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# **LABOR MARKET ASSESSMENT OF The Greater Tunica County Region**

## **A Nine-County Region**

**(Tunica, De Soto, Tate, Panola, Coahoma, and Bolivar Counties in Mississippi; Shelby County in Tennessee; and Crittenden and Phillips Counties in Arkansas)**

Prepared for:

**The Tunica County Economic Development Foundation**

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## EXECUTIVE SUMMARY

This labor market evaluation is for the Greater Tunica County Region, most of which roughly matches the 60-minute labor draw characteristics of the Greater Tunica Business Park. The region consists of six Mississippi counties (e.g., Tunica, De Soto, Tate, Panola, Coahoma and Bolivar Counties), Shelby County in Tennessee, and two Arkansas counties (Crittenden and Phillips Counties).

Data for the analysis was obtained from a combination of primary sources, including interviews with employers, educators, staffing services, and other agencies involved in labor training, recruiting, and development. Interviews were conducted with a variety of state agencies and residential realtors. Secondary data from government, private, and proprietary sources was also used. WDG's analysis is from the perspective of a company seeking a location for a heavy manufacturing operation – including automobile assembly and/or aviation-related. The issues addressed in our analysis are the principal labor-related topics of concern to relocating and expanding companies.

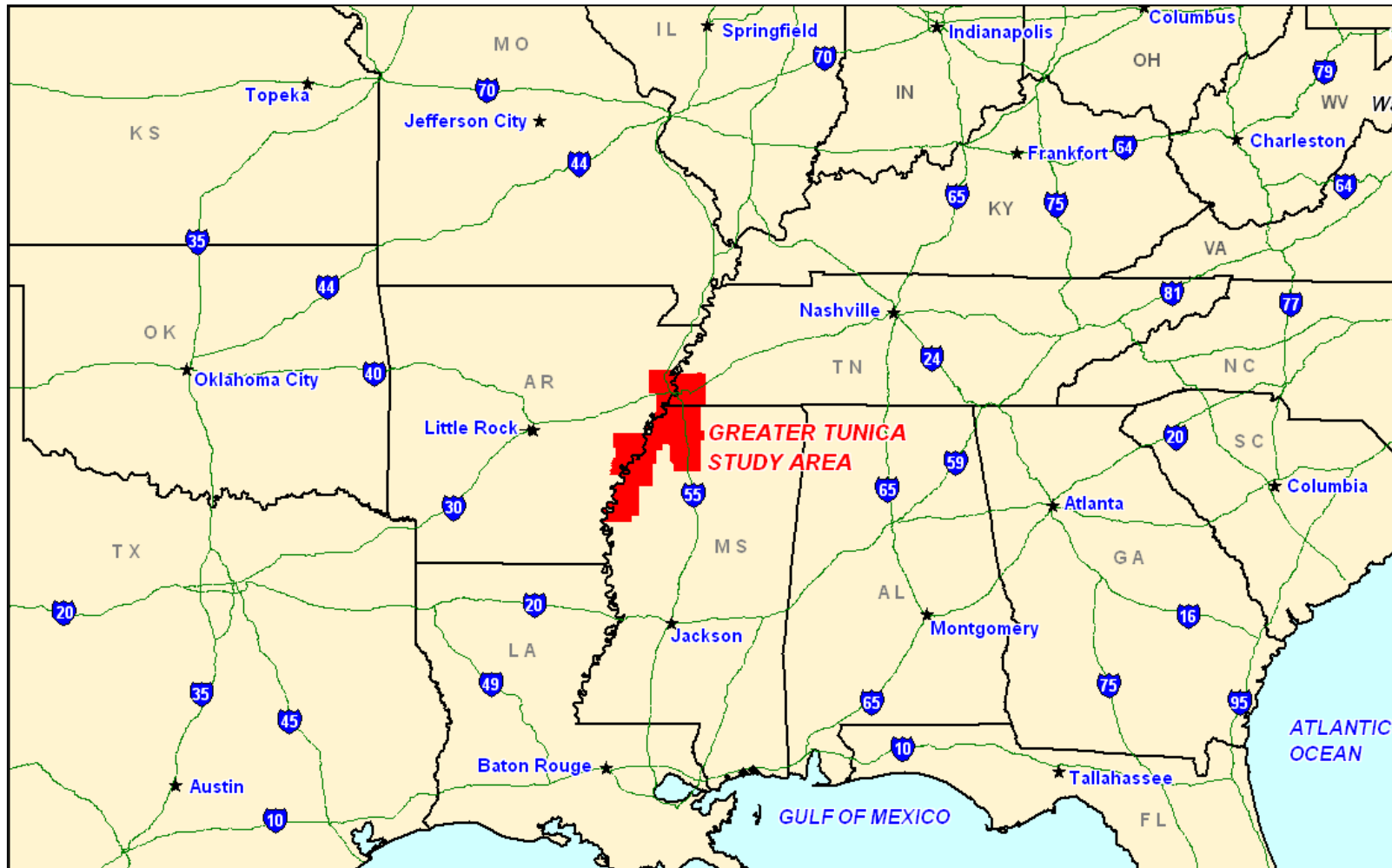
### Regional Demographic Overview

The Greater Tunica County Region is positioned in northwestern Mississippi, southwestern Tennessee, and eastern Arkansas, and is displayed in the context of the southern region of the United States in Figure 1, and in more detail in the context of Mississippi, Arkansas, and Tennessee in Figure 2. The study area is within the larger Mississippi Delta region. Memphis, located at the northern edge of the study area, is the largest city in the region, housing over 650,000 residents. Tunica, De Soto, Tate, Shelby, and Crittenden Counties are included in the Memphis Metropolitan Statistical Area (MSA), which includes eight counties. The study area's remaining four counties do not contain, nor are positioned in, an MSA.

The nine-county region is located in the Central Time Zone. Primary access to the region is provided by Interstate 55 (I-55), which extends between Chicago and New Orleans. Within the Greater Tunica County Region, I-55 crosses through Shelby, De Soto, Tate, and Panola Counties. Interstate 40 (I-40), which extends between Wilmington, NC and Barstow, CA, intersects I-55 at Memphis. The new Interstate 69 (I-69) corridor, currently under construction or development, will ultimately extend from Port Huron, MI to the Texas/Mexico border. I-69 will traverse De Soto, Tunica, Coahoma, and Bolivar Counties, before crossing the Mississippi River near Benoit, MS into Arkansas.

