

Executive Summary

EMPLOYMENT DEMAND

Labor Force, Employment, and Unemployment

- The United States experienced a mild recession in 2001, but the aftereffects on the job market persist in 2004. While the labor force has continued to grow, local employment has not returned to pre-recession levels. Unemployment continues to increase, both in number and in rate, although not as drastically as during the recession. It appears that the causes of lingering and increasing unemployment and slow job growth are the result of structural changes in the economy, rather than just cyclical variations.

Industry Employment

- In 2000, the three largest industrial divisions in the Cleveland metropolitan area were services, trade, and manufacturing. These three are expected to remain the largest divisions in 2010.
- The largest major groups within the Services division are private health services, business services (including employment agencies and staffing services), and engineering and management services.
- The industry divisions with the lowest unemployment rates in 2002 were government, services, and transportation/communication/utilities. The highest unemployment rates were found in construction, manufacturing (particularly in durable goods manufacturing), and finance/insurance/real estate.
- Job loss due to international trade has been responsible for a large number of lost manufacturing jobs in this area. Lake County ranked 12th of all Ohio counties in numbers of job lost to trade from 1995 – July 2004. Cuyahoga County had the highest number of any county in the State of Ohio laid off due to effects of international trade, and Lorain County had the fourth highest number.
- In the goods-producing sector, the local economy is expected to experience selective growth and decline. Only construction is expected to add a significant number of jobs in the goods-producing sector. Increased productivity in the manufacturing sector will likely result in a slight decline in employment.
- The services sector itself, led by business services and health, will account for over half of all job growth. The growth in business services is attributable to increased use of staffing firms. Increased demand for health services, fueled by the aging of the “baby boomer” generation, is responsible for the predicted growth of the health industry.
- Large numbers of jobs are also projected in retail trade, especially eating and drinking places, and local government, primarily in education.

Occupational Employment

- The occupational divisions employing the most workers in the Cleveland area in 2000 were: professional, service, and office and administrative support. It is expected that these three groups will continue to lead labor market demand in 2010.
- The professional and service divisions are composed of several distinctive major groups. Education and health care jobs dominate employment in the professional division, while food preparation and serving occupations account for the greatest number of service jobs.
- The lowest unemployment rates during 2002 were in the occupational groups of professional specialty, technicians, and administrative support. The highest unemployment rates were for precision production/craft/repair, machine operators, and handlers/laborers.
- Service and professional occupations, the two largest occupational divisions, are also the occupational divisions that are projected to add the most new jobs through 2010. These two divisions--on opposite ends of the educational attainment and earnings spectrum—are expected to provide more than half of the total job growth.
- Office and administrative support jobs are projected to grow much slower than the average, reflecting the continuing impact of office automation.
- Production occupations are projected to decline, and installation, maintenance and repair occupations are projected to grow slower than average, due to continuing advances in technology, changes in production methods, and an overall decline in manufacturing employment.

Employment by Skill Level

- In 2000, about 35% of all jobs were entry, or at the lowest of three skill levels. About 45% of jobs were skilled, and about 20% required a minimum of a bachelor's degree. In other words, four-fifths of the area's workers hold jobs which do not require a bachelor's degree; slightly under three-quarters do not require formal education and credentialing above the high school graduate level. Over one-third work at entry-level jobs having the lowest skill level requirements.
- Between 1996 and 2000, the proportion of skilled workers rose significantly.
- Projected employment needs for 2010 will favor workers with formal educational credentials, while reducing opportunities for those with skills acquired on the job. Employment in jobs requiring associate and bachelor's degrees is expected to increase as a share of the total workforce. On the other hand, employment in jobs requiring moderate term on-the-job training is anticipated to decrease as a share of total employment.
- The most job openings for positions requiring a minimum of a bachelor's degree are found in management, education, training, and library, and business and financial operations. The most job openings for skilled workers are found in production, construction and extraction; and healthcare practitioners and technicians. The most job openings for entry positions are found in the following occupational areas: administrative support, sales, transportation and material moving, and food service.

WORKER SUPPLY

Migration

- Net migration in Lake County for the period of 1989-2002 was a negative 1,891, indicating that any population growth was due to expansion of current residents' families, rather than new individuals moving into Lake County.

