

Labor Market Trends

September 11, 2019

Today's Agenda



2:00 pm

Welcome
Regional Demographics

Cheryl Fambles

2:30 pm

Targeted Industry Sectors

Jason Robertson

3:50 pm

Break

4:00 pm

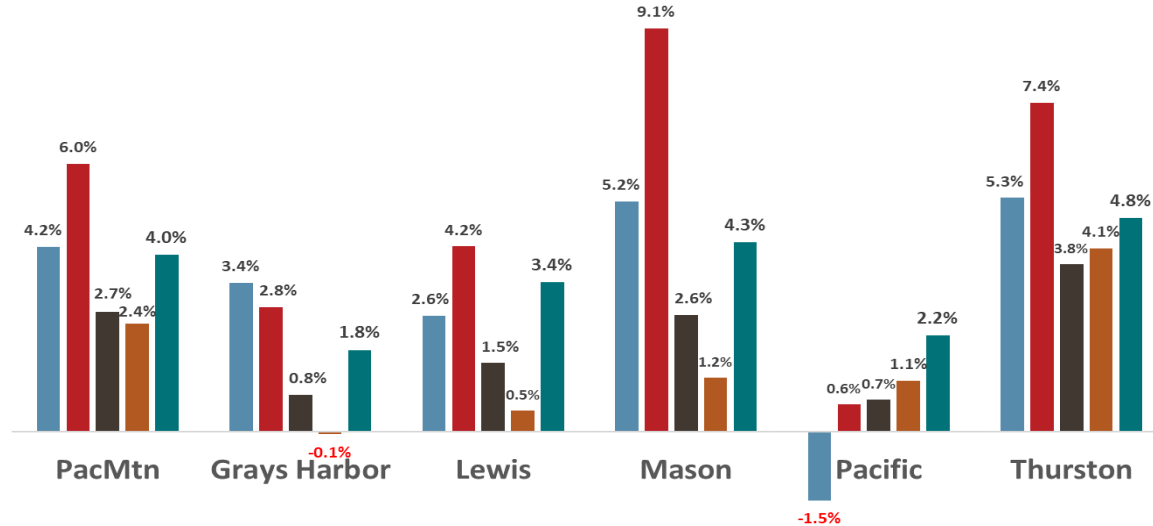
The Future of Work

Joe Wilcox & Lewis McMurrin

4:40

Next Steps

Population Growth in a Time of Recovery



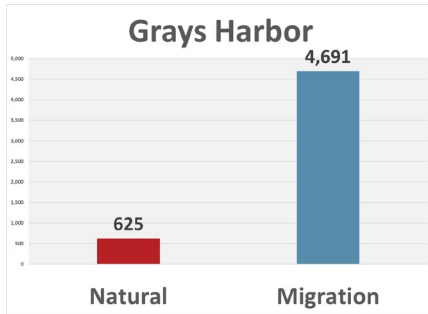
Population Change in Four-Year Periods

■ 2000-2003 ■ 2004-2007 ■ 2008-2011 ■ 2012-2015 ■ 2016-2019

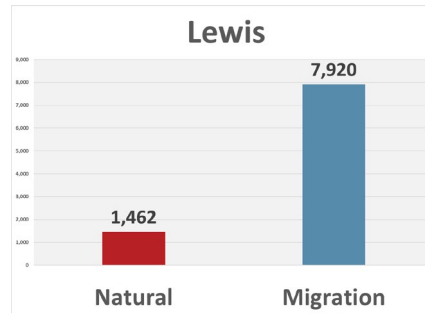
Migration Drives PacMtn Population Growth



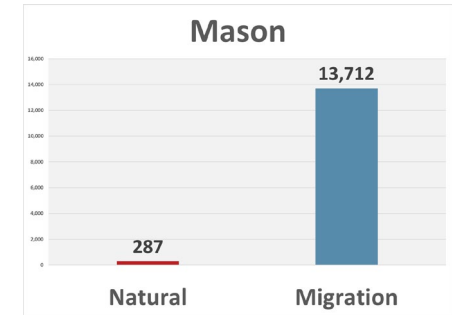
Components of Population Change 2002-2019



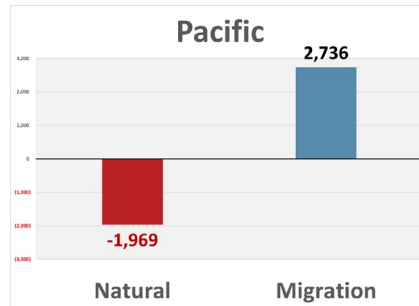
7% growth



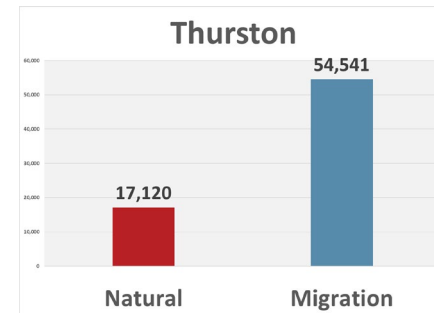
13% growth



28% growth



4% growth



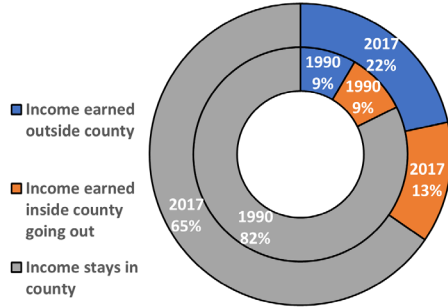
34% growth

Source: PacMtn analysis of Washington Office of Financial Management population data.

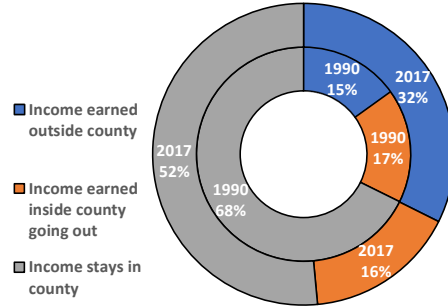
Where Do We Work?



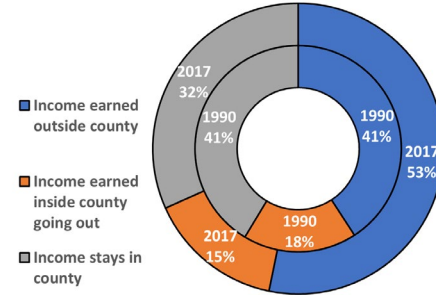
Grays Harbor County Commuter Income Flows



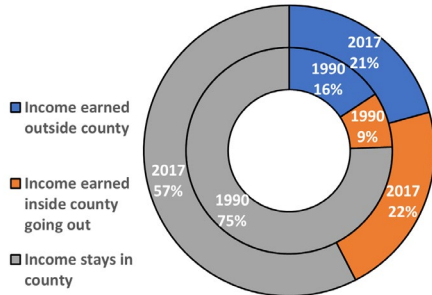
Lewis County Commuter Income Flows



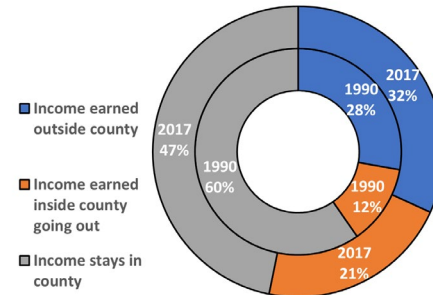
Mason County Commuter Income Flows



Pacific County Commuter Income Flows



Thurston County Commuter Income Flows



Source: PacMtn analysis of Bureau of Economic Analysis data

Priority Populations



Among WA 12 Workforce Areas PacMtn is:

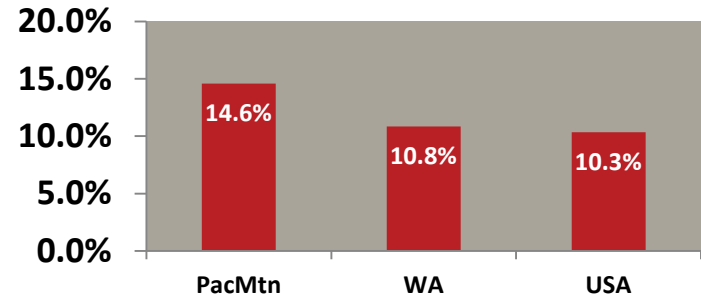
- **1st in the percentage of homeless adults**
- **1st in the percentage of youth in foster care or aged out**
- **3rd in the percentage of low income disabled adults**

In this region:

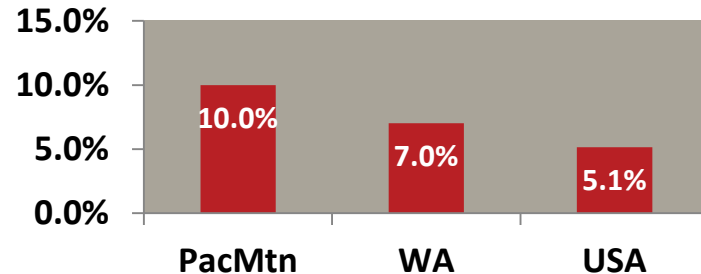
- **1,426 persons homeless**
- **42,608 working age adults with a disability**
- **726 youth disconnected**

"Disconnected youth" are 16-19 year olds who are (1) not in school, (2) not high school graduates, and (3) either unemployed or not in the labor force. "Working age" is 18-64. "Low income" is annual income below 200% of the poverty line.

Persons with a disability 18-64



Veterans

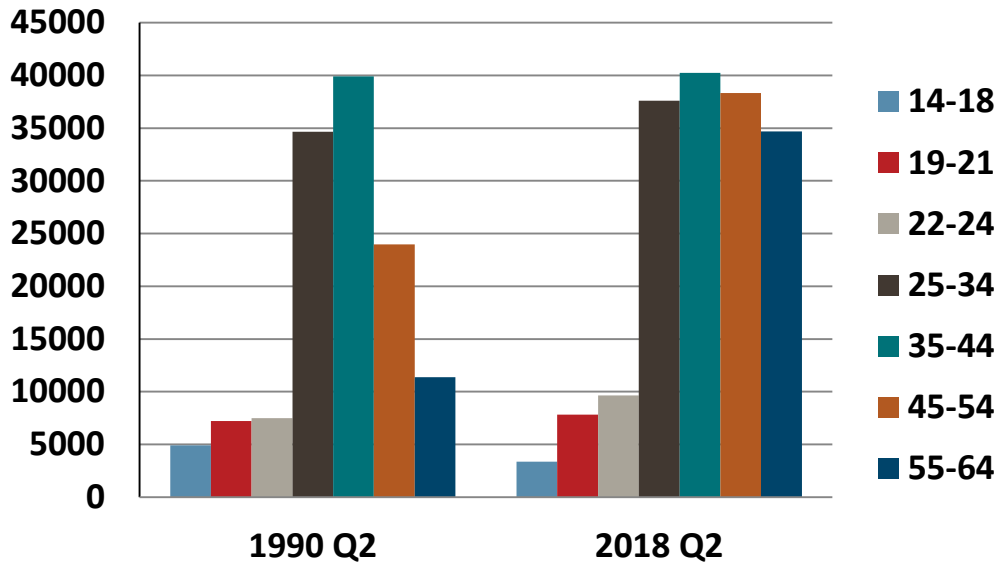


Sources: PacMtn analysis of 2013-2017 American Community Survey data; Washington Department of Commerce Point-In-Time Homeless Count, 2019; Washington Workforce Training and Coordinating Board draft estimates of barrier populations, 2019

An Aging Workforce



**Employed Workforce by Age
PacMtn WDA
1990-2018**



Source: PacMtn Analysis of U.S. Census Bureau data, Center for Economic Studies, LEHD

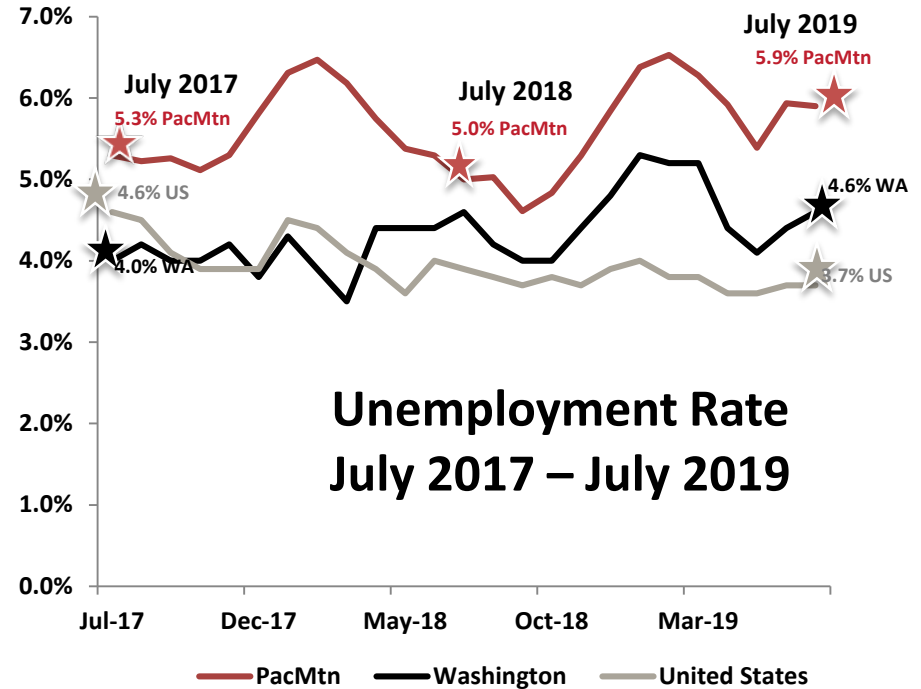
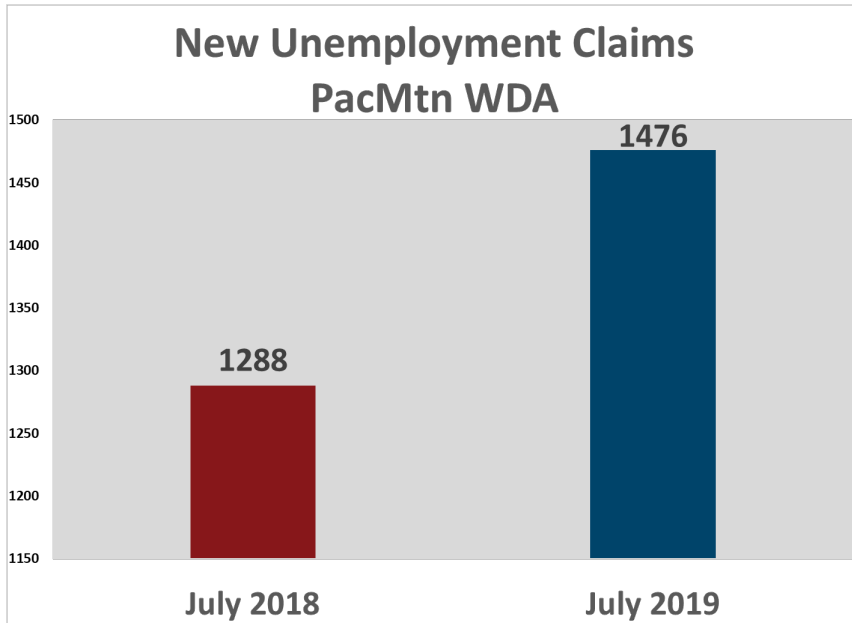
Median Age, 2018	
King	36.23
Pierce	37.52
Thurston	40.57
Kitsap	42.87
Lewis	43.53
Grays Harbor	44.00
Mason	45.94
Pacific	54.54

Source: Washington Office of Financial Management. April 1 annual population estimates.

Unemployment Slowly Trending Up



New Unemployment Claims PacMtn WDA

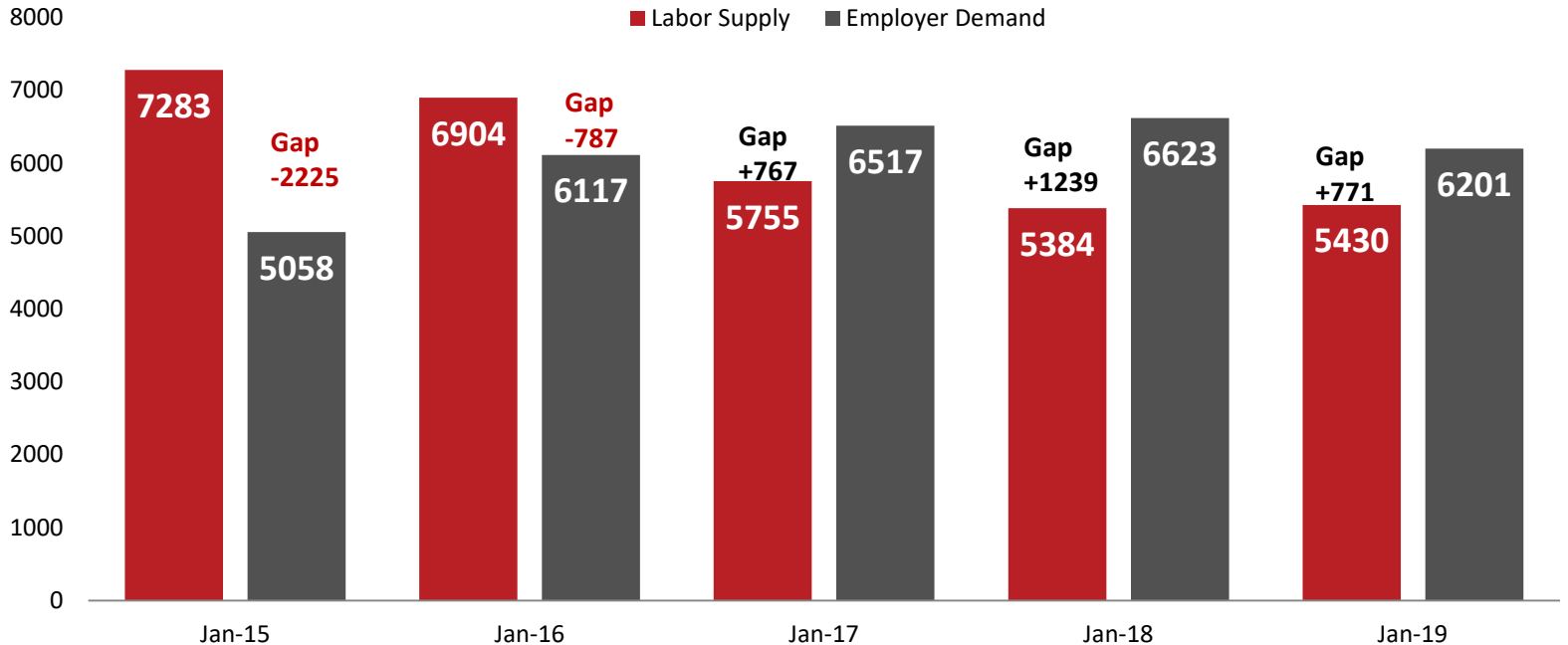


Source: PacMtn analysis of Washington Department of Employment Security data

Labor Market: Supply-Demand



PacMtn WDA 2015-2019



Source: Conference Board HelpWantedOnline and Employment Security Dept. data

Unemployment %...not the whole story



Geographic Area	Unemployment (U-3) July 2019*
US	3.7%
Washington	4.5%
PacMtn	5.9%
Grays Harbor	7.1%
Lewis	6.7%
Mason	6.7%
Pacific	6.9%
Thurston	5.3%

According to a State Workforce Board report, there are approximately **74,440** people:

They are not in school and...

- ✓ *They are unemployed and are seeking work*
- or-
- ✓ *They are working, but earning less than 200% below the poverty line*

July 2019 data, U.S. Bureau of Labor Statistics, Washington Employment Security Department and PacMtn (for PacMtn metric).

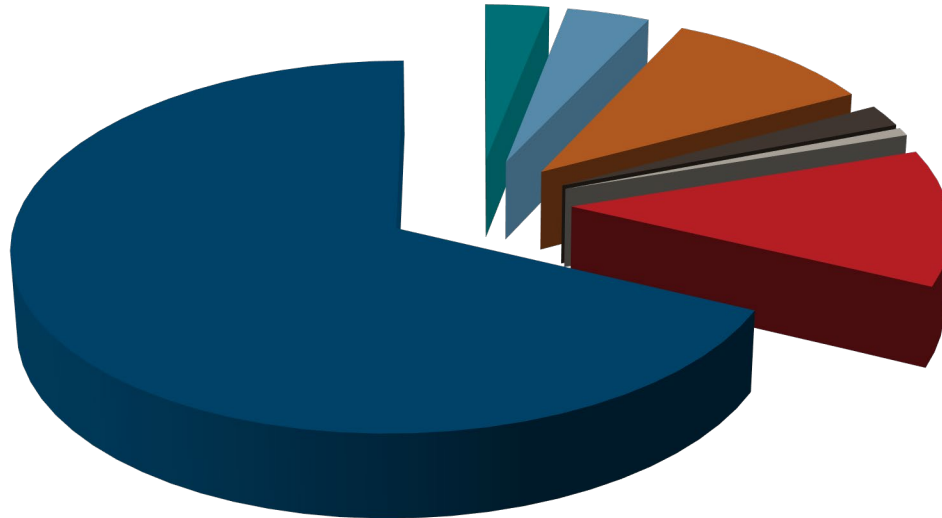
*Not seasonally adjusted.

Source: 2019 Annual Estimates: People with Employment Barriers. Washington State Workforce Training & Education Coordinating Board. June 2019 (Draft)

Sectors – Share of Total Employment



2019 Q1



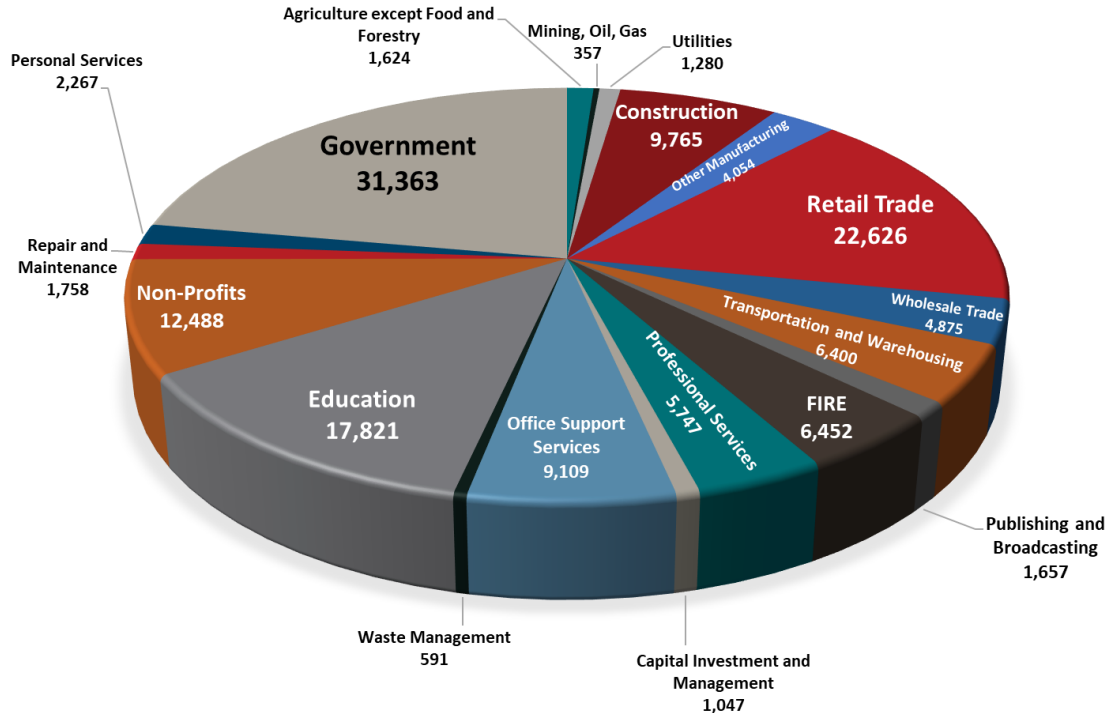
■ Wood Products	3%
■ Food Production	4%
■ Life Sciences	10%
■ IT & Telecom	2%
■ Chemicals and Plastics	1%
■ Hospitality and Food Service	12%
■ Other	69%

What is “Other?”



