Who is Going to Do the Work?

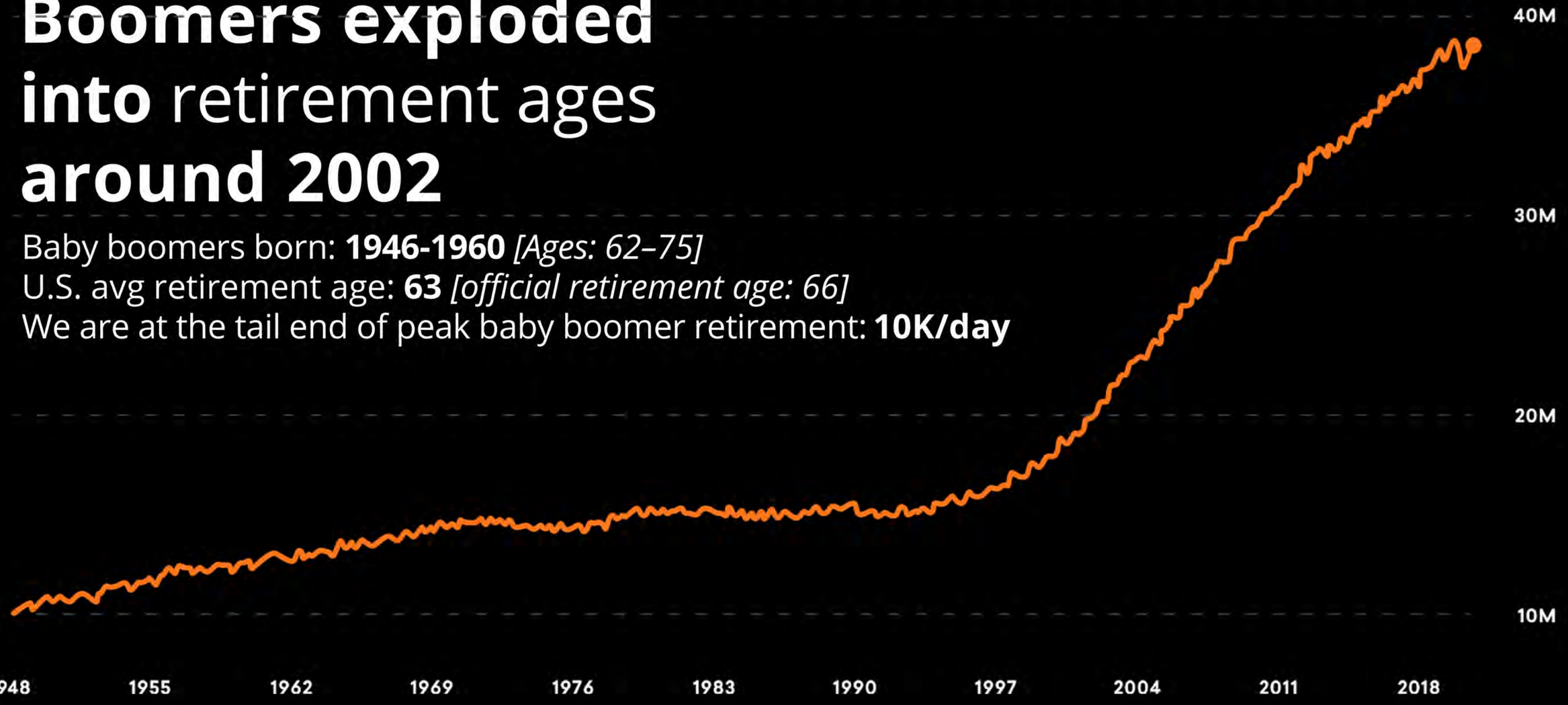
Demographic and Workforce Trends Impacting Yakima

Josh Wright, EVP of Community Division
Lightcast

The U.S. Pre-Covid

Boomers exploded into retirement ages **around 2002**

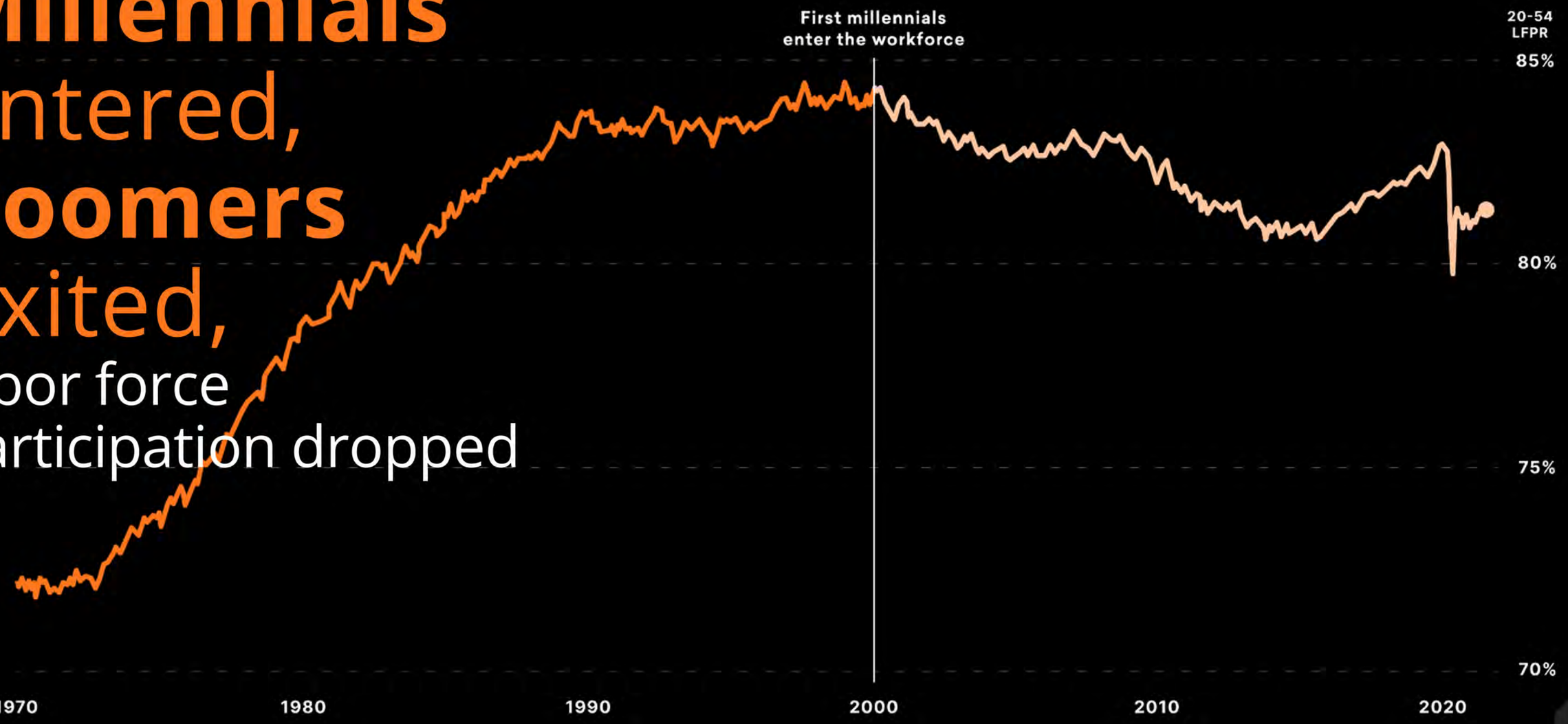
Baby boomers born: **1946-1960** *[Ages: 62–75]*
U.S. avg retirement age: **63** *[official retirement age: 66]*
We are at the tail end of peak baby boomer retirement: **10K/day**



