

Digest of the Labor Market Information Advisory Meeting

Title	LMI Advisory Group Meeting																																																											
Date	August 4, 2016																																																											
Time	1:00 PM to 4:00 PM																																																											
Organization	California Employment Development Department (EDD) Labor Market Information Division (LMID)																																																											
Location	750 N St., Park Complex East, Aspen Room Sacramento, CA 95814																																																											
Meeting called by	Spencer L. Wong, Division Chief, LMID																																																											
Facilitator	Angel Rodriguez, Chief of Staff, LMID																																																											
Attendees	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Bader, Martha</td> <td style="width: 33%;">California Labor Federation (CLF)</td> <td style="width: 33%;"></td> </tr> <tr> <td>Baines, Benita</td> <td>EDD Workforce Services Branch (WSB)</td> <td></td> </tr> <tr> <td>Banchero, Diane</td> <td>Governor's Office of Business and Economic Development (GO-Biz)</td> <td></td> </tr> <tr> <td>Burns, Sarah</td> <td>San Diego Workforce Partnership</td> <td></td> </tr> <tr> <td>Cooper, Peter</td> <td>Employment Training Panel (ETP)</td> <td></td> </tr> <tr> <td>Coleman, Laura</td> <td>Centers of Excellence (COE), South Central Region</td> <td></td> </tr> <tr> <td>Cuevas, Jesse</td> <td>California Department of Pesticide Regulation (CDPR)</td> <td></td> </tr> <tr> <td>DiCaro, Gino</td> <td>California Manufacturers & Technology Association (CMTA)</td> <td></td> </tr> <tr> <td>Gjerde, Thomas</td> <td>CALHR, Survey Unit</td> <td></td> </tr> <tr> <td>Lin, Coral</td> <td>San Diego Workforce Partnership</td> <td></td> </tr> <tr> <td>Manning, Charlene</td> <td>CALHR, Survey Unit</td> <td></td> </tr> <tr> <td>Mason, Cheryl</td> <td>San Diego Association of Governments (SANDAG)</td> <td></td> </tr> <tr> <td>Merris-Coots, John</td> <td>California Department Of Education (CDE)</td> <td></td> </tr> <tr> <td>Mriezek, Jeff</td> <td>California Department of Human Resources (CALHR)</td> <td></td> </tr> <tr> <td>Neitzel, Janet</td> <td>EDD Workforce Services Branch (WSB)</td> <td></td> </tr> <tr> <td>Pak, Karen</td> <td>EDD Workforce Services Branch (WSB)</td> <td></td> </tr> <tr> <td>Reid, Dennis</td> <td>Bureau of Labor Statistics (BLS)</td> <td></td> </tr> <tr> <td>Sandoval, Alejandro</td> <td>California Community College Chancellor's Office (CCCCO)</td> <td></td> </tr> <tr> <td>Staton, Roy</td> <td>EDD Workforce Services Branch (WSB)</td> <td></td> </tr> </table>			Bader, Martha	California Labor Federation (CLF)		Baines, Benita	EDD Workforce Services Branch (WSB)		Banchero, Diane	Governor's Office of Business and Economic Development (GO-Biz)		Burns, Sarah	San Diego Workforce Partnership		Cooper, Peter	Employment Training Panel (ETP)		Coleman, Laura	Centers of Excellence (COE), South Central Region		Cuevas, Jesse	California Department of Pesticide Regulation (CDPR)		DiCaro, Gino	California Manufacturers & Technology Association (CMTA)		Gjerde, Thomas	CALHR, Survey Unit		Lin, Coral	San Diego Workforce Partnership		Manning, Charlene	CALHR, Survey Unit		Mason, Cheryl	San Diego Association of Governments (SANDAG)		Merris-Coots, John	California Department Of Education (CDE)		Mriezek, Jeff	California Department of Human Resources (CALHR)		Neitzel, Janet	EDD Workforce Services Branch (WSB)		Pak, Karen	EDD Workforce Services Branch (WSB)		Reid, Dennis	Bureau of Labor Statistics (BLS)		Sandoval, Alejandro	California Community College Chancellor's Office (CCCCO)		Staton, Roy	EDD Workforce Services Branch (WSB)	
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Note Takers	Patti Felt and Vicky Vang																																																											
Welcome/Introductions	Angel Rodriguez <ul style="list-style-type: none"> • All attendees made introductions. 																																																											
Review of Minutes	No corrections																																																											
Division Update	Spencer Wong <ul style="list-style-type: none"> • The LMID ended the fiscal year with a small deficit. The Bureau of Labor Statistics (BLS) program is scheduled for a budget increase. • The LMID re-organized the division effective July 1. With the elimination of the State Information Services Group (SISG), the new structure has five major work groups. In addition the Local Information Services Group (LISG) will reduce their number of regional managers from five to four effective September 1, 2016. • Staffing levels have stabilized and will stay at about 140 employees. • Lon Weber is the new manager of the Employment and Payroll Group (EPG). • The LMID's big event "The Labor Day Briefing" project will be released the week before Labor Day, featuring LMID's products. • The Labor Market Information's (LMI) data library has been modernized and upgraded and will launch August 25, 2016. • The Geographic Information Systems (GIS) Unit is actively tracking California's current wildfires and producing maps for internal use only for potential effects on businesses. • The LMID is currently working on matching wage data to external programs with the community colleges. 																																																											
