

Digest of the Labor Market Information Advisory Meeting

Title	<i>LMI Advisory Group Meeting</i>																																																											
Date	Thursday, November 5, 2015																																																											
Time	1:00 PM to 4:00 PM																																																											
Organization	CA EDD Labor Market Information Division (LMID)																																																											
Location	750 N Street, Aspen Room Sacramento, California 95814																																																											
Meeting called by	Spencer Wong, Division Chief, LMID																																																											
Facilitator	Angel Rodriguez, Regional Analysis Support Group (RASG) Research Manager I, LMID																																																											
Attendees	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Adams, Gary</td> <td style="width: 33%;">California Community Colleges Chancellor's Office (CCCCO)</td> <td style="width: 33%;"></td> </tr> <tr> <td>Bader, Martha</td> <td>California Labor Federation (CLF)</td> <td></td> </tr> <tr> <td>Bravo, Carlos</td> <td>California Workforce Investment Board (CWIB)</td> <td></td> </tr> <tr> <td>Coleman, Laura</td> <td>Employment Development Department (EDD), Orange County</td> <td></td> </tr> <tr> <td>DiCaro, Gino</td> <td>California Manufacturers & Technology Association (CMTA)</td> <td></td> </tr> <tr> <td>Gjerde, Tom</td> <td>CalHR, Survey Unit</td> <td></td> </tr> <tr> <td>Hoig, Todd</td> <td>California Community Colleges Chancellor's Office (CCCCO)</td> <td></td> </tr> <tr> <td>Holden, Richard</td> <td>Bureau of Labor Statistics (BLS)</td> <td></td> </tr> <tr> <td>Lipkin, Boris</td> <td>California High Speed Rail Authority (HSR)</td> <td></td> </tr> <tr> <td>Manning, Charlene</td> <td>CalHR, Survey Unit</td> <td></td> </tr> <tr> <td>McFarland, Annette</td> <td>CalHR, Survey Unit</td> <td></td> </tr> <tr> <td>Milan, Theresa</td> <td>Los Rio Community College District (LRCCD)</td> <td></td> </tr> <tr> <td>Morgan, Scott</td> <td>Governor's Office of Planning and Research (OPR)</td> <td></td> </tr> <tr> <td>Neighbors, Adam</td> <td>Employment Development Department (EDD)</td> <td></td> </tr> <tr> <td>Nickelsburg, Jerry</td> <td>University of California, Los Angeles (UCLA)</td> <td></td> </tr> <tr> <td>Parker, Annie</td> <td>California High Speed Rail Authority (HSR)</td> <td></td> </tr> <tr> <td>Reid, Dennis</td> <td>Bureau of Labor Statistics (BLS)</td> <td></td> </tr> <tr> <td>Shimanek, Loren</td> <td>California Workforce Investment Board (CWIB)</td> <td></td> </tr> <tr> <td>Woodruff, Tiffany</td> <td>Employment Training Panel (ETP)</td> <td></td> </tr> </table>			Adams, Gary	California Community Colleges Chancellor's Office (CCCCO)		Bader, Martha	California Labor Federation (CLF)		Bravo, Carlos	California Workforce Investment Board (CWIB)		Coleman, Laura	Employment Development Department (EDD), Orange County		DiCaro, Gino	California Manufacturers & Technology Association (CMTA)		Gjerde, Tom	CalHR, Survey Unit		Hoig, Todd	California Community Colleges Chancellor's Office (CCCCO)		Holden, Richard	Bureau of Labor Statistics (BLS)		Lipkin, Boris	California High Speed Rail Authority (HSR)		Manning, Charlene	CalHR, Survey Unit		McFarland, Annette	CalHR, Survey Unit		Milan, Theresa	Los Rio Community College District (LRCCD)		Morgan, Scott	Governor's Office of Planning and Research (OPR)		Neighbors, Adam	Employment Development Department (EDD)		Nickelsburg, Jerry	University of California, Los Angeles (UCLA)		Parker, Annie	California High Speed Rail Authority (HSR)		Reid, Dennis	Bureau of Labor Statistics (BLS)		Shimanek, Loren	California Workforce Investment Board (CWIB)		Woodruff, Tiffany	Employment Training Panel (ETP)	
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Note Takers	Denise Youngblood/ Vicky Vang/ Andreana Yribe																																																											
Welcome/Introductions	Angel Rodriguez <ul style="list-style-type: none"> • All attendees made introductions. 																																																											
Review of Minutes	No corrections																																																											