Source: BLS

The U.S. Pre-Covid

Millennials entered, **boomers** exited, labor force participation dropped



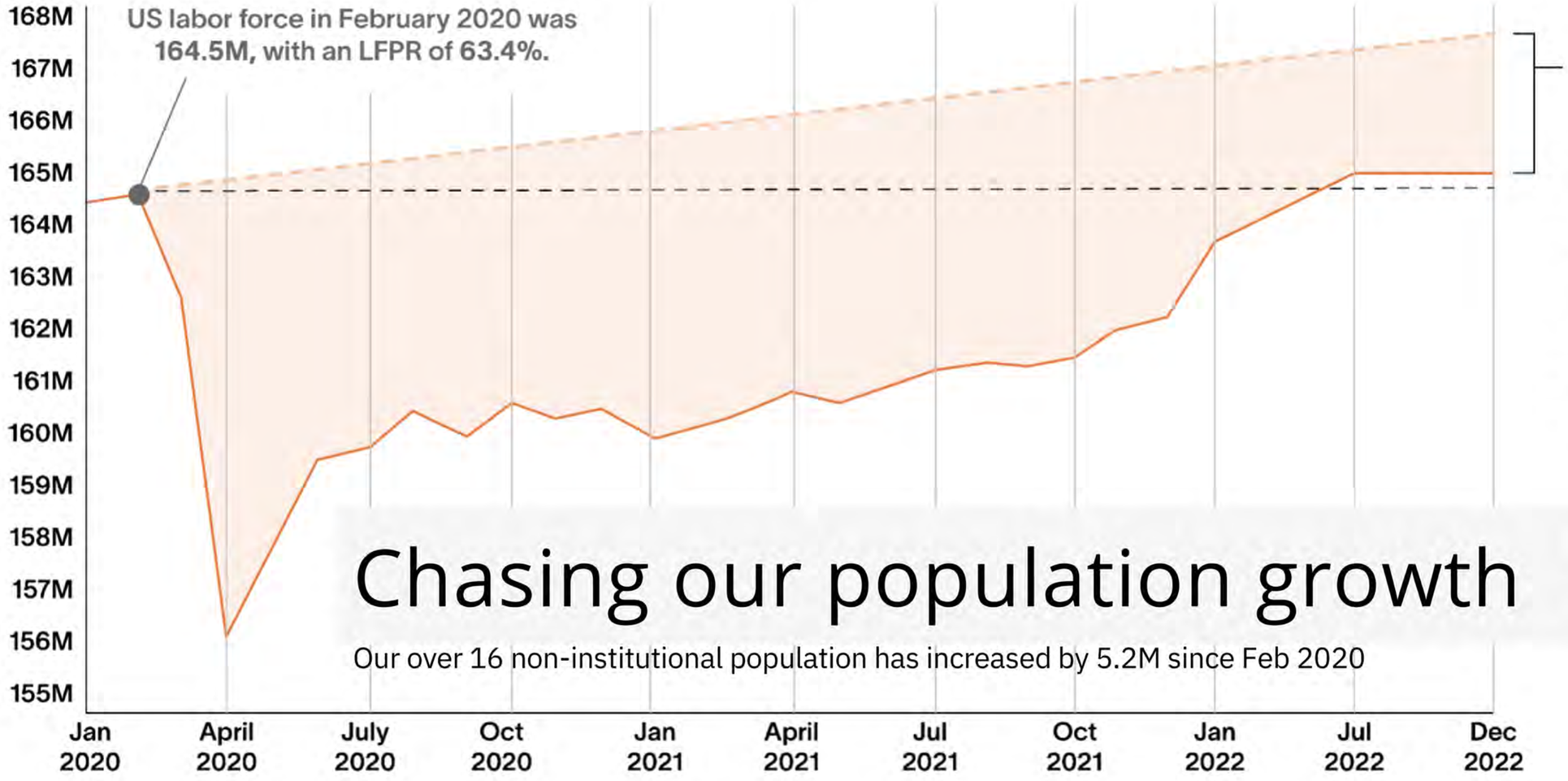
Source: BLS

The number of working prime-age men continued to plunge

Prime age male LFPR down over 5%from 1990 –Jan 2020

Prime age female LFPR up nearly 3% from 1990 –Jan 2020

Source: BLS



Chasing our population growth

Our over 16 non-institutional population has increased by 5.2M since Feb 2020

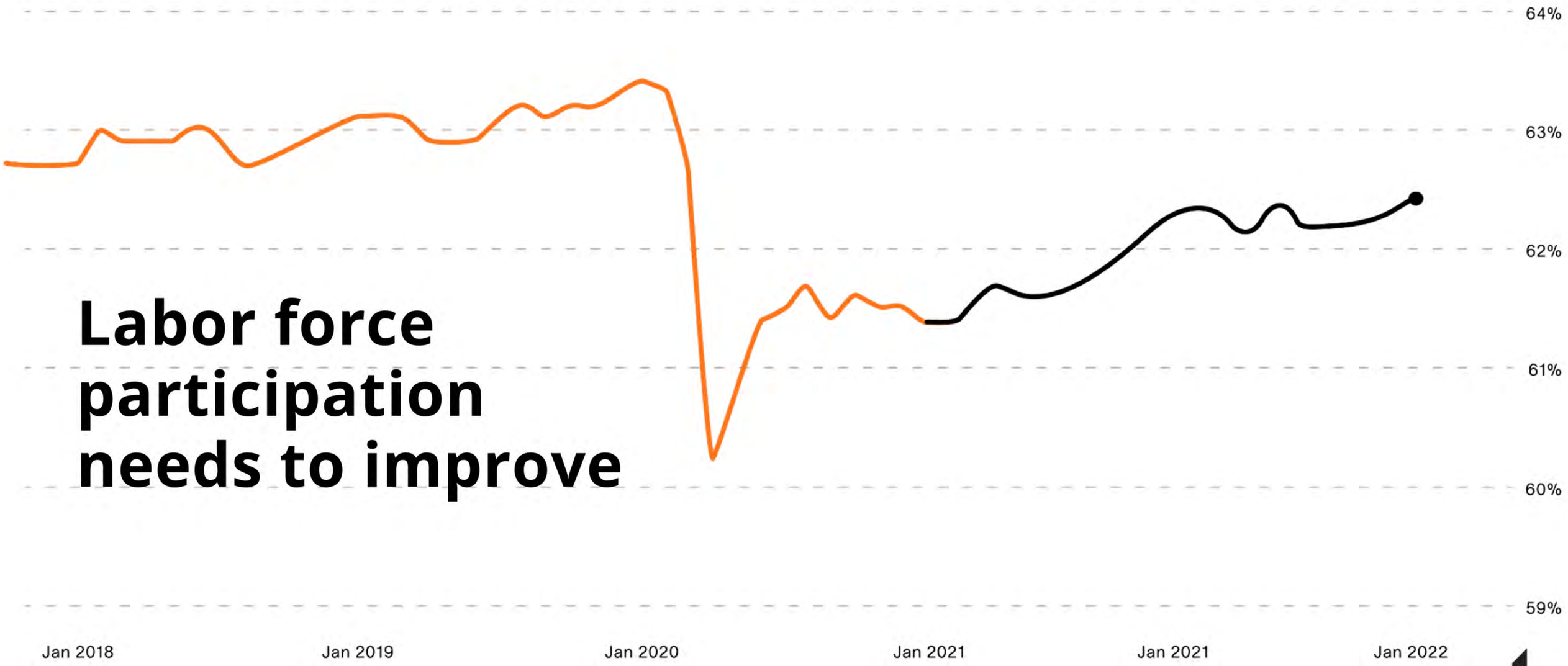
Source: BLS, Current Population Survey, Seasonally Adjusted: February 2022

We need 2.7M **more people** in the labor force to recover

In **Aug '22** the labor force finally made it back to its level in Feb 2020

The US has seen minimal labor force growth since late 2019.

Labor force participation needs to improve



Source: BLS, CPS

The 55+ cohort left the labor force at a higher rate than the others, and millions may stay out

About three million workforce dropouts say they don't plan to return to pre-Covid activities

—wfhresearch.com, WSJ, Apr 16, 2022

Age	Labor Force Change	Excess Not in the Labor Force
16-24	80	81
25-54	9	3
55+	95 -390	81 3,646
Total	7 360	0 5,269

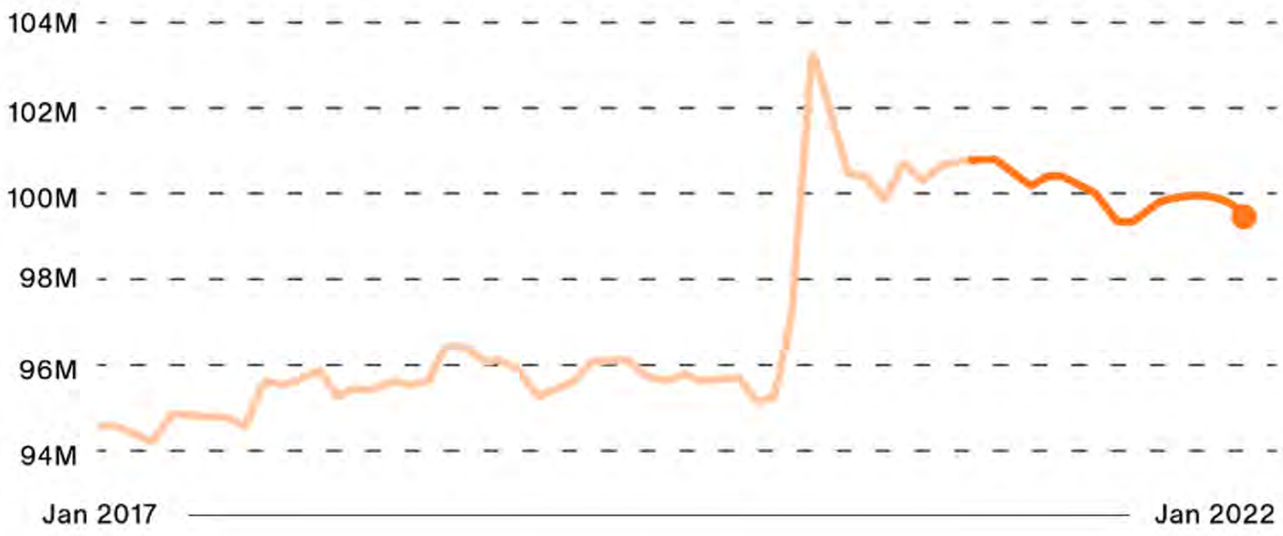
Compared to Feb 2020*

All data in k's

Source: Lightcast analysis of US Census Current Population Survey and Bureau of Labor Statistics data

*16-24 not in labor force compared to same month 2019 due to extreme seasonality

Not in the Labor Force

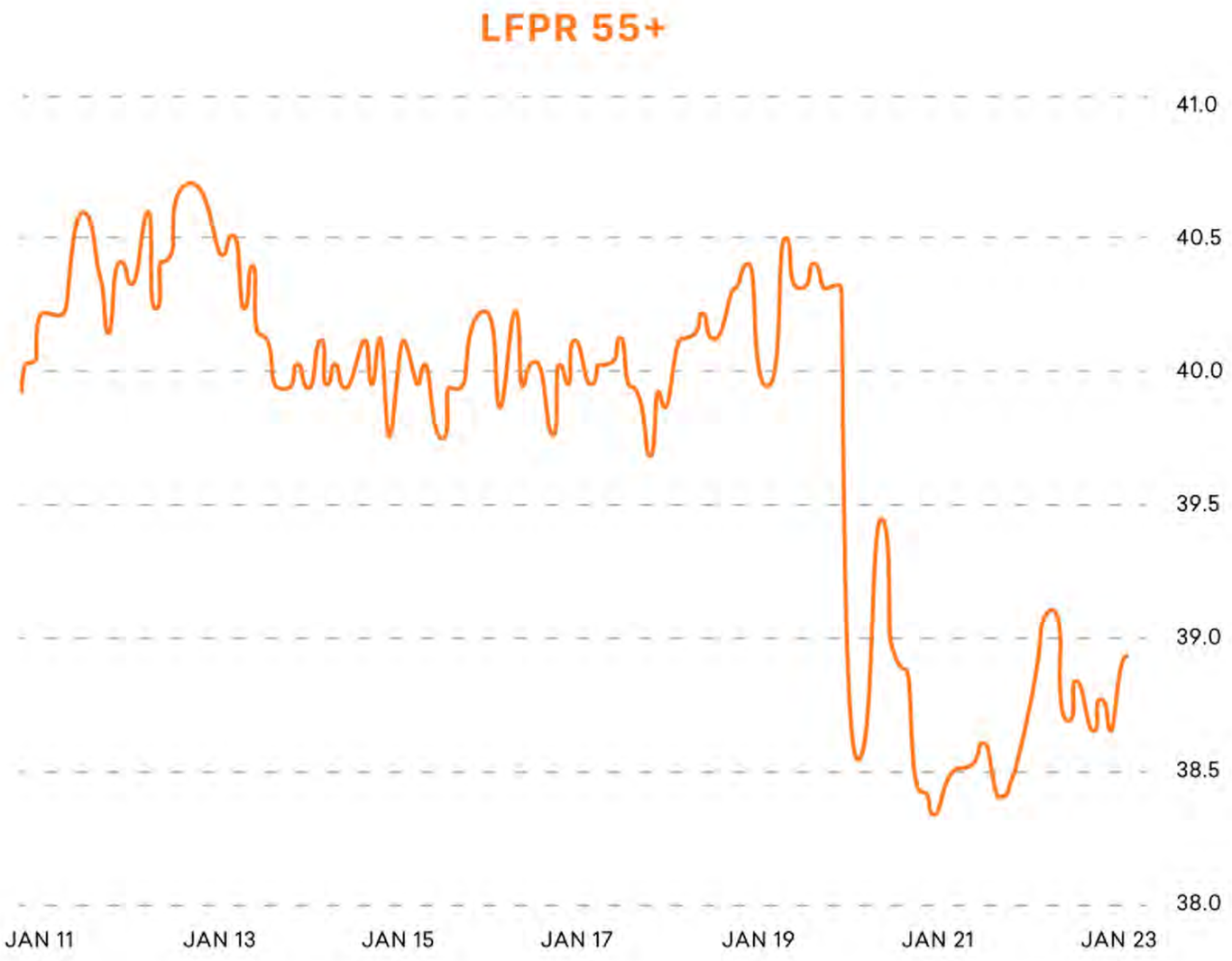


Labor force participation (55+) is not recovering

Study by the St. Louis Fed:

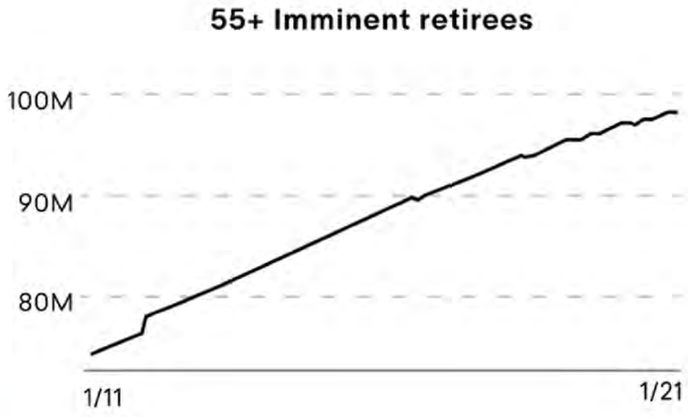
Large majority of excess retirements from the **65–74**-year-old group.

Census data also shows small percentage of **55-61** yr olds retired early and the ones that did tended to be in poor health.

