



STATE OF THE WORKFORCE REPORT

2018

THE COLUMBIA-WILLAMETTE WORKFORCE COLLABORATIVE
Working together to support and develop regional talent.



ABOUT THE COLUMBIA-WILLAMETTE WORKFORCE COLLABORATIVE

The Columbia-Willamette Workforce Collaborative (Collaborative) is a partnership between Clackamas Workforce Partnership, Workforce Southwest Washington and Worksystems: the three Workforce Development Boards covering the Portland-Vancouver Metropolitan Area. The Collaborative delivers a unified approach to serving industry, supporting economic development, and guiding public workforce training investments to better address the needs of our combined labor shed. We know that people are willing to travel throughout the region for the best opportunities and that employers need the most qualified workers regardless of where they live. By working together, we can cultivate our regional talent pool and build the foundation for a strong economy.



ABOUT THE GEOGRAPHIES

Throughout this report, data is often provided for all nine counties found on the map above. These nine counties, when combined, are referred to as the Portland-Vancouver Metro Area (PVMA). The PVMA is a combination of the seven-county Portland-Vancouver-Hillsboro Metro Statistical Area (MSA) and two additional counties served by the Collaborative—Cowlitz and Wahkiakum counties in Southwest Washington.

Columbia, Yamhill, and Skamania counties are not a part of the Collaborative's geography, however, remain an important part of this report as they are included with the Portland MSA. In instances where data is not available for the nine-county region combined, data instead is provided for the seven-county MSA.

This report examines the **state of the workforce** within the greater Portland-Vancouver metro area. Ideally, the economy should exist in equilibrium, where the supply and skills of workers parallel industry demands. Perfect alignment, however, rarely occurs since it requires a dynamic balance between social, economic, and demographic factors influenced by local, national, and global trends. In today's constantly-shifting world with rapidly evolving technology, understanding where misalignments exist is paramount to ensuring the region maintains and establishes competitive edges across growing sectors. Through the data available in this report, regional stakeholders can more efficiently shape policy, consider investments, and implement strategies to improve the quality of the workforce.

The Portland-Vancouver metro area has substantial positive attributes, including being well-known for its beauty, unique culture, and progressive attitudes. From microbrews to microchips, the region's ability to innovate increasingly becomes world-renowned. The region has the 23rd largest labor force in the country and continues to be one of the fastest-growing. Healthcare continues to provide the largest share of private-sector jobs (15 percent) while manufacturing remains an important contributor in the region as well (12 percent). Small businesses dominate the private sector landscape with over 95 percent of regional private-sector firms employing fewer than 50 people. Over 43 percent of the regional workforce has at least a bachelor's degree, compared to 39 percent two years ago and just 36 percent across the country. The diversity of the region continues to rise—the population of people of color grew twice as fast as the overall population in recent years.

Despite being a decade past the beginning of the Great Recession and well into a mature bull market, the region's economy continues to expand rapidly. Earnings growth for full time workers remains on par with national growth. Between 2010 and 2016, median family income in the region jumped nearly 19 percent, now having surpassed the pre-recession peak.

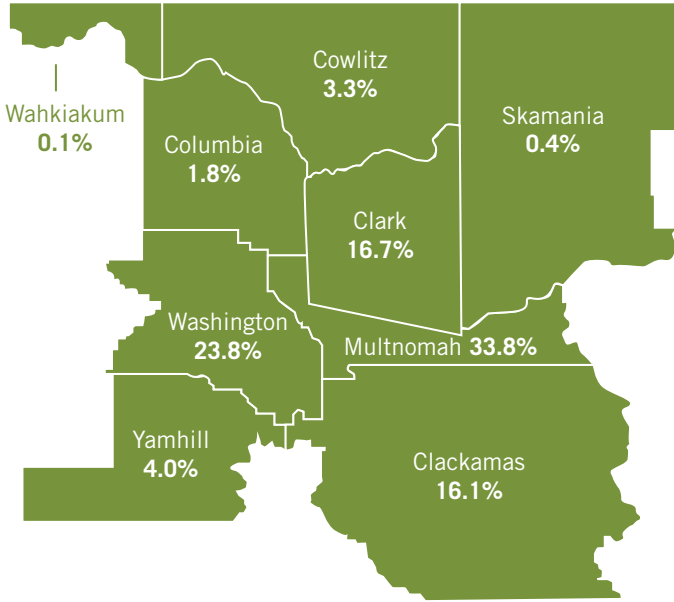
The resounding success of the Portland-Vancouver metro area economy in recent years has resulted in historically low levels of unemployment—less than four percent. Consequently, employers have increasing difficulty in finding enough qualified workers. **Assisting local workers prepare for the region's shifting, growing economy, and thereby aiding businesses find qualified workers is critical to the health of the regional economy.** To sustain the strong growth experienced in recent years, individuals struggling to make ends meet need to be up-skilled to enjoy the benefits of a thriving economy and have the strong workforce necessary to meet the demands of local employers.

