

November 6, 2024

ARKANSAS DEPARTMENT OF COMMERCE, SECRETARY: HUGH MCDONALD

- DIVISION OF WORKFORCE POLICY & INNOVATION (WPI) [LAUNCHED JULY 2024]
 - DIRECTOR: CHARISSE CHILDERS, PHD
 - BUREAU OF LABOR STATISTICS
 - PROGRAM MANAGER: SUSAN PRICE
 - LABOR MARKET INFORMATION
 - PROGRAM MANAGER: BELINDA GOMEZ
 - DIVISION OF WORKFORCE POLICY & INNOVATION (WPI)
 - ASSISTANT DIRECTOR: BRIAN ROGERS

WPI purpose: leverage data and best practices to develop and propose strategic advancements to workforce development policies and programs.



November 6, 2024

LFPR: Can Arkansas Become a Force in Labor Force Participation?

DISCLAIMERS:

NUMBERS PRESENTED HERE ARE ROUNDED AND DO NOT PRECISELY MATCH THOSE PUBLISHED BY U.S. BUREAU OF LABOR STATISTICS

EMPLOYED/EMPLOYMENT IS FULL TIME OR PART TIME

UNEMPLOYED/UNEMPLOYMENT IS UNRELATED TO UNEMPLOYMENT CLAIMS



November 6, 2024

Why this presentation?

Labor Force Participation Rate (LFPR):

59.4% = Department of Commerce 2028 Goal

58% = Current



November 6, 2024

Labor Force Terms & Definitions

5 building blocks of unemployment and labor force participation:

(1) Unemployed }
(2) Employed } Unemployed + Employed = (3) Labor Force

(4) Total Population  (civilian, 16+, and non-institutionalized) 

Unemployment Rate = (1) Unemployed \div (3) Labor Force X 100
(expressed as a %)

Labor Force Participation Rate (LFPR) = (3) Labor Force \div (4) Total
Population X 100
(expressed as a %)

Are all the components of the Total Population shown here?



November 6, 2024

Are all the components of the Total Population shown here?

HINT

(1) Unemployed
+ (2) Employed
+ ?

(4) Total Population (civilian, 16+, non-institutionalized)

[[Hint within the HINT: if LFPR = 58%, what is the 42%?]]



November 6, 2024

OOLF (Out of Labor Force)

- (1) Unemployed
- + (2) Employed
- + (5) Out of Labor Force (OOLF)

(4) Total Population (civilian, 16+, non-institutionalized)



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In Arkansas the OOLF rate is _____%

[[Reminder hint: LFPR = 58%]]



