

## Workforce Supply

- **Workforce Development Region 4 has a 146,393-strong available labor pool that includes 120,958 underemployed workers who are looking for better jobs, as well as 25,435 unemployed residents.**

The underemployed are looking for a better job but they are less willing to commute farther and longer. For the one-way commute, about 303.3 percent are prepared for 20 or more minutes longer and 28.3 percent will go 20 or more extra miles.

Labor Force	510,238
Employed	484,803
Underemployment rate	25.0%
Number of underemployed workers	120,958
Unemployed	25,435
<b>Available labor pool</b>	<b>146,393</b>

Note: Based on December 2013 labor force data.

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

- **Commute distance rose in 2013 from 2012 but commute time did not change much implying that congestion might have eased somewhat. However, congestion may have worsened in some areas as the regional economy recovers from the recent 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, but slightly slower population growth than the state.**

	<b>Region 4</b>	<b>AL</b>
Population growth, 2000-2010	7.1%	7.5%
<i>Educational attainment, age 25 and over</i>		
High School or higher	85.7%	82.6%
Bachelor's or higher degree	27.4%	22.3%

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

## Workforce Demand

- **Employment growth is currently lagging labor force and population growth but is expected to be faster in the medium- and long-term.**
- **By sector, the five largest employers in the region provided 240,366 jobs (50.6 percent of the region's 474,563 total) in the fourth quarter of 2012.**

Industry	Employment	Share
Health Care and Social Assistance	64,041	13.5%
Retail Trade	59,989	12.6%
Educational Services	40,983	8.6%
Accommodation & Food Services	38,171	8.0%
Manufacturing	37,182	7.8%

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

- **On average 22,599 jobs were created per quarter from second quarter 2001 to fourth quarter 2012; quarterly net job flows averaged 1,470.**

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, engineering, science, and legal fields and have a minimum salary of \$84,187. Six 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  
Home Health Aides  
Personal and Home Care Aides  
Lawyers

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

Personal and Home Care Aides  
Home Health Aides  
Occupational Therapist Assistants  
Helpers--Pipelayers, Plumbers, Pipefitters, and Steamfitters  
Physical Therapist Assistants

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

Internists, General  
Family and General Practitioners  
Optometrists  
Lawyers  
Computer and Information Systems Managers  
Personal Financial Advisors  
Management Analysts  
Medical and Health Services Managers  
Software Developers, Applications

- **The region has 12 jobs that are both fast-growing and in high-demand:**

Personal and Home Care Aides  
Home Health Aides  
Occupational Therapist Assistants  
Physical Therapist Assistants  
Rehabilitation Counselors  
Occupational Therapists  
Dental Hygienists  
Software Developers, Systems Software  
Diagnostic Medical Sonographers  
Social and Community Service Managers  
Medical and Public Health Social Workers  
Medical Secretaries

## Implications for Workforce Development

- From a 2010 base, worker shortfalls of about 28,900 and 50,600 are estimated by 2020 and 2030, respectively.

Change from 2010	2020	2030
Total population growth	7.1	12.9
Age 20-64 population growth	2.5	3.5
Job growth	8.6	14.1
Worker shortfall (percent)	6.0	10.6
Worker shortfall (number)	28,906	50,617

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 slightly lower population and labor force growth rates than the state.

Of the region's 736 occupations, 47 are expected to decline over the 2010 to 2020 period. Twenty occupations are expected to see a sharp decline of at least nine 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, 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.

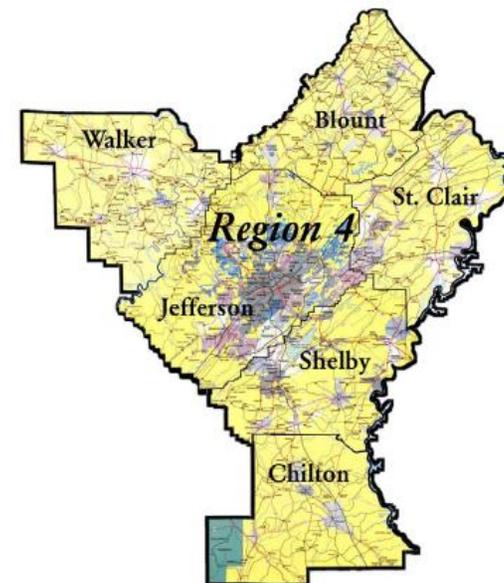
Employers should be an integral part of planning for training as they can help identify future skill needs and any existing gaps.

- **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 VIII: Region 4 2014 Summary



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