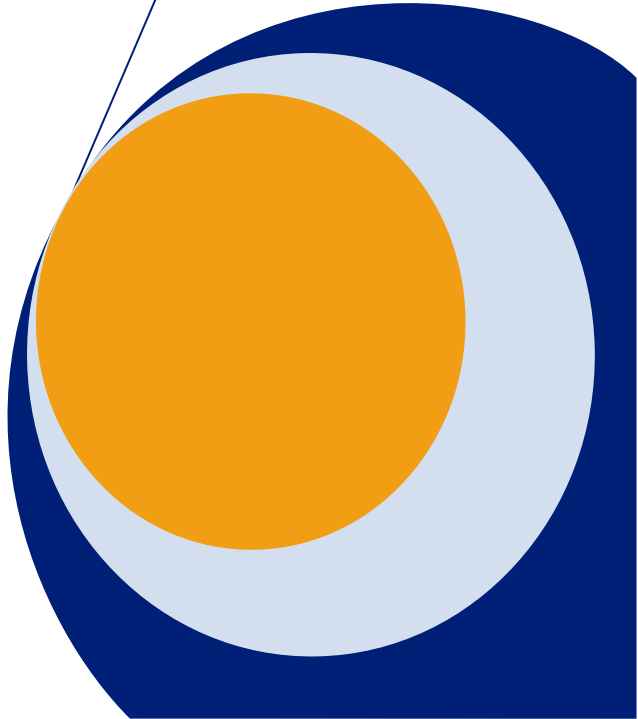




# Labor Market Analysis



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**Introduction:**

The Northwest Pennsylvania Workforce Investment Area (WIA) includes Clarion, Crawford, Erie, Forest, Venango, and Warren counties. These counties have a combined labor force of 257,000. The following table presents data about the employed and unemployed populations living in the Northwest Pennsylvania WIA:

<b>Population</b>	<b>Northwest Pennsylvania</b>
Civilian Unemployment Rate	6.89%
Civilian Employed	238,713
Civilian Unemployed	17,685
Total Labor Force	256,661

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It is possible to analyze this same information for areas expanding beyond the county borders, resembling the real-life recruiting patterns of companies as they expand or locate in a new area.

The following labor market analysis compares the labor force demographics in 15-, 30-, and 45-mile radii from an arbitrarily selected point in the Northwest Region. By using three concentric circles, information can be gained about the labor force in and around the Northwest Region, going beyond county lines. The point of interest is based on the visual center of the region. Information contained in this report would be beneficial to potential employers looking to expand or enter the region, for which this analysis can be customized around a desired location or existing business parks. It is important to understand the labor force in areas surrounding this centralized location or other locations of interest when potential plans for recruitment or expansion are made by various businesses.

