

Escambia County RESTORE Advisory Committee

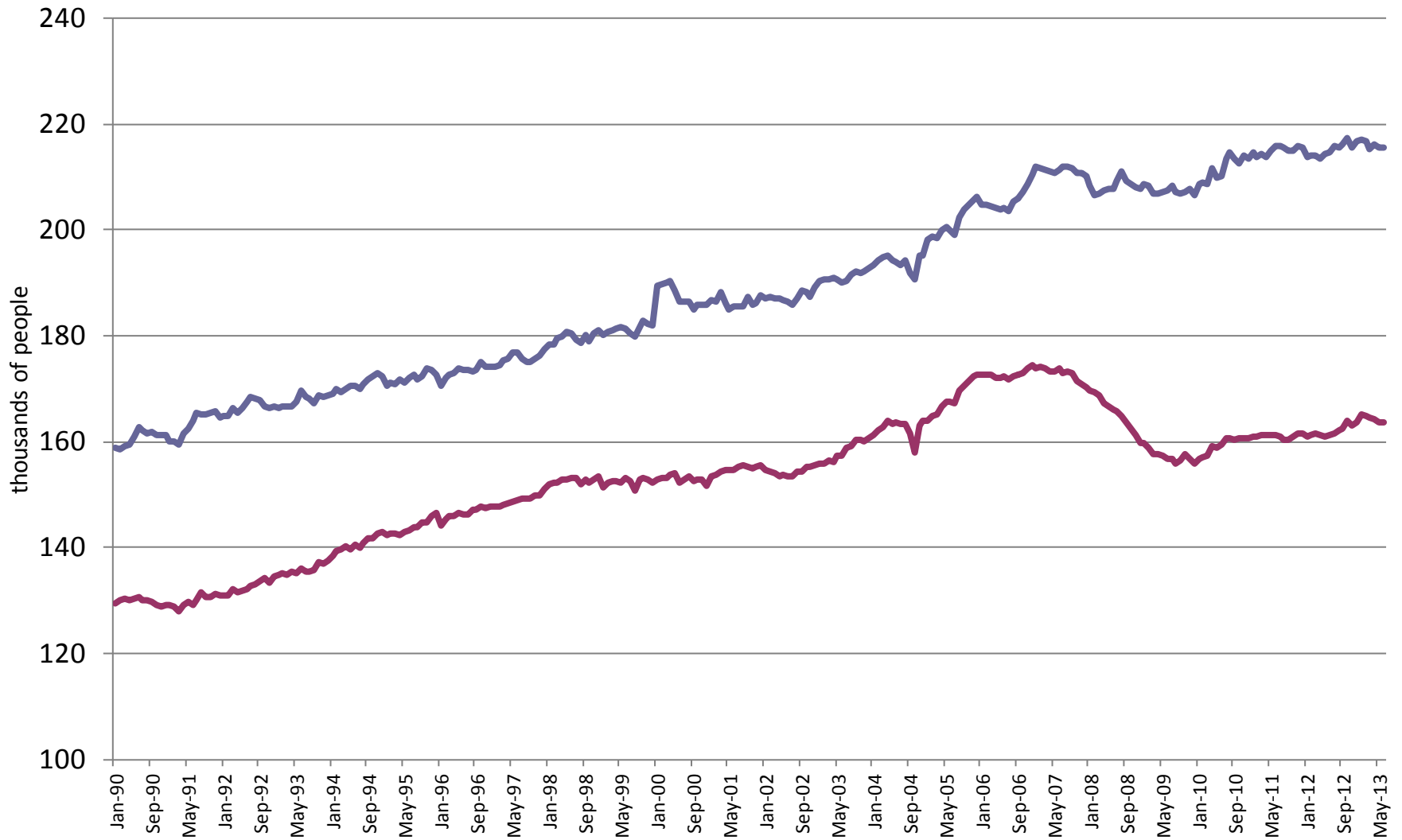
Pensacola's Economic Development and the New Jobs Economy

Rick Harper, Ph.D.

