

DEEPER DIVE: LABOR FORCE PARTICIPATION RATE

HIGHLIGHTS OF THIS DEEPER DIVE:

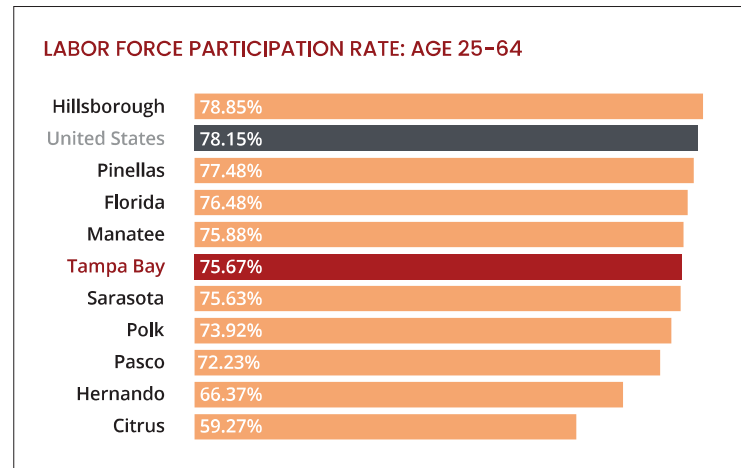
- A strong connection between educational attainment and labor force participation exists; in Tampa Bay, fewer than 60% of the population with no high school diploma or equivalency participates in the labor market. Conversely, Tampa Bay residents with a bachelor's degree or better exhibit an 82% labor force participation rate.
- In Tampa Bay, labor force participation generally peaks in ages of 25-29, and declines thereafter.
- In comparison communities with high Gross Regional Product per capita, labor force participation rates at ages 25-29 generally outperform Tampa Bay, and labor force attrition through age 54 is not as pronounced.

1. LABOR FORCE PARTICIPATION RATE: AGE 25-64

Labor Force Participation Rate is the share of the population that is either employed or seeking work. In the last three annual editions of the *Regional Competitiveness Report*, Tampa Bay's Labor Force Participation Rate Age 25-64 has consistently ranked last, and typically by a significant margin.

As with any of our indicators, the Tampa Bay value is the sum of its geographic parts, and the chart on the right provides a disaggregation of the indicator by geography, with the state and nation added for context.

Hillsborough is the only county that bests the national figure for labor force participation rate, age 25-64. Manatee and Pinellas top the regional figure, the latter also surpassing the state labor force participation rate.

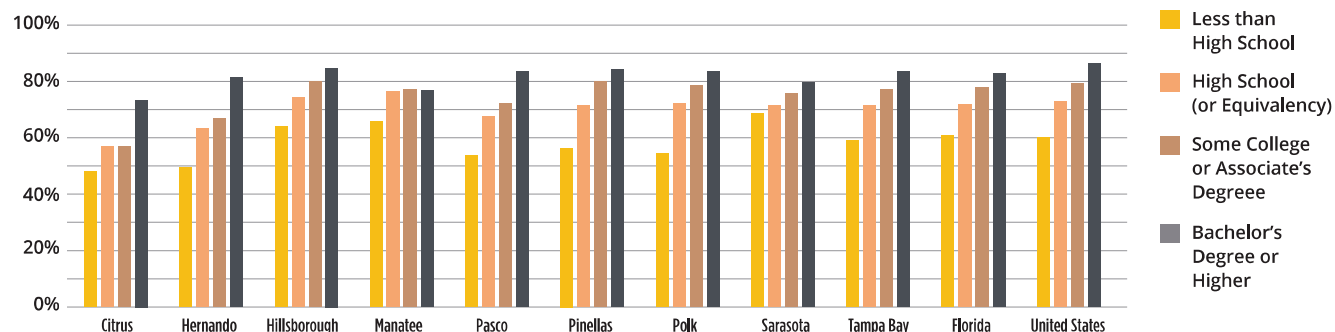


2. TAMPA BAY LABOR FORCE PARTICIPATION RATE CHARACTERISTICS

In addition to geography, we view labor force participation rate by educational attainment, which has a positive correlation with labor force participation.

