

## 2022 Economic Overview

# Huntsville, Alabama Workforce Region

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### **Demographic Profile**

The population in the Huntsville, Alabama Workforce Region (16-counties) was 1,248,309 per American Community Survey data for 2015-2019.

The region has a civilian labor force of 576,773 with a participation rate of 57.6%. Of individuals 25 to 64 in the Huntsville, Alabama Workforce Region (16-counties), 26.7% have a bachelor's degree or higher which compares with 33.5% in the nation.

The median household income in the Huntsville, Alabama Workforce Region (16-counties) is \$52,960 and the median house value is \$144,120.

	Sumr	mary <sup>1</sup>				
	Huntsville, Alabama Workforce Region (16- counties)	Percent Alabama	USA	Huntsville, Alabama Workforce Region (16- counties)	Value Alabama	USA
Demographics	countiesy	Alabama	UJA	countiesy	Alabama	USA
Population (ACS)	_	-	_	1,248,309	4,876,250	324,697,795
Male	49.0%	48.4%	49.2%	612,119	2,359,355	159,886,919
Female	51.0%	51.6%	50.8%	636,190	2,516,895	164,810,876
Median Age <sup>2</sup>	_	_	_	40.3	39.0	38.1
Under 18 Years	22.3%	22.5%	22.6%	278,026	1,096,376	73,429,392
18 to 24 Years	8.8%	9.4%	9.4%	109,278	458,997	30,646,327
25 to 34 Years	12.6%	13.1%	13.9%	157,052	637,947	45,030,415
35 to 44 Years	12.0%	12.2%	12.6%	150,389	596,388	40,978,831
45 to 54 Years	13.6%	13.0%	13.0%	170,081	632,659	42,072,620
55 to 64 Years	13.7%	13.3%	12.9%	170,523	649,002	41,756,414
65 to 74 Years	10.0%	9.8%	9.1%	124,448	476,681	29,542,266
75 Years, and Over	7.1%	6.7%	6.5%	88,512	328,200	21,241,530
Race: White	81.2%	68.1%	72.5%	1,013,149	3,320,247	235,377,662
Race: Black or African American	12.4%	26.6%	12.7%	154,625	1,299,048	41,234,642
Race: American Indian and Alaska Native	0.7%	0.5%	0.8%	8,847	25,565	2,750,143
Race: Asian	1.2%	1.4%	5.5%	14,399	66,270	17,924,209
Race: Native Hawaiian and Other Pacific Islander	0.1%	0.0%	0.2%	1,332	2,238	599,868
Race: Some Other Race	2.0%	1.4%	4.9%	25,435	70,662	16,047,369
Race: Two or More Races	2.4%	1.9%	3.3%	30,522	92,220	10,763,902
Hispanic or Latino (of any race)	6.2%	4.3%	18.0%	77,485	208,626	58,479,370
Population Growth						
Population (Pop Estimates) <sup>4</sup>	-	-	-	1,279,218	4,921,532	329,484,123
Population Annual Average Growth <sup>4</sup>	0.6%	0.3%	0.6%	7,007	13,602	2,015,698
People per Square Mile	_	_	_	117.6	96.8	92.9
Economic						
Labor Force Participation Rate and Size (civilian population 16 years and over)	57.6%	57.3%	63.2%	576,773	2,229,479	163,555,585
Prime-Age Labor Force Participation Rate and Size (civilian population 25-54)	77.7%	77.1%	82.1%	369,986	1,431,819	104,634,905
Armed Forces Labor Force	0.2%	0.3%	0.4%	1,801	13,306	1,073,907
Veterans, Age 18-64	6.3%	6.0%	4.6%	47,315	177,164	9,143,042
Veterans Labor Force Participation Rate and Size, Age 18-64	74.0%	71.3%	76.6%	35,007	126,372	7,003,778
Median Household Income <sup>2</sup>	_	_	_	\$52,960	\$50,536	\$62,843
Per Capita Income	_	_	-	\$28,613	\$27,928	\$34,103
Mean Commute Time (minutes)	-	-	-	24.2	24.9	26.9



