

AN ANALYSIS OF THE LABOR FORCE OF LATIMER COUNTY AND PITTSBURG COUNTY, OKLAHOMA

A SUMMARY REPORT PRESENTED TO:

Wilburton Chamber of Commerce, McAlester Economic Development
Service
and
Oklahoma Department of Commerce

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Introduction

Sponsored by the Wilburton Chamber of Commerce, the McAlester Economic Development Service, and the Oklahoma Department of Commerce, this report is one in a series of local labor force studies in Oklahoma. The report examines the availability of labor in Latimer County and Pittsburg County in southeast Oklahoma.

The data contained in this report were collected by telephone from randomly selected adults in the spring of 2000. The results are based on 625 interviews of persons 18 years old or older who reside in Latimer County or Pittsburg County. Results are subject to a sampling error of +/- 3.9 percentage points with a confidence level of 95 percent.

REPORT HIGHLIGHTS

Approximately 1,903 workers are underemployed in the two-county area.

An additional 2,575 workers have looked for other work during the previous three months.

The underemployed exhibit a variety of occupations and skills.

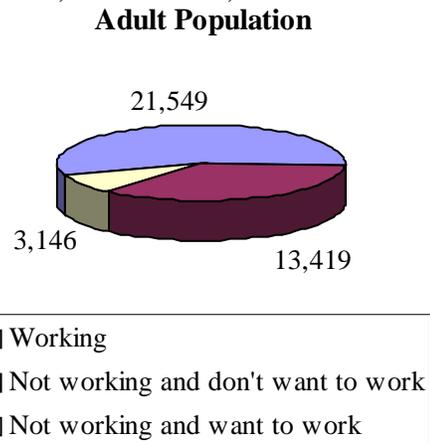
About 25.7 percent of underemployed workers hold at least a bachelor's degree.

The typical underemployed worker is willing to change jobs for an increase in pay of 15% to 20%.

A job that pays \$10 hour is viewed as desirable by 865 underemployed and 1,407 workers looking for other work.

Approximately 21,550 of the 38,115 adults who reside in the two-county area are employed, amounting to 56.5 percent of the population 18 years old or more. Eighty percent live in Pittsburg County (17,207), with the rest residing in Latimer County (4,342).

As is the case in any labor market area, a significant number of adults do not work outside the home including retirees, students, homemakers, the disabled, and the unemployed. Approximately 16,565 adults in the two-county area are presently not working. Most (13,419) do not desire to work citing as reasons retirement, inability to work, or a preference not to work outside the home (table). A much smaller number of adults (3,146) want to work; this group consists primarily of retired persons who want to



go back to work, homemakers who are looking for work outside the home, and persons who have recently lost their jobs. Only a small portion of those who want to work could be classified as *unemployed*. Using

Persons Not Working			
<u>Reason Not Working</u>	<u>Want to Work</u>	<u>Don't Want to Work</u>	<u>Total</u>
Retired	1,013	8,675	9,687
Disabled or unable to work	107	1,766	1,874
Don't work outside the home	298	1,684	1,981
Student	0	667	667
Family responsibilities	203	205	408
Just moved into area	0	0	0
Laid off, lost job	1,317	284	1,601
Don't have reliable transportation	0	0	0
Other	132	139	271
Refused	76	0	76
Total	3,146	13,419	16,565

the U.S. Department of Labor definition, a person is unemployed if he or she is without work and engages actively in job-searching activities. Using this definition, approximately 4.8 percent of the labor force in the two-county area were *unemployed*

during the second quarter of 2000, according to the Oklahoma Employment Security Commission.

Education

Compared with state averages, the two-county area has proportionally fewer workers with a Bachelor's degree or higher. However, more workers have at least a high school diploma (93.3 percent) compared with 89.2 percent for the state.