November 6, 2024

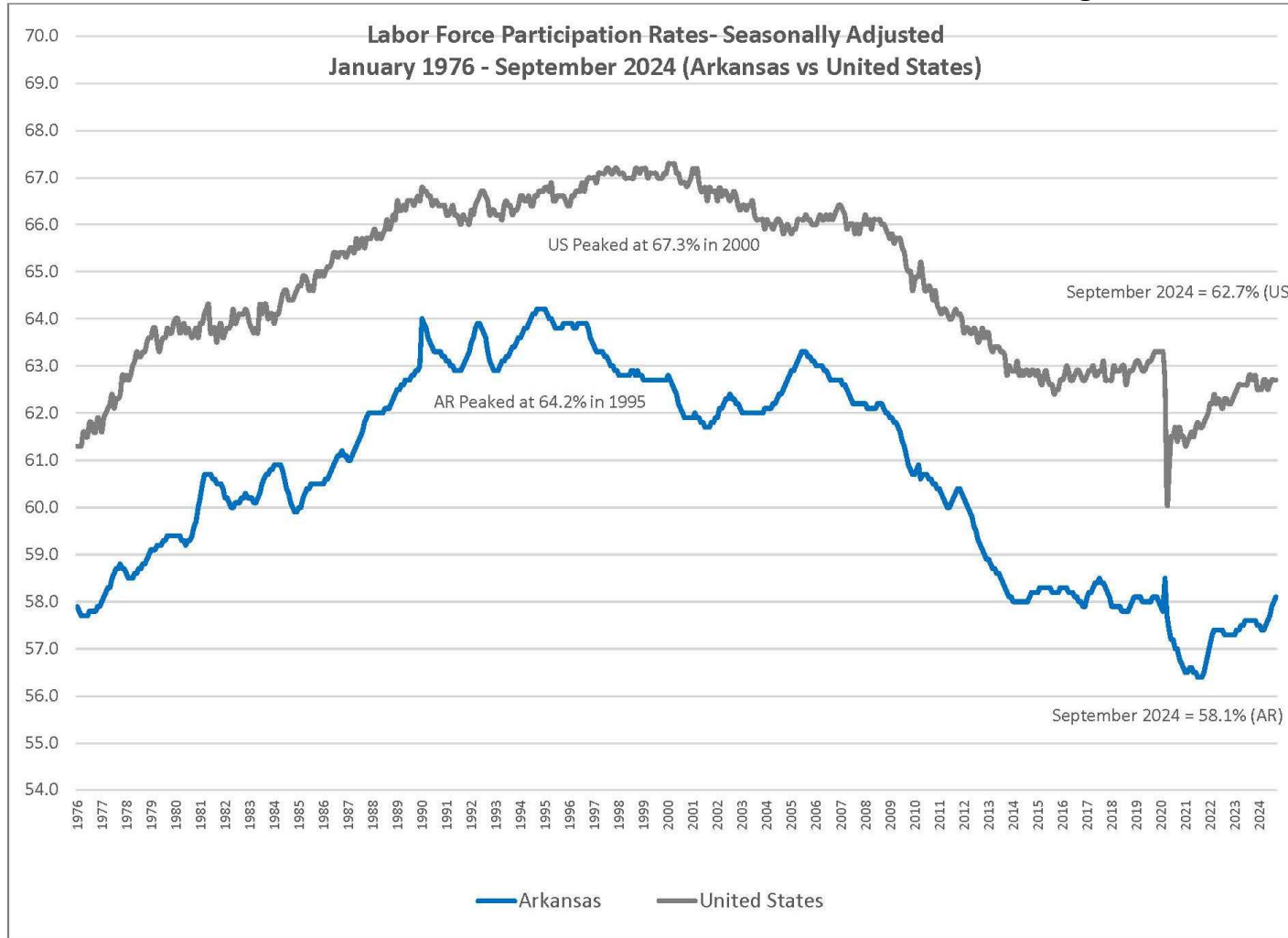
- (1) Unemployed (47,000 or 3%)
- + (2) Employment (1,400,000 or 58%)
- + (5) OOLF (1,000,000 or 42%) *

(4) Total (workforce eligible) Population (2,447,000+
(civilian, 16+, non-institutionalized))

* ~400,000 between 25 and 64 or roughly 20% of ages 25 - 54
or roughly 25% of ages 25 - 64



Credit: 2024 Bureau of Labor Statistics and Cara Benton, Arkansas BLS Program Monitor



November 6, 2024

Question: how many states have a net increase in LFPR since the U.S. peaked at 67.3% in 2000?



November 6, 2024

Answer: 2

Question: Which 2?



November 6, 2024

Answer: West Virginia, North Dakota

West Virginia moved up from 50th to 49th

DATA FROM NATIONAL GOVERNOR'S ASSOCIATION



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BEST PRACTICE OPPORTUNITIES / DISCOVERY

*States with net LFPR improvement since 1990: West Virginia, North Dakota

*States that have improved LFPR relative to national average: Oklahoma, Iowa, Utah, Virginia, NJ, Nebraska

* DATA FROM NATIONAL GOVERNOR'S ASSOCIATION

Many states have kicked-off specific initiatives addressing LFPR; a few where we already have specific information: Alabama, Louisiana, South Carolina, Tennessee, West Virginia (at least)



