

CONFIDENTIAL



LABOR MARKET ANALYSIS UNION COUNTY

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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 areas surrounding an arbitrarily selected, centralized location in Union County, located within the Central Workforce Investment Area (WIA), which can then be applied to a general marketing study for potential business ventures. A point was visually chosen in Union County to make it as centralized as possible. Data is provided by DemographicsNow.

Introduction:

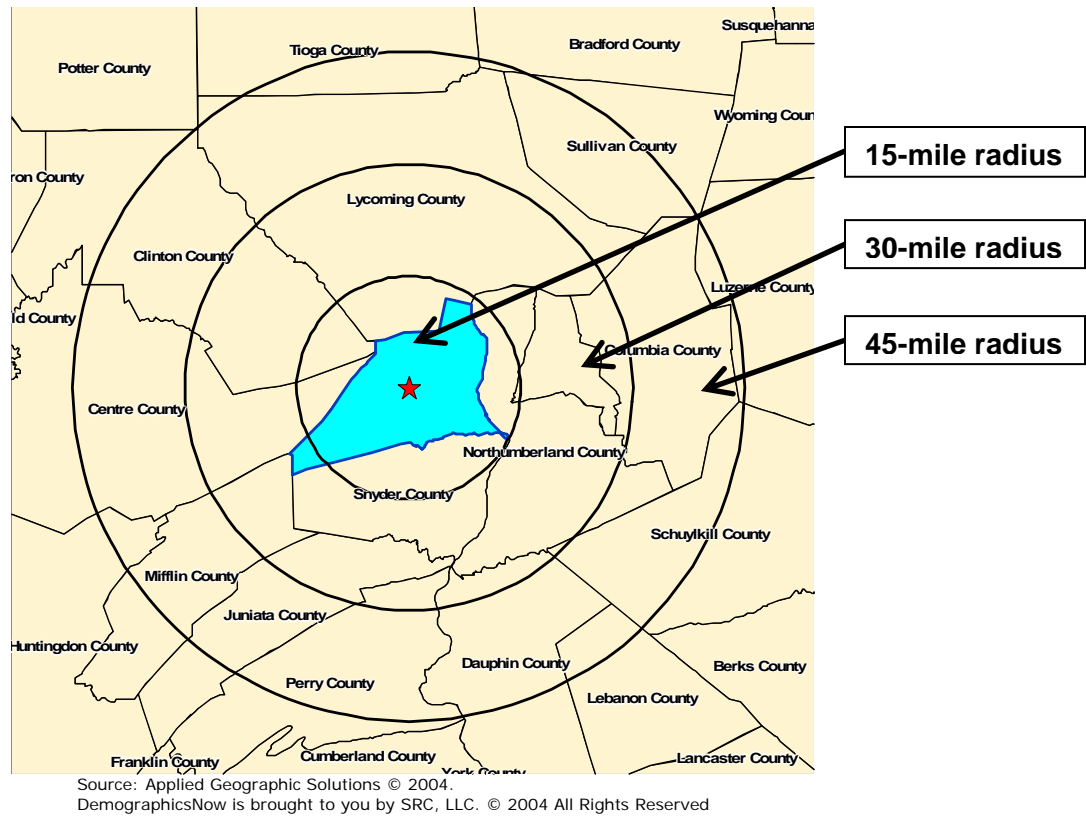
It is important to understand the labor force in areas surrounding this centralized location in Union County as potential plans for recruitment or expansion are made by various businesses. The following analysis compares the labor force demographics in 15-, 30- and 45-mile radii from this point. This analysis can be customized around a potential company's desired location or existing business parks.

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 Union County or any other area in the Central WIA.

Potential companies will look to create superior workforces to make each 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 Union County, it is not unreasonable to expand the recruitment of residents to 10 counties within a 30-mile radius of the centralized location in Union County as depicted in the map below. 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 6 counties (the majority of which is Union County).



Population & Labor Force:

In a 15-mile radius around this centralized location in Union County, the estimated average unemployment rate in 2006 was 4.71%, which equates to about 2,000 individuals actively seeking employment. 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.

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 unemployment rate increases by about 1.2% for both the 30- and 45-mile radii. Furthermore, the number of unemployed individuals increases about 5 times by concentrating on a recruitment area that is 15 miles larger (i.e., the 30-mile radius) and over 10 times at the 45-mile radius. It becomes more reasonable when the demand for so many 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 to a 30-mile radius, the size of the labor force, individuals working or actively seeking employment, increases from 42,000 to 176,000.

Population	15 Miles	30 Miles	45 Miles
Unemployment Rate	4.71%	5.92%	5.90%
Civilian Employed	39,522	165,609	321,715
Civilian Unemployed	1,956	10,440	20,187
Total Labor Force	41,553	176,264	342,374

Source: Applied Geographic Solutions © 2004. Based on 2006 Estimates.
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In 2006, the combined labor force in a 30-mile radius of the centralized location in Union County was 176,264, representing about 59% of the population over the age of 16. The civilian unemployment rate for the radius is 5.92%, which is slightly higher than the statewide average of 5.54%.

Educational Attainment:

High school graduates continue to account for the highest percentage among educational attainment levels in and around the Central WIA. 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 Union County. While this data does not distinguish between those individuals who are in the labor force and those that are neither employed nor actively seeking employment, it illustrates that worker availability according to educational attainment increases significantly as the distance from the location increases.