EMPLOYMENT IN INDUSTRIES OUTSIDE PACMTN SECTORS

2019 Q1



- 65% of PacMtn’s manufacturing employment is represented by PacMtn sectors. “Other Manufacturing” represents the rest.
- FIRE is Finance, Insurance and Real Estate
- Non-Profits include non-governmental social assistance as well as religious and civic organizations
- Office Support Services are contractors that supply administrative office workers

Thoughts and observations?



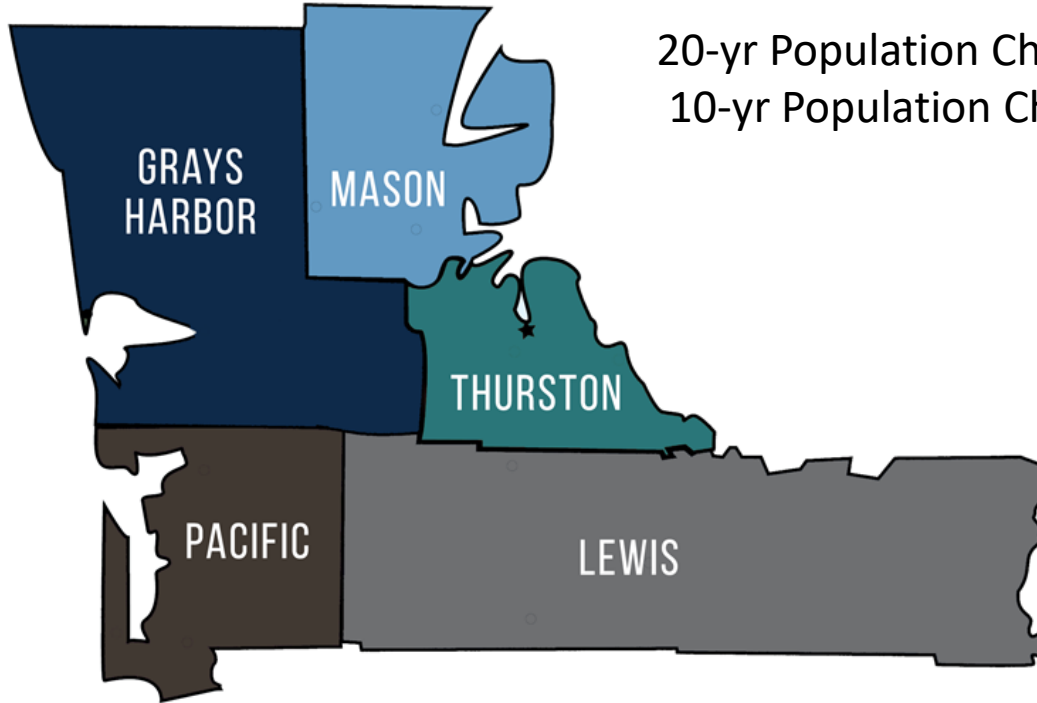
Reference Slides



PacMtn Region

Over **7000** sq. miles

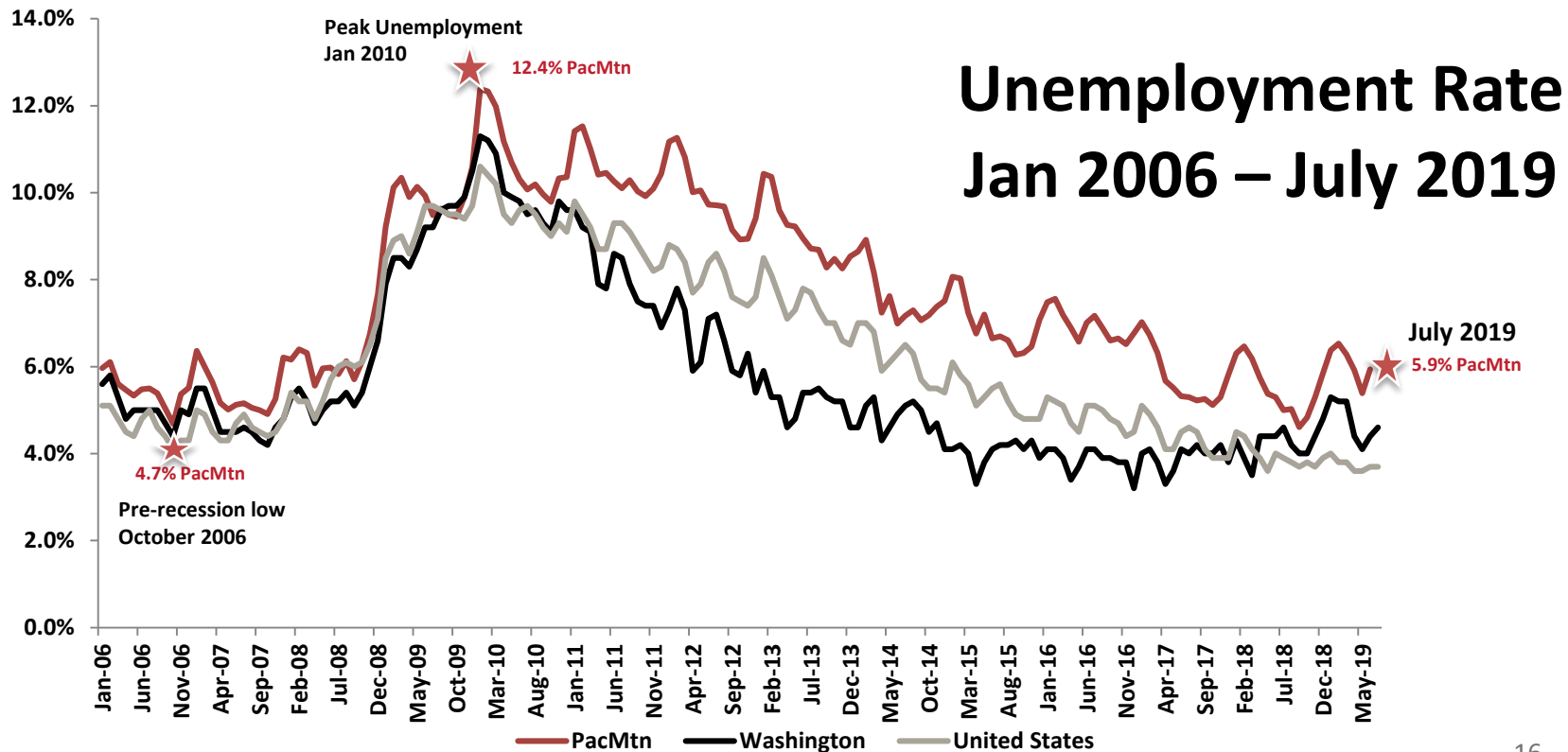
Total Population (2019) **526,060**



20-yr Population Change (1999-2019) **+22.6%**
10-yr Population Change (2009-2019) **+9.1%**

County	20-yr	10-yr
Grays Harbor	+10%	+2.1%
Lewis	+14.7%	+5.3%
Mason	+25.5%	+7.3%
Pacific	+3.8%	+3.5%
Thurston	+28.9%	+12.8%

Unemployment: Before & After



Barrier Demographic Detail by WDA



WDA	Adult Homeless	Low Income Disabled	Foster Care (or aged out)
Benton-Franklin	1.1%	10.7%	0.4%
WF Central (Pierce)	2.2%	11.6%	0.6%
Eastern	1.4%	13.0%	0.4%
North Central	1.3%	10.4%	0.4%
Northwest	1.9%	12.2%	0.4%
Olympic	2.0%	12.7%	0.7%
Pacific Mountain	2.5%	12.6%	0.9%
SeaKing	1.6%	9.2%	0.3%
Snohomish	1.4%	10.5%	0.4%
South Central	1.8%	9.6%	0.8%
Southwest	1.7%	11.5%	0.6%
Spokane	2.2%	10.6%	0.6%

Trends in PacMtn Industry Sector Employment

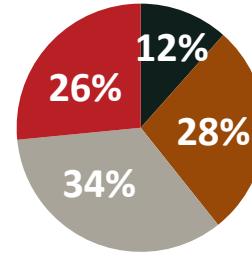


15-year Employment Change by Sector							
Industry % Total	Total - All Industries	Wood Products 3%	Food Production & Manufacturing 4%	Life Sciences 10%	IT & Telecom 2%	Chemicals & Plastics 1%	Hospitality Tourism 12%
2019 Q1	199,306	5,421	7,025	20,243	4,619	1,315	23,410
2-year change	3%	-0.5%	-3%	5%	15%	-5%	6%
15-year change	18%	-35%	21%	38%	55%	-6%	43%



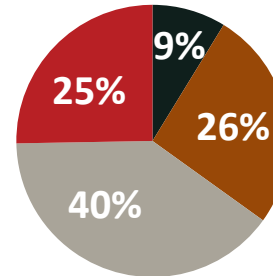
Local employers
prefer hiring
workers with at
least some
postsecondary
experience

Educational Attainment
Population aged 25-64
PacMtn WDA



- Less than high school
- High school or equivalent, no college
- Some college or Associate degree
- Bachelor's degree or advanced degree

Educational Attainment
Employed Workers aged 25-64
PacMtn WDA



- Less than high school
- High school or equivalent, no college
- Some college or Associate degree
- Bachelor's degree or advanced degree

Data Resources



[Regional Employment Snapshot](#)

[6 Regional Sectors](#)

Sector Statistical Report – [Life Sciences](#)

Example of Sector Overview - [Life Sciences](#)

Example of Career Pathway – [Nursing Assistant](#)

[2018 Regional Impact Report](#) and the [Executive Summary](#)

PacMtn Industry Cluster Update Interim Progress Report

September 2019

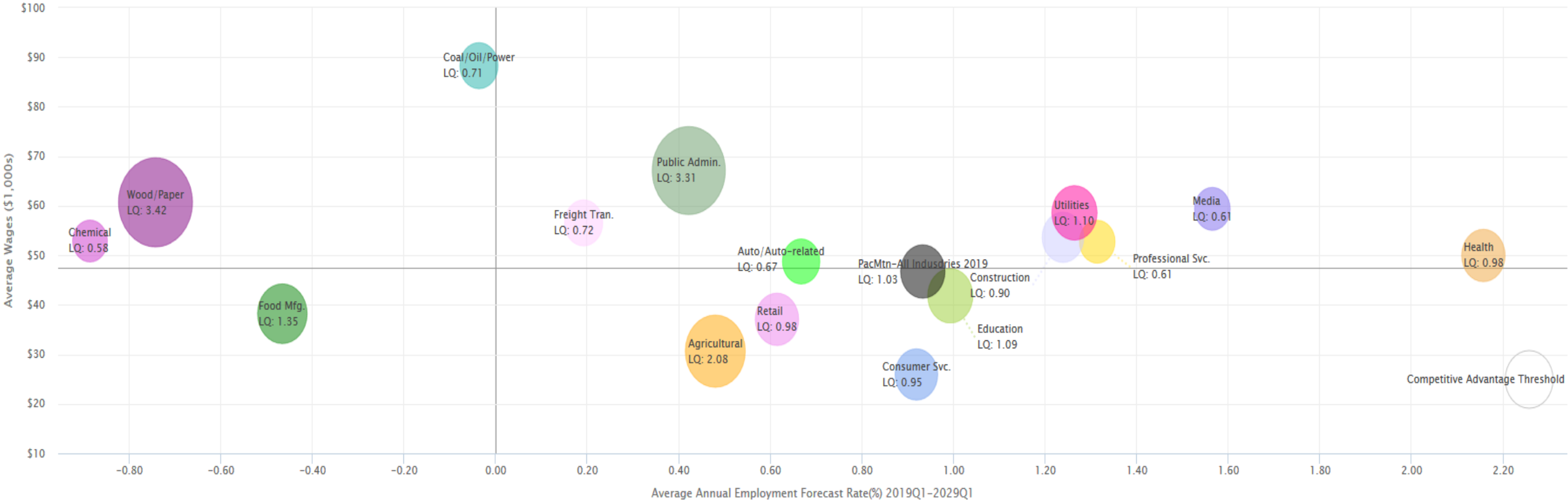
Approach

- “Two Track” vs. “Catch-All” (aka “Miss Some”)
 1. Industry (continued focus on building community wealth)
 2. Workforce (public sector back in play)
- Actionable Information
 - How to interpret at-a-glance
 - How to query-dig deeper
 - County-specific insights
 - Point to opportunities for colleges/non-profits partners
- Universal AND Customized Products
 - Regional workforce training bang for buck
 - EDC strategic advantages and untapped opportunities
 - Baseline for CEDS and EDA certification

Cluster Check

- General Alignment with Prior Study
- Evaluated for User Groups
 - LQ/Shift Share (major trends, emerging industries)
 - Industry Employment (don't forget wood products, shellfish, ag)
 - Occupation Employment (best chance for WF customers)
- Considering Professional Services Swap with Chem-Plastic
 - Primary Manufacturing Remains Intact Via Other Clusters
 - Chem-Plastic Forecast to Decline, Already Small
 - Professional Services Provides 2 for 1 Workforce Training Benefit
- Several New Emerging Micro-Clusters
- Distinctions Across Counties (of course)

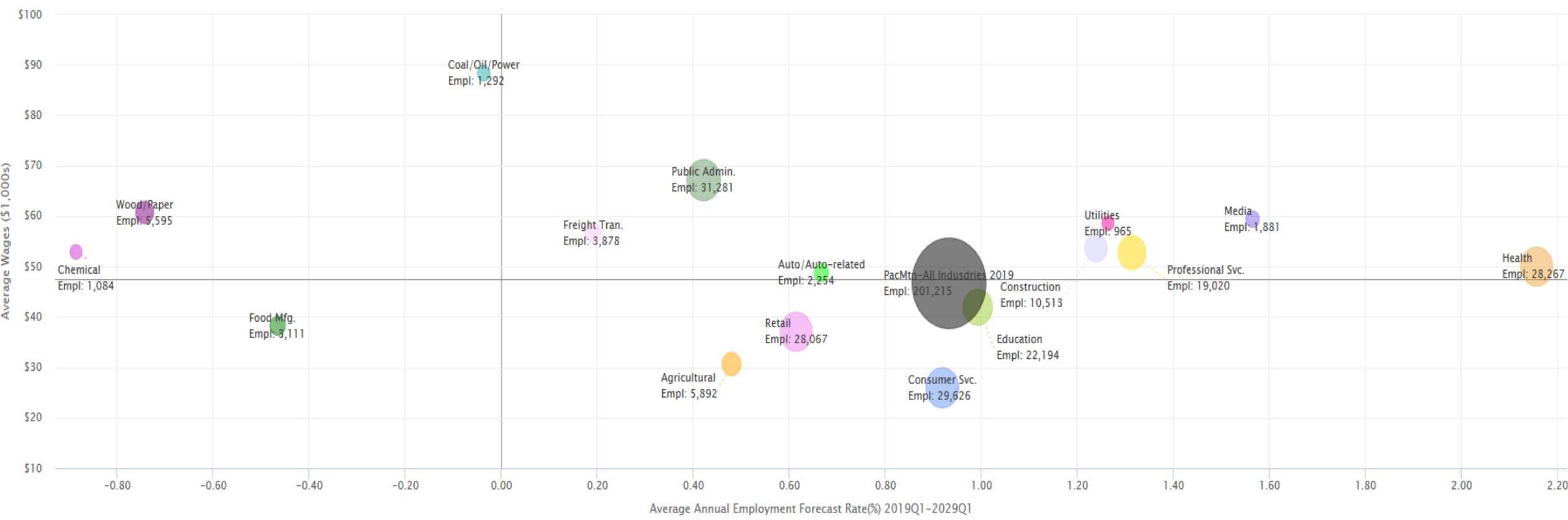
Industry Clusters for PacMtn Region 2019 as of 2019Q1



- Food Mfg.
- Agricultural
- Chemical
- Wood/Paper
- Media
- Auto/Auto-related
- Coal/Oil/Power
- Retail
- Professional Svc.
- Consumer Svc.
- Education
- Construction
- Freight Tran.
- Utilities
- Public Admin.
- Health
- PacMtn-All Industries 2019
- Competitive Advantage Threshold

Source: JobsEQ®, Data as of 2019Q1

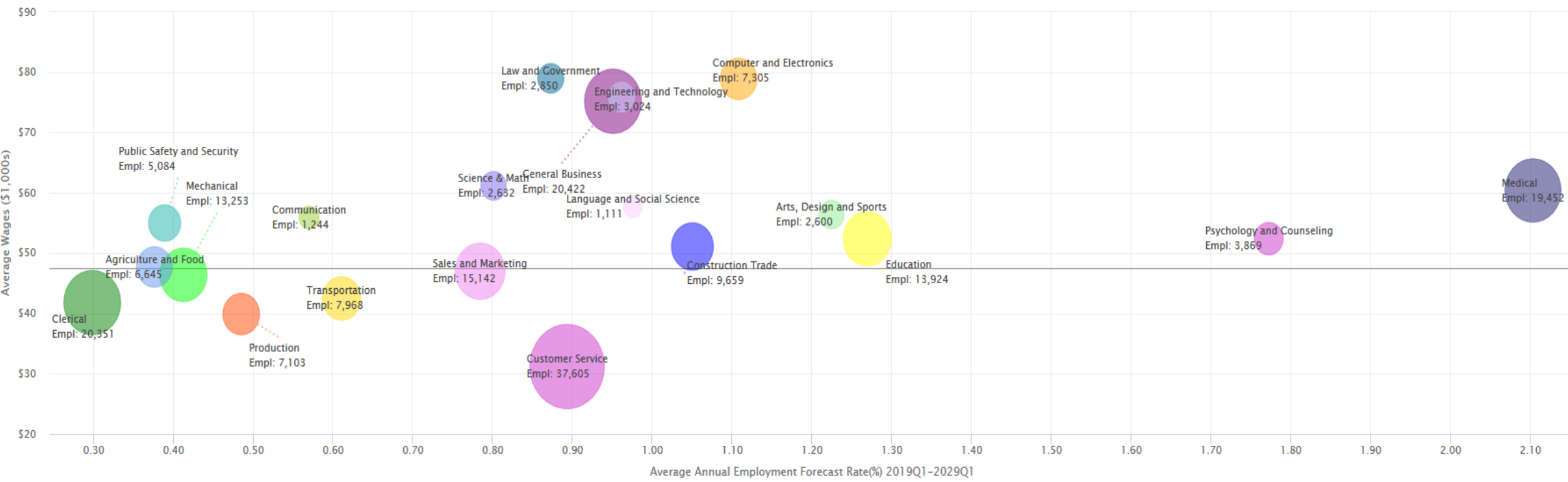
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- Utilities
- Public Admin.
- Health
- PacMtn-All Industries 2019

Source: JobsEQ®, Data as of 2019Q1

Occupation Clusters for PacMtn Region 2019 as of 2019Q1



- Construction Trade
- Clerical
- Computer and Electronics
- Customer Service
- General Business
- Education
- Science & Math
- Mechanical
- Medical
- Production
- Public Safety and Security
- Sales and Marketing
- Transportation
- Agriculture and Food
- Communication
- Arts, Design and Sports
- Engineering and Technology
- Language and Social Science
- Law and Government
- Psychology and Counseling

Source: JobsEQ*, Data as of 2019Q1

Private Sector Occ.
Growth: 2014-19

+/- \$30k wage
40+ new jobs

Occupation: All Industries Private in PacMtn 2019	Empl	Regional Average Wage	5-Yr Growth
Personal Care Aides	3,181	\$27,300	648
General and Operations Managers	3,429	\$100,900	221
Registered Nurses	2,282	\$76,000	196
Home Health Aides	821	\$27,400	178
Customer Service Representatives	2,289	\$36,900	137
Laborers and Freight, Stock, and Material Movers, Hand	2,727	\$33,600	126
Nursing Assistants	1,597	\$28,900	109
Medical Assistants	673	\$38,100	103
Stock Clerks and Order Fillers	2,152	\$34,400	90
Construction Laborers	1,141	\$41,800	86
Financial Managers	598	\$86,100	73
Software Developers, Applications	402	\$99,800	69
Carpenters	1,346	\$56,500	66
Medical Secretaries	514	\$42,100	65
Dental Assistants	596	\$44,400	65
Bus Drivers, School or Special Client	435	\$34,100	62
Self-Enrichment Education Teachers	470	\$49,100	61
Computer Network Architects	900	\$87,000	58
Computer Systems Analysts	687	\$76,400	52
Accountants and Auditors	763	\$70,400	48
Financial Analysts	548	\$58,400	46
Physical Therapists	302	\$84,900	44

Highest AAR % growth:
2014-19

+/- 100 jobs

+/- \$30K wage

Positive job forecast

Industry	Empl	Avg Ann Wages	2014-2019 Emp Growth	Avg Ann % Chg in Empl	Total New Demand
Toilet Preparation Manufacturing	114	\$49,986	112	123.4%	115
Other Food Crops Grown Under Cover	858	\$29,491	819	86.0%	1,143
Administration of Veterans' Affairs	139	\$56,458	129	69.2%	127
Motion Picture and Video Production	324	\$43,760	273	44.6%	390
Payroll Services	256	\$39,342	214	43.8%	293
Other Nonresidential Building Equipment Contractors	130	\$86,259	109	43.3%	162
Facilities Support Services	661	\$62,055	544	41.2%	915
Mattress Manufacturing	130	\$43,360	97	31.8%	132
Engineered Wood Member (except Truss) Manufacturing	101	\$79,904	75	31.6%	107
Tobacco Manufacturing	103	\$46,894	76	30.7%	52
All Other Miscellaneous Schools and Instruction	644	\$66,758	454	27.6%	1,002
Roofing, Siding, and Insulation Material Merchant Wholesalers	103	\$74,737	72	27.1%	120
Metal Can Manufacturing	92	\$75,729	63	26.0%	97
Internet Publishing and Broadcasting and Web Search Portals	224	\$129,510	151	25.2%	355
Specialized Freight (except Used Goods) Trucking, Long-Distance	127	\$50,690	84	24.2%	139
Blood and Organ Banks	102	\$47,383	66	23.5%	142
Breweries	274	\$29,871	171	21.8%	360
Wood Window and Door Manufacturing	322	\$62,514	198	21.0%	299
Office Administrative Services	820	\$68,457	491	20.0%	1,062
Custom Computer Programming Services	416	\$97,816	246	19.5%	448
Industrial Building Construction	138	\$89,939	81	19.5%	156
Nonresidential Glass and Glazing Contractors	148	\$73,404	87	19.4%	184
Other Social Advocacy Organizations	217	\$47,514	128	19.3%	277
Meat Processed from Carcasses	111	\$35,943	65	19.3%	134
Computer Systems Design Services	1,180	\$102,030	656	17.6%	1,265
Residential Poured Concrete Foundation and Structure Contractors	133	\$34,930	74	17.5%	163
Psychiatric and Substance Abuse Hospitals	267	\$48,268	148	17.5%	231

Emerging Industry: **Motion Picture + Video Production**

NAICS 51-2110



Olympia, WA
Corporate and wedding videography

324 workers in the PacMtn region
Average Annual Wage: \$43,760
Average Annual Employment Growth: **45%**



Aberdeen, WA
Specializes in animated business presentations
Includes subsidiary Grays Harbor Video Productions

Typical Occupations

Occupation	Median Hourly Wage
Producers and Directors	\$33.12
Video and Audio Technicians	\$23.95

In-Region Suppliers

- Postproduction Services
- Talent Agencies
- Insurance Agents

In-Region Buyers

- Business
- Government
- Nonprofits
- Consumers

Emerging Industry: **Mattress Manufacturing** NAICS 33-7910



Factory in Winlock, WA
of employees: est. 50

Hiring:

- Assemblers
- Production Workers
- Sewing Machine Operators

Parent company HQ in Dallas, TX

Privately-held

Acquired by Long Point Capital in 2016



Factory in Lacey, WA

of employees: est. 150

Hiring:

- Loaders
- Mattress Builders
- Light Truck Drivers (non-CDL)

Parent company HQ in Dallas, TX

Privately-held

200 workers in the PacMtn region

Average Annual Wage: \$43,760

Average Annual Employment Growth: **32%**

Typical Occupations

Occupation	Median Wage
Assemblers and Fabricators	\$17.00
Production Workers	\$16.65
Sewing Maching Operators	\$17.64
Hand Laborers/Freight, Stock & Material Movers	\$15.84

In-Region Suppliers

- Rubber Product Manufacturers
- Wood Product Manufacturers
- Broadwoven Fabric Mills
- Industrial Machinery Wholesalers

In-Region Buyers

- Furniture Stores
- Wholesalers
- Direct-to-Consumer Purchases

Emerging Industry: Engineered Wood Member Manufacturing NAICS 32-1213

101 workers in the PacMtn region

Average Annual Wage: \$79,904

Average Annual Employment Growth: 32%

Typical Occupations

Occupation	Median Hourly Wage
Sawing Machine Setters/Operators & Tenders, Wood	\$18.63
Woodworking Machine Setters/Oprs & Tenders, Except Sawing	\$18.09
Millwrights	\$28.19

Sound Wood Products, Inc.