Roundtable	<ul style="list-style-type: none"> • Margo Gonzales: The Regional Analysis and Support Group (RASG) added two units to its group: The Occupational Research Unit (ORU) and the Projections Unit. Staff are currently working on updating the occupational guides as well as creating a supply 																																																											

	<p>and demand tool in conjunction with the State Workforce and Education Alignment Project (SWEAP).</p> <ul style="list-style-type: none"> • Nathan Harbert: The Projections Unit recently finished the 2014-2024 statewide industry and occupational employment projections to be released in August 2016. Staff are currently working on the sub-state areas for the same time period. • Sarah Burns: San Diego Workforce Partnership is planning the November 2, 2016 San Diego Workforce Conference. For more information go to www.workforce.org to register online. • Diane Banchemo: The Governor's Office of Business and Economic Development announces Ryan Roebuck as the new Assistant Deputy Director. • Elizabeth Baker: The Local Information Services Group (LISG) reorganization resulted in four regions rather than five. There are 18 consultants out stationed throughout the state who work closely with the Workforce Innovation and Opportunity Act (WIOA) partners. The LMI training is being developed for WIOA mandated partners and training space is needed. If a computer lab is available, please let us know. • Benita Baines: Appointed to special projects with WIOA. • John Merris-Coots: Educating parents and students on occupational and labor market information. • Vicki Moore: The Occupational Survey Group (OSG) has been working on improving data collection and processing to keep up with technological and program changes. The Occupational Employment Statistics (OES) Program has released updated occupational data estimates online. The occupational employment is updated for May 2015 and the occupational wages have been updated to the latest Employment Cost Index for the first quarter 2016. The Standard Occupational Classification (SOC) system will be revised in 2018. To review the latest information, comments, and Federal Register Notice go to the Bureau of Labor Statistics SOC website. • David Garcia: The OES was chosen to participate in the Lean Six Sigma Green Belt training program, sponsored by Go-Biz and Gov-Ops. The six month training program required each green belt candidate to oversee a process improvement project, utilizing the principles of Lean and Six Sigma. Candidates were required to attend 10 days of classroom training, complete a process improvement project, propose subsequent process improvement projects, and provide a final presentation at the Governor's office. The OES' project involved the electronic data collection process. The baseline capability of the process was an average of 26 days with a 34 percent success rate of processing surveys in less than 10 days. At the conclusion of the project, the implementation of the improved process resulted in an average of 2.9 days and a 95 percent success rate of processing in less than 10 days. The improved process will now allow the OES staff to spend more time on other critical tasks of the program. • Justin Wehner: The Regional Planning Unit Summaries have been updated and finalized. • Dave Dahlberg: The Geographic Information Systems (GIS) Unit is now part of the Current Economic Statistics Group (CESG). The CESG is working on WIOA allocations. The CES AG re-designed its webpage. The estimates of agricultural employment are available from 2002 to 2016. Staff are currently working on employment data going back to 1990. • Mindy Takechi and Nancy Saephanh: The Employment and Payroll Group (EPG) has four projects they are working on. 1.) The QUEST system is being developed and is projected to replace the EXPO system in 2020. 2.) At the BLS' request, CA is participating in a pilot to deliver the QCEW deliverable one week earlier. The objective is to check the quality of the earlier data to the later file after additional edits have been made. 3.) The EPG staff are assigning NAICS codes to a large number of unclassified accounts. 4.) The NAICS 2017 update, effective January 2017, involves changes, restructuring, and code clarification. • Cheryl Mason: The San Diego Association of Governments (SANDAG) is working on the Economic Prosperity Report. • Janice Shriver: Reviewing the Occupational guides template.
