

To: Gulf Coast Workforce Board Members

From: Mike Temple
Carol Kimmick
David Baggerly
Michelle Ramirez

Date: May 27, 2015

Subj: Board Meeting Materials for Tuesday, June 2, 2015

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, June 2, 2015** in H-GAC's second floor conference rooms A, B and C, 3555 Timmons Lane, Houston.

We will have a reasonably full agenda for our June meeting.

Reports. Chair Guthrie will provide his update to members on items of interest. Audit/Monitoring Committee Chair Joe Garcia will report on the committee's latest activity. Committee Chair Guy Jackson will speak on several items of interest from the Texas Legislature as the session ends. Career Office Committee Chair Karlos Allen will help recognize several Workforce Solutions staff for outstanding service to our customers.

Action. Employer Service Chair Gerald Andrews will brief members on the committee's latest work and will present proposed changes to the Board's Key Industries and High-Skill, High-Growth Occupations. As you remember, identifying the industries and employers that help drive the region's economy – and the skilled jobs that will offer good opportunities in the future -- allows us to focus the Board's limited resources to achieve our results.

We are asking you to ratify actions taken at our February 2015 and April 2015 meetings. At that time of year we are usually working to fill membership vacancies – which take time – and we sometimes have a technical issue meeting the requirements for business representatives on the board. We have met that requirement and would ask your consideration of actions that the Board previously approved.

Information. As usual, David Baggerly will report on our performance to-date, including information from the adult education consortium. We will report on expenditures, and Michelle Ramirez will provide an update on our efforts to help long-term unemployed individuals. Ron Borski will brief us on developments in the economy, and Parker Harvey will provide the next installment of our series on key regional industries with an in-depth look at manufacturing related to the upstream energy industry.

We look forward to seeing you on June 2nd. As always, please call or email us if you have questions, or if we can be of assistance.

The Gulf Coast Workforce Board Tentative Agenda

Tuesday, June 2, 2015 at 10:00 a.m.

H-GAC Conference Room A/ B/C

3555 Timmons Lane, Second Floor, Houston, Texas 77027

1. **Call to Order and Determine Quorum**
2. **Adopt Agenda**
3. **Hear Public Comment**
4. **Review April 2015 meeting minutes**
5. **Declare Conflicts of Interest**
6. **Consider Reports**
 - a. *Chair's Report.* The Board Chair will discuss items of interest.
 - b. *Audit/Monitoring.* The Committee Chair will present an update from the committee's May 2015 review.
 - c. *Government Relations.* The Committee Chair will provide an update on legislative information of interest.
 - d. *Career Office.* The Committee Chair will recognize Workforce Solutions staff for outstanding service.
7. **Take Action**
 - a. *Employer Service.* The Committee Chair will report on the committee's recent meeting and recommend updates to the Board's key industries and high-skill, high-growth occupations lists
 - b. *Ratify previous actions.* Ratify action from the February 2015 and April 2015 Board meeting.
8. **Receive Information**
 - a. *System Performance.* Report on current performance.
 - b. *Expenditures.* Report on expenditures.
 - c. *Long-term Unemployed.* Update on service for long-term unemployed individuals.
9. **Look at the Economy**

Report on current economic data and trends in the Houston-Gulf Coast area, including a briefing on employment in the region's manufacturing industry related to upstream energy – principally oil field tools and equipment.
10. **Take Up Other Business**
11. **Adjourn**



Workforce Solutions is an equal opportunity employer/program.

Auxiliary aids and services are available upon request to individuals with disabilities.

Please contact H-GAC at 713.627.3200 at least 48 hours in advance to request accommodations.

Deaf, hard-of-hearing or speech-impaired customers may contact:

Relay Texas 1-800-735-2989 (TTY) or 711 (Voice).

Equal opportunity is the law.

**MINUTES OF
THE GULF COAST WORKFORCE BOARD
TUESDAY, APRIL 7, 2015**

MEMBERS PRESENT:

Ray Aguilar	Willie Alexander	Karlos Allen
Gerald Andrews	Betty Baitland	Carl Bowles
Joe Garcia	Cheryl Guido	Mark Guthrie
Bobbie Henderson	Eduardo Honold	Guy Robert Jackson
Sarah Janes	Tony Jones	David Joost
Birgit Kamps	Jeff Labroski	Kendrick McCleskey
Jerry Nevlud	Linda O'Black	Dale Pillow
Allene Schmitt	Richard Shaw	Connie Smith
Gil Staley	Evelyn Timmins	Toy Wood

H-GAC STAFF MEMBERS PRESENT

Mike Temple
David Baggerly
Michelle Ramirez
Ron Borski

Mr. Mark Guthrie, Chairman, called the meeting to order at approximately 10:00 a.m., on Tuesday, April 7, 2015, in the 2nd floor, H-GAC Conference Rooms A/B/C, at 3555 Timmons Lane, Houston, Texas. Chair Guthrie determined a quorum was present.

ADOPTION OF AGENDA

Chair Guthrie asked for adoption of the agenda as presented. A motion was made and seconded to adopt the agenda. The motion carried and the agenda was adopted as presented.

PUBLIC COMMENT

No one signed up for public comment.

MINUTES FROM FEBRUARY 3, 2015

Chair Guthrie asked if there were any additions or corrections to the minutes for the February 3, 2015 Board meeting and if not, for approval of the minutes as presented. A motion was made and seconded to approve the minutes as presented. The motion carried and the minutes of the February 3, 2015 meeting were approved.

DECLARE CONFLICTS OF INTEREST

Chair Guthrie asked for a declaration of any conflicts of interest with items on the agenda. No one declared a conflict. Chair Guthrie reminded the members that they also were welcome to declare conflicts with items as they are considered.

CONSIDER REPORTS

Chair's Report

Chair Guthrie announced that he wanted to dedicate this meeting in memory of Sal Esparza, a recently deceased long-time Board member. Chair Guthrie stated that Sal was a fixture in the community for many years, served the community as a volunteer in numerous roles and ways, and served on the Workforce Board for over 10 years. Chair Guthrie reported that he attended Sal's funeral and stated that among many speakers, Congressman Al Green gave a eulogy that was very moving. Congressman Green spoke of Sal's many volunteer engagements and presented the family with a flag that was flown at the nation's capital.

Chair Guthrie welcomed new Board member Mr. Ray Aguilar and asked him to introduce himself.

Chair Guthrie reported on the National Association of Workforce Board Conference (NAWB) that was recently held in Washington, DC. Chair Guthrie, Mr. Temple and Ms. Cheryl Guido were in attendance. He said that the major topic of discussion was the implementation of WIOA, the reauthorization of the federal Workforce Investment Act. He stated that Mr. Temple and two other Executive Directors from large Boards in north Texas gave a workshop on competitive procurements, consolidated funding and the Texas model of running workforce programs. Chair Guthrie said that work was underway to convert the presentation into a webinar to be presented on behalf of the Texas Association of Workforce Boards so that Boards from other states can benefit from the information provided. Chair Guthrie also mentioned that another recurring theme at NAWB this year was employing people with disabilities, noting that; several speakers, including the Delaware government spent much time on this topic.

Chair Guthrie also reported that HB-3294 is scheduled for a committee hearing on the coming Thursday morning in Austin. This is the bill to transfer vocational rehabilitation programs from DARS to TWC. Chair Guthrie felt the transfer would be good for all of the stakeholders and that the vocational programs involved belong with the Workforce Commission. Chair Guthrie noted that he asked Mr. Temple and Ms. Guido to work on a pilot project where one or two vocational rehabilitation counselors are stationed in a career office in anticipation of this bill passing in order to determine how best to combine operations of the career offices with the operations vocational rehabilitation counselors, and that this project was subject to approval of DARS.

Next, Chair Guthrie explained there would be a board budget committee report later in the meeting. He mentioned that he asked Mr. Temple to consider adding additional board staff to better serve employers and to potentially assist in the coordination of the transfer

of the field vocational rehabilitation programs to the career offices. In respect of the latter, Chair Guthrie said that it will take much work for both board and career office staff and the vocation rehabilitation staff to implement and he would like to get an early start. Chair Guthrie noted that as TWC develops rules to operate the vocational rehabilitation programs, he would like to be in a position for our Board to provide advice based on our experience with the proposed pilot program.

Chair Guthrie noted that the Texas Association of Workforce Boards will hold its quarterly meeting in Austin in early May which he plans to attend. He will report on this meeting at the June 2015 board meeting.

Mr. Tony Jones spoke about disability statistics and noted that the National Federation of the Blind went to Austin to advocate for the vocational rehabilitation programs to be transferred to TWC. Mr. Jones asked to be involved in the pilot program.

Chair Guthrie concluded his report and no action was taken.

Audit/Monitoring Committee Report

Chair Joe Garcia reported that the committee met on Tuesday, March 24, 2015 and received an update on recent staff audit and monitoring activity.

Chair Garcia explained that since the last report, the regional Quality Assurance (QA) team conducted eleven office reviews and issued seven findings and made a number of other observations which he reported on as follows:

Neighborhood Centers, Inc.

Southwest rated as below average. The QA team noticed problems in staffing, staff abilities and management. Board staff placed this office on a 60 day corrective action plan. Subsequently, NCI replaced the manager, hired more staff and has instituted a supervisor “boot camp” to address customer service issues.

Texas City rated as average. The QA team noted acceptable service during our scheduled visit, but also observed long customer wait time.

Northline rated average. The customer service was better when the team was in the office than what the secret shopper observed. There are wait time issues, but they are hiring more staff. The QA team found PII infractions.

Baytown was again below average and is also on a 60 day corrective action plan that includes staff training to provide efficient and effective customer service. There is a new manager.

Southeast was above average. Staff provided good customer service. The office flows well. The QA team found a PII breach.

Southwest and Texas City have minor accessibility issues mainly due to daily wear and tear, but Southeast has more major work in that the parking lot is not up to EO standards.

Interfaith of The Woodlands

Conroe rated average. They need to adjust some staffing assignments to provide better customer service. They have some wait time and PII issues.

Humble rated average. The QA team saw good customer service. It discovered minor EO accessibility issues.

- The QA team continues to review the system to determine how well we are protecting customer information. It did a sweep this time to hit the offices that were not monitored during this period. Ten of 24 visits had infractions, 4 from Interfaith and 6 from NCI. There is a mix of staff errors and staff not doing enough to help customers protect their data.
- Results of the QA team's visits to vendors in our networks from October through December 2014 are shown below. Note that we start counting visits on October 1 to coincide with our fiscal year.

Active vendors	2,097
Active vendors with referrals	1,495
Vendors with fewer than five children enrolled	1,129
Vendors visited 10/1/14 to 2/28/15	639

No Service Improvement Plans were issued since the last report.

- The QA team completed the first review of customer records to ensure we are opening and closing appropriate services in a timely manner. It also reviewed the quality of staff that provided services to help the customers reach their goal. Both NCI and Interfaith achieved a 100% success rate.
- Job postings, applications and referrals were reviewed. Postings and referrals had 90% or above success rate. Applications still need work – 84% rate.
- The QA team performed the quarterly review of customer eligibility from the Financial Aid Call Center and questioned the eligibility of sixteen customers.

The team also completed its annual field visit to the Financial Aid Call Center and found their operations to be acceptable. Processing time remains to be an issue. The new management has made notable improvements to the operations and we just kicked off the new electronic data software that should also improve processing time. The staff also told us how they could do their job better with the Board's help.

- The QA team is currently looking at offices, youth projects, the early education quality improvement effort, non-custodial parent program and Adult Education Literacy contractors.

Chair Garcia concluded his report and no action was taken.

Government Relations Committee Report – Legislative Update

Chair Guy Robert Jackson reported that during the 84th Texas Legislative session members of the House and Senate filed bills that may impact the workforce system.

