

*Generations of Progress –
A Future of Our Choice*

MISSISSIPPI WORKFORCE AND ECONOMIC COMPETITIVENESS

A Report to the Governor, the Legislature, and the People of the State of Mississippi

by

**The Joint Task Force on Workforce Competitiveness
of
The State Workforce Investment Board
and
The State Workforce Development Council**

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Preface

The Joint Task Force of the State Workforce Investment Board and State Workforce Development Council respectfully submits this report on Mississippi workforce and economic competitiveness to the Governor of the State of Mississippi and Mississippi State Legislature.

These two state workforce development planning and oversight bodies, with their related regional counterparts, have direct responsibility for comprehending, planning, implementing, and overseeing the state's two major public workforce development systems. The State Workforce Investment Board is responsible for planning, programming, and oversight of workforce development activities undertaken under the authority of the federal Workforce Investment Act of 1998. The State Workforce Development Council is similarly responsible for activities undertaken by Community and Junior College Workforce Development Centers created by the Mississippi Workforce and Education Act of 1994. Both oversight bodies report directly to the Governor on workforce development.

In coordinated action, the State Workforce Investment Board and State Workforce Development Council created the Joint Task Force on Workforce Competitiveness in the fall of 2002. The Task Force was charged with two major objectives:

1. An examination of issues and concerns regarding the competitiveness of Mississippi's workforce and the related issues regarding the state's workforce training systems.
2. The recommendation of policy and program strategies to increase and sustain Mississippi workforce and economic competitiveness.

The Task Force is co-chaired by George Schloegel, Chairman of the State Workforce Investment Board, and George Walker, Chairman of the State Workforce Development Council. Its membership is comprised of members of the two workforce oversight bodies. James Lott, Director of the Employment Training Division of the Mississippi Development Authority, served as principal advisor to the Task Force.

MDC Inc. of Chapel Hill, NC, directed the effort and conducted primary research, analysis, and reporting activities with support from the Unit for Community and Environmental Study of the Social Science Research Center at Mississippi State University. MDC's project team included Sam Scott, Sarah Rubin, and Annette Taylor. Mississippi State University support was led by Dr. Domenico Parisi and included Steven Grice, Dr. Duane Gill, and Michael Taquino.

Sam Scott
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Executive Summary

The two major purposes for this report are to encourage and aid thoughtful consideration of the current condition of Mississippi's workforce and economic competitiveness and to recommend state policy and program initiatives aimed at ensuring Mississippi's competitiveness in national and international markets. The findings and recommendations of this report are offered as a *starting point* for *further developing* Mississippi's economic competitiveness and increasing the job prospects, wages, and upward mobility of all people and all regions of the state.

The report reveals that over the past decade Mississippi's job market has been shifting rapidly from manufacturing to services as low-skill manufacturers have gone offshore for low-wage workers. On the average, this has also meant a shift from higher manufacturing wages to lower service sector wages for many Mississippians. The economic recession of the past several months has increased the impact of loss of manufacturing jobs on all job seekers, putting tenured workers with decades of manufacturing experience in competition with better-educated new entrants to the workforce as well as long-term unemployed job seekers.

The state's rural areas and people have been hit hardest. Although they do have workforce and economic development needs, Mississippi's metro areas – Jackson, Biloxi-Gulfport-Pascagoula, Hattiesburg, and Desoto County (adjacent to Memphis) – are prepared to move forward in the new economy with their diverse job markets and better skilled and educated workforces. However, with the exception of the micropolitan area around Tupelo in northeast Mississippi, the state's rural areas have suffered more from the loss of manufacturing jobs because they were more dependent on them. Because the state's rural workforce is less educated and skilled than their metro-area counterparts, it will be much more difficult for rural areas to rebound in the new economy with its emphasis on technology and service. And, unlike previous economic downturns when rural factories would close for a time but then reopen, the rural manufacturing jobs that have been lost won't be coming back.

This report offers an overview of the condition of Mississippi's workforce and job market. It reveals gaps between worker skills and employer skill needs and discusses ways to fill those gaps. It documents differences in the workforce experience of rural and metro residents and of black and white Mississippians and points out the importance of aging workers to the state economy over the next two decades and the importance of minorities – the least prepared of Mississippi's workers – to the future economy. It underscores that we must continually upgrade the skills of current workers and do a better job of educating and training Mississippi's minorities if the state is to be competitive in the 21st Century. The report gives forethought to future job growth in metro and rural areas of the state and calls for integrating state and local economic and workforce development systems to improve the state's economic competitiveness.

The Joint Task Force hopes that this report stimulates discussion among Mississippi's leaders and decision-makers about these issues, resulting in a greater awareness of the workforce and economic development choices facing the state among all Mississippians. To build state workforce and economic competitiveness, the Joint Task Force recommends for consideration:

- Planning and oversight activities of the State Workforce Investment Board and State Workforce Development Council should be coordinated to ensure that Mississippi's public workforce development resources are aligned to maximize state workforce and economic development competitiveness.
- Mississippi's Community and Junior Colleges deliver demand-driven training offering flexible schedules to accommodate the needs of individuals and employers and be confirmed as the state's primary deliverer of workforce education and training services.
- All public agency workforce development resources be identified and catalogued for use in aligning, focusing, and coordinating workforce development resources to effectively achieve state workforce and economic goals.
- The Employment Training Division of the Mississippi Development Authority be confirmed the state's administrator of workforce development planning and oversight activities under the State Workforce Investment Board in coordination with the State Workforce Development Council.
- A Rural Development Program with dedicated resources be developed and charged with strengthening the workforce and economic competitiveness and vitality of rural Mississippi. That charge should include assessing the workforce and economic development challenges of rural Mississippi and designing and implementing solutions to them.
- Effective coordination of state workforce and economic development agencies, programs, and resources aimed at improving state competitiveness should be a paramount state goal. Planning and functional coordination at the state and local levels between public workforce and economic development agencies should become mandated requirements.