#### Summary<sup>1</sup>

		Percent			Value	
	Huntsville, Alabama Workforce Region (16-			Huntsville, Alabama Workforce Region (16-		
	counties)	Alabama	USA	counties)	Alabama	USA
Commute via Public Transportation	0.2%	0.3%	5.0%	898	6,927	7,641,160
Educational Attainment, Age 25-64						
No High School Diploma	13.3%	12.4%	10.9%	86,291	311,386	18,550,150
High School Graduate	29.6%	29.5%	25.7%	191,547	743,368	43,627,868
Some College, No Degree	21.1%	22.1%	20.7%	136,871	555,729	35,174,790
Associate's Degree	9.3%	9.4%	9.1%	60,135	237,710	15,526,064
Bachelor's Degree	17.2%	17.1%	21.2%	111,786	429,310	35,997,848
Postgraduate Degree	9.5%	9.5%	12.3%	61,415	238,493	20,961,560
Housing						
Total Housing Units	_	_	-	562,806	2,255,026	137,428,986
Median House Value (of owner-occupied units) <sup>2</sup>	_	_	_	\$144,120	\$142,700	\$217,500
Homeowner Vacancy	1.6%	1.8%	1.6%	5,693	24,454	1,257,737
Rental Vacancy	6.8%	10.0%	6.0%	10,349	66,416	2,793,023
Renter-Occupied Housing Units (% of Occupied Units)	28.8%	31.2%	36.0%	140,081	583,145	43,481,667
Occupied Housing Units with No Vehicle Available (% of Occupied Units)	4.8%	6.1%	8.6%	23,561	113,960	10,395,713
Social						
Poverty Level (of all people)	15.3%	16.7%	13.4%	186,792	795,989	42,510,843
Households Receiving Food Stamps/SNAP	12.3%	14.0%	11.7%	59,941	260,883	14,171,567
Enrolled in Grade 12 (% of total population)	1.3%	1.3%	1.4%	16,824	64,852	4,422,344
Disconnected Youth <sup>3</sup>	2.4%	2.7%	2.5%	1,538	6,966	423,273
Children in Single Parent Families (% of all children)	32.7%	38.6%	34.1%	84,802	392,646	23,790,005
Uninsured	9.6%	9.5%	8.8%	118,376	457,826	28,248,613
With a Disability, Age 18-64	13.7%	14.2%	10.3%	101,951	414,378	20,187,604
With a Disability, Age 18-64, Labor Force Participation Rate and Size	33.6%	33.5%	42.2%	34,272	138,805	8,509,463
Foreign Born	4.3%	3.5%	13.6%	53,237	172,947	44,011,870
Speak English Less Than Very Well (population 5 yrs and over)	2.7%	2.2%	8.4%	32,185	99,135	25,615,365

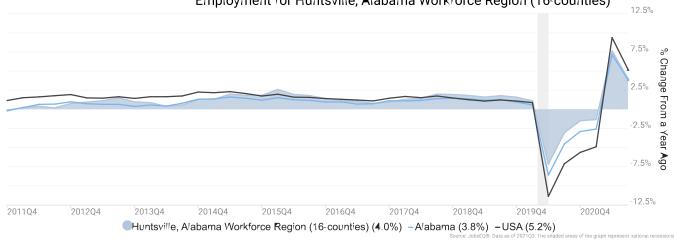
Source: JobsEQ®

Source: IOSEQ2 1. American Community Survey 2015-2019, unless noted otherwise 2. Median values for certain aggregate regions (such as MSAs) may be estimated as the weighted averages of the median values from the composing counties. 3. Disconnected Youth are 16-19 year olds who are (1) not in school, (2) not high school graduates, and (3) either unemployed or not in the labor force. 4. Census Population Estimate for 2020, annual average growth rate since 2010.



### **Employment Trends**

As of 2021Q3, total employment for the Huntsville, Alabama Workforce Region (16-counties) was 550,590 (based on a four-quarter moving average). Over the year ending 2021Q3, employment increased 4.0% in the region.

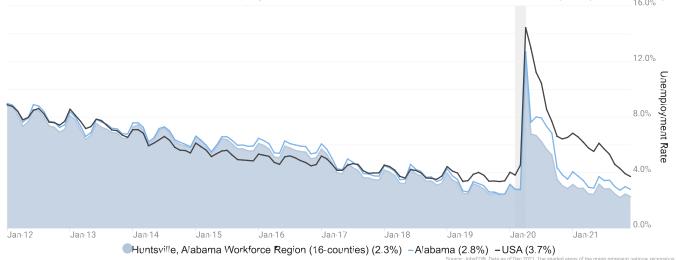


Employment for Huntsville, Alabama Workforce Region (16-counties)

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q3

### **Unemployment Rate**

The unemployment rate for the Huntsville, Alabama Workforce Region (16-counties) was 2.3% as of December 2021. The regional unemployment rate was lower than the national rate of 3.7%. One year earlier, in December 2020, the unemployment rate in the Huntsville, Alabama Workforce Region (16-counties) was 2.8%.