The Columbia-Willamette Workforce Collaborative—comprised of the three Workforce Development Boards covering the Portland-Vancouver region—believes in three cornerstones of a prosperous community:

- Workforce development
- Economic development
- Education

For a community to prosper, concentrated efforts must be made to align workforce supply with industry demand. Working together and bridging gaps between disciplines, resources, and jurisdictions strengthen the efforts of these intertwined cornerstones.

2018 REGIONAL LABOR FORCE: 1,379,802



Regional labor force has increased **23%** since 2000.

The Portland Metro Area had the **6th fastest growing labor force** between 2015 and 2017.

MEDIAN EARNINGS FOR YEAR-ROUND, FULL-TIME WORKERS

	2000	2017
Portland Metro Statistical Area	\$35,502	\$52,083
Longview Metro Statistical Area	\$35,095	\$47,895
United States	\$32,098	\$46,881

AGE

21% of the region's workforce is age 55+, with the majority employed in:

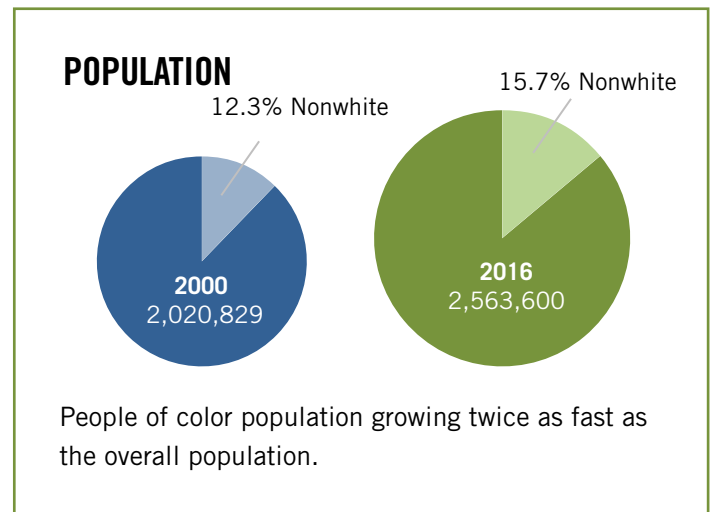
- + Health Care & Social Assistance (private and public) 34,100
- ⚙️ Manufacturing 30,100
- 🎓 Education Services (private and public) 22,800

LARGEST EMPLOYERS IN THE PORTLAND METROPOLITAN AREA

(Ranked by number of local employees)

Rank	Company	Number of Local Employees
1	Intel Corp	19,300
2	Providence Health & Services	17,543
3	Oregon Health and Science University	16,200
4	Legacy Health System	12,955
5	Nike Inc.	12,000
6	Fred Meyer Stores	10,637
7	Kaiser Permanente Northwest*	10,269
8	City of Portland	7,043
9	Portland Public Schools	6,780
10	Multnomah County	6,189
11	Beaverton School District	4,903
12	Vancouver Public Schools	4,600
13	PeaceHealth Southwest Washington Medical Center	4,448
14	U.S. Bank	4,242
15	Wells Fargo	4,100
16	U.S. Postal Service	3,838
17	Portland Community College	3,804
18	New Seasons Market	3,585
19	Portland State University	3,512
20	U.S. Department of Veterans Affairs	3,437