Chair Jackson stated that HB 3294 – Texas Workforce Commission continuation and functions, which would transfer of some of the DARS vocational rehabilitation programs, is scheduled for a hearing on April 9, 2015. He reported that the Senate companion SB 208 is still sitting in committee and Chair Jackson suspects the Senate is waiting for the House to act. He noted that the Sunset Advisory Commission recommended transfer of vocational rehabilitation programs in its report to the 84th legislature, noting that many of DARS' consumers eventually end up at a local workforce office to explore job opportunities. Chair Jackson said that the Workforce Commission's successful integration of other employment services present an opportunity to merge vocational rehabilitation with workforce-related services, eliminating duplication and improving service and outcomes for people with disabilities seeking employment.

Chair Jackson noted SB 200 has had testimony taken and is pending in committee and its House companion has not been heard as of today. This legislation would eliminate the Departments of Aging and Disability Services, Assistive and Rehabilitative Services, State Health Services, and Family and Protective Services as separate agencies, merging their functions into a newly constituted Health and Human Services Commission. In the case of DARS, only a few remaining functions would be merged into the new structure, as its largest functions - vocational rehabilitation and federal disability determination would transfer to the Commission if HB 3294/SB 208 are passed. He said that the timeline for completing the HHSC merger, especially relating to State Health Services and Family and Protective Services, might extend through 2019.

Chair Jackson noted that HS 4, publicly funded Pre-K has been heard in committee, has been passed out and has been placed on the emergency calendars, which likely means it will be heard this week on the House floor and passed over to the Senate.

Chair Jackson asked the Board to look at the supplement handout - bill tracker to see a list of the bills that the Board is tracking closely. Chair Jackson mentioned that the next 34 days are critical and any piece of legislation in the House must be passed out of committee by the end of business on May 11, 2015.

Chair Jackson concluded his report and no action was taken.

TAKE ACTION

- a. Budget. The Committee Chair will report on recommendations for the Board's 2015 budget of \$201,095,018.

Chair Willie Alexander reported that the Budget Committee met on March 18, 2015 to consider the proposed 2015 Board Budget.

Chair Alexander explained that each year the Workforce Board approves a budget showing how it uses the revenues it receives to achieve the results set out in the Board's strategic plan: competitive employers, an educated workforce, more and better jobs, and higher incomes. The budget describes how the Board will use its resources to both operate Workforce Solutions and leverage results in the region.

The proposed 2015 budget at \$201 million is 6.5% more than in 2014. The increase comes primarily from the Board's taking a role in funding the adult education and literacy system.

Chair Alexander noted that a slight drop in our general revenue, funds used to power Workforce Solutions is expected. As the economy improves and unemployment rates fall, the formulas which bring workforce investment dollars to the region adjust to give us fewer resources.

- There will be more money to work with individuals receiving welfare payments – significantly more for those with supplemental nutrition benefits (food stamps).
- Early education dollars have increased slightly – largely due to additional funds for quality improvement activities.
- The special revenue category shows the largest increase in the Board's proposed budget.
 - The majority of this increase comes from the adult education and literacy funds; that the Board took responsibility for last summer.
 - The Board has some additional workforce dollars the state provided to assist long-term unemployed individuals. Those resources are invested in on-the-job training.
 - The Board also receives funds for a special project to promote industry-recognized skill credentials and expanding the regional capacity for certifying credentials.

Proposed 2015 expenditures are in line with contracts the Board previously approved for Workforce Solutions, for the adult education consortium, and for special projects.

- The increase in expenditures related to service for employers comes from the additional resources for on-the-job training and the previously approved increase in the contract to operate Employer Services.

- We are proposing a decrease in the budget for financial aid. This reflects our experience of customer demand over the past several years as well as the drop in workforce investment funds. The Board continues to be a leader in both the amount of funds allocated for scholarships and work and work-search financial aid and the number of customers who receive assistance. The drop in the financial aid budget does not affect resources for families seeking help with child care expenses.
- Upgrade projects for the system IT resources are largely complete, and the decrease in the budget reflects this fact.

We are proposing a Board operations budget of \$4.81 million, an increase of 13.7% from 2014. Board operations represent 2.4% of the total system budget. In 2014, Board operations were 2.2% of the total system.

- The largest increase comes from additional staff positions.
 - We have added two positions for the adult education consortium work.
 - We also propose adding two positions to expand Board-level service for employers and to further develop Board-level relationships with business associations and economic development organizations in the region. Over the past year we have noted an increasing demand for Board staff to be involved in employer-based projects and industry initiatives.
 - Finally we would propose an additional strategic planning position to take advantage of requests from multiple partners for joint activities that expand the Board's reach in the community.
 - The total additional staff positions bring total Board staff to 31.
- Increases for indirect, rent, travel, and other expenses are directly related to the increase in staffing.
- We are recommending additional funds in the consultants' category for financial auditing/monitoring of the adult education system.
- H-GAC provides a pool of funds for merit raises in most years. Managers recommend raises based on an evaluation of employees' performance. This year the pool has been set at 3%.

Chair Alexander reported that with this budget, we plan to achieve the following:

- Provide service for 25,500 employers and 346,000 individuals
- Spend \$8.2 million on scholarships for more than 1,300 individuals in high-skill, high-growth occupational training
- Provide adult education and literacy for 23,000 individuals

- Support about 23,000 families and 37,300 children with their early education expenses
- 62% of our employers return for additional services
- Assist in creating 2,700 new jobs
- Help more than 237,000 go to work (73%)
- Raise the incomes of about 118,000 by at least 20% (35%)
- Help 67% of individuals pursuing a post-secondary education to attain a certificate or diploma

A Motion was made and seconded to approve the proposed 2015 Board budget in the amount of \$201,095,018. The motion carried. Later in the meeting, Budget Chair, Willie Alexander announced that a Board member noted a difference in the amount between the 2015 budget amount approved earlier in the meeting and the budget number listed on page 4 of the board item #7. It was noted that the earlier approved budget amount was incorrect and the correct budget amount should be \$201,905,098. A motion was made and seconded to withdraw the earlier budget approval and to approve the corrected 2015 budget amount of \$201,905,098. The motion carried and the budget was approved as presented in the amount of \$201,905,098.

RECEIVE INFORMATION

System Performance

Mr. David Baggerly reviewed the Year End System Performance measures for October 2014 through February 2015. These measures gauge progress toward meeting the results set out in the Board's strategic plan. There are two sets of measures: one for the entire regional workforce system and one for the Board's operating affiliate, Workforce Solutions.

For Workforce Solutions

More Competitive Employers –

Employers Receiving Services (Market Share) – we expected to provide services to 25,452 employers this year which is almost 18% of the 144,799 employers identified for the Gulf Coast area. We provided services to 17,351 employers through February 2015.

Employer Loyalty – our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,719 employers, 11,164 returned to The Workforce Solutions for additional services through February 2015.

More and Better Jobs –

New jobs created – This information is captured quarterly and reflects a two year average.

Customers employed by the 1st quarter after exit – Reporting for the quarter ending March 2014, 111,138 of the 145,849 customers who exited from services were employed by the quarter after exit.

Higher Real Incomes –

Exiters with Earnings Gains of at least 20% - Reporting for the quarter ending September 2013, 55,729 of the 166,302 customers who exited had earnings gains of at least 20%.

A Better Educated and Skilled Workforce –

Customers pursuing education diploma, degree or certificate who achieve one - Reporting for the quarter ending December 2014, 808 customers pursuing an education diploma, degree or certificate exited in the period July – September 2014. 271 achieved a diploma, degree or certificate by the quarter after exit.

In addition to the Board's measures, Workforce Solutions works to meet the state's expectations for performance on indicators related to the money we received from the Texas Workforce Commission.

For the performance year that began October 1, 2014, the state reports we are meeting or exceeding the target for eight of ten measures. The two measures we did not meet are:

- Total Education Achievement. The target for this measure is 80.9%. Our performance in the first two quarters (10/13 – 3/14) was 70.2%. The Board is working with contractor to improve services to help customers attain their educational goal.
- Average Number of Children Served per Day. The target for this measure is 22,443. Our performance through January 2015 was 20,950. We expect to meet the target.

We also have twenty-four new Adult Basic Education and Literacy measures.

- There are eleven measures pertaining to the improvement of education levels. We are meeting seven of these measures. Of the four measures we are not meeting, customers tested at the levels described below and did not improve their skills sufficiently after a scheduled post-test –
 - English as a Second Language – Low
 - English as a Second Language – High
 - Advanced English as a Second Language
 - Adult Secondary Education
- There are nine separate enrollment targets. We plan to provide Adult Education and Literacy services to 25,540 customers. We've recorded 16,382 customers receiving services. We are meeting five of these measures. These are the four enrollment targets we are not meeting:
 - Total Students participating 12 hours or more
 - Total Students

- Target for students receiving Temporary Assistance for Needy Families and participating 12 hours or more
 - Target for students receiving Temporary Assistance for Needy Families
- There are four long-term measures regarding the outcomes of customers who received services, including: attainment of a high school diploma or equivalent, entering post-secondary education and employment and retention. We only have data for the attainment of a high school diploma or equivalent and we are meeting this measure. Data for the other measures will not be available until October 2015.

Mr. Baggerly reported that we continue to work closely with our contractors to improve performance on all measures.

Chair Guthrie requested that staff retrieve the prior TEA Adult Basic Education measures and actual results for the past few years to compare those to current Adult Basic Education measures and results.

Mr. Baggerly concluded his report and no action was taken.

Expenditure Report

Mr. Mike Temple reviewed the Financial Status Report for two months ending February 28, 2015. Mr. Temple stated that everything was in-line and looks good.

Mr. Temple concluded his report and no action was taken.

LOOK AT THE ECONOMY

Mr. Ron Borski explained that the Houston-Sugar Land-Baytown Metropolitan Statistical Area (H-S-B MSA) had a name change to Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (H-W-S MSA). Mr. Borski noted that since the Board packets were mailed, there has been an updated news release and the packet has out-dated information. The Unemployment rate in the H-W-S MSA for February was 4.3%. Mr. Borski noted that there is some deceleration in job growth to 3.4% in February. Also, there was some slowing in Mining, Manufacturing, Professional Business Services and Employment Services sectors.

Mr. Borski concluded his report and no action was taken.

Workforce Demand – In the Mining (Energy) Industry

Mr. Borski provided a brief report on the Mining Industry. Mr. Borski stated that the economy of the Gulf Coast Region is largely centered on the Energy industry with roughly half of all jobs tied to it in some way. Mining is at the heart of it, contributing to

employment in many other industries such as manufacturing, engineering, professional business services, construction, transportation, and warehousing. Virtually all Mining employment in the Gulf Coast Region is tied to the extraction of crude petroleum and natural gas.

The oil and gas industry is commonly referred to as three major sectors:

- Upstream – where the Mining industry is found, involves the exploration, production, and extraction of oil and gas
- Midstream - involves the transportation, storage, and wholesale marketing of crude or refined petroleum products
- Downstream - the oil and gas operations that take place after production and up to the point of sale

Upstream statistics provided within are based on the North American Industry Classification System (NAICS) for Mining which defines it as establishments that extract naturally occurring solid minerals, liquid minerals, and gases.

As of January 2015 the Gulf Coast Region's Mining industry employed more than 100,000 people providing an extensive range of career opportunities. Job growth has been phenomenal over the last few years as seen in the data that follows. Many of these positions have offered good wages with varying education and training requirements ranging anywhere from short term on-the-job training to post-secondary degrees.

There are two subsectors that make up 99% of Mining employment in the Gulf Coast Region: Oil and Gas Extraction and Support Activities for Mining. A third subsector, Mining, Except Oil and Gas, employs some 1,000 individuals in the Gulf Coast Region and will not be discussed in this report.

The Oil and Gas Extraction subsector operates and/or develops oil and gas field properties. Activities may include exploration for crude petroleum and natural gas; drilling, completing and equipping wells; operating separators, emulsion breakers, desilting equipment, and field gathering lines for crude petroleum and natural gas; and all other activities in the preparation of oil and gas up to the point of shipment from the producing property.

The Support Activities for Mining subsector provides support services required for the mining and quarrying of minerals and for the extraction of oil and gas. Establishments performing exploration (except geophysical surveying and mapping) for minerals, on a contract or fee basis, are included in this subsector. Exploration includes traditional prospecting methods, such as taking core samples and making geological observations at prospective sites.