Highest Level of Education of Working Persons 18 Years Old or Older (percent)		
	Two County	
<u>Level of Education</u>	<u>Area</u>	<u>State</u>
Less than high school	6.7	10.8
High school	42.8	37.0
Some college	22.7	20.1
Associate degree	7.5	6.5
Bachelors degree	14.0	16.2
Postgraduate degree	6.2	9.4
Bachelors degree or higher	20.2	25.7
Note: State averages are compiled from the Current Population Survey conducted in March 1999 by the U.S. Census Bureau		

Commuting Patterns

Only eight percent of workers commute to jobs located outside their county of residence. Eleven percent of workers who live in Latimer County drive to jobs in other counties, compared with 7 percent for Pittsburg County. Just 3.3 percent of workers (693) commute to jobs *outside* the two-county area.

Commuting Patterns for Residents of the Two-County Area		
	<u>Resides in: (county)</u>	
<u>Employed in:</u>	Latimer	Pittsburg
(county)		
Atoka		81
Latimer	3,859	585
McIntosh		148
Pittsburg	364	15,943
Other Oklahoma	119	450
Total	4,342	17,207
Employed in Home County		
Number	3,859	15,943
Percent	88.9%	92.7%
Employed in the Two-County Area		
Number	4,223	16,528
Percent	97.3%	96.1%

Type of Employment

Eighty-eight percent of workers have full-time, permanent jobs. A small proportion of workers have part-time jobs, about one of every ten employees. About 14 percent of part-time workers indicated that they could not find full-time work. Most part-time workers do not seek full-time employment citing family and childcare obligations, school, and retirement.

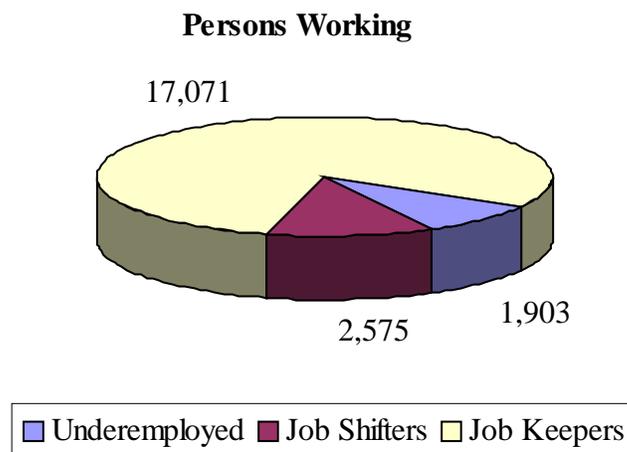
Type of Employment	
Full-time	
Permanent	18,951
Temporary	378
Unknown	170
Part-time	
Permanent	1,630
Temporary	211
Unknown	210
Total	21,550

Availability of Labor

This study identified four potential sources of workers for new or expanding employers: 1) workers who have looked for other work during the past three months (*Job Shifters*), and 2) workers who are *underemployed*, 3) workers who are neither underemployed nor looking for other work (*Job Keepers*), and 4) persons who are not working but want to work (*Job Seekers*).

Job Shifters

Approximately 2,575 workers in the two-county area looked for other work during the previous three months. Most engaged in what the U.S. Bureau of Labor Statistics refers to as *active* jobsearch methods, including contacting employers and employment agencies, sending out resumes and completing employment applications, and answering help wanted ads (table).



Jobsearch Methods Used by Workers Looking for Other Work	<u>Workers</u>	<u>Percent</u>
<i>Active Jobsearch Methods</i>		
Contacted employer directly / interview	1,138	44.2
Contacted public employment agency	451	17.5
Contacted private employment agency	-	0.0
Contacted friends or relatives	267	10.4
Contacted school / university employment center	-	0.0
Sent out resumés / filled out applications	602	23.4
Checked union / professional registers	74	2.9
Placed or answered ads	75	2.9
<i>Passive Jobsearch Methods</i>		
Looked at want ads	567	22.0
Attended job training programs / courses	-	0.0
At least one <i>active</i> jobsearch method	2,061	80.0
Note: more than one jobsearch method is possible.		