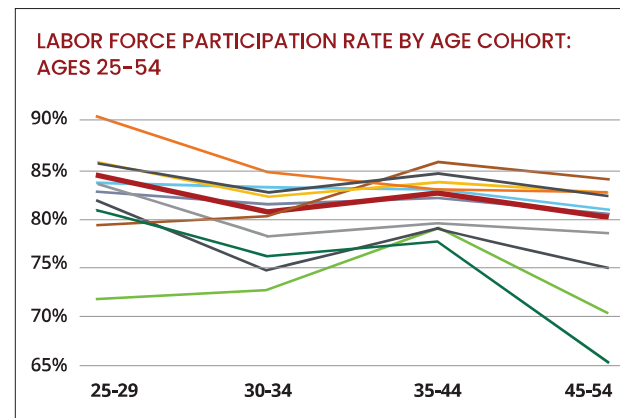
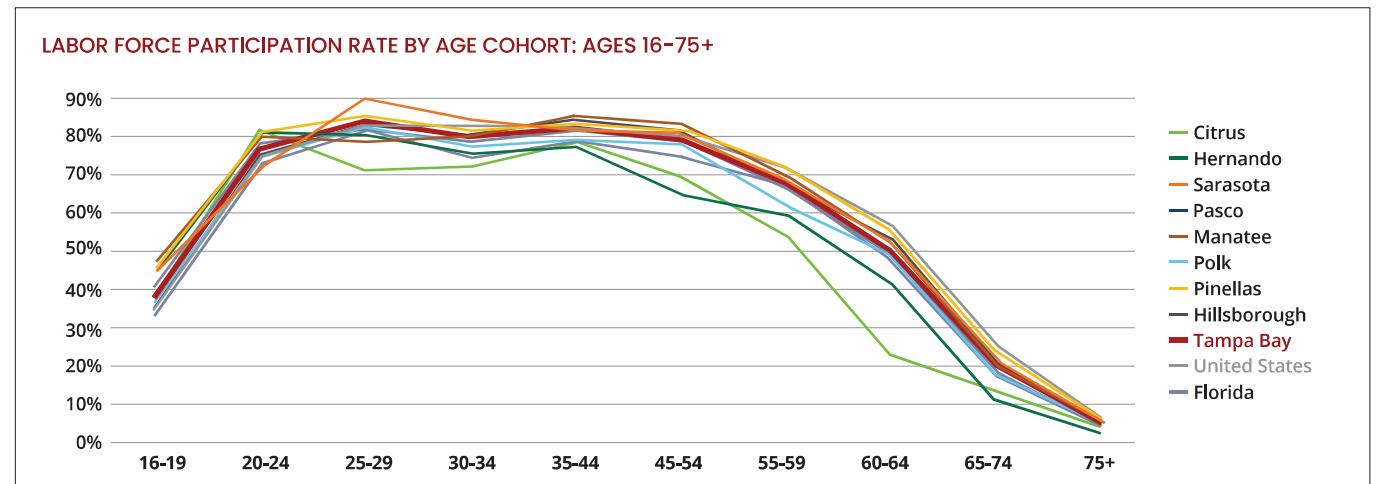
Education is a significant investment of resources – both time and money. As personal investment in education increases, and resources are expended, there is a definite trend to recoup that investment via work. In Tampa Bay, fewer than 60% of the population with no high school diploma or equivalency participates in the labor market. Conversely, Tampa Bay residents with a bachelor's degree or better exhibit an 82% labor force participation rate. Tampa Bay's relatively low levels of educational attainment are likely dampening labor force participation.

LABOR FORCE PARTICIPATION RATE BY EDUCATIONAL ATTAINMENT FOR THE POPULATION AGE 25-64



3. LABOR FORCE PARTICIPATION RATE BY AGE

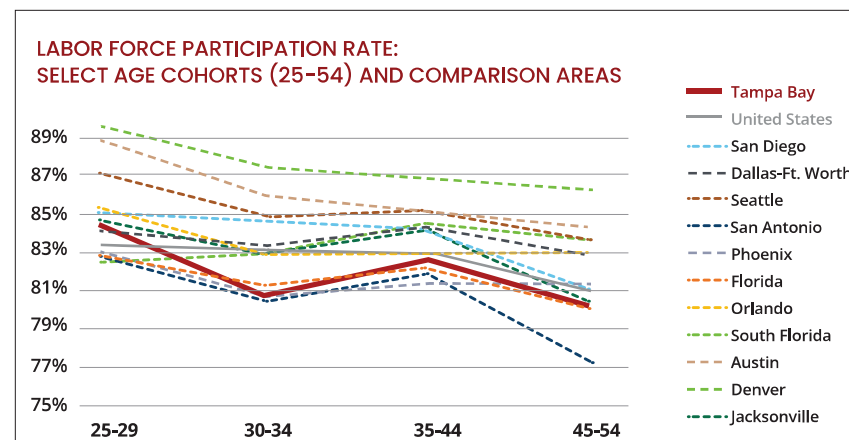
Perhaps one of the greatest determinants of labor force participation is age. Young adults may choose to pursue education prior to entering the workforce, many workers between the ages of 25 and 34 years of age step away from working temporarily to raise young children, and with advancing age brings any number of impetuses – retirement, declining health or physical ability – for exiting the labor force. The following charts dissect Tampa Bay's labor force by age and geography.



Across all geographies, labor force participation dramatically increases from the 16-19 age cohort to the 20-24 age group, nearly doubling as residents exit secondary or post-secondary schools and enter the workforce. A slight downward trend is exhibited from the 25-29 to 45-54 age brackets suggesting that individuals are far more likely to leave the workforce versus enter it at these ages. Alternatively put, in Tampa Bay, individuals age 25-29 are more likely to be in the labor force than any other average individuals of different ages. A rather precipitous decline in labor force participation rates occurs from age 55 to a near full exit from the labor force after age 75.

Drilling into the age segment 25-54, distinctions between the communities are more clearly visible. The majority of counties – as well as the state and nation – exhibit similar patterns of labor force participation. Divergences include Sarasota's 90%+ participation rate for the 25-29 cohort, as well as steeper drop-offs in labor force participation rate among Hernando, Citrus, and Pasco counties, which may be due to influxes of early retirees.

4. CONTEXT WITH SELECT COMPARISON COMMUNITIES



We also view Tampa Bay's labor force participation rate in the 25-54 age group in comparison to other Florida markets (Jacksonville, Orlando, South Florida), "retirement havens" (Phoenix, San Antonio, and San Diego), and a handful of perennial top-performers to see what inferences may be drawn.

Tampa Bay tracks the Florida markets and sun belt retirement destinations, in large part. In most of the select comparison communities with high Gross Regional Product per capita (Dallas-Ft. Worth is an exception), labor force participation rates at ages 25-29 generally outperform Tampa Bay, and labor force attrition through age 54 is not as pronounced. In other words, high-performing communities have relatively stronger and more resilient labor force participation rates across the prime working years of 25-54.

Source: Census Bureau, American Community Survey 1-year Estimates, Table S2301