The pace of job growth in Oil and Gas Extraction and Support Activities for Mining has been very strong with payrolls up 39.9% and 54.4% respectively over the last eight years, more than double the pace of total private sector employment over the same time period.

When drilling activity declines, job losses in the Mining sector are primarily in Support Activities for Mining where the largest concentrations of oil field jobs are found. While job losses in Support Activities for Mining were especially large during the last downturn

job growth returned quickly with payrolls rising 74% from September 2009 to January 2015.

Oil and Gas Extraction experienced a minor loss of 2,200 jobs during the last downturn and subsequently entered a period of expansion from May 2009 to December 2014 where payrolls rose 31.6%.

Each of the two subsectors of Mining makes significant contributions to the region with wages that are more than double the average of private sector wage. Oil and Gas Extraction had the largest payroll of over \$3.6 billion in first quarter of 2014 representing 66 percent of all wages in the mining industry.

A large factor which has contributed to recent workforce shortages in Mining is an aging population. The percentage of the population that is 55 and over has risen by 5 percent since 2000 and is expected to rise another 3 percent by 2018 to 23.36 percent. The age of the Mining workforce is increasing rapidly with the number approaching retirement age compounding the severity of workforce shortages in the region over the recent expansion period. The percentage of workers ages 55 and over in the Mining industry more than doubled from 10 percent in 2000 to 22 percent in 2014

Attracting the next generation to the oil and gas industry is another barrier to meeting future workforce needs. The Mining industry is often viewed as unstable with many jobs perceived as low-skilled. This can in part be remedied by informing the public the many high skilled high paying opportunities offered. Efforts have been made recently to encourage interests in the field while increasing accessibility to career and technology education in the industry.

Plunging oil prices are currently forcing producers to cancel or postpone drilling projects. Concerns have been increasingly heightened in recent months as drilling activity tumbles. The U.S. rig count has fallen 42 percent from a high of 1,929 in November 2014 to 1,125 as of March 13, 2015 with more declines likely. The depth and duration of the current downturn is uncertain with expectations for a recovery varying greatly among experts.

In the years ahead the US Energy Information Administration (EIA) predicts world energy consumption to grow by 56% between 2010 and 2040. The Gulf Coast Region's total employment is projected to add 712,430 jobs from 2012 to 2022. This 23.8% growth rate is higher than the previously projected 22.7% for the period 2010 to 2020.

Mr. Borski concluded his report and no action was taken.

OTHER BUSINESS

Chair Guthrie mentioned that he was really upset by hearing that lobbyists for the child care industry are opposing the Pre-K bills before the Legislature, and that he had heard that this opposition was due to the fact the child care operators were worried about losing the revenue from their 4 year old clients. Chair Guthrie stated that he hoped that our system vendors were not taking that position.

Mr. Tony Jones thanked Chairman Guthrie, Mr. Mike Temple, Ms Cheryl Guido, and Mr. Kevin Rodney - they joined Mr. Jones at the Metropolitan Multiservice Center – the Workforce Solutions itinerant site on West Gray for the grand opening on February 25, 2015. Mr. Jones noted that the location is being readily used and asked for a QA report on the site for the June 2015 meeting.

Mr. Guthrie mentioned that he had furnished a recently prepared handout from TAWB on the Workforce Investment System and WIOA which would give Board members information about the Texas workforce development system and the Workforce Innovation and Opportunity Act (WIOA) which is effective on July 1, 2015.

ADJOURN

There was no further business to come before the Board, and Chair Guthrie adjourned the meeting at approximately 10:50 am.

Audit/Monitoring Committee

Update for June 2015

- We conducted eleven office reviews since our last report and issued six reports.

Neighborhood Centers, Inc.

Northshore rated as average. We saw good customer service, but some wait time issues. This office has had staff turnover and could benefit having 1 -2 more staff who are bilingual.

Lake Jackson rated as above average. We noted good service during our scheduled visit and outstanding team work. There are some “wear and tear” EO repairs needed.

Interfaith of The Woodlands

Bay City rated average. The customer service was better when the team was in the office than what the secret shopper observed. There were some cash substitute record keeping issues and EO wear and tear needed repairs.

Huntsville rated below average with inconsistent and unacceptable customer service issues. There were cash substitute data errors, PII concerns and EO accessibility issues needing attention. Interfaith has replaced the manager.

Waller was above average. Staff provided good customer service and teamwork.

Willowbrook rated average. Again, we saw better customer service when our presence was known than during the secret shop. We found minor PII and cash substitute data concerns.

- The team continues to review the system to determine how well we are protecting customer information. We did a sweep this time to hit the offices that were not monitored during this period. Four of 15 visits had infractions, 1 from Interfaith and 4 from NCI. Three of the errors were found in staff unlocked and unattended desk drawers and the other one was a W-2 on the floor.
- Results of our visits to vendors in our networks from October through December 2014 are shown below. Note that we start counting visits on October 1 to coincide with our fiscal year.

Active vendors	2,097
Active vendors with referrals	1,495
Vendors with fewer than five children enrolled	1,129
Vendors visited 10/1/14 to 2/28/15	939

Two Service Improvement Plans were issued since the last report.
Two facilities were holding parents swipe cards.

- We completed the second review of customer records to ensure we are opening and closing appropriate services in a timely manner. We also reviewed the quality of staff provided services to help the customer reach their goal. We found minimal errors.
- The team is currently looking at offices, youth projects, the early education quality improvement effort, non-custodial parent program and Adult Education Literacy contractors.

Financial Monitoring

Dynamic Educational Systems, Inc. (DESI) -- Update

- DESI satisfactorily resolved all of the financial monitoring concerns.

Employment and Training Centers

- One item was found out of compliance with our policies and procedures. It was determined it was due to staff oversight and was corrected immediately.

NCI – Financial Aid Payment Review

- NCI Career office records were monitored for: Scholarship Payments, Work Support Payments, Cash Substitutes and Cash Substitute Reconciliations. The bulk of the concerns are customer record keeping errors. There are questioned costs of \$169.56. We are currently working through NCI's response.

Other

Texas Workforce Commission

- We submitted our response to the Audit Resolution Manager for last year's TWC visit. After we make our initial response, the audit resolution department asks for more details.
- We submitted our document request for the upcoming TWC annual visit that will begin June 15, 2015.

Government Relations

Legislative Update

Current Situation

There has been notable progress on several items in the Legislature since the April Board meeting. We provided updates on bills that we are giving close attention to in several key areas.

State Agencies

- **Texas Workforce Commission continuation and functions (SB 208/HB 3294)**

In addition to reauthorizing the Workforce Commission, this legislation transfers the responsibility for vocational rehabilitation services from the Texas Department of Assistive and Rehabilitative Services to the Commission.

SB 208 passed the Senate on May 11th, and is currently pending in the House Economic and Small Business Development Committee. Its companion bill, HB 3294, is still pending in the House Economic and Small Business Development Committee.

- **Texas Health and Human Services Commission continuation and functions (SB 200/HB 2304)**

This legislation would eliminate the Departments of Aging and Disability Services, Assistive and Rehabilitative Services, State Health Services, and Family and Protective Services as separate agencies, merging their functions into a newly constituted Health and Human Services Commission. In the case of DARS, only a few remaining functions would be merged into the new structure, as its largest functions—vocational rehabilitation and federal disability determination—would transfer to the Commission. The timeline for completing the merger, especially relating to State Health Services and Family and Protective Services, might extend through 2019.

SB 200 passed the Senate on April 15th, and is awaiting a vote by the House of Representatives. Its companion bill, HB 2304, is still pending in the House Human Services House Committee.

Publicly Funded Pre-K

Of the Pre-K bills being tracked, **HB 4** is the only bill that has made any substantial movement in the legislature to date. HB 4, passed by both the House and the Senate, provides an estimated \$130 million in additional state funding for districts that agree to adopt a number of policies — including regular teacher training, limits on class size and certain curriculum standards — in their pre-kindergarten programs, as well as a parent engagement plan.

Primary and Secondary Education

There are multiple bills relating to primary and secondary education, including a few that have passed in either the House, Senate, or both.

- **SB 13** would prohibit any rule limiting the number of dual credit courses or hours in which a student may enroll while in high school or limiting the number of dual credit courses or hours in which a student may enroll each semester or academic year. The bill also calls for each school district to provide instruction to seventh and eighth graders in preparing for high school, college, and a career. ***It has passed the Senate and was referred to the House Public Education Committee where it is pending.***
- **SB 925** establishes training academies for public school teachers who provide reading instruction to students in kindergarten through grade three. A literacy achievement academy developed under this bill must include training in effective and systematic instructional practices in reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension. ***The bill was signed by the Governor on May 21.***
- **SB 934** establishes training academies for public school teachers who provide mathematics instruction to students in kindergarten through grade three. The bill would require the Commissioner of Education to develop mathematics achievement academies for teachers who provide math instruction to students in kindergarten, first, second, or third grades. The achievement academies must include training in effective and systematic instructional practices in mathematics, including measurement, problem solving, and analyzing and describing geometric shapes, figures, and patterns. ***The bill was passed by the Senate and the House.***
- **HB 2628** would require the Texas Higher Education Coordinating Board to establish alignment between the college and career readiness standards and the knowledge, skills, and abilities students are expected to demonstrate in career and technical education. ***The bill was passed by the House and the Senate.***

Other Legislation

We continue to follow bills on:

- Publication of local workforce board performance data and education/training vendor data;
- The continuation of the Texas Workforce Investment Council (TWIC);
- Drug testing and disqualification for unemployment benefits; and
- Authorization of local economic development organizations to finance projects that support job training facilities at community colleges and public technical institutions

We have provided a list of each bill we're following, with a brief description, a current status, and how to locate the bill online.

84th Texas Legislature Regular Session (2015)
H-GAC Workforce Bill Tracker

Bill No.	Description	Author(s)	Committee	Status	Link to Bill Text Online
HB 3294	Transfer administration of vocational rehabilitation services from HHS to Texas Workforce Commission.	Burkett	Economic & Small Business Development	Considered in public hearing and left pending in committee on 4/9/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB03294I.htm
SB 208	Transfer administration of vocational rehabilitation services to Texas Workforce Commission.	Campbell	Natural Resources & Economic Development	Passed the Senate; reported favorably out of House Committee on 5/20/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00208I.htm
HB 2304	Relating to the consolidation of Health and Human Services System including the abolition of the Department of Assistive and Rehabilitative Services.	Price, Raymond, Dutton, Burkett, Gonzales,	Human Services	Considered in public hearing and left pending in committee on 4/27/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02304I.htm
SB 200	Relating to the consolidation of Health and Human Services System including the abolition of the Department of Assistive and Rehabilitative Services.	Nelson, Birdwell, Hinojosa, Campbell, Schwertner	Health & Human Services	Passed the Senate; reported favorably out of House Committee on 5/15/15; placed on Major State Calendar 5/24/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00200I.htm
HB 1606	Continue Texas Workforce Investment Council (TWIC) to 2027; Develop a statewide system of industry-defined and recognized skills and standards and credentials for all major skilled occupations; Abolish Texas Skill Standards Board and transfer of duties to TWIC.	Burkett	Economic & Small Business Development	Passed and signed by House and Senate; sent to the Governor on 5/14/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01606I.htm
SB 209	Continue Texas Workforce Investment Council (TWIC) to 2027; Develop a statewide system of industry-defined and recognized skills and standards and credentials for all major skilled occupations; Abolish Texas Skill Standards Board and transfer of duties to TWIC.	Hinojosa, Birdwell, Campbell, Nelson, Schwertner	Natural Resources & Economic Development	Reported favorably out of Senate committee on 3/11/15; Not placed on intent calendar	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00209S.htm
HB 1047	Allow franchise tax credit for paid internships to certain high school students.	Workman, Parker, Darby	Ways & Means	Referred to committee on 3/4; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01047I.htm
SB 1248	Allow franchise tax credit for paid internships to certain high school students.	West	Finance	Considered in public hearing and left pending in committee on 4/22/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01248I.htm