UWF Office of Economic Development and Engagement

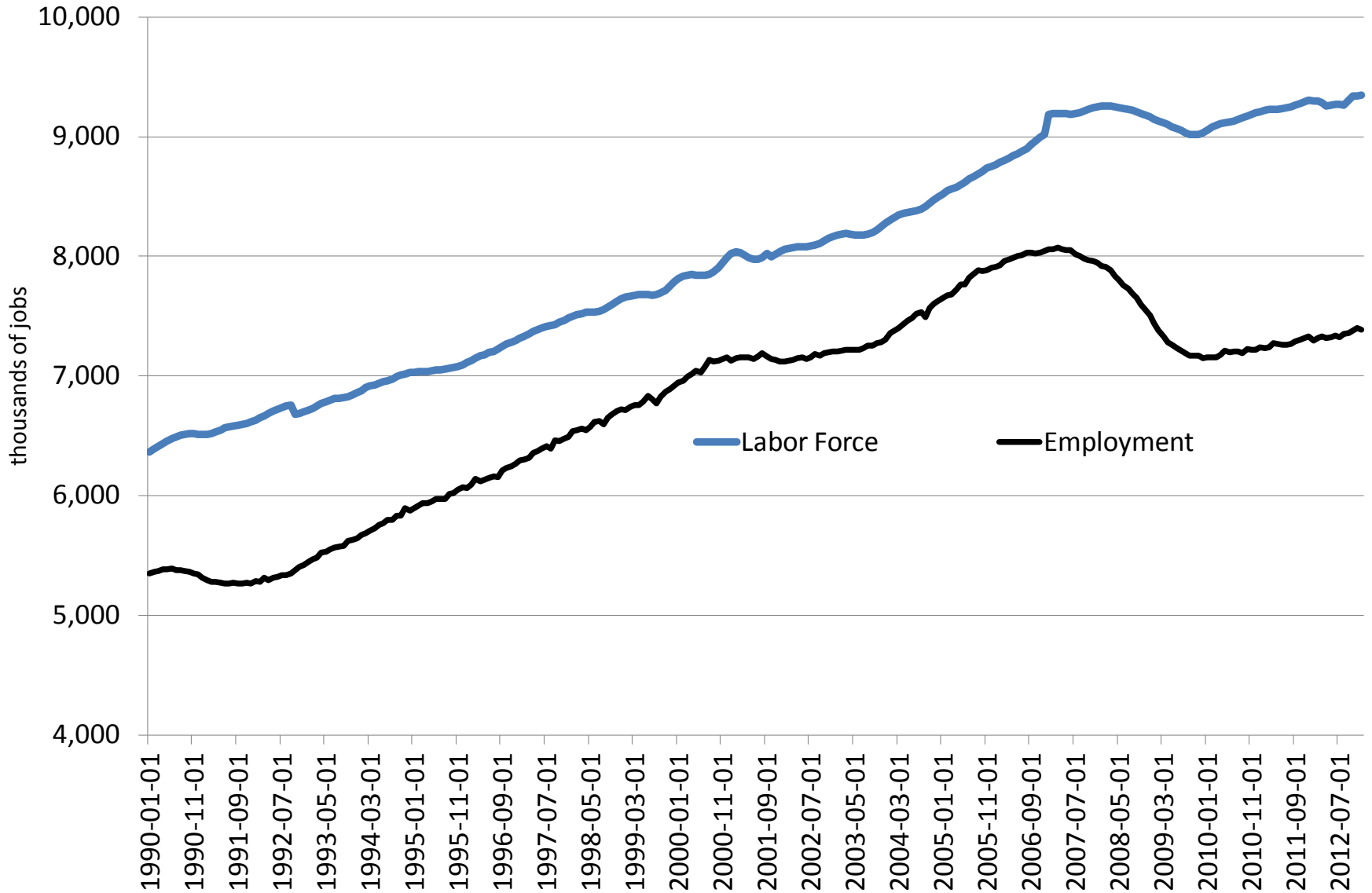
August 5, 2013

Pensacola: Labor Force and Employment, 1/90 - 5/13

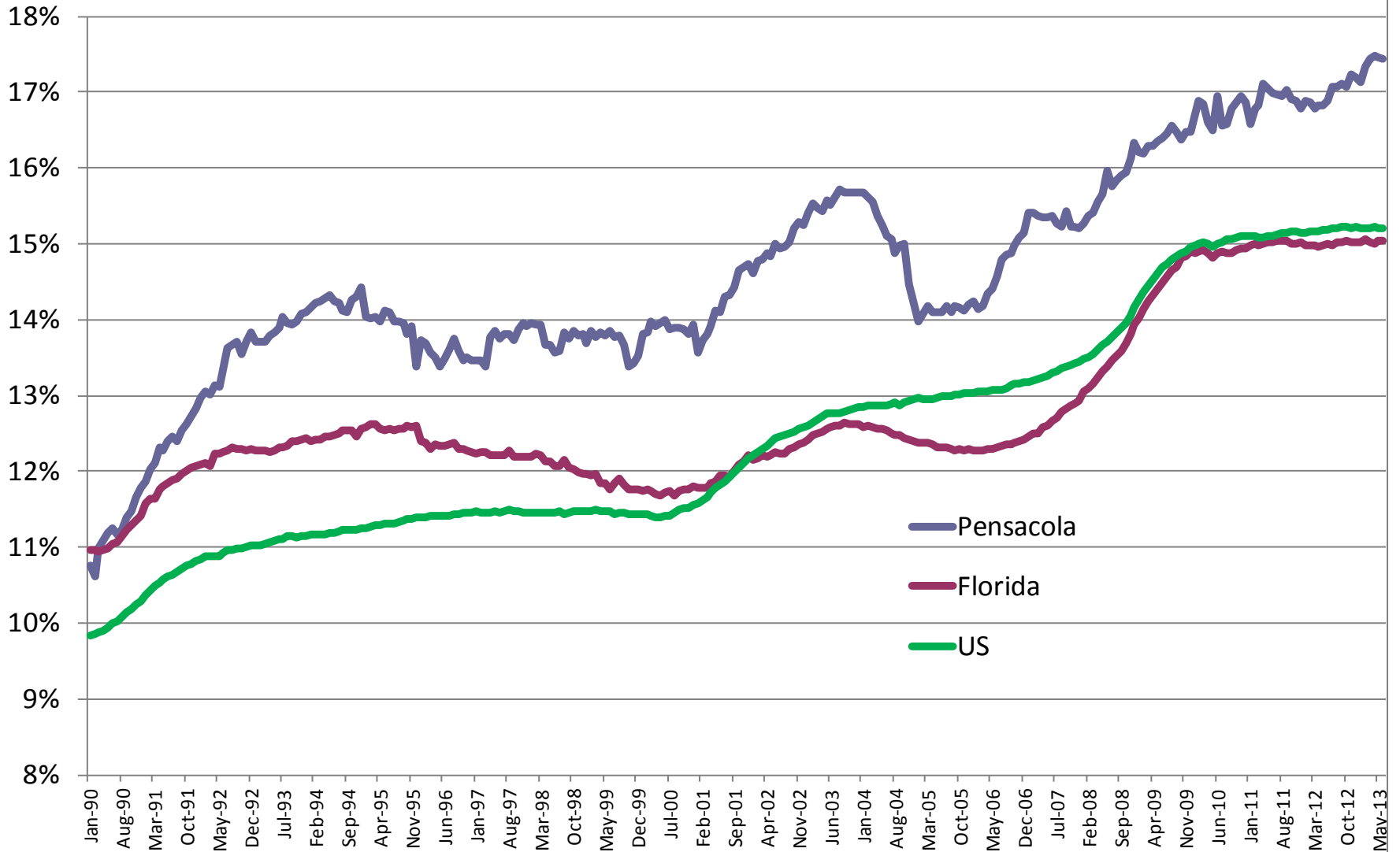


