

2019 QUARTERLY WORKFORCE REPORT 1

New River/Mount Rogers WDA II



NEW RIVER | MOUNT ROGERS REGION



OUTREACH & INTERNATIONAL AFFAIRS
VIRGINIA TECH.

OFFICE OF ECONOMIC DEVELOPMENT

Introduction

2019.1 Quarterly Workforce Report

Welcome to the 2019 quarter one workforce report. The Virginia Tech Office of Economic Development produced this document on behalf of the New River/Mount Rogers Workforce Development Board. This workforce report details unemployment in Bland, Carroll, Floyd, Giles, Grayson, Montgomery, Pulaski, Smyth, Washington, Wythe counties and the cities of Bristol, Galax, and Radford from 2008 through 2018. The unemployment rate counts only those who have actively looked for work in the past month but are not working. Lower unemployment often correlates with other community health indicators such as higher standards of living, greater mental and physical health, higher educational attainment, and lower crime rates. Yet, as our country and regions begin to reach such low levels of unemployment that media and policy makers begin talking about the country reaching “full employment,” how useful does the unemployment rate become in assessing the overall health of a region?

The goal of this report is to gain a more accurate understanding of unemployment in the region and explore populations that may not even be counted in the unemployment number because they left or never entered the labor force. These populations could serve as untapped human capital, ready for employment or better employment in the region’s industries if given the appropriate training, tools, and connections with amenable employers.

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For additional information or questions about the data presented here, contact the Virginia Tech Office of Economic Development.

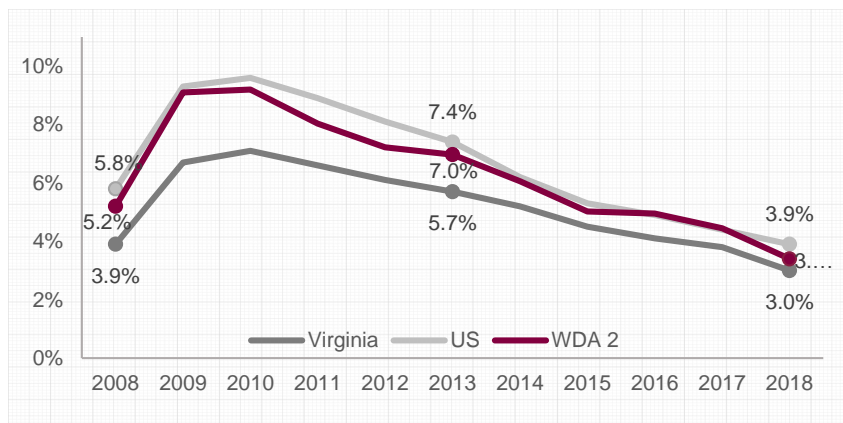


Unemployment Trends

Unemployment Rate

Change in Unemployment, 2008-2018

The 10 year average unemployment rate for Region II is 6.3%. This rate is higher compared to the state rate (5.1%) but lower than the national rate (6.7%). Region II unemployment has declined by 1.8% since 2008, similar to the country's trend of 1.9%, and faster than Virginia's 0.9%. While Region II was affected by the Great Recession similar to the US, coal-related and manufacturing layoffs in 2012/2013 and 2016 specifically influenced unemployment in the region during this time.



Change in Unemployment at County Level

County	2008	2013	2018
Bland County	4.7	6.8	3.4
Carroll County	6.6	8.3	3.7
Floyd County	4.4	5.4	2.8
Giles County	5.4	7.0	3.4
Grayson County	6.5	9.7	3.3
Montgomery County	4.1	5.7	3.0
Pulaski County	6.4	7.6	3.5
Smyth County	6.1	9.1	4.3
Washington County	4.9	6.4	3.4
Wythe County	5.3	7.8	3.9
Bristol city	5.8	7.0	3.7
Galax city	6.1	8.6	3.7
Radford city	5.3	7.5	3.8