**Disclaimer:**

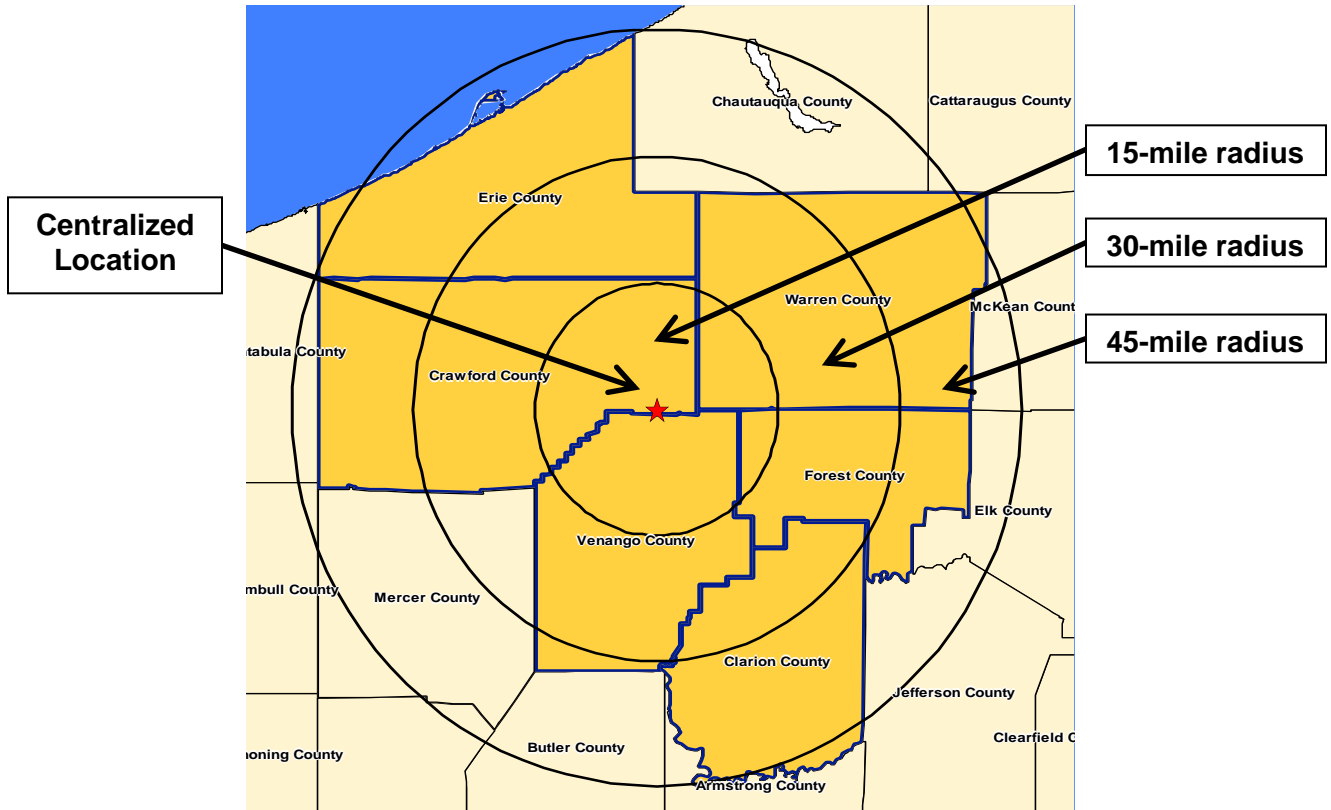
This analysis is not based on a specific business endeavor. Rather, this report examines the labor market, educational attainment levels, age, industry employment, occupational status, and commute times of the areas surrounding a selected location in the Northwest Pennsylvania Workforce Investment Area (WIA), which can then be applied to a general marketing study for potential business ventures. All information is provided by DecisionData. Unless noted, information is based on 2007 estimates.

**Recruitment Area:**

This analysis looks at the general characteristics of the labor force that apply to all business ventures. More specific analysis can be completed to explore the labor force potential for particular ventures within the Northwest Pennsylvania WIA.

Potential companies will look to create superior workforces to make their business successful. Undoubtedly, a variety of factors will be considered when choosing which applicants will be hired, such as experience, education, references, et cetera. Additionally, companies will want to avoid problems such as high employee turnover and unqualified applicants. It will be important to confront these concerns and develop a quality staff from which a successful business can be built.

If potential companies are able to establish themselves as magnet employers in the region, it is not unreasonable to expand the recruitment of residents to 8 counties within a 30-mile radius of the centralized location in the Northwest Pennsylvania WIA as depicted in the following map. A potential company will be much more likely to find a sufficient pool of qualified and available workers if it is able to broaden its reach beyond a 15-mile radius that includes only a small portion of Crawford, Forest, Venango, and Warren counties.



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### Population & Labor Force:

In a 15-mile radius around the centralized location in the Northwest WIA, the estimated civilian unemployment rate in 2007 was 6.36%, which equates to over 1,000 unemployed individuals. Potential companies are unlikely to engage the necessary amount of individuals by recruiting solely from the unemployed population within the 15-mile radius. This is based on the assumption that a significant proportion of individuals actively seeking a job (i.e., unemployed) would need to be interested, qualified, and eligible for employment in order for a company to meet its hiring needs. For obvious reasons, potential companies would not be limited to hiring unemployed workers as the wage and opportunity may entice individuals currently employed to change jobs or may be attractive to individuals seeking part-time employment, if such opportunities were to exist.

Recognizing the difficulties associated with this small population, potential companies could expand their recruitment of employees beyond the 15-mile radius. Based on available data, the civilian unemployment rate decreases by 0.07% for the 30-mile radius and increases by 0.66% for the 45-mile radius. Furthermore, the number of unemployed individuals increases about 4 times by concentrating on a recruitment area that is 15 miles larger (i.e., the 30-mile radius) and about 17 times at the 45-mile radius. It becomes more reasonable when the demand for workers is a smaller percentage of the unemployed

population as it would be within the 30- and 45-mile radii, compared to the higher proportion that would be evident in the previous model of a 15-mile radius. The probability of a potential company finding qualified workers becomes higher as the potential population increases.