Factory in Chehalis, WA
Manufactures structural composite
lumber (SCL)

Shelton Lam & Deck

Factory in Chehalis, WA
Manufactures glulam products

In-Region Suppliers

- Sawmills
- Plastics and Resin Manufacturers
- Industrial Machinery Wholesalers

In-Region Buyers

- Residential Construction
- Plywood and Veneer Manufacturers
- Commercial Construction

Emerging Industry: **Breweries**

NAICS 31-2120

274 workers in the PacMtn region

Average Annual Wage: \$29,871

Average Annual Employment Growth: **22%**

Typical Occupations

Occupation	Median Hourly Wage
Brewer's Assistants	\$22.00
Sales Representatives	\$25.00 + commission
Light Truck Drivers	\$17.64
Hand Laborers/Freight, Stock & Material Movers	\$15.84

In-Region Suppliers

- Metal Can Manufacturing
- Glass Container Manufacturing
- Grain Wholesalers

In-Region Buyers

- Restaurants
- Drinking Establishments
- Grocers



Brewery in Tumwater, WA
Established 2019
of employees: est. 10
Estimated annual sales: \$5 million
6,000 sq. ft. facility



Brewery in Aberdeen, WA
Established 2019
of employees: est. 5
Owner used GoFundMe to raise capital

Emerging Industry: **Computer Systems Design Services**

NAICS 54-1512

416 workers in the PacMtn region

Average Annual Wage: \$43,760

Average Annual Employment Growth: **32%**

Typical Occupations

Occupation	Median Hourly Wage
Computer Systems Analysts	\$37.95
Network & Computer Systems Administrators	\$39.29
Computer Network Support Specialists	\$30.41

In-Region Suppliers

- Data Hosting Services
- Wired and Wireless Telecommunications Carriers
- Computer Equipment Retailers
- Temporary Help Agencies

In-Region Buyers

- Government
- Business



Corporate HQ in Lacey, WA
Satellite offices in Bellevue, Portland, Boise
of employees: 52 in Lacey location

Hiring:

- EUC Engineer
- Inside Sales Administrator
- Tier 2 IT Support Technician



Lacey, WA
of employees: est. 10
Integrates marketing and computer systems design

Highest AAR % Growth Forecast: 2019-2030

+/- \$30K wage
100+ current emp
2%< growth forecast
VOLUME

Industry	Emp	Avg Ann Wages	Total New Demand	10-yr Emp Growth	Avg Ann Rate
Home Health Care Services	853	\$50,042	1,505	432	4.2%
Libraries and Archives	301	\$40,576	485	152	4.2%
Internet Publishing and Broadcasting and Web Search Portals	224	\$129,510	355	110	4.1%
All Other Information Services	65	\$121,726	102	32	4.1%
Services for the Elderly and Persons with Disabilities	3,827	\$21,211	7,428	1,679	3.7%
HMO Medical Centers	229	\$86,347	311	97	3.6%
Other Individual and Family Services	2,485	\$42,544	4,198	1,020	3.5%
Offices of Physical, Occupational/Speech Therapists, Audiologists	687	\$47,755	934	284	3.5%
Freestanding Ambulatory Surgical and Emergency Centers	411	\$50,567	548	167	3.5%
Child and Youth Services	341	\$32,718	576	140	3.5%
Kidney Dialysis Centers	112	\$46,557	150	46	3.5%
Continuing Care Retirement Communities	367	\$27,438	653	139	3.3%
All Other Outpatient Care Centers	264	\$50,420	342	100	3.3%
Blood and Organ Banks	102	\$47,383	142	37	3.2%
Assisted Living Facilities for the Elderly	1,068	\$26,328	1,881	387	3.1%
All Other Transit and Ground Passenger Transportation	416	\$25,204	674	143	3.0%
Offices of All Other Miscellaneous Health Practitioners	420	\$37,713	551	134	2.8%
All Other Miscellaneous Schools and Instruction	644	\$66,758	1,002	190	2.6%
Residential Property Managers	501	\$34,705	691	135	2.4%
Solid Waste Collection	292	\$49,378	442	78	2.4%
Outpatient Mental Health and Substance Abuse Centers	663	\$40,731	894	169	2.3%
Computer Facilities Management Services	188	\$82,782	208	49	2.3%
Offices of Physicians (except Mental Health Specialists)	2,575	\$77,320	2,909	627	2.2%

Industry Wages

+/- 200 jobs

5-year growth

Positive forecast

Industry	Emp	Avg Ann Wages	2014-19 Change	10-yr Demand
Internet Publishing and Broadcasting and Web Search Portals	224	\$129,510	151	355
Electric Bulk Power Transmission and Control	222	\$114,794	123	194
Commercial and Industrial Machinery, Equipment Repair/Maintenance	204	\$114,546	85	243
Computer Systems Design Services	1,180	\$102,030	656	1,265
Wholesale Trade Agents and Brokers	739	\$101,139	106	925
Software Publishers	192	\$99,245	87	207
Custom Computer Programming Services	416	\$97,816	246	448
Sign Manufacturing	208	\$85,269	62	207
Engineering Services	602	\$85,097	4	618
Administration of Air/Water/Solid Waste Management Programs	766	\$82,400	23	742
Legal Counsel and Prosecution	540	\$78,690	51	527
Wired Telecommunications Carriers	522	\$78,258	66	418
Commercial and Institutional Building Construction	776	\$77,604	333	875
Offices of Physicians (except Mental Health Specialists)	2,575	\$77,320	159	2,909
Nonresidential Electrical Contractors, Wiring Installation Contractors	635	\$76,766	295	803
Administrative Management / General Management Consulting Services	646	\$75,550	240	801

Highest
Industry LQ

Above 10.0

Industry	Emp	Avg Ann Wages	LQ	Total New Demand
Shellfish Farming	484	\$34,003	158.28	610
Other Food Crops Grown Under Cover	858	\$29,491	36.68	1,143
Seafood Product Preparation and Packaging	1,294	\$35,737	27.62	1,296
Forest Nurseries and Gathering of Forest Products	86	\$66,431	26.65	117
Softwood Veneer and Plywood Manufacturing	460	\$70,036	24.32	468
Sawmills	2,027	\$68,106	18.26	2,184
Shellfish Fishing	396	\$44,002	17.51	365
Mushroom Production	214	\$39,791	15.13	296
Finfish Farming and Fish Hatcheries	78	\$51,065	15.04	100
Logging	1,239	\$59,963	14.18	1,092
American Indian Tribal Governments	1,989	\$50,883	13.82	2,013
Newsprint Mills	69	\$73,051	12.98	54
Support Activities for Forestry	429	\$41,087	12.89	486
Crushed and Broken Stone Mining and Quarrying	117	\$51,583	12.07	108
Engineered Wood Member Manufacturing	101	\$79,904	11.55	107
Casinos (except Casino Hotels)	2,606	\$39,319	11.02	4,004
Administration of Education Programs	957	\$71,419	10.41	947
Administration of Human Resource Programs	5,170	\$67,285	10.26	5,043

Shift-Share by Industry Sector

2014-2019

Industry Title	Actual Growth	National Growth	Industry Share Mix	Local Competitiveness
Agriculture, Forestry, Fishing and Hunting	-131	558	-876	186
Mining, Quarrying, and Oil and Gas Extraction	-18	28	-89	43
Utilities	-13	97	99	-209
Construction	280	746	-1,088	622
Manufacturing	-2,490	1,057	-2,056	-1,492
Wholesale Trade	240	353	-473	360
Retail Trade	1,608	1,599	-797	806
Transportation and Warehousing	497	430	512	-445
Information	-541	229	-308	-462
Finance and Insurance	-311	321	-325	-306
Real Estate and Rental and Leasing	-253	207	-312	-148
Professional, Scientific, and Technical Services	1,761	439	352	971
Management of Companies and Enterprises	185	63	141	-18
Admin/Support, Waste Management/Remediation	3,526	460	576	2,490
Educational Services	1,971	1,166	-647	1,452
Health Care and Social Assistance	6,474	1,612	4,051	811
Arts, Entertainment, and Recreation	1,006	381	-561	1,187
Accommodation and Food Services	2,316	1,107	2,104	-894
Other Services (except Public Administration)	-2,208	764	-1,734	-1,238
Public Administration	12	2,330	-2,529	211
Unclassified	0	0	0	0
Total	13,914	13,948	-3,962	3,928

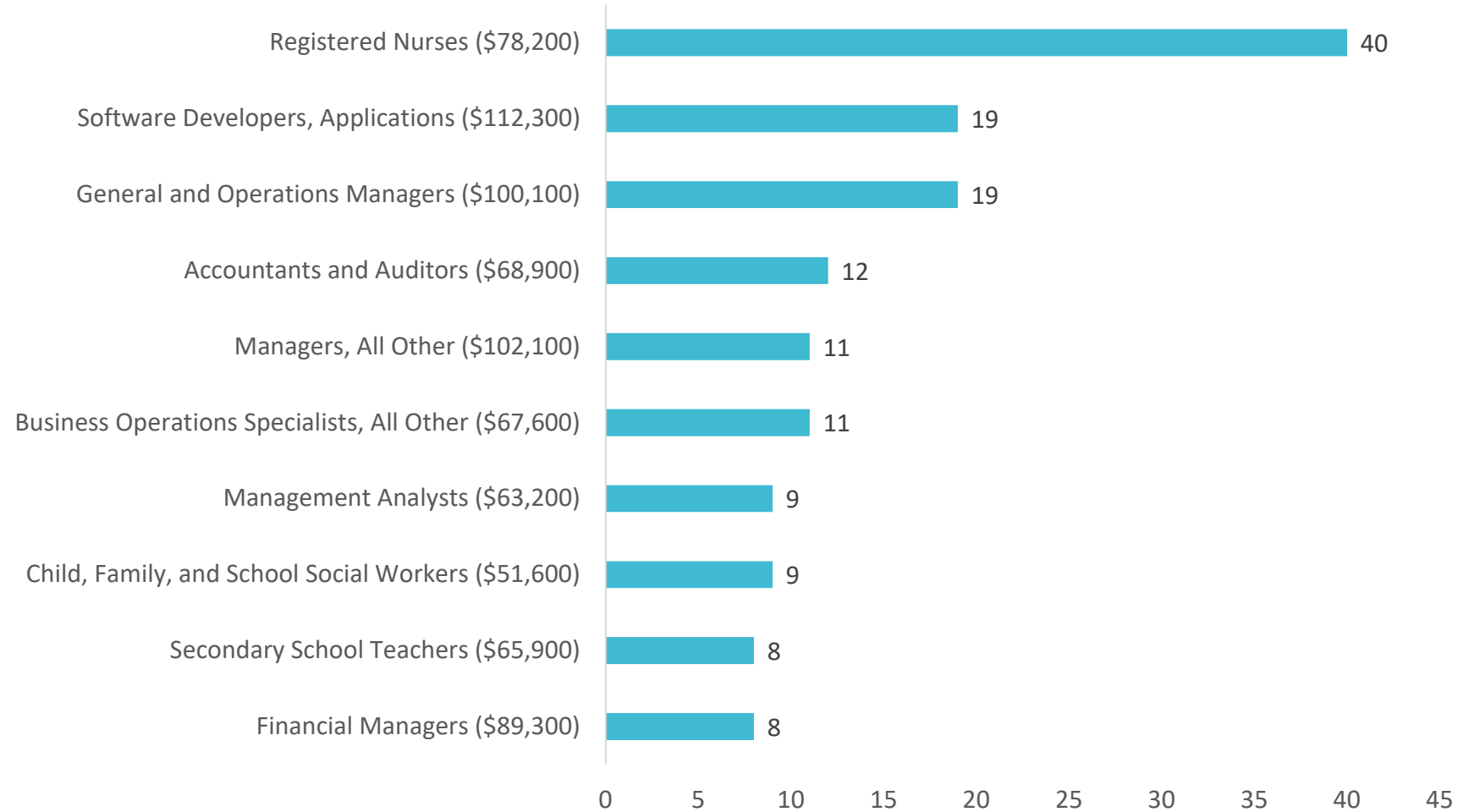
Largest Industry Employers by Volume

+/- 2,000 jobs

Industry	Empl	Avg Ann Wages
Elementary and Secondary Schools	13,257	\$45,579
General Medical and Surgical Hospitals	6,766	\$63,831
Full-Service Restaurants	5,634	\$23,306
Limited-Service Restaurants	5,529	\$17,105
Administration of Human Resource Programs	5,170	\$67,285
Executive and Legislative Offices, Combined	5,019	\$64,365
Services for the Elderly and Persons with Disabilities	3,827	\$21,211
Supermarkets and Other Grocery (except Convenience) Stores	3,355	\$29,657
Warehouse Clubs and Supercenters	3,316	\$33,510
Regulation and Administration of Transportation Programs	2,910	\$72,235
Administration of Public Health Programs	2,810	\$65,810
Temporary Help Services	2,801	\$35,790
Casinos (except Casino Hotels)	2,606	\$39,319
Offices of Physicians (except Mental Health Specialists)	2,575	\$77,320
Correctional Institutions	2,527	\$60,086
Other Individual and Family Services	2,485	\$42,544
Administration of Conservation Programs	2,326	\$64,331
Hotels (except Casino Hotels) and Motels	2,177	\$23,929
Sawmills	2,027	\$68,106
American Indian and Alaska Native Tribal Governments	1,989	\$50,883

PacMtn Occupation Gaps

PacMtn Region: [Ave. Annual Occupation Gaps](#) 2019-2029, Two-Year Degree or Higher

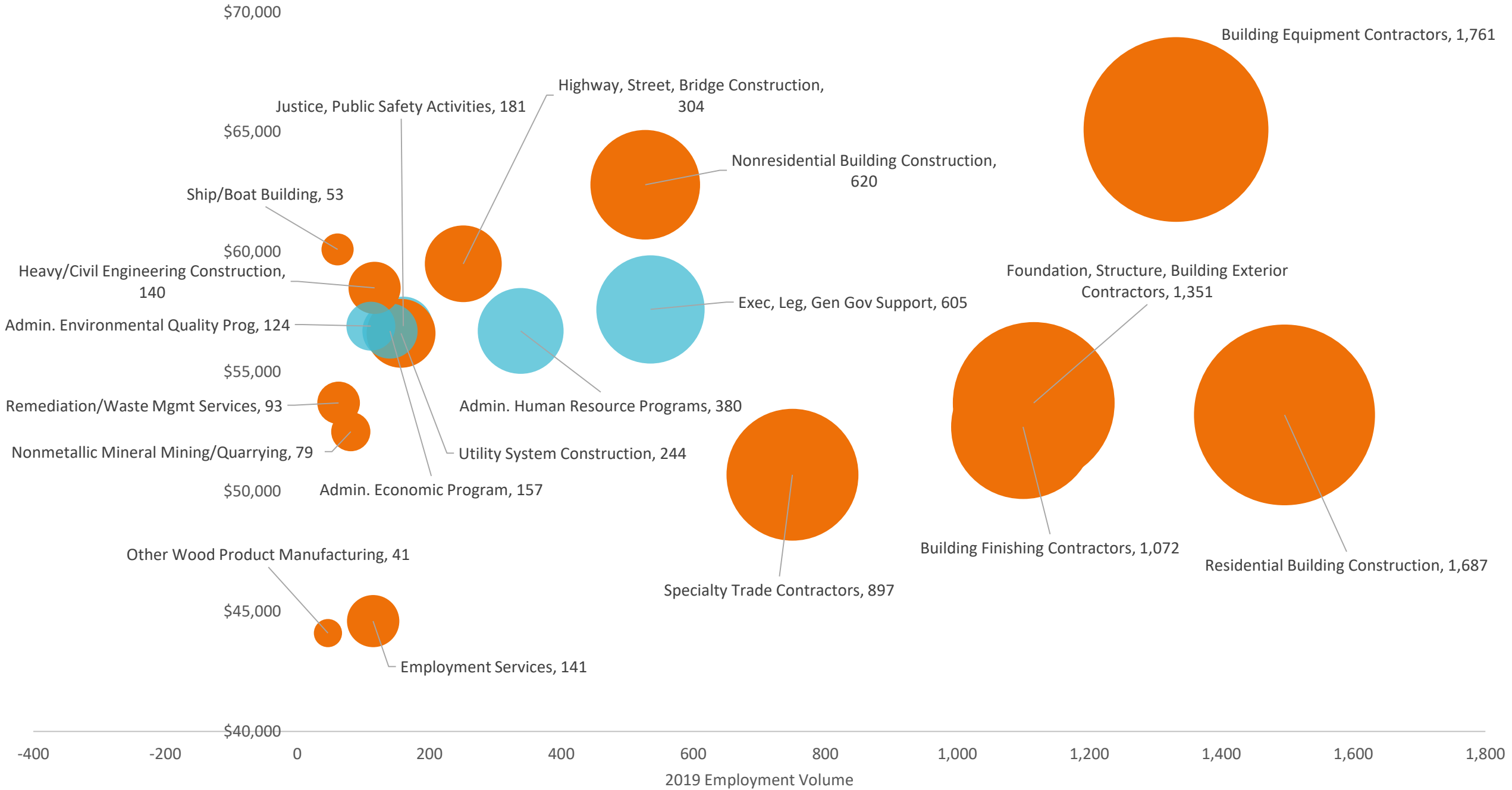


Occupation Staffing

Regional Patterns by Industry, Wage and Demand

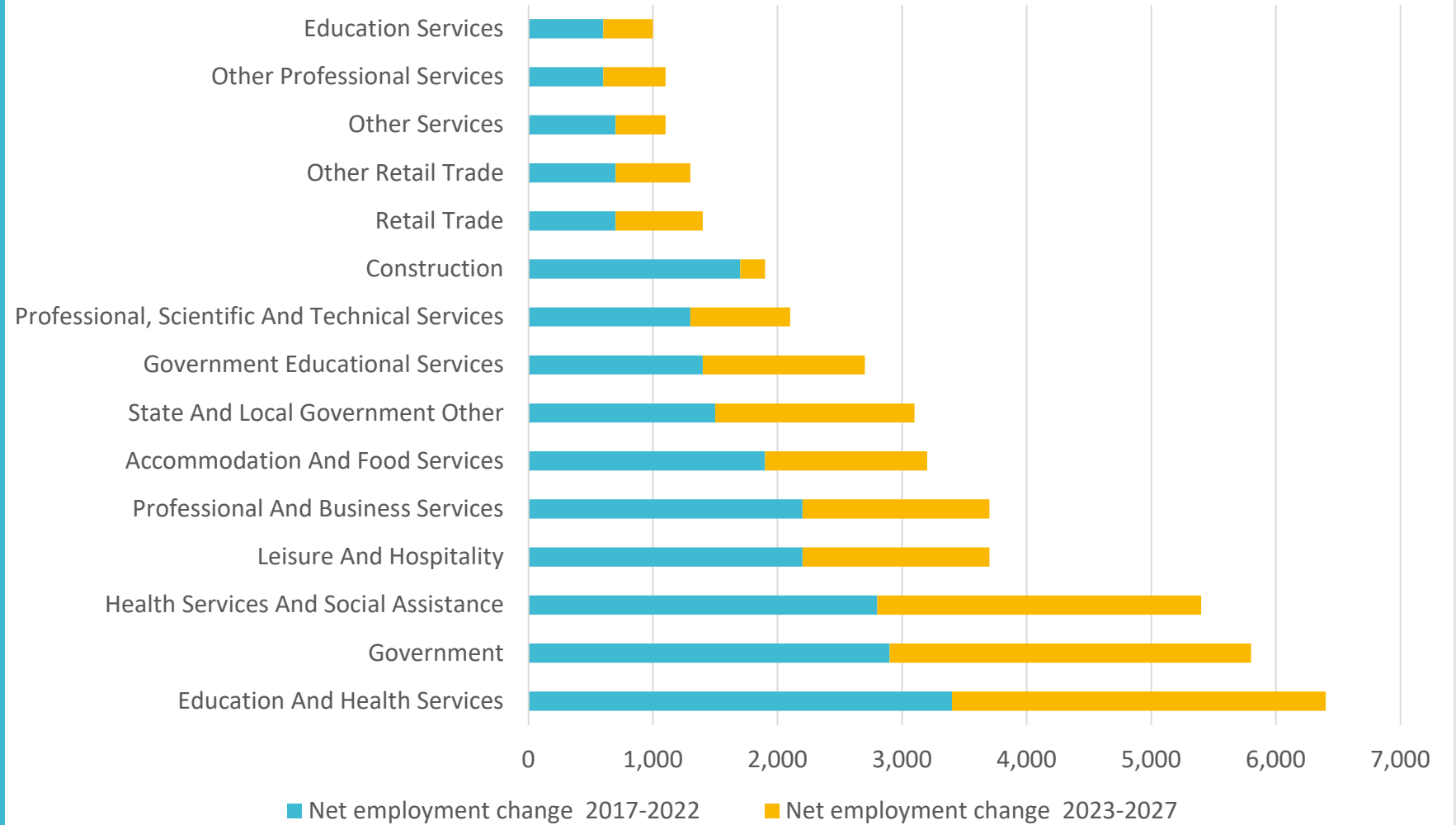
SAMPLE ONLY – SEE RESOURCE SLIDES AT END

PacMtn: Top 20 Industries for Construction/Extraction Occupations by Employment/Average Annual Wage + 10-yr demand forecast



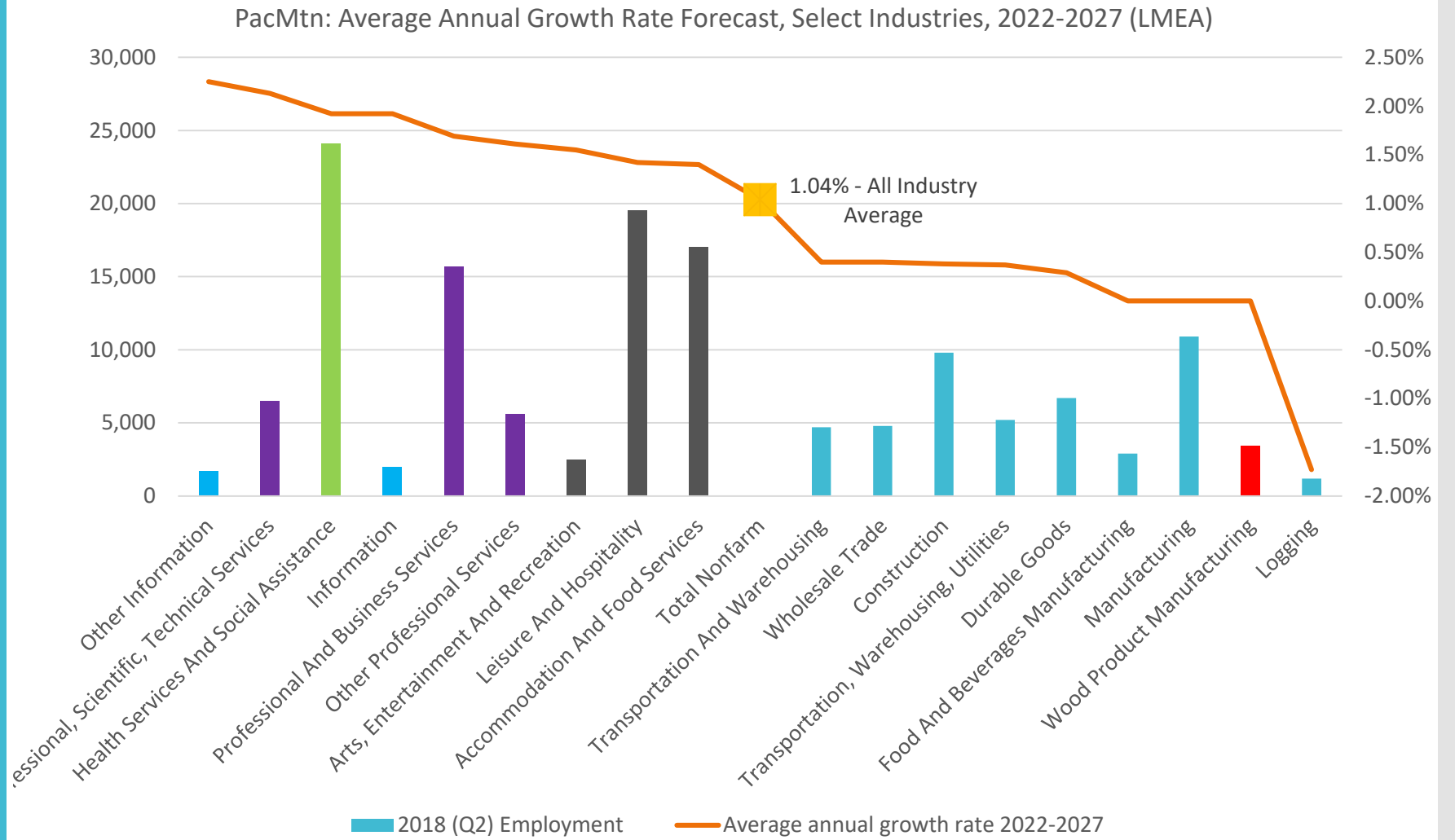
Combined,
Prof. Services
to add +/- 7k
jobs over next
decade