84th Texas Legislature Regular Session (2015)
H-GAC Workforce Bill Tracker

Bill No.	Description	Author(s)	Committee	Status	Link to Bill Text Online
HB 1384	Texas Higher Education Coordinating Board may authorize public junior colleges to offer baccalaureate degree programs in the fields of applied science, applied technology, and nursing.	Davis, Laubenberg, Peña, Raney	Higher Education	Reported favorably out of House committee on 5/18/15; Placed on General State Calendar on 5/14/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01384I.htm
SB 271	Texas Higher Education Coordinating Board may authorize public junior colleges to offer baccalaureate degree programs in the fields of applied science, applied technology, and nursing.	Ellis	Higher Education	Considered in public hearing and left pending in Senate Committee on 4/29/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00271I.htm
HB 589	Relating to a disqualification for unemployment benefits for refusing to take or failing a preemployment drug test.	Burkett, Harless, King	Economic & Small Business Development	Reported favorably out of House committee on 3/19/15; Placed on General State Calendar on 5/14/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00589H.htm
SB 722	Relating to a disqualification for unemployment benefits for refusing to take or failing a preemployment drug test.	Perry	Natural Resources & Economic Development	Passed the Senate; reported favorably out of House Committee on 5/21/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00722S.htm
HB 2628	Relating to the development and alignment by Texas Higher Education Coordinating Board of curricula for certain career and technology education programs.	Clardy	Higher Education	Passed the House and Senate; Bill enrolled in House on 5/21/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02628I.htm
SB 1480	Relating to the development and alignment by Texas Higher Education Coordinating Board of curricula for certain career and technology education programs.	Garcia	Higher Education	Referred to committee on 3/19; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01480I.htm
HB 3278	Relating to measures to support public school student academic achievement and career preparation, including measures to improve and support dual-credit courses.	Gonzales	Public Education	Referred to committee on 3/17; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB03278I.htm
SB 13	Relating to measures to support public school student academic achievement and career preparation, including measures to improve and support dual-credit courses.	Perry, Estes, Hall, Schwertner, Seliger	Education	Passed the Senate; reported favorably out of House Committee on 5/21/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00013S.htm

84th Texas Legislature Regular Session (2015)
H-GAC Workforce Bill Tracker

Bill No.	Description	Author(s)	Committee	Status	Link to Bill Text Online
HB 1843	Relating to providing training academies for public school teachers who provide reading instruction to students in kindergarten through grade three.	Aycock	Public Education	Out of House Committee; companion bill SB 925 considered in lieu of	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01843I.htm
SB 925	Relating to providing training academies for public school teachers who provide reading instruction to students in kindergarten through grade three.	Kolkhorst	Education	Signed by the Governor on 5/21/15; Effective immediately	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00925I.htm
HB 2609	Relating to providing training academies for public school teachers who provide mathematics instruction to students in kindergarten through grade three.	Farney	Public Education	Out of House Committee; companion bill SB 934 considered in lieu of	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02609I.htm
SB 934	Relating to providing training academies for public school teachers who provide mathematics instruction to students in kindergarten through grade three.	Kolkhorst	Education	Passed by the House and Senate	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00934I.htm
HB 292	Authorizes development corporations to finance projects to support primary job training facilities and programs at certain educational institutions.	Stephenson, Reynolds, Zerwas, Miller, Sanford	Economic & Small Business Development	Considered in public hearing and left pending in committee on 4/30/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00292I.htm
SB 1351	Establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund of the Texas Workforce Commision	Hinojosa	Higher Education	Passed the Senate and House Committee; placed on House calendars on 5/22/15	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01351I.htm
SB 1390/1456	Relating to improving the accountability of local workforce development boards and consumer information regarding job training programs.	Lucio/Zaffirini	Natural Resources & Economic Development	Referred to committee on 3/18 (1390) and 3/19 (1456); Both in committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01390I.htm
HB 2820	Provides for the expedited certification of persons with appropriate industry credentials to provide instruction in public schools.	Reynolds	Public Education	Referred to committee on 3/16; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02820I.htm

84th Texas Legislature Regular Session (2015)
H-GAC Workforce Bill Tracker

Bill No.	Description	Author(s)	Committee	Status	Link to Bill Text Online
HB 3616	Relating to the use of certain funds for workforce development; excess funds in TWC's compensation fund will be transferred to the commission to be used for expenses related to workforce development.	Alvarado	Economic & Small Business Development	Referred to committee on 3/19; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB03616I.htm
HB 3658	Relating to the development and administration of a parent orientation and education pilot program for recipients of subsidized child-care services.	King	Human Services	Passed the House; In Senate Committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB03658I.htm
Relating to developments and improvements in prekindergarten and early childhood					
HB 4	Establish a funding program under which funds are awarded to school districts and open-enrollment charter schools to implement a high-quality pre-K program.	Huberty, Deshotel, King, Giddings, Ashby	Public Education	Passed in the House and Senate	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00004I.htm
SB 801	Establish a funding program under which funds are awarded to school districts and open-enrollment charter schools to implement a high-quality pre-K program.	Zaffirini, Campbell	Education	Referred to committee on 3/3; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00801I.htm
HB 186	Relating to the availability of free prekindergarten programs in public schools.	Thompson	Public Education	Referred to committee on 2/9; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00186I.htm
SB 72	Relating to the availability of free prekindergarten programs in public schools.	Ellis	Education	Referred to committee on 1/26; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00072I.htm
HB 3887	Relating to the establishment of the office of early learning within the Texas Education Agency.	Dutton	Public Education	Referred to committee on 3/23; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB03887I.htm
SB 1123	Relating to the establishment of the office of early learning within the Texas Education Agency.	West	Education	Referred to committee on 3/17; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01123I.htm
HB 2217	Relating to the availability of free prekindergarten programs in public schools.	Coleman	Public Education	Referred to committee on 3/13; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02217I.htm

84th Texas Legislature Regular Session (2015)
H-GAC Workforce Bill Tracker

Bill No.	Description	Author(s)	Committee	Status	Link to Bill Text Online
SB 23	Relating to providing free full-day prekindergarten for certain children.	Zaffirini	Education	Referred to committee on 1/26; Co-author authorized on 3/24; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB00023I.htm
HB 124	Relating to the availability of free prekindergarten programs in public schools.	Fischer	Public Education	Referred to committee on 2/11; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00124I.htm
HB 296	Relating to certain prekindergarten programs offered by a school district.	Wu	Public Education	Considered in public hearing on 3/10; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00296I.htm
HB 391/424	Relating to providing free full-day prekindergarten for certain children.	Munoz/Dutton	Public Education	Referred to committee on 2/16 (391); Considered in public hearing on 3/10 (424); Both in committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB00391I.htm
HB 1100	Relating to a gold standard full-day prekindergarten program provided by public school districts.	Johnson, et. Al	Public Education	Considered in public hearing on 3/10; Left pending in committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01100I.htm
HB 1188	Relating to the creation of a joint interim committee to study and make recommendations regarding early childhood education.	Deshotel	Public Education	Considered in public hearing on 3/10; Left pending in committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB01188I.htm
HB 2417	Relating to measures to ensure quality prekindergarten programs offered by school districts.	Deshotel	Public Education	Referred to committee on 3/13; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02417I.htm
HB 2843	Relating to requiring certain school districts to offer district-funded or tuition-supported prekindergarten.	Lucio III	Public Education	Referred to committee on 3/16; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB02843I.htm
HB 4107	Relating to the appropriation of money from the economic stabilization fund to finance universal, high quality, prekindergarten education programs.	Walle	Appropriations	Referred to committee on 3/24; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/HB04107I.htm
SB 1752	Relating to prekindergarten programs in public schools.	West	Education	Referred to committee on 3/24; In committee	http://www.legis.state.tx.us/tlodocs/84R/billtext/html/SB01752I.htm

Career Office Committee

Customer Service Award

Background

As we have noted to you in previous meetings, our contractors regularly identify staff members they believe best exhibit the I AM Workforce Solutions principles of excellent customer service. The Regional Management Team—made up of Board staff and contractor management—reviews nominations and selects one or more individuals for recognition.

I AM Workforce Solutions Awards

❖ **Anita Edens**, Business Service Representative
Employer Service

Anita works with employers to create quality job postings, which accurately reflects the employer's needs to attract qualified candidates. She uses her remarkable customer service skills to go beyond by helping employers navigate the complexities of labor laws and remain in compliance with foreign labor certification requirements. She has received a number of compliments and commendations from employers, attorneys and Workforce Solutions staff regarding her outstanding service.

❖ **Lisa McCoy**, Performance & Training Consultant
National Workforce Institute

As a trainer, Lisa provides professional development services for Workforce Solutions staff. She provides training in traditional classroom settings, as well as alternative training methods to better support the system and meet individual staff and office needs. Lisa participates in several workgroups, provides customized training and development for career offices and units, and helps align new projects and systems with the Workforce Solutions operational model.

❖ **Nicole Quintero**, Office Manager
Workforce Solutions - Willowbrook

Providing quality service and helping customers find employment is paramount to Nicole's work as an office manager. Nicole consistently works to develop and support her team, so they understand and apply the I AM Workforce Solutions principles with every customer, every time. Nicole uses her management experience and spirit of service to support the larger workforce system on a variety of projects. Her work on

assisting to streamline the scholarship process and supporting colleges on special training initiatives has helped to bridge significant gaps throughout our system.

Anita, Lisa and Nicole *ARE* Workforce Solutions

Targeted Industries High-Skill, High-Growth Occupations Where the Jobs Are

Updates

The Employer Service Committee met on April 14, 2105, with chair Gerald Andrews presiding and Sara Bouse, Joe Garcia, Cheryl Guido, Mark Guthrie, Ray Laughter, Connie Smith and Toy Wood in attendance.

Background

The Gulf Coast Workforce Board targets the resources it controls — and influences those controlled by its partners in the regional workforce system — with its strategic plan and a series of three supporting lists: 1) *Targeted Industries*, 2) *High-Skill, High-Growth Occupations*, and 3) *Where the Jobs Are*, a list of occupations likely to provide the largest number of job opportunities in the region over the next ten years.

We use these lists to guide not only the Board’s strategic investments, but also to help our residents build careers in industries and occupations with good prospects and higher wages. We use the High-Skill, High-Growth Occupations list to decide which occupations we will support with our education scholarship dollars.

The Employer Service Committee reviewed and recommended the initial lists for the target industries, demand occupations and “hot jobs” to the Board. We noted then that we would bring periodic updates to these lists to the Committee and the Board as circumstances warranted.

Following is information about updates to each of the three lists.

Targeted Industries

We began, as always, with labor market data. We used NAICS-level employment and wage data and projections for the 10-year period from 2012 to 2022 and looked for industries that fit the following criteria:

1. Industries with a projected employment growth rate equal to or greater than the average growth rate for all industries in the region for the period 2012 to 2022 ($\geq 23.8\%$)
2. Industries having a projected employment growth of at least 5,000 new jobs from 2012 to 2022 (an average of 500 jobs per year)
3. Industries with an average weekly wage of at least \$954 per week.

In addition to industries meeting the above criteria, we included in our targeted list: Oil and Natural Gas Extraction and Manufacturing. There are several different groups of employers within this larger sector and because of the importance of these employers to the area economy and gross regional product, we have created the sector and added it to our list.

We have also had significant interest from a number of employers in this sector in the Board's assistance for current and projected skills shortages. We have been working for several years with the large oil and gas companies, oilfield service firms, refiners and petrochemical manufacturers on a variety of workforce needs.

The proposed updated list for the Board's Target Industries is attached. Below are the changes:

Additions:

5413 Architectural, Engineering and Related Services
3329 Other Fabricated Metal Product Manufacturing
3251 Basic Chemical Manufacturing

Removed:

6113 Colleges and Universities
6223 Specialty Hospitals

High-Skill, High-Growth Occupations

The high-skill, high-growth list is made up of larger, high-skill, well-paying occupations critical to the Gulf Coast region's economic future. They offer the best job opportunities to area residents now and will likely continue doing so over the next ten to 15 years. These occupations are found in many industries in the region, not just in those on the targeted industries list.

