

LMI Advisory Group
Thursday, July 15, 2010
Meeting Minutes

Attendees

Dan Blake	CSU Northridge
Peter Cooper	CA Labor Federation Workforce Development Department
Richard Della Valle	Economic Workforce Development, CCC
Gino DiCaro	CA Manufacturing Tech Association
Naomi Hamamoto	EDD
Laura Harris	California Employment Advisory Council
Warren Jensen	CSUC
Vicky Lovell	California Budget Project
Karolina Maligna	CA Workforce Association
Jill McAloon	Employment & Training Panel
Beverly Odom	CA Workforce Investment Board
Rick Partridge	EDD
Dennis Reid	BLS
Brian Sala	California Research Bureau
Devla Singh	CWIB
Benjamin Wachman	CSUC
Justin Wehner	CA Governor's Office of Economic Development
Stacy Wilson	CPEC
Chuck Wiseley	COCCC

LMID Staff

Graybill, Bonnie
Jackson, Terilyn
Ruiz, Esther
Salinas, Andrea
Saxton, Steve
Solorio, Cynthia
Styron, Fran
Wong, Spencer
Wong, Trisha

Welcome

Steve Saxton:

- Cynthia Solorio is going to be leading the LMID Advisory Meeting today. Judi McClellan will be hosting the next Advisory meeting.
- Bonnie will be retiring at the end of this year.
- Six months ago LMID committed to hire 40 employees and graduate student assistants, in response to increased workload and additional grant funding. We haven't been able

to hire that many thus far, but continue to interview. Human Resources have developed a new program to make hiring easier – more tests online.

- LMID news:
 - Bill in the Legislature that would have LMID assess the workforce needs associated with CA High Speed Rail
 - Finalizing the initial Green Survey report
 - Putting together an application for Department of Labor – opportunity for \$1 million grant for a longitudinal employment data base to examine the educational records of students and their career outcomes. What are the outcomes they experience once they leave school?
 - Department of Labor Green Jobs grant—among the components is improved green jobs analysis – will contact employers for further analysis.

Review of the minutes-no changes were mentioned

Update on Green Jobs by Bonnie Graybill (refer to PowerPoint presentation)

- Staff has made recommendations to improve the Green Economy website
- Green Survey concluded that there are 433,000 green jobs in California
- Manufacturing has the greatest number of green jobs in California, based upon survey responses
- **Question:** Every new campus building is being LEED certified, is it the same with commercial buildings?
- **Bonnie:** Heavily in education side, there is an increase in commercial side but not every area is the same
- **Question:** How did you select the sample?
Bonnie: We selected a random stratified sample, with the assistance of a BLS sampling expert. All size classes, all industries, all geographic locations (omitted household employment) were sampled. Final results weighted and then benchmarked the responses for a full economy picture.
- Regional distribution of green jobs:
 - 9 economic strategy panels.
 - “Other” category included respondents who reported for a broader area than initially selected for in the sample—statewide or multi-area
- **Question:** Would it make more sense to distribute the share of green jobs in the different regions by proportion?
Steve: see the graphic that displays overall employment share to green jobs share
- **Question:** When you survey ERs, how do you ask whether they have green jobs?
Bonnie: We asked them, “Do you have employment in these categories (lists in detail the categories and descriptions)?” and we provided our definition of GREEN.
Steve: We asked do you have people who do these things? Not “do you have green jobs.” Perception is very important because employers must determine whether their employees are performing green jobs
- **Bonnie:** At a national level, BLS has put out a Federal Register notice proposal to count green jobs. BLS definition is similar to our GREEN definition, but they have additional aspects related to revenue associated with green products or services. This proposal is

set to begin in 2011, publish in 2012. This will be part of the annual re-file survey. There is another Federal Register notice about how they will collect information about green occupations and practices. Now is the time to make comments about the future survey work. Comments are due before August 30, 2010.

- **Steve:** There are not that many companies that are considered completely green. There are jobs that are doing green practices.
- **Dan Blake:** The proportion of green jobs seems to follow the agricultural sector.
- **Steve:** We have included analysis that breaks down the data further.
- **Bonnie:** The greatest concentration of green jobs is in the utilities.
- **Peter Cooper:** It will be good to have information on green certification in future surveys.

Sustainable Practice Benefits:

- **Fran:** Sustainable practice benefits – some employers reported multiple reasons for green practices. There is some inconsistency between the paper and online survey in terms of how we counted multiple benefits. The online survey required them to choose one; some employers checked multiple boxes on the print survey, and that was recorded under “other.”
- **Comment:** Employers will be more willing to do green practices if they know the benefits of these practices
- **Question:** What if you ask what the benefits are to the state with sustainable practices? There is a need for better marketing of these benefits!
- **Bonnie:** The information about the benefits and incentives is available on the internet, for example on the Cool California web site, but you have to look for it.
- **Comment:** Employers will respond differently depending on how the question is worded.
- **Comment:** Large corporations look for the economic benefit to them. Environmentally beneficial is not a compelling reason to do sustainable practices.
- **Comment:** Maybe the timing of the survey had an impact on the survey responses.
- **Bonnie:** We highly recommend that people submit comments to the Federal Register notices. BLS has a website with the Federal notices at www.bls.gov/green/

CA Manufacturers & Technology Association (CMTA): Presentation of LMI Data Uses – Gino DiCaro (refer to PowerPoint presentation)

- Gino thanked Bonnie and the LMID staff for providing data when he asked for it
- CMTA represents 700 manufacturing companies. The Association has 20 staff members and 5 lobbyists.
- Purpose of first graphic is to try to prove that California is losing manufacturing and high wage jobs
- **Comment:** The manufacturing sector looks like it is a driving force to the loss of jobs in other industries and a primary reason the recession and state budget woes are worse in CA
- Manufacturing can't compete in California with other states – high cost of utility, labor costs, etc