LMEA Employment Forecast by Net Gains (min 1,000 jobs), 2017-2027



Prof. Services,
Health, Tourism,
Info Up

Wood Products,
Manufacturing
Down

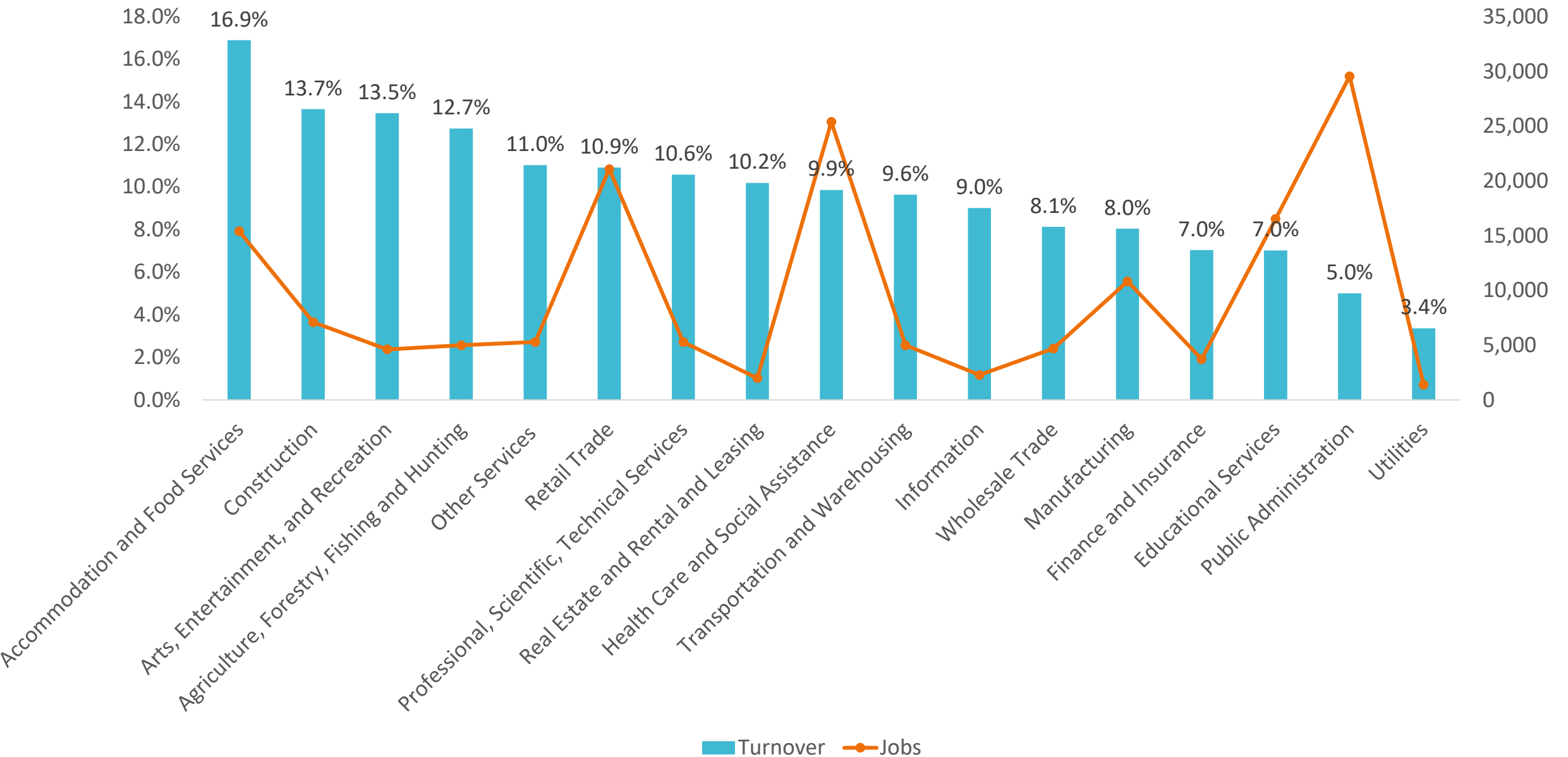


Employment Turnover

By Industry

PacMtn Region: Job Turnover by Industry, % per Quarter and Total Employment (4 quarters ending Q2 2016)

*Region Average = 9.5%

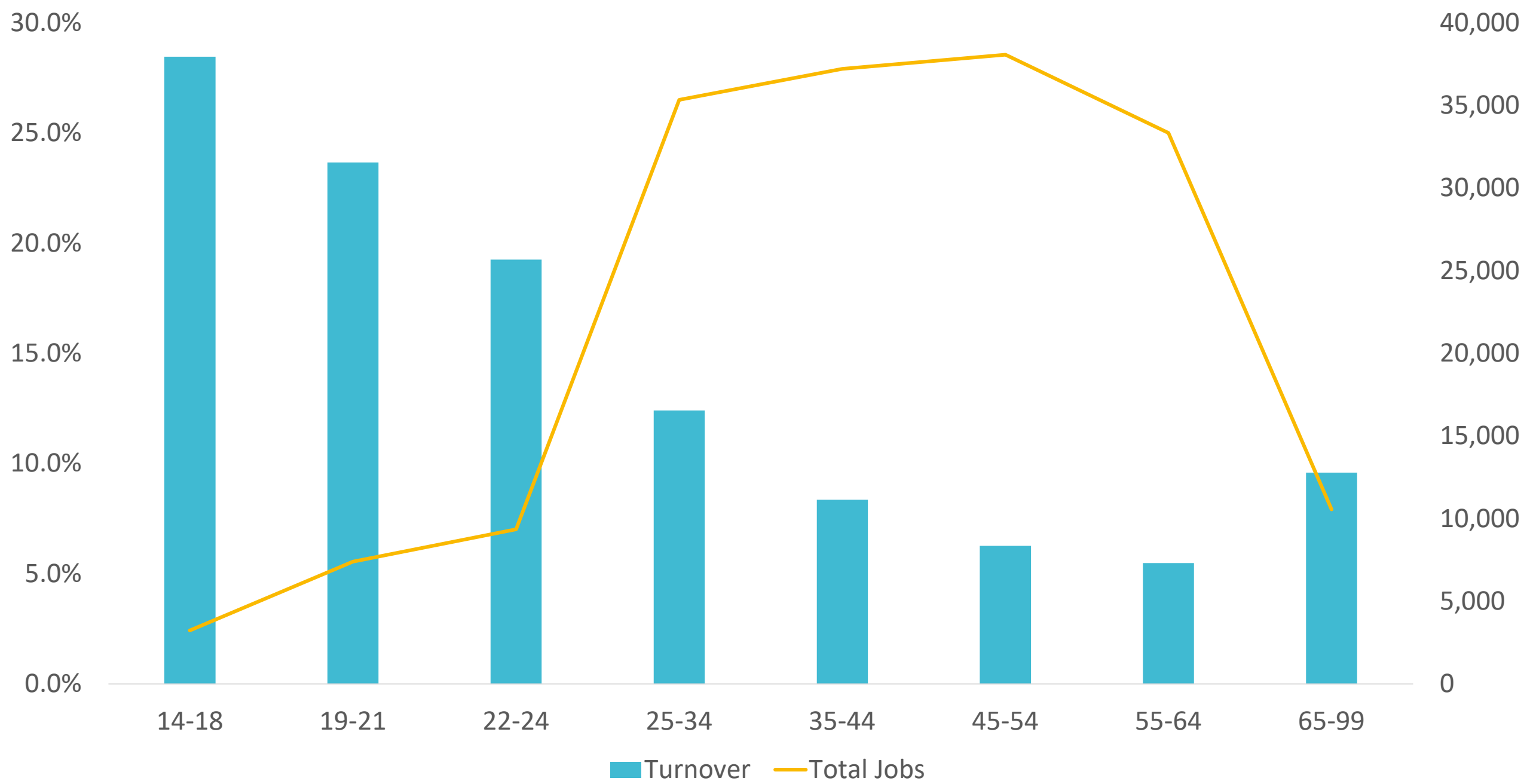


Highest Industry Turnover

100 jobs +
\$30k wage min

Industry	Average per Quarter				Average Annual Earnings
	Emp	New Hires	Separations	Turnover	
National Security and International Affairs	130	28	50	39.7%	\$71,523
Foundation, Structure, Building Exterior Contractors	1,128	429	439	16.9%	\$39,267
Residential Building Construction	1,399	454	462	15.6%	\$32,586
Greenhouse, Nursery, and Floriculture Production	1,425	541	510	15.0%	\$33,516
Seafood Product Preparation and Packaging	1,226	424	516	14.3%	\$35,567
Nondepository Credit Intermediation	296	39	39	14.3%	\$66,654
Other Specialty Trade Contractors	604	173	187	13.8%	\$39,042
Specialized Freight Trucking	627	155	171	12.8%	\$41,027
Accounting, Tax Prep, Bookkeeping, Payroll Services	593	138	155	12.8%	\$46,063
Management, Scientific, Technical Consulting	894	146	161	12.6%	\$53,886
Automotive Repair and Maintenance	1,129	228	200	11.7%	\$35,338
Building Equipment Contractors	1,556	349	323	11.0%	\$48,881
Automobile Dealers	1,446	248	272	10.6%	\$49,191
Offices of Other Health Practitioners	1,301	203	211	10.4%	\$32,819
Health and Personal Care Stores	930	142	132	10.2%	\$35,801
Cattle Ranching and Farming	262	43	52	10.0%	\$35,158

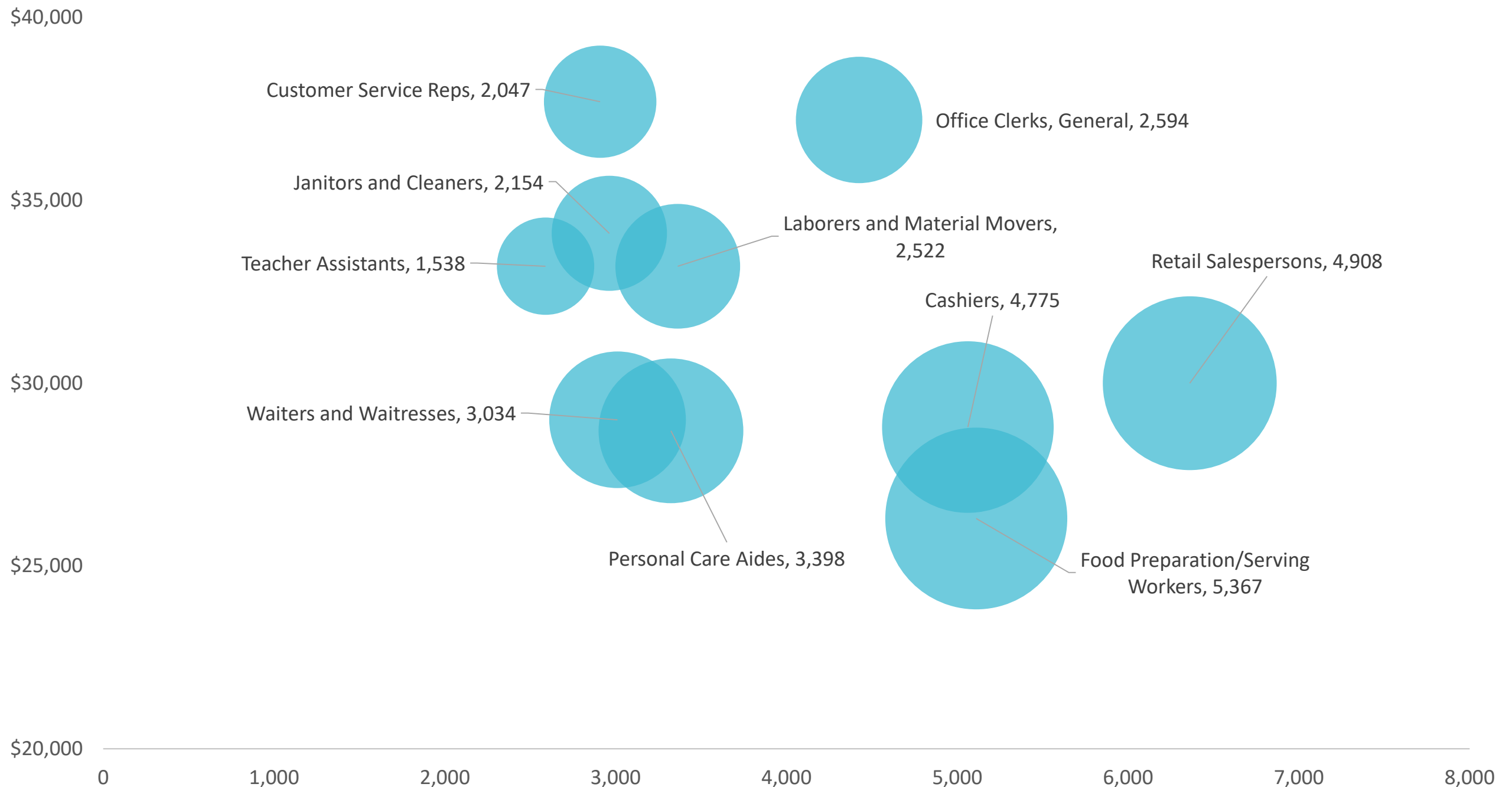
PacMtn: Turnover by Age/Total Employment (4 Quarters ending Q2, 2016)



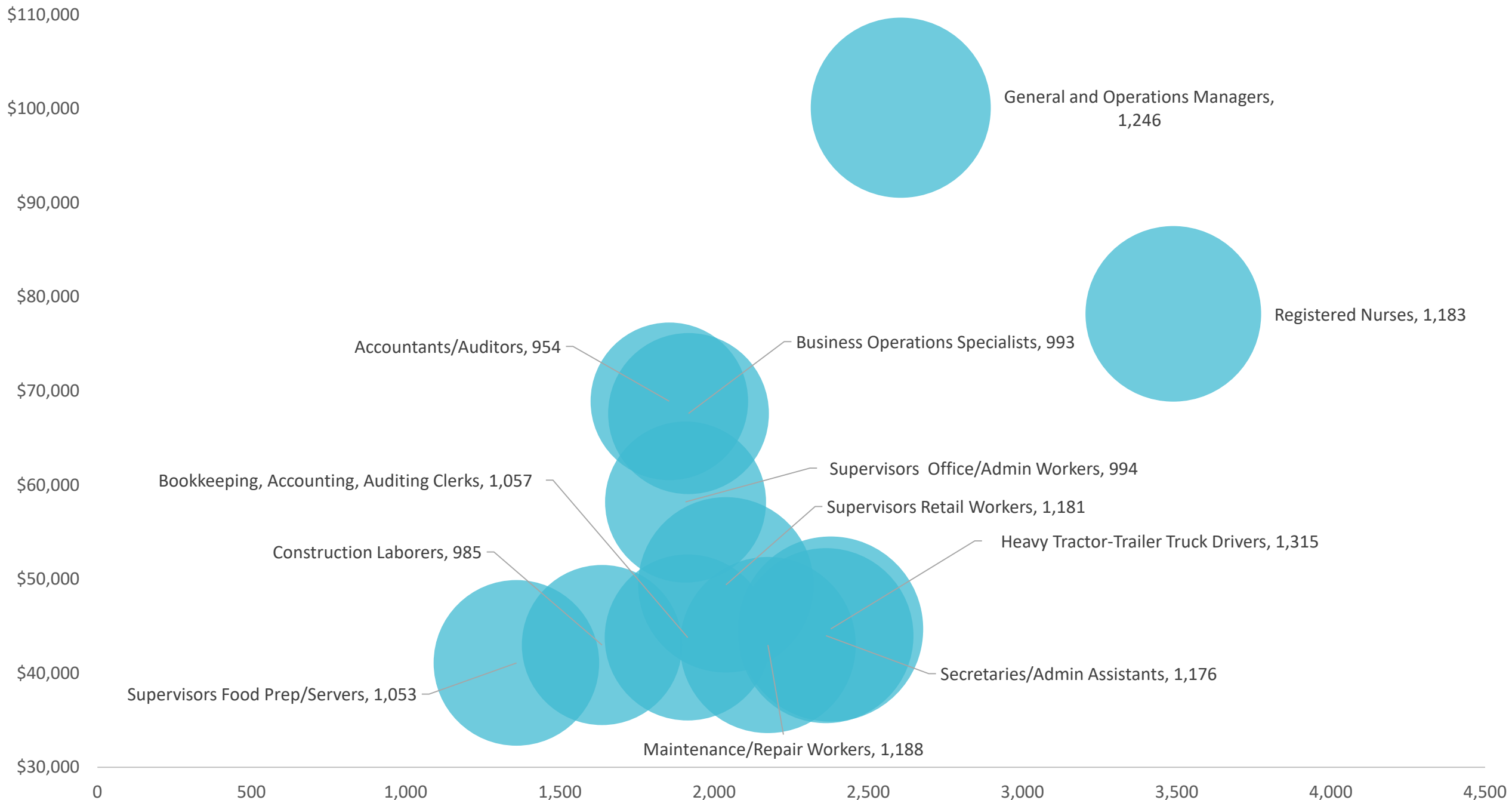
Occupation Demand

2019-2024

PacMtn: Highest 5-yr Demand Occupations sans Filter (2019), with Current Emploment and Ave Annual Wage



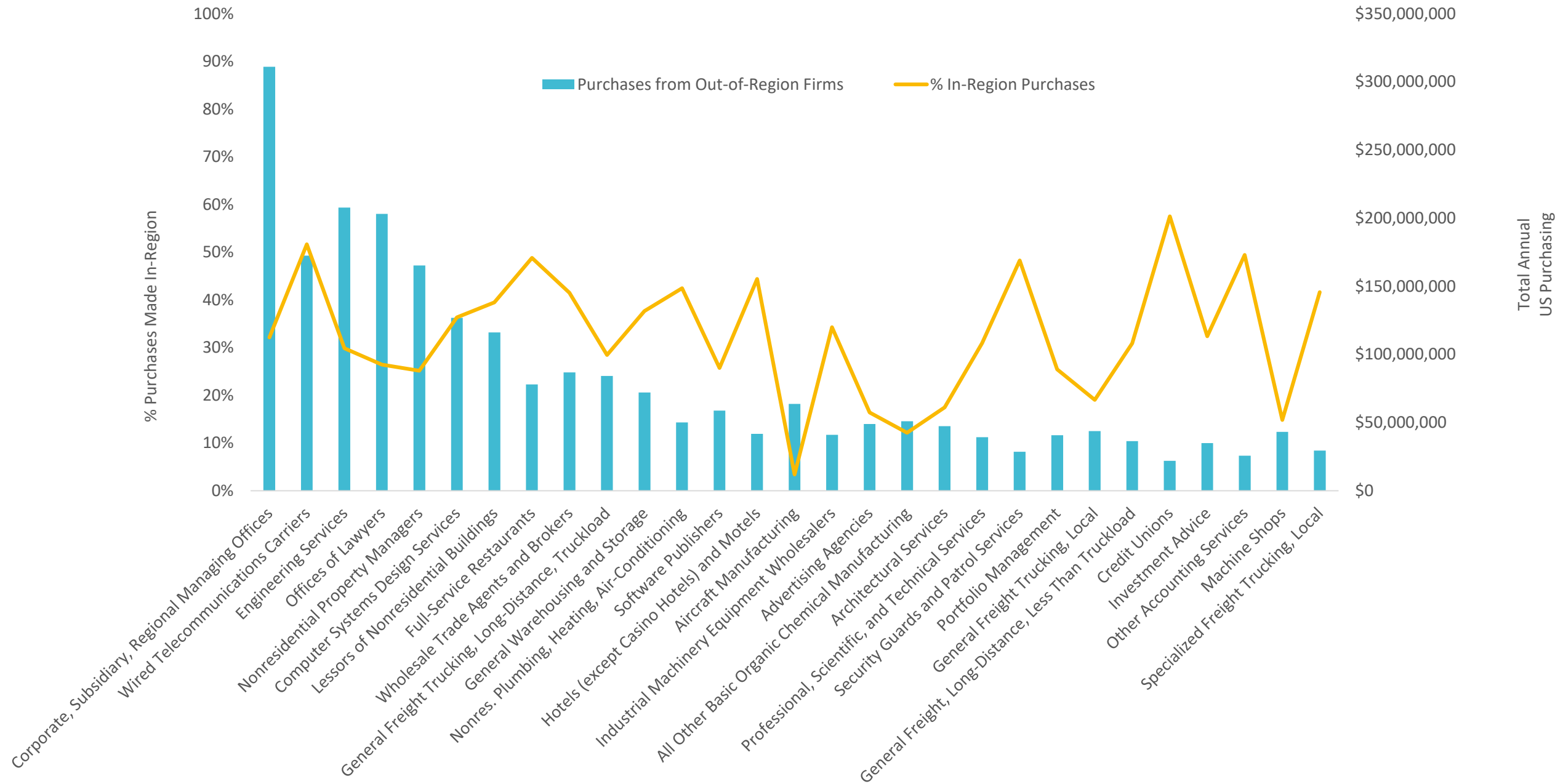
PacMtn: Highest 5-Year Demand Occupations with Annual Ave Wage >\$40K (2019), with Current Employment and Ave Annual Wage



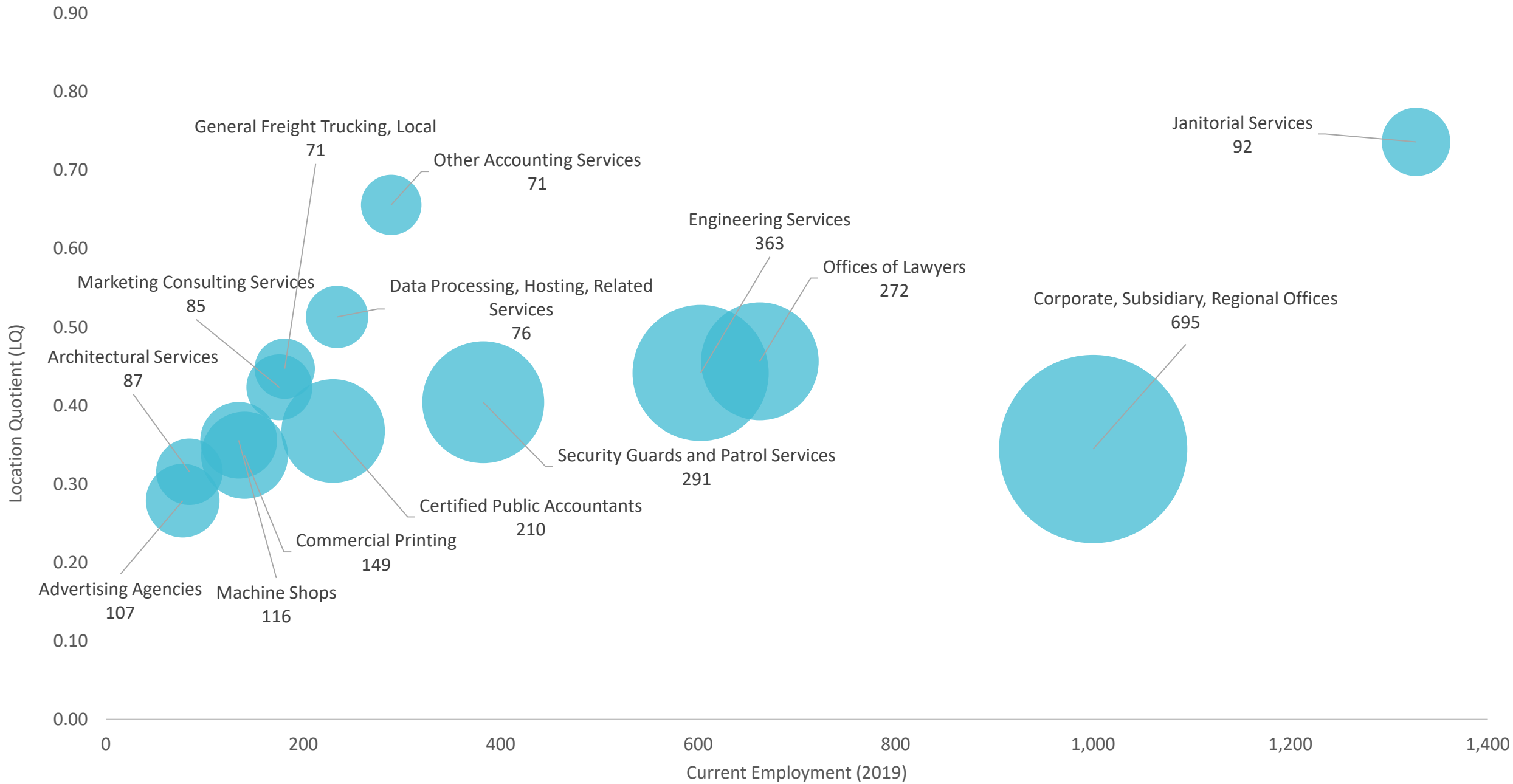
Supply Chain Gaps

High-Level Snapshot

PacMtn: Notable Buyer [Supply Chain Purchasing](#) by Total Volume vs. % In-Region, 2019 (est.)