The Greater Tunica County Region is a blend of urban, suburban, rural, and undeveloped/agricultural sectors, encompassing an estimated population of 1,267,634 in 2004. Shelby County contains 917,964 residents, approximately 72% of the study area population. The region's population growth over the next five years (2004-2009) is forecasted at 4.5%, lagging behind averages for Arkansas (4.9%), Tennessee (4.8%), and the nation (6.3%), but above the Mississippi average (3.1%). The highest five-year growth rates are projected for Tunica County (23.8%) and De Soto County (23.5%), followed by Tate County (5.2%), Crittenden County (3.9%), and Panola County (2.3%). The Shelby County population is projected to grow by 2.5%, reaching 940,865 residents by 2009. Net population declines are projected for Coahoma County (-5.1%), Phillips County (-3.4%), and Bolivar County (-0.1%).

FIGURE 1  
THE STUDY AREA IN THE CONTEXT OF THE SOUTHERN REGION OF THE UNITED STATES



## Tunica County Metro Mega Site Demographic Overview

WDG calculated the 30-, 45-, and 60-minute commute zones from the Tunica County Metro Mega Site under existing highway conditions and after completion of I-69 and ancillary roadway improvements. The section of I-69 between Interstate 55 (I-55) and Route 304 – all in De Soto County – will be completed by November 2006. Route 304 also will be improved between Route 61 and I-69 by November 2006, thereby linking the Tunica County Metro Mega Site with new I-69. Figure 3 details the Tunica County Metro Mega Site and the I-69 and Route 304 roadway improvements.

Attraction of a major manufacturing operation to the Tunica County Metro Mega Site likely would not occur prior to November 2006; thus the I-69 corridor improvements will be in place prior to development of the site. The site's interior roadways will be developed to maximize vehicular flow to the new interstate-grade roadways now under construction. For purposes of this report, WDG focuses on the Tunica County Metro Mega Site and its 30-, 45-, and 60-minute commute zones under conditions expected in November 2006. The extent of the anticipated commute zones was calculated under the following assumptions:

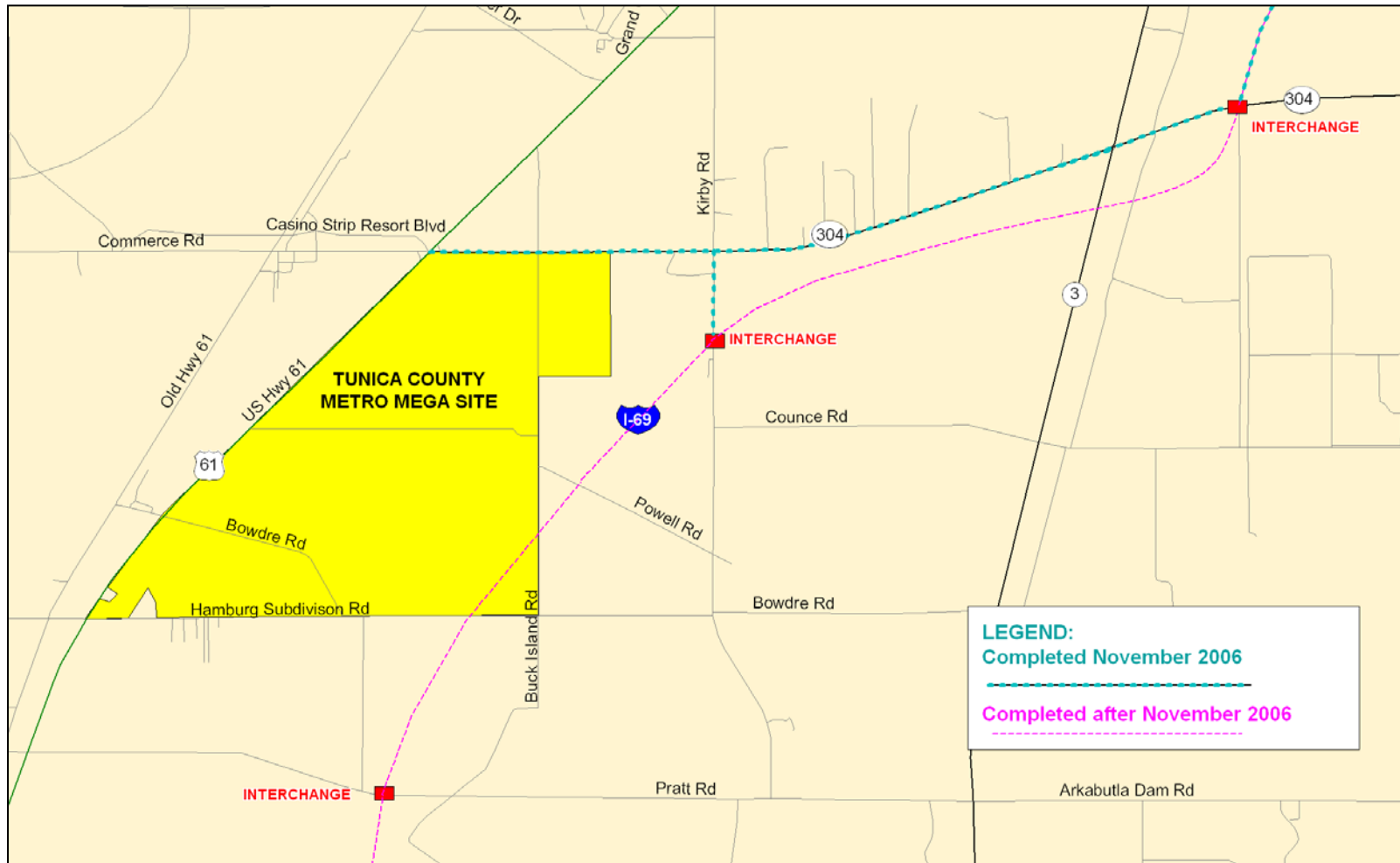
- The 30-minute commute zone represents standard manufacturing, distribution, and office operations providing at-market wages and benefits.
- The 45-minute commute zone accommodates employers providing better-than-market wages and benefits.
- The 60-minute commute zone is achievable for employers-of-choice; e.g., those employers with strong name recognition and reputation providing strong, market-leading wages and benefits, including auto manufacturers and automotive parts producers.

Figures 4, 5, and 6 show the impacts of the new I-69 corridor and improved Route 304 on the 30-, 45-, and 60-minute commute zones. The roadway improvements are estimated to expand the 60-minute commute zone to capture approximately 1,108,000 residents, and a labor market of just over 539,400, as shown in Table 1. The expanded commute zone captures nearly 90% of the Greater Tunica County Region's labor supply.