Population	15 Miles	30 Miles	45 Miles
Less Than 9th Grade	3,711	13,578	23,008
9th to 12th Grade No Diploma	9,407	32,886	56,591
High School Graduate	28,084	115,329	217,809
College, No Diploma	7,610	33,159	63,376
Associate Degree	3,211	16,457	30,802
Bachelor's Degree	6,214	23,790	51,923
Graduate or Professional School Degree	3,791	13,613	34,064

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As previously described, high school graduates make up the largest portion of the population ages 25 years and older. The number of graduates increases over 4 times when drawing on a 30-mile radius and nearly 8 times at the 45-mile level. Similar population growth is seen in those who have some postsecondary educational experience.

Within 30 miles of the centralized location, 46% of the population over the age of 24 has earned a high school diploma. An additional 35% has at least some college experience, but only 22% of the population over the age of 24 has earned a college degree. The statewide average is 40% with a high school diploma and 48% 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 Union County. While this data does not distinguish between those individuals who are in the labor force and those that are neither employed nor actively seeking employment, it illustrates that worker availability according to age increases significantly as the distance from this location increases.

Age Group	15 Miles	30 Miles	45 Miles
0-19	21,091	86,524	163,035
20-29	13,128	51,564	111,020
30-39	12,079	44,757	88,639
40-49	13,792	53,475	99,784
50-64	16,636	68,075	127,066
65+	13,023	58,087	108,601

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Within 30 miles of the centralized location in Union County, 24% of the population is under the age of 19. Furthermore, an additional 16% has reached the retirement age of at least 65, and an additional 19% of the population will reach retirement age over the next 5 to 15 years.

Industry Employment:

The following chart identifies the top 10 employing industries within 30 miles of the centralized location in Union County (values are sorted according to the 30 mile radius, but employment values are presented for the 15- and 45-mile radii). It is important to note that employment values are based on the area of residence and not the area of work.

Industry	15 Miles	30 Miles	45 Miles
Manufacturing	9,460	37,067	66,309
Health care and social assistance	4,690	21,125	36,694
Retail trade	4,198	19,799	37,613
Educational services	4,383	15,164	37,037
Construction	2,182	10,317	19,423
Accommodation and food services	2,267	9,352	19,733
Public administration	1,999	8,154	16,472
Other services (except public administration)	1,548	7,132	13,447
Transportation and warehousing	1,438	6,202	12,204
Finance and insurance	877	4,744	10,420

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These 10 industries account for approximately 86% of all employment within 30 miles of the centralized location in Union County. Similar trends are apparent for the 15- and 45-mile radii. Within the 30-mile radius of the centralized location in Union County, 23% 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 (9%), and construction (6%).

Class of Worker

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 Union County.

Class of Worker	15 Miles	30 Miles	45 Miles
Federal government workers	2,467	9,698	18,727
Local government workers	1,697	8,551	23,084
Private Company Employees	729	2,845	5,091
Private Nonprofit Wage/Salary Workers	1,942	8,478	15,864
Self Employed in Own Corp	4,052	16,435	31,176
Self Employed, Not Incorporated	110	486	929
State government workers	1,093	3,440	6,554
Unpaid family workers	11,027	48,769	95,523

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At the 30-mile radius, 49% of workers over the age of 15 are categorized as “unpaid family workers.” Furthermore, 17% fall into the “self employed in own corporation” bracket. An additional 22% work for the government, about 10% at the federal level, 3% at the state level, and 9% at the local level.

Blue Collar Workers

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

Blue Collar Occupations	15 Miles	30 Miles	45 Miles
Production occupations	4,984	21,553	39,407
Material moving workers	3,112	10,879	18,900
Food preparation and serving related occupations	2,239	9,087	18,696
Construction trades workers	1,976	8,431	15,737
Installation maintenance and repair occupations	1,285	6,746	13,292

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At the 30-mile radius, these 5 occupations account for about 70% of all blue collar employment. Production occupations account for 27%, while material moving workers comprise about 13% of all blue collar jobs. Furthermore, food preparation and serving related occupations account for 11%, construction trades workers account for about 10%, and installation maintenance and repair occupations account for about 8% of all blue collar jobs.

White Collar Workers

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

White Collar Occupations	15 Miles	30 Miles	45 Miles
Office and administrative support occupations	5,147	24,089	47,759
Sales and related occupations	3,270	14,504	28,320
Management occupations except farmers & farm managers	2,115	8,241	16,807
Education training and library occupations	2,076	7,992	19,181
Health diagnostic & treating practitioners & technical occupations	1,280	5,618	9,538

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At the 30-mile radius, these 5 occupations account for about 74% of all white collar employment. Office and administrative support occupations account for 29%, while sales and related occupations comprise about 18% of all white collar jobs. Furthermore, management occupations and education training and library occupations both account for about 10%, and health diagnostic and treating practitioners and technical occupations account for about 7% 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 Union County was 17.95 minutes. The following chart demonstrates the number of workers who travel to work within each of 6 time categories in the areas surrounding this location.

Travel Time to Work	15 Miles	30 Miles	45 Miles
0-9 Minutes	7,885	33,508	62,810
10-19 Minutes	13,301	55,406	103,377
20-29 Minutes	7,714	31,002	57,567
30-39 Minutes	4,418	17,941	36,320
40-59 Minutes	1,831	10,678	27,263
60 or more Minutes	1,789	8,881	19,655

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It is apparent that a majority of workers are willing to travel 10 to 19 minutes to work. In fact, approximately 35% of all workers in the 30-mile radius travel for an average of 10 to 19 minutes. Furthermore, about 76% of all workers 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 on an arbitrarily chosen point in Union County, specific locations can be selected for more appropriate information in this county as well as other areas throughout the Central Workforce Investment Area.