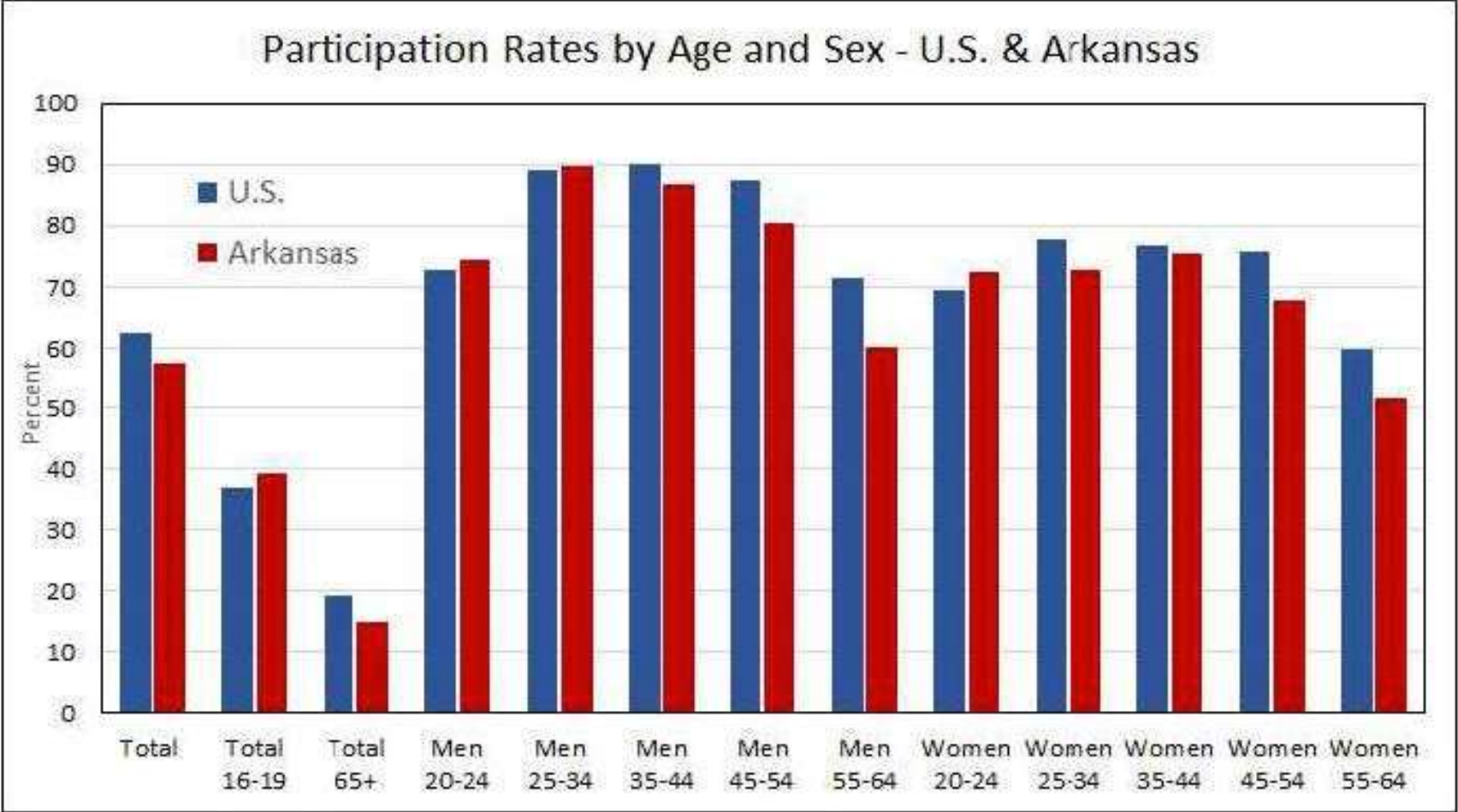
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True or False: Arkansas is a retirement state.

True or False: the number of people incarcerated in Arkansas is affecting LFPR.



Figure 6:



Credit: Dr. Michael Pakko, Arkansas Economic Development Institute, "Labor Force Participation Rate in Arkansas", September 2024

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Plans and Opportunities:

59.4% by 2028: >90,000 (~25,000/yr) Labor Force increase
(we're already on pace!)

Continuous Improvement in all workforce programs

Instituting best practices from other states

How do we find the OOLF?

Characterizing the OOLF: county level, disabilities, etc.

35 - 54

Arkansas Data Research Facility (ADRF)

Targeted outreach



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Know how to find the OOLF? OOLF experiences to share?
We want to hear from you!

PLEASE REACH OUT

Brian.Rogers@arkansas.gov

501-371-1027