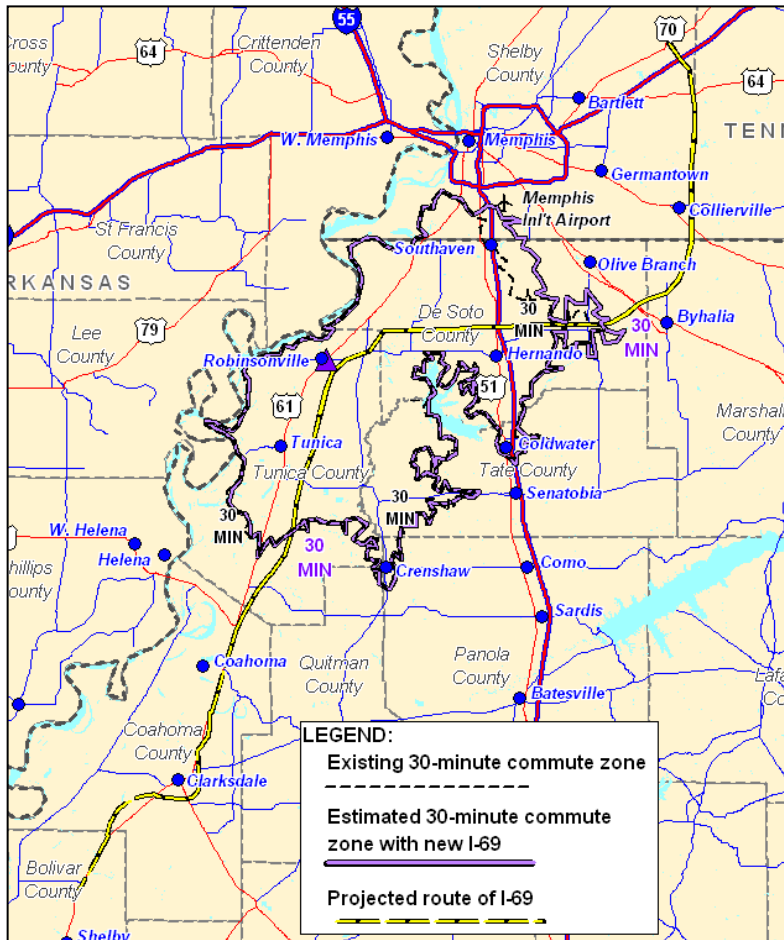
**TABLE 1**  
**TUNICA COUNTY METRO MEGA SITE: LABOR FORCE CHARACTERISTICS**  
 Source: U.S. Bureau of Labor Statistics, ESRI/ESRIBIS, Inc.

Factor	0-30-minute CZ		0-45-minute CZ		0-60-minute CZ		9-County Region
	Current	New I-69	Current	New I-69	Current	New I-69	
Population, 2004	133,778	180,292	468,283	631,750	1,094,049	1,108,064	1,267,634
% of Region	10.6%	14.2%	36.9%	49.8%	86.3%	87.4%	n/a
Labor Force, 2004	62,056	84,838	218,092	305,097	532,632	539,406	612,005
% of Region	10.1%	13.9%	35.6%	49.9%	87.0%	88.1%	n/a
Labor Force Participation, 2000	64.9%	65.9%	62.6%	64.2%	64.3%	65.5%	64.3%

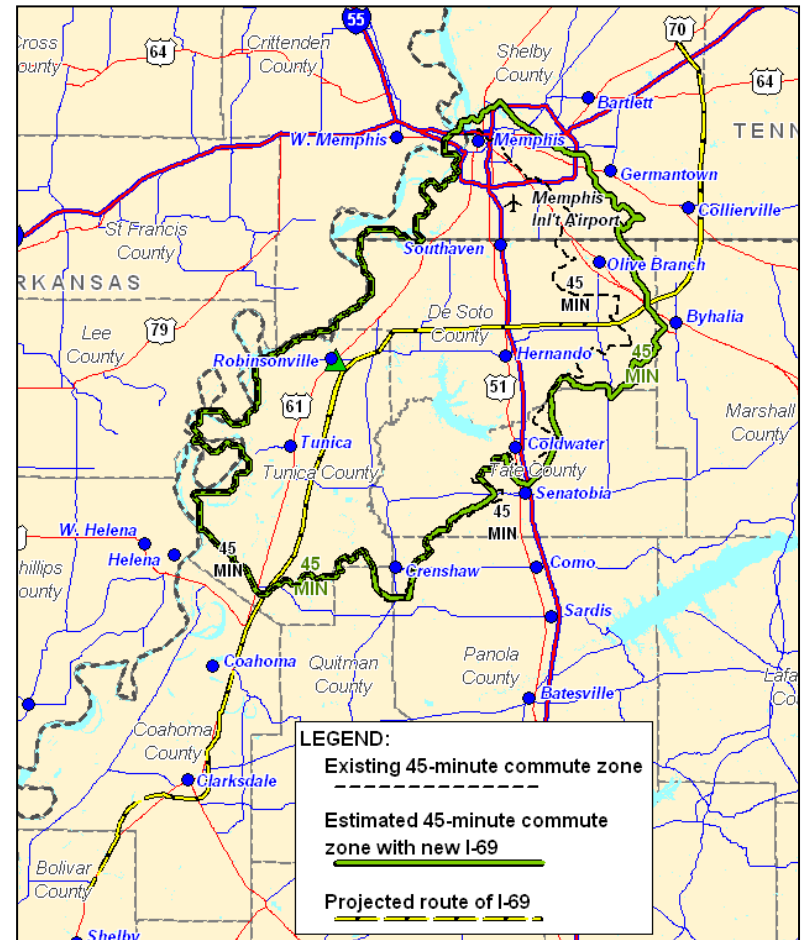
**FIGURE 3**  
**TUNICA COUNTY METRO MEGA SITE IN RELATION TO PLANNED I-69 AND ROUTE 304 IMPROVEMENTS**