<p>LMID's Northern Industry Cluster of Opportunities Study- June 2016</p>	<p>Sheila Stock and Jorge Villalobos, LMID</p> <ul style="list-style-type: none"> • Industry clusters are constructed using the Quarterly Census of Employment and Wages (QCEW) to see which industries are growing, emerging, and declining for the study period 2010-2015. • An Industry cluster study was prepared for the nine county Capitol Region as well as each of the four workforce development boards which include Golden Sierra

	<p>Workforce Board, North Central Counties Consortium, Sacramento Employment and Training Agency, and Yolo County Workforce Innovation Board.</p> <ul style="list-style-type: none"> • The graphs consists of four data points: The annual growth rate, employment concentration, number of employment (shown by the size of the bubble), and four quadrants – mature, growing, emerging, and declining. • The Capitol Region had the most employment as it contains all nine counties. The region has more than 969,000 private sector jobs. More than 66,000 jobs were added, a 1.8 percent compound annual growth rate, with a total growth rate of 7.2 percent over the four years. The average annual wage in 2015 was close to \$53,000. There were three growing clusters, six emerging, and one declining. Business Management and Support had the largest growth, Investment Support had the highest Location Quotient (LQ), and Information Technology and Telecommunications had the highest wages at \$107,000. • The Golden Sierra Region contains more than 194,000 private sector jobs. More than 21,000 jobs were added, a 3.0 percent compound annual growth rate, and the largest growth rate by percent of all regions studied at 12.0 percent. The average annual wage in 2015 is nearly \$49,000. There were three clusters growing, six emerging, and none declining. Transportation and Logistics had the largest growth; Investment Support had the highest LQ, and Information Technology and Telecommunications had the highest wages at nearly \$87,000. • The North Central Counties Consortium had the smallest employment of the five studies. This region contains approximately 62,000 private sector jobs. More than 2,500 jobs were added, a 1.1 percent compound annual growth rate, and a total growth rate of 4.3 percent overall. The average annual wage in 2015 was nearly \$39,450. There were two clusters growing and seven emerging. The largest growth was in Transportation, Warehousing, and Logistics and the cluster with the highest LQ was Agribusiness, Food and Beverage Production. The Information Technology and Telecommunications cluster had the highest wages at \$63,500. • Sacramento County had the second largest employment. Due to the number and importance of public sector jobs in this county, the study includes both private and public sector jobs containing nearly 616,000 jobs. More than 51,500 jobs were added, a 2.2 percent compound annual growth rate, and a total growth rate of 9.1 percent over the study period. The average annual wage in 2015 was \$55,650. There were three clusters growing, five emerging, and two declining. The largest growth was in Arts, Entertainment and Recreation; the highest LQ was in Education and Public Administration, and the highest wages at nearly \$110,000 were in the Information Technology and Telecommunications cluster. • Yolo County had the fourth largest employment and contains nearly 95,200 private sector jobs. Nearly 3,500 jobs were added, which is a 0.9 percent compound annual growth rate, or 3.8 percent overall. The average annual wage in 2015 was just above \$52,400. There were two clusters growing, six emerging, and one declining. Information Technology and Telecommunications had the highest growth rate; Agribusiness, Food and Beverage Production had the highest LQ, and Information Technology and Telecommunications had the highest average annual wage in 2015 of nearly \$65,000.