* 2016 employment
Source: Portland Business Journal; July 2017



EDUCATION



44% of the workforce have a Bachelor's Degree or above

A strong, vibrant economy requires a skilled workforce. Rapid technological advancements demand increasingly higher skills requiring education and training beyond high school. The State of Oregon has set an ambitious goal for educational attainment called **40-40-20**, calling for 40 percent of adults to hold a bachelor's degree or more, an additional 40 percent to hold an associate's degree or post-secondary credential, and for all adults to have a high school diploma (remaining 20 percent). Currently, 34 percent of Oregon's population hold a bachelor's degree or more while just 9 percent have an associate's degree. Similarly, Washington State has adopted **Results Washington**, a plan to increase the attainment of certificates, credentials, apprenticeships, and degrees from 73,000 in 2014 to 149,000 by 2023. Most recently, over 96,000 attainments occurred in 2016. These aspirations signal two important goals of the workforce system—to actively reach out to underserved communities, especially those with educational or skill-based barriers to employment while simultaneously building a skilled workforce so that employers can find the talent they require within the region.

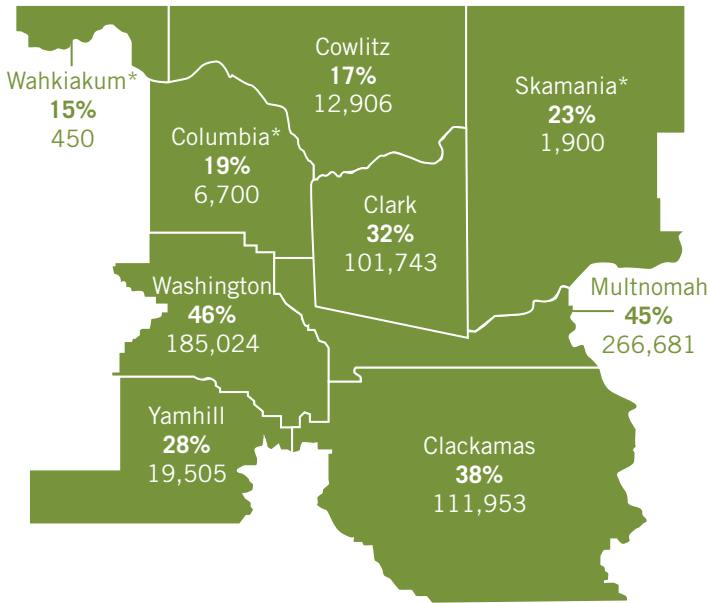
The percent of people in the Portland-Vancouver metro area with a bachelor's degree or higher has climbed to 40 percent, up 12 percentage points since 2000. In Multnomah and Washington counties nearly half of residents have at least a bachelor's degree. The region's higher education landscape contains over 35 institutions, including 5 community colleges and an array of private and public organizations supporting a broad mix of disciplines and degrees. High school graduation rates continue to climb—over 77 percent of students in the Oregon portion and 82 percent of students in the Washington portion of the region graduate in four years.

Notwithstanding these successes, more than 2,500 youth drop out of high school every year and less than a third of regional 11th graders are proficient or above in math. More than one-third of incoming community college students require remediation before pursuing college-level work, negatively impacting completion success rates. **The Collaborative continues to build its relationships with regional partners in education to improve student success rates and improve the skills of the workforce.**

Building a strong regional workforce requires skill-building beyond traditional college-aged students. The Collaborative works with partners to find creative ways to engage and incent adult workers to pursue and complete educational and industry-recognized credentials. Particular emphasis is placed on occupations commonly found in four target sectors: Advanced Manufacturing, Healthcare, Technology, and Construction. By focusing training and services in middle-skill jobs found in these sectors, the Collaborative can efficiently leverage its resources to provide customers a platform to find career-track employment and earn self-sufficient wages.