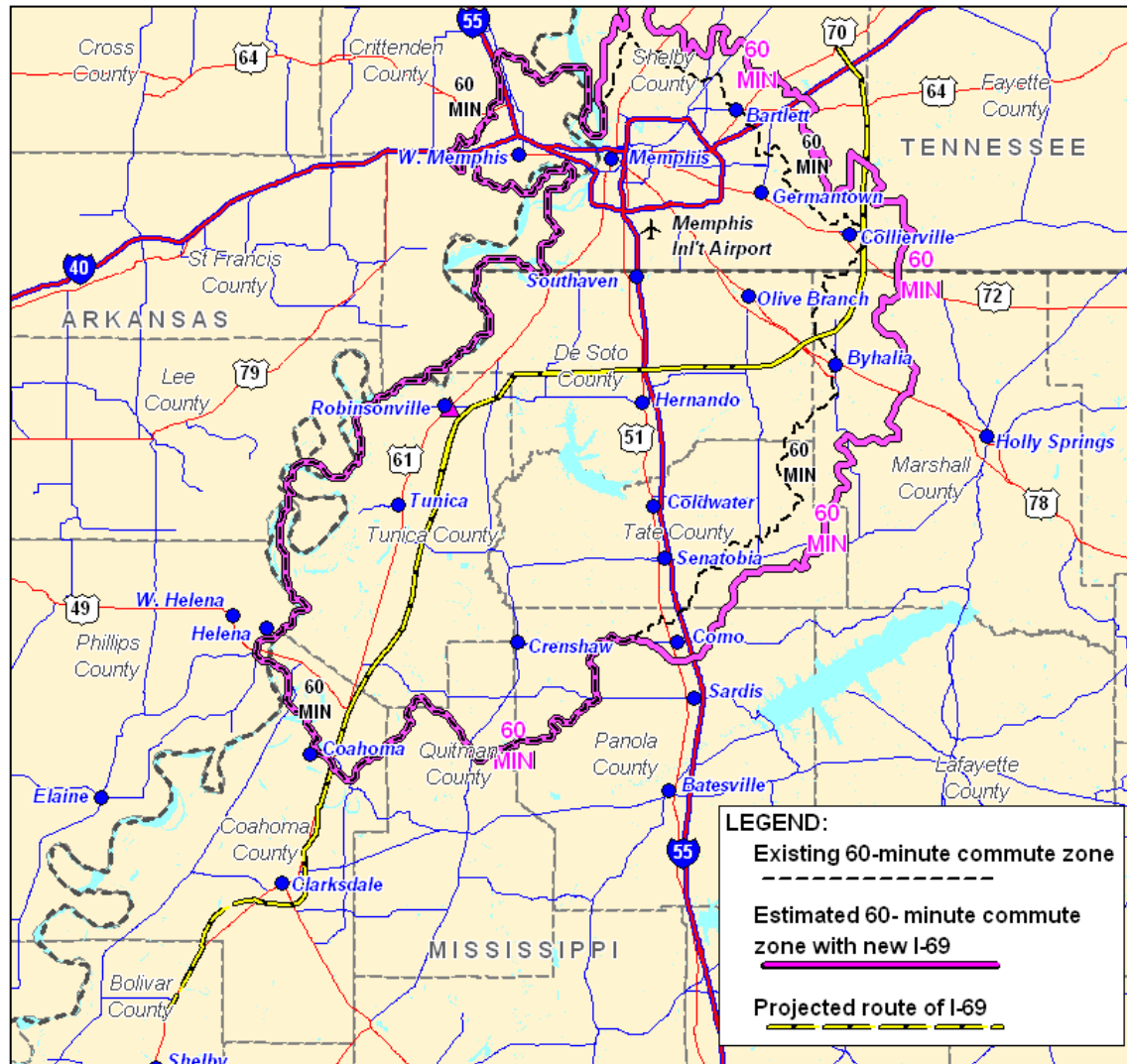
**FIGURE 4  
30-MINUTE COMMUTE ZONES  
EXISTING AND PROJECTED**



**FIGURE 5  
45-MINUTE COMMUTE ZONES  
EXISTING AND PROJECTED**



**FIGURE 6  
60-MINUTE COMMUTE ZONES, EXISTING AND PROJECTED**



The 60-minute commute zone (upon completion of I-69 and approach roads) from the Greater Tunica Business Park offers demographic attributes that favor an automotive assembly plant or other large manufacturing operation. The commute zone contains a high concentration of both 20-to-34-year-olds and residents under age 19 years, boding well for current and future labor force supplies. The median ages for the 60-minute commute zone and the region are below the national norm, reflecting the younger workforce characteristics.

An automobile assembly plant or major manufacturing operation with favorable wages and benefits would attract already-employed workers throughout the region. The median household incomes in the southern part of the region are dominated by lower-paying industry sectors, including agriculture, arts/entertainment/recreation, educational services, and retail trade. A portion of the unemployed will be attracted to the new quality-employment opportunity. Unemployment within the 60-minute commute zone is 8.7%. Table 2 presents key demographic data for the commute zones, region, and nation.

**TABLE 2**  
**COMPARATIVE DATA ON THE TUNICA COUNTY METRO MEGA SITE COMMUTE ZONES, THE STUDY REGION, AND U.S.**

Source: ESRIBIS, Inc., U.S. Bureau of the Census

Factor	30-min CZ	45-min CZ	60-min CZ	Nine-County Region	US
<i>Population, 2004</i>	180,292	631,750	1,108,064	1,267,634	295,628,353
Projected 5-yr change	13.2%	6.0%	5.1%	4.5%	6.3%
Age 20-34 yrs	20.3%	21.7%	21.0%	21.6%	20.7%
Median age	33.7	33.9	34.4	33.6	36.0
No HS diploma	24.1%	23.2%	20.3%	21.7%	19.6%
12 to 15 years of education	64.2%	57.1%	56.6%	56.0%	56.0%
Median household income	\$43,495	\$41,486	\$48,617	\$42,926	\$48,619
Households earning < \$35K	40.3%	45.2%	39.8%	41.4%	36.0%
<i>Workforce, 2004</i>	84,838	305,097	539,406	612,005	147,445,200
% Unemployed, 2004	7.9%	9.5%	8.7%	6.6%	5.5%
Workforce participation	65.9%	64.2%	65.5%	64.3%	63.7%
Projected 5-yr pop growth- (20-34 years of age)	6.8%	1.7%	1.7%	1.2%	3.8%

According to WDG's labor-yield model, the Tunica County Metro Mega Site location – under existing highway conditions – can support an industrial facility with a first-year staffing requirement of between 2,941-4,902 employees. These ranges assume candidate selectivity between three and five applicants per hire, and also are contingent on a firm's attainment of *employer-of-choice* distinction, and the provision of wages and benefits that are in the top regional quartile. For example, the Tunica County gaming operations provide an average hourly wage rate of \$11.35 per hour (entry-level wages of between \$5.15 and \$8.50 per hour), and commute zones typically extend up to 90 minutes. The region's median hourly wage for experienced laborers and material handlers is \$9.70 per hour, and wage offerings above this benchmark

would draw a favorable candidate response. Wage rates of \$13-\$18.00 per hour (matching the Nissan Mississippi plant) would draw an excellent pool of qualified job candidates within our labor-yield ranges.