PacMtn: Supply Chain Employment Gaps by Volume, with Total Employment and Existing Location Quotient (2019)

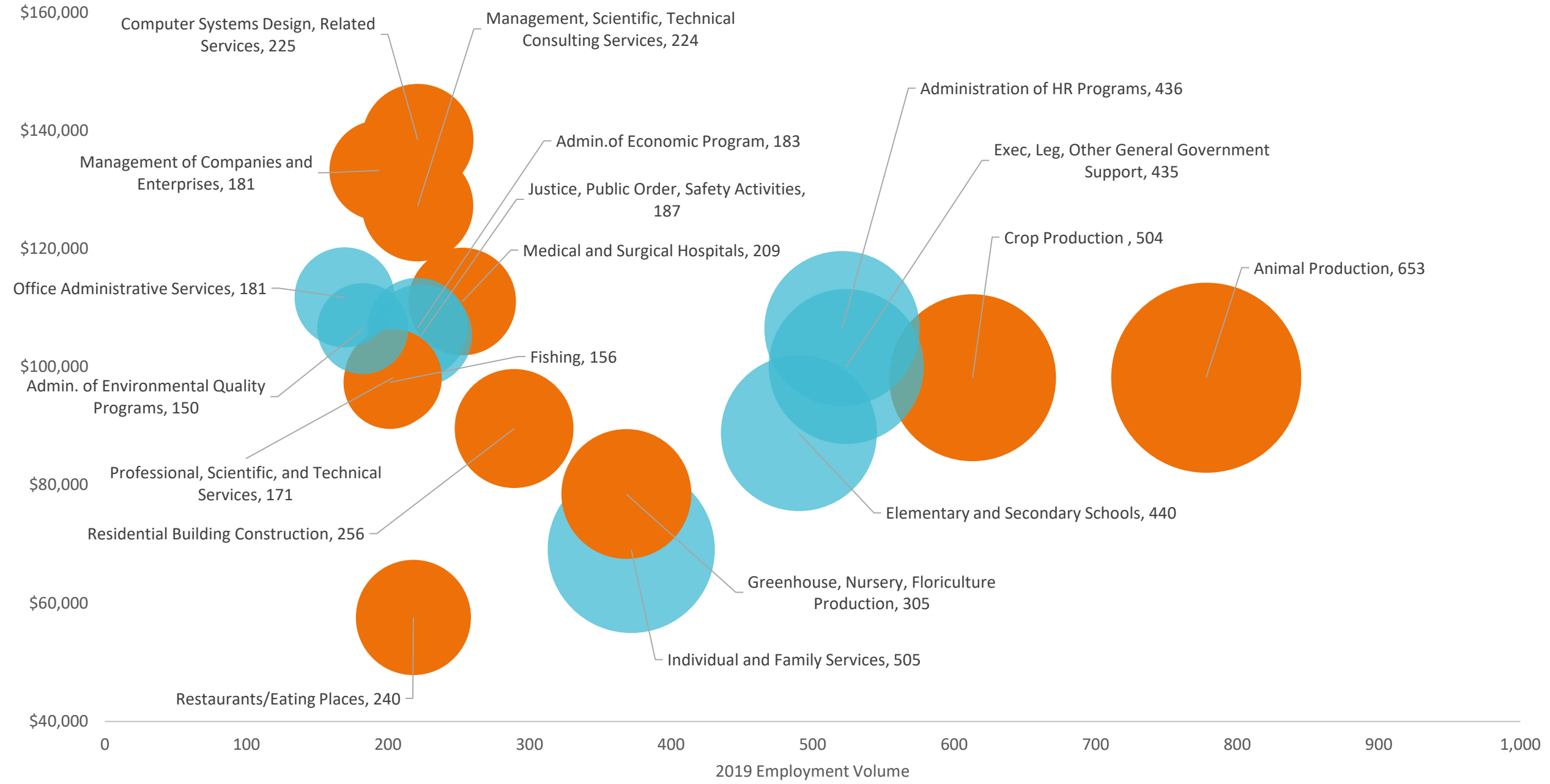


RESOURCE SLIDES

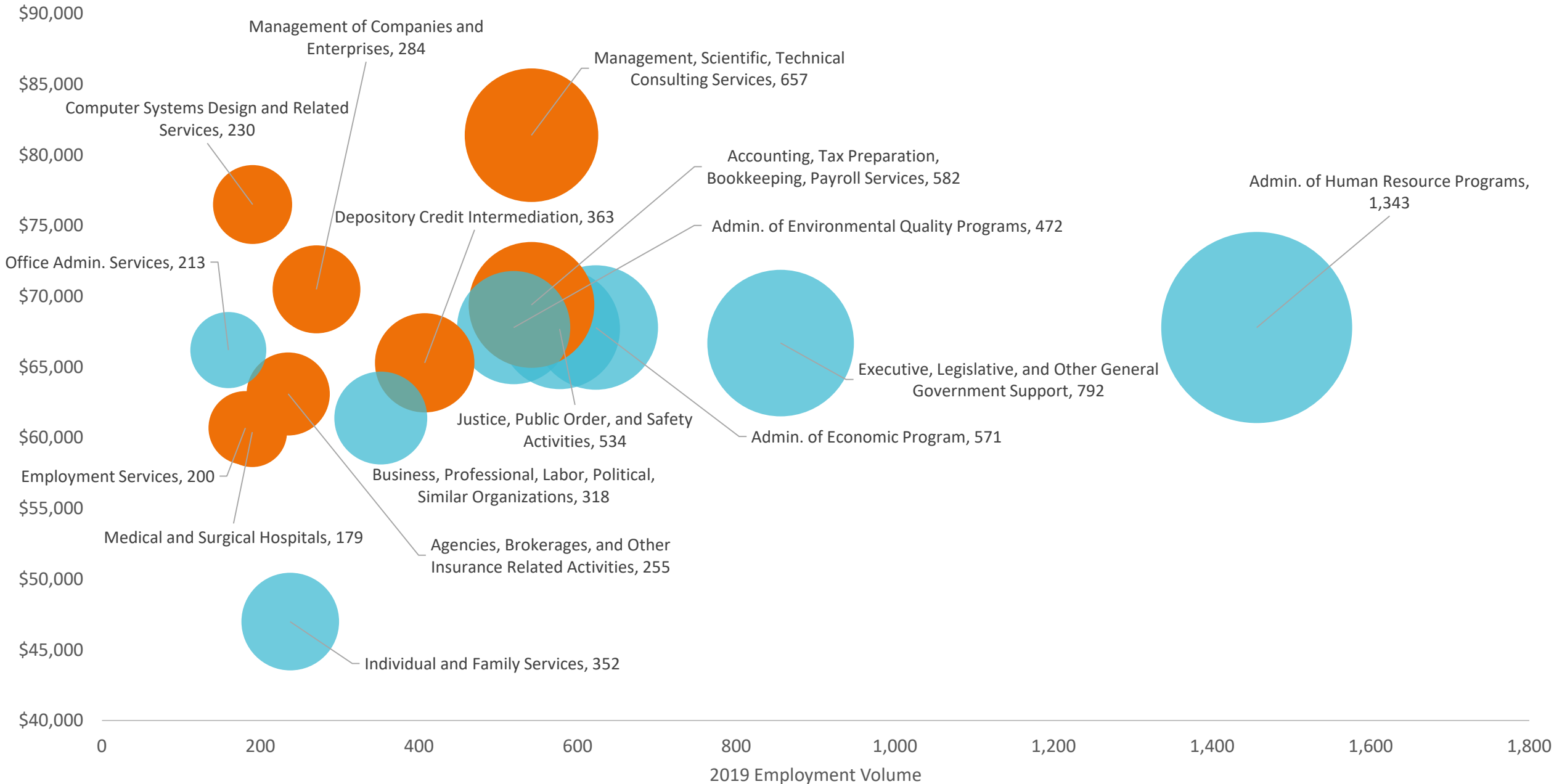
Occupation Staffing

Regional Patterns by Industry, Wage and Demand

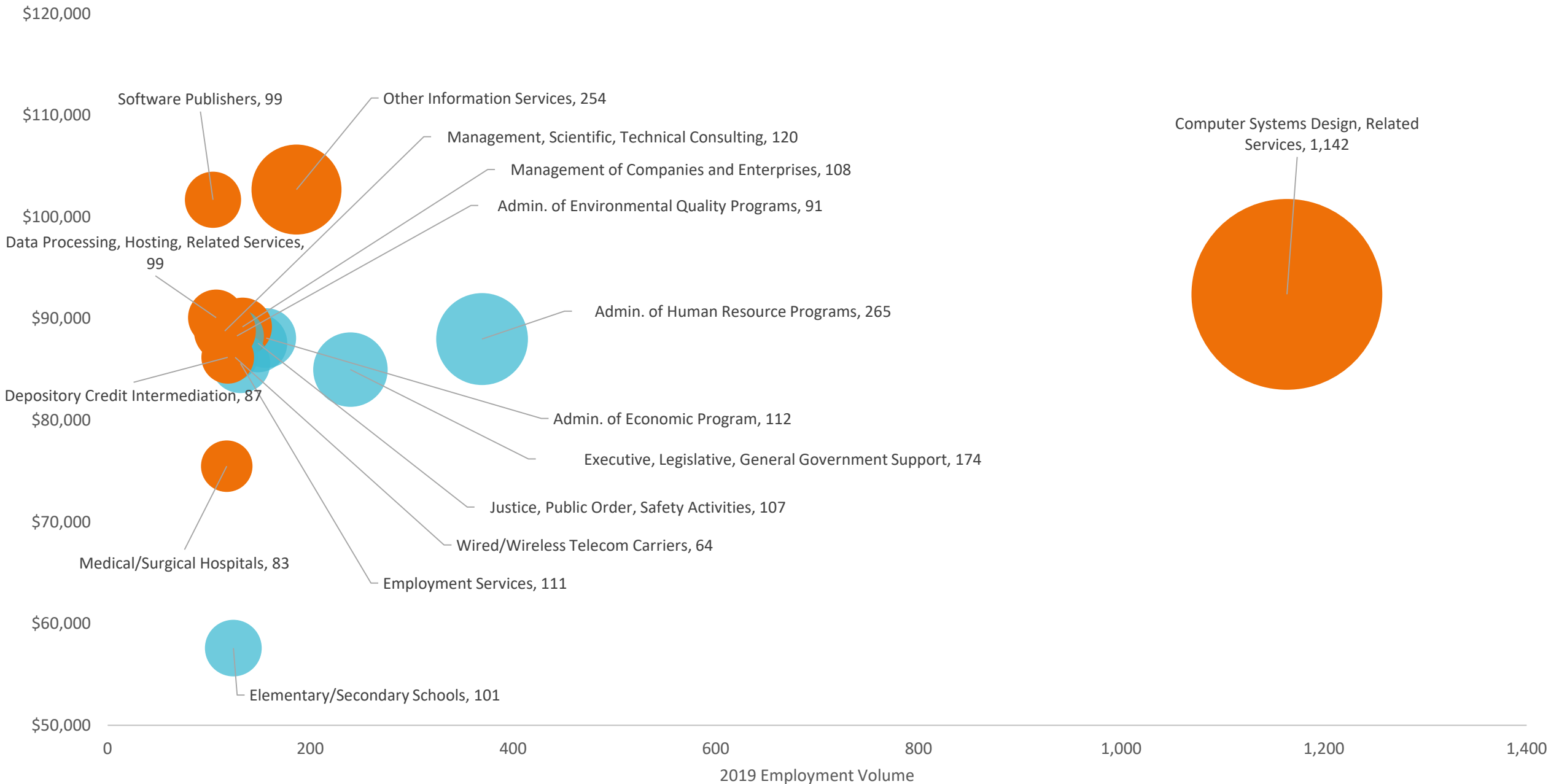
PacMtn: Top 20 Industries for **Management Occupations** by Employment/Average Annual Wage + 10-yr demand forecast, 2019



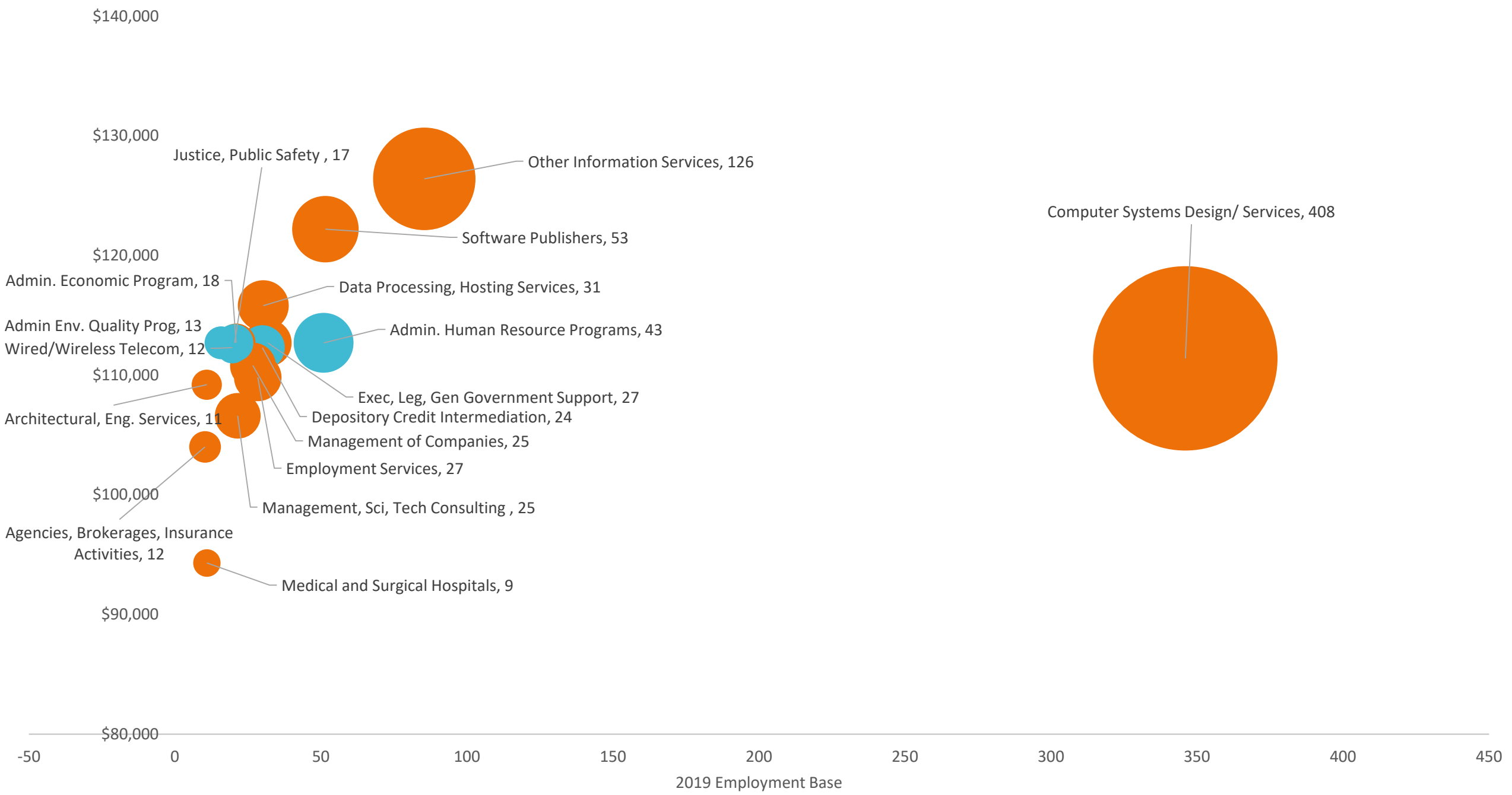
PacMtn: Top 20 Industries for Business/Financial Occupations by Employment/Average Annual Wage + 10-yr demand Forecast



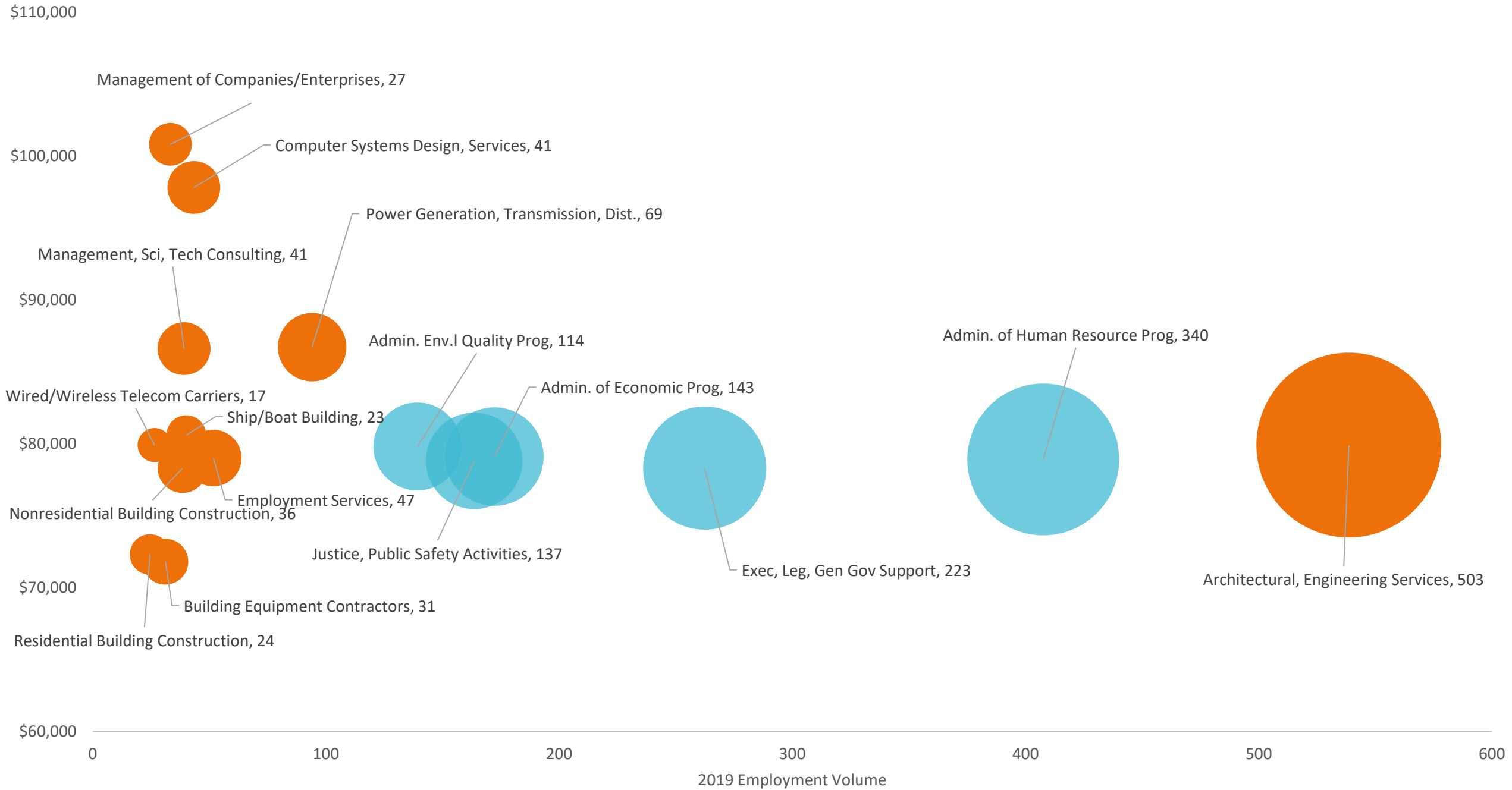
PacMtn: Top 20 Industries for Computer/Math Occupations by Employment/Annual Average Wage + 10-yr demand forecast, 2019



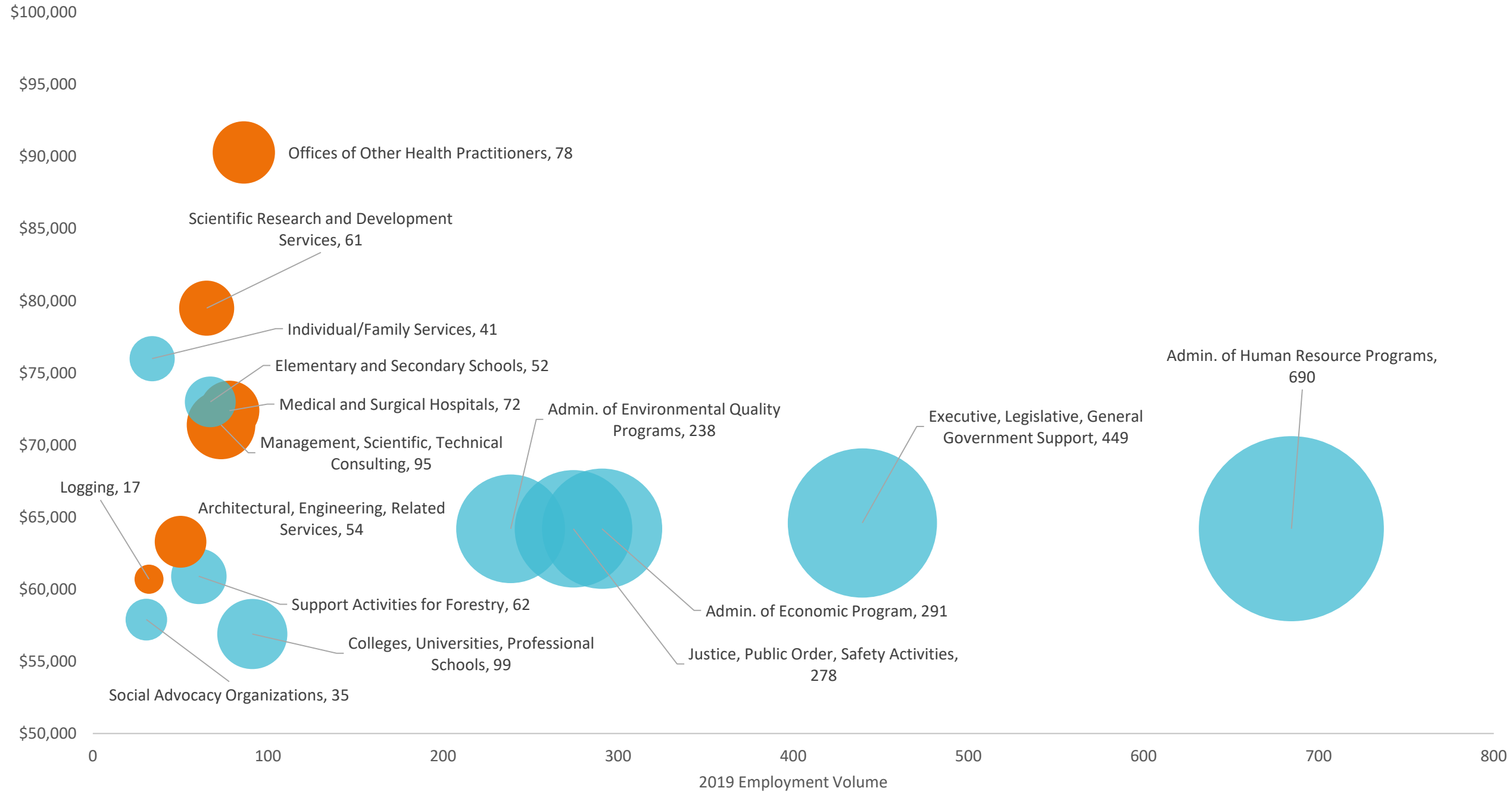
PacMtn: Top Industries for Software Developer/Application Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



