

Executive Summary

The Department of Commerce and Economic Opportunity (DCEO) has been implementing regional initiatives throughout the state targeting labor shed and workforce characteristics to supplement regional business attraction and retention efforts and workforce development strategies.

Organizations interested in Illinois are concerned about the availability of workers should they choose to relocate to Illinois. The purpose of this initiative is to provide labor market information useful in developing regional marketing campaigns for business attraction and retention. The primary goal of this study is to identify underemployed workers, or workers who might be available if additional job opportunities were available in the Dixon, Sterling, Rock Falls region.

Beginning in early 2002, DCEO funded labor market studies in central Illinois which included four major employment centers; Bloomington/Normal, Decatur, Peoria, and Springfield. Three additional labor market studies were implemented in late 2002 for Galesburg/Monmouth, Macomb and Quincy in Western Illinois. In 2003 DCEO funded labor market studies in Northwestern Illinois. The two major employment centers targeted for this analysis were the Quad Cities and Dixon, Sterling, and Rock Falls regions.

The Department of Commerce and Economic Opportunity contracted with the Center for Governmental Studies at Northern Illinois University to implement these initiatives. The labor market study includes two main components, a residential telephone survey to gather occupational characteristics and willingness to change jobs and employer interviews to gather feedback on labor availability and quality. The following Labor Market Analysis Report details the findings and results from these activities for the Dixon, Sterling, Rock Falls region.

Labor Market Survey Highlights

- ◆ The Dixon, Sterling, Rock Falls Labor Market Report includes labor and employment characteristics for a 35 mile radius surrounding the cities of Dixon, Sterling, and Rock Falls. The study area includes the counties of Carroll, Lee, Ogle, and Whiteside and portions of Bureau, DeKalb, Henry, LaSalle, Rock Island, Stephenson and Winnebago in Illinois and Clinton in Iowa. (Appendix A)
- ◆ The total population included within a 35 mile radius of the Dixon, Sterling, Rock Falls region is 319,351. The focus of this study is on the population ages 18 - 64 which includes 189,155 individuals.

- ◆ During the 90's, the Dixon, Sterling, Rock Falls region experienced relatively low unemployment rates resulting in problems with employee retention and industry attraction. However, even in the 90's there was and continues to be, significant labor availability in the region that includes unemployed, underemployed, and re-entering retirees.
- ◆ Approximately 5.3% of respondents to the resident survey indicated they not employed but are currently looking or planning on looking for employment in the next year, representing 10,025 potential available workers. Possible future layoffs, particularly in manufacturing within the region could contribute to increased unemployment and subsequent increased availability of skills workers.
- ◆ Underemployed workers represent a critical labor pool for new and expanding businesses in the area. Underemployed workers are those who are currently employed but interested in looking for a different or additional job in the next year. Based on this criteria, 22.9% of the Dixon, Sterling, Rock Falls region labor market is considered underemployed representing 43,316 potential available workers. The region has a lower percent of employed workers interested in a different job than other regions in the state.
- ◆ A small number of survey respondents are retired but interested in re-entering the workforce in the next year. Re-entering retirees include only those interested in employment in the next year who are under age 65. Re-entering retirees accounted for 1.6% of respondents representing 3,026 potential available workers.
- ◆ Based on the number of unemployed, underemployed, and re-entering retirees, the Dixon, Sterling, Rock Falls region has a total potential available workforce of 56,367.

Dixon, Sterling, Rock Falls Potential Workforce	Available Workers
unemployed	10,025
underemployed	43,316
re-entering retirees	3,026
<i>total potential workforce</i>	<i>56,367</i>

- ◆ There is a significant number of retirees over age 65 who are interested in re-entering the workforce on a part time basis. This workforce availability can be particularly attractive to retail and sales industries.
- ◆ Rochelle's intermodal facility could benefit the region in attraction of industries in logistics and warehousing/distribution. The number of potential available workers with experience in logistics is very high with as many as 14,000 in the region. Salary requirements for this workforce average under \$30,000 annually for a workforce with over 6 years of experience on average.
- ◆ Increased regional competition for business attraction and a mobile workforce require regional strategies and solutions. Businesses no longer evaluate potential locations at a local or municipal level, rather they evaluate the regions strengths. Dixon, Sterling, and Rock Falls should work together to develop a regional perspective on business attraction and retention efforts.