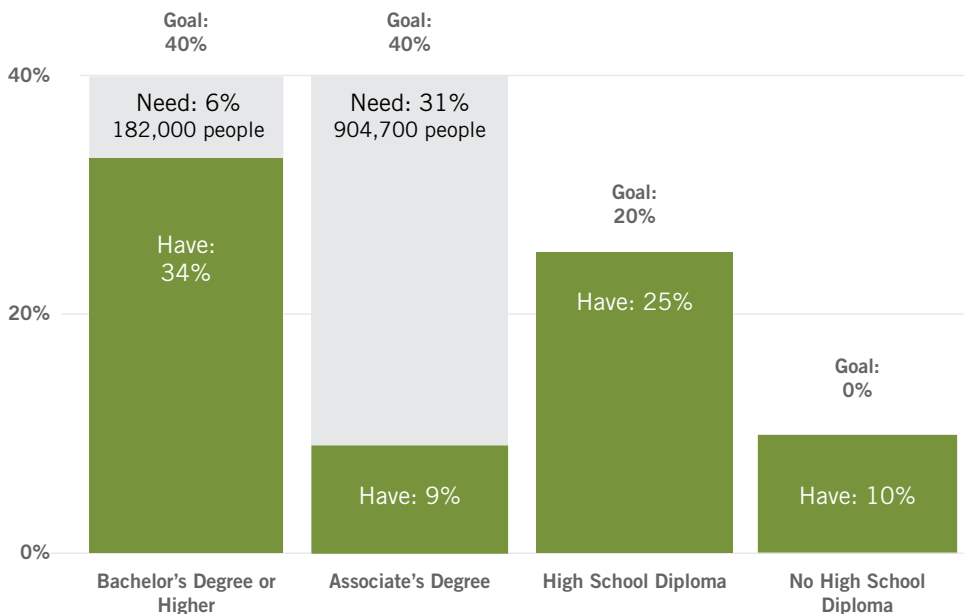
Oregon and several areas in Washington have also adopted the National Career Readiness Certificate (NCRC), a portable credential that demonstrates achievement and a level of workplace readiness skills in applied mathematics, locating information, and reading for information. Increasing regional employer awareness about the NCRC will bolster the initiative's success to-date. As of July 2018, nearly 18,500 residents have attained an NCRC—a real, tangible credential that informs regional employers of a potential employees workplace skills.

PEOPLE AGE 25+ WITH A BACHELOR'S DEGREE OR HIGHER: 2017



* 2016 estimates

OREGON'S 40-40-20 GOAL



FIELDS OF BACHELOR'S DEGREE FOR POPULATION AGE 25+: 2017

Science, Engineering and Related Fields	49%
Arts, Humanities and Other	26%
Business	17%
Education	8%



ONE IN FIVE

workers today are near or at retirement age.

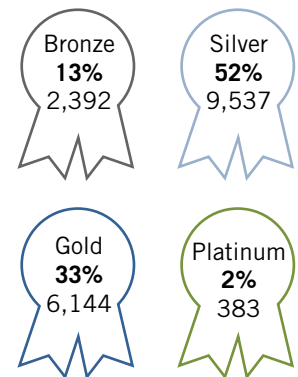
UNIONIZATION

13% of the metro area's workers are union members, down from 2000 (15%)

H-1B VISAS

9,600 certified H-1B visas in 2017.

NATIONAL CAREER READINESS CERTIFICATES



RESULTS WASHINGTON



New degrees by 2023

The Portland-Vancouver metro area has proven to be one of the strongest economies following the Great Recession. A high quality of life combined with a robust entrepreneurial culture that promotes small business growth continues to attract young, creative talent from across the globe. While the manufacturing base emerged from the recession smaller, the sector continues to innovate across the region to remain competitive. High growth has been occurring in distinct industries, resulting in a more diversified economy. Regions with diversified economies are more likely to be resilient against downturns. The metro area ranked 17th in the nation for exports (2017) and is home to globally competitive companies in sectors spanning from software, to athletic and outdoor apparel, and metals and high-tech manufacturing.