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<p><u>Centers of Excellence (COE) Presentation</u></p>	<p>Laura Coleman, Centers of Excellence</p> <ul style="list-style-type: none"> • The Centers of Excellence (COE) is grant funded and provides labor market information (LMI) for Career Technical Education (CTE) programs to California's Community Colleges. • The COE uses LMI, with an emphasis on demand data, to help California Community Colleges identify industry trends and occupational opportunities; therefore, providing colleges with a competitive advantage. The COE's products and services aid in the revision of existing certificate or degree programs, the creation of new programs and curriculum, and pursuing grants that lead to funding. • The CTE LaunchBoard, a statewide data tool used by educational institutions, provides demand data to assist students in determining which occupations to consider and to see how it relates to their program of study. The data also supports regional and statewide planning activities and is intended to help students start thinking about the transition from K-12 to college and then on to the workforce. • Employment outcomes are used to measure California community college students that did not pursue a four-year degree, but those that are <i>Completers</i> and <i>Skillsbuilders</i>. Completers are those that achieve an associate degree or an awarded certificate and Skillsbuilders are those that desire to achieve career and technical success, usually in 12 months or less, without being awarded a degree or certificate.
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	<ul style="list-style-type: none"> • The Salary Surfer is an online tool that allows students to view median annual salaries associated with degrees or certificates at two years before an award, as well as two- and five-years after an award, to see the prospect of significant wage gains. • The College Wage Tracker is designed for researchers. It measures if students are obtaining jobs after graduating from a program along with their associated earnings.
Economic Update	<p>Paul Wessen, LMID</p> <ul style="list-style-type: none"> • California's economy is experiencing nearly a full recovery. The CA unemployment rate was 5.2 percent in May 2016, the lowest in nine years (since May 2007). • California's June 2016 labor force had an unusual month of data. Its labor force grew largely by 24,000 persons; however, Civilian employment had a loss of 3,000 persons (the first loss in 67 months), the number of unemployed rose by 27, 000 persons (the first increase since October 2010), and the unemployment rate rose by 0.2 percentage points (the first increase since September 2010) to 5.4 percent (June 2016). Although June's labor force data appears atypical, keep in mind that one month does not make a trend. California's labor market remains strong. • California Total Nonfarm Payrolls gained 461,000 jobs in June 2016. The year-over percent change (over the last five years) for the U.S. was at 1.7 percent while California was at 2.9 percent. Job growth in California is consistently out pacing the nation. • Nine of California's 11 major industry sectors are reporting job growth over the last year. In terms of year-over percent change Leisure and Hospitality, Construction, Education and Health Services, as well as Professional and Business Services are all growing faster than the economy as a whole. During the current expansion (February 2010-June 2016), all industry sectors have shown a gain. • Industry sectors that have significantly more jobs today than in the pre-recession peak (July 2007) are economic drivers such as those in the hi-tech and information services. Sectors that are only beginning to recover jobs lost during the recession or are growing slower than the overall economy suggests that those sectors are experiencing economic restructuring. Restructuring industries include those which have been affected by technological change. Examples of change include automation of manufacturing processes, online shopping and banking, self- checkout lines in stores, and phone-based applications performing tasks that used to be done by humans.
Wrap Up/Evaluation/Adjourn	<p>Angel Rodriguez, LMID</p> <ul style="list-style-type: none"> • Return badges to Angel Rodriguez. • Please remember to complete the evaluation form.
Upcoming LMI Advisory Group Meeting Dates	<ul style="list-style-type: none"> • November 3, 2016 • 2017 Schedule TBD