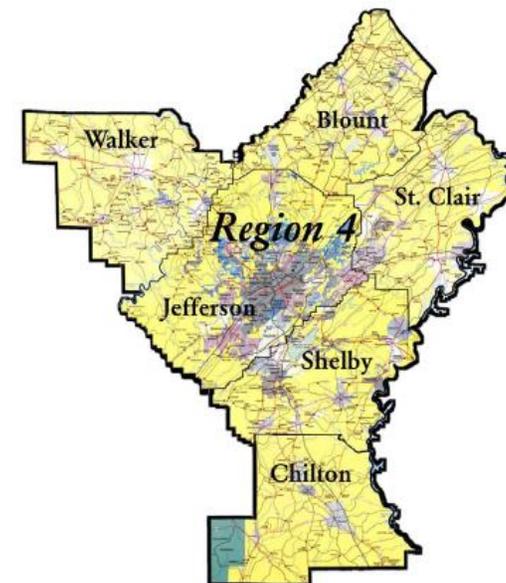
Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- **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 4 economy by retaining, expanding, and attracting more high-wage providing industries. This is necessary given that only one large employment sector is paying higher than average wages.

- **Workforce development and economic development can together build a strong and well-diversified Region 4 economy. Indeed, one cannot achieve success without the other.**

## State of the Workforce Report X: Region 4 2015 Summary



April 2016

Funding for this project was provided by:

Alabama Department of Economic and  
Community Affairs  
Alabama Department of Labor  
Alabama Department of Postsecondary Education  
Alabama Industrial Development Training  
The University of Alabama