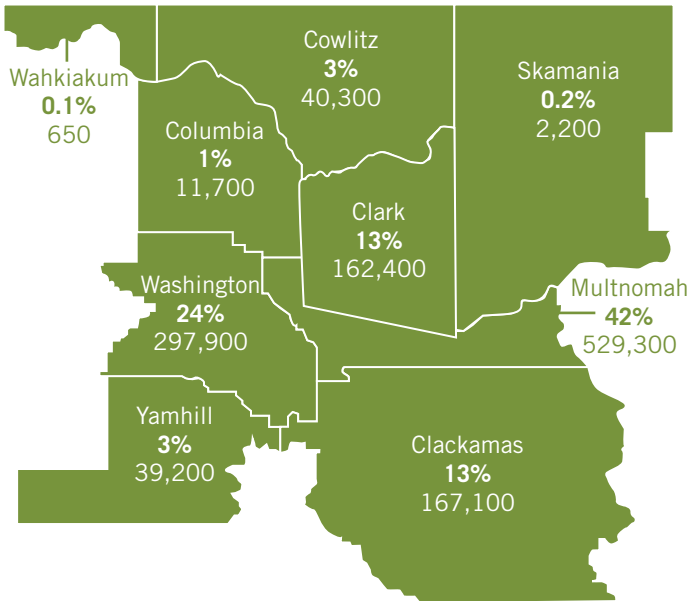
Despite these strengths, numerous challenges threaten the sustainability and health of the region's workforce and economy. Job growth and labor force numbers continue to grow, yet too often employers struggle to find qualified workers. Over one-fifth of the workforce is over the age of 55 and will retire within the next decade. A substantial portion of the older workforce can be found in key sectors such as manufacturing and healthcare. The region's per capita income continues to grow faster than the nation's, yet remains slightly below (98%) of the average for all national metro areas combined (\$51,100). Just two of the region's top 10 most prevalent occupations (Registered Nurses and General/Operations Managers) pay wages sufficient to allow a single parent with two children to support their family without requiring public assistance. Furthermore, both these occupations typically require a bachelor's degree. The remaining eight occupations pay, on average, less than \$30,000 annually.

Over 51,000 people remain unemployed in the region despite steady job growth and ever-increasing online job postings. An additional 122,700 workers in the region work full-time, year-round, yet make less than \$25,000 annually. The combination of education and experience required by regional employers increasingly does not reflect the qualifications of regional job seekers. **The Collaborative has committed to collaboration across program and jurisdictional boundaries to build employers partnerships and address the skill shortages facing the regional workforce.**

The current skill shortage presents both a challenge and opportunity for regional stakeholders—a more coordinated approach will ensure the region addresses its workforce needs. Focusing on target industry sectors that not only have a strong presence now but will continue into the projected future, providing integrated services to efficiently use resources, improving connections between industry and training, and growing the budding awareness among businesses about the public workforce system will provide a path to assuring that the region's workforce meets the needs of an ever-evolving economy.

2017 REGIONAL JOBS: 1,250,750

Grew **14%** since 2012.



Ranked **17th** in the U.S.

EMPLOYMENT PROJECTIONS 2017-2027

Healthcare +24%



Construction +21%



Software/IT +26%



Advanced Manufacturing +1%



All private sector industries **+14%** From 1,250,810 to 1,427,525

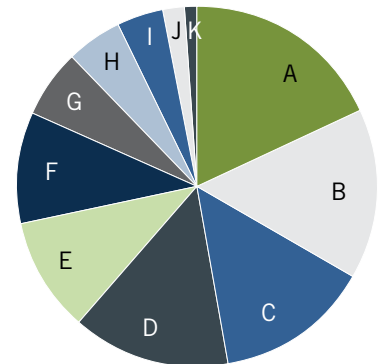
10 MOST COMMON OCCUPATIONS

Occupation	Jobs	Median Annual Wage
Retail Salespersons	36,200	\$24,900
Cashiers	25,500	\$24,100
Office Clerks, General	25,000	\$35,600
Combined Food Preparation and Serving Workers, Including Fast Food	24,300	\$24,100
Registered Nurses	23,300	\$90,300*
General and Operations Managers	21,500	\$94,000*
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	20,900	\$39,600
Waiters and Waitresses	19,800	\$24,100
Customer Service Representatives	18,500	\$36,000
Laborers and Freight, Stock, and Material Movers, Hand	18,400	\$29,300

*Pay a self-sufficient wage for this area.

