



Monroe County's Lost Workers

**A Study of Leisure and Hospitality Employment Loss in
Monroe County, Florida**

April 21, 2008

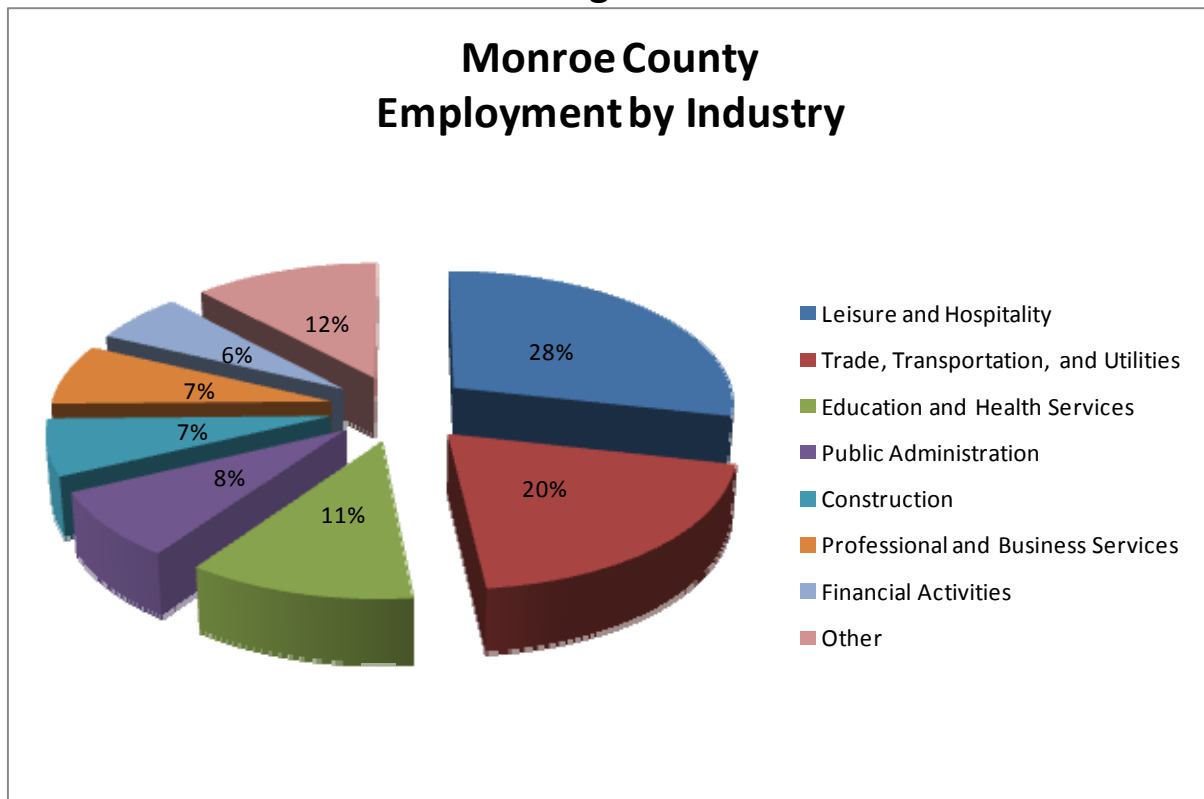
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It has been well documented that Florida's Monroe County is one of the few Florida places experiencing a population decline. After experiencing a 2.0% population gain between 1990 and 2000, the county's population declined by 4,852 persons (6.1%) between 2000 and 2006.

Not only is the county's population declining, but the people living in the county are aging, and their participation in the local labor force is declining. According to the U.S. Census Bureau, in 1990, 55.5% of residents in the county were in the labor force. By 2000, this percentage declined modestly to 55.1%, and by 2006 had declined to 52.4%. This population decline, coupled with the reduction in working population, has implications for the county's economy.