Division Update	Cynthia Solorio <ul style="list-style-type: none"> • The division is currently transitioning from the Workforce Innovation Act (WIA) to the Workforce Innovation and Opportunity Act (WIOA) and is working closely with the California Workforce Development Board (State Board). WIOA requires regional collaboration between Local Workforce Development Boards. Over the course of the next year, these entities, as well as EDD staff at the One Stops, will be using Labor Market Information to make data based decisions. • Under the WIOA requirements, the LMID is developing a "supply and demand indicator" to identify areas of employment opportunities. This will allow California employment developers to determine what occupations are in demand. The EDD LMID will translate those occupations, identify, and validate what skills are needed. • The Local Information Services Group (LISG) consultants are located throughout California. Under WIOA, these consultants are reaching out to the Local Workforce Development Boards (LWDB) to help job seekers. • Statewide Information Services Group (SISG) has occupational tools and guides available online for career counselors or job seekers. These online occupational guides are in the process of being updated to complement the products that CalJobs offers. • The Current Economic Statistics Group (CESG) is preparing for the annual benchmark of employment data (statewide level) for the projection cycle 2015-2017, using data from the Quarterly Census of Employment and Wages (QCEW). 																																																											
Roundtable	MAKE NOTES OF UPDATES FOR EACH GUEST																																																											

	<ul style="list-style-type: none"> • Amy Faulkner: RASG is wrapping up the deliverable to the state board. The supply and demand tool is still in development. More information will be provided at the next LMI Advisory meeting. • Annette McFarland: Working on 2014 total compensation using LMID data. • Jerry Nickelsburg: Working on minimum wage project with EDD LMID data. • Carlos Bravo: There will be a public meeting about the high level review of the State Plan on November 24, 2015.
<p><u>Employment Projections: Methodology Update</u></p>	<p>Ryan Shiroy, LMID</p> <ul style="list-style-type: none"> • The Bureau of Labor Statistics (BLS) found that employees change jobs more frequently than previously estimated, which led to the development of the new separation rate methodology. • The Replacement method developed in 1990 is used to provide estimates of labor force exits and transfers for occupational employment. This method is more suitable for a traditional career path. BLS later found this method has limitations. • Currently, BLS uses the Replacement system but will switch over to a new improved methodology in 2018. The Separation method relies on demographic data rather than historical data (replacement method) and is expected to capture job movements more precisely and provide more reliable data. • The conversion will result in a higher estimate of job opportunities and hopefully give job seekers a better understanding of the opportunities that exist in the labor market and provide more accurate estimates, robust data, and clarity. • The Separation method will be used for the 2016-2026 (ten year) statewide and sub-state projections, which will be published online in 2018.
<p><u>Governor's Office of Planning and Research</u></p>	<p>Scott Morgan, OPR</p> <ul style="list-style-type: none"> • The Office of Planning and Research (OPR) is intertwined with planning and the California Environmental Quality Act (CEQA). • The OPR's budget is based on volunteers, Strategic Growth Council, State Clearinghouse, and local planning assistance. • The OPR is partnered with state agencies and departments; local, regional, and tribal governments. In addition, OPR's clients include the general public, the military, foreign governments, and non-profit organizations. • The OPR's current projects are the following, but not limited to, updating the General Plan Guidelines, economic development, healthy communities, revising the CEQA guidelines, drought outreach, groundwater management, Advanced Manufacturing Partnership (AMP), Southern California Grant, and military affairs. • Other projects that are currently underway are the solar permitting handbook update, electric vehicle infrastructure (e-mobility), CivicSpark, Governor's AmeriCorps Program, and AB 900 California Jobs (i.e. development of Sacramento Kings Stadium, QUALCOMM stadium reconstruction, and Net Zero Energy). • The OPR is also looking at the Department of Defense (DOD) grants, which is about \$4 million, in order to assist the aerospace industry in Southern California.