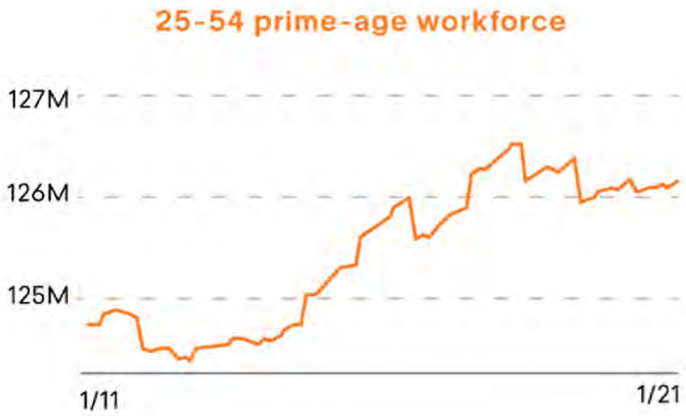


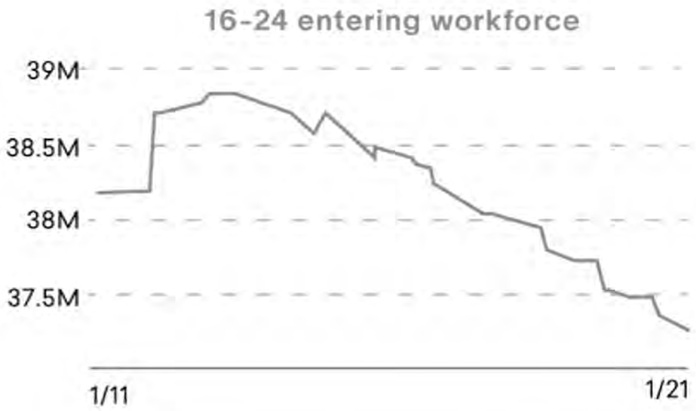
Younger working populations are drying up

Many sub $20/hr jobs are filled by people in their early 20s. By 2034, **older adults will outnumber children for the first time in U.S. history**



Civilian noninstitutional population





Source: Bureau of Labor Statistics

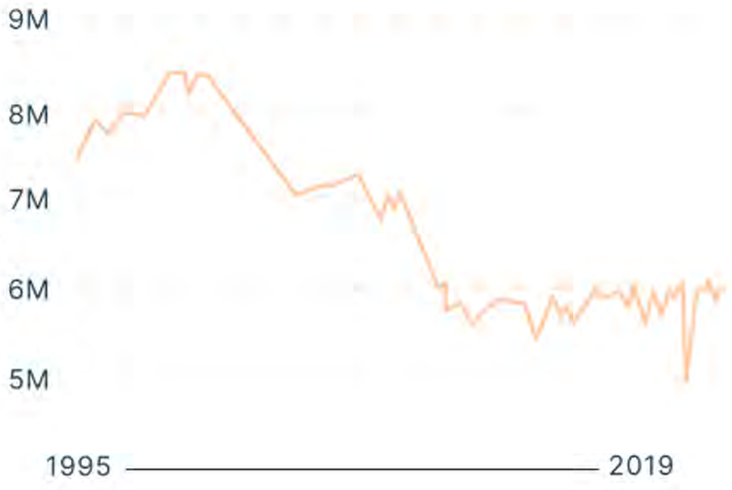
16-19 year olds are a key "first job" demographic

16–19-year-old population

Boomer children helped explode this group, but that will continue to erode going forward.

16–19-year-old labor force

Despite a somewhat stable population, the number in the labor force fell for decades and has plateaued lower for a decade.



Source: BLS

Immigration is bouncing back, but there is still a significant deficit

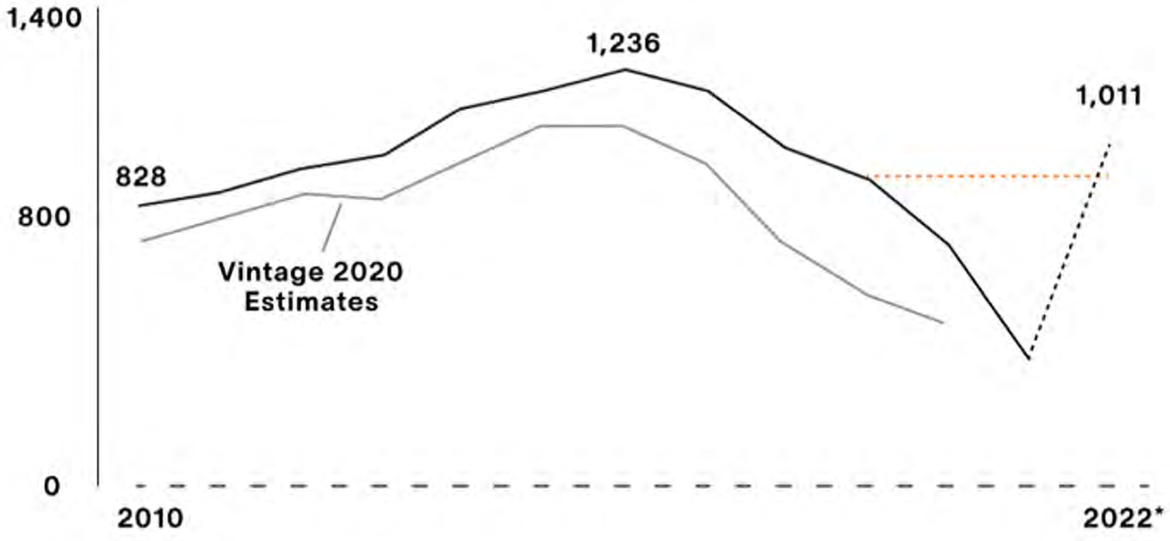
Average immigration numbers per year:

1990-99	977,500
2000-09	1,029,900
2010-19	1,063,300
2020-21	576,000

We have a gap of a million legal immigrants

Immigrants in the Civilian Labor Force 2010-2022

Net International Migration: 2010-2022 (in thousands)



* Data shown for 2022 are projections.

Note: Year represents the annual estimates period ending on June 30. Released estimates will report 2010 and 2020 as a quarter year (April 1-June 30) instead of a full year.

Source: U.S. Census Bureau Vintage 2020 Estimates (2010-2020); Internal Simulation of 2010-2020 Estimates; and Vintage 2022 Estimates (2021-2022).

New international student enrollments fell 45.6% in 2020-21.
Total foreign enrollments fell 15% to 914K.

DID YOU KNOW…?

1 out of every 4
construction, farming and maintenance workers is foreign born

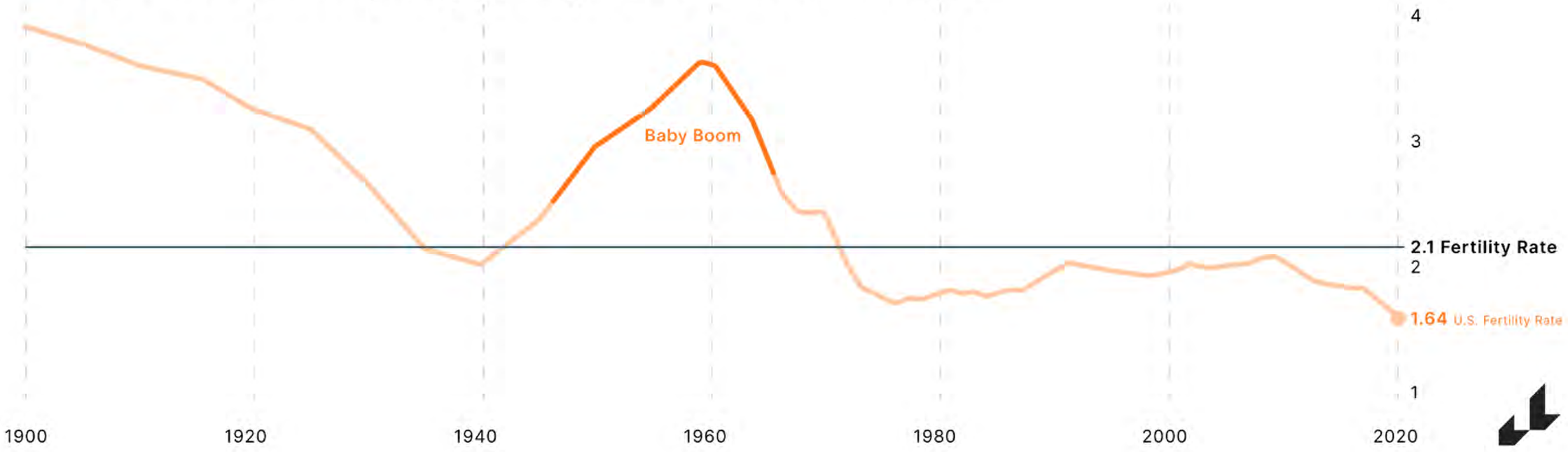
1 out of every 5
manufacturing workers is foreign born

By 2034, adults aged 65+ will outnumber children under 18 for the first time in U.S. history.

Demographic Drought:Bridging the gap in our Labor Force

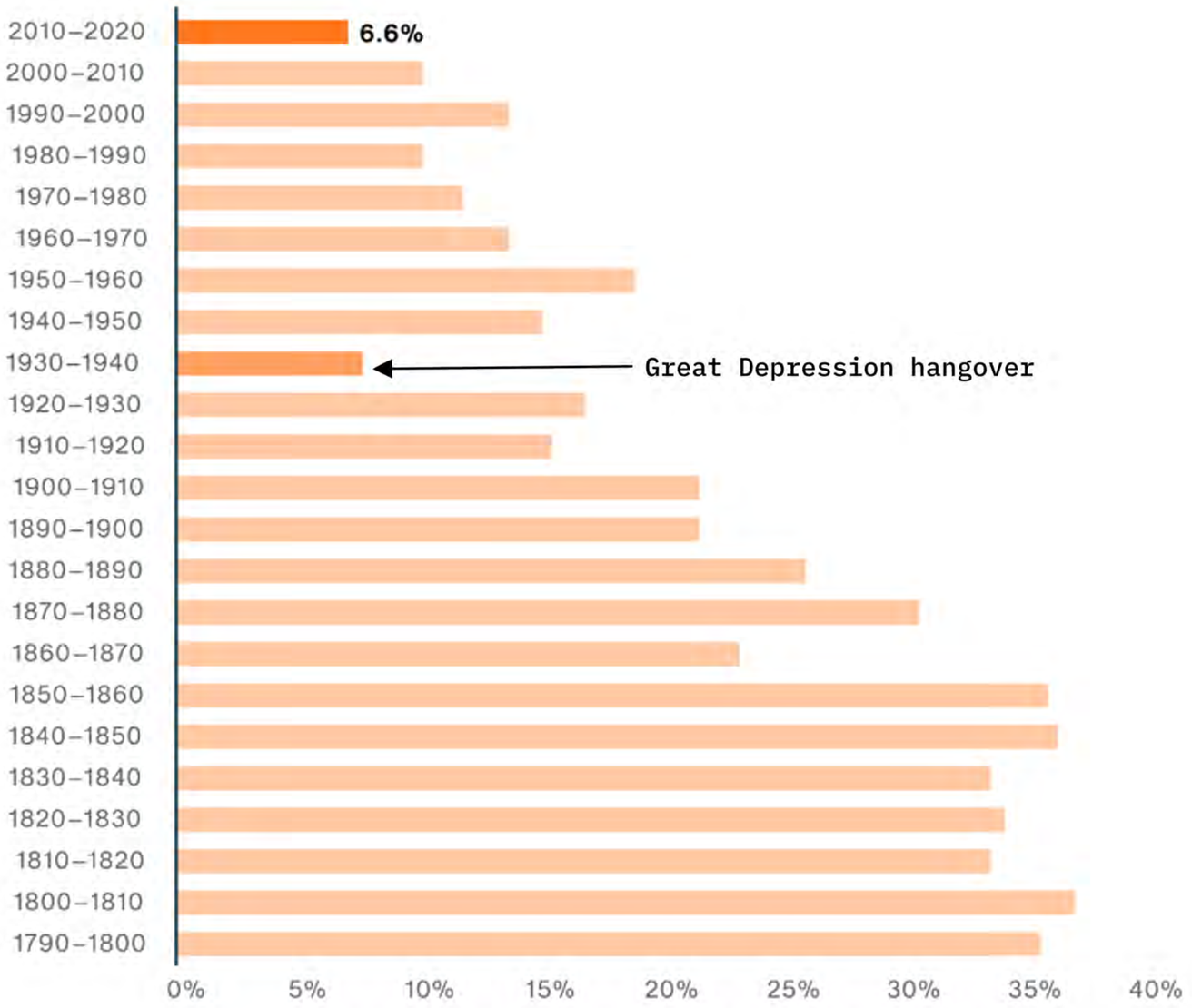
We're living below **the 2.1 birth replacement rate**

We can't employ people we don't have



US population growth rate by decade

1790–2020 (estimated) censuses



The Future Labor Crisis

8M jobs to fill every year

THE BOTTOM LINE

Since 2011, the U.S. has seen its labor force of 16-24 year olds *fall* by an average of **9,000** every year. When Boomers were at those ages, each year saw an average *increase* of **792,000**.