WDG estimates that the new highway infrastructure will increase an employer-of-choice's industrial-facility workforce first-year capture to between 2,675 and 4,475 workers (depending whether a 1:3 or 1:5 selectivity ratio is used in hiring). Additionally, the new I-69 corridor will significantly increase the labor supply captured within the 30- and 45-minute commute zones, as accessibility to the more densely populated areas of the region is increased. An employer-of-choice would be able to draw workers from the 60-minute commute zone (and beyond) and would be less impacted by the 30- and 45-minute commute zone increases; however, the increases in these zones would benefit the smaller, market-wage employers locating at the Business Park

These employment thresholds were based on the commute zones developed for this analysis, and were determined by WDG using a labor-availability model that takes into account commute patterns of residents, their existing employment status, and anticipated new labor-force entrants. This model conservatively estimates that 30% of all job applicants are qualified for interviewing after being screened, and between 20%-33% of those interviewed are offered a job. Table 3 shows the recommended establishment size range for the Tunica County Metro Mega Site site under existing highway infrastructure conditions, and with completion of the I-69 corridor.

**TABLE 3**  
**MAXIMUM RECOMMENDED FACILITY SIZE FOR MANUFACTURING/DISTRIBUTION**  
**OPERATIONS LOCATING IN TUNICA COUNTY (YEAR ONE)**

Source: WDG Labor Yield Model

Tunica County Metro Mega Site Commute Zones	Manufacturing/Distribution	
	Present Conditions	Completion of I-69
0 to 30-minute	406-677	545-908
0 to 45-minute	1,352-2,253	1,740-2,900
0 to 60-minute	2,889-4,815	2,941-4,902

*\* Assumes a selectivity ratio of 1 hire per 3 and 1 hire per 5 pre-screened qualified candidates. Different screening policies and selectivity ratios will provide different results.*

A summary of the region's key assets and challenges is presented below.

## Key Assets

- Employers locating at the Tunica County Metro Mega Site will access a population base of 1,108,064 residents, increasing by 56,960 residents between 2004 and 2009.** Resident characteristics (2004 data) are favorable within the business park's 60-minute commute zone (following completion of the new I-69 and ancillary highways):
  - The 20-34-year age group accounts for 21.8% of the population, higher than the national norm (20.7%).
  - The concentration of residents under age 19 is 30.2%, higher than the national norm (27.8%) and boding well for future labor supplies.

- The median age is 34.4 years, comparing favorably with the national norm (36.0 years), and projected to remain below the national norm through 2009.
  - The population is predominantly younger, as just 21.0% of the population is over age 55, lower than the national norm (22.3%).
  - The concentration of residents with a high school degree and some post-secondary training less than a four-year degree is slightly higher than the national average (56.6% vs. 56.0% nationally).
  - Median household incomes are at parity with the national norm (\$48,617 vs. \$48,619 nationally). The commute zone’s median household income, however, is skewed higher by the De Soto County median (\$52,648). Household incomes are lower in Shelby County (\$44,442), and considerably lower in the region’s rural counties.
  - Of commute zone households, 39.8% earn less than \$35,000 annually, higher than the national rate (36.0%). 11.3% of the region’s households earn less than \$10,000, compared to 8.5% nationally, indicating that an employer offering good wages and benefits will draw workers from among the region’s already-employed.
2. **Employers locating at the Tunica County Metro Mega Site will capture a workforce of 539,406 workers – 88.1% of the region’s total workforce.** The 60-minute commute zone’s unemployment rate was 8.7% in 2004, and 47,132 working-age residents were unemployed – a rate considerably higher than the national average (5.5%). A premier automobile assembly operation will be able to recruit workers from within a 60-minute commute and beyond. Notably, the Canton, MS-based Nissan assembly plant recruits workers from within a 70-mile radius.
3. **WDG’s labor-yield projection for the Tunica County Metro Mega Site’s 60-minute commute zone (following completion of I-69 and Route 304) conservatively estimates the number of *qualified workers* that can be recruited by a premier manufacturer/ assembler at 2,941 to 4,902 workers, assuming a selectivity ratio of 1 in 3 or 1 in 5 from the pool of screened and interviewed candidates.** During the first year of operation, the total number of applicants is projected to exceed 65,300, and the qualified supply (before final candidate selection) is expected to reach 14,705. The projected labor yield for the 30-, 45-, and 60-minute commute zones (with completion of I-69 and ancillary roadway improvements) is indicated in Table 4 below, and further detailed in the Labor Availability section of this report:

**TABLE 4**  
**MANUFACTURING/DISTRIBUTION LABOR YIELD FOR THE TUNICA COUNTY METRO MEGA SITE COMMUTE ZONES**  
**(PROJECTED FOR COMPLETION OF I-69)**  
 Source: WDG Model

Factor		0-30 minute CZ	0-45 minute CZ	0-60 minute CZ
1	Currently employed supply	6,395	18,857	30,974
2	Potential underemployment yield	5,666	19,972	35,569
3	Not employed	1,673	7,215	11,783

**TABLE 4, continued**  
**MANUFACTURING/DISTRIBUTION LABOR YIELD FOR THE TUNICA COUNTY METRO MEGA SITE COMMUTE ZONES**  
**(PROJECTED FOR COMPLETION OF I-69)**  
 Source: WDG Model

Factor		0-30 minute CZ	0-45 minute CZ	0-60 minute CZ
4	New labor force entrants	1,397	2,287	3,369
5	Potential labor pool	15,132	48,331	81,694
6	Applicants willing to commute	12,105	38,665	65,356
7	Available labor force	9,079	28,999	49,017
8	<b>Initial, prescreened qualified applicants</b>	2,724	8,700	14,705
9	<b>1 in 3 selectivity ratio</b>	908	2,900	4,902
10	<b>1 in 5 selectivity ratio</b>	545	1,740	2,941