By expanding the reach from a 15-mile to a 30-mile radius, the size of the labor force, individuals working or actively seeking employment, increases from 22,000 to 97,000.

<b>Population</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
Civilian Unemployment Rate	6.36%	6.28%	7.01%
Civilian Employed	20,411	91,045	320,219
Civilian Unemployed	1,387	6,108	24,179
<b>Total Labor Force</b>	<b>21,823</b>	<b>97,228</b>	<b>344,707</b>

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**In 2007, the combined labor force in a 30-mile radius of the centralized location was 97,228, representing about 61% of the population age 16 years and older. The civilian unemployment rate for the radius is 6.28%, which is lower than the statewide average of 6.67%.**

**Educational Attainment:**

High school graduates continue to account for the highest percentage among educational attainment levels across the Commonwealth. The following chart demonstrates the number of individuals within each of 7 educational attainment levels within 15, 30 and 45 miles of the centralized location in the Northwest Pennsylvania WIA. While this data does not distinguish between those individuals who are in the labor force and those that are neither employed or actively seeking employment, it illustrates that worker availability according to educational attainment increases significantly as the distance from the location increases.

<b>Population</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
Less Than 9th Grade	1,832	6,468	17,201
9th to 12th Grade No Diploma	3,761	13,491	38,353
High School Graduate	15,925	65,310	211,003
College, No Diploma	4,170	17,853	68,155
Associate Degree	1,909	8,688	34,603
Bachelor's Degree	2,647	14,382	62,348
Graduate or Professional School Degree	1,414	7,140	31,041

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Similar to the Commonwealth, high school graduates make up the largest portion of the population ages 25 years and older in the Northwest Pennsylvania WIA. The number of high school graduates increases 4 times when drawing on a 30-mile radius and 13 times at the 45-mile level. Similar population growth, 5 and 19 times, respectively, is seen in those who have some postsecondary educational experience.

**Within 30 miles of the centralized location, 49% of the population over the age of 24 has earned a high school diploma. An additional 36% has at least some college experience, but only 23% of the population over the age of 24 has earned a college degree. The statewide average is 39% with a high school diploma and 49% with some college experience.**

### Age Distribution:

The following chart demonstrates the number of individuals within each of 6 age categories within 15, 30, and 45 miles of the centralized location in the Northwest Pennsylvania WIA. While this data does not distinguish between those individuals who are in the labor force and those that are neither employed or actively seeking employment, it illustrates that worker availability according to age increases significantly as the distance from the centralized location increases.

Age Group	15 Miles	30 Miles	45 Miles
0-19	11,896	48,943	170,423
20-29	5,744	27,746	99,024
30-39	5,169	22,294	78,438
40-49	6,711	28,167	97,612
50-64	9,261	39,639	134,196
65+	7,751	30,725	106,859

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The 30-39 year old age group is consistently smaller than the other age groups within 15, 30, and 45 miles of the centralized location. Within the 15 mile radius, the 40-49 year old age group is 30% larger than the 30-39 age group. Within the 30- and 45- mile radii the 40-49 year old age group is 26% and 24% larger than the 30-39 age group, respectively.

**Within 30 miles of the centralized location, 25% of the population is under the age of 20. Furthermore, an additional 16% has reached the retirement age of at least 65, and an additional 15% of the population will reach retirement age over the next 6 to 15 years.**

### Industry Sectors:

Industries are categorized by North American Industry Classification System (NAICS) codes. Industry sectors are simply industries at the 2-digit NAICS level. Based on the 2000 Census, the following chart identifies the top 10 employing industry sectors at the 2-digit NAICS level within 30 miles of centralized location (values are sorted according to the 30 mile radius, but employment values are presented for the 15- and 45-mile radii).

Industry Employment	15 Miles	30 Miles	45 Miles
Manufacturing	4,707	21,382	71,795
Health care and social assistance	2,663	11,425	42,113
Retail Trade	2,534	11,043	40,071
Educational services	1,688	8,523	29,252
Accommodation and food services	1,131	5,363	20,567
Construction	1,127	4,870	16,420
Other services (except public administration)	1,067	4,507	15,001
Transportation and warehousing	961	3,614	11,573
Public Administration	742	3,446	10,851
Wholesale Trade	574	2,387	8,563

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These 10 industry sectors account for 86% of all employment within 30 miles of the centralized location in the Northwest Pennsylvania WIA. Similar trends are apparent for the 15- and 45-mile radii. Within the 30-mile radius, 24% of all employees are working in the manufacturing industry, with an additional 13% employed in health care and social assistance. Other top employing industries include retail trade (12%), educational services (10%), and accommodation and food services (6%).

