

Workforce Development



This document provides an update to information in the *Community Action Network's Workforce Development: A Community Assessment* report released in 1999 and updates the 2002 Workforce Development FAQ. All data included is the most current available.

Highlights

Job Growth on the Rebound

Although job growth has slowed, the overall number of non-farm jobs in Travis County increased by 2,600 in 2004. The service producing industries (e.g. retail, trades, health services) saw the most growth.

Number of Households Earning Less than \$25,000 Annually Increases

The number of households in Travis County earning less than \$25,000 annually increased by 44,636, and the number of households earning between \$25,000 and \$49,999 increased by 7,991 between 2002 and 2003. Households earning more than \$50,000 annually decreased by 13,437. (Source: U.S. Census Bureau)

Overview

The Greater Austin area has experienced significant changes over the last several years. In 2000 and 2001, the area faced a worker shortage as a result of the high tech boom and the rapidly growing service industries. In mid 2001, the high tech industry began a decline, and the unemployment rate went from a low 1.7% in December 2000 to a high of 6.7% in June 2003. As a result of the decline, the area lost 38,600 high wage jobs in computer and semiconductor manufacturing. Although the area added 31,500 jobs in the service producing industry, those jobs paid less than those lost in the high tech industry. Currently, the area is experiencing job growth once again, albeit slow, and the average wage for workers continues to rise.

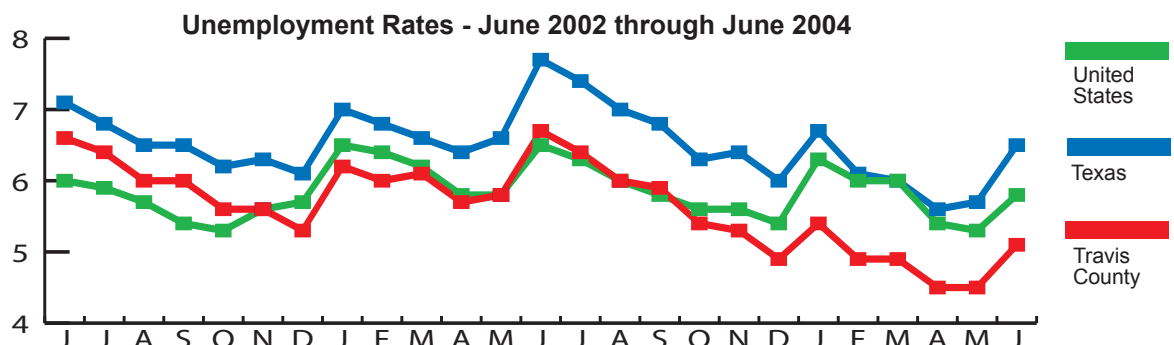
FREQUENTLY ASKED QUESTIONS

Q: How many people are working in the Capital Area?

In June 2004, **478,478** persons were **employed** in Travis County (Source: Texas Workforce Commission: www.tracer2.com).

Q: How many people are unemployed in the Capital Area?

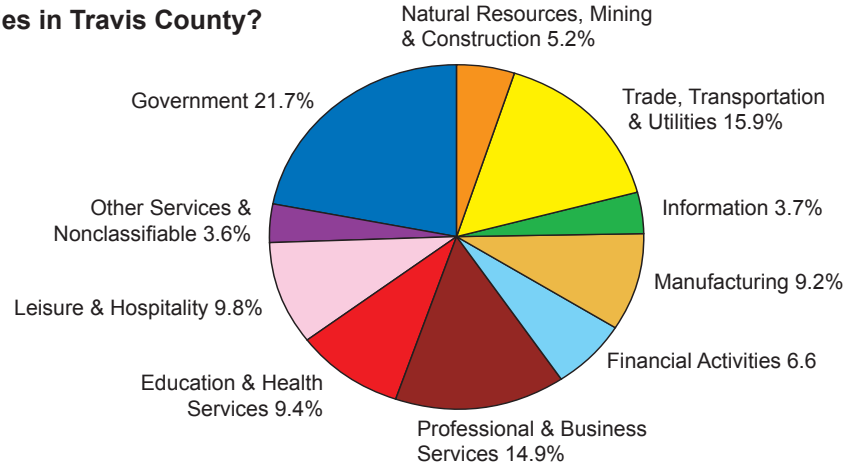
In June of 2004, **25,898** persons were **unemployed** in Travis County, placing the unemployment rate at 5.1%. (The unemployment estimates include all individuals able, available, and actively seeking work.) The unemployment rate peaked at 6.7% in June 2003, indicating a normal seasonal pattern. More than 12,900 layoffs were reported between January 2002 and June 2004, a noticeable decline from the more than 23,000 layoffs reported in 2001. (Source: WorkSource & TWC: www.tracer2.com)



Frequently Asked Questions about Workforce Development

Q: What are the major industries in Travis County?

The graph to the right shows employment by industry for the 4th quarter of 2003. The **government, trade, transportation & utilities, and the professional & business services industries** are the major industries in Travis County. (Source: WorkSource & TWC: www.tracer2.com)



Q: Has there been overall job growth in the Austin-San Marcos MSA?