note: employment and labor force data come from different sources (establishment survey and household survey)

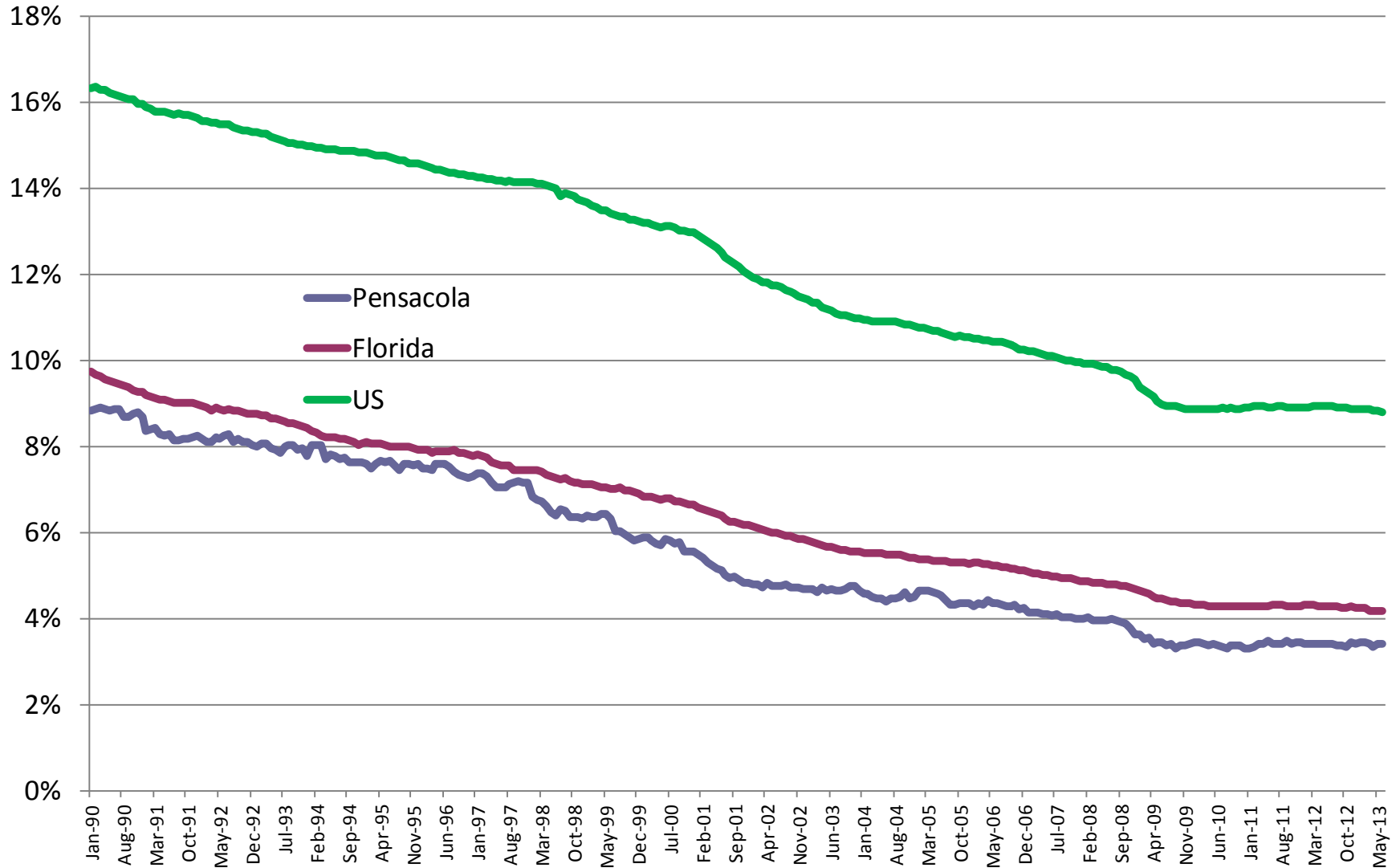
Florida: Labor Force and Employment, 1/90 - 12/12