The Monroe County economy is a service economy. As of January 2007, 92% of the jobs in the county were in the service sector. The Leisure and Hospitality industry accounted for 28% of the jobs in the county, followed by Trade, Transportation and Utilities at 20%, Education and Health Services at 11%, and Public Administration at 8%. Of the 8% of the county's jobs that were in the goods-producing sector, almost all (7% of the 8%) were in the construction sector. This data clearly points to the Leisure and Hospitality industry as the key the industry for the county. Figure 1 provides a graphical representation of this data.

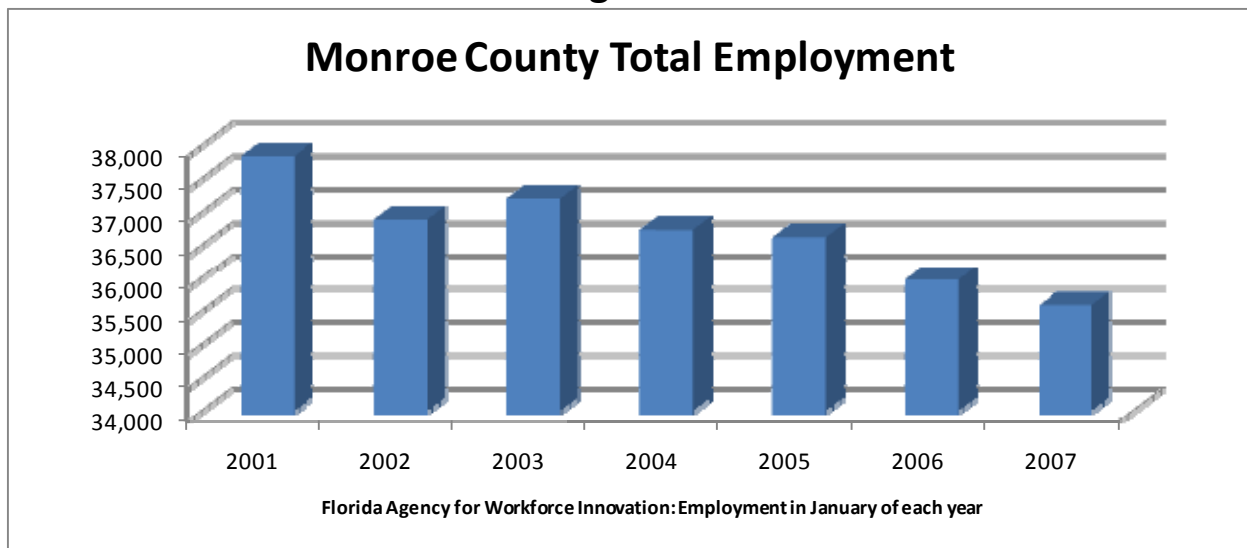
Figure 1



Monroe County encompasses the Florida Keys, stretching approximately 100 miles from southern-most tip of the Florida mainland to Key West. The Keys are accessible primarily by a single main road (US 1) which runs the length of the Keys. The further one works down the Keys towards Key West, the more difficult and time consuming a commute becomes, necessitating the local housing of the workforce. Hence, the communities in Monroe County must in general rely on their local population to fill the available jobs in the county.

With a population loss and decline in the workforce participation rate, one would expect a decline in the employment (i.e. filled jobs) in the county. This is in fact what has happened in Monroe County. Between 2001 and 2007, the county lost 6% of its employment. The number of jobs declined by 2,252, from 37,843 in January 2001 to 35,591 in January 2007 (see Figure 2 below).

Figure 2



All of these employment losses have occurred in the services sector. During the 2001 to 2007 period, the number of jobs in the service sector declined by 6.7%, or 2,350 jobs. In fact, 85% of the employment losses in the period 2001 to 2007 occurred in the Leisure and Hospitality industry.