- A premier automobile assembly operation would extend the regional labor market to a 60-minute commute (and beyond), and candidates would also be drawn from across the nation. Notably, the Canton, MS Nissan assembly plant received 65,000 applications for the 5,300 start-up positions.
4. **Interviewed Tunica County gaming operators confirm the feasibility of the Tunica County Metro Mega Site's 60-minute workforce draw.** Human resource departments at four area casinos (e.g., Grand, Hollywood, Horseshoe, and Sheraton) are presently able to recruit workers residing up to 60 minutes or more from their operations. The gaming operators report that the paucity of job opportunities in the region's more rural counties (e.g., Coahoma, Bolivar, Panola, and Phillips) has created surplus labor conditions. Casino operators report drawing hourly candidates from up to a 90-minute commute, and one reports a maximum two-hour commute for some workers. The number of applicants at one premier gaming operation exceeds 24,000 annually, though the more typical response, under less-aggressive recruiting practices, approaches 6,000 annual applicants.
- Of the hourly casino workers, 71.7% reside in Mississippi, followed by Tennessee (23.8%) and Arkansas (4.3%). Of Mississippi residents working in the casinos, 30.4% reside in De Soto County, followed by Tunica County (21.0%), and Coahoma County (20.5%).
5. **The region's post-secondary educational institutions enroll 56,000 students and graduate nearly 12,000 students annually in a variety of study areas.** The region's two-year institutions enroll approximately 18,300 students annually and graduate over 3,650 annually. Enrollment at the region's four-or-more-year institutions approximates 38,250 students annually, including the University of Mississippi-Main Campus with 12,155 enrollees. The University is located in Oxford, 70 miles east of Tunica. The region's four-year institutions graduate more than 8,630 students annually, including 2,730 annual graduates from the University of Mississippi-Main Campus.

6. **The Northwest Mississippi Community College campuses (e.g., Main Campus in Senatobia and De Soto Center in Southaven) are well regarded by interviewed employers, and they serve as key resources in providing labor training/recruiting services to new manufacturing/assembly operations locating at the Tunica County Metro Mega Site.** Surveyed employers report that Northwest Mississippi Community College's labor training programs are responsive to their needs. Programs of study supportive of manufacturing/assembly operations include the following:
- **Main Campus in Senatobia, Tate County:** The community college offers 48 academic majors, 20 technical majors, and 5 career majors. Technology majors relevant to manufacturing/assembly (including automobile-related studies) would include: Automotive, Automotive Electronics, Tool and Die, Computer Information Systems, Drafting and Design, Electronics, and Microcomputers. Collision Repair Technology and Welding and Cutting are offered as career majors.
  - **De Soto Campus in Southaven, De Soto County:** This campus offers 13 academic majors, 10 technical majors, and 2 career majors. The technical and career majors applicable to manufacturing/assembly include Aviation Maintenance (Olive Branch facility), Microcomputers, and Commercial Truck Driving (Olive Branch facility).
  - **The University of Mississippi and Northwest Mississippi Community College** partner at the De Soto Campus to offer a two-plus-two program, enabling students to complete a four-year undergraduate degree. The institution offers 10 undergraduate degrees, 3 master's degree programs, and two graduate programs. A program of interest to manufacturers/assemblers would be the Master in Engineering Science/Environmental Science program.
7. **Coahoma Community College, located in the southern portion of the study area, would also serve as a labor-training resource, though its programs are not frequently used by employers surveyed by WDG.** The college offers 31 academic majors in six departments, 11 vocational/technical study areas, and the Technical Preparatory Education Program offered to high school students. Majors most applicable to manufacturing/assembly operations include: Industrial Maintenance Mechanic Technology and Welder/Welding Technology.
8. **Mississippi has demonstrated its ability to assist auto manufacturers.** The state invested \$80 million in job training for the Nissan automobile assembly operation in Canton, and area institutions responded by creating automobile assembly and support training. Once hired, a Nissan technician will receive 90 to 100 days of training. Much of the technical training is driven by Nissan's in-house team that stretches from plants in Tennessee and Mississippi, as well as from Japan. However, Mississippi State University, Holmes Community College, and Hinds Community College also offer training components. Holmes conducts most of the pre-employment training and testing. Jackson State University, through its business, engineering, and science and technology programs is among the schools seeking to make Nissan inroads. Currently, Mississippi State University (near Starksville, MS) and its high-tech Center for Advanced Vehicular Systems is Nissan's premier educational provider.
- Similar academic programs could be developed at Northwest Mississippi Community College and at the University of Mississippi to support a large automobile assembly operation in Tunica County. Mississippi State University programs could be extended to serve a Tunica County-based automobile assembler.

9. **Mississippi's Workforce Investment Network (WIN) is a valuable resource in providing new employers with customized workforce recruitment and training programs.** WIN's local training providers in the Delta region (e.g., Northwest Mississippi Community College, Coahoma Community College, and Delta State University, among others) will partner with the Mississippi Development Authority in providing a comprehensive, customized approach to provide training services. Local efforts are planned and managed through Workforce Investment Board oversight.
10. **According to interviewed local employers, there is satisfactory-to-good availability of a variety of skills.** Among the 21 occupations for which sufficient data was received, employers reported that all can be recruited satisfactorily or better. Excellent availability was reported for administrative assistants, material-handling laborers, warehouse operators, janitors, large-item assemblers, laborers/material handlers, and unskilled laborers. Security personnel were also available to gaming operators.
11. **Employers also report that they are generally able to recruit professional and managerial talent from outside the region.** One advantage to recruiting professional talent from outside the region is the availability and affordability of housing. Interviewed employers suggest that some candidates have initial reluctance to relocate to the area, but visits confirm a good life quality. Memphis provides a diversity of recreational, cultural, and entertainment opportunities. Many professional and managerial transferees and relocatees prefer to live in De Soto County or eastern Shelby County.
12. **Interviewed employers report satisfactory overall worker productivity, satisfactory productivity compared to other company sites, a willingness to work overtime, and satisfactory overall employer/employee relations among area employees.** Turnover is not viewed as a problem, and the average annual turnover rate for surveyed employers is less than 10%. The new-hire turnover rate is less than 20%, which is not unusual compared to other WDG-studied locations.
13. **Employers have very satisfactory experiences employing retirees.** Almost one-third of responding companies employ retirees in full-time positions, while one-quarter employ them in part-time jobs. Retirees are employed in a variety of positions, including casino-related jobs, electricians, machinists, engineers, supervisors, managers, and tool and die makers.
14. **The Mississippi operating environment has favorable elements, including many policies that are advantageous to employers.** Mississippi has employment-at-will legislation and is a right-to-work state. There are no statewide restrictions stronger than federal limitations on drug testing, plant closings, ADA legislation, EEO hiring standards, sexual harassment law, mandated parental leave, and wrongful discharge. Union activity in northwestern Mississippi is relatively modest, given the area's proximity to Memphis. There have been just 16 certification elections in the region's six Mississippi counties between 1993 and 2003, and unions won five (31.3%).
15. **Mississippi levies a personal income tax of 5.0%, whereas Tennessee does not levy personal income tax on earned income.** Tennessee residents working in Mississippi must pay personal income tax in Mississippi; nevertheless, interviewed Mississippi employers report no difficulty recruiting Tennessee residents.