Qualifying Criteria

Occupations meet the following criteria to be included on the high-skill, high-growth occupations list. They must have:

- projected employment for 2022 equal to or greater than the average for all occupations in the region (4,796)
- a projected employment growth rate equal to or greater than the average growth rate for all industries in the region (23.8 %)
- minimum education requirements of a post-secondary certificate or degree, long-term on-the-job training, or work experience in a related occupation
- median hourly wages equal to or greater than the median for all occupations in the region (\$17.26 per hour)

Scholarship Occupations

Students preparing for employment in occupations on the list that meet two of the following three criteria are eligible for — but not guaranteed — scholarships from Workforce Solutions or one of its partners. To qualify, two of the three following statements must be true. The occupation must be one:

- with chronic shortages of qualified workers to fill existing or projected job openings;
- where the number of workers expected to graduate from the requisite education or training programs falls significantly below the number of job openings;
- whose employment is over represented in the targeted industries relative to all industries in the region.

The Scholarship Occupations list is a subset of the High-Skill, High-Growth list. We've focused this list – the one we will use in our career offices to help guide staff in putting our dollars into scholarships – on those occupations for which we can provide about two years of support for a successful outcome. All of the Scholarship Occupations come from the High-Skill, High-Growth list and are those currently in demand in our target industries and range of others.

Modifying the List

An employer or group of employers with a demand for skilled workers can ask us at any time to modify our list. We will discuss with employers their shortage occupations, expected numbers of hires, wages and training requirements.

We also use our employer service sales and marketing staff and any updates to published labor market data to check on new or emerging shortage occupations that might be added to our list.

The updated High-Skill, High-Growth Occupations list and the Occupations Supported by Scholarship are both attached.

Where the Jobs Are

We use the “Where the Jobs Are” list to identify those occupations that are growing. We don't use wage or other kinds of criteria to refine the list; it consists entirely of those jobs in which we expect to see openings over the next 10 years.

Occupations on this list are those with projected annual average job openings equal to or greater than 170 per year.

Action

Adopt the updated Targeted Industries; High-Skill, High Growth Occupations; Occupations Supported by Scholarship; and Where the Jobs Are to better focus available workforce resources in the region.

GULF COAST WORKFORCE REGION

Targeted Industries ¹

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4.14.15

Selected Three and Four-Digit Industries Grouped by Three-Digit NAICS Codes Ranked by Number of Employees in First Quarter of 2014

NAICS	Industry Title	1st Qtr 2014 Employment	4-Digit % of 3-Digit Totals	# of Units With 100 Employees or More	Employment Growth				Avg Wkly Wages ³
					Annual Averages		Absolute Change ²	Percent Change	
		2012	2022						
611	Educational Services	272,022	100.0%	406	277,420	347,680	70,260	25.3	\$1,137
6111	Elementary & Secondary Schools, Public/ Private	189,066	69.5%	371	182,450	234,000	51,550	28.3	\$1,039
541	Professional and Technical Services	209,681	100.0%	228	196,760	246,040	49,280	25.0	\$1,895
5413	Architectural, Engineering, and Related Services	71,801	34.2%	90	66,130	85,370	19,240	29.1	\$2,118
5415	Computer Systems Design & Related Services	29,621	14.1%	17	26,970	35,990	9,020	33.4	\$2,051
5416	Management, Scientific, & Technical Consulting Services	33,317	15.9%	31	28,950	37,500	8,550	29.5	\$2,097
	Oil and Natural Gas Extraction and Manufacturing	221,128	100.0%	164	190,010	247,990	57,980	30.1	\$3,029
211	Oil and Gas Extraction	54,136	24.5%	22	53,930	75,160	21,230	39.4	\$5,125
213	Support Activities for Mining	51,228	23.2%	45	47,400	59,400	12,000	25.3	\$2,736
324	Petroleum and Coal Products Manufacturing	10,100	4.6%	13	12,200	14,210	2,010	16.5	\$3,453
3251	Basic Chemical Manufacturing	21,415	9.7%	29	20,810	24,250	3,440	16.5	\$2,950
3329	Other Fabricated Metal Product Manufacturing	42,869	19.4%	23	14,920	20,160	5,240	35.1	\$1,372
3331	Agriculture, Construction, and Mining Machinery Manufacturing	41,380	18.7%	32	40,750	54,810	14,060	34.5	\$2,306
	Health Services	117,448	100.0%	154	124,140	163,010	38,870	31.3	\$1,325
6211	Offices of Physicians	47,213	40.2%	25	46,410	63,310	16,900	36.4	\$1,535
6221	General Medical & Surgical Hospitals, Public/Private	70,235	59.8%	129	77,730	99,700	21,970	28.3	\$1,200
	Specialty Construction	111,657	100.0%	89	107,140	139,100	31,960	29.8	\$1,464
2382	Building Equipment Contractors	42,869	38.4%	66	39,510	50,960	11,450	29.0	\$1,095
2362	Nonresidential Building Construction	39,817	35.7%	9	38,420	48,460	10,040	26.1	\$1,758
2371	Utility System Construction	28,971	25.9%	14	29,210	39,680	10,470	35.8	\$1,575
	Totals (for the above targeted industries)	774,038	n/a	916	725,790	942,960	217,170	29.9	\$1,898
	Total All Industries Public and Private	2,829,930	n/a	3,553	2,987,190	3,699,620	712,430	23.8	\$1,306

1. Criteria used to identify the targeted industries:

Industries with a projected employment growth of at least 5,000 new jobs from 2012-2022 (an average of 500 jobs per year)

Industries with projected employment growth rate equal to or greater than the average growth rate for all industries in the region for the period 2012 to 2022. (≥23.8%)

Industries with an average weekly wage equal to or greater than the average weekly wage of all occupations (\$954)

2. Absolute changes do not represent total demand for labor because they do not reflect demand due to turnover.

3. Employment and average weekly wage information is from the first quarter 2014 ES-202 data based on employers' employment and wage reports to Texas Workforce Commission. Average weekly wages for NAICS 611, 6111, and 6113 are based on a 9 month year.

GULF COAST WORKFORCE REGION

High-Skill, High-Growth Jobs Targeted by the Gulf Coast Workforce Board^{1,2}

DRAFT 4.14.15

SOC	Occupational Title	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total	
	Educational Services								
25-2000	Primary, Secondary, & Special Education School Teachers	90,900	119,620	28,720	31.6%	2,870	2,155	5,025	25.16 ⁶
21-1012	Educational, Vocational, & School Counselors	5,200	6,490	1,290	24.8%	130	110	240	26.82
	Specialty Construction								
51-4121	Welders, Cutters, Solderers, and Brazers ⁵	17,210	21,730	4,520	26.3%	450	420	870	18.36
47-2111	Electricians	14,560	18,220	3,660	25.1%	365	275	640	22.46
47-2152	Plumbers, Pipefitters, & Steamfitters	10,450	13,000	2,550	24.4%	255	130	385	24.68
49-9021	Heating, Air Conditioning, & Refrigeration Mechanics & Installers	6,270	7,880	1,610	25.7%	160	160	320	19.84
13-1051	Cost Estimators	4,430	5,880	1,450	32.7%	145	140	285	31.42
49-3042	Mobile Heavy Equipment Mechanics, Except Engines	4,600	5,810	1,210	26.3%	120	135	255	22.36
	Oil and Natural Gas Extraction and Manufacturing								
17-2000	Engineers ³	51,930	67,890	15,960	30.7%	1,590	1,325	2,915	59.04 ⁶
49-9041	Industrial Machinery Mechanics	11,290	16,270	4,980	44.1%	500	325	825	23.15
51-4041	Machinists	12,850	17,700	4,850	37.7%	485	295	780	19.88
47-5013	Service Unit Operators, Oil, Gas, & Mining ²	8,570	11,030	2,460	28.7%	245	345	590	20.10
51-8093	Petroleum Pump System Operators, Refinery Operators, & Gaugers ²	6,470	7,570	1,100	17.0%	110	240	350	31.72
19-2042	Geoscientists, Ex. Hydrologists & Geographers	5,010	6,600	1,590	31.7%	160	150	310	74.83
51-8091	Chemical Plant and System Operators ⁵	3,460	3,960	500	14.5%	50	130	180	33.00
19-4041	Geological & Petroleum Technicians ²	2,720	3,510	790	29.0%	80	100	180	30.15
17-3023	Electrical and Electronics Engineering Technicians ²	4,140	4,930	790	19.1%	80	85	165	30.85
	Health Services								
29-1141	Registered Nurses	45,160	58,710	13,550	30.0%	1,355	875	2,230	36.27
29-2061	Licensed Practical & Licensed Vocational Nurses	15,100	19,400	4,300	28.5%	430	370	800	21.69
29-10XX	Doctors and Dentists ⁴	13,890	17,550	3,660	26.3%	360	345	705	74.83 ⁶
29-2071	Medical Records & Health Information Technicians	3,970	5,190	1,220	30.7%	120	105	225	17.97
29-2011	Medical & Clinical Laboratory Technologists ²	3,230	4,060	830	25.7%	85	85	170	27.92
29-1123	Physical Therapists	2,780	3,690	910	32.7%	90	70	160	41.18
29-2037	Radiologic Technologists & Technicians ²	3,250	4,290	1,040	32.0%	105	45	150	25.71
29-1127	Speech-Language Pathologists	2,810	3,650	840	29.9%	85	40	125	32.04
29-1126	Respiratory Therapists ²	2,610	3,400	790	30.3%	80	40	120	27.02
29-1122	Occupational Therapists	5,640	6,940	1,300	23.0%	55	25	80	36.40
	Professional and Technical Services								
15-1121	Computer Systems Analysts	10,760	14,380	3,620	33.6%	360	170	530	43.58
15-1133	Software Developers, Systems Software	7,750	9,890	2,140	27.6%	215	100	315	46.38
15-1142	Network and Computer Systems Administrators ²	8,320	10,260	1,940	23.3%	195	130	325	42.83
15-1132	Software Developers, Applications	9,590	12,140	2,550	26.6%	255	125	380	45.59

GULF COAST WORKFORCE REGION

High-Skill, High-Growth Jobs Targeted by the Gulf Coast Workforce Board^{1,2}

DRAFT 4.14.15

SOC	Occupational Title	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total	
	Other								
13-2011	Accountants & Auditors	30,940	38,400	7,460	24.1%	745	915	1,660	33.70
23-2011	Paralegals & Legal Assistants	5,580	7,300	1,720	30.8%	170	90	260	25.95

Notes

1. High-skill jobs targeted by the Gulf Coast Workforce Board are those that offer the best employment opportunities for Gulf Coast residents now and in the immediate future.

Criteria used to identify these occupations are:

- Projected employment for 2022 equal to or greater than the average for all occupations in the region. ($\geq 4,796$)
- Projected growth rate equal to or greater than the average of all occupations in the region. ($\geq 23.8\%$)
- Minimum education requirements of a postsecondary degree or certificate, long-term on-the-job training or work experience in a related occupation.
- Median hourly wages equal to or greater than the median for all occupations in the region. ($\geq \$17.26$)

2. Occupations from the prior year list meeting three of the four qualifying criteria and projected to have at least 50 percent of their 2022 employment in those industries targeted by the Gulf Coast Workforce Board have been retained.

3. Engineers includes: Chemical, Civil, Computer Hardware, Electrical, Electronic, Industrial, Mechanical, Petroleum and others.

4. Doctors and Dentists includes: Dentists, Family & General Practitioners, Pediatricians, Internists, Surgeons, and others.

5. Other occupations meeting some but not all of the above criteria have also been included based on the best regional labor market intelligence available. Employers can petition to have other occupations added or deleted as labor market conditions change.