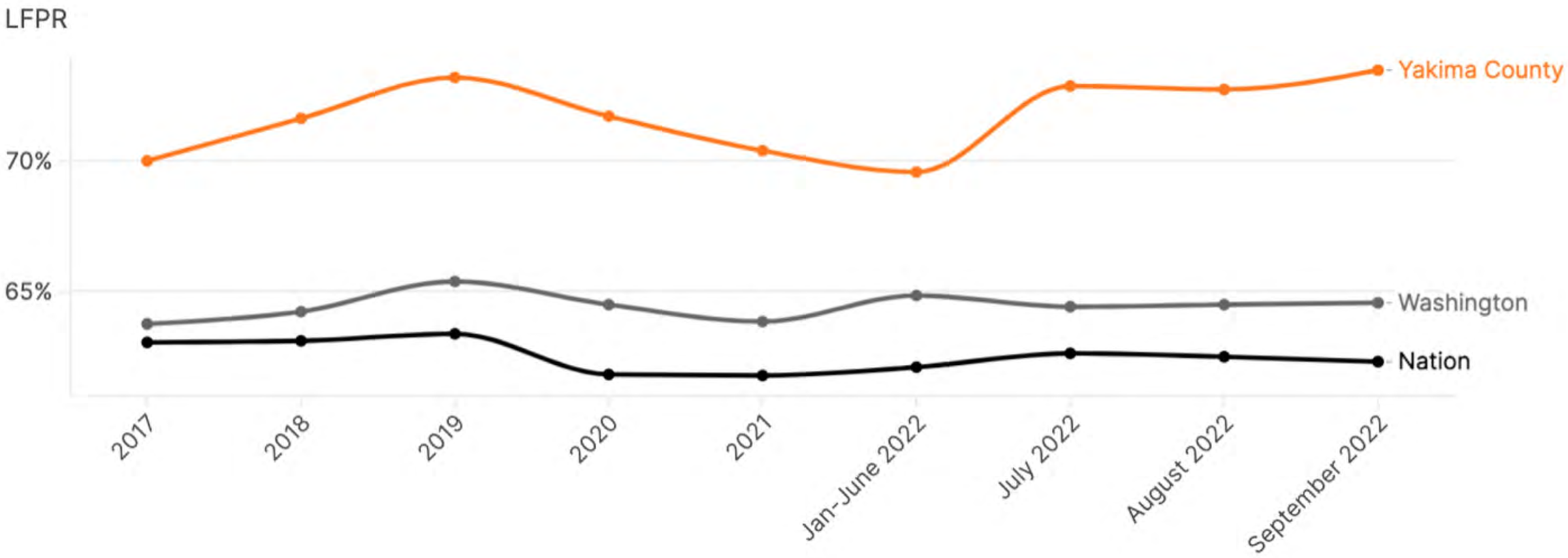
Total projected net new jobs to 2031 are over **8M** and total job openings (factoring in turnover and replacements of quitting or retiring workers) are almost **20M**.

The US needs up to 2M additional workers a year.

Where Yakima Stands

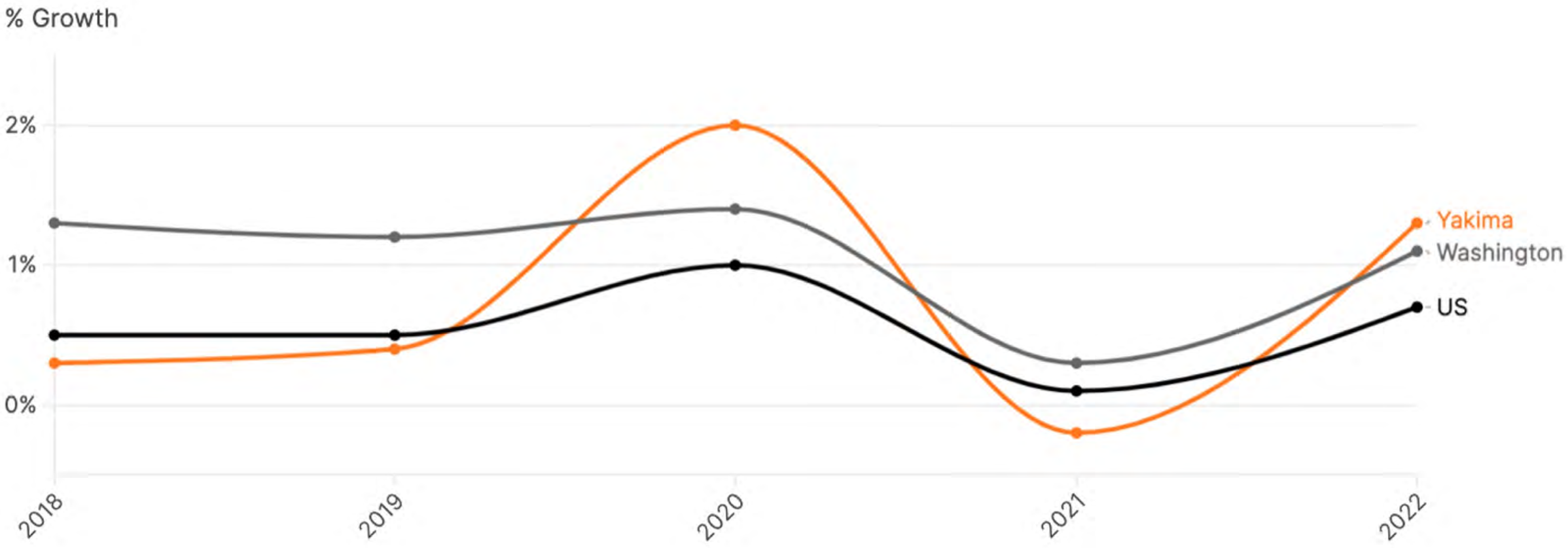
Labor Force Participation Rate

Yakima County • Washington • United States



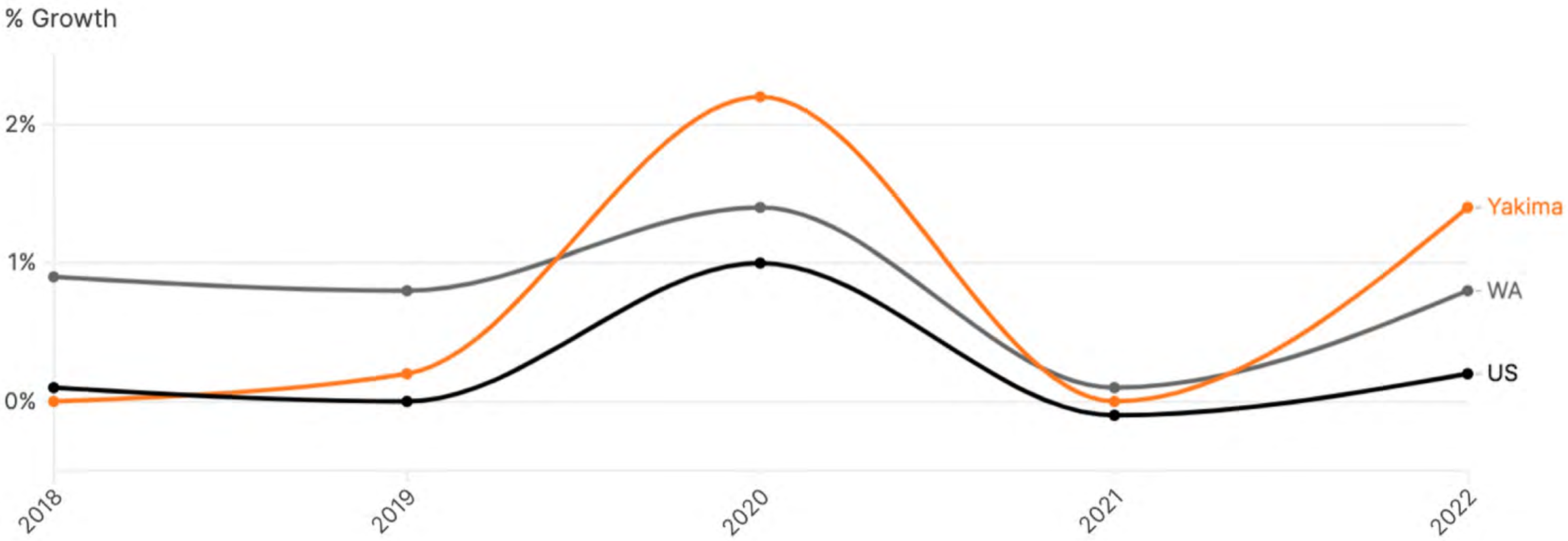
YoY % Population Growth

Yakima County • Washington • United States



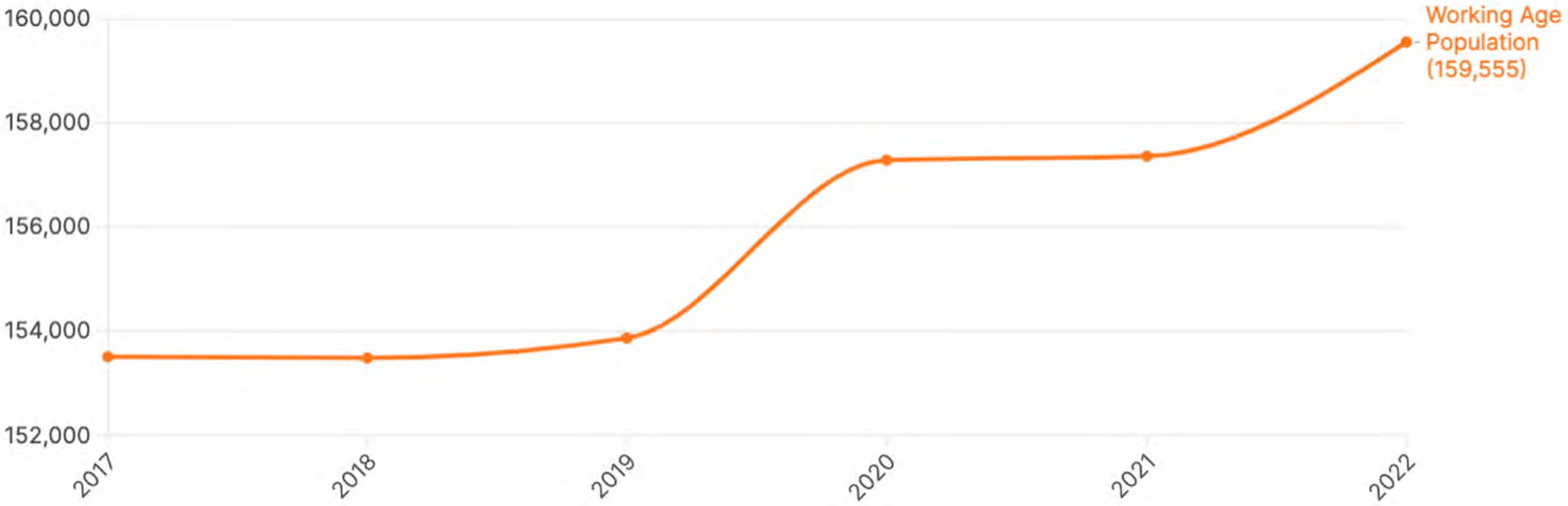
YoY % Working Age (15–64) Population Growth