EMPLOYMENT BY INDUSTRY

- A **Trade, Transportation, and Util.**
18% 221,550
- B **Educational & Health Svcs. (private)**
15% 189,773
- C **Professional and Business Svcs.**
14% 180,756
- D **Government (includes education)**
14% 173,660
- E **Manufacturing**
10% 129,099
- F **Leisure and Hospitality**
10% 125,417
- G **Construction**
6% 70,748
- H **Financial Activities**
5% 65,469
- I **Other Services**
4% 52,331
- J **Information** 2% 25,134
- K **Natural Resources and Mining** 1% 16,557



Investing in the youth of the region will return dividends for decades to come. Consequently, the youth of the region depend on the education system to provide them the academic and foundational skills needed to thrive in an evolving labor market. But no one system or sector can improve educational outcomes alone. Reconnecting youth requires an array of organizations and agencies contributing efforts together to provide promising opportunities for youth and consequently the regional economy.

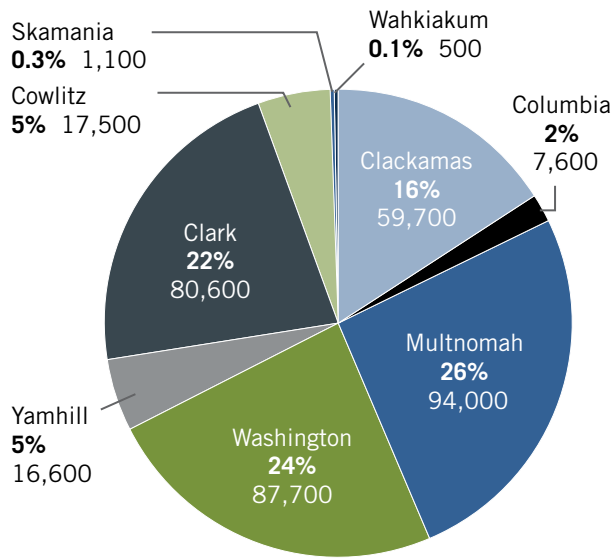
Achieving high levels of educational attainment has far-reaching social, cultural, and economic benefits. Populations with higher levels of education have lower unemployment, commit fewer crimes, require less public assistance, and earn higher wages. It is estimated that increasing the share of adults who earn a two or four-year degree by just one percent will boost the regional economy by more than \$1.5 billion annually. In just three years, (2014-2016), the region saw the share of adults age 25 plus with at least a bachelor's degree increase three percentage points, from 35 to 38 percent.

Current data shows that considerable improvement is needed to increase the educational attainment of regional youth. While academic achievements and regional graduation rates show signs of improvement, significant gaps exist, particularly for low-income youth and students of color. The Hispanic population has doubled since the beginning of the century and the population of people of color is growing faster than the overall population. In 2016, nearly 20,000 new residents arrived to the region from abroad, increasing the number of non-English speakers at home. Given these changing demographics, existing poverty, and higher graduation requirements, it is urgent that regional stakeholders focus on improving academic performance for all regional youth.

While the region continues to see an increase in the number of students entering post-secondary schooling, the rate of completion needs improvement, especially in order to reach the 40-40-20 goal. Data shows that too many students, and in particular students of color, enter programs but never formally receive a credential or degree. The continued high share (over one-third) of students requiring remedial education dampens post-secondary graduation rates. Moreover, these students lacking baseline skills for post-secondary education drain resources from colleges already facing limited budgets.

With a strong economy and tremendous growth since the end of the Great Recession, youth unemployment has now decreased to below 2000 levels—sitting at 10.5 percent. Despite a hot labor market, more than 29,000 youth ages 16-24 are neither in school nor working. Being able to understand who may be falling out of the system and their backgrounds allows the Collaborative and its partners to create partnerships and strategies to directly serve these youth and reconnect them to education and career-track employment. By targeting these youth in need the following will occur: broaden employer engagement in youth development services and activities thereby increasing the number and quality of work-based learning opportunities, re-engage opportunity youth through education and training opportunities, and collaborate with partners to remove and overcome barriers to employment or education for underserved populations of youth. By promoting these strategies, the region will foster youth who will work more, be more likely to return to school, have steady employment with career growth opportunities, and consequently earn more money over the course of their lives. Additionally, these youth will be less likely to engage in crime and other high-risk behaviors.