Underemployed

This study estimates that 1,903 employees are underemployed, 8.8 percent of all workers. In order to be classified as underemployed in this study, all three of the following conditions must be satisfied.

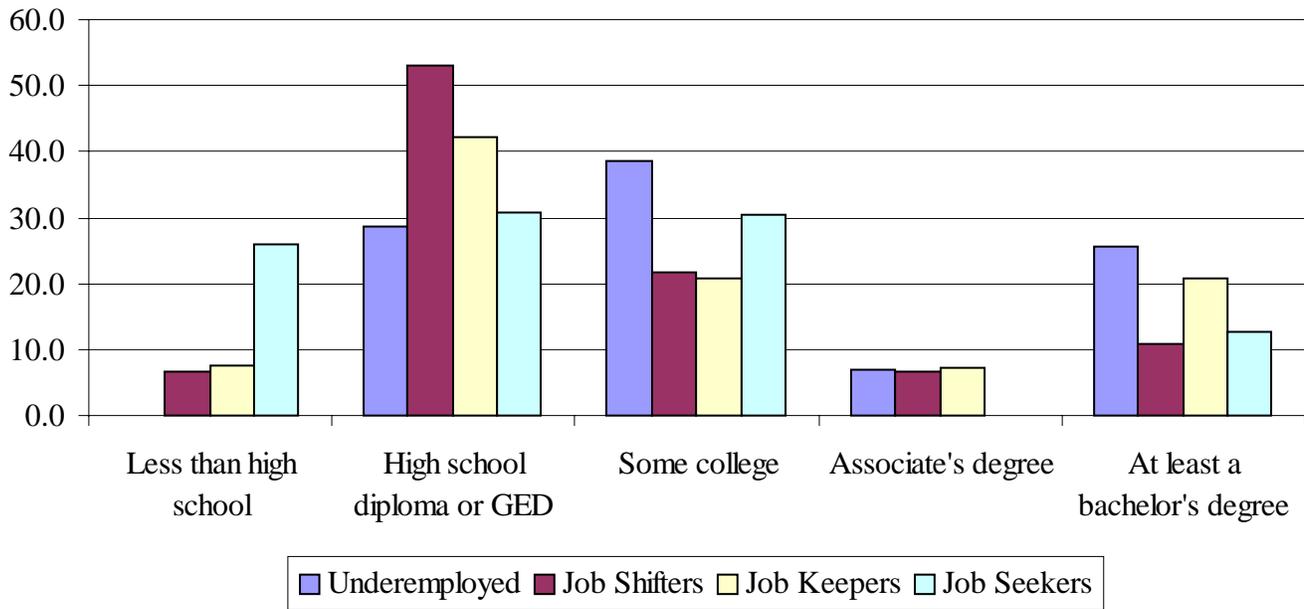
The worker must:

- feel underutilized in present employment,
- possess training or education that is not required by his or her current job, and
- be willing to change jobs in order to better utilize his or her skills and education.