6. Average hourly wage. Median wage not available.

Prepared April 14, 2015

GULF COAST WORKFORCE BOARD

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HIGH-SKILL, HIGH-GROWTH OCCUPATIONS SUPPORTED BY SCHOLARSHIPS¹

SOC	OCCUPATION TITLE
	Educational Services
25-2022	Middle School Teachers ^{2,5}
25-2031	Secondary School Teachers ^{2,5}
25-2032	Career/Technical Education Teachers, Secondary ^{2,5}
	Specialty Construction
47-2111	Electricians
49-9021	Heating, Air Conditioning and Refrigeration Mechanics/Installers
47-2152	Plumbers, Pipe and Steamfitters
51-4121	Welders
	Professional and Technical Services
15-1121	Computer Systems Analysts
15-1133	Software Developers, Systems Software
15-1132	Software Developers, Applications
15-1142	Network and Computer Systems Administrators
	Oil and Natural Gas Extraction and Manufacturing
17-2081	Environmental Engineers ²
17-2171	Petroleum Engineers ²
17-2151	Mining and Geological Engineers, Including Mining Safety Engineers ²
17-3023	Electrical & Electronic Engineering Technicians ⁴ (I & E (Instrument and Electrical) Technicians only)
19-2042	Geoscientists, Except Hydrologists & Geographers ²
19-4041	Geological and Petroleum Technicians
51-8091	Chemical Plant and System Operators
47-5013	Service Unit Operators, Oil and Gas
51-8093	Petroleum Pump System Operators
49-9041	Industrial Machinery Mechanics
51-4041	Machinists
	Health Services
29-1111	Registered Nurses
29-2061	Licensed Practical and Licensed Vocational Nurses
29-2034	Radiology Technologists and Technicians
29-1126	Respiratory Therapists ²
29-1123	Physical Therapists ²
29-1122	Occupational Therapists ²
29-1127	Speech-Language Pathologists ²
29-2011	Medical and Clinical Laboratory Technologists ²
	Other
13-2011	Accountants and Auditors ²

1. Scholarship amounts may vary based on need and individual circumstances. Please speak to a Workforce Solutions counselor for information on current limits.
2. For educational programs that award a bachelor's degree or higher, Workforce Solutions will only award scholarships to help finance the last two years of the program of study. We will award scholarships to help finance all years in an Associate Degree in Nursing (ADN) program.
3. Individuals officially enrolled full time on program tracks leading to a Master's of Science in Nursing and committed to teaching at least two years in programs leading to initial RN licensure in a Gulf Coast nursing school upon graduation are eligible for scholarship support from Workforce Solutions to help finance all courses required to complete their Master's Degree in Nursing.
4. Program must be specifically designed for instrumentation and electrical technicians (I/E technician).
5. Teachers must be seeking one of the following:
 - * Middle school and secondary school teacher certification with a major or minor in math or science.
 - * Middle school and secondary Career/Technical Education Teachers.
 - * Middle school or secondary school with teacher certification in Bilingual/ESL or Elementary Teacher Certification with a Bilingual Endorsement. The following certifications would apply: PK-6 Bilingual/ESL, PK-12 Bilingual/ESL, or Bilingual Generalist EC-4 or EC-6. EC-6 or EC-4 Generalist certifications must have a Bilingual Endorsement included in the training outcome.
 - * Special Education Teachers (Preschool, Kindergarten, Elementary, Middle School, and High School).

Prepared April 14, 2015

GULF COAST WORKFORCE REGION

Where The Jobs Are ^{1,2,3}

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SOC	Occupational Title ³	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total ³	
35-3021	Combined Food Preparation & Serving Workers, Incl. Fast Food	68,760	94,020	25,260	36.7%	2,525	2,625	5,150	8.65
25-2000	Preschool, Primary, Secondary, & Special Education School Teachers	90,900	119,620	28,720	31.6%	2,870	2,155	5,025	25.16 ⁶
41-2031	Retail Salespersons	90,040	107,260	17,220	19.1%	1,720	3,080	4,800	9.73
35-3031	Waiters & Waitresses	47,450	59,840	12,390	26.1%	1,240	2,285	3,525	8.80
41-2011	Cashiers	56,460	67,000	10,540	18.7%	1,055	2,440	3,495	9.02
53-7062	Laborers & Freight, Stock, & Material Movers, Hand	52,390	66,850	14,460	27.6%	1,445	1,625	3,070	11.42
17-2XXX	Engineers Total	51,930	67,890	15,960	30.7%	1,590	1,325	2,915	
43-9061	Office Clerks, General	78,150	90,580	12,430	15.9%	1,245	1,640	2,885	14.22
43-4051	Customer Service Representatives	51,200	63,490	12,290	24.0%	1,230	1,395	2,625	13.61
29-1141	Registered Nurses	45,160	58,710	13,550	30.0%	1,355	875	2,230	36.27
37-2011	Janitors & Cleaners, Ex. Maids & Housekeeping Cleaners	46,550	60,020	13,470	28.9%	1,345	875	2,220	9.01
11-1021	General & Operations Managers	47,190	59,090	11,900	25.2%	1,190	885	2,075	53.38
47-2061	Construction Laborers	43,440	54,250	10,810	24.9%	1,080	930	2,010	13.05
39-9021	Personal Care Aides	40,090	55,770	15,680	39.1%	1,570	285	1,855	8.49
39-9011	Childcare Workers	34,390	41,420	7,030	20.4%	705	1,010	1,715	8.93
43-6014	Secretaries & Administrative Assistants, Ex. Legal, Medical, & Executive	47,740	59,070	11,330	23.7%	1,135	575	1,710	15.96
53-3032	Heavy & Tractor-Trailer Truck Drivers	40,050	50,470	10,420	26.0%	1,040	640	1,680	18.25
41-4012	Sales Representatives, Wholesale & Manufacturing	37,250	46,700	9,450	25.4%	945	725	1,670	28.95
13-2011	Accountants & Auditors	30,940	38,400	7,460	24.1%	745	915	1,660	33.70
43-5081	Stock Clerks & Order Fillers	34,200	38,430	4,230	12.4%	425	1,035	1,460	11.08
43-1011	First-Line Supervisors of Office & Administrative Support Workers	28,590	35,120	6,530	22.8%	655	680	1,335	26.17
41-1011	First-Line Supervisors of Retail Sales Workers	31,330	37,450	6,120	19.5%	610	680	1,290	19.31
35-2014	Cooks, Restaurant	20,390	28,300	7,910	38.8%	790	400	1,190	9.82
25-1000	Postsecondary Teachers	30,750	38,000	7,250	23.6%	725	460	1,185	34.03 ⁶
35-1012	First-Line Supervisors of Food Preparation & Serving Workers	18,490	24,900	6,410	34.7%	640	520	1,160	13.77
49-9071	Maintenance & Repair Workers, General	27,800	33,910	6,110	22.0%	610	535	1,145	16.59
37-3011	Landscaping & Groundskeeping Workers	21,940	27,690	5,750	26.2%	575	555	1,130	10.50
43-3031	Bookkeeping, Accounting, & Auditing Clerks	34,390	42,510	8,120	23.6%	810	315	1,125	17.51
41-3099	Sales Representatives, Services, All Other	20,720	25,930	5,210	25.1%	520	565	1,085	25.85
43-6013	Medical Secretaries	18,950	26,880	7,930	41.8%	795	230	1,025	15.12
33-9032	Security Guards	24,000	30,470	6,470	27.0%	645	370	1,015	10.38
37-2012	Maids & Housekeeping Cleaners	20,750	26,120	5,370	25.9%	535	410	945	8.79
25-9041	Teacher Assistants	18,250	23,080	4,830	26.5%	485	415	900	na
31-1014	Nursing Assistants	18,210	23,670	5,460	30.0%	545	345	890	11.72
51-4121	Welders, Cutters, Solderers, & Brazers	17,210	21,730	4,520	26.3%	450	420	870	18.36
49-9041	Industrial Machinery Mechanics	11,290	16,270	4,980	44.1%	500	325	825	23.15

GULF COAST WORKFORCE REGION

Where The Jobs Are ^{1,2,3}

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SOC	Occupational Title ³	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total ³	
47-1011	First-Line Supervisors of Construction Trades & Extraction Workers	21,120	27,040	5,920	28.0%	590	230	820	29.07
29-2061	Licensed Practical & Licensed Vocational Nurses	15,100	19,400	4,300	28.5%	430	370	800	21.69
11-9021	Construction Managers	21,470	25,870	4,400	20.5%	440	340	780	37.11
51-4041	Machinists	12,850	17,700	4,850	37.7%	485	295	780	19.88
35-9031	Hosts & Hostesses, Restaurant, Lounge, & Coffee Shop	7,070	8,980	1,910	27.0%	190	530	720	8.67
43-5071	Shipping, Receiving, & Traffic Clerks	15,640	18,730	3,090	19.8%	310	410	720	13.44
29-10XX	Total Doctors and Dentists	13,890	17,550	3,660	26.3%	360	345	705	74.83 ⁶
51-9061	Inspectors, Testers, Sorters, Samplers, & Weighers	13,710	17,500	3,790	27.6%	380	300	680	18.04
35-2021	Food Preparation Workers	12,780	15,750	2,970	23.2%	295	365	660	9.00
43-4171	Receptionists & Information Clerks	15,500	17,970	2,470	15.9%	245	415	660	12.30
51-2092	Team Assemblers	15,550	19,610	4,060	26.1%	405	245	650	12.74
31-9092	Medical Assistants	12,210	16,330	4,120	33.7%	410	235	645	13.74
47-2111	Electricians	14,560	18,220	3,660	25.1%	365	275	640	22.46
13-1199	Business Operations Specialists, All Other	16,390	20,420	4,030	24.6%	405	225	630	37.93
35-3022	Counter Attendants, Cafeteria, Food Concession, & Coffee Shop	7,520	8,820	1,300	17.3%	130	460	590	8.73
47-5013	Service Unit Operators, Oil, Gas, & Mining	8,570	11,030	2,460	28.7%	245	345	590	20.10
35-9021	Dishwashers	8,270	10,380	2,110	25.5%	210	365	575	8.66
35-3011	Bartenders	8,760	11,210	2,450	28.0%	245	325	570	8.77
47-2031	Carpenters	15,150	19,010	3,860	25.5%	385	185	570	15.65
49-3023	Auto Service Technicians & Mechanics	11,890	14,430	2,540	21.4%	255	300	555	17.34
15-1151	Computer User Support Specialists	12,380	15,920	3,540	28.6%	355	195	550	25.62
31-1011	Home Health Aides	9,480	13,160	3,680	38.8%	370	180	550	8.78
25-3098	Substitute Teachers	12,710	16,010	3,300	26.0%	330	215	545	10.67
35-9011	Dining Room & Cafeteria Attendants & Bartender Helpers	7,620	9,630	2,010	26.4%	200	335	535	8.67
15-1121	Computer Systems Analysts	10,760	14,380	3,620	33.6%	360	170	530	43.58
53-3033	Light Truck or Delivery Services Drivers	14,440	17,420	2,980	20.6%	300	230	530	14.91
47-2073	Operating Engineers & Other Construction Equipment Operators	10,780	13,600	2,820	26.2%	280	240	520	18.26
47-5071	Roustabouts, Oil & Gas	9,610	12,240	2,630	27.4%	265	255	520	16.15
43-3071	Tellers	8,070	9,470	1,400	17.3%	140	375	515	11.58
49-1011	First-Line Supervisors of Mechanics, Installers, & Repairers	10,770	13,020	2,250	20.9%	225	290	515	29.15
33-3051	Police & Sheriff's Patrol Officers	13,780	14,560	780	5.7%	80	430	510	26.16
51-1011	First-Line Supervisors of Production & Operating Workers	14,770	17,760	2,990	20.2%	300	210	510	31.35
23-1011	Lawyers	13,600	16,470	2,870	21.1%	285	220	505	70.81
43-3021	Billing & Posting Clerks	11,240	14,240	3,000	26.7%	300	205	505	17.20
21-2011	Clergy	11,080	13,700	2,620	23.6%	260	225	485	22.75
45-2092	Farmworkers & Laborers; Crop, Nursery, & Greenhouse	14,690	14,970	280	1.9%	30	445	475	9.20