## Key Challenges

- 1. Tunica County contains a population base of just 10,901 residents, and a workforce of 6,299, requiring that workers be drawn from throughout the nine-county Greater Tunica County Region.** Large employers must provide above-market wages to maximize labor draw. Premier employers with strong name recognition, and offering well-above-market wages and benefits will draw workers 60 minutes (or more) to an operation at the Tunica County Metro Mega Site. Employers providing third-quartile market wages and benefits will draw from a 45-minute commute zone. Standard manufacturing, distribution, and office employers providing at-market wages and benefits will draw from a 30-minute zone, which captures a labor force of 84,838 workers. WDG cautions that employers seeking to pay at-market wages and benefits will experience a smaller labor pool and competition from employers based in De Soto and Shelby Counties, necessitating that the proposed operation be appropriately sized.
- 2. The supply of housing in Tunica County does not match present demand, and potential home buyers/renters must look outside the county.** At present, there are just 19 Tunica County homes offered for sale with Multiple Listing Service, all of which are priced below \$300,000. For comparison, there are 1,248 and 131 homes listed under this price in De Soto and Tate Counties, respectively. There are no homes listed above \$300,000. According to residential realtors, developers have wanted to purchase large tracts of land for residential development, but property is controlled by a few landowners with reluctance to sell. The attraction of new residents and a broader local workforce will require new housing. Growth is shifting south from Memphis into De Soto and Tate Counties, and Tunica County is geographically well positioned to see some of this growth, but sufficient housing product coupled with continued education system improvements are necessary for this to happen.
- 3. Tunica County Schools have suffered from low performance ratings and are gradually improving; however, the school district must continue to advance and also strive to improve resident and employer perceptions.** The Tunica County School District was under Mississippi State conservatorship between 1997 and 2002, resulting from performance concerns. Approximately 15% of Tunica County's school-age residents attend private schools in and outside of the county. With funds from gaming and property tax revenue, the district has improved school infrastructure, increased teacher salaries, hired new teachers to reduce class sizes, and conducted staff training. Performance classifications have improved for Rosa Fort High School, Tunica Elementary School, and Dundee Elementary School between 2002/2003 and 2003/2004 school years, but Tunica Middle School is currently under-performing. Additionally, the enrollment and attendance ranking for the 2003/2004 school year places Tunica County schools last among the state's 152 districts. School improvements must continue in order for Tunica County to attract younger, educated workers with families into the county.
- 4. The Greater Tunica County Region's labor force has been growing more slowly than the nation.** The regional labor force grew by 3.0% between 1999 and 2004, which is lower than the national rate (5.8%). De Soto County saw the fastest growth rate (18.3%), followed by Tunica County (9.5%), but the Shelby County labor force grew by just 1.2%, and Phillips and Coahoma Counties experienced net population declines. Enhanced job opportunities, particularly from a large manufacturing/assembly operation, would retain existing workers in the region's rural counties and would attract new workers to the region.

5. **A variety of technical, production, and distribution occupations were reported by interviewed employers as difficult to staff from the local labor market.** These occupations include quality control, production supervisors, equipment service/repair technicians, electrical/ instrumentation technicians, CAD drafters, engineers, electricians, truck drivers, skilled machine trades, machinists/manufacturing mechanics, and tool and die makers. However, an automobile manufacturing/assembly operation would draw workers to the region from the entire southeastern U.S. and throughout the nation.
6. **Employers report that they rely on very traditional recruiting techniques.** The most commonly used recruiting methods are Workforce Investment Board referrals, newspaper advertising, walk-ins/unsolicited resumes, employee referrals and ‘word-of-mouth,’ and limited use of the Internet. This could put some employers at a disadvantage when recruiting for positions nationally. Notably...
  - Employers seldom recruit at the region’s post-secondary institutions; and
  - Employers rarely recruit at the region’s community colleges, career centers, or technical institutions.
  - The reasons for the low active recruiting efforts at the local colleges and universities by interviewed employers include several factors, including an ability to find most skills without active college/university recruiting, and among smaller employers, lack of knowledge regarding what college or university departments to approach. Employers do approach colleges and universities for specialty skills that are in short supply in the region.
7. **Employers report borderline-satisfactory-to-poor basic skills among job applicants.** Most scores were borderline satisfactory; however, poor skills were reported for written communication, arithmetic/math, thinking and judgment, and verbal communication/comprehension.
8. **Employers rated punctuality as poor.** Satisfactory ratings for productivity measures and a borderline satisfactory rating was reported for work ethic; however, punctuality was poorly rated. Those employers instituting proactive policy measures were able to minimize this concern.
9. **Pre-employment drug testing is undertaken by 80% of the employers interviewed, and the problem of substance abuse is characterized as somewhat serious.** As witnessed in other U.S. locations, drug test failures are most frequently related to marijuana, methamphetamine, and cocaine use. Surveyed employers note that while drug use is seen among some applicants, there is usually no difficulty with existing employees. Random drug testing is conducted by most area employers.
10. **Employers’ computer-skill requirements are not being met in several categories.** Office, manufacturing, and distribution employers report a gap in applicant skill levels versus the needed skill levels in fundamental computer skills, basic keyboarding skills, using word processing and spreadsheet software, and using database and accounting software. Internet skills meet office employer needs.
11. **Employers assign satisfactory-to-good ratings on the quality of graduates and training programs at many of the region’s post-secondary institutions, but employers have limited experience working with these institutions for general and customized training programs.** The Northwest Mississippi Community College’s Main and De Soto Campuses are the training providers most

frequently used by interviewed employers, although they are used only occasionally. Programs may not meet employers' needs or employers may not be aware of program offerings.