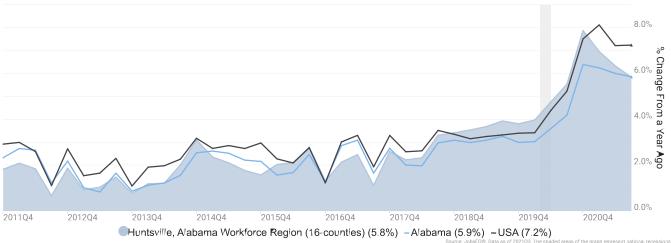
Unemployment Rate for Huntsville, Alabama Workforce Region (16-counties)

Unemployment rate data are from the Local Area Unemployment Statistics, provided by the Bureau of Labor Statistics and updated through December 2021



### Wage Trends

The average worker in the Huntsville, Alabama Workforce Region (16-counties) earned annual wages of \$53,067 as of 2021Q3. Average annual wages per worker increased 5.8% in the region over the preceding four quarters. For comparison purposes, annual average wages were \$64,555 in the nation as of 2021Q3.



Average Annual Wages for Huntsville, Alabama Workforce Region (16-counties)

Annual average wages per worker data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q3.



### Cost of Living Index

The Cost of Living Index estimates the relative price levels for consumer goods and services. When applied to wages and salaries, the result is a measure of relative purchasing power. The cost of living is 14.5% lower in Huntsville, Alabama Workforce Region (16-counties) than the U.S. average.

#### **Cost of Living Information**

	Cost of Living Index						
	Annual Average Salary	(Base US)	US Purchasing Power				
Huntsville, Alabama Workforce Region (16-counties)	\$53,067	85.5	\$62,085				
Alabama	\$51,921	89.0	\$58,330				
USA	\$64,555	100.0	\$64,555				

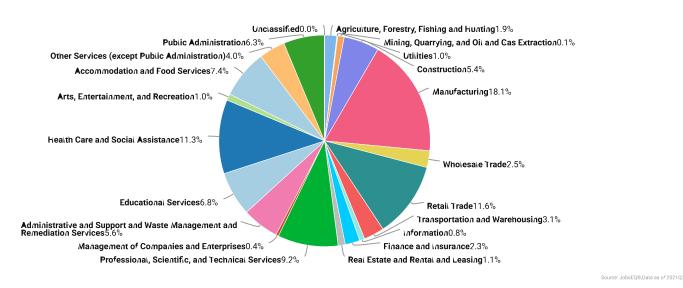
Source: JobsEQ® Data as of 2021Q3

Cost of Living per C2ER, data as of 2021Q3, imputed by Chmura where necessary.



### **Industry Snapshot**

The largest sector in the Huntsville, Alabama Workforce Region (16-counties) is Manufacturing, employing 99,659 workers. The next-largest sectors in the region are Retail Trade (64,088 workers) and Health Care and Social Assistance (62,290). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Manufacturing (LQ = 2.21), Utilities (1.88), and Agriculture, Forestry, Fishing and Hunting (1.36).



Total Workers for Huntsville, Alabama Workforce Region (16-counties) by Industry

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q3.

Sectors in the Huntsville, Alabama Workforce Region (16-counties) with the highest average wages per worker are Professional, Scientific, and Technical Services (\$98,664), Utilities (\$90,412), and Management of Companies and Enterprises (\$83,136). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Professional, Scientific, and Technical Services (+10,791 jobs), Construction (+4,191), and Manufacturing (+4,159).

Over the next 5 years, employment in the Huntsville, Alabama Workforce Region (16-counties) is projected to expand by 23,059 jobs. The fastest growing sector in the region is expected to be Arts, Entertainment, and Recreation with a +3.4% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Accommodation and Food Services (+4,944 jobs), Health Care and Social Assistance (+4,272), and Professional, Scientific, and Technical Services (+3,489).