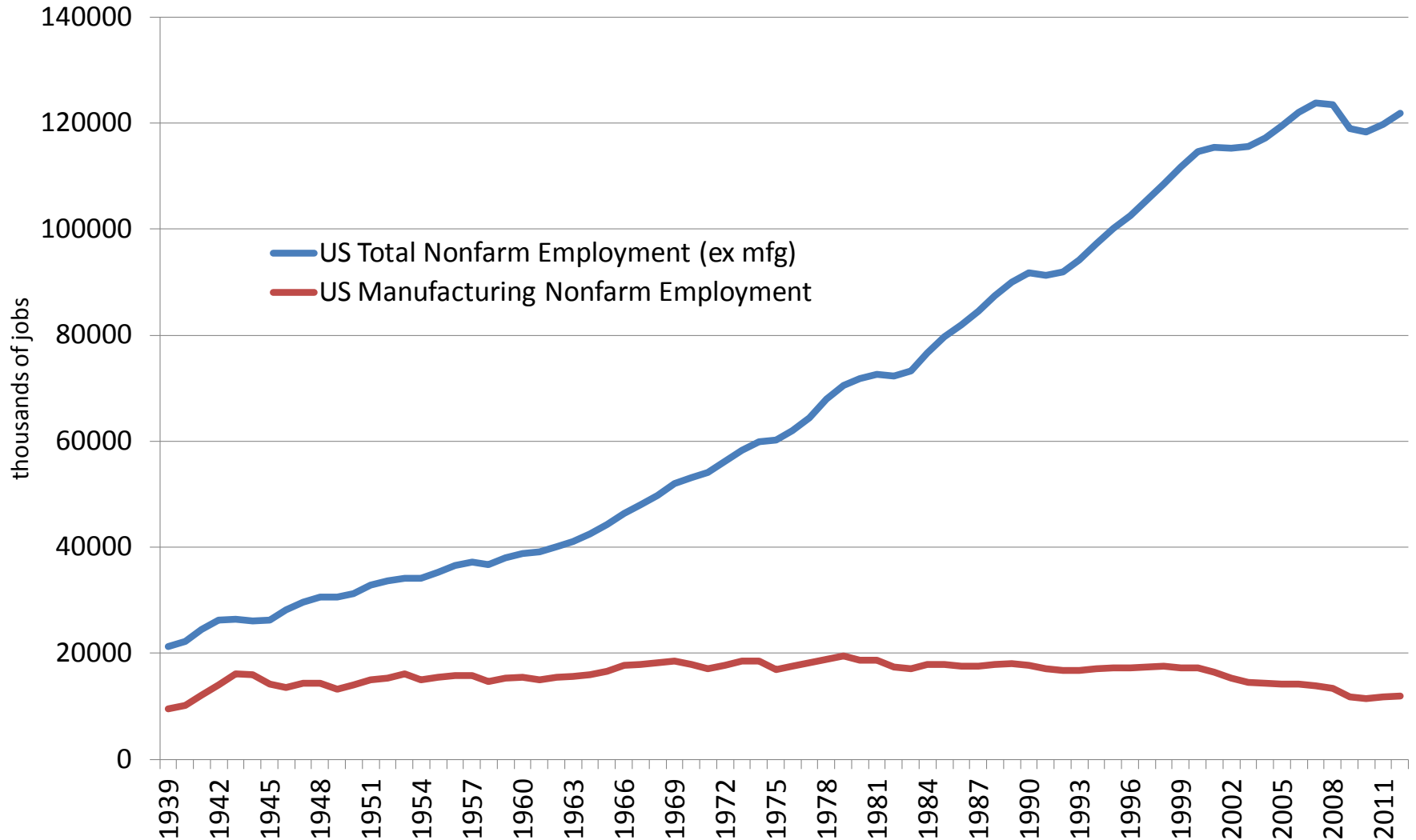
Education and Health Care Employment as % of Total Employment