GULF COAST WORKFORCE REGION

Where The Jobs Are ^{1,2,3}

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SOC	Occupational Title ³	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total ³	
51-9198	Helpers--Production Workers	10,290	12,980	2,690	26.1%	270	180	450	11.04
53-7064	Packers & Packagers, Hand	8,810	10,870	2,060	23.4%	205	230	435	10.04
33-3012	Correctional Officers & Jailers	12,000	12,990	990	8.3%	100	320	420	16.63
39-5012	Hairdressers, Hairstylists, & Cosmetologists	9,200	11,220	2,020	22.0%	200	215	415	11.34
43-3011	Bill & Account Collectors	8,050	9,890	1,840	22.9%	185	225	410	14.52
53-7061	Cleaners of Vehicles & Equipment	8,110	9,970	1,860	22.9%	185	225	410	9.23
53-7051	Industrial Truck & Tractor Operators	10,490	12,110	1,620	15.4%	160	240	400	13.59
53-3031	Driver/Sales Workers	9,690	12,110	2,420	25.0%	240	155	395	10.01
47-2152	Plumbers, Pipefitters, & Steamfitters	10,450	13,000	2,550	24.4%	255	130	385	24.68
15-1132	Software Developers, Applications	9,590	12,140	2,550	26.6%	255	125	380	45.59
41-2021	Counter & Rental Clerks	8,520	10,110	1,590	18.7%	160	220	380	12.33
13-1111	Management Analysts	9,700	11,930	2,230	23.0%	225	150	375	46.66
13-1161	Market Research Analysts & Marketing Specialists	6,390	9,170	2,780	43.5%	280	90	370	27.65
35-2011	Cooks, Fast Food	9,130	11,020	1,890	20.7%	190	180	370	8.45
13-1071	Human Resources Specialists	9,300	11,230	1,930	20.8%	195	170	365	27.68
43-5061	Production, Planning, & Expediting Clerks	7,670	9,420	1,750	22.8%	175	190	365	23.66
41-3021	Insurance Sales Agents	9,240	10,670	1,430	15.5%	145	215	360	19.36
43-6011	Executive Secretaries & Executive Administrative Assistants	17,140	18,660	1,520	8.9%	150	205	355	25.44
11-3031	Financial Managers	8,220	10,150	1,930	23.5%	195	155	350	60.84
51-8093	Petroleum Pump System Operators, Refinery Operators, & Gaugers	6,470	7,570	1,100	17.0%	110	240	350	31.72
11-9013	Farmers, Ranchers, & Other Agricultural Managers	21,130	20,520	-610	-2.9%	0	340	340	na
11-9199	Managers, All Other	8,270	9,830	1,560	18.9%	155	180	335	56.70
15-1142	Network & Computer Systems Administrators	8,320	10,260	1,940	23.3%	195	130	325	42.83
41-4011	Sales Representatives, Wholesale & Manufacturing, Technical & Scientific Products	7,640	9,370	1,730	22.6%	175	150	325	44.14
47-2141	Painters, Construction & Maintenance	8,620	10,580	1,960	22.7%	195	130	325	15.62
49-9021	Heating, Air Conditioning, & Refrigeration Mechanics & Installers	6,270	7,880	1,610	25.7%	160	160	320	19.84
15-1133	Software Developers, Systems Software	7,750	9,890	2,140	27.6%	215	100	315	46.38
19-2042	Geoscientists, Ex. Hydrologists & Geographers	5,010	6,600	1,590	31.7%	160	150	310	74.83
11-9141	Property, Real Estate, & Community Association Managers	7,420	8,760	1,340	18.1%	135	170	305	33.16
41-1012	First-Line Supervisors of Non-Retail Sales Workers	9,530	11,360	1,830	19.2%	185	120	305	34.14
11-9041	Architectural & Engineering Managers	5,790	7,380	1,590	27.5%	160	140	300	81.93
43-4081	Hotel, Motel, & Resort Desk Clerks	3,840	4,970	1,130	29.4%	115	180	295	9.01
49-9098	Helpers--Installation, Maintenance, & Repair Workers	5,350	6,700	1,350	25.2%	135	160	295	11.21
51-4011	Computer-Controlled Machine Tool Operators, Metal/Plastic	3,700	5,540	1,840	49.7%	185	105	290	18.09
11-2022	Sales Managers	6,310	7,820	1,510	23.9%	150	135	285	58.80
13-1051	Cost Estimators	4,430	5,880	1,450	32.7%	145	140	285	31.42

GULF COAST WORKFORCE REGION

Where The Jobs Are ^{1,2,3}

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SOC	Occupational Title ³	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total ³	
11-9032	Education Administrators, Elementary/Secondary School	5,220	6,620	1,400	26.8%	140	140	280	na
35-2012	Cooks, Institution & Cafeteria	6,690	8,200	1,510	22.6%	150	130	280	10.03
39-3091	Amusement & Recreation Attendants	3,880	4,750	870	22.4%	85	195	280	8.62
13-1023	Purchasing Agents, Ex. Wholesale, Retail, & Farm Products	6,580	8,120	1,540	23.4%	155	120	275	28.94
29-2052	Pharmacy Technicians	6,990	8,980	1,990	28.5%	200	70	270	15.83
41-9022	Real Estate Sales Agents	9,830	11,610	1,780	18.1%	180	90	270	22.32
13-2051	Financial Analysts	5,640	6,940	1,300	23.0%	130	135	265	41.54
41-3031	Securities, Commodities, & Financial Services Sales Agents	6,260	7,450	1,190	19.0%	120	145	265	27.26
49-3031	Bus & Truck Mechanics & Diesel Engine Specialists	5,940	7,340	1,400	23.6%	140	125	265	19.76
23-2011	Paralegals & Legal Assistants	5,580	7,300	1,720	30.8%	170	90	260	25.95
49-3042	Mobile Heavy Equipment Mechanics, Ex. Engines	4,600	5,810	1,210	26.3%	120	135	255	22.36
51-9011	Chemical Equipment Operators & Tenders	5,200	5,940	740	14.2%	75	180	255	29.77
31-9091	Dental Assistants	5,600	6,930	1,330	23.8%	135	115	250	16.12
11-3011	Administrative Services Managers	6,390	7,800	1,410	22.1%	140	105	245	44.34
11-9051	Food Service Managers	6,430	7,720	1,290	20.1%	130	115	245	24.55
11-9111	Medical & Health Services Managers	4,540	5,910	1,370	30.2%	135	110	245	46.81
21-1012	Educational, Guidance, School, & Vocational Counselors	5,200	6,490	1,290	24.8%	130	110	240	26.82
29-1051	Pharmacists	5,110	6,310	1,200	23.5%	120	120	240	54.46
47-5012	Rotary Drill Operators, Oil & Gas	3,460	4,440	980	28.3%	100	140	240	31.06
43-5032	Dispatchers, Ex. Police, Fire, & Ambulance	4,520	5,570	1,050	23.2%	105	130	235	17.83
53-1031	First-Line Supervisors of Transp. & Material-Moving Machine & Vehicle Operators	4,490	5,600	1,110	24.7%	110	125	235	27.66
47-5011	Derrick Operators, Oil & Gas	3,350	4,300	950	28.4%	95	135	230	23.00
53-3022	Bus Drivers, School or Special Client	6,880	7,930	1,050	15.3%	105	125	230	12.15
29-2071	Medical Records & Health Information Technicians	3,970	5,190	1,220	30.7%	120	105	225	17.97
53-1021	First-Line Supervisors of Helpers, Laborers, & Material Movers, Hand	3,950	4,980	1,030	26.1%	105	110	215	23.20
15-1131	Computer Programmers	5,270	5,990	720	13.7%	70	140	210	36.41
37-1011	First-Line Supervisors of Housekeeping & Janitorial Workers	4,180	5,280	1,100	26.3%	110	100	210	14.08
13-1151	Training & Development Specialists	4,740	5,930	1,190	25.1%	120	85	205	28.24
13-2072	Loan Officers	4,790	5,940	1,150	24.0%	115	90	205	32.72
51-9111	Packaging & Filling Machine Operators & Tenders	4,820	5,740	920	19.1%	90	115	205	10.85
17-1011	Architects, Ex. Landscape & Naval	3,970	5,010	1,040	26.2%	105	95	200	35.72
43-3051	Payroll & Timekeeping Clerks	4,170	5,260	1,090	26.1%	110	90	200	19.05
29-2041	Emergency Medical Technicians & Paramedics	3,550	4,570	1,020	28.7%	100	95	195	15.45
43-9041	Insurance Claims & Policy Processing Clerks	4,180	4,960	780	18.7%	80	110	190	17.43
47-2051	Cement Masons & Concrete Finishers	4,850	6,210	1,360	28.0%	135	55	190	13.62
53-6021	Parking Lot Attendants	2,700	3,300	600	22.2%	60	130	190	9.20

GULF COAST WORKFORCE REGION

Where The Jobs Are ^{1,2,3}

DRAFT

SOC	Occupational Title ³	Employment Growth				Annual Average Job Openings			Median Hrly Wage 2013
		Annual Averages 2012	2022	Absolute Change	Percent Change	Growth	Replacement	Total ³	
27-2022	Coaches & Scouts	3,190	4,080	890	27.9%	90	95	185	na
41-2022	Parts Salespersons	3,810	4,710	900	23.6%	90	95	185	12.63
51-2041	Structural Metal Fabricators & Fitters	2,780	3,520	740	26.6%	75	110	185	17.05
11-3021	Computer & Information Systems Managers	4,580	5,710	1,130	24.7%	115	65	180	65.63
13-2052	Personal Financial Advisors	4,030	5,170	1,140	28.3%	115	65	180	30.97
19-4041	Geological & Petroleum Technicians	2,720	3,510	790	29.0%	80	100	180	30.15
29-2012	Medical & Clinical Laboratory Technicians	2,700	3,810	1,110	41.1%	110	70	180	17.30
33-2011	Firefighters	5,050	5,440	390	7.7%	40	140	180	23.66
51-8091	Chemical Plant & System Operators	3,460	3,960	500	14.5%	50	130	180	33.00
13-1041	Compliance Officers	4,840	5,710	870	18.0%	85	90	175	37.29
47-2211	Sheet Metal Workers	4,020	5,020	1,000	24.9%	100	75	175	16.73
13-1081	Logisticians	2,970	4,300	1,330	44.8%	135	35	170	42.39
29-2011	Medical & Clinical Laboratory Technologists	3,230	4,060	830	25.7%	85	85	170	27.92
29-2021	Dental Hygienists	3,020	3,980	960	31.8%	95	75	170	35.25
29-2031	Medical & Clinical Laboratory Technologists	2,810	3,900	1,090	37.9%	105	65	170	42.58
29-2041	Dental Hygienists	2,600	3,820	1,220	44.0%	115	55	170	49.91
29-2051	Medical & Clinical Laboratory Technologists	2,390	3,740	1,350	50.1%	125	45	170	57.24
29-2061	Dental Hygienists	2,180	3,660	1,480	56.2%	135	35	170	64.57

1. Where The Jobs Are represents those occupations projected to offer the largest number of employment opportunities for Gulf Coast residents now and in the immediate future.
2. Occupations on this list are those with projected annual average job openings equal to or greater than 170 per year.
3. Occupations are ranked by total number of annual average job openings.
4. Engineers includes: Chemical, Civil, Computer Hardware, Electrical, Electronic, Industrial, Mechanical, Petroleum and others.
5. Doctors and Dentists includes: Dentists, Family & General Practitioners, Pediatricians, Internists, Surgeons, and others.
6. Average hourly wage. Median wage not available.

Prepared April 14, 2015

Employer Service Industry-Recognized Skills Certification

Background

The Workforce Commission has provided Boards throughout the state additional funds to augment industry-recognized skills certification in high-skill, high-growth occupations. We have received about \$300,000 for the effort.