#### Huntsville, Alabama Workforce Region (16-counties), 2021Q3<sup>1</sup>

			Current	5-Year History							
			Avg Ann		Empl		Total			Empl	Ann %
NAICS	Industry	Empl	Wages	LQ	Change	Ann %	Demand	Exits	Transfers	Growth	Growth
31	Manufacturing	99,659	\$59,883	2.21	4,159	0.9%	53,997	19,277	33,008	1,713	0.3%
44	Retail Trade	64,088	\$32,944	1.11	2,072	0.7%	41,637	18,769	23,715	-848	-0.3%
62	Health Care and Social Assistance	62,290	\$53,101	0.77	3,782	1.3%	34,499	14,863	15,364	4,272	1.3%
54	Professional, Scientific, and Technical Services	50,901	\$98,664	1.29	10,791	4.9%	25,896	8,321	14,086	3,489	1.3%
72	Accommodation and Food Services	40,832	\$19,024	0.95	-1,909	-0.9%	39,774	15,415	19,415	4,944	2.3%
61	Educational Services	37,345	\$45,896	0.84	-922	-0.5%	19,315	8,472	9,141	1,702	0.9%
92	Public Administration	34,595	\$77,630	1.30	1,071	0.6%	16,922	6,791	9,240	892	0.5%
56	Administrative and Support and Waste Management and Remediation Services	30,871	\$33,118	0.88	-1,532	-1.0%	19,877	7,709	10,516	1,653	1.0%
23	Construction	29,863	\$53,424	0.92	4,191	3.1%	15,799	5,323	9,523	953	0.6%
81	Other Services (except Public Administration)	22,045	\$27,559	0.92	330	0.3%	14,213	5,880	7,020	1,314	1.2%
48	Transportation and Warehousing	17,223	\$49,504	0.63	2,032	2.5%	10,240	3,984	5,391	865	1.0%
42	Wholesale Trade	14,019	\$60,547	0.68	169	0.2%	7,717	2,795	4,632	290	0.4%
52	Finance and Insurance	12,427	\$67,947	0.54	537	0.9%	5,953	2,201	3,614	137	0.2%
11	Agriculture, Forestry, Fishing and Hunting	10,365	\$33,770	1.36	-1,181	-2.1%	5,675	2,393	3,228	54	0.1%
53	Real Estate and Rental and Leasing	6,042	\$48,051	0.63	396	1.4%	3,296	1,409	1,688	199	0.6%
22	Utilities	5,427	\$90,412	1.88	-83	-0.3%	2,185	868	1,529	-212	-0.8%
71	Arts, Entertainment, and Recreation	5,413	\$20,651	0.59	221	0.8%	5,104	1,842	2,275	987	3.4%
51	Information	4,287	\$65,823	0.39	-599	-2.6%	2,317	761	1,350	206	0.9%
55	Management of Companies and Enterprises	2,248	\$83,136	0.27	-143	-1.2%	1,064	377	644	43	0.4%
21	Mining, Quarrying, and Oil and Gas Extraction	649	\$63,423	0.34	86	2.9%	362	109	227	26	0.8%
	Total - All Industries	550,590	\$53,067	1.00	23,467	0.9%	328,593	130,587	174,947	23,059	0.8%

Source: JobsEQ®

Data as of 2021Q3

Note: Figures may not sum due to rounding.

1. All data based upon a four-quarter moving average Exits and transfers are approximate estimates based upon occupation separation rates.

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q3. Forecast employment growth uses national projections adapted for regional growth patterns.



### **Occupation Snapshot**

The largest major occupation group in the Huntsville, Alabama Workforce Region (16-counties) is Production Occupations, employing 67,512 workers. The next-largest occupation groups in the region are Office and Administrative Support Occupations (61,013 workers) and Sales and Related Occupations (53,524). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are Architecture and Engineering Occupations (LQ = 2.37), Production Occupations (2.12), and Installation, Maintenance, and Repair Occupations (1.21).

Occupation groups in the Huntsville, Alabama Workforce Region (16-counties) with the highest average wages per worker are Management Occupations (\$102,500), Architecture and Engineering Occupations (\$93,800), and Computer and Mathematical Occupations (\$91,500). The unemployment rate in the region varied among the major groups from 0.8% among Community and Social Service Occupations to 6.3% among Food Preparation and Serving Related Occupations.

Over the next 5 years, the fastest growing occupation group in the Huntsville, Alabama Workforce Region (16counties) is expected to be Food Preparation and Serving Related Occupations with a +2.1% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Food Preparation and Serving Related Occupations (+4,558 jobs) and Transportation and Material Moving Occupations (+2,109). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Production Occupations (39,380 jobs) and Food Preparation and Serving Related Occupations (39,042).