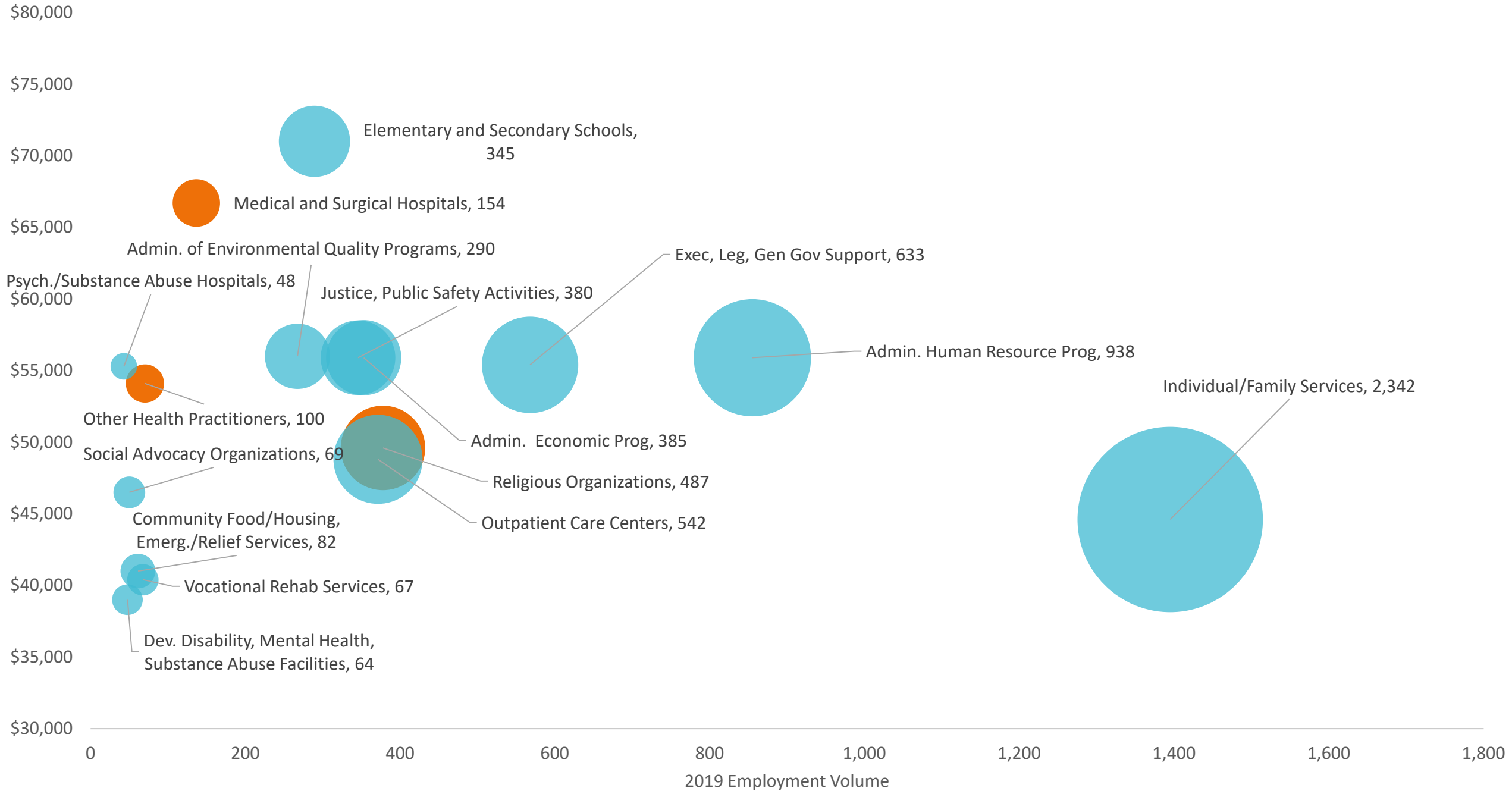
PacMtn: Top 20 Industries for [Architecture/Engineering](#) Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



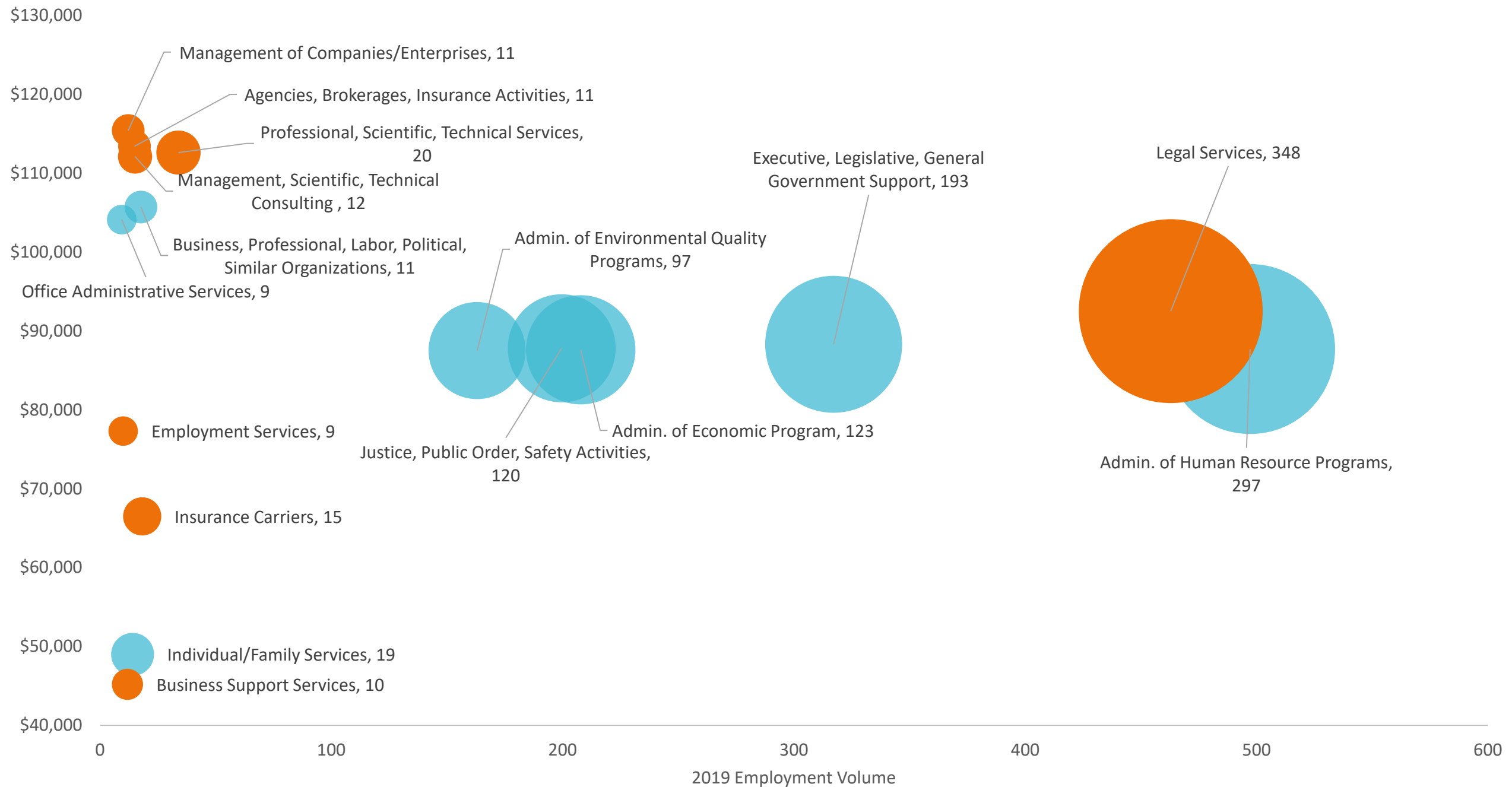
PacMtn: Top 20 Industries for Life, Physical, Social Science Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



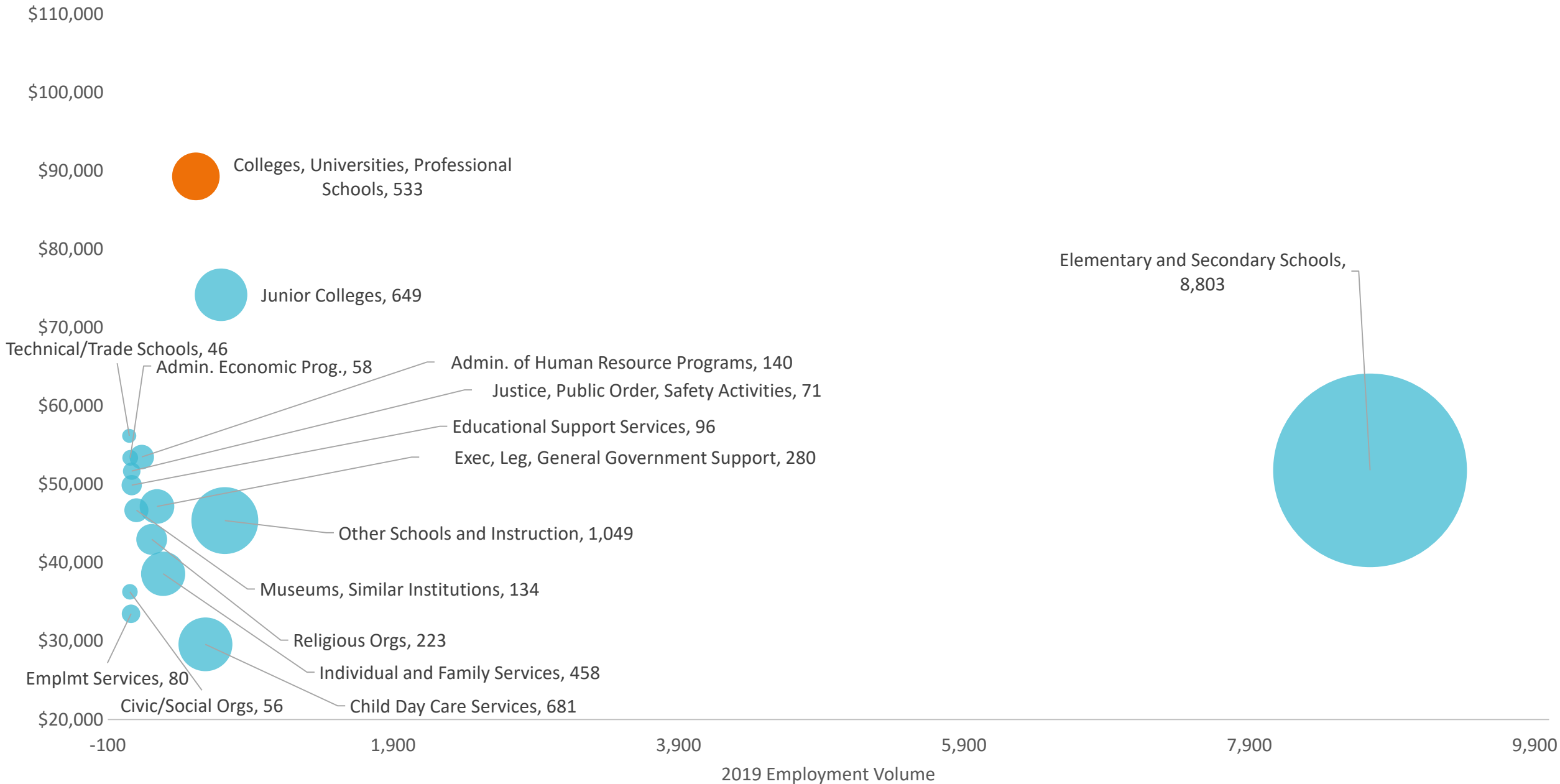
PacMtn: Top 20 Industries for Community/Social Service Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



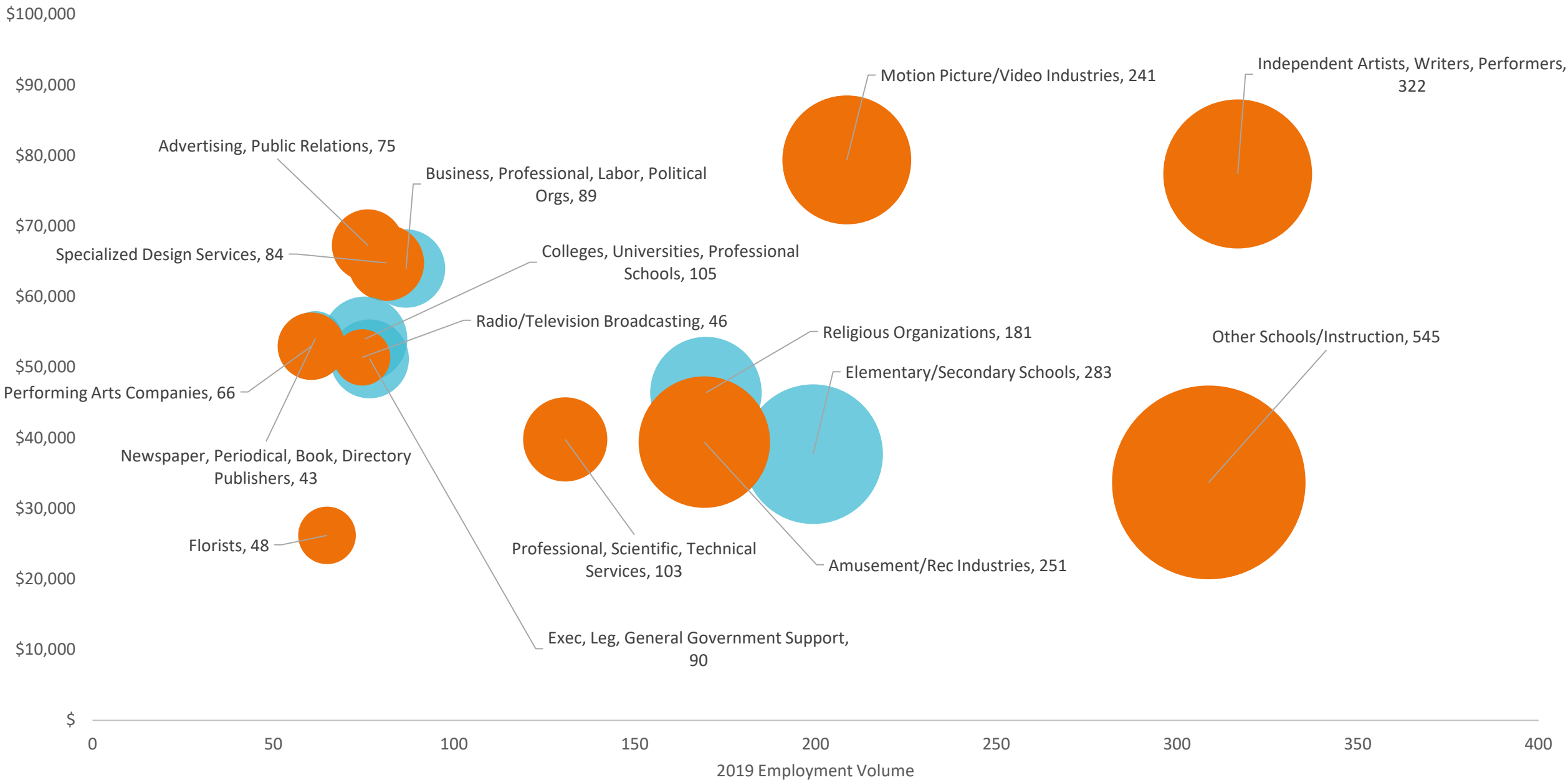
PacMtn: Top 20 Industries for Legal Occupations by Employment/Annual Average Wage + 10-yr demand forecast, 2019



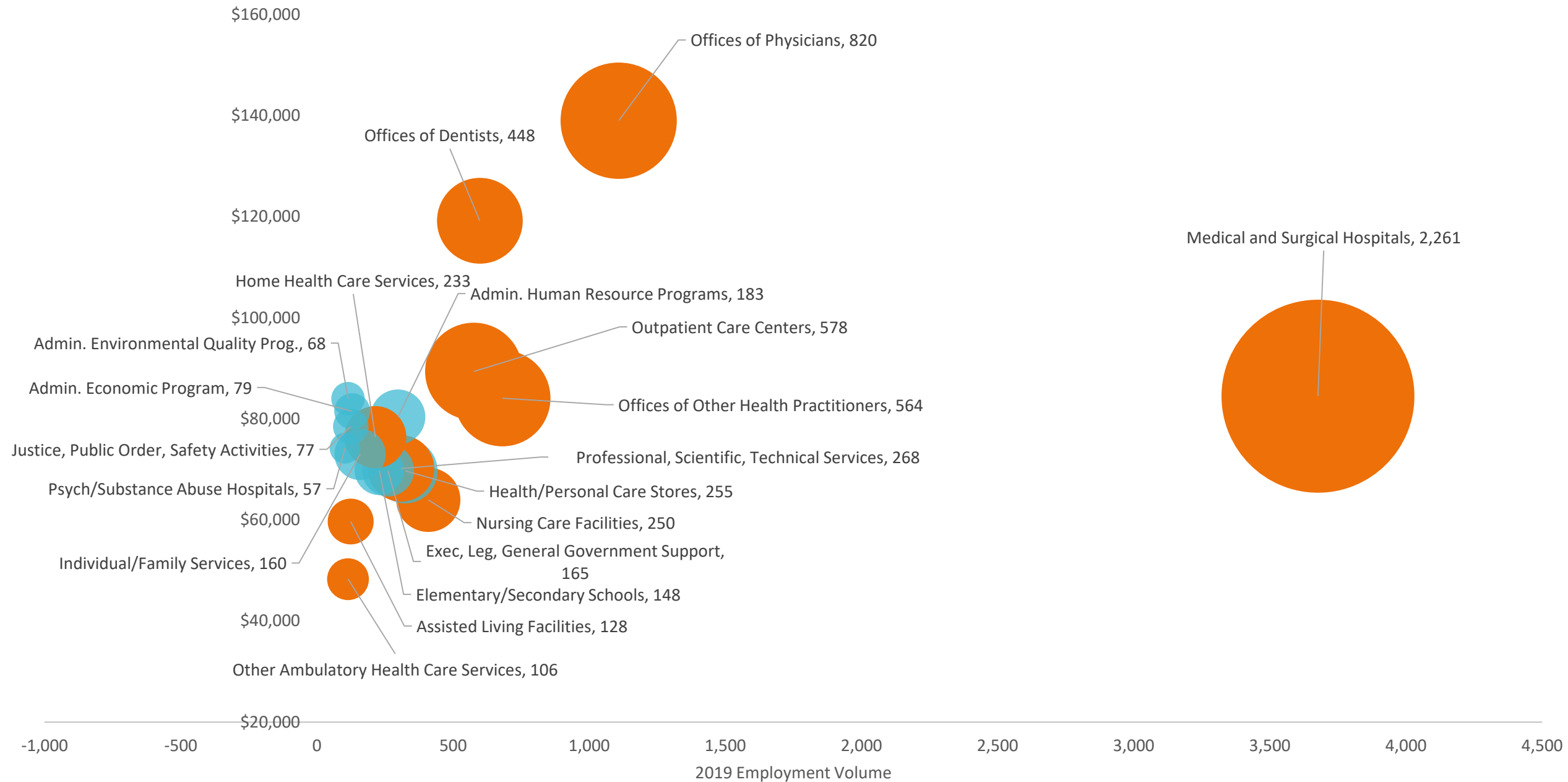
PacMtn: Top 20 Industries for Education/Training/Library Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



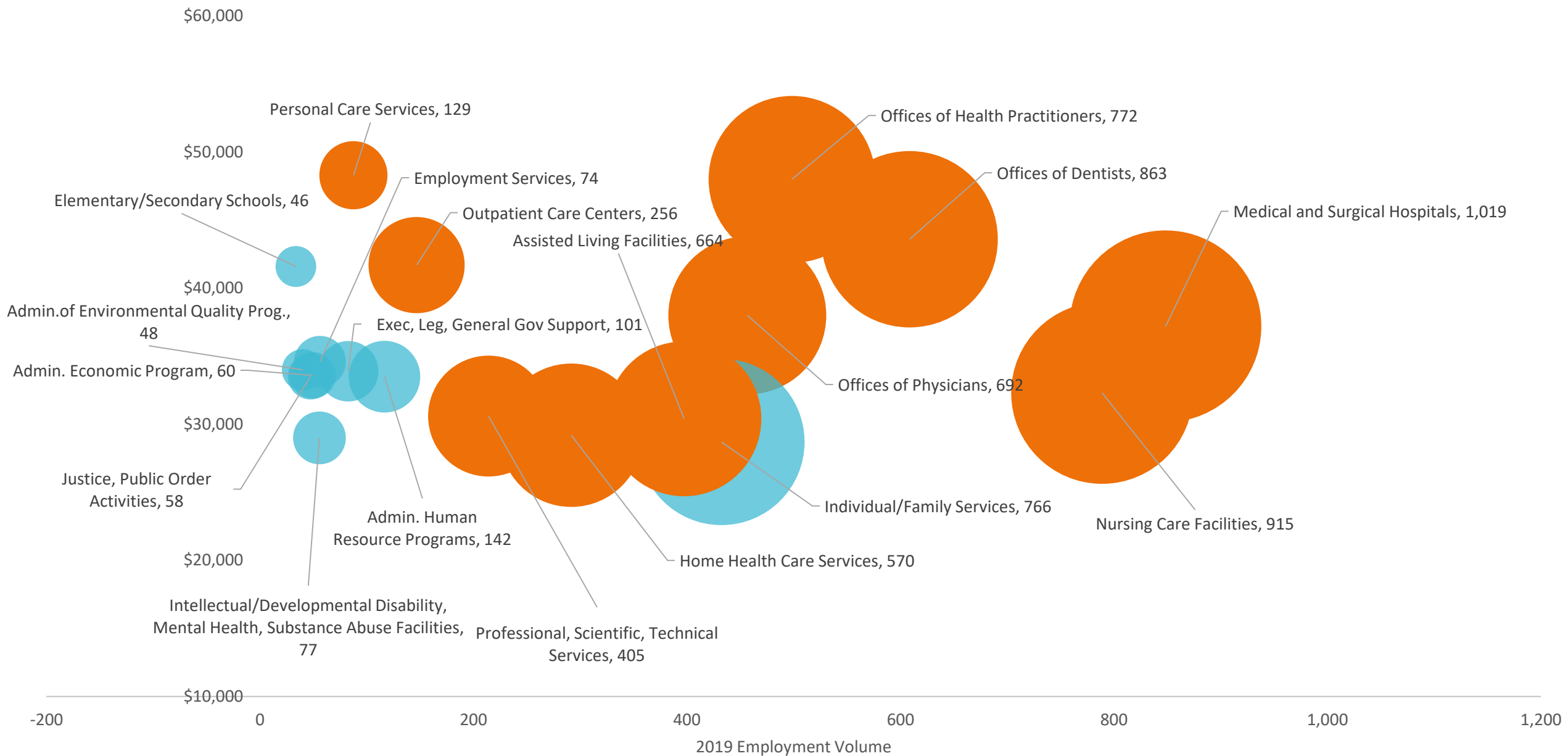
PacMtn: Top 20 Industries for Arts/Design/Sports/Media Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