Yakima County • Washington • United States



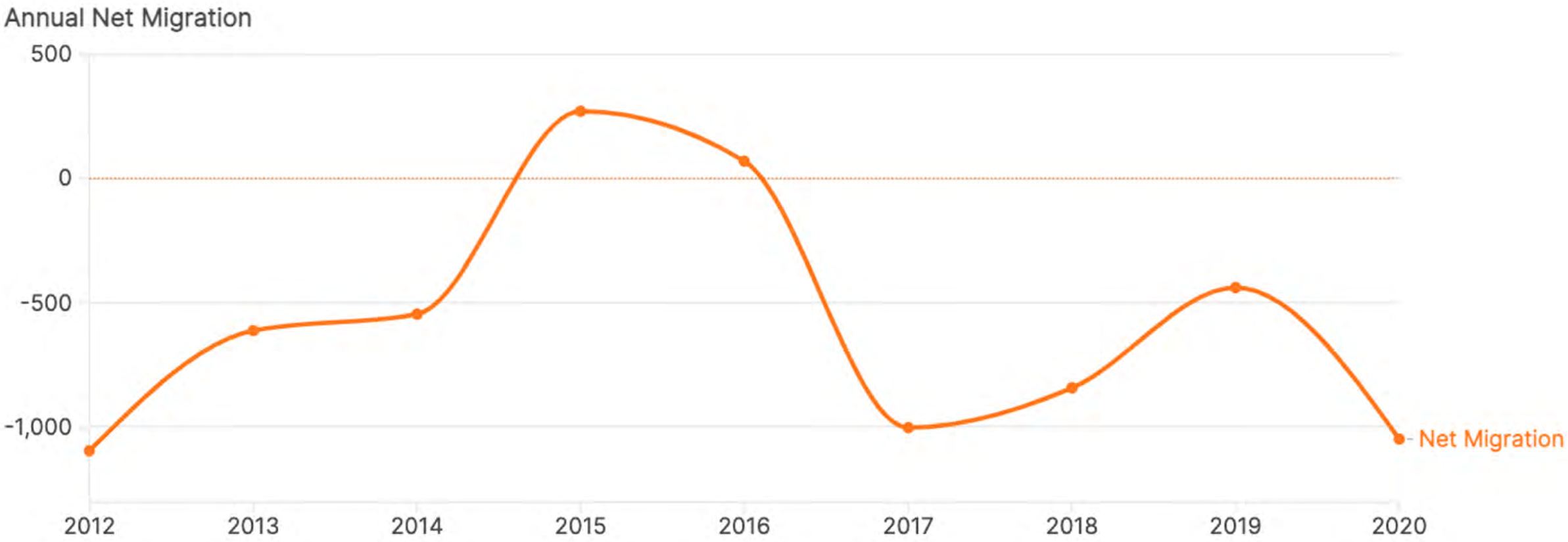
Yakima County Working Age (15–64) Population