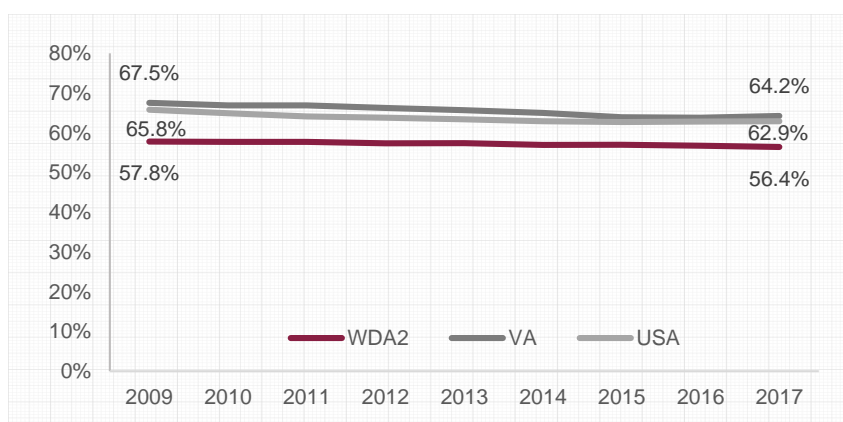
Floyd County had the lowest unemployment rate in 2018 among counties in Region II. All the counties in Region II saw a peak in unemployment between 2009-2010, yet they successfully lowered their rates in the following years after the recession. Grayson County (3.2%), Wythe County (2.5%) and Galax (2.5%) saw the largest increases in unemployment during the recession.

Industries contributing the highest employment loss during this decade were Specialty Trade Contractors, Machinery Manufacturing, Hospitals, State Government, and Fabricated Metal Product Manufacturing. Each lost over 950 jobs. Industries showing the most job growth were Transportation Equipment Manufacturing and Ambulatory Health Care Services, each contributing over 1,300 jobs in this period.

Labor Force Participation, 2009-2017

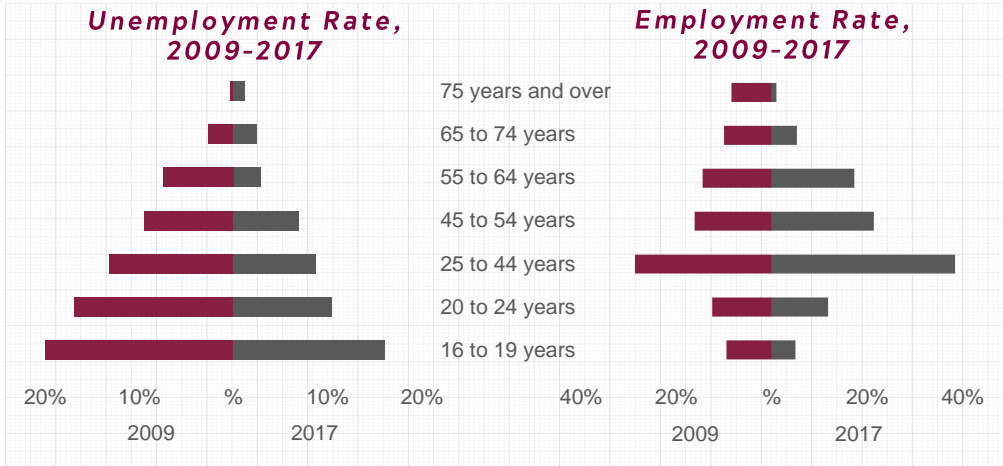
Labor force participation in Region II fell by 1.4% between 2009 and 2017.

While less pronounced than the state and nation, this labor force reduction follows a larger trend. Labor force participation fell by 3.3% and 2.9% for the state and nation respectively during the same period. This trend can be a result of baby boomers leaving the workforce with fewer workers from younger generations joining, as well as, discouraged workforce who never rejoined the labor market after recession.



