

SUMMARY OF THE FINDINGS FROM THE AUGUST 27, 2009 SOUTHWEST ARKANSAS FOCUS GROUP SESSION

Assessment of the Area's Economic Conditions

Southwest Arkansas as compared to the nation's economy:

Much Better			Better			About the same			Worse			Much Worse
1	1.1 - 1.49	1.5 - 1.99	2	2.1 - 2.49	2.5 - 2.99	3	3.1 - 3.49	3.5 - 3.99	4	4.1 - 4.49	4.5 - 4.99	5
		1	3	1	5	5	1		1			
		5.9%	17.6%	5.9%	29.4%	29.4%	5.9%		5.9%			

- The average rating for the area's economic condition was 2.71.
- Calhoun, Columbia, Ouachita, and Union Counties in South Arkansas have a diverse natural resources base including oil, timber, lignite, aggregate, and brine.
- Much of our economy is based on providing the necessities of life. When the economy gets bad, people cut back on luxury items, but still need to buy necessities.
- The healthcare industry in this area has grown, with two new nursing homes and a regional hospital in Magnolia.
- El Dorado and Camden also provide good regional healthcare facilities and infrastructure.
- The El Dorado Promise has benefitted this area.
- There continues to be ongoing construction in El Dorado and Magnolia; our hotels, restaurants and construction-related business benefit.
- Colleges, universities, and other entities are providing workforce training.
- The defense industry in Camden is still a strong economic force.
- This area has good leadership in government, education, and economic development. People here advocate for our communities.

Capital Investments and Losses

- The group pointed out 17 capital investments and only 7 losses.
- The investments included the \$1.7 billion power plant being constructed in Fulton, various construction projects at South Arkansas Community College, Southern Arkansas University, and public school systems, hospital and health care construction, business and industry reinvestment and construction, and highway and frontage road improvements (some of which are being done in partnership with Texas).
- Many participants had detailed knowledge of the exact amounts and others knew of investments being made without the specific values.
- The losses included plant closures and layoffs. Small businesses were affected by the ripple effects from these closures.

Situation with Labor and the Workforce

- In this area we have problems with hiring workers because they are not able to pass the drug screening test and the criminal background check.
- In Southern Arkansas University's service area, all counties have experienced population declines except for Miller County in Arkansas and in some areas in Texas. Overall the population in this area is aging and the workforce is aging.
- Potential workers in this area are missing the soft skills, that is, strong communication skills, good work ethic, and professionalism.

- It is hard to attract and retain engineers, health care providers, and other professionals to the area, even to the better off communities like Camden, El Dorado, and Magnolia.
- Some workers face transportation challenges and/or struggle to find good and affordable daycare for their children.

Future Directions for Development in the Area

- Warehousing and distribution will be part of our development and future. This area will have opportunities with trans-shipping and with multimodal distribution and logistics.
- Use of clean coal technology would allow for this area's natural resources to be used. A research center focusing on development of natural resources is under construction at SAU.
- El Dorado expects to expand on its diversity of manufacturing.
- The entrepreneurship center at South Arkansas Community College can help the area to grow more small businesses and to foster innovation.
- We will see more navigation of and shipping on the Red River.
- With the new hospital in Magnolia we expect that we will see a growth in the area's medical community and in providers of health services.
- The data storage industry, e.g., Cyber Security in Bossier City, La., will grow and we will see other technological development related to that.

Area Assets that Could Help with Future Development

- Growth of Southern Arkansas University and the continuing improvement of the partnership between SAU and the community college(s) is a vital force for the area's development.
- We have good quality of life features here. Our workers do not have to spend hours commuting back and forth to work.
- The businesses that are here could invest in our communities and add to the cultural infrastructure. We just have to show them that it is to their benefit to do so.
- Infrastructure improvements are being made, e.g., the intersection improvements on I-49.
- People who love this area can be stronger spokespersons for the area.

Factors in the Area that Could Impede Development

- The availability of financing.
- If our leadership does not get behind transportation improvements, we could be at a disadvantage to other areas. Let's get our energies focused and get excited like they do in Texas! We should get behind and strongly support the construction of I-69 and I-49 and four lane improvements to US Hwy. 82.
- Insufficient investment in infrastructure will slow development.
- Insufficient use of and new investment in fiber optic cable could hurt us.
- If the state does not recognize the value of the resources that we contribute to the state's economy and does not invest in roads, we will be disadvantaged.
- The declining population and number of workers in this area mean that we are under-represented and run the risk of being ignored.
- Because our elected state representatives are running up against term limits, we will lose seniority in the statehouse.
- While our quality of life appeals to some people, what we lack makes it hard for us to attract and retain some workers with crucial skills.
- This area's population downturn will hurt us.