Age

- In 2000, Lake County's population had a median age of 38.6 years, an increase from the 1990 level of 34.3 years. Over half the 2000 population was between ages 25 – 64, the prime age group for labor force participation. The greatest proportion of the population (30%) was in the 25-44 year old age group. The next largest (25%) was in the age 45-64 year old age group.
- Age distributions indicate significant worker replacement needs with insufficient lack of supply in coming years.
- The size of the youth labor force is expected to increase slightly, while the size of the senior labor force is expected to increase at a rising rate.

Gender

- In 2000, the gender distribution of Lake County's population was 49% male and 51% female. No significant changes in this pattern are expected in the next ten years.

Racial/Ethnic Groups

- In 2000, the racial/ethnic composition of Lake County was predominantly white. Total minority population was 5.6% of the total, well below the State average of 16.0%.
- Trends since 1990 show a percentage decrease in white population, and percentage increases in most minority populations. The Hispanic population, in particular, more than doubled, going from 0.7% of the total population in 1990 to 1.7% in 2000.

Income

- The personal per capita income for Lake County residents in 2002 was \$30,860, indicating a high income and standard of living. However, trends since 1997 indicate Lake County may have lagged behind other areas in economic and income growth.

Educational Attainment

- Trends since 1990 show that the percentages of least skilled residents are decreasing, and that the proportions of residents with at least some postsecondary education, at all credentialing levels, are increasing.

- It appears the county's level of educational attainment is closely aligned to the demands of the labor market, and the county is probably exporting talent.

Commuting Patterns

- While more people still outcommute than incommute to Lake County (which is typical of most Ohio counties), Lake County is becoming less dependent on other counties for employment and income for its residents.

Labor Force: Gender

- Although still below male labor force, female labor force participation continues to increase as a long-term trend. Females tend to have a lower unemployment rate than males.
- Female workers are found in office and administrative occupations in a proportion significantly above their presence in the total workforce. Other occupational groups in which females are employed in above-average proportions, though to a much lesser degree, are professional specialty and service.
- Males dominate occupations in precision production/craft/repair. Other occupations in which males are employed in above-average proportions are executive/managerial, machine operators/assemblers/inspectors, transportation/material moving, and handlers/laborers.
- Females worked for services industry employers at a significantly higher proportion than their labor force representation. Other industry divisions in which females tended to concentrate were finance/insurance/real estate and trade.
- Males were found in above-average concentrations in goods-producing divisions, construction and manufacturing, as well as in transportation/communication/utilities and government.

Labor Force: Racial/Ethnic Groups

- The Lake County African-American population has a labor force participation rate slightly below average. African-American unemployment is significantly higher than average.
- African-Americans work in the following occupations in proportions above their presence in the total workforce: service, machine operators /assemblers /inspectors, transportation/ material moving/, and handlers/ laborers.
- Whites are found working in above-average proportions in executive/managerial, professional specialty, and precision production/craft/repair occupational groups, representing higher skills and pay at both the skilled and degreed levels.
- Technical jobs are proportionately distributed between African-Americans and whites.
- African-Americans work at above-average rates in the industrial divisions of transportation/communication/utilities, trade, services, and government. Whites are concentrated in the divisions of construction and manufacturing.

- Lake County's Hispanic population had a labor force participation rate above average, at 71.4%. Hispanic unemployment was close to twice the average, although significantly lower than African-American unemployment at that time in Lake County.
- Hispanic workers are found in proportions above their labor force representation in office/administrative support, service, precision production/craft/repair, and machine operators/assemblers/ inspectors. Hispanics are employed in disproportionately small numbers in these occupational areas: executive/managerial, professional specialty, technical, sales, transportation/material moving, and handlers/laborers.
- Hispanic employment is found at levels significantly exceeding their labor force representation in the industry divisions of manufacturing and finance/insurance/real estate. Hispanics are under-represented in all other industrial divisions: construction, trade, government, and particularly in services and transportation/communication/utilities.

Labor Force: Youth

- Most (81%) of Lake County youth ages 16 – 19 in 1990 were attending school. About 11% were high school graduates and 8% were dropouts.
- Youths' labor force participation rates and unemployment rates vary with educational status and attainment.