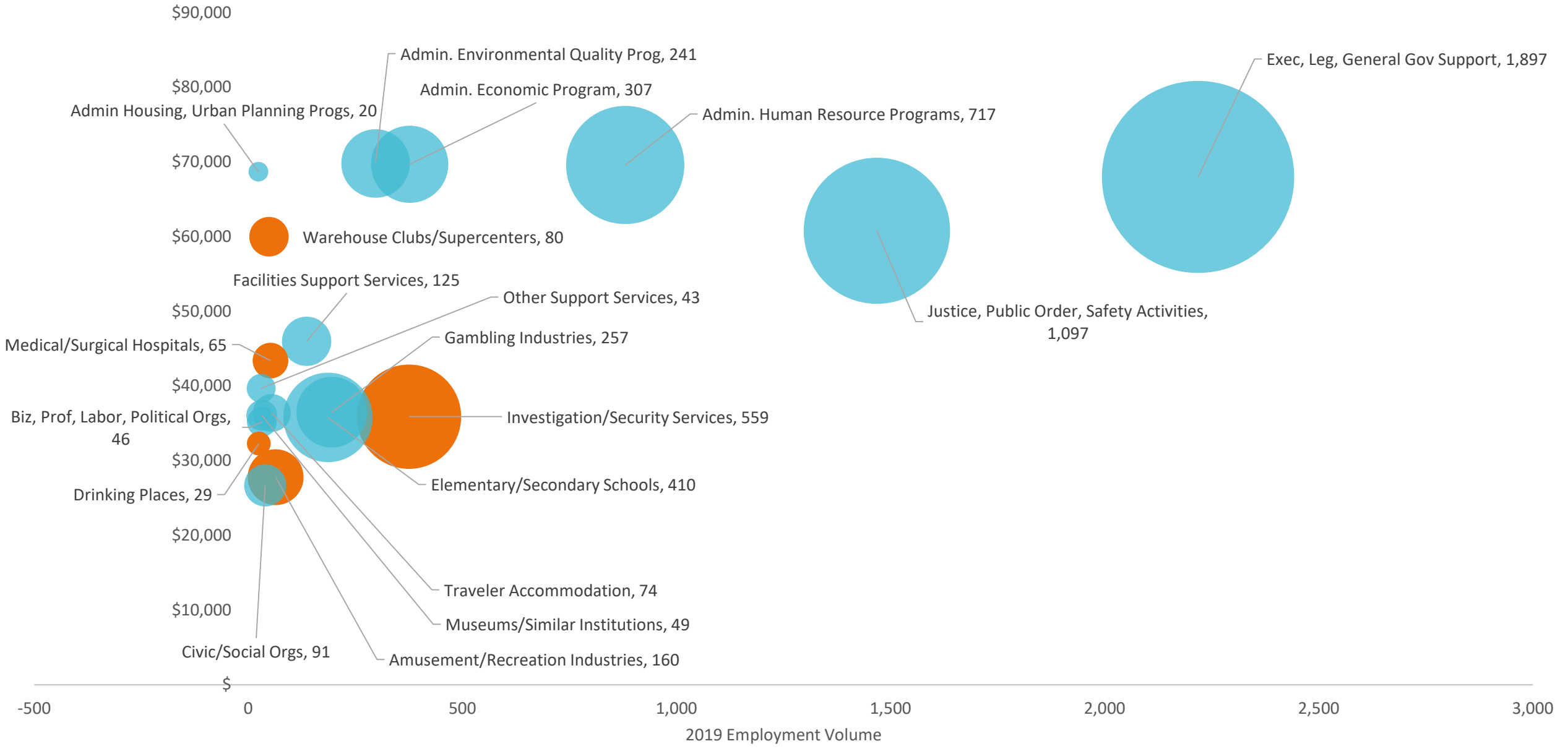
PacMtn: Top 20 Industries for **Healthcare Practitioners/Technical** Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



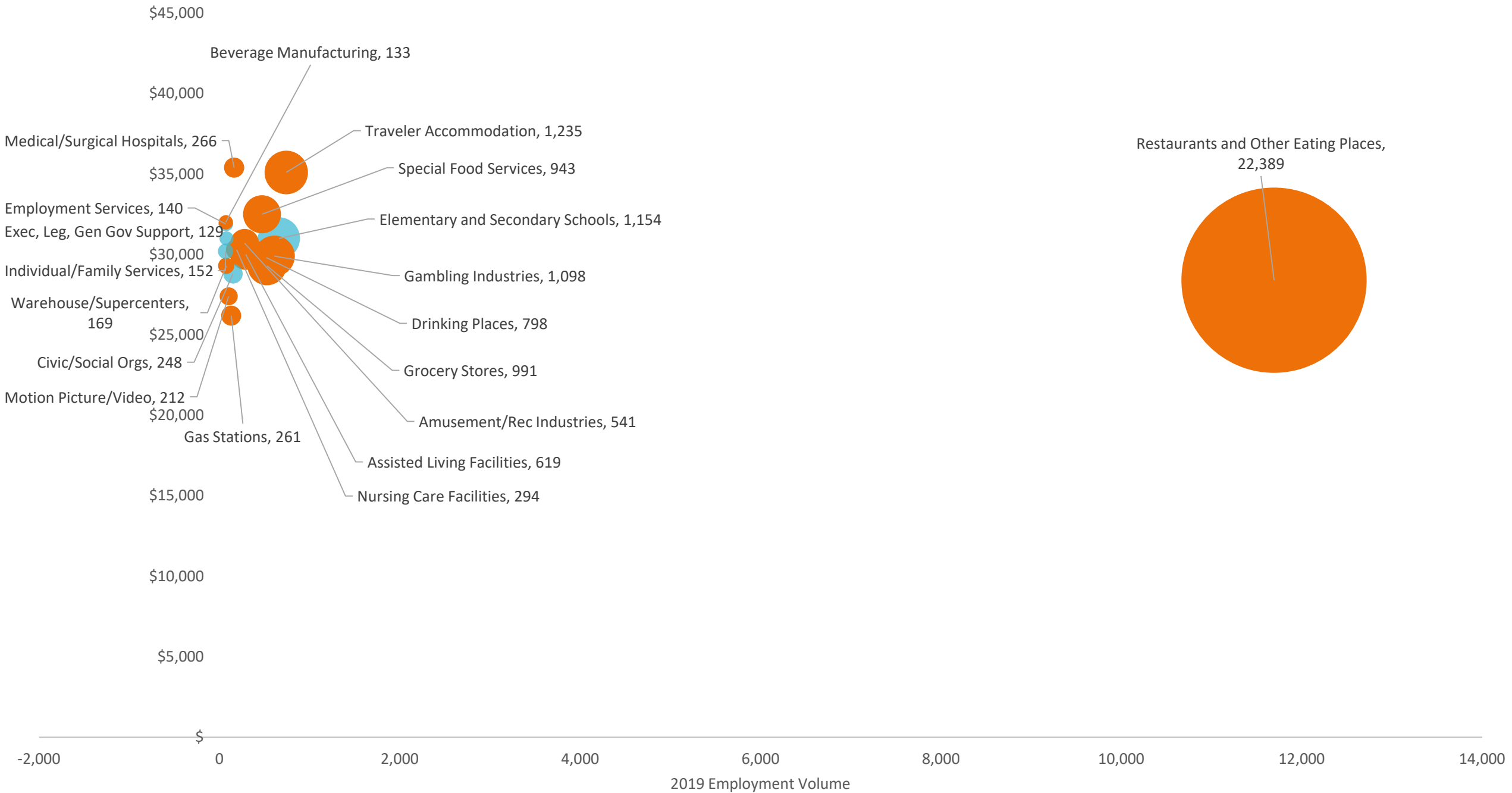
PacMtn: Top 20 Industries for Healthcare Support Occupations by Employment/Annual Average Wage + 10-yr demand forecast, 2019



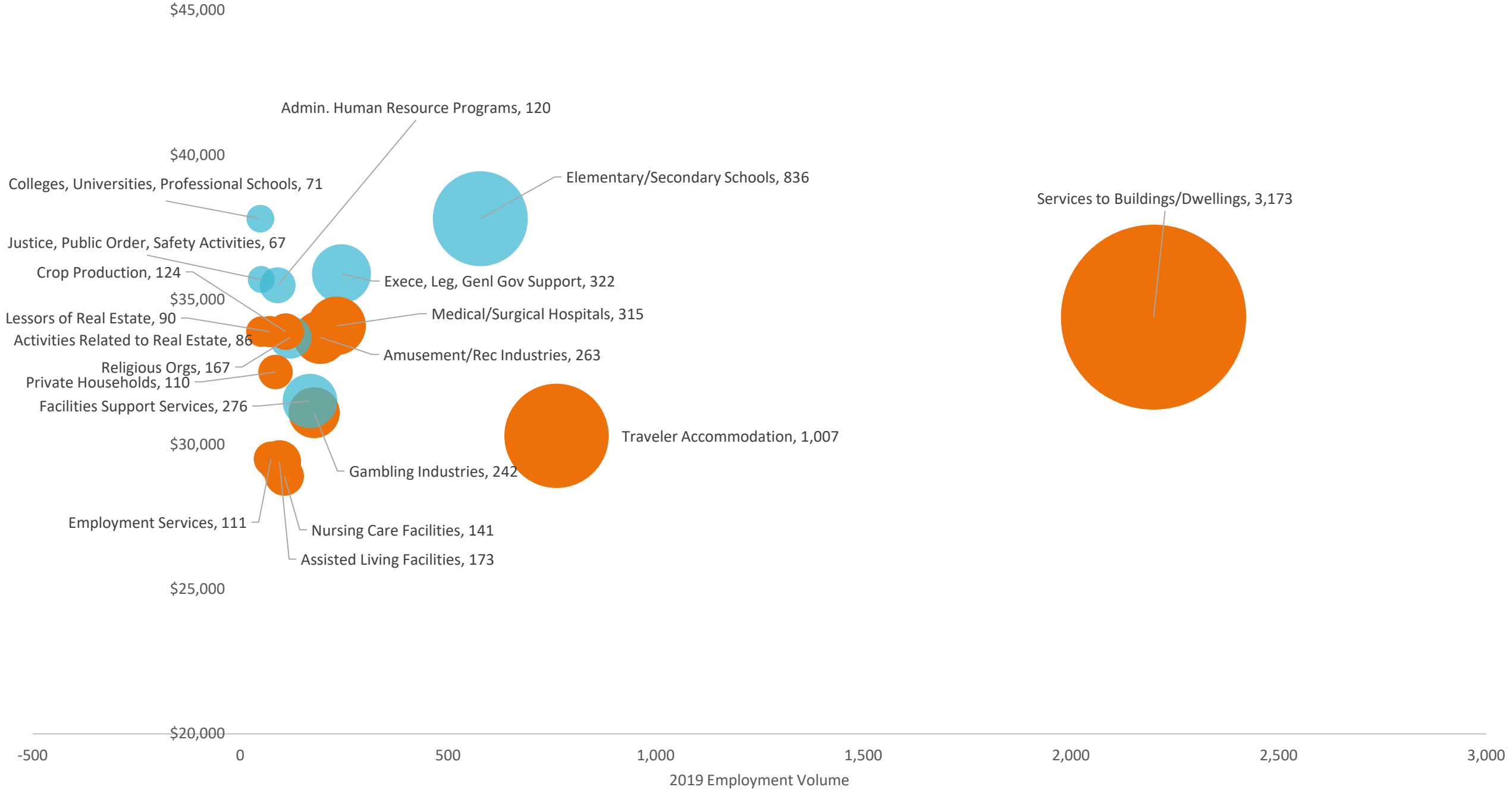
PacMtn: Top 20 Industries for Protective Service Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



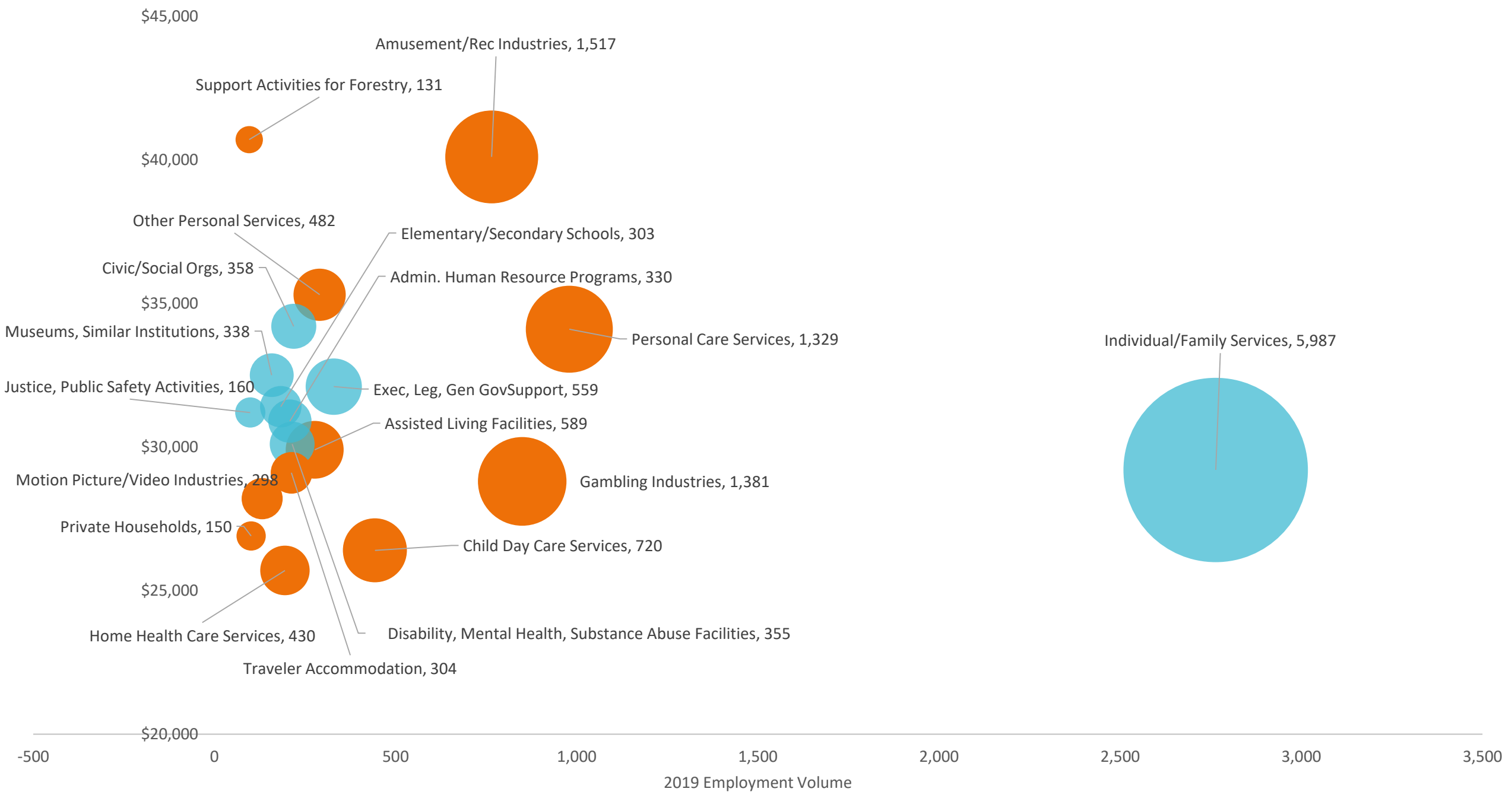
PacMtn: Top 20 Industries for Food Prep/Server Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



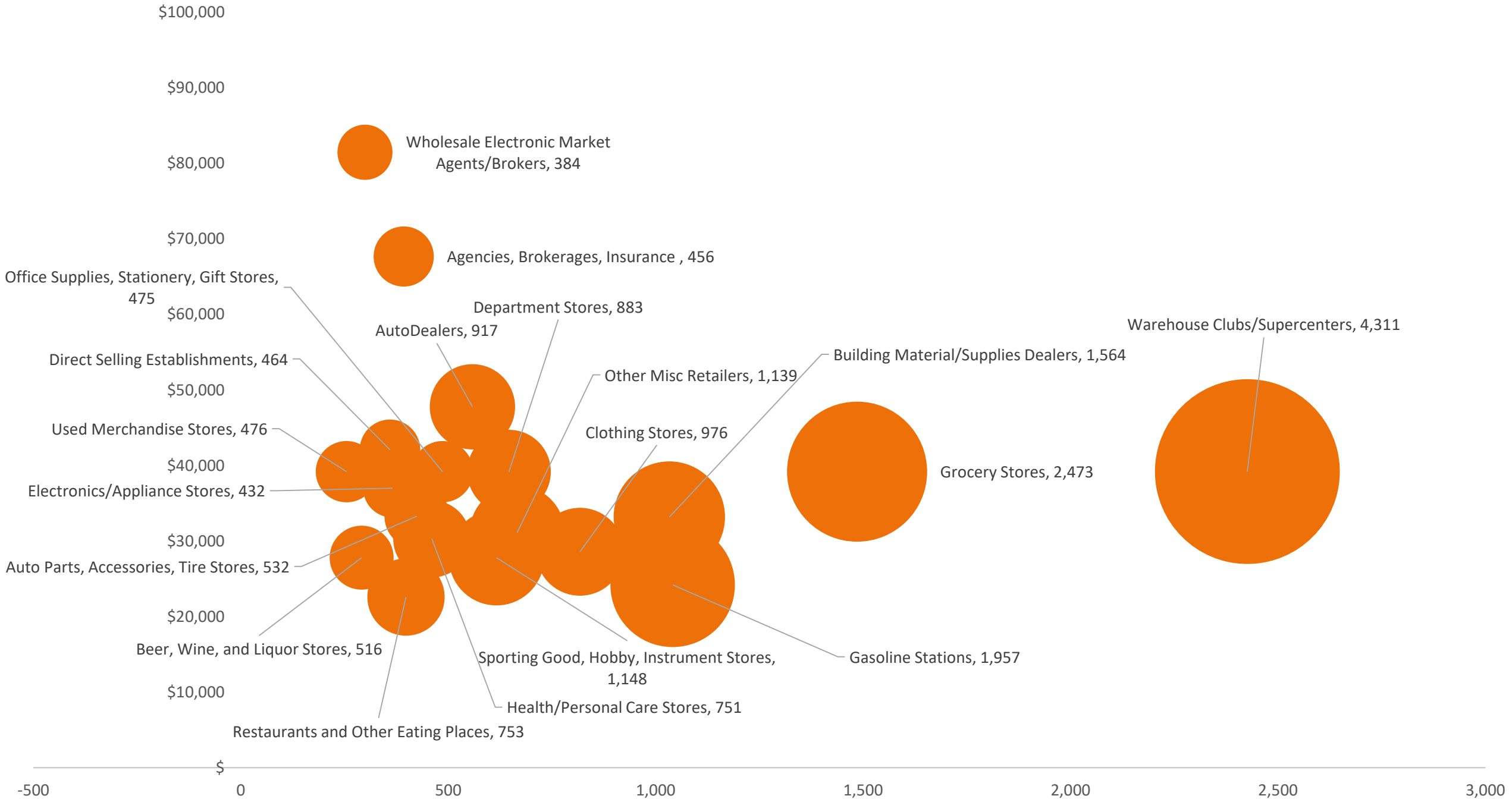
PacMtn: Top 20 Industries for Building/Grounds/Maintenance Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



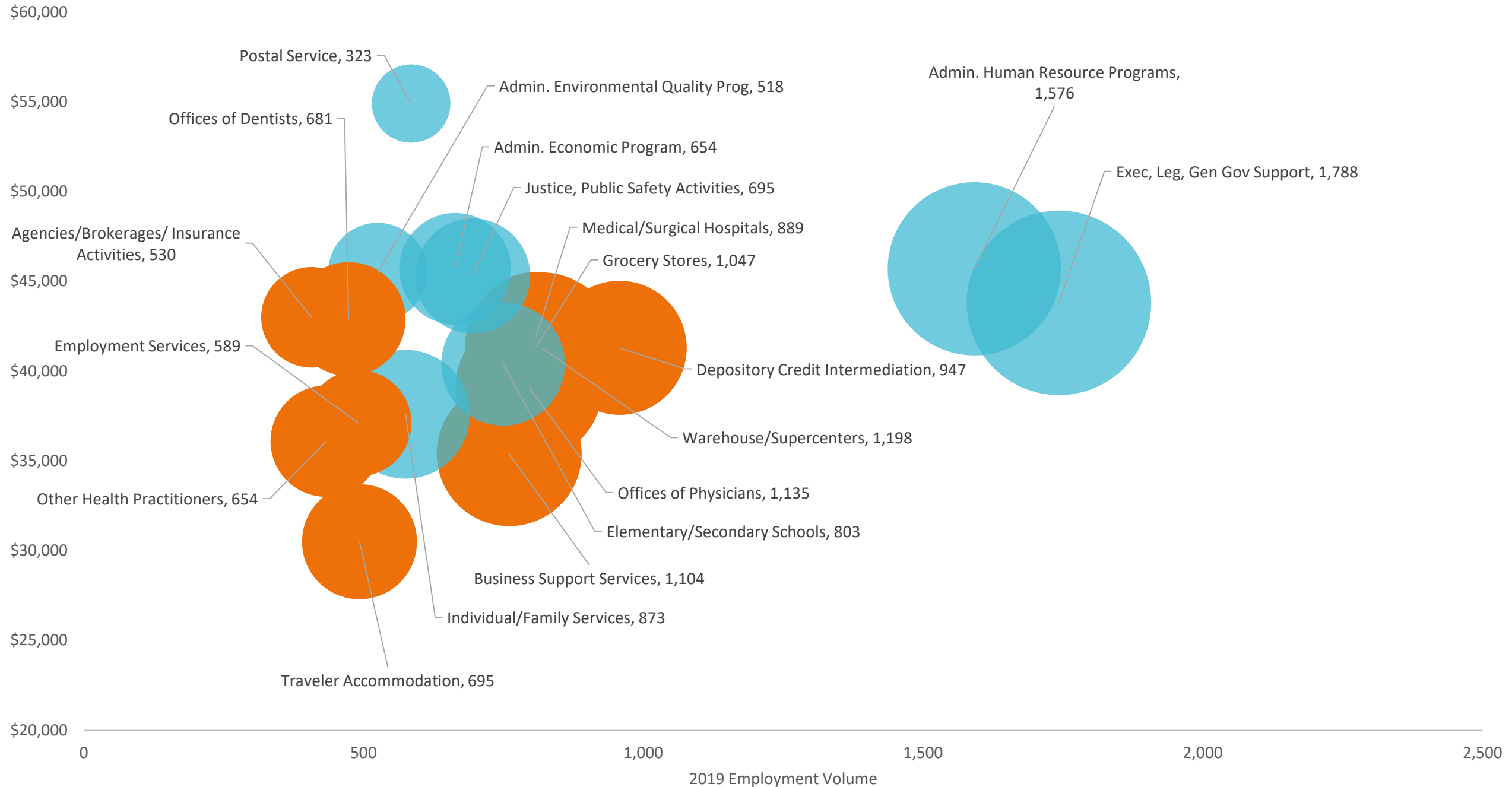
PacMtn: Top 20 Industries for Personal Care/Service Occupations by Employment/Annual Average Wage + 10-yr demand forecast, 2019



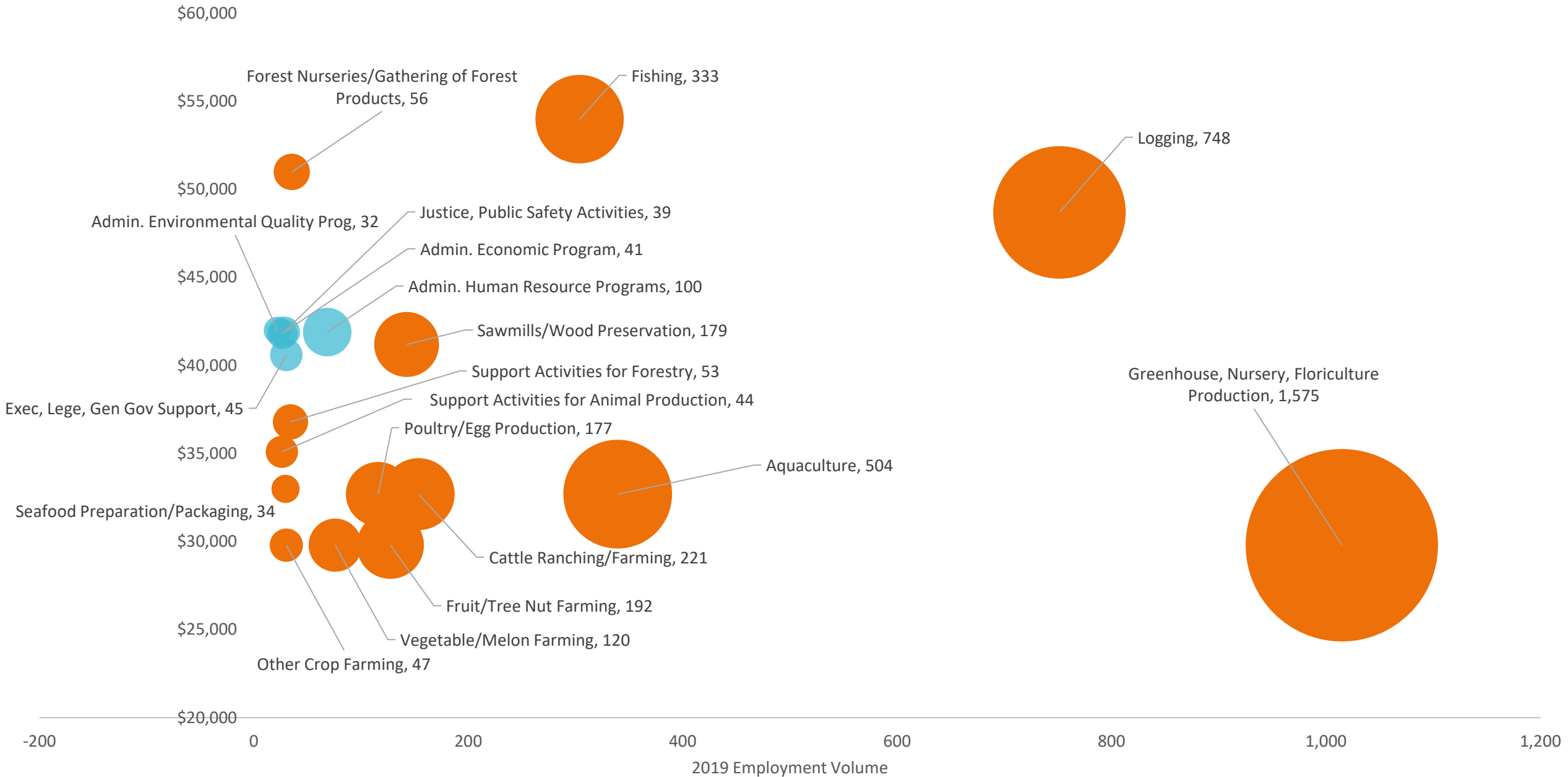
PacMtn: Top 20 Industries for Sales/Related Occupations by Employment Volume/Average Annual Wage + 10-yr demand forecast