Yes. Although the job growth has been slow compared to the economic boom of the 1990s, the overall number of non-farm **jobs increased by 2,600** in the last year (Austin-San Marcos MSA). While jobs in the goods producing industry (e.g. mining, machinery, construction) decreased by 700, the service producing industry (e.g. retail, trades, health services) gained 3,300 jobs. However, the Austin-San Marcos MSA has lost 19,500 jobs since June of 2000. (Source: TWC: www.tracer2.com)

Types of Jobs	June 2003	June 2004	Difference
Service Producing	556,800	560,100	3,300
Goods Producing	95,900	95,200	- 700
Total (non-farm)	652,700	655,300	2,600

While the area has lost jobs, a study by Boston-based Torto Wheaton Research predicts the Austin-San Marcos MSA will add jobs at the second-fastest pace in the country over the next five years, ranked only behind Las Vegas, Nevada. (Source: *Austin Business Journal*, October 29, 2004)

Q: How large are the employers in Travis County?

Although Travis County is home to some of the best known international corporations, the majority of employers in the area are small businesses. Of the **21,610 employers** in the area, **62.77% have less than 10 employees**. The table to the right provides a snapshot of how Travis County's employers compare by number of employees. (Source: TWC: www.tracer2.com)

Size Class	Number of Employers	Percent of Employers
Not Available	2,039	9.43%
1 - 4	10,007	46.31%
5 - 9	3,557	16.46%
10 - 19	2,485	11.50%
20 - 49	1,998	9.25%
50 - 99	767	3.55%
100 - 249	476	2.20%
250 - 499	158	0.73%
500 - 999	67	0.31%
1000 +	56	0.26%
TOTAL	21,610	100%

Q: Who are the largest employers in the Austin-San Marcos MSA?

The **largest employer** in the Austin-San Marcos MSA is the **state government with 56,300 local employees**. The following is a list of the largest area employers in the private and public sectors. (Source: WorkSource)

Private Sector Employers

Dell	17,000
SETON Healthcare Network	7,750
IBM Corporation	6,200
Freescale Semiconductor	6,000
St. David's HealthCare Partnership	5,000

Public Sector Employers

State Government	56,300
University of Texas at Austin	20,249
City of Austin	12,259
Austin Independent School District	10,850
Federal Government	9,504

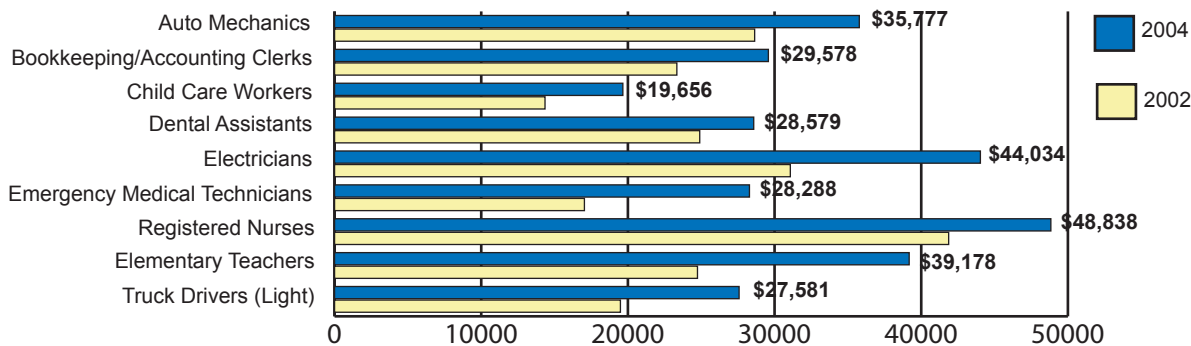
Frequently Asked Questions about Workforce Development

Q: What industries have added the most jobs?

The **Trade, Transportation & Utilities** industry have added the most jobs in Travis County, employing an additional 4,195 in 2003. The other industries adding the most jobs include: **Leisure & Hospitality** (2,019), **Education & Health Services** (1,254), **Financial Activities** (1,057), **Professional & Business Services** (875), and **Construction** (731). (Source: TWC: www.tracer2.com)

Q: What wages are paid in demand occupations?

The graph below shows a comparison of annual average wages in Travis County for 2004 (top bar) and 2002 (bottom bar) for demand occupations which are experiencing growth and a lack of skilled workers in the current labor pool. (Source: WorkSource & TWC: www.worksourceaustin.com)



Q: How much do Travis County workers earn annually?

In 2003, the average annual wage in Travis County was **\$37,870**, up 1.8 % from the 2002 (\$37,185) average and up 4.6 percent from the 2001 (\$36,195) average. Travis County ranks seventh in the state in highest mean wage. (Source: WorkSource & TWC: www.tracer2.com)

Q: Does Austin have a skilled workforce?