Manufacturing Employment as % of Total Employment

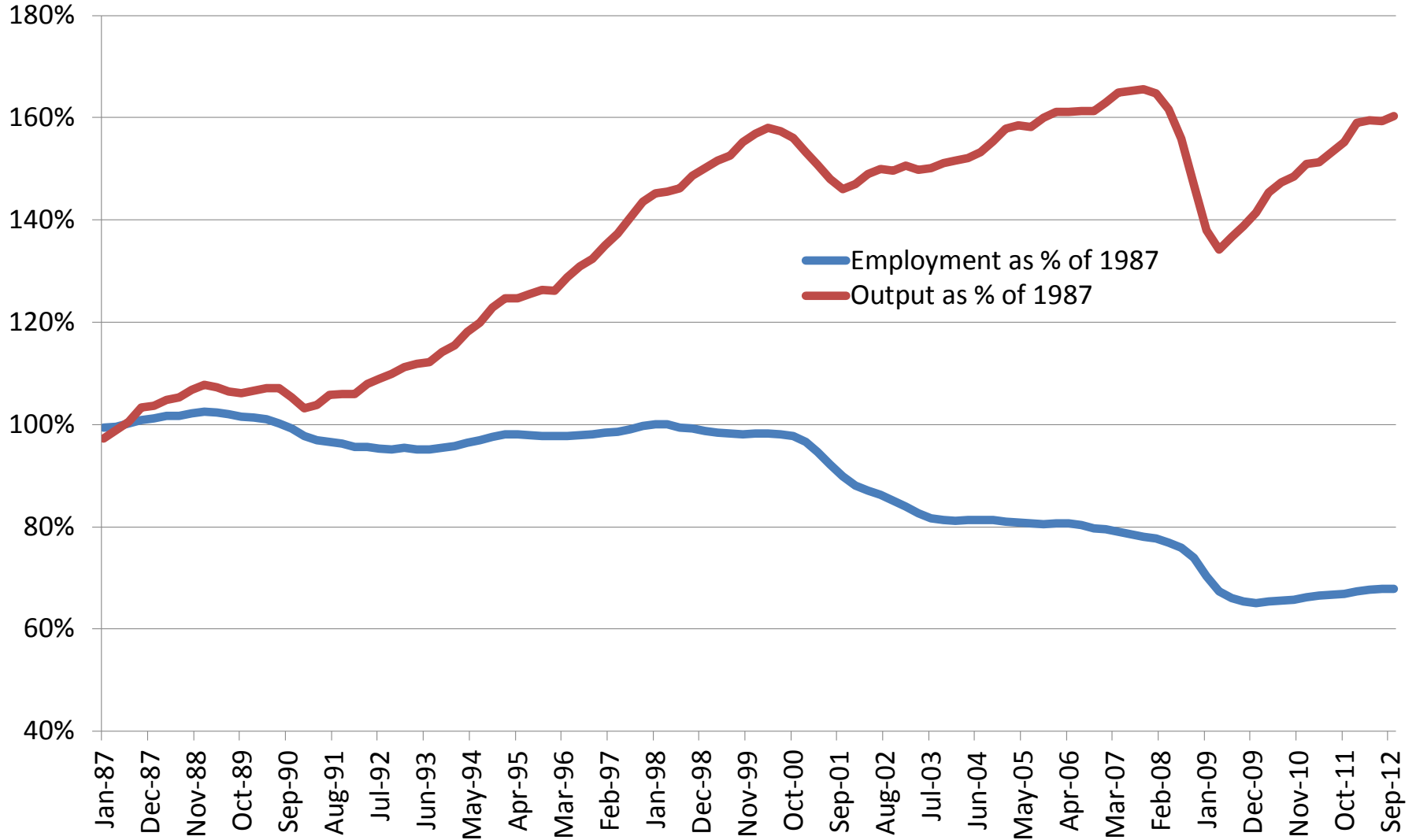


U.S. Nonfarm Employment: Total (ex mfg) and Manufacturing, 1939 - 2012



Source: FRED Federal Reserve

U.S. Manufacturing Output and Employment, Q1/87 - Q4/12, 1987 = 100%



Source: Federal Reserve Bank of St. Louis (FRED database)

Job polarization: the disappearance of employment in occupations in the middle of the skill distribution

