Labor Market Conditions & Implications for the Mountain Area Workforce System

Jeff DeBellis
Director of Economic & Policy Analysis

Neil Harrington
Strategic Data Analyst
What Labor & Economic Analysis Division Does

- **Labor Market Data Production**
  - Data Collection & Production (incl. Unemployment Rates)
  - Industry Establishments & Jobs
  - Occupational Employment & Wages

- **Big Data Analysis & Research**
  - Big Data Analysis
  - Program Evaluation
  - Common Follow-up System (NCTOWER.com)

- **Publications & Websites**
  - Online & Print Publications
  - Dashboards (Analytics.NCcommerce.com)
  - Data Access Tools (D4.NCcommerce.com, NCcareers.org)

- **Economic & Policy Analysis**
  - Employment Projections
  - Star Jobs
  - LMI Tools & Publications
  - Economic Development Reports (e.g. County Tier Designations)
What’s happened to the labor force?
Labor force larger today than pre-pandemic

# of people in Mountain Area labor force, January 2010 to March 2023, not seasonally adjusted

SOURCE: LEAD, NC Commerce, LAUS data
Labor forces larger everywhere

Change in # of people in the labor force by Mountain Area county, March 2019 to March 2023, not seasonally adjusted

<table>
<thead>
<tr>
<th>County</th>
<th>Change in Labor Force</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buncombe</td>
<td>+4,788</td>
<td>3.4%</td>
</tr>
<tr>
<td>Henderson</td>
<td>+1,828</td>
<td>3.4%</td>
</tr>
<tr>
<td>Transylvania</td>
<td>+649</td>
<td>4.6%</td>
</tr>
<tr>
<td>Madison</td>
<td>+229</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

SOURCE: LEAD, NC Commerce, LAUS data
Total unemployed far lower than pre-pandemic

# of unemployed people in Mountain Area WDB, March 2019 & March 2023, not seasonally adjusted

<table>
<thead>
<tr>
<th></th>
<th>March 2019</th>
<th>March 2023</th>
<th>8% lower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total unemployed</td>
<td>7,044</td>
<td>6,461</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: LEAD, NC Commerce, LAUS data
Really low unemployment rates
Unemployment rate in Mountain Area WDB, January 2010 to March 2023, not seasonally adjusted

SOURCE: LEAD, NC Commerce, LAUS data

Lowest March unemployment rate in more than 20 years
Tightest labor market conditions on record

Job seekers per job opening, January 2006 to February 2023, not seasonally adjusted

SOURCE: LEAD, NC Commerce, Analysis of BLS JOLTS data
Labor supply basically same as pre-COVID

Job openings and jobseekers in Mountain Area WDB, January 2006 to February 2023, seasonally adjusted

Jobseekers

SOURCE: LEAD, NC Commerce, Analysis of BLS JOLTS data
Labor demand skyrocketed
Job openings and jobseekers in Mountain Area WDB, January 2006 to February 2023, seasonally adjusted

SOURCE: LEAD, NC Commerce, Analysis of BLS JOLTS data
More job openings led to growth in employment

Total nonfarm employment in Asheville MSA, January 2010 to March 2023, seasonally adjusted

SOURCE: LEAD, NC Commerce, CES data
But nearly 9,000 jobs below trend

Total nonfarm employment in Asheville MSA, January 2010 to March 2023, seasonally adjusted

SOURCE: LEAD, NC Commerce, CES data
The role of the Mountain Area workforce system?

Three big things we can do to continue growing the regional economy.
1. Focus on workers with barriers, historically marginalized populations
Racial and ethnic disparities in employment opportunities

Unemployment rates in Asheville MSA by race and ethnicity, 2021

- Black: 5.5%
- White, non-Hispanic: 3.3%
- Hispanic or Latino: 2.9%
- Asian: 1.6%

Overall: 3.5%

SOURCE: US Census Bureau, 2021 American Community Survey 5-Year estimate
Lower labor force participation among workers with young kids

Percent of prime age people with and without kids under 5 in North Carolina working or looking for work

<table>
<thead>
<tr>
<th>Year</th>
<th>With young children</th>
<th>All prime age workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>73.0%</td>
<td>82.2%</td>
</tr>
<tr>
<td>2016</td>
<td>74.0%</td>
<td>81.5%</td>
</tr>
<tr>
<td>2017</td>
<td>75.0%</td>
<td>80.6%</td>
</tr>
<tr>
<td>2018</td>
<td>76.0%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>77.0%</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>78.0%</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>79.0%</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>80.0%</td>
<td></td>
</tr>
</tbody>
</table>

SOURCE: LEAD analysis of CPS microdata, IPUMS
Moms with young kids impacted the most

Percent of prime age people w/ and w/o kids under 5 in North Carolina working or looking for work by sex

<table>
<thead>
<tr>
<th>Year</th>
<th>PWA men w young kids</th>
<th>PWA men overall</th>
<th>PWA women w young kids</th>
<th>PWA women overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>97.1%</td>
<td>89.3%</td>
<td>67.5%</td>
<td>75.5%</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2017</td>
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<tr>
<td>2020</td>
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<tr>
<td>2021</td>
<td></td>
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</tr>
<tr>
<td>2022</td>
<td>93.8%</td>
<td>87.6%</td>
<td>69.0%</td>
<td>76.0%</td>
</tr>
</tbody>
</table>