			Current				5-Year History				5-Year Forecast			
SOC	Occupation	Empl	Mean Ann Wages <sup>2</sup>	LQ	Unempl	Unempl Rate	Online Job Ads <sup>3</sup>	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
51-0000	Production	67,512	\$37,100	2.12	2,129	3.1%	2,186	1,135	0.3%	39,690	13,156	26,224	310	0.1%
43-0000	Office and Administrative Support	61,013	\$36,600	0.87	1,462	2.3%	2,613	139	0.0%	34,650	14,765	20,285	-400	-0.1%
41-0000	Sales and Related	53,524	\$36,400	1.01	2,005	3.6%	4,367	769	0.3%	37,768	14,957	22,919	-108	0.0%
53-0000	Transportation and Material Moving	44,609	\$33,600	0.94	1,693	3.5%	3,891	2,555	1.2%	31,635	10,671	18,856	2,109	0.9%
35-0000	Food Preparation and Serving Related	41,533	\$21,600	0.99	2,911	6.3%	2,966	-1,831	-0.9%	43,600	15,768	23,274	4,558	2.1%
11-0000	Management	33,767	\$102,500	0.98	419	1.2%	2,898	1,276	0.8%	16,538	5,220	9,734	1,583	0.9%
29-0000	Healthcare Practitioners and Technical	29,734	\$72,200	0.91	323	1.1%	2,377	2,161	1.5%	10,548	4,122	4,806	1,620	1.1%
49-0000	Installation, Maintenance, and Repair	25,545	\$47,400	1.21	617	2.3%	1,679	1,618	1.3%	13,948	4,096	8,684	1,169	0.9%
47-0000	Construction and Extraction	25,074	\$43,400	0.98	899	3.3%	712	2,774	2.4%	15,294	4,182	10,159	953	0.7%
25-0000	Educational Instruction and Library	24,635	\$47,200	0.82	610	2.5%	604	-519	-0.4%	12,809	5,166	6,221	1,422	1.1%
13-0000	Business and Financial Operations	24,112	\$77,500	0.73	332	1.4%	2,285	3,266	3.0%	13,168	3,447	8,517	1,205	1.0%
17-0000	Architecture and Engineering	22,047	\$93,800	2.37	270	1.2%	2,018	3,047	3.0%	9,850	2,689	6,117	1,044	0.9%
31-0000	Healthcare Support	17,746	\$26,700	0.72	420	2.2%	1,177	1,462	1.7%	13,327	5,424	6,232	1,671	1.8%
15-0000	Computer and Mathematical	17,450	\$91,500	0.92	177	1.0%	5,432	2,717	3.4%	8,600	1,527	5,397	1,675	1.9%
37-0000	Building and Grounds Cleaning and Maintenance	17,408	\$28,100	0.96	664	3.5%	1,024	630	0.7%	12,567	4,925	6,866	776	0.9%

#### Huntsville, Alabama Workforce Region (16-counties), 2021Q3<sup>1</sup>

Source: JobsEQ<sup>®</sup>, http://www.chmuraecon.com/jobseq Copyright © 2022 Chmura Economics & Analytics, All Rights Reserved.



#### Huntsville, Alabama Workforce Region (16-counties), 2021Q3<sup>1</sup>

		Current						5-Year History				5-Year Forecast			
SOC	Occupation	Empl	Mean Ann Wages <sup>2</sup>	LQ	Unempl	Unempl Rate	Online Job Ads <sup>3</sup>	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth	
39-0000	Personal Care and Service	10,539	\$25,800	0.77	668	5.9%	291	125	0.2%	9,887	3,889	4,857	1,141	2.1%	
33-0000	Protective Service	9,348	\$42,400	0.80	184	1.9%	563	439	1.0%	5,269	1,946	2,897	426	0.9%	
21-0000	Community and Social Service	7,223	\$47,100	0.73	56	0.8%	467	292	0.8%	4,614	1,438	2,678	499	1.3%	
27-0000	Arts, Design, Entertainment, Sports, and Media	6,659	\$47,900	0.68	273	4.1%	389	207	0.6%	4,313	1,410	2,477	426	1.2%	
19-0000	Life, Physical, and Social Science	5,163	\$66,100	1.03	85	1.7%	392	806	3.5%	2,764	520	2,008	236	0.9%	
23-0000	Legal	2,987	\$85,100	0.63	26	0.9%	20	207	1.4%	1,171	388	624	159	1.0%	
45-0000	Farming, Fishing, and Forestry	2,963	\$29,800	0.80	106	3.2%	54	193	1.4%	2,534	603	1,846	85	0.6%	
	Total - All Occupations	550,590	\$48,400	1.00	16,329	2.9%	38,407	23,467	0.9%	344,880	120,308	201,679	22,893	0.8%	

Source: JobsEQ®

Data as of 2021Q3 unless noted otherwise

Note: Figures may not sum due to rounding.