2017–2022



Yakima County Net Migration

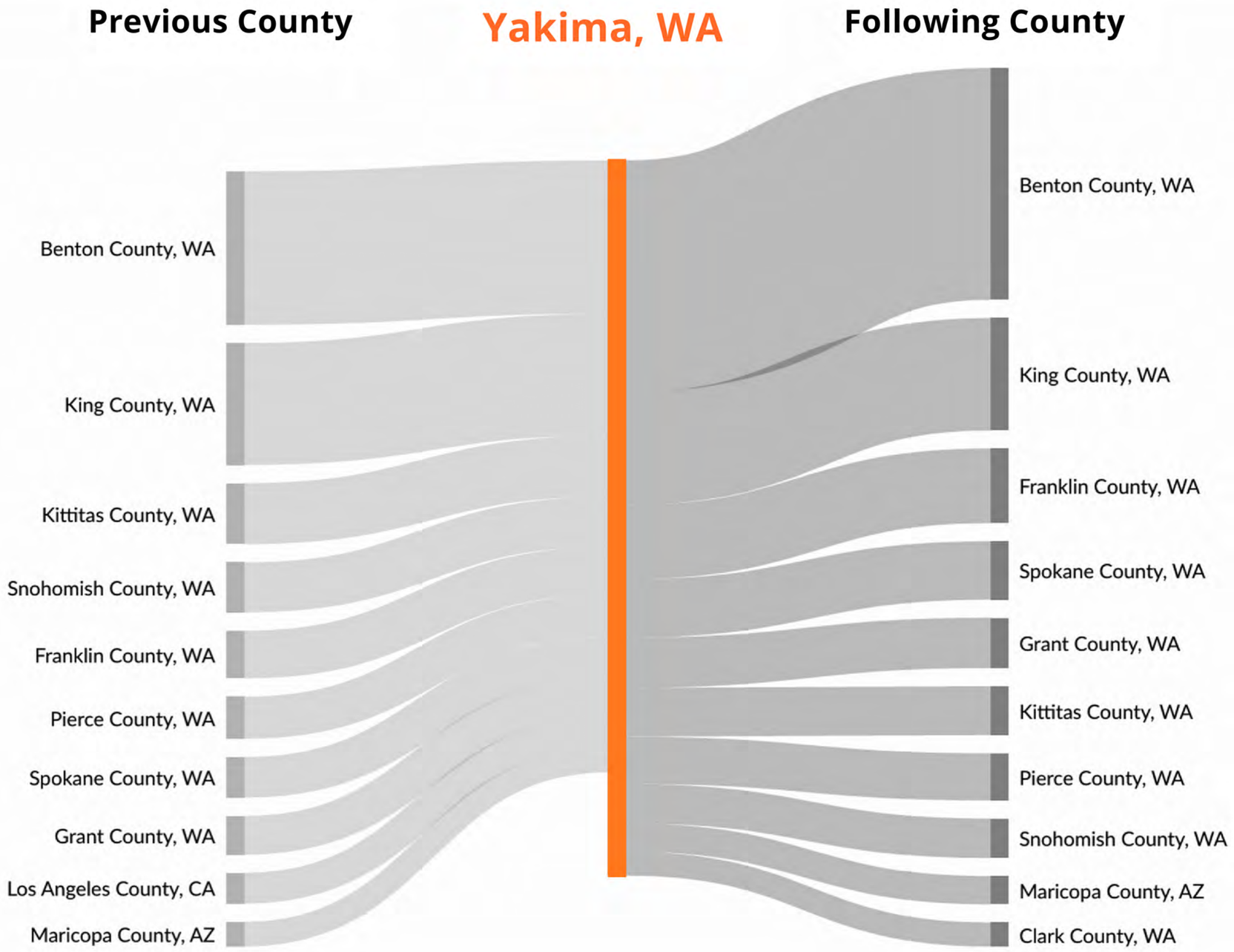
2012–2020



Migration into and out of Yakima County

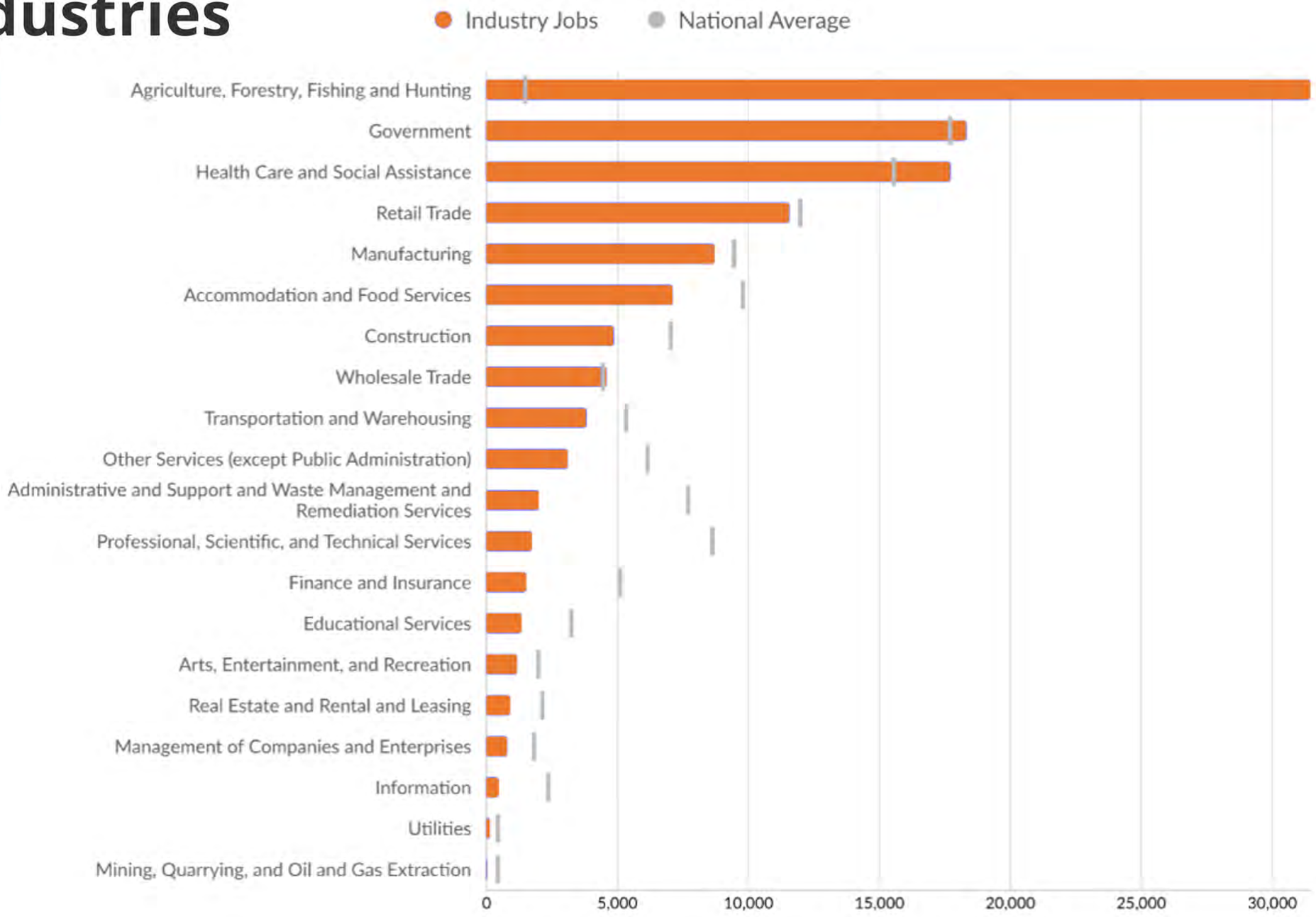
2020

Source: IRS



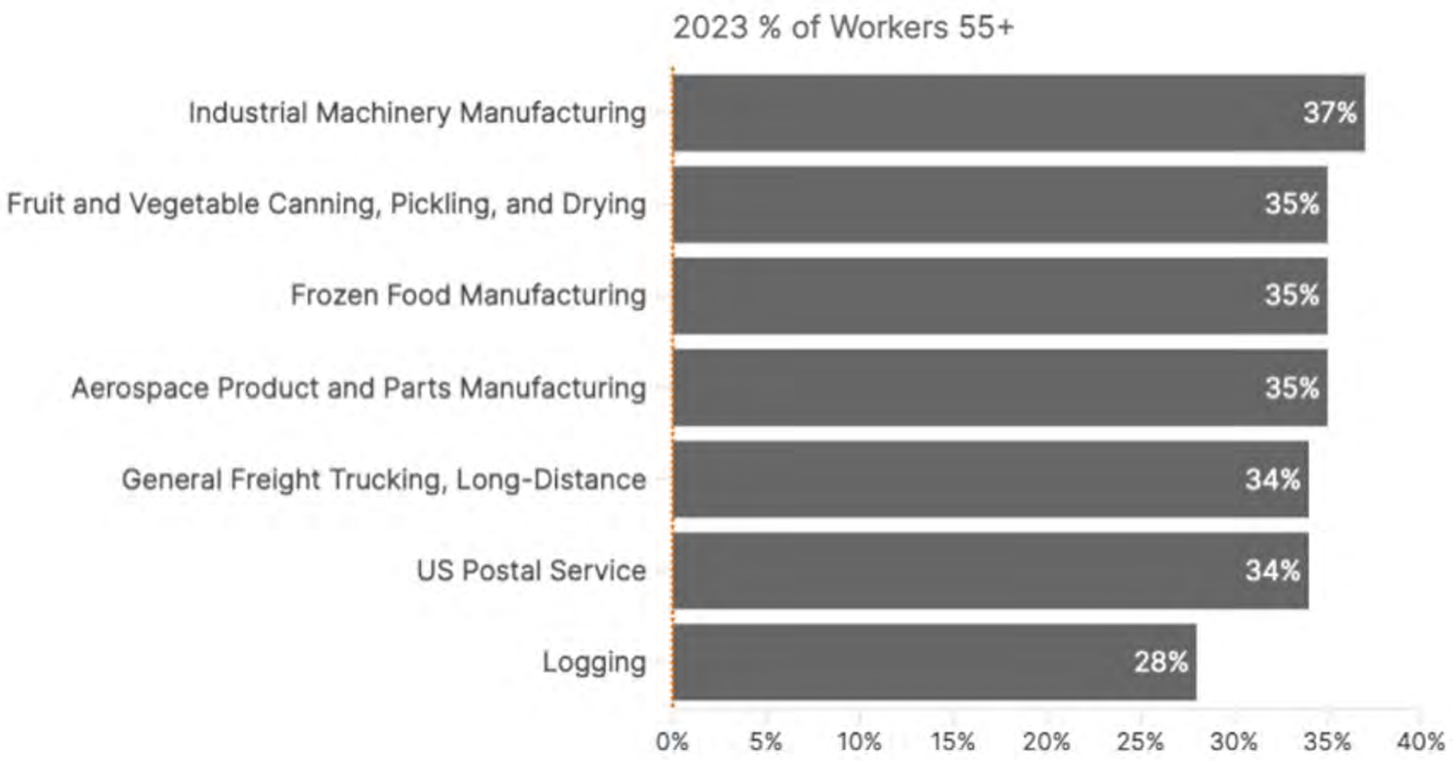
Large Industries

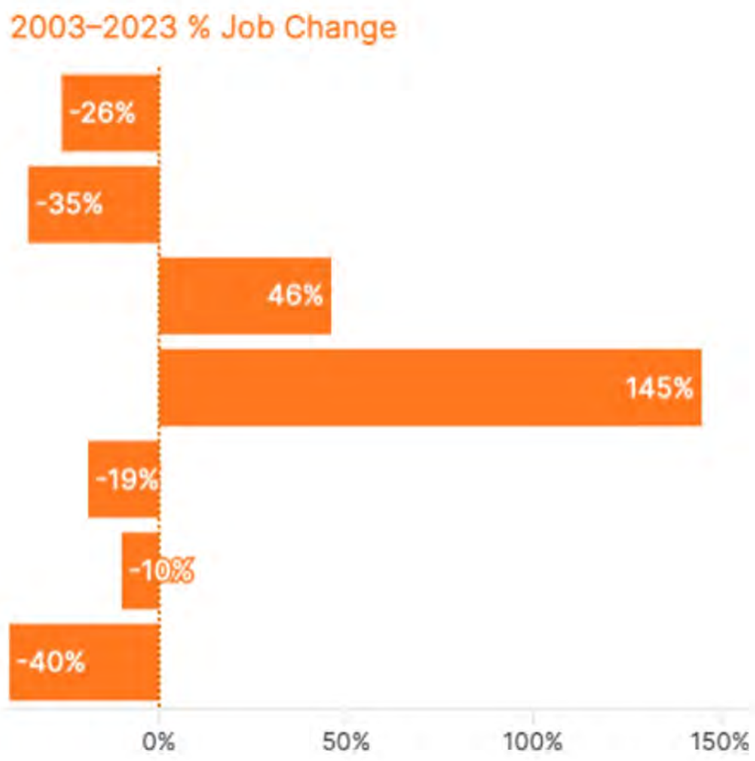
Yakima, WA



Yakima Industries with High Retirement Risk

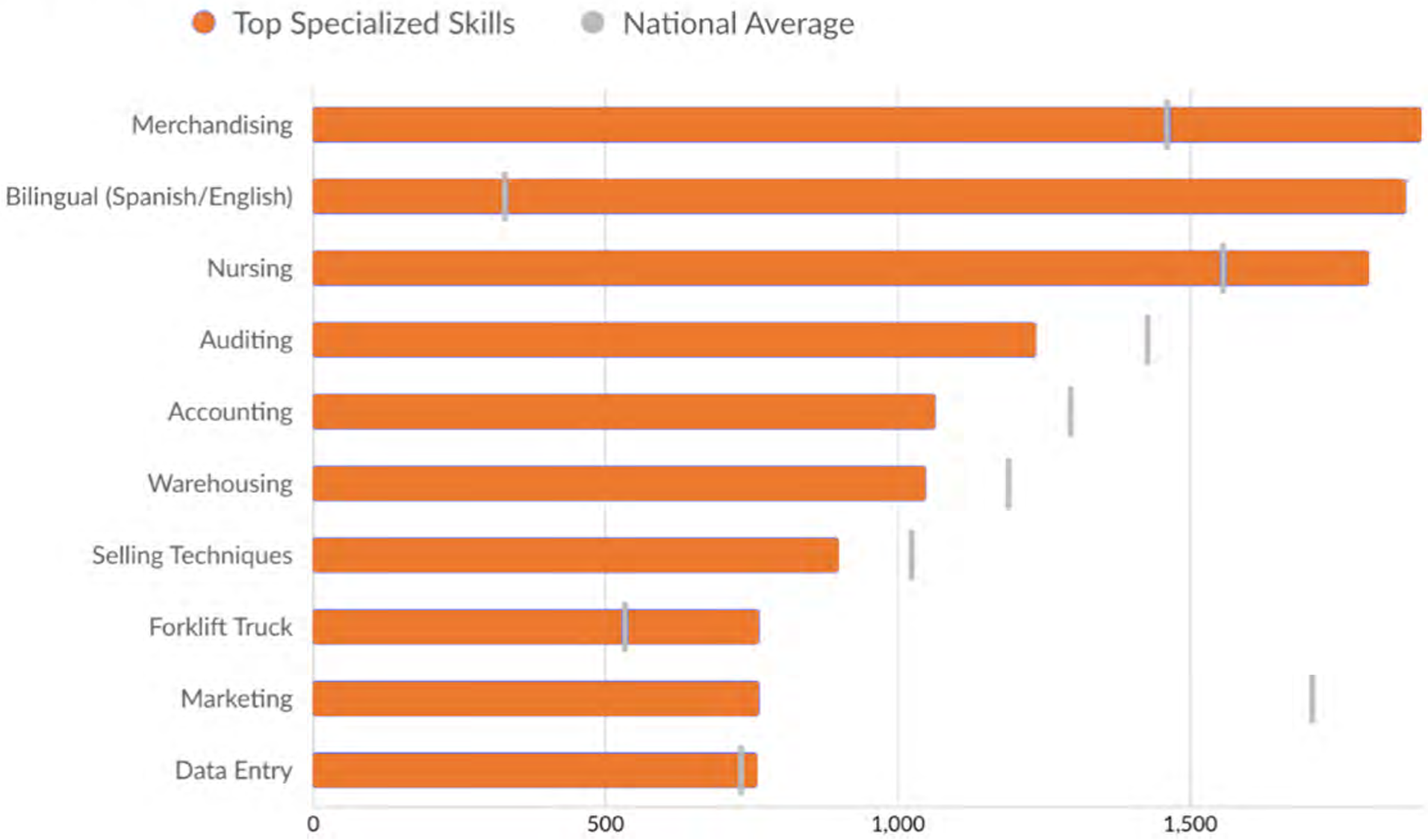
Several industries have more than 1 in 4 workers who are 55+





In-Demand Skills

Yakima, WA



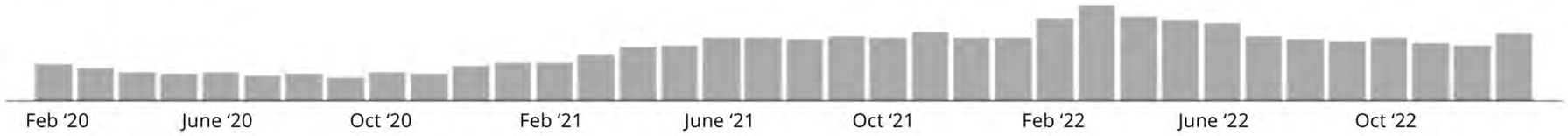
Salary in jobs ads spiked during Covid, bottomed out Nov. ‘22

▼3.8% **Feb 2020–Jan 2023**

$53.9k Median

6M 1Y 3Y CUSTOM

6,900 Job Postings



Top Companies Posting, Nov '22 -Jan '23

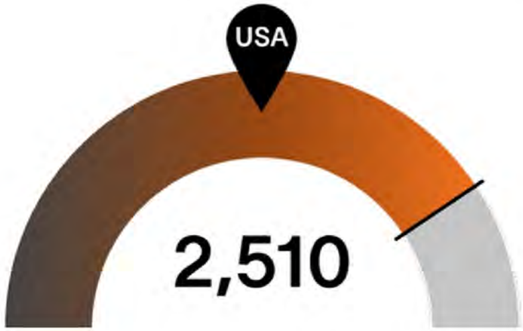
Company	Total/Unique (Nov 2022 - Jan 2023)	Posting Intensity	Median Posting Duration
Yakima Valley Farm Workers Clinic	279 / 170	2 : 1	26 days
State of Washington	158 / 124	1 : 1	25 days
Yakima Valley Memorial Hospital	196 / 110	2 : 1	n/a
Yakima School District	150 / 69	2 : 1	17 days
Yakima Valley College	52 / 50	1 : 1	n/a
Walmart	109 / 49	2 : 1	42 days
Humana	74 / 47	2 : 1	20 days
Heritage University	41 / 40	1 : 1	55 days
City Of Yakima	50 / 37	1 : 1	10 days
Pacific Northwest University Of Health Sciences	48 / 35	1 : 1	29 days

Top Posted Job Titles

Most Common Job Titles, Nov ‘22 -Jan ‘23

Job Title	Total/Unique (Nov 2022 - Jan 2023)	Posting Intensity	Median Posting Duration
Registered Nurses	59 / 28	2 : 1	23 days
Licensed Practical Nurses	28 / 21	1 : 1	14 days
Certified Medical Assistants	66 / 21	3 : 1	30 days
Registered Nurses Shift Manager	18 / 16	1 : 1	25 days
Delivery Drivers	154 / 15	10 : 1	40 days
Phlebotomists	24 / 15	2 : 1	16 days
Service Technicians	20 / 15	1 : 1	27 days
Certified Nursing Assistants	35 / 14	3 : 1	19 days
CDL-A Truck Drivers	20 / 14	1 : 1	27 days
Maintenance Mechanics	22 / 13	2 : 1	12 days

Light Hiring Competition Over a Deep Supply of Regional Talent

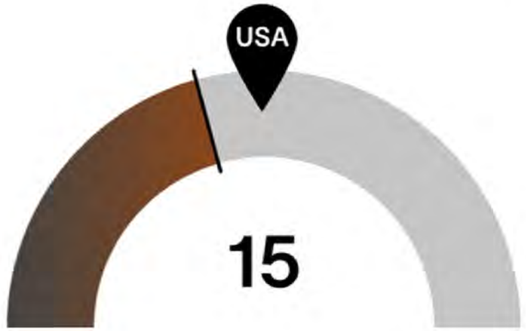


Supply (Jobs)

Yakima, WA is a hotspot for this kind of talent. The national average for an area this size is 915* employees, while there are 2,510 here.

Earnings Per Job

Earnings per job are below the national average. The national average salary for your industries in an area this size is $75,249, while in Yakima, WA it is $61,285. Earnings per jobs is the total industry earnings divided by the number of jobs in the industry.



Demand (Job Postings)

Competition from online job postings is low in Yakima, WA. The national average for an area this size is 19* job postings/mo, while there are 15 here.

Demand

20 Employers Competing

All employers in the region who posted for this job over the last 12 months.

183 Unique Job Postings

The number of unique postings for this job over the last 12 months.

30 Day Median Duration

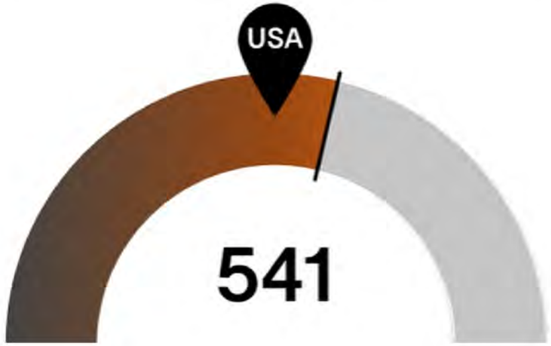
Posting duration is 1 day longer than what's typical in the region.

Top Companies	Unique Postings
Del Monte Foods	55
Darigold	46
PepsiCo	13
Welch Foods	13
Ste. Michelle Wine Estates	12

Top Job Titles	Unique Postings
Maintenance Mechanics	8
Route Sales Representatives	6
Interns	5
Production Supervisors	5
Quality Assurance Supervi...	5

Aerospace Vehicles & Defense

Light Hiring Competition Over a Deep Supply of Regional Talent

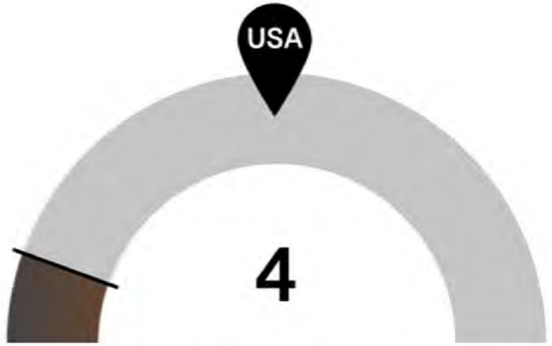


Supply (Jobs)

Yakima County, WA is a hotspot for this kind of talent. The national average for an area this size is 451* employees, while there are 541 here.