Unemployment Demographics

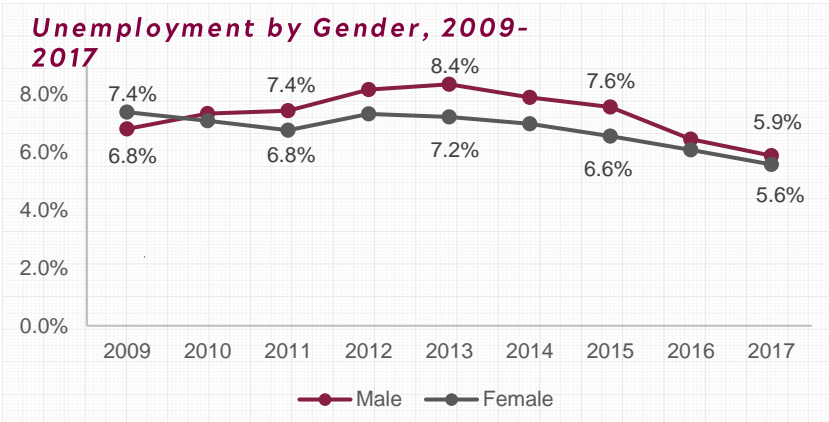
Generational Unemployment



About 21% of the employed workforce was at or near retirement age as of 2017 (ages 55 and over) in Region II. The largest cohort employed in the current workforce is aged 25 to 44, making up 39% of total employment. As of 2017, this cohort had an unemployment rate of 10.4%. This is higher than the rates in Virginia (5.4%) and the United States (8.4%).

Gender Unemployment

Both male and female unemployment rates for Region II have been decreasing since 2013. The gap between these rates has been shrinking since 2012, to about 3/10th of a percentage point in 2017. Region II's rates in 2017 are slightly higher than those of Virginia (5% each). Region II's rates are lower than the national male (6.2%) and female (6.0%) unemployment rates.



Minority Unemployment

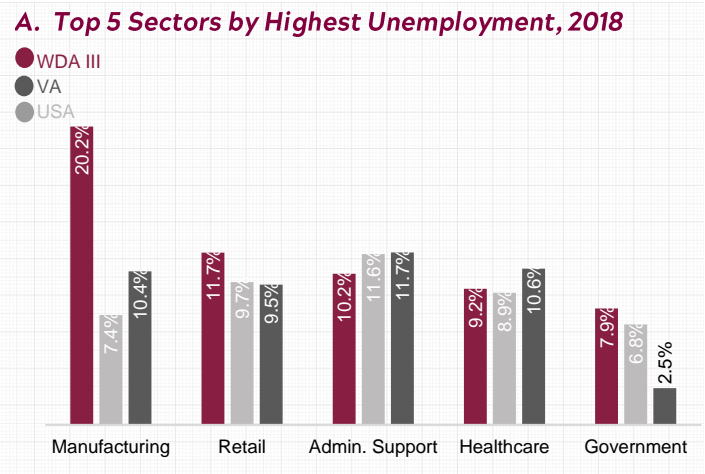
Unemployment by Race, 2009-2017



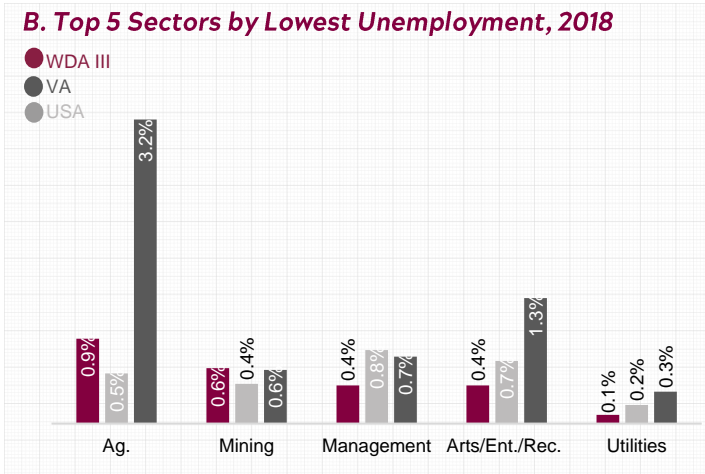
Minority unemployment is higher than White unemployment in Region II. White unemployment has remained relatively constant around 6%, while unemployment for minorities has remained higher. As of 2017, the unemployment rate of Black workers was the highest at 16%. Those of Hispanic origin have the lowest minority unemployment rate at 9%, which is still 3 percentage points higher than the unemployment rate of white workers.