12. **Surveyed employers view workers' compensation insurance costs and fairness of enforcement as having an impact on their ability to conduct business.** Despite workers' compensation costs below the national average, employers across the region report borderline satisfaction regarding their experiences with workers' compensation costs and the fairness of workers' compensation enforcement. The issue of enforcement fairness should be examined at state and regional levels to examine the nature of the problem and to develop solution strategies.
13. **The union presence in Mississippi and Arkansas is low to moderate; however, there is a high level of union election activity in Shelby County.** There were 155 union elections in Shelby County between 1993 and 2004, with 82 (52.9%) resulting in a union win. Of the 40 Teamster elections, 22 (55.0%) were won by the Teamsters. Just one Auto Workers Union election was reported, and the 1997 election was against union certification. Employers positioning at the Tunica County Metro Mega Site should expect union solicitation activity from Memphis-based unions, though employers offering competitive wages and benefits and maintaining a strong open-door communications policy should be able to meet operating objectives. There is currently an organization effort in place at two of the area's casinos, which is part of a unified effort to organize casinos on the Gulf Coast and in Tunica.

## Overall Conclusions and Recommendations

1. **The Tunica County Metro Mega Site is able to support a major automobile assembly facility (and ancillary suppliers), though the operation must be appropriately sized during the first year of operation.** The WDG labor supply projections conservatively indicate that 65,356 applicants – drawn from within the 60-minute commute zone – can be expected during the first year of operation. Out of this total applicant pool, WDG estimates that 14,705 are qualified for manufacturing and related employment, with final selectivity supporting a first-year facility size of between 2,941 and 4,902. The facility can be ramped-up beyond the first year with the following qualifications:
  - Wages must be positioned above market to maximize the extent of the regional labor draw, and to attract workers from among the already-employed. According to SalarySource.com, the median wage for Assemblers in Shelby County is \$24,195 (\$11.63 per hour) and \$35,881 (\$17.25 per hour) for General Machinists. Wages at the Canton Nissan assembly plant range from \$13.25 to \$18.00 per hour, with top wages reaching \$21.00 per hour. A similar assembly operation locating at the Tunica County Business Park would attract job applicants from within the 60-minute commute, and draw heavily from among the region's employed.
  - Local and regional post-secondary educational institutions must develop labor-training programs specifically customized to supply the necessary skills training programs to support the main assembly operation and its suppliers. Training programs will ensure a recurring pool of qualified workers to satisfy turnover and expansion demands.

- The resources of the state’s Workforce Investment Board and Workforce Investment Network (WIN) must be focused on providing a one-stop conduit to provide remedial training programs as necessary, and to match workforce skills with the needs of the main operation and suppliers.
  - Vocational/technical programs at the region’s high schools must be enhanced to develop the necessary workforce skills for high-tech assembly. Opportunities for work/study or internship programs, as appropriate, should be vigorously pursued. Students must be provided with a clear understanding of employer expectations and what skills development is necessary to become a viable job candidate.
  - The Workforce Investment Network must develop a recruiting campaign targeted initially on the southeastern U.S. to attract experienced professional and technical talent to the region. Spousal employment assistance should also be provided as part of this recruitment campaign.
2. **Population growth has shifted southward into De Soto and Tate Counties, and the new I-69 corridor and ancillary roadway development position Tunica in the path of this growth.** Residents are leaving Memphis and the rest of Shelby County due to high taxes, crime, and increased living costs, and are moving to De Soto and Tate Counties, where residents are finding better housing values and good public schools. Parts of eastern Shelby County continue to see strong growth. Tunica County has undeveloped land, and for its economic development, should facilitate residential development to expand its own population and labor force base; however, several barriers must be overcome:
- Tunica County needs to encourage residential growth where appropriate, and extend water and sewer infrastructure to stimulate development.
  - Tunica County schools have demonstrated performance improvements in recent years, though room for additional improvements remain. Interviewed employers recognize recent improvements, but a negative perception of local public education persists. Public schools in De Soto and Tate Counties are perceived to offer a higher level of education. Some Tunica County residents send their children to private schools in Tunica, De Soto, and even Shelby Counties. Every effort must be made to continue to improve the quality of Tunica County public schools. Enrollment and attendance performance and graduation rates must be significantly improved. Gaming and property tax revenues are providing a favorable funding source to advance Tunica County schools to perform among the state’s finest. Good quality schools will attract and support Tunica County residential development.
  - Quality-of-life improvements will also support Tunica County development. The gaming industry presence (and county revenue from this industry) has stimulated school facility, safety, retail, and recreational development in the county. New recreational amenities include an impressive aquatic center, tennis and golf facility, and a multi-purpose outdoor arena. Every effort should be made to identify the cultural and recreational needs of area residents and to develop strategies to address these needs where appropriate.
  - Tunica County property crime rates are above the national and regional averages, and the violent crime rate is above the national norm. However, these rates reflect 2002 data. A new sheriff was elected in 2003 and the area expects to see reductions in the crime

rate as a result. Tunica County is encouraged to initiate/continue dialogue regarding crime in the community and encourage close cooperation between law enforcement, social services, and public education to address community concerns.

3. **Unemployment rates are high in Coahoma, Bolivar, and Crittenden Counties, and workers in the southern reaches of the Greater Tunica County Region will support Tunica County Metro Mega Site employers.** Educational improvement and labor training initiatives also should be advanced in the region's southern counties, to enhance the quality of the regional workforce. Residents of these counties are presently commuting up to 90 minutes each way to work at Tunica-County-based gaming operations. Several transportation infrastructure initiatives would improve the commute and support Business Park employers:
  - Complete the widening of Route 61 between Cleveland and Clarksdale.
  - Ensure completion of the new I-69 corridor south of the Business Park.
  - Increase the frequency of bus services between Cleveland and Tunica. Employers report that workers commuting by bus from Coahoma and Bolivar Counties are inconvenienced by having to arrive at work one hour before their shift begins and waiting long periods for the return trip, due to infrequent bus service. A carpool assistance service could be established to facilitate linking passengers and drivers. Continued bus service is needed to accommodate lower-paid personnel with transportation cost and availability issues.
4. **The Coahoma Community College will serve as an important skills-training resource for the Greater Tunica County Region's southernmost counties, but program improvements are necessary.** Interviewed employers report that the quality of graduates and programs offered by Coahoma Community College are below par, though employers have limited experience working with the institution for general and customized training. Coahoma Community College would serve as an important participant in supporting a major manufacturing/assembly operation locating in the Tunica County Metro Mega Site by providing training to workers positioned to the south of Tunica County.
5. **The Tunica County Economic Development Foundation is urged to proactively target automobile assembly or heavy manufacturing operations for the Business Park, but in conjunction with the above recommendations.**



