

# Alabama Metropolitan Areas: Brighter Days Ahead

Weakness in the state and national economies hurt both urban and rural sections of the state in 2002. Alabama's 22 metropolitan area counties lost about 15,000 jobs during the year and nonmetropolitan counties lost over 4,600, a decline of a little over one percent in both areas. Although the nonmetro areas have been losing jobs for years, 2002 was only the second year in the last decade for metro area job losses and the first year metro area losses exceeded nonmetro ones. While for the year every metro area lost jobs, on a comparison of December 2001 and December 2002, Auburn-Opelika and Dothan both managed job gains. For December 2002 compared to a year ago, Birmingham, Florence, Huntsville, and Tuscaloosa each lost between 1,400 and 1,700 jobs.

Most of the job weakness across Alabama's metro areas in 2002 was in the manufacturing, trade, and transportation, communications, and public utilities (TCPU) sectors. Between December 2001 and December 2002, manufacturing jobs in the state's

metro areas declined by about 5,000. Two areas bucked the trend—Auburn-Opelika added 200 manufacturing jobs, while Dothan gained 600. Metro area trade employment declined by 3,400 from December 2001 to December 2002. But two areas that saw substantial new retail development during the year added jobs—Birmingham and Montgomery each gained 500 retail trade jobs. TCPU employment, which was off 3,500, was flat or declining in every area except Dothan, which added about 100 jobs during the year.

Despite tough economic conditions, 2002 was a year filled with exciting developments and the seeds of future opportunity that will bring brighter days to Alabama's metro areas. Transportation equipment manufacturing, including motor vehicles, as well as ships, aircraft, and defense-related equipment, continues to prosper. New plants and expansions and the promise of many more to come will benefit most areas of the state. Some of the state's metro areas play unique roles in national defense and antiterrorism that will continue to expand. And development funded by the Retirement Systems of Alabama will help give other areas an edge in tourism or downtown development.

Across Alabama, enrollments at community colleges and technical training programs grew as workers sought to gain marketable skills. Every metro area expanded its efforts to retrain displaced workers and to ready workers for jobs brought about by new and expanding industry and by a growing services sector. In the face of adversity, each metro area worked to improve the quality of life for its residents. And the spirit of regional cooperation strengthened across Alabama in 2002 as metropolitan areas broadened their economic development focus to make sure nearby rural counties are not left behind.

**Metropolitan Area Nonagricultural Employment**

	December 2002	Change from December 2001		Unemployment Rate (Percent) December 2002
		Number	Percent	
<b>Alabama</b>	1,903,900	-12,300	-0.6	5.8
Anniston	48,200	-100	-0.2	5.1
Auburn-Opelika	45,600	200	0.4	3.7
Birmingham	485,700	-1,600	-0.3	4.2
Decatur	56,400	-700	-1.2	6.3
Dothan	69,600	900	1.3	3.9
Florence	52,200	-1,600	-3.0	8.3
Gadsden	37,500	-800	-2.1	5.7
Huntsville	184,800	-1,700	-0.9	4.1
Mobile	228,800	-800	-0.3	5.6
Montgomery	165,500	-300	-0.2	4.6
Tuscaloosa	81,300	-1,400	-1.7	3.2
Net Jobs in Metropolitan Areas		-9,100		
Net Jobs in Nonmetro Counties		-3,200		

Note: Metropolitan Areas total includes Russell County which is in the Columbus, AL-GA MSA.  
Source: Alabama Department of Industrial Relations.

The weak economy and job losses of the past two years have challenged Alabama's metropolitan areas to work even harder in areas including job training, infrastructure development, business and industry recruitment, and strategic planning. We take a brief look at some of the developments in the state's metro areas in 2002 and at some of the prospects that surfaced during the year.

### *Developments and Opportunities in 2002*

**Anniston:** Expanding role in national security; ongoing redevelopment of Fort McClellan; attracting auto suppliers; proposed McClellan research park as well as National Preparedness University.

**Auburn-Opelika:** Growing manufacturing sector, including auto suppliers; expanding recreation with new lodge and conference center at Grand National; Colonial Mall expansion planned.

**Birmingham:** Strong suburban residential and retail growth to continue over next five to 10 years; expanding biotechnology; manufacturing growth including auto suppliers; new office towers downtown and plans for domed stadium.

**Decatur:** Manufacturers improving and expanding facilities; successful Boeing satellite launch with Delta IV rocket; identifying sites for new industrial park; plans for possible sports arena and hotel.

**Dothan:** Growing manufacturing, especially transportation equipment and machinery; large and stable TCPU employment; downtown revitalization progressing.

**Florence:** Diversifying manufacturing with SCA Tissue plant; strong tourism industry will expand with RSA investment in golf course and River Heritage Hotel project; new industrial parks opening.

**Gadsden:** Metal fabricating manufacturing expanding; area workforce benefiting from Honda jobs; trying to attract Honda suppliers; ongoing downtown revitalization with plans for convention center and riverfront development.

**Huntsville:** Toyota engine plant to open in 2003; developing new government-related propulsion and rotocraft systems research centers; area firms involved



in national defense-related contracts; Parkway Place mall opened; downtown development underway.

**Mobile:** Tourism strong with Mobile Tricentennial and beach area condo development; expanding shipbuilding industry; continuing State Docks expansion; RSA working on Battle House Tower and renovated hotel in downtown Mobile.

**Montgomery:** Hyundai site preparation underway with plant test production planned for summer 2004; working on supplier locations, with Hyundai Mobis locating in Montgomery; Shoppes at East Chase opened; plans for downtown riverfront and stadium development.

**Tuscaloosa:** Mercedes expansion underway for 2004 opening; auto suppliers expanding and locating in area; major retail development planned; substantial public school construction and workforce development projects underway.

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