**Class of Worker:**

Based on 2000 Census results, the following chart identifies the class of worker for individuals ages 16 and over within 15, 30, and 45 miles of the centralized location in the Northwest Pennsylvania WIA.

<b>Class of Worker</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
Federal government workers	1,648	6,320	18,953
Local government workers	1,111	5,875	14,353
Private Company Employees	328	1,677	5,758
Private Nonprofit Wage/Salary Workers	1,208	4,649	17,735
Self Employed in Own Corp	1,908	8,162	33,242
Self Employed, Not Incorporated	90	282	851
State government workers	267	1,232	4,774
Unpaid family workers	5,440	25,329	94,305

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At the 30-mile radius, 47% of workers over the age of 15 are categorized as “unpaid family workers.” Furthermore, 15% fall into the “self employed in own corporation” bracket. An additional 25% work for the government, 12% at the federal level, 2% at the state level, and 11% at the local level.

**Blue Collar Workers:**

At the 30-mile radius, approximately 50% of all workers are employed in “blue collar” occupations based on 2000 Census results. The following table identifies the top 5 blue collar occupational categories within 30 miles of the centralized location (values are sorted according to the 30-mile radius, but values are presented for the 15- and 45-mile radii).

<b>Blue Collar Occupations</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
Production occupations	3,247	14,146	45,226
Food preparation and serving related occupations	1,151	5,111	19,344
Construction trades workers	847	3,977	13,142
Motor vehicle operators	1,023	3,851	11,481
Installation maintenance and repair occupations	805	3,814	12,554

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At the 30-mile radius, these 5 occupations account for 70% of all blue collar employment. Production occupations account for 32%, while food preparation and serving related occupations comprise 12% of all blue collar jobs. Furthermore, construction trades workers account for 9%, motor vehicle operators account for 9%, and installation maintenance and repair occupations account for 9% of all blue collar jobs.

### White Collar Workers:

At the 30-mile radius, approximately 50% of all workers are employed in “white collar” occupations based on 2000 Census results. The following table identifies the top 5 white collar occupational categories within 30 miles of the centralized location in the Northwest Pennsylvania WIA (values are sorted according to the 30-mile radius, but values are presented for the 15- and 45-mile radii).

<b>White Collar Occupations</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
Office and administrative support occupations	2,618	11,849	44,244
Sales and related occupations	1,891	7,997	31,627
Management occupations except farmers and farm managers	1,165	5,346	19,607
Education training and library occupations	1,016	5,243	17,664
Health diagnostic and treating practitioners and technical occupations	643	2,683	10,523

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At the 30-mile radius, these 5 occupations account for 74% of all white collar employment. Office and administrative support occupations account for 27%, while sales and related occupations comprise about 18% of all white collar jobs. Furthermore, management occupations except for farmers and farm managers account for 12%, education training and library occupations account for 12%, and health diagnostic and treating practitioners and technical occupations account for about 6% of all white collar jobs.

### Commute Times:

Based on 2000 Census results, the median travel time to work by individuals ages 16 and over within 30 miles of the centralized location in the Northwestern Pennsylvania WIA was 18.17 minutes. The following chart demonstrates the number of workers who travel to work within each of 6 time categories in the areas surrounding the centralized location.

<b>Travel Time to Work</b>	<b>15 Miles</b>	<b>30 Miles</b>	<b>45 Miles</b>
0-9 Minutes	4,221	19,855	66,960
10-19 Minutes	6,071	27,752	113,299
20-29 Minutes	4,040	16,311	60,879
30-39 Minutes	2,413	10,963	32,755
40-59 Minutes	1,514	6,616	17,027
60 or more Minutes	1,152	4,248	12,434

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32% of all commuters in the 30-mile radius travel for an average of 10 to 19 minutes. Furthermore, 75% of all commuters travel less than 30 minutes to work in this radius. Similar trends are apparent in each radius.

**Conclusion:**

This data is meant to provide potential companies with a snapshot of how their workforce demands can be met by extending recruitment beyond a 15-mile radius. The data is in no way a guarantee that individuals are available or interested in working for their company; rather, the data illustrates the availability of individuals who may meet the basic characteristics sought in new hires. While this analysis was based in an arbitrarily chosen point in the Northwest WIA, specific locations can be selected for more applicable information.