TOTAL STUDENTS IN PORTLAND-VANCOUVER METRO AREA: 365,300



2-YEAR COLLEGE GRADUATION RATES (WITHIN 3 YEARS)

Portland Community College	16%	Clackamas Community College	22%
Clark College	24%	Lower Columbia College	38%
Mt. Hood Community College	21%		

Oregon and Washington **36%**

4-YEAR COLLEGE GRADUATION RATES (WITHIN 6 YEARS)

Oregon State University	63%	University of Washington	84%
Portland State University	48%	Washington State University	67%
University of Oregon	72%		

Oregon and Washington **71%**

DEMOGRAPHICS

	2000-01	2016-17	Share of 2016-17
Low Income	90,500	163,400	45%
Students of Color	68,900	171,100	41%
ELL Students	26,400	66,700	18%
Opportunity Youth	34,900	29,100	11%

YOUTH UNEMPLOYMENT



DEGREE BY AGE

	18-24	25-34	45-64
Less than High School	14%	7%	7%
High School Diploma	31%	20%	20%
Some College, No Degree	39%	21%	25%
Associate's Degree	6%	9%	10%
Bachelor's Degree +	10%	43%	38%

Note: Many youth (18-24) are still pursuing their degrees, so their share of degrees, esp. Bachelor and above, will be deceptively low compared to older people

HIGH SCHOOL



Cohort: 28,350

Graduate in 4 years	79%
African American	67%
Hispanic	72%
Female	83%

MEDIAN EARNINGS BY EDUCATIONAL ATTAINMENT, PORTLAND-VANCOUVER METRO AREA

Less than High School Graduate	\$24,695.00
High School Graduate	\$31,615.00
Some College or Associate's Degree	\$36,412.00
Bachelor's Degree	\$51,090.00
Graduate or Professional Degree	\$69,853.00
Total:	\$41,086.00

UNEMPLOYMENT RATES BY EDUCATION, U.S. VS. PORTLAND-VANCOUVER METRO AREA

	U.S.	Portland-Vancouver Metro Area
Less than High School Graduate	8.7%	4.5%
High School Graduate	6.2%	5.0%
Some College or Associate's Degree	4.7%	4.4%
Bachelor's Degree or Higher	2.7%	2.8%

Reducing poverty is a moral and economic imperative that is essential to the health and livability of the region. A person born into poverty is much more likely to earn less as an adult, more likely to engage in criminal activity, have poorer health in life and require more public services. Services provided by the workforce development system can remove systematic barriers to employment and are an increasingly popular and effective strategy in the fight to reduce poverty.

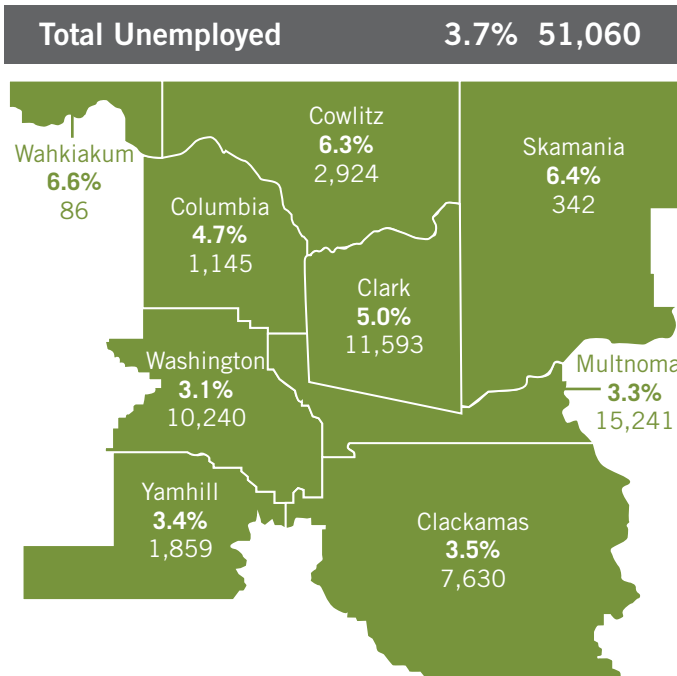
Ensuring that the entire population has basic needs met remains one of the most overwhelming challenges for the Portland-Vancouver region. According to the most recent Census data, more than 280,000 individuals (11 percent) live in poverty. More than one-third of households in Multnomah and Washington counties do not meet the Self-Sufficiency Standard. An estimated 51,000 people remain unemployed and thousands more who work full-time, but do not make ends meet because of low wages, insufficient benefits, and few prospects for career advancement. Others face steep barriers to employment because of low literacy, criminal history, or lack of educational credentials.