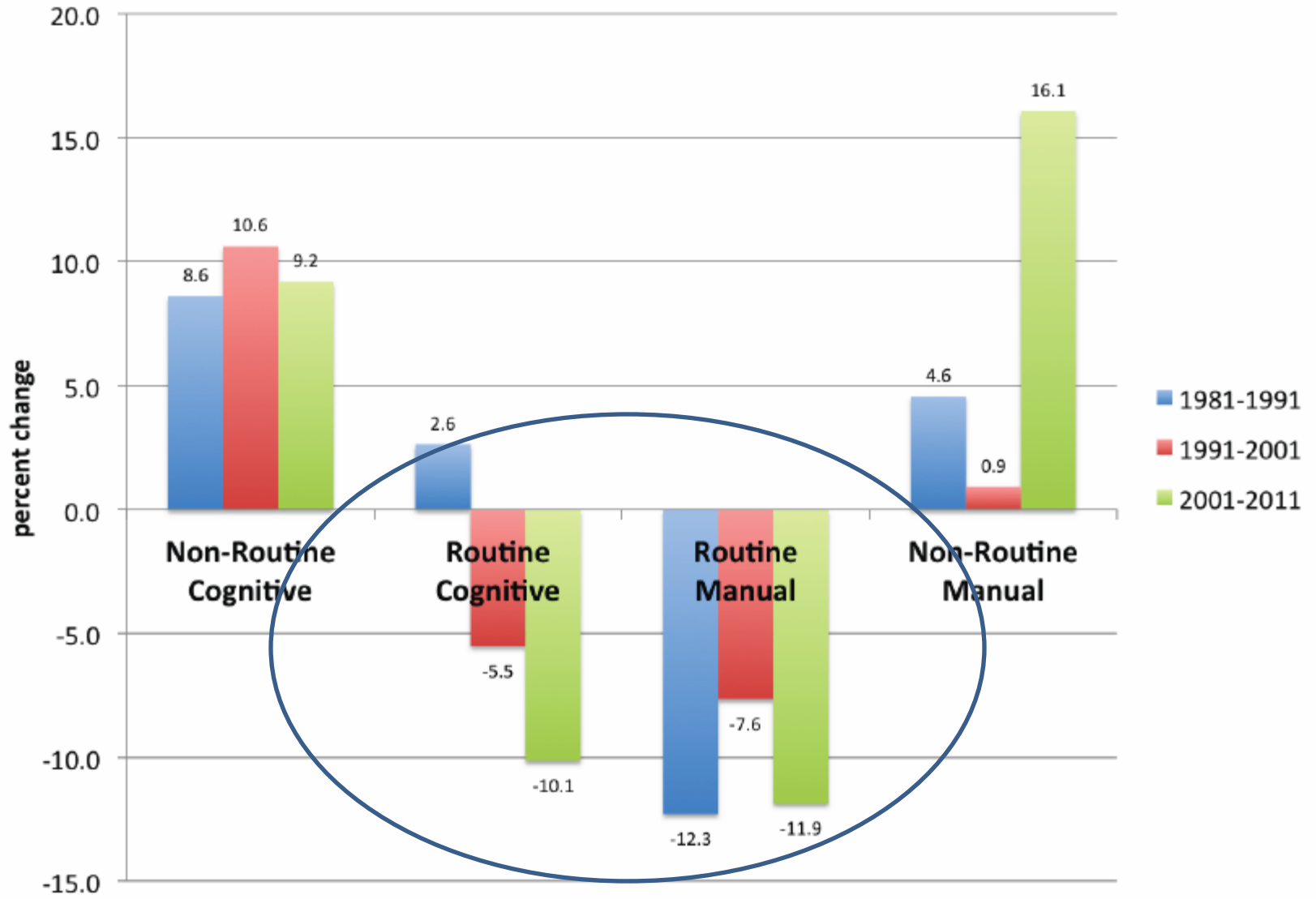
Characteristics:

- since the 1980s
- Job polarization is not a gradual process; mostly occurring during economic downturns
- Jobless recoveries are associated with the disappearance of middle-skill occupations (most of which involve performing routine tasks)
- Technology is biased against routine tasks

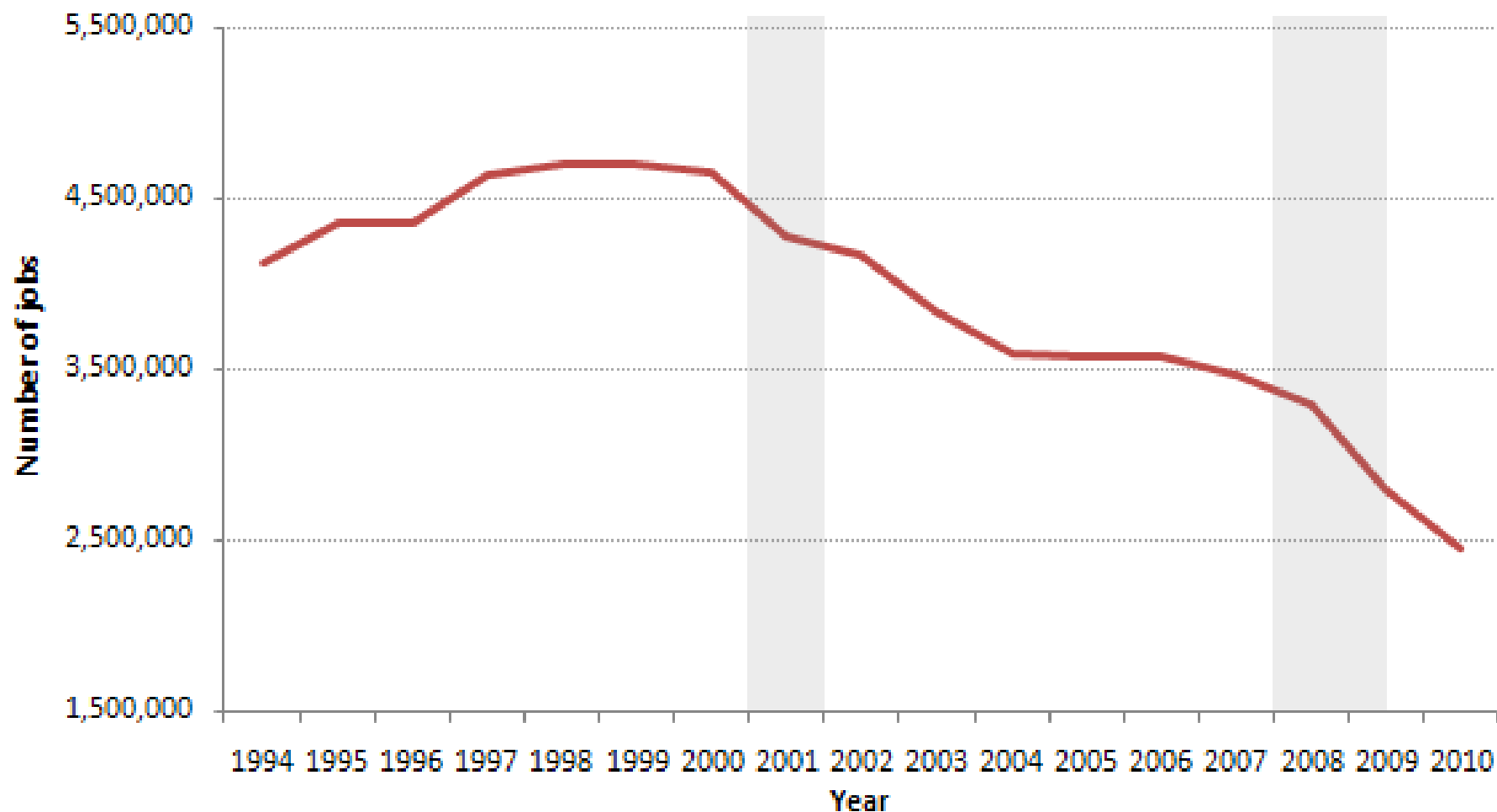
Based on research by Nir Jamiovich and Henry Siu (2012), Goldin and Katz, Acemoglu and Autor, presentation by Mike Chriszt of the Atlanta Federal Reserve Bank.