Yes. In 2004, *Forbes* magazine ranked Austin third on its Best Places for Business list due to Austin's educational attainment and its thousands of new graduates each year. During the 2002 - 2003 school year, **14,356 persons graduated with a degree** from Austin Community College, Concordia University, Huston-Tillotson College, St. Edward's University, or The University of Texas at Austin. (Source: Ray Marshall Center, UT Austin)

The **high number of patents** issued in the Austin metropolitan area also **demonstrates Austin's brainpower**. In 2003, Austin was **issued 1,928 patents** and ranked second only to San Jose, CA in the number of patents issued to regions with high tech centers. (Source: Ray Marshall Center, UT Austin)

Educational Attainment in the Austin-San Marcos MSA

	2000 Estimate	2001 Estimate	2002 Estimate	2003 Estimate
Total Population 25 years and over	745,543	787,406	817,507	848,494
Less than 9th grade	45,925	50,000	49,704	69,248
9th to 12th grade, no diploma	56,661	50,473	62,866	68,317
High school graduate (including equivalency)	151,643	173,781	168,815	163,940
Some college, no degree	160,217	164,489	180,342	186,004
Associate degree	44,659	44,803	41,611	49,987
Bachelor's degree	194,661	200,631	204,786	210,271
Graduate or professional degree	91,777	103,229	109,383	100,727

The table to the left shows the education attainment for individuals 25 and over. In 2003, 43% of the population in the Austin-San Marcos MSA had an associate degree or higher. This is considerably higher than the percentage rate for Texas (30%) and for the United States (34%) (Source: U.S. Census Bureau: www.census.gov/acs)

Frequently Asked Questions about Workforce Development

Q: What services are available for workers or job seekers?

WorkSource - Career Centers in Travis County provide workers and job seekers employment services such as access to job search tools, occupational training, and support services such as child care and transportation assistance. *WorkSource* also provides hundreds of job postings daily through WorkInTexas.com, an online job search resource. Between May and August 2004, **7,011 jobs were posted** on WorkInTexas.com. **WorkSource - Greater Austin Area Workforce Board** has also leveraged **\$6,775,036** in additional funding for workforce initiatives including: high-level technical skills training for current workers, apprenticeships, literacy efforts, and child care provider training.

Other services to low-income populations include those provided through **community-based organizations** such as Goodwill Industries of Central Texas, Austin Area Urban League, Austin Academy, Capital Area Training Foundation, and Capital IDEA. The *Austin American-Statesman* also provides hundreds of job listings each day at www.statesmanjobs.com.

Q: What services are available for employers?

WorkSource provides no- to low-cost assistance to employers including job posting, applicant screening, customized job fairs, labor market information and training opportunities. In August 2004, **21,880 workers** were registered in WorkInTexas.com, *WorkSource's* online recruitment tool. In addition, *WorkSource's* three Career Centers maintain a constant stream of Austin's labor pool. Between January 2003 and June 2004, the Career Centers received **304,071 customer visits**.

Other employer services in the area include **15 Chambers of Commerce** (www.ci.austin.tx.us/news/piccintr.htm) and the City of Austin's **Small Business Development Program** (www.ci.austin.tx.us/sbdp/).

Q: What can I do to help?

- Get to know workforce development programs and refer people to those services.
- Contact the United Way Capital Area's Volunteer Center by calling 211 or visit their website at www.unitedwaycapitalarea.org/volunteer/index.cfm.
- Please see the CAN Urgent Issues Action Plan at www.caction.org for additional information about specific and community-wide approaches to addressing workforce needs in our community.

Additional Information

To access the 1999 CAN Community Workforce Development Assessment, please refer to www.caction.org. To obtain a copy of this or any other CAN report, please email Brenda Ahrens at bahrns@austin.isd.tenet.edu, call 512-414-8203, or write to The Community Action Network, 1111 W. 6th Street, Suite B220, Austin, Texas 78703. For regularly updated current statistics on all issue areas, please see *The Can Community Overview* document at www.caction.org.

For information on available workforce services, please refer to www.worksourceaustin.com and by calling the United Way Capital Area at 211.

For the most recent labor market information on the Capital area, please refer to: www.tracer2.com or www.worksourceaustin.com.

For information on Greater Austin @ Work industry cluster initiatives, please refer to: www.austinchamber.org/The_Chamber/About_The_Chamber/What_We_Do/Workforce_Development/.

Special thanks to the 2004 CAN Frequently Asked Questions contributors: Hannah Gourgey, Capital Area Training Foundation; Sarah Looney, The University of Texas' Ray Marshall Center; Lawrence Lyman, Travis County Research & Planning; and Bruce Davis, Beverly Fisher, and Leanne James, *WorkSource*.



CAN Partners: Austin Area Human Services Association ~ Austin Area Interreligious Ministries ~ Austin Area Research Organization ~ Austin Independent School District ~ Austin Travis County MHMR Center ~ Capital Metro ~ City of Austin ~ Community Justice Council ~ Greater Austin Chamber of Commerce ~ Health Partnership 2010 ~ Higher Education Coalition ~ Travis County ~ United Way Capital Area ~ *WorkSource* - Greater Austin Area Workforce Board