SOURCE: LEAD analysis of CPS microdata, IPUMS
Opportunities for Buncombe’s “Opportunity Youth”

2,953 16-24 year-olds in Buncombe not working or in school in 2021

11.2% of all Buncombe County 16-24 year-olds in 2021

10.7% of all Buncombe County 16-24 year-olds in 2016

12.1% of all North Carolina 16-24 year-olds

SOURCE: LEAD, NC Commerce. ACS microdata 2021 5-year estimate, IPUMS USA
Increase employment among those with disabilities

Employment rate among workers age 16+ in Buncombe County

- **No disability:** 58.5%
- **With a disability:** 16.8%

**SOURCE:** U.S. Census Bureau, 2021 American Community Survey 5-Year Estimate. IPUMS USA
Increase employment among justice-involved individuals

Percent employed 1-year after release in North Carolina

1998: 62%
2020: 48%

SOURCE: LEAD, NC Commerce, analysis of data from the NC Common Follow-up System
2. Prepare the workforce with skills
Prepare the workforce with skills
Projected growth rates in NC occupations by required minimum education, 2021-2030

• Increasing demand for education & workforce credentials

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Projected Growth Rate</th>
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</thead>
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<tr>
<td>High school diploma or less</td>
<td>7.4%</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>3.7%</td>
</tr>
<tr>
<td>Postsecondary non-degree award</td>
<td>11.2%</td>
</tr>
<tr>
<td>Associate degree</td>
<td>12.3%</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>12.4%</td>
</tr>
<tr>
<td>Master’s, Doctoral or professional degree</td>
<td>13.6%</td>
</tr>
</tbody>
</table>

SOURCE: NC Department of Commerce, LEAD 2021-2030 Occupational Projections
Prepare the workforce with skills
with leadership from the education & training system

- Increasing demand for education & workforce credentials

- Look to skills in high-growth, high-demand, good-wage jobs (4- & 5-star jobs)

**NC’s Fastest Growing 5-Star Jobs 2021-2030**

- Nurse Practitioners
- Statisticians
- Data Scientists
- Logisticians
- Information Security Analysts
- Web Developers
- Medical & Health Services Managers
- Software Developers
- Medical Scientists
- Occupational Therapy Assistants
- Physical Therapist Assistants
- Physician Assistants
- Software Quality Assurance Analysts
- Operations Research Analysts

Source: NC Department of Commerce, LEAD 2021-2030 Occupational Projections
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Source: NC Department of Commerce, LEAD 2021-2030 Occupational Projections
Automation likely to impact lower education employment most

Percent of employment in high exposure categories by occupation’s typical minimum education required

- **High school diploma or less**: 61.3%
- **Postsecondary credential or some college**: 47.1%
- **Associate degree**: 18.8%
- **Bachelor's degree or higher**: 2.1%

SOURCE: LEAD analysis of LMI Institute's Automation Exposure Index
3. Give people reason to work for you
North Carolina Employers Take Action

Responses to hiring challenge, 2021

Robust private wage growth

Mountain Area WDB’s average wage growth among private employers, 3rd quarter over the year

SOURCE: LEAD, NC Commerce, QCEW data

2020: 6.8%
2021: 9.4%
2022: 8.9%

2.3%, Average wage growth between 2009-2019
Declining rates of private wage growth

Mountain Area WDB’s inflation-adjusted private average wage growth, 3rd quarter over the year

0.6%, Inflation-adjusted average wage growth between 2009-2019

SOURCE: LEAD, NC Commerce, QCEW data
Build a more appealing workplace

North Carolina employers who added/expanded worker benefits, 2021

- Paid Leave: 12%
- Health Insurance: 9%
- Childcare Assistance: 4%
- Retirement Plan: 3%
- Tuition Assistance: 2%

Expand the recruitment search and diversity of applicants

Resources used by North Carolina employers to recruit applicants

Where to get data & stay informed
Newsletters & Webinars

2 New Newsletters

- NC’s Economy In Numbers
- The LEADing News
- Email: jeff.debellis@commerce.nc.gov

LMI Tuesdays

- 1st & 3rd Tuesday Monthly
- www.commerce.nc.gov/documents/lmi-tuesday
Everything on Analytics

Updated Analytics.NCcommerce.com

- New Area Profile dashboard
- Occupational Wage Lookup dashboard
Occupational Wage Lookup

- Search using common job titles
- View all occupations for an industry
- Compare occupation wages by industry
- Compare occupation wages across geographies
Other Updates

• Updates & mobile app to NCcareers.org coming fall 2023
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• NEW Career Exploration Guide printing provided by NC Comm Colleges
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- 2030 Region Projections & Star Jobs coming in May
Thank you.

Jeffrey DeBellis
jeff.debellis@commerce.nc.gov

Neil Harrington
neil.harrington@commerce.nc.gov

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