Earnings Per Job

Earnings per job are below the national average. The national average salary for your industries in an area this size is $141,363, while in Yakima County, WA it is $81,912. Earnings per jobs is the total industry earnings divided by the number of jobs in the industry.



Demand (Job Postings)

Competition from online job postings is low in Yakima County, WA. The national average for an area this size is 24* job postings/mo, while there are 4 here.

Demand

3 Employers Competing

All employers in the region who posted for this job over the last 12 months.

46 Unique Job Postings

The number of unique postings for this job over the last 12 months.

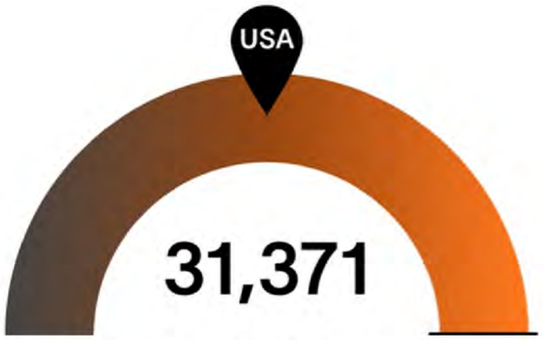
29 Day Median Duration

Posting duration is the same as what's typical in the region.

Top Companies	Unique Postings
Triumph Group	37
General Dynamics	8
Northrop Grumman	1

Top Job Titles	Unique Postings
Assembly Technicians	4
Machinists	3
Design Engineering Mana...	2
Engineering Technicians	2
IT Procurement Analysts	2

Average Hiring Competition Over a Deep Supply of Regional Talent

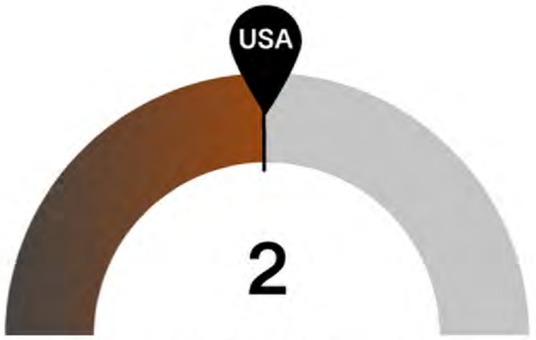


Supply (Jobs)

Yakima County, WA is a hotspot for this kind of talent. The national average for an area this size is 1,371* employees, while there are 31,371 here.

Earnings Per Job

Earnings per job are about the same as the national average. The national average salary for your industries in an area this size is $51,134, while in Yakima County, WA it is $47,788. Earnings per jobs is the total industry earnings divided by the number of jobs in the industry.



Demand (Job Postings)

Competition from online job postings is about average in Yakima County, WA. The national average for an area this size is 2* job postings/mo, while there are 2 here.

Demand

5 Employers Competing

All employers in the region who posted for this job over the last 12 months.

22 Unique Job Postings

The number of unique postings for this job over the last 12 months.

17 Day Median Duration

Posting duration is 12 days shorter than what's typical in the region.

Top Companies	Unique Postings
Nutrien	14
Fruit Packers Supply	3
Legacy Fruit Packers	2
Valent Biosciences	2
Bio-Gro.	1

Top Job Titles	Unique Postings
Warehouse Specialists	5
Crop Consultants	2
Field Support Technicians	2
Medical Delivery Drivers	2
Service Technicians	2

Recommendation #1:

Build on the skills you already have

Unlock new talent pools using career pathways

Efficient job and training connections

HR leaders can use skills-based career pathways to expand their talent pipeline.

Identify jobs based on adjacent skills

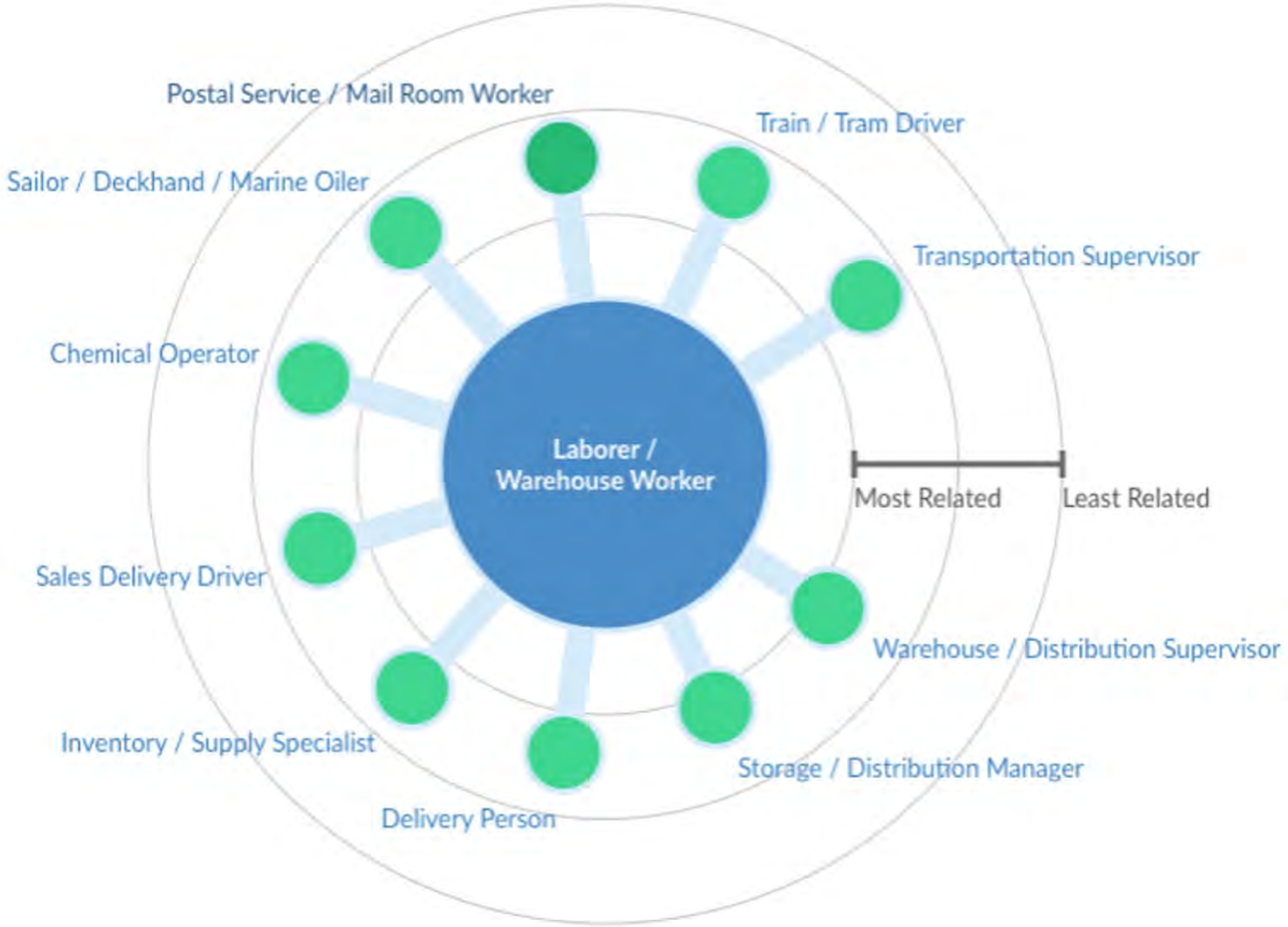
Determine skill overlap regardless of industry

Differentiate between lateral moves and advancements

Next-step roles for Laborers / Warehouse Workers

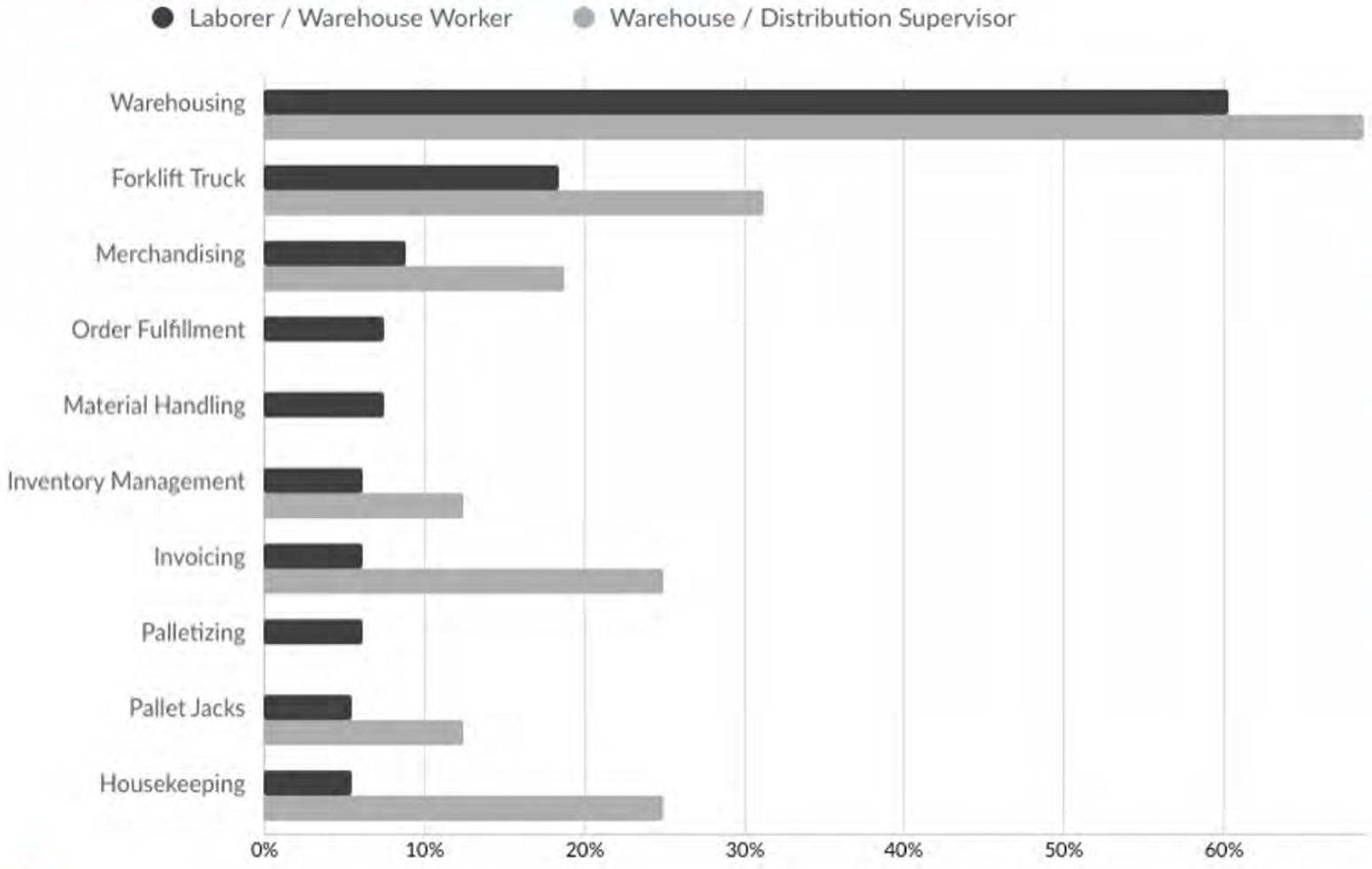
Career Pathways reveals

- **Strong overlap** with Warehouse/ Distribution Managers
- Good **upward wage potential** in roles that are in-demand in Yakima



Laborer / Warehouse Worker → Warehouse / Distribution Supervisor

Comparison of top specialized skills



Career Pathways reveals

- Salary bump of **$14.5k**
- Skill gaps that are relatively **attainable**
- **93%** relevance score

Earlier Messaging.

Get your **message** to them at **younger ages** and then stick with them through graduation.

Most students think college first

Roughly **85%** of 1,500 students we surveyed in 2022 indicated that they intended to pursue a 4-year degree at some point.

Most recent data shows around **63%** of high school graduates immediately enroll in postsecondary programs.