PacMtn: Top 20 Industries for Office/Admin Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



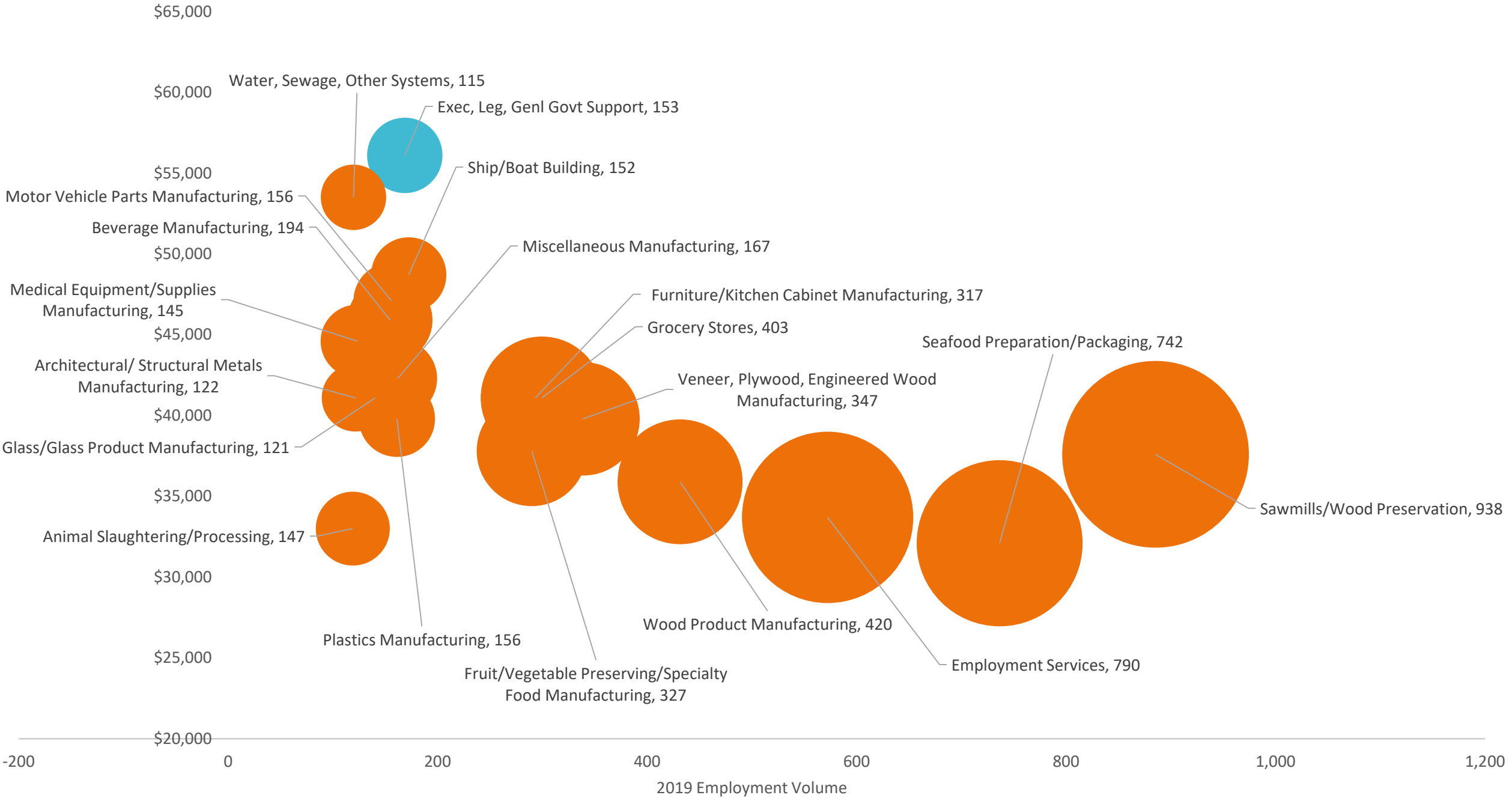
PacMtn: Top 20 Industries for Farming/Fishing/Forestry Occupations by Employment/Annual Average Wage + 10-yr demand forecast, 2019



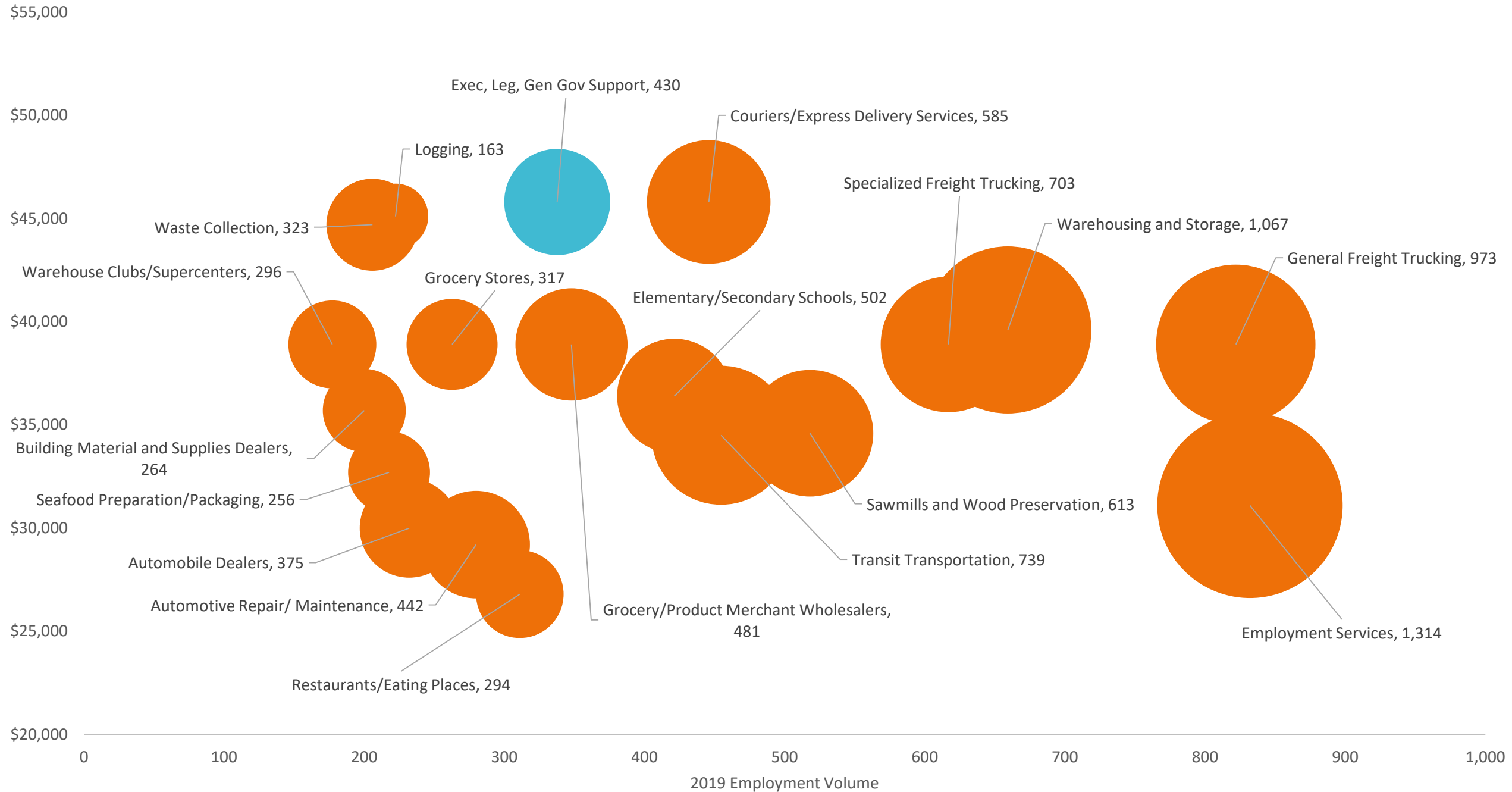
PacMtn: Top 20 Industries for Installation/Maintenance/Repair Occupations by Employment/Average Annual Wage + 10-yr demand forecast



PacMtn: Top 20 Industries for Distribution/Production Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



PacMtn: Top 20 Industries for **Transportation/Material Moving** Occupations by Employment/Average Annual Wage + 10-yr demand forecast, 2019



The Future of Work Task Force



PACMTN WDC Workforce Trends Forum

September 11, 2019

Joe Wilcox and Lewis McMurrin

Future of Work Co-Managers

Washington's Workforce Board

The infographic features a central grey box with the text 'Fourth Industrial Revolution' set against a black silhouette of a house. The house's roof is surrounded by various icons: a satellite dish, a Wi-Fi signal, a magnifying glass over a bar chart, a globe, and a plus sign. The house's walls are composed of a grid of colorful squares, each containing a different icon representing technology or industry, such as a television, a camera, a shield, a server rack, a lightbulb, a washing machine, and a lightbulb. The background is filled with a dense collection of colorful icons and symbols, including gears, speech bubbles, clouds, arrows, and a smartphone, all interconnected by lines and dots, suggesting a complex, interconnected digital ecosystem.

Fourth Industrial Revolution



Million Dollar Question



**How can Washington's
workers and businesses
prosper together?**





Washington in the spotlight

- In the summer of 2018, Washington's Legislature created and funded the Future of Work project to investigate this future.
- It's the first of its kind in the U.S. and puts Washington in the spotlight as a thought leader. This included the creation of a Task Force made up of legislators, business and labor leaders.
- The Task Force was charged with developing a set of policy recommendations that will benefit both Washington's workers and businesses.



Final Report: 2019

- **By December 1, 2019 final report due to Governor and Legislature that:**
- Describes Task Force activities
- Presents a set of recommendations
- Includes a recommendation for research and activities the Task Force would complete if it were to continue beyond sunset date of June 30, 2020.





**Only 9 percent of jobs are
at risk of being
completely displaced.
-OECD 2016**

**Almost half of US jobs are
susceptible to computerization,
according
- Oxford University**



Preparing Washington's Businesses and Workforce for the future.

- The global economy is consistently generating more jobs, but not necessarily prosperity.
- When shifts occur, it's usually lower skilled, less educated workers that lose out.
- Our talent pipeline development systems (education, training, supports) are designed for a bygone industrial economy.
- Government must transform itself to align with transformations in the economy. Preparing businesses and citizens to compete in any economy by seizing opportunities to reskill through a flexible/customizable lifelong career pathway.



Supporting Workers

- Incumbent workforce at most risk of automation, displacement.
- Upskilling, reskilling, retraining, education, entrepreneurship.
- Rethinking the safety net in an era of “gig” and nontraditional work.

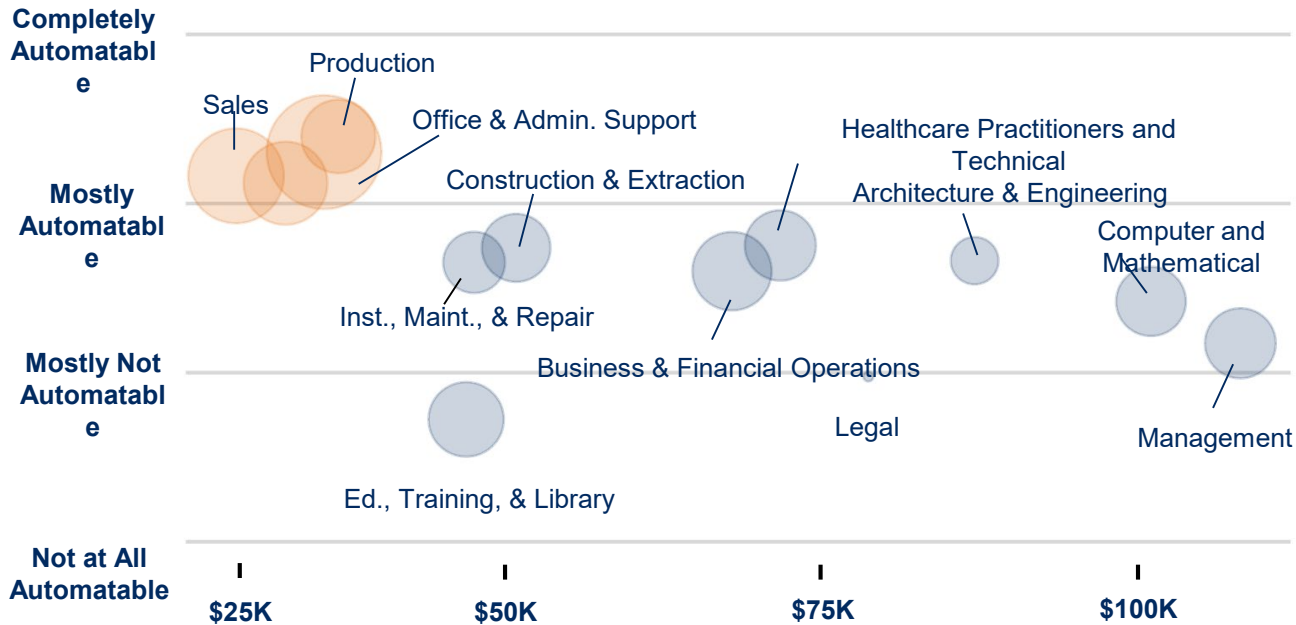


Partnering with Businesses

- Businesses must be incentivized to innovate.
- Businesses have to adopt modern technology to stay competitive.
- Businesses must increase resources devoted to people development.



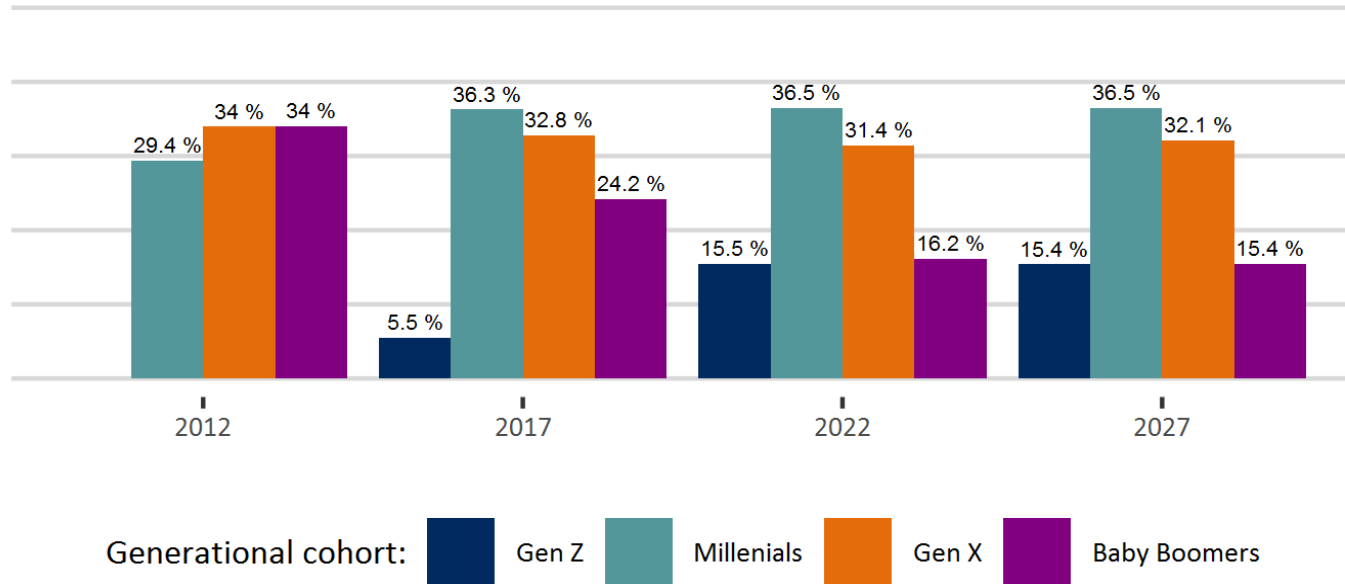
Which Jobs Have the Greatest Capacity for Automation in Washington?



Source: U.S. Bureau of Labor Statistics (2017) and Oxford University, analyzed by Washington's Workforce Board

Note: Bubble size indicates relative size of occupations in terms of number of employees. Orange bubbles illustrate occupations with highest levels of activities most likely to be automated within the occupational group.

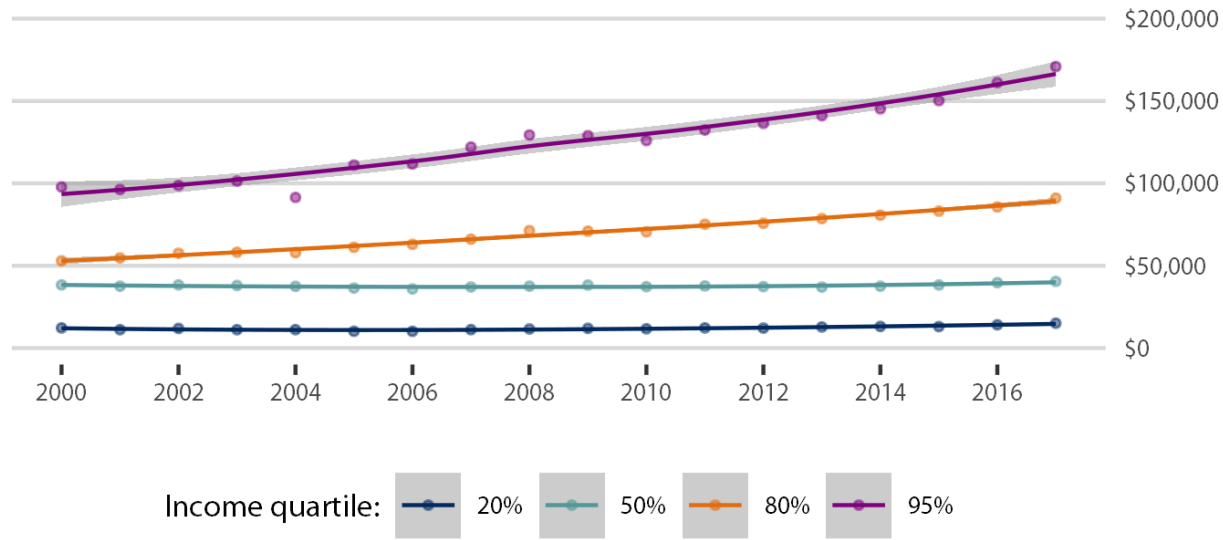
Washington Labor Force Composition by generational cohort



Source: U.S. Census Bureau and WA Office of Financial Management, analyzed by the Washington Workforce Board

Wealth disparity

Washington real annual earnings per person, 2000-2017
by income quartile (in 2017 \$)



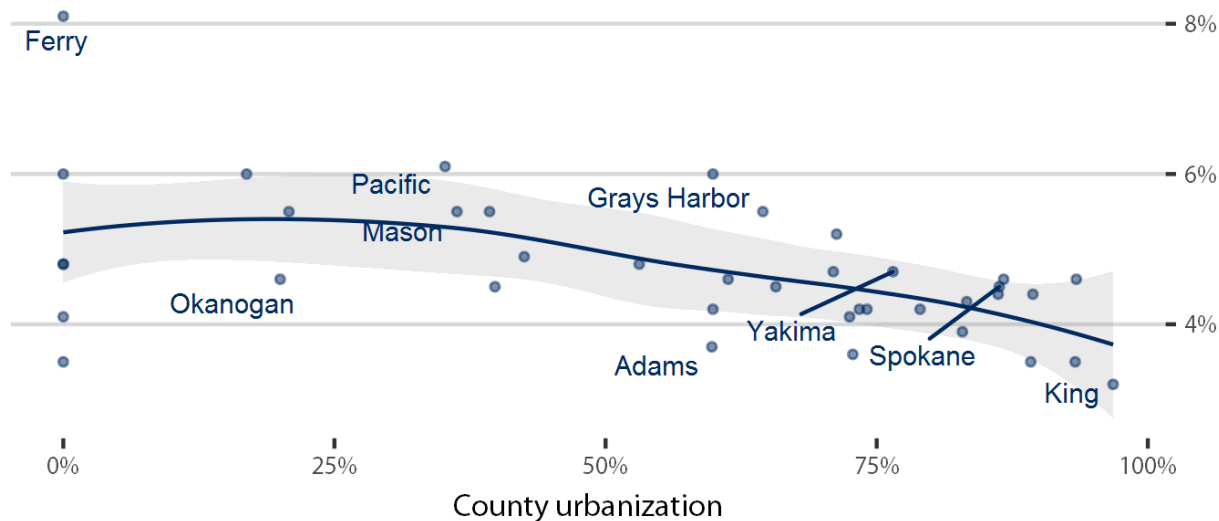
Source: U.S. Census Bureau, analyzed by the Washington Workforce Board



Regional Inequity

Washington unemployment rate, October 2018

by county urbanization (not seasonally adjusted)



Source: U.S. Census Bureau and Washington State Employment Security Department, analyzed by the Washington Workforce Board



Where Are We Now?

FUTURE OF WORK





5 Policy Areas

1. Incumbent Worker Training
2. Use and Adoption of Technology in the Workplace
3. Modernized Worker Support System
4. Improved Labor Market Information and Credentialing Transparency
5. Equal Access to Economic Development Resources



Policy Area – Incumbent Workers

- Seeking \$25 mil for 2 years for incumbent worker training – retraining and upskilling current workforce is most critical factor in “future of work” scenarios. Public resources necessary.
- Extend customized training program/tax credit/job skills program – helps business offset costs of training.
- Allow those seeking adult basic education to be eligible for state financial aid.



Policy Area – Use/adoption of advanced technology

- AI, automation and robots are coming quickly and will be disruptive.
- Use of AI in the workplace has many implications across organizations that will require all kinds of adaptation.
- Workers need to be prepared and brought into the conversation, from both a “cultural” and implementation standpoint.



Modernized Worker Support System

- Public and private worker support and benefit systems created during previous industrial eras.
- “Event” based public benefits system; eligible if one loses job or gets injured.
- Nothing seamless or portable that helps manage life’s ebbs and flows.
- Lifelong learning accounts and portable benefit structures emerging to support workers throughout work/life cycles.



Improved Labor Market Data/Credential Transparency

- Businesses use college degrees as “proxies” for qualifications.
- Workers need better “signals” to know what skills and education are really required and in demand.
- Labor market data much improved but scattered.
- Credential standardization is one way to create better labor market data and signals to business and workers.
- Adding occupation field to unemployment reporting improves data collection, ability to report.



Equal Access to Economic Development Resources

- Rural areas of Washington have steeper barriers to economic/workforce development than urban areas.
- Robust broadband internet still not ubiquitous across state but moving in right direction.
- Employee ownership and cooperatives are proven methods to keep businesses viable.
- Use libraries more for community training/education hubs.
- Develop networks and capacity for businesses to adopt new tech/processes with engineering/business depts. of state's colleges.



Thank you!



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