The Leisure and Hospitality industry currently represents 28% of Monroe County employment. In 2001, Leisure and Hospitality represented 33% of Monroe County employment. In the period 2001 to 2007, Monroe County lost 1,915 jobs in the Leisure and Hospitality industry, a decline of 15.1%. This represents a significant employment loss for any industry sector, particularly the primary economic sector for an economy

Figure 3 summarizes Leisure and Hospitality employment in Monroe County. Figure 4 presents a series of employment trend lines for total employment, service sector employment, and leisure and hospitality employment. Appendix A presents the employment data for select industry groups.

Figure 3

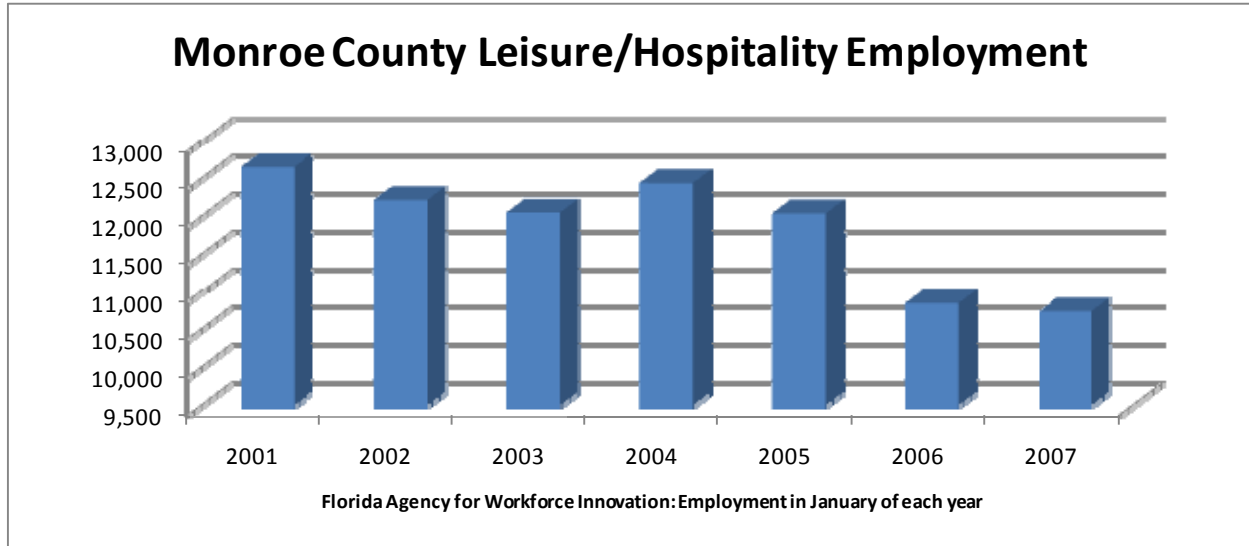
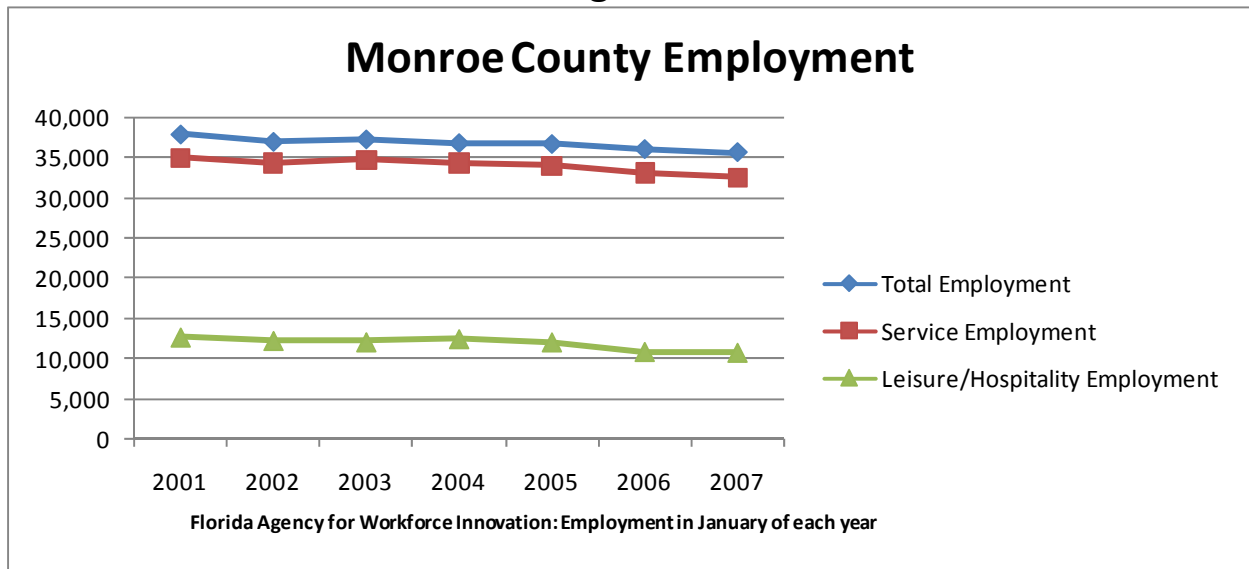