Industry Employment and Establishments

Unemployment by Industry

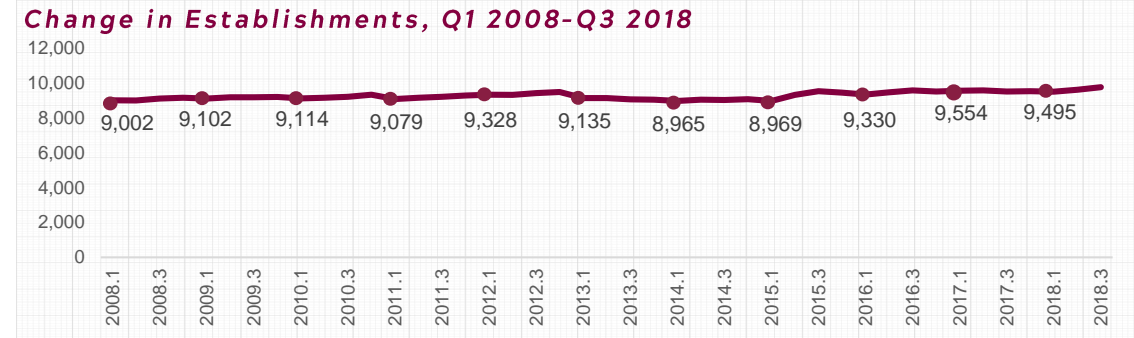


A. Region II's largest sectors have the highest unemployment. Regional unemployment is higher than state and national averages in manufacturing, retail, and government.



B. With the exception of agriculture, the region's smallest industries have the lowest unemployment rate. For instance, the arts, utilities, management, and mining sectors account for less than 3% of total regional employment.

Establishments



Region II has seen slow growth in the number of establishments. Region II has added 493 establishments during this period although economic challenges in 2012-2013 resulted in a 5.7% decline (-508) in establishments during that short period.

Largest Sectors by Establishment

Four of the ten largest sectors saw significant establishment growth from the first quarter of 2008 to the third quarter of 2018. For this period, the region hit its peak number of establishments (9,755) in 2018.3. Much of this establishment growth has been concentrated in the healthcare, other services, professional, scientific, and technical services, and administrative supports sectors. The remaining sectors saw declines between 1% and 33%.

Change in Establishments, 2008.1-2018.3			
Industry	2008.1 Establishments	2018.3 Establishments	% Change 2008.1-2018.3
Healthcare	1,249	1,851	48.2%
Other Services	725	1,404	93.7%
Retail	1,415	1,236	-12.7%
Professional, Scientific and Technical Services	708	760	7.3%
Accommodation/Food Service	729	717	-1.6%
Construction	1,013	682	-32.7%
Finance/Insurance	478	443	-7.3%
Manufacturing	432	388	-10.2%
Admin. Support	333	381	14.4%
Public Admin.	352	356	1.1%

Workforce Demand

Job Postings

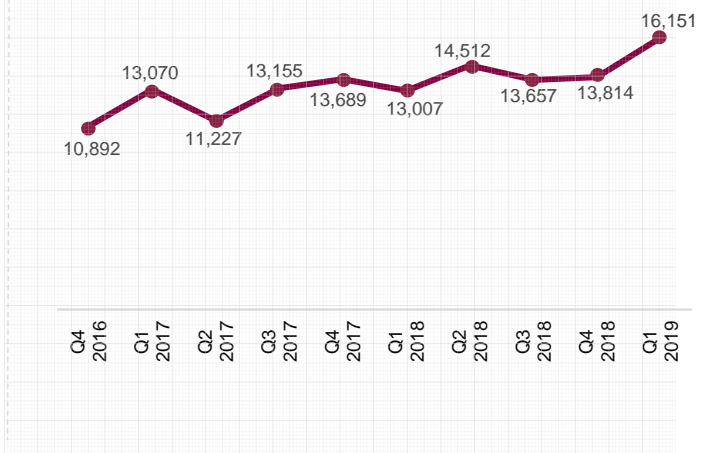
A. Job Postings by County, 2018

County	2018 Unique Job Postings	2018 Employment	% Regional Employment
Bland	1,591	2,854	1.5%
Carroll	2,365	9,797	5.3%
Floyd	1,177	6,314	3.4%
Giles	2,946	6,500	3.5%
Grayson	1,911	5,081	2.7%
Montgomery	19,250	52,207	28.1%
Pulaski	5,516	16,650	8.9%
Smyth	4,677	15,685	8.4%
Washington	8,121	28,582	15.4%
Wythe	6,522	15,578	8.4%
Bristol	4,343	11,174	6.0%
Galax	4,694	6,656	3.6%
Radford	5,676	14,618	7.9%