<p><u>California High Speed Rail Authority</u></p>	<p>Annie Parker and Boris Lipkin, HSR</p> <ul style="list-style-type: none"> • With LAX (Los Angeles) and SFO (San Francisco) airport terminals being the busiest short-haul market in the United States, High Speed Rail (HSR) can provide accommodation for travelers and tourists traveling within California. • Under Proposition 1A, the HSR Authority plans to connect California with two rail projects. Phase 1, San Francisco to Los Angeles/Anaheim a total of 520 miles in 2 hours and 40 minutes (without train transfer); Phase 2, extends the route an additional 300 miles with connections to Sacramento and San Diego. • In the Los Angeles regional economy, HSR will add \$4.3 billion and 55,000 jobs by the year 2035. • According to the Bay Area Council, Caltrain electrification would create about 9,600 jobs and generate \$2.5 billion. • The HSR Authority anticipates building maintenance facilities throughout California that will create 1,200 jobs. • California High Speed Rail will shape cities by binding the economies together. HSR will connect and reinforce local mobility, be a foundation of sustainable growth, provide upgrades to existing stations, and generate revitalization in downtown cores.

	<ul style="list-style-type: none"> The HSR Authority is communicating with people of interest through open-house meetings and community working groups.
Economic Update	<p>Brandon Hooker, LMID</p> <ul style="list-style-type: none"> In December 2012, the savings rate was 11.0 percent and declined to 4.8 percent as of September 2015. Despite the downfall, consumers are saving more compared to the start of the U.S. recession (December 2007) when it was at 3.0 percent. The Consumer Confidence Index is a barometer of consumer sentiment in the U.S. At the end of the recession, the index was at 49.3 (June 2009) and indicated that consumers were not confident in the U.S. economy. In September 2015, the index was more than double that level and stood at 102.6. In state to state and national comparisons, North Dakota is one of the largest producers of fossil fuels (e.g., natural gas, oil, etc.) in the U.S. behind California, Alaska, and Texas. The economic expansion driven by the demand for fossil fuels added to the state and local economies of North Dakota (e.g., increased consumer spending, growth within other industries). The global demand for coal has declined and West Virginia's mining economy has suffered because of it. Coal production has declined from 158 million short tons in 2008 to 115 million short tons in 2014. This decline has contributed largely to the state's unemployment rate that continues to increase as most other states in the nation are experiencing declines during the economic expansion. The labor force participation rate in California has declined. In December 2007, the rate was at 65.7 percent and by September 2015 it dropped to 62.2 percent. In September 2015, nearly 30 percent of the state's unemployed population was without a job for 27 weeks or more (29.9 percent). California's long-term unemployed is at 29.9 percent as of September 2015. At the start of the U.S. recession (December 2007), the share was at 16.8 percent. According to research conducted by Rand Ghayad, changing business practices and gaps in unemployment have contributed to the slow decline in the number of long-term unemployed persons in California. California nonfarm employment has had an overall increase in hiring (at records highs since 2000) in all industrial sectors, especially construction, trade, transportation, and utilities. In September 2015, the unemployment rate for youth in California (16-19 years of age) is 21.5 percent, workers with disabilities were 12.9 percent, and persons aged 55 years and older was 5.2 percent. Military veterans face a multitude of barriers (e.g., additional training needed, family issues, daily life changes) when returning to civilian life and the work environment.
Wrap Up/Evaluation/Adjourn	<p>Angel Rodriguez</p> <ul style="list-style-type: none"> Return badges to note takers. Please remember to complete the evaluation form.
Upcoming LMI Advisory Group Meeting Dates	<ul style="list-style-type: none"> 2016 Meeting Schedule <i>Coming Soon</i>