Consider 4 types of jobs:

- Non-routine cognitive: management, finance, legal, science, engineering, healthcare practitioner
 - tend to be high-skill occupations
- Non-routine manual: healthcare support, food prep, janitorial, etc.
 - tend to be low-skill occupations
- Routine cognitive: sales-related, office and admin support
 - tend to be middle-skill occupations
- Routine manual: production, material moving, construction
 - tend to be middle-skill occupations

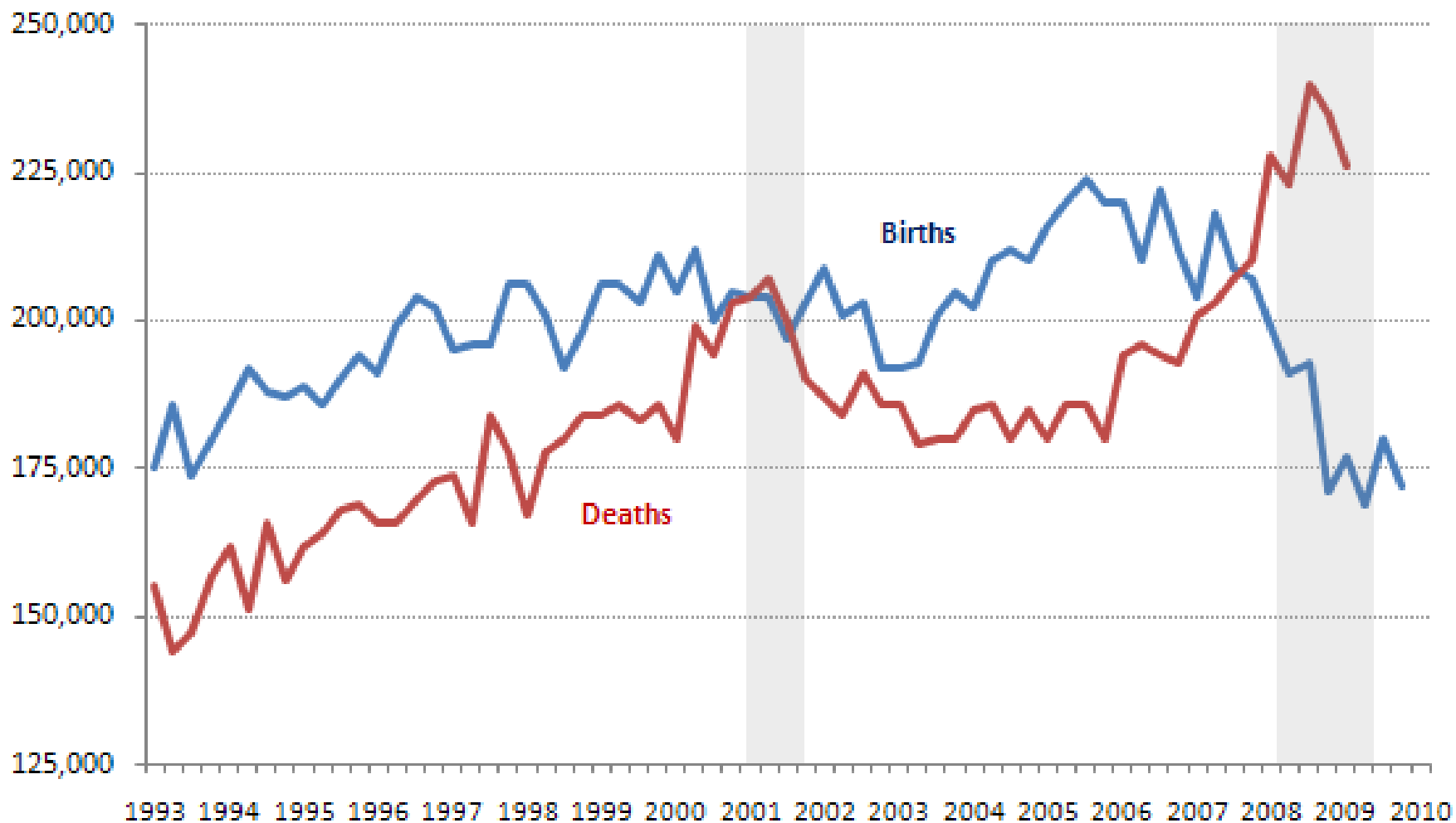


**Chart 2. Jobs created by establishments less than 1 one year old,
March 1994–March 2010**

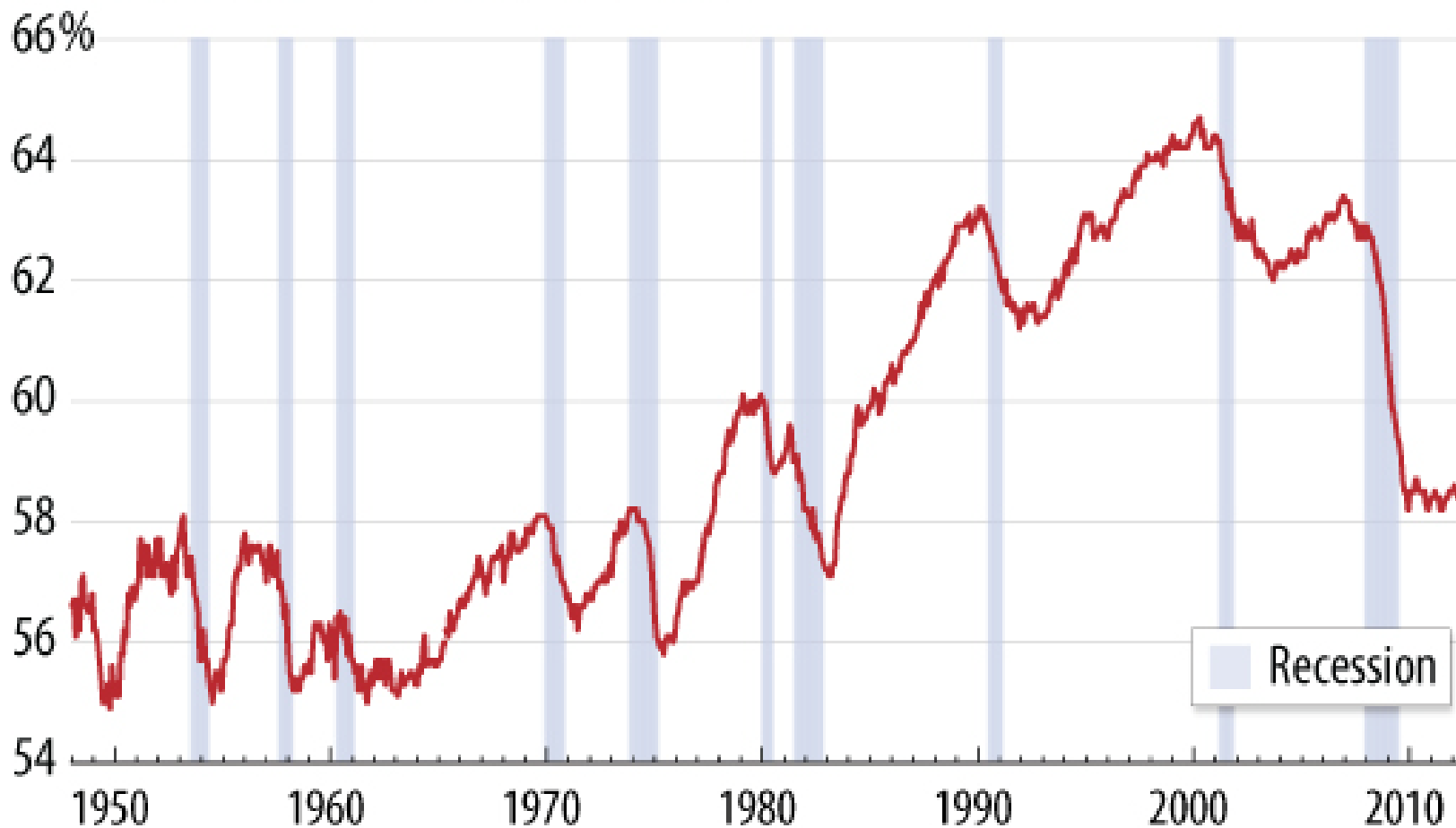


Source: U.S. Bureau of Labor Statistics

Chart 5. Quarterly establishment births and deaths, 1993–2010



Employment - Population Ratio



Florida net (gains – losses) job creation rate:

1/90 – 12/99	13,200/mo.
1/00 – 12/09	1,900/mo.
1/10 – 6/13	9,000/mo.

Where will Florida job growth come from?

Secretary Swoope:

- Competitive
- Facilitated
- Organic

What's the Bottom Line?

- Economic activity results from matching area resources (supply) with needs in the marketplace (demand).
- Improving the quality of local assets (labor, capital, natural resources, intellectual property, entrepreneurial ability) allows assets to earn a higher return in the marketplace.
- The high-wage, sustainable jobs of tomorrow will go to those with the skills to create and use new technologies. Routine, non-cognitive tasks will either be automated or off-shored.
- Safe streets and good schools are essential to healthy growth.
- Small and new businesses are the net job generators.

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Questions?

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