Rent and property values continue to soar across the region. While this might be good for homeowners, far too many residents are being forced to move further away from job centers and in extremely unfortunate cases, finding themselves homeless. Renter-occupied households are 50 percent less likely to meet the Self-Sufficiency Standard compared to homeowners. From the most recent point-in-time homeless counts (2017), an estimated 6,400 people sleep on the streets or in shelters across the region. Nearly 2,500 customers engaged in the regional workforce system indicated that they were homeless. Ensuring that residents facing housing insecurity have access to all the services available to them will require a multifaceted approach from housing, workforce, and human service providers.

The Portland-Vancouver region is home to numerous proven programs and promising practices that engage low-income job seekers. These programs include the integration of basic education and occupational skills training, career pathways, vocational focused case management, and strong partnerships with education, community-based and social service organizations.

As the economy continues to remain strong, the region has seen a steep decline in primary resources typically available to combat poverty and engage people with the labor market—namely federal resources that directly support non-education based anti-poverty and workforce efforts. While increasing investments now to support individuals who need workforce supports the most will pay dividends long-term, the current fiscal environment is unlikely to change. Consequently, less resources despite steady needs reinforces the commitment of stakeholders collaborating to address poverty and continually supporting programs and strategies that are proven to work.

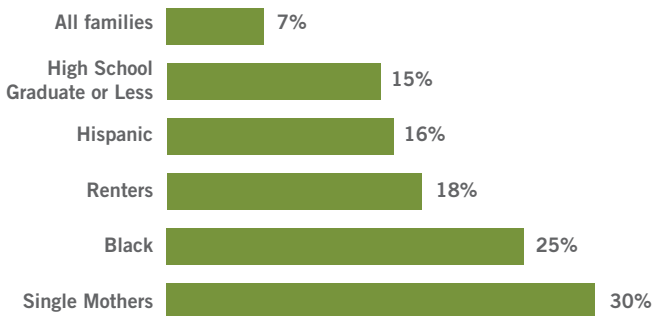
UNEMPLOYMENT RATE



There are
**TWO ONLINE JOB POSTINGS
EACH MONTH**

for every unemployed worker.

POVERTY STATUS OF VARIOUS FAMILY TYPES: 2017



2018 HOUSING AFFORDABILITY



Percent increase from 2015

17.4% Median Rent

33.2% Median House Value

32.5% Median Home Sales Price

14.6%* Median Household Income

Portland has the **25th lowest house vacancy rate** in the nation, and the 15th lowest rental vacancy rate.

Since 2010, rents have increased **2.5X as fast** as median income (48% vs. 19%)

* 2014-2016

	2000	2017
Poverty (Individuals)	178,827 8.7%	277,478 10.9%
Public Assistance (Household)	27,347 3.5%	34,076 3.4%
Subsidized Housing (Individuals)	38,900 2.0%	57,242 2.2%
	2007	2017
Food Stamps/SNAP (Households)	75,442 8.7%	127,371 13.8%

WORKING POOR



14% Working full time and year round, and earning less than \$25,000/year

THE COLUMBIA-WILLAMETTE WORKFORCE COLLABORATIVE



These programs funded in whole or part through the U.S. Department of Labor. We are equal opportunity employers/programs. Auxiliary aids and services are available upon request to individuals with disabilities.