1. Data based on a four-quarter moving average unless noted otherwise.

2. Wage data are as of 2020 and represent the average for all Covered Employment

3. Data represent found online ads active within the last thirty days in the selected region; data represents a sampling rather than the complete universe of postings. Ads lacking zip code information but designating a place (city, town, etc.) may be assigned to the zip code with greatest employment in that place for queries in this analytic. Due to alternative county-assignment algorithms, ad counts in this analytic may not match that shown in RTI (nor in the popup window ad list).

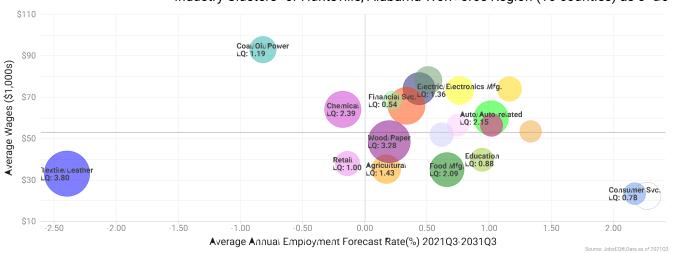
Occupation employment data are estimated via industry employment data and the estimated industry/occupation mix. Industry employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and currently updated through 2021Q2, imputed where necessary with preliminary estimates updated to 2021Q3. Wages by occupation are as of 2020 provided by the BLS and imputed where necessary. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth

patterns.



### **Industry Clusters**

A cluster is a geographic concentration of interrelated industries or occupations. The industry cluster in the Huntsville, Alabama Workforce Region (16-counties) with the highest relative concentration is Textile/Leather with a location quotient of 3.80. This cluster employs 4,689 workers in the region with an average wage of \$32,998. Employment in the Textile/Leather cluster is projected to contract in the region about 2.4% per year over the next ten years.



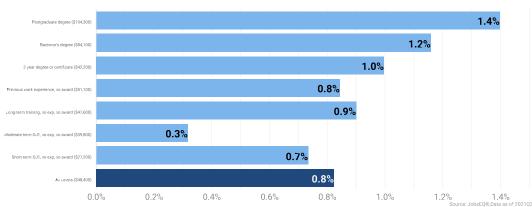
Industry Clusters for Huntsville, Alabama Workforce Region (16-counties) as of 20

Location quotient and average wage data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, imputed where necessary, and updated through 2021Q2 with preliminary estimates updated to 2021Q3. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.



### **Education Levels**

Expected growth rates for occupations vary by the education and training required. While all employment in the Huntsville, Alabama Workforce Region (16-counties) is projected to grow 0.8% over the next ten years, occupations typically requiring a postgraduate degree are expected to grow 1.4% per year, those requiring a bachelor's degree are forecast to grow 1.2% per year, and occupations typically needing a 2-year degree or certificate are expected to grow 1.0% per year.



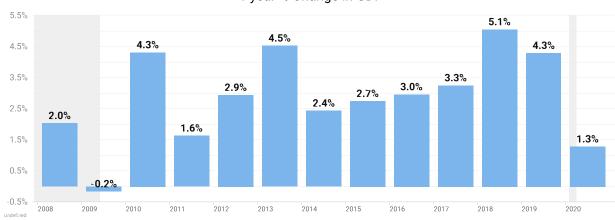
Annual Average Projected Job Growth by Training Required 1 Workforce Region (16-counties)

Employment by occupation data are estimates are as of 2021Q3. Education levels of occupations are based on BLS assignments. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.