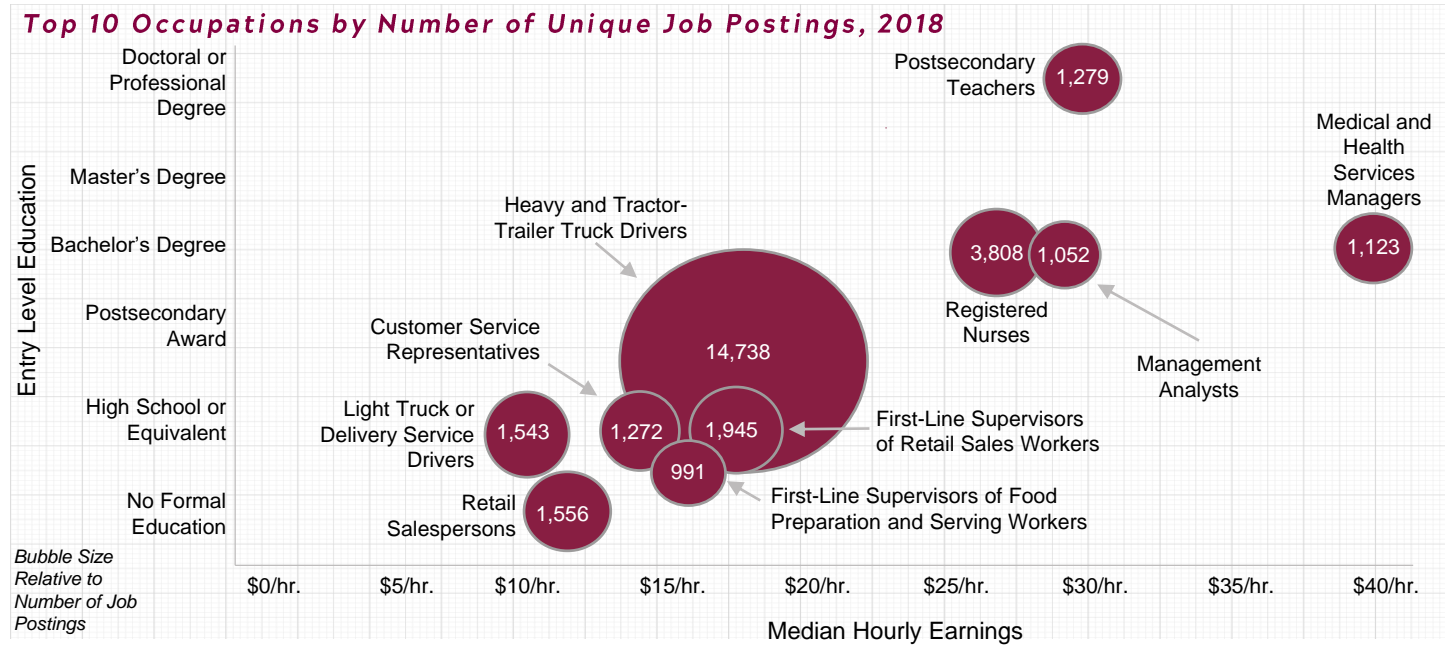
A. *Montgomery county leads the region in unique job postings.* Montgomery county also leads the region in employment, largely due to the presence of Virginia Tech. Wythe and Washington counties also report a high density of job postings and employment.

B. *The number of job postings in Region II is increasing, indicating an increased demand for workers.* Quarterly job postings are sporadic, fluctuate by as many as 3,000 jobs from Q1 to Q4 in the region. Despite this variability, annual peaks in postings have increased from a peak of 13,070 postings in quarter one of 2017 to a peak of 15,151 postings in quarter one of 2019.

B. Quarterly Job Postings, 2016.1-2019.1









Top 10 Occupations by Unique Postings



The majority of job postings in Region II are for driving and service occupations. Postings for truck and tractor-trailer drivers dominate regional postings. Additionally, many postings require minimal entry level experience. There is a clear relationship between higher credentials and competitive pay, with postings nurses, teachers, managers, and analysts being paid the highest among the top ten jobs posted.

