

Workforce Supply

- **Workforce Development Region 6 has a 9,620-strong available labor pool that includes 6,502 underemployed workers who are looking for better jobs, as well as 3,118 unemployed residents.**

The underemployed are more willing to commute longer and farther for better jobs. For the one-way commute, 57.1 percent are prepared for 20 or more minutes longer and 52.4 percent will go 20 or more extra miles.

Labor Force	34,376
Employed	31,258
Underemployment rate	20.8%
Number of underemployed workers	6,502
Unemployed	3,118
Available labor pool	9,620

Note: Based on March 2016 labor force data.

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

- **Congestion eased in the region as commute time dropped in 2015 from previous year while distance increased. However, congestion could be an issue as the regional economy struggles to recover from the recent recession.**

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

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

	Region 6	AL
Population growth, 2010-2015	-5.8%	1.7%
<i>Educational attainment, age 25 and over</i>		
High School or higher	78.4%	83.7%
Bachelor's or higher degree	14.0%	23.1%

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

Workforce Demand

- **Currently, employment is declining but at a slower rate than the labor force and population.**

- **By sector, the five largest employers in the region provided 18,627 jobs (70.4 percent of the region's 26,444 total) in the first quarter of 2015.**

Industry	Employment	Share
Manufacturing	5,729	21.7%
Health Care and Social Assistance	3,964	15.0%
Educational Services	3,863	14.6%
Retail Trade	3,151	11.9%
Public Administration	1,920	7.3%

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

- **On average 1,397 jobs were created per quarter from second quarter 2001 to first quarter 2015. Average net job flows were negative seven jobs per quarter.**

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, and business fields and pay a minimum salary of \$48,314. Twenty-one of these do not require bachelor's or higher degrees. Seven of the top 10 occupations are in management.**

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

Childcare Workers
 Laborers and Freight, Stock, and Material Movers, Hand
 Nursing Assistants
 Elementary School Teachers, Except Special Education
 Registered Nurses

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

Social and Human Service Assistants
 Optometrists
 Opticians, Dispensing
 Healthcare Practitioners and Technical Workers,
 All Other
 Pourers and Casters, Metal

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

Educational, Guidance, School, and Vocational
 Counselors
 Childcare Workers

- **Nine occupations are high-earning and in high-demand:**

Registered Nurses
 General and Operations Managers
 Education Administrators, Elementary and Secondary
 School
 Managers, All Other
 Accountants and Auditors
 First-Line Supervisors of Office and Administrative
 Support Workers
 First-Line Supervisors of Mechanics, Installers, and
 Repairers
 Electrical Power-Line Installers and Repairers
 First-Line Supervisors of Production and Operating
 Workers

- **Two jobs are high-earning and fast-growing:**

Nurse Practitioners
 Physicians and Surgeons, All Other

- **None of the occupations is in all the three categories.**

Implications for Workforce Development

- From a 2012 base, worker shortfalls of about 4,200 and 8,000 are expected for 2022 for 2030 respectively.

Change from 2012	2022	2030
Total population growth	-5.1	-7.8
Age 20-64 population growth	-11.5	-19.1
Job growth	2.9	8.3
Worker shortfall (percent)	14.4	27.4
Worker shortfall (number)	4,186	7,970

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

Worker skills and the expected shortfall must be priorities through 2030 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.

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 387 occupations, 28 are expected to decline over the 2012 to 2022 period. Seventeen occupations are expected to see a sharp decline of at least five percent, with each losing a minimum of 10 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 X: Region 6 2015 Summary



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