### **Gross Domestic Product**

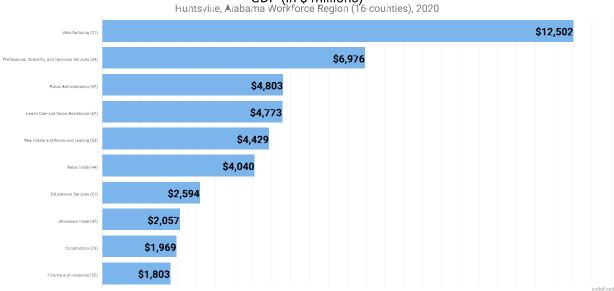
Gross Domestic Product (GDP) is the total value of goods and services produced by a region. In 2020, nominal GDP in the Huntsville, Alabama Workforce Region (16-counties) expanded 1.3%. This follows growth of 4.3% in 2019. As of 2020, total GDP in the Huntsville, Alabama Workforce Region (16-counties) was \$55,217,655,000.



1 year % Change in GDP

Gross Domestic Product data are provided by the Bureau of Economic Analysis, imputed by Chmura where necessary, updated through 2020.

Of the sectors in the Huntsville, Alabama Workforce Region (16-counties), Manufacturing contributed the largest portion of GDP in 2020, \$12,502,361,000 The next-largest contributions came from Professional, Scientific, and Technical Services (\$6,975,555,000); Public Administration (\$4,802,698,000); and Health Care and Social Assistance (\$4,772,694,000).

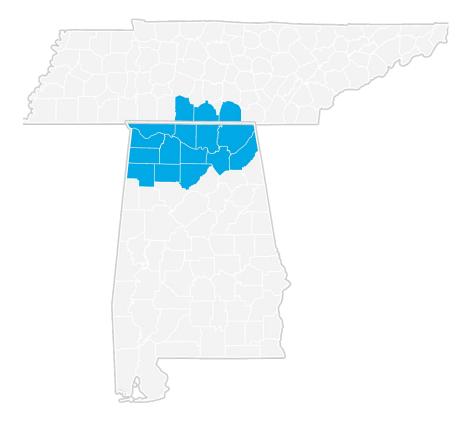




Gross Domestic Product data are provided by the Bureau of Economic Analysis, imputed by Chmura where necessary, updated through 2020.



Huntsville, Alabama Workforce Region (16-counties) Regional Map





### **Region Definition**

#### Huntsville, Alabama Workforce Region (16-counties) is defined as the following counties:

Colbert County, Alabama	Madison County, Alabama
Cullman County, Alabama	Marion County, Alabama
DeKalb County, Alabama	Marshall County, Alabama
Franklin County, Alabama	Morgan County, Alabama
Jackson County, Alabama	Winston County, Alabama
Lauderdale County, Alabama	Franklin County, Tennessee
Lawrence County, Alabama	Giles County, Tennessee
Limestone County, Alabama	Lincoln County, Tennessee



#### What is a location quotient?

A location quotient (LQ) is a measurement of concentration in comparison to the nation. An LQ of 1.00 indicates a region has the same concentration of an industry (or occupation) as the nation. An LQ of 2.00 would mean the region has twice the expected employment compared to the nation and an LQ of 0.50 would mean the region has half the expected employment in comparison to the nation.

#### What is separation demand?

Separation demand is the number of jobs required due to separations—labor force exits (including retirements) and turnover resulting from workers moving from one occupation into another. Note that separation demand does not include all turnover—it does not include when workers stay in the same occupation but switch employers. The total projected demand for an occupation is the sum of the separation demand and the growth demand (which is the increase or decrease of jobs in an occupation expected due to expansion or contraction of the overall number of jobs in that occupation).

#### What is a cluster?

A cluster is a geographic concentration of interrelated industries or occupations. If a regional cluster has a location quotient of 1.25 or greater, the region is considered to possess a competitive advantage in that cluster.

#### What is the difference between industry wages and occupation wages?

Industry wages and occupation wages are estimated via separate data sets, often the time periods being reported do not align, and wages are defined slightly differently in the two systems (for example, certain bonuses are included in the industry wages but not the occupation wages). It is therefore common that estimates of the average industry wages and average occupation wages in a region do not match exactly.

#### What is NAICS?

The North American Industry Classification System (NAICS) is used to classify business establishments according to the type of economic activity. The NAICS Code comprises six levels, from the "all industry" level to the 6-digit level. The first two digits define the top level category, known as the "sector," which is the level examined in this report.

#### What is SOC?

The Standard Occupational Classification system (SOC) is used to classify workers into occupational categories. All workers are classified into one of over 804 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 22 major groups, 95 minor groups, and 452 occupation groups. Each occupation group includes detailed occupations requiring similar job duties, skills, education, or experience.

About This Report

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