- Prop. 23 – CMTA is proponent of proposition to suspend implementation of AB 32 until unemployment decreases to 5.5% for 4 consecutive quarters – Gino mentioned this is not unreasonable to do for California
- **Comment:** If you go before Jan 1996 you will not find any time where unemployment was below 5.4 %.
- **Comment:** CA Labor Federation has voted to oppose Prop. 23
- **Question:** What can California do to keep manufacturing or grow manufacturing with all these green technologies that are available?
- **Gino:** Have the state do economic/job impact analysis for the long term with proposals such as AB 32.
- **Question:** Are you advocating for national energy policy?
- **Answer:** No we are just state related. We could get behind a national policy.
- **Answer:** Gino will send a new version of the presentation to be uploaded on the website.

EDD HWOL Workgroup – Marla Harper (refer to PowerPoint presentation)

- LMID tested the WANTED tool on a trial basis and purchased 5 licenses this year
- **Question:** What geographic locations are available with the tool?
- **Answer:** City, county, MSA, and zip code
- **Question:** Have we (in last 15 yrs) tried to inquire if we can collect an occupational code from employers? (Note: in the past LMID recommended a change in the data collection process to include detail about the job and occupational code in employers' tax reports. Business and tax programs opposed this at the time indicating that it was a reporting burden for employers.)
- **Comment:** It is happening in other states.
- **Spencer:** That time maybe coming closer.
- **Bonnie:** We are not collecting it at this time. Employers say that it is a burden to provide it
- **Spencer:** If we collect that information, we are going to get it through tax reports. If employers are required to report this, it may delay the reporting.
- **Comment:** Back in the 1990s, one of the biggest cost elements was the coding occupations. Costs have decreased since the computerization of data collection.
- **Spencer:** One of the biggest costs with the Occupational Employment Statistics survey is the coding of occupations and the manpower to do this.
- **Question:** Any ideas for useful products/services we can offer using the information we can gather using the HWOL tool?
- **Answer:** We want the one stops career counselors to be knowledgeable about the green jobs.
- **Comment:** Is there a way to let WIBS know that this product is available to pull green jobs data. A format specific to green.
- **Bonnie:** We have to find a balance between making the software useful to others instead of having staff devoted to data mining HWOL. Eventually there will be a filter for green jobs—we are testing a beta version that filter right now. As we mentioned this

morning there are multiple definitions of green. We will not know how effective this filter is until we get to use it.

- **Bonnie:** Willing to put the community colleges in contact with the Conference Board to explore a license they can test to use the application as well.
- **Cynthia:** Now that you have seen how the information is used, please think about how the data can be used and send us your ideas.

GoED Overview - Justin Wehner (refer to PowerPoint presentation)

- Governor's Office of Economic Development (GoED) was created to streamline state services to economic development.
- Created based on recommendations of the Little Hoover Commission
- GoED consolidated the economic development entities formerly in the former Trade & Commerce Agency, and then distributed among a number of state departments
- Goals include creating jobs, generating revenue, improving standard of living
- California Business Investment Services (CALBIS) – assistance expansion, attraction, and retention of high-value job generating business investments
- How do businesses know how to contact CALBIS?
 - They are working to fill the gap and increase their visibility so businesses know they are the point of contact.
 - Units are mainly in Sacramento; however there is an office in San Francisco, and Los Angeles. The staff members travel frequently to areas around the state.
- **Comment:** it would be interesting to link between the California Workforce Investment Board clusters of opportunity (industry) planning and GoED.
- **Question:** How does GoED help business with the CEQA process? GoED attempts to facilitate the process as requested.
- The GoED Innovation team is working to secure a permanent source of funding for the designated iHubs
- **Question:** Were additional funds used to bring these entities together?
- **Question:** How permanent is this organization going to be?
Answer: Unsure about the future of the organization
- Size of the GoED office is about 20-25 staff

Brief unscheduled presentation on California Employment Projections, to be released in July – Charles Daniel and Mark Shelton

- LMID staff has just completed short term employment projections for 2009-2011 and long term employment projections for 2008-2018, both for California.
- Short term projections are prepared for the state only, and updated every year.
- Long term projections are prepared for the state every two years, following the release of national projections.
- Sub-state long term projections are prepared over two years, beginning with the largest metropolitan statistical areas.
- **Charles Daniel:** Sub-State industry projections will begin to be released in early Fall 2010.

- **Questions about our forecast related to health care occupations, given the health care reform bill.**
Steve: It is difficult to forecast the employment changes related to the health care reform bill at this point in time. Too much is unknown.
- **Bonnie:** Overall forecasted projections trends – assuming a half percent growth per year in the short term, just under 1% growth per year in long term
- **Question:** How much is the perception of the economy affecting the projections?
Answer: The projections methodology takes into consideration a variety of economic models, historical trends, and input from experts. We use a standardized national projections tool required for all states.
- **Steve:** We assume a U shaped recovery: it will be some time before the state will see any substantial growth
- **Bonnie:** We are out of the trough but the recovery will be slow
- **Spencer:** Projections are based on the best information that we have at the time
- **Mark:** Total jobs forecasted to be gained in the 2009-2011 projections period are only a percentage of jobs that were lost in the previous two years. Most of the job growth is forecasted to be in job replacement.

Wrap Up/Closing Comments/Next Agenda

- Paul Wessen was not in attendance due to press release on Friday. We missed him!
- **Next meeting: October 28, 2010**

Agenda: (Cynthia...)