Characteristics of Workers

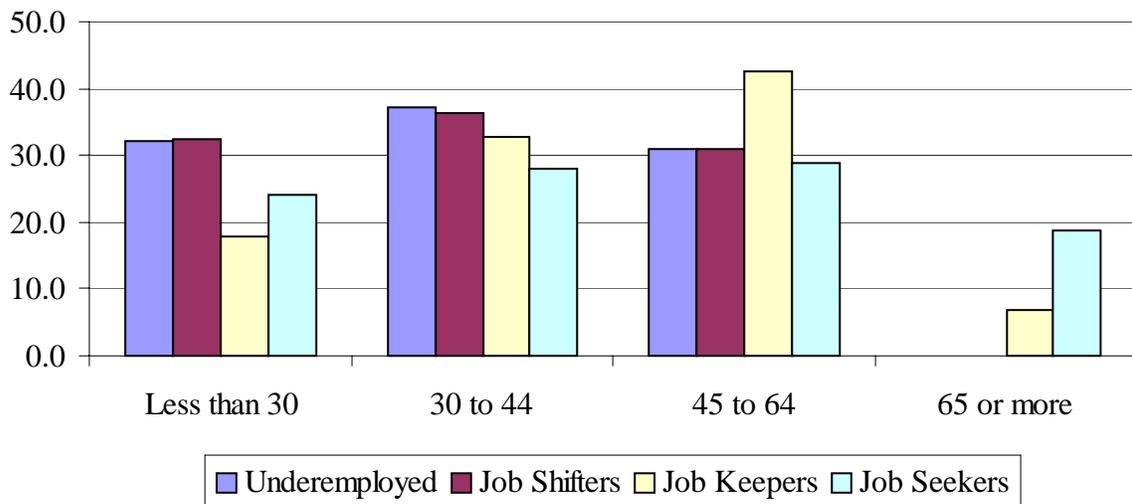
Underemployed workers tend to be better educated compared with Job Shifters and Job Keepers. Job Seekers have the lowest numbers of high school graduates.

Workers by Level of Education



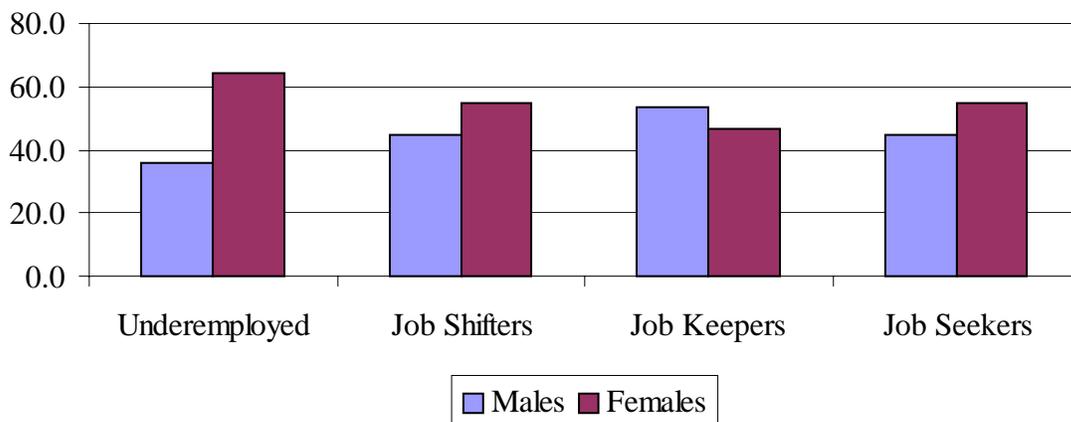
Job Shifters and the underemployed are substantially younger than Job Keepers and Job Seekers, with at least 30 percent in the 18-30 age group. Job Seekers tend to be much older than the other groups.

Workers by Age Group



Females outnumber males among the underemployed, Job Shifters, and Job Seekers.