Potential, perception, and pay

We asked: “What are your primary concerns thinking about careers in construction, manufacturing, maintenance, logistics, or agriculture?”

(22% had no concerns)

43% Physical labor

32% Work environment
(I want to work in an office)

27% Unfamiliarity
not sure what these jobs do

19% Jobs don’t pay enough

13% Reputation

The pay differential: a deeper look

A 25 year old

vs

7 years experience as an electrician

3 years experience as an accountant

Yakima + surrounding counties:
Overall advertised wage currently
Journeyman Electrician **$87K**, Accountant **$70K**

Nationally:
At 7 and 3 years experience:
Electrician **$58K** vs Accountant **$63K**

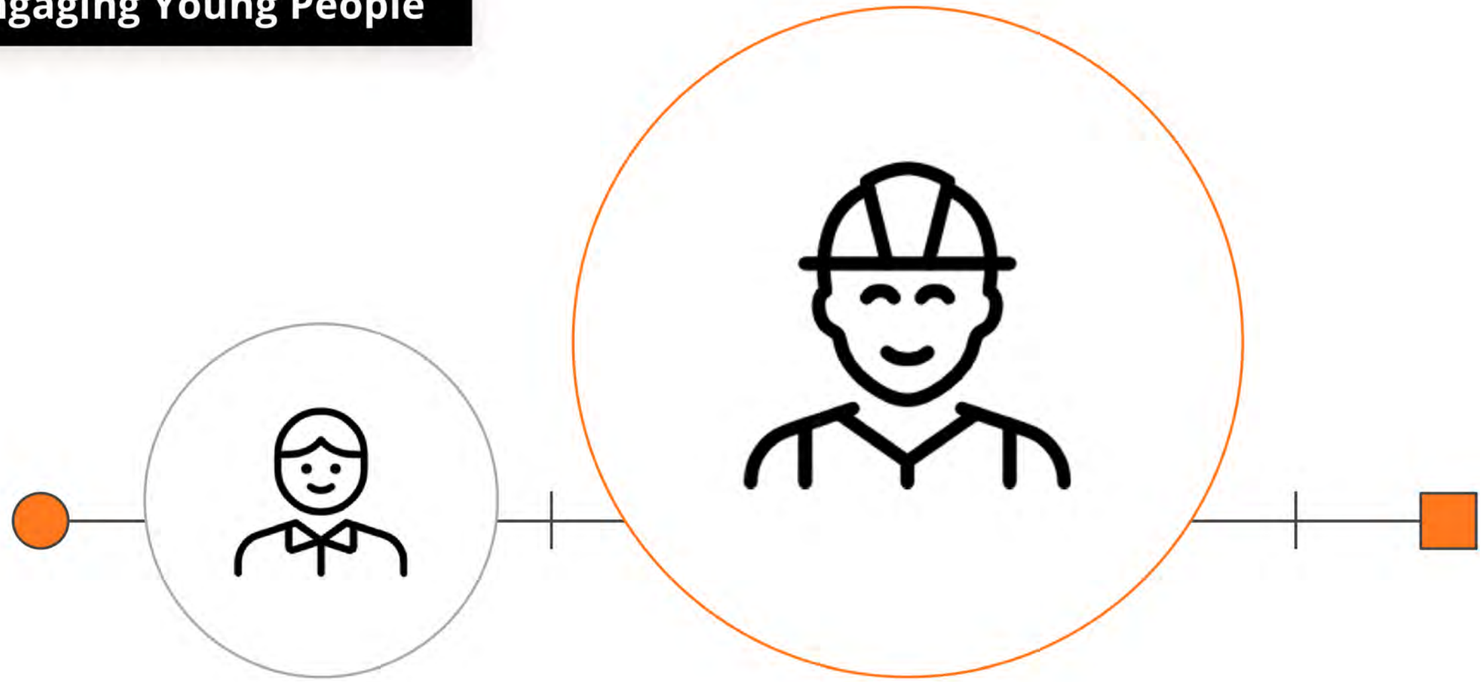
Accumulated earnings at 25.
Electrician, **$378K**, Accountant, **$180K.**

Average cost of attending college is currently **$36K/year** including all expenses.

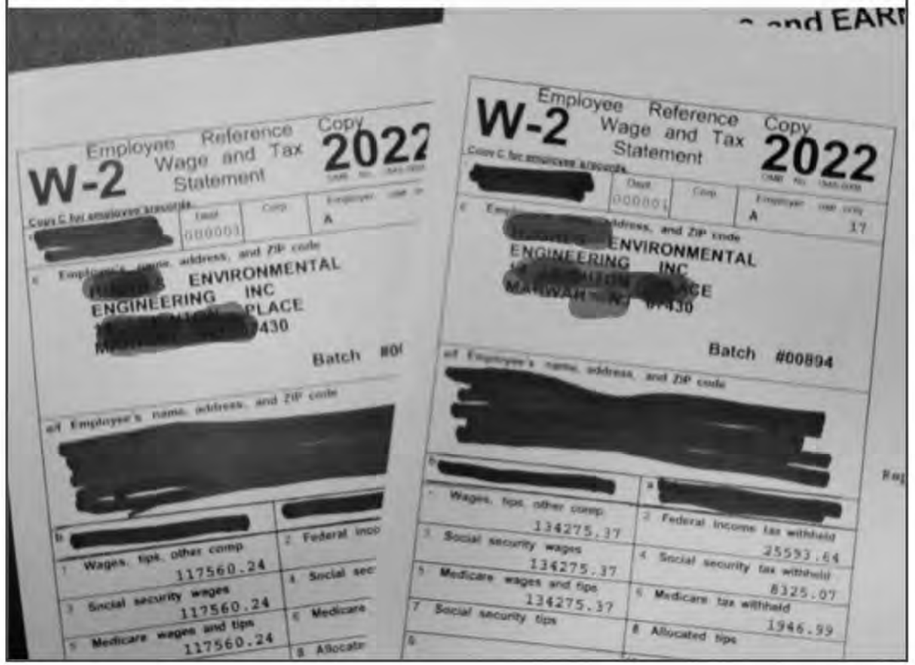
Tuition alone ranges from **$9.5K to $43K** for public, **$37K to $55K** private

The average student **loan debt** balance is **$38K**

Lightcast data, educationdata.org



Today I am proud to be mailing out W-2s with these kinds of earnings. These are young HVAC Service Technicians still in their 20's. No college degree, so no college debt! For anyone considering a career in the Trades, I am telling you the numbers are REAL! #jointhetrades



IF THE ELECTRICIAN HITS MASTER LEVEL, THE ACCOUNTANT WOULD LIKELY **NEVER CATCH THEM**OVER THE COURSE OF A CAREER.

Compensation & Experience

Much quicker path to gaining experience, a four year head start

Career Progression

From apprentice to senior level experience in just a few years.

Value to Society

Few are more equipped to give back to their community, help disadvantaged populations, travel the world and contribute to charitable agencies like those in skilled trades

Ownership

Owners gain real world business savvy such as pricing, scheduling, inventory management, negotiation, human resourcing and many more. Furthermore, they gain freedom! Work the hours you want, take vacation when you want. The amount you make is largely under your control.

Missing workers—those that are out of the labor force but want a job—currently represent the largest untapped pool of talent in the US

If we tap into these workers,
we could potentially end the labor shortage

There are a near record 5.3 million more job openings than available workers

At the same time, there are 5.7 million people who want a job now but are not currently looking for one

Source: US Bureau of Labor Statistics and Lightcast

Adopt flexible and creative work arrangements

→ e.g., remote work, floating start times, shift swapping, compressed work week, workers determine own hours, flexibility to attend training during regular work hours

Make the recruitment and interview process simpler and more inclusive

→ e.g., employee referral programs, intensifying social media efforts, fewer interviews, reprogram resume screening algorithms, “easy apply” mobile options, preserving virtual interviewing, using inclusive language

Adapt job requirements and functions –decompose jobs and match tasks to:

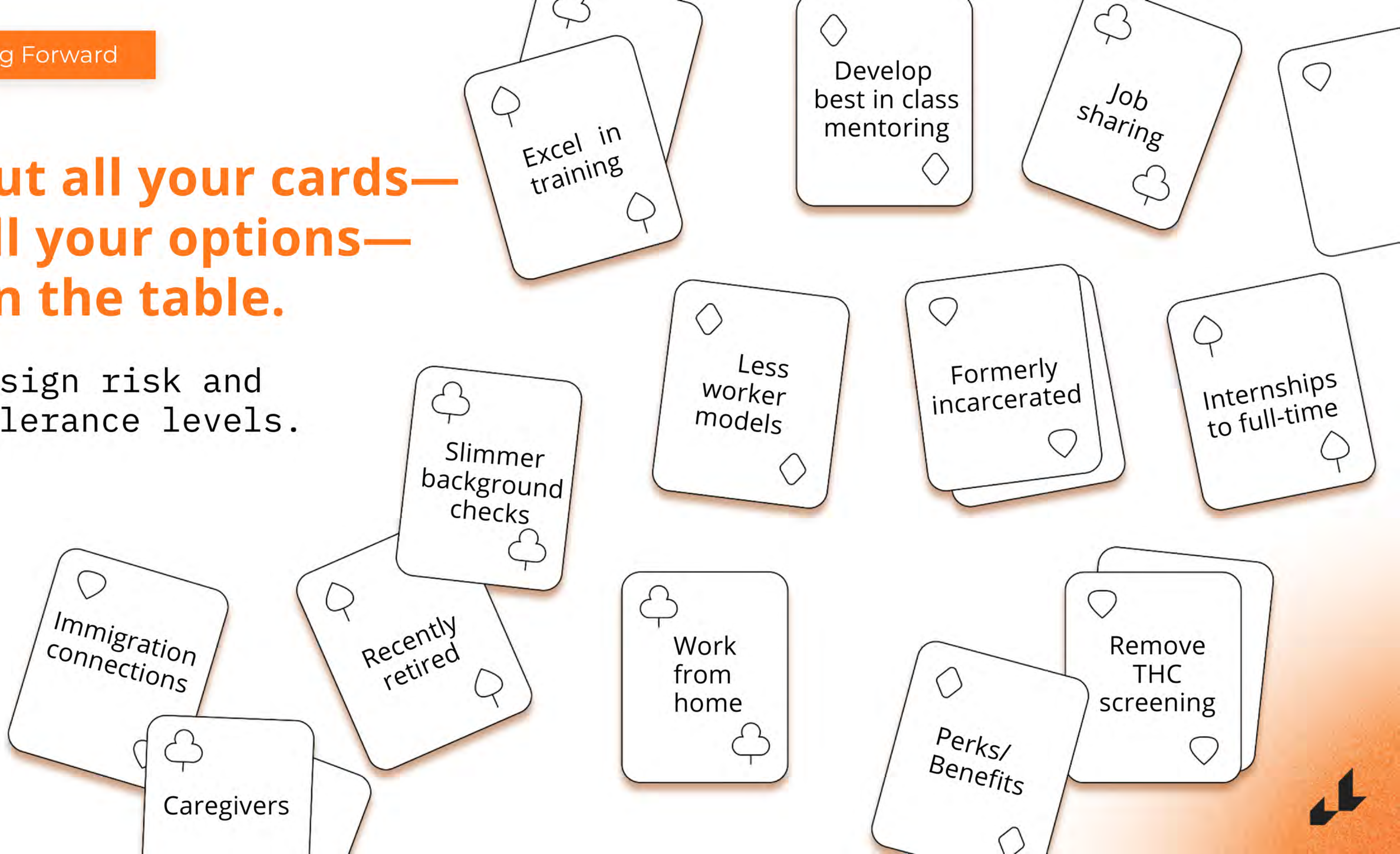
→ Skill –e.g., rewrite job descriptions, lower degree and experience requirements
Schedule –e.g., create job sharing roles
Stress level -e.g., offer roles with lower physical demands and stress levels

Implement targeted onboarding and training programs

→ e.g., robust onboarding or on-ramping programs, “learn and earn” internship and apprenticeship programs

Consciously work to retain employees

→ e.g., maintain training and support programs, special accommodations, and work schedules used to recruit; align work and skill development; formalize career paths; improve reward and recognition programs; conduct “stay interviews”

Put all your cards—all your options—on the table.

Assign risk and tolerance levels.