Figure 4



In summary, several trends are affecting the economy in Monroe County. First, the particular geography of the county makes it necessary in many cases for the county's workforce to live locally – daily commuting to many points in the county is not practical or cost effective. Second, the year round population of the county is declining. Third, amongst those who live in

the county, the labor force participation rate is declining. Fourth, as would be expected in a tourism dependent economy, Leisure and Hospitality is a key industry for the county.

Finally, the decline in population and decline in labor force participation rate are affecting the number of filled jobs in the county. Overall, employment in Monroe County is declining. More significantly, the employment decline is not spread equally over all industries, but is occurring almost exclusively in the Leisure and Hospitality industry – the primary industry for the county.

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Appendix A

Monroe County, Florida			
Employment in Select Industries			
Year	Industry Title	NAICS Code	Jan Employment
2001	Total, All Industries	10	37,843
2002	Total, All Industries	10	36,898
2003	Total, All Industries	10	37,210
2004	Total, All Industries	10	36,743
2005	Total, All Industries	10	36,629
2006	Total, All Industries	10	35,978
2007	Total, All Industries	10	35,591
	Change in Total Employment 2001 -2007		(2,252)
	Percent Change in Total Emp. 2001 -2007		-5.95%
2001	Goods-Producing	101	2,926
2002	Goods-Producing	101	2,577
2003	Goods-Producing	101	2,431
2004	Goods-Producing	101	2,433
2005	Goods-Producing	101	2,649
2006	Goods-Producing	101	2,844
2007	Goods-Producing	101	3,024
	Change in Goods Producing Emp. 2001 -2007		98
	Percent Change 2001 -2007		3.35%
2001	Service-Providing	102	34,917
2002	Service-Providing	102	34,321
2003	Service-Providing	102	34,779
2004	Service-Providing	102	34,310
2005	Service-Providing	102	33,980
2006	Service-Providing	102	33,134
2007	Service-Providing	102	32,567
	Change in Services Emp. 2001 -2007		(2,350)
	Percent Change 2001 -2007		-6.73%
2001	Leisure and Hospitality	1026	12,657
2002	Leisure and Hospitality	1026	12,224
2003	Leisure and Hospitality	1026	12,060
2004	Leisure and Hospitality	1026	12,445
2005	Leisure and Hospitality	1026	12,047
2006	Leisure and Hospitality	1026	10,850
2007	Leisure and Hospitality	1026	10,742
	Change in Leisure/Hospitality Emp. 2001 -2007		(1,915)
	Percent Change 2001 -2007		-15.13%

Florida Agency for Workforce Innovation: Employment in January of each year