Workers by Gender

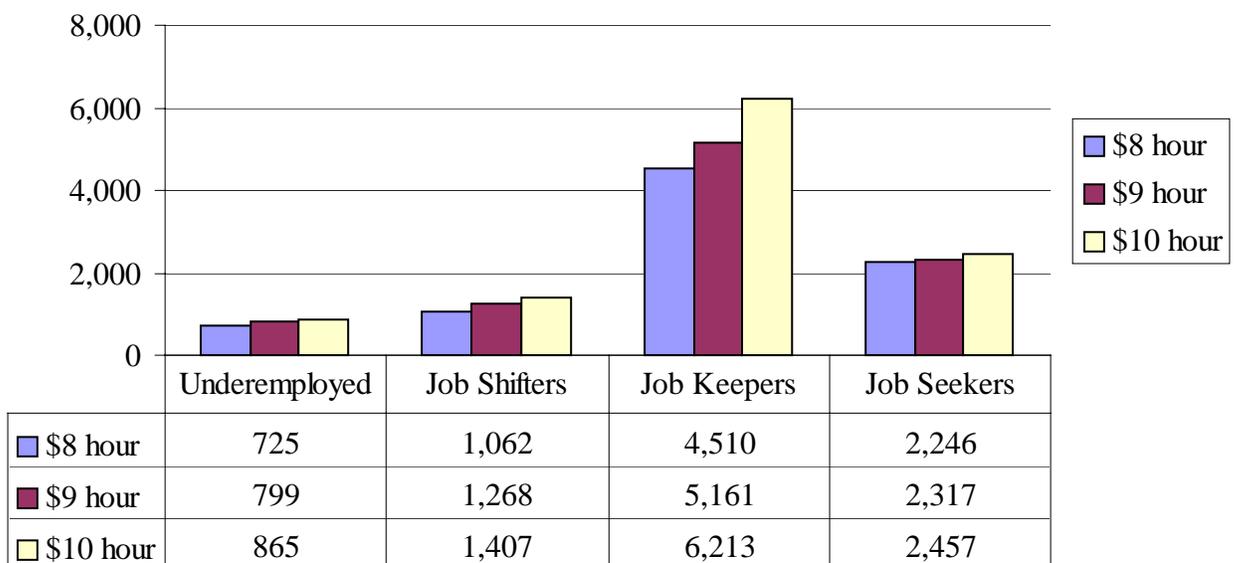


About one in three workers find \$8 hour an attractive wage, including 725 underemployed, 1,062 Job Shifters, 4,510 Job Keepers, as well as 2,246 Job Seekers. For a wage offer of \$9 per hour the number of available workers increases by about 12 percent, and rises another 15 percent if the wage is \$10 per hour.

The attractiveness of an \$8 per hour wage rate varies greatly with the worker’s level of education. For example, only 11.6 percent of workers with Bachelor’s degrees find \$8 per hour attractive compared with 28.2 percent of those with two years of college or Associate’s degrees and 37.7 percent of those with only a High School diploma.

Approximately 52 percent of workers with a High School diploma as their highest level of education are willing to work for \$10 per hour, compared with 40 percent of those with an Associate’s Degree and just 12.5 percent of those with at least a Bachelor’s degree.

Number of Persons Willing to Work by Wage Rate



The underemployed and Job Shifters display a variety of occupations and skills, from executives and other professionals to craftsmen and clerks. The largest occupations include service occupations (740), administrative support, including clerical (538), executive, administrative and managerial (520), and professional specialty (515).

	Looking for		<u>Total</u>
	<u>Underemployed</u>	<u>other work</u>	
Executive, Administrative, and Managerial	270	250	520
Professional Specialty	249	265	515
Technicians and Related Support	69	163	232
Sales	249	140	389
Administrative Support, Including Clerical	191	346	538
Service Occupations	325	416	740
Farming, Forestry, and Fishing	69	-	69
Precision Production, Craft, and Repair	-	362	362
Machine Operators, Assemblers, and Inspectors	306	112	419
Transportation and Material Moving	25	225	249
	1,754	2,278	4,032

Workers with workplace skills that are not being used in the present job offer potential recruits for employment opportunities that better use their skills. This study found that 30.7 percent of those with skills not presently in use had computer skills of one type or the other. Knowledge of word processing was most often mentioned, followed by computer programming and work on machines.

Workers with Computer Skills (among workers with skills not in use)			
<u>Strongest Computer Skill (percent)</u>	<u>Underemployed</u>	<u>Looking for other work</u>	<u>Total</u>
Word processing (MS-Word)	600	531	1131
Spreadsheet analysis (Excel, Lotus)	75	0	75
Computer assisted design (CAD)	0	57	57
Computer programming	74	0	74

About half of the underemployed are willing to change jobs for an increase in pay of 20 percent or less (table), while the median Job Shifter would change jobs for an increase of no more than 15

percent. Potential employers could hire 2,094 workers among the underemployed and Job Shifters for a pay increase of 15 percent or less. A fifteen percent pay increase would attract