Underserved Workforce Populations

Underserved Populations

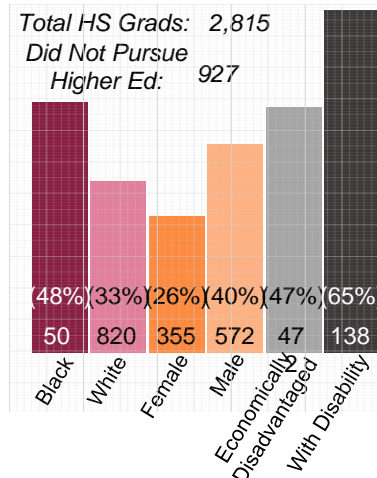
Underserved Populations in Region Compared to State and National Average		WDA 2	VA	USA
	Veterans: Percentage of veterans in population. 2017	5.7%	10.8%	7.7%
	Disabled Persons: Percentage of those with a disability. 2017	16%	11.5%	12.6%
	Probationers and Parolees: Percentage of those in region that are under probation or parole status which live in the community and partake in correctional activities. 2016	1.2%	0.7%	1.4%
	Needy Families: Percentage of Needy Families Receiving Temporary Assistance Per Month. 2016	14%	12%	18%
	Underemployed Persons: Rate of Underemployment. 2017	7.2%	7.9%	8.5%
	HS Graduates Not Pursuing a Higher Degree: Percentage of students who did not pursue postsecondary education or training upon earning a federally recognized high school diploma. 2016	33.7%	30.3%	32.8%

Sources: See bottom of page

HS Graduates

927 H.S. graduates in 2016 did not pursue postsecondary training of any kind. More males than females did not pursue a higher degree, Half of the graduates who are economically disadvantaged do not pursue post-secondary training, and 65% of those with disabilities do not pursue a higher degree.

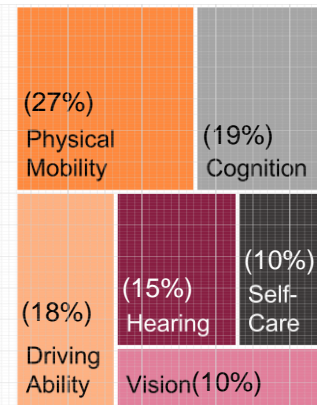
Graduate Cohorts with No Post-Secondary Ed, 2017



Disabled

60,084 people or 16% of the population have disability status. This is higher than statewide average of 11.5% and the national average of 12.6%. Carroll County had the highest number, with 19.4% of their population having a physical, cognitive, or other disability.

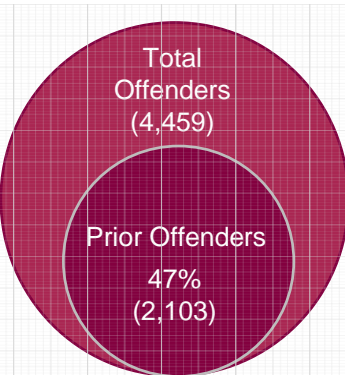
Disability by Difficulty, 2017



Corrections

The region has 2,103 prior offenders, a smaller proportion compared the nation. The average age for those in corrections programs such as probation or parole is 35 years old with roughly 77% of the males being prior state offenders and more than 67.9% of all cases being males.

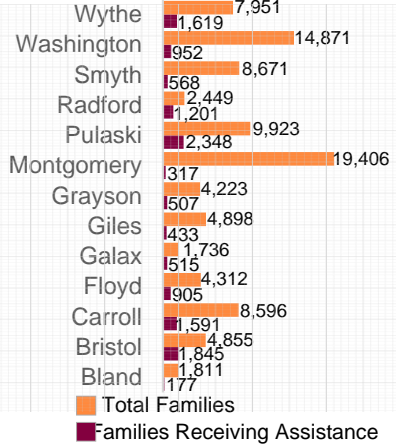
Prior Offenders, 2016



Needy Families

Region II had 12,978 families receiving temporary assistance in 2016, proportionally half as many families as the national average. Galax and Bristol had the percentage of families receiving temporary assistance with 3.1% and 4.8% respectively.

Families Receiving TANF & Total Families by County, 2016





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