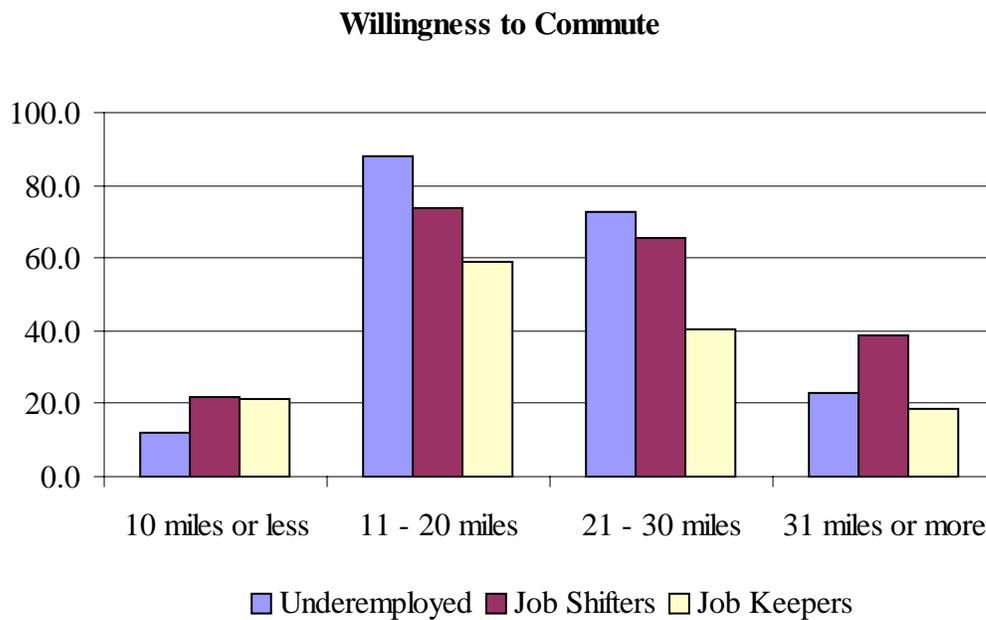
Workers Willing to Change Jobs by Percent Pay Raise			
<u>Desired raise in pay</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
No more than 5%	140	114	983
No more than 10%	526	698	3,249
No more than 15%	824	1,269	5,549
No more than 20%	1,151	1,711	6,945
More than 20%	1,804	2,113	11,186
Not interested	-	104	4,393

about 5,500 Job Keepers to a different job. Interestingly, 26 percent of Job Keepers are not interested in changing jobs regardless of the amount of pay increase.

Most workers reside within 10 miles of their place of employment: 56.8 percent live within 10 miles of their job. Job Shifters commute longer distances than do other employees.

Distance Travelled to Place of Employment				
	<u>All Workers</u>	<u>Underemployed</u>	<u>Job Shifters</u>	<u>Job Keepers</u>
0 - 5 miles	43.3	42.4	41.2	43.7
6 - 10 miles	13.5	16.8	5.7	14.0
11 - 20 miles	17.1	14.6	20.3	17.1
21 - 30 miles	10.8	12.0	22.0	9.1
30 - 50 miles	5.5	5.2	2.8	5.9
More than 50 miles	8.1	4.2	8.0	8.7

A large proportion (40 percent) of the underemployed and Job Shifters are willing to commute 31 miles or more to a job. About 62 percent are willing to commute 21 to 30 miles, while 80 percent will drive 11 to 20 miles to work.



Conclusions

- A significant pool of labor exists in Latimer County and Pittsburg County among the *underemployed* (1,903 workers) and among workers looking for other jobs, or *Job Shifters* (2,575 workers).
- Most of the underemployed and Job Shifters are willing to commute ___ miles or more to a job for a pay increase of no more than ___ percent.
- A smaller pool of labor exists among those not working who desire work (*Job Seekers*). Job Seekers typically are less skilled and not as well educated as most workers.