Current Situation

Based on employer requests, we have been investigating the need for a center – or centers – for skills certification in the construction industry on the west side of the region. Currently employers and workers use locations on the far east side, near the Ship Channel and petrochemical complex.

We have also seen a need for alternative teacher certification programs on the west side of the region.

- We've talked with representatives from Bechtel, Toshiba, and National Oilwell Varco; focus groups of employers brought together by the Katy Economic Development Council and the Houston Northwest Chamber of Commerce; and Board members Toy Wood (Greater Houston Builders Association) and Joe Garcia (Mark III Ltd).
- We've also talked with representatives of the Spring Branch, Katy, and Alief ISDs, and Houston Community College and Lone Star College.

As a result of these conversations, we propose working with the two community college systems to establish centers, primarily for National Center for Construction Education and Research (NCCER) certifications in the trades. NCCER certifications are widely accepted throughout the construction industry.

Next Steps

We will work on finalizing a location or locations for construction industry and alternative teacher certification centers and programs on the west side of the region. We will report back to the Board on progress and expected targets for the number of individuals we will be able to certify.

Board Action

Ratify Actions for February and April 2015

Current Situation

Elected officials have been in the process of reappointing Board members. This has resulted in two months in which the Board was technically out of compliance with membership requirements.

To ensure that all Board actions are appropriately approved, we are requesting that the Board ratify actions taken by the Board in February and April 2015.

Those items are:

February 3, 2015

- a. Early Education & Care. The Committee Chair will report on recommendations to increase maximum reimbursement rates for infant and toddler care.
- b. Career Office. The Committee Chair will provide information from the committee's most recent meeting and report on a recommendation to change financial aid eligibility for customers who are dislocated from employment.
- c. Nominating. The Committee Chair will present nominations for Board officers in 2015.

April 7, 2015

- a. *Budget.* The Committee Chair will report on recommendations for the Board's 2015 budget of \$201,905,098.

Action

Ratify actions taken by the Board in February and April 2015, as listed above.

Gulf Coast Workforce Board
System Performance
October 2014 to April 2015

Board Measures

These measures gauge progress toward meeting the results set out in the Board's strategic plan. There are two sets of measures: one for the entire regional workforce system and one for the Board's operating affiliate, Workforce Solutions.

We report on the Workforce Solutions measures at each Board meeting.

More Competitive Employers

Measure	Annual Target	Current Performance	Performance Last Year
<u>Employers Receiving Services</u> (Market Share) We expect to provide services to 25,452 employers this year which is almost 18% of the 144,799 employers identified for the Gulf Coast area. We provided services to 21,616 employers through April 2015.	25,452	21,616	24,907
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,719 employers, 12,554 returned to Workforce Solutions for additional services through April 2015.	62%	55.3%	56.8%

More and Better Jobs

Measure	Annual Target	Current Performance	Performance Last Year
<u>New jobs created</u> This information is captured quarterly and reflects a two year average.	2,700	2,863	2,865
<u>Customers employed by the 1st Qtr after exit</u> Reporting for the quarter ending June 2014, 170,487 of the 220,580 customers who exited from services were employed by the quarter after exit.	73%	77.3%	73.3%

Higher Real Incomes

Measure	Annual Target	Current Performance	Performance Last Year
<u>Exiters with Earnings Gains of at least 20%</u> Reporting for the quarter ending December 2013, 80,302 of the 239,358 customers who exited had earnings gains of at least 20%.	35%	33.5%	33.6%

A Better Educated Workforce

Measure	Annual Target	Current Performance	Performance Last Year
<u>Customers pursuing education diploma, degree or certificate who achieve one</u> Reporting for the quarter ending December 2014, 1,546 customers pursuing an education diploma, degree or certificate exited in the period July – December 2014. 638 achieved a diploma, degree or certificate by the quarter after exit.	60%	41.3%	51.7%

Production

In addition to the Board's measures, Workforce Solutions works to meet the state's expectations for performance on indicators related to the money we receive from the Texas Workforce Commission.

For the performance year that began October 1, 2014, the state reports we are meeting or exceeding the target for nine of the ten measures. The measure we are not meeting is:

- Total Education Achievement. The target for this measure is 80.9%. Our performance in the first three quarters (10/13 – 6/14) was 73.8%. Board is working with contractors to improve services to help customers attain their educational goal.

We also have twenty-four new Adult Basic Education and Literacy measures.

- There are eleven measures pertaining to the improvement of education levels. We are meeting seven of these measures. Of the four measures we are not meeting, customers tested at the levels described below and did not improve their skills sufficiently after a scheduled post-test –
 - English as a Second Language – Low
 - English as a Second Language – High
 - Advanced English as a Second Language
 - Adult Secondary Education
- There are nine separate enrollment targets. We plan to provide Adult Education and Literacy services to 25,540 customers. We've recorded 18,860 customers receiving services. We are meeting five of these measures. These are the four enrollment targets we are not meeting:
 - Total Students participating 12 hours or more
 - Total Students
 - Target for students receiving Temporary Assistance for Needy Families and participating 12 hours or more
 - Target for students receiving Temporary Assistance for Needy Families

- There are four long-term measures regarding the outcomes of customers who received services, including: attainment of a high school diploma or equivalent, entering post-secondary education and employment and retention. We only have data for the attainment of a high school diploma or equivalent and we are meeting this measure. Data for the other measures will not be available until October 2015.

We continue to work closely with our contractors to improve performance on all measures.

GULF COAST WORKFORCE DEVELOPMENT BOARD
FINANCIAL STATUS REPORT
For the Four Months Ended April 30, 2015

	ANNUAL BUDGET	BUDGET YEAR TO DATE	ACTUAL YEAR TO DATE	DOLLAR VARIANCE
WORKFORCE REVENUES				
WORKFORCE REVENUES	201,905,098	67,301,699	65,578,380	1,723,319
WORKFORCE EXPENDITURES				
BOARD ADMINISTRATION	4,813,345	1,604,448	1,404,773	199,675
SYSTEM IT	270,000	90,000	60,734	29,266
EMPLOYER SERVICES	8,031,167	2,677,056	2,709,802	(32,746)
RESIDENT SERVICES	188,790,586	62,930,195	61,403,071	1,527,124
OFFICE OPERATIONS	38,394,242	12,798,081	11,832,115	965,966
FINANCIAL AID	134,338,344	44,779,448	45,190,245	(410,797)
SPECIAL PROJECTS	1,960,900	653,633	241,020	412,613
ADULT EDUCATION	14,097,100	4,699,033	4,139,691	559,342
<i>TOTAL WORKFORCE EXPENDITURES</i>	201,905,098	67,301,699	65,578,380	1,723,319

VARIANCE ANALYSIS

Note: Except for Special Projects that are currently funded through September 30, 2015, the "Budget Year to Date" column reflects straight-line estimate of expenditures for the twelve-month period, assuming equal expenditures every month in order to fully expend the budget in a year.

Information Item

Service to Long-Term Unemployed Individuals Update

In February, staff provided the Board with information about efforts to target service to long-term unemployed individuals. Since then, the two multi-day workshop sessions have not resulted in great success. Only four people have found new jobs and interest remains low.

Response to the content of the seminars was positive, so we continue to make that available to all our customers through our career offices and our website. We found the biggest challenges for our customers to be salary expectations and a reluctance to change occupations.

Alternately, we have experienced success targeting unemployed customers for specific career opportunities. We were recently challenged to recruit customers for alternative teacher certification training. With the growing demand for teachers, 17 school districts expressed great interest for candidates that successfully complete certification training. Using Work in Texas, we identified 9,000 unemployed customers with at least a Bachelor's degree and invited them to attend an information session on alternative teacher certification training. Below are the results:

- 600 registered
- 295 attended an information session
- 166 applied for financial aid
- 125 qualified for scholarship
- 64 applied for admission to the certification program
- 39 enrolled in the program to date

Next Steps

We believe that targeted recruiting for career opportunities is a more efficient process to connect unemployed customers to available jobs. Our next effort will focus on recruiting unemployed customers for training that leads to certification in skilled trades, where employer demand remains high.



Labor Market Information
MARCH 2015 Employment Data

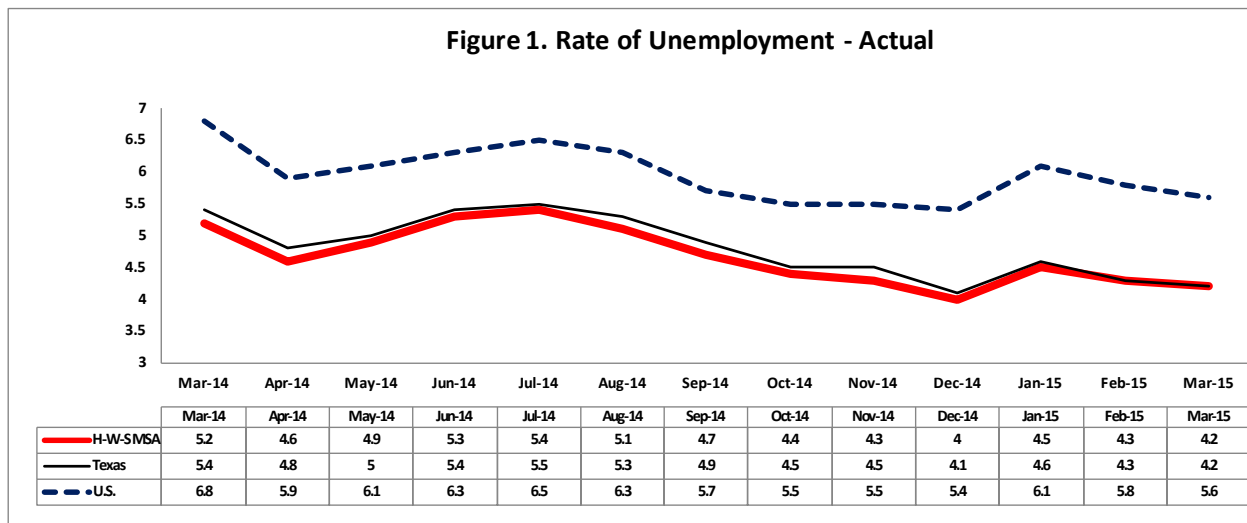
HOUSTON-THE WOODLANDS-SUGAR LAND METROPOLITAN STATISTICAL AREA
(H-W-S MSA)

Visit our website at www.wrksolutions.com

THE RATE OF UNEMPLOYMENT IN THE H-W-S MSA DROPPED ONE-TENTH OF A PERCENTAGE POINT TO 4.2 PERCENT IN MARCH. The number of unemployed was down by nearly 36,000 from one year earlier. The rate of unemployment in the H-W-S MSA was the same as the states rate in March and lower than the nation's 5.6 percent rate.

Unemployment Rate (Actual)

	MAR 2015	FEB 2015	MAR 2014
Civilian Labor Force	3,254,381	3,263,315	3,244,048
Total Employed	3,117,354	3,124,478	3,076,458
Unemployed	137,027	138,837	167,500
Unemployment Rate	4.2%	4.3%	5.2%



THE H-W-S MSA ADDED 5,500 JOBS IN MARCH REPRESENTING A 0.2 PERCENT INCREASE. This was the weakest March gain since 2009 with several major sectors (Mining and Logging, Manufacturing, Wholesale Trade, and Professional and Business Services) negatively impacted by weak oil prices.

THE PACE OF JOB GROWTH IN THE H-W-S MSA DROPPED FOUR-TENTHS OF A PERCENTAGE POINT TO 2.9 PERCENT IN MARCH, AN INCREASE OF 82,500 JOBS. The pace of job growth is expected to decline further in the months ahead but for the moment it remains higher than the state's 2.8 percent rate and the nation's 2.3 percent rate. Healthiest over-the-year growth has been in Mining and Logging, Construction, Professional Scientific and Technical Services, Educational and Health Services (Private), and Leisure and Hospitality. Detailed data can be viewed on pages 6 & 7. Additional comments by super sector can be found beginning on page 3.

**Figure 2. Current Employment Statistics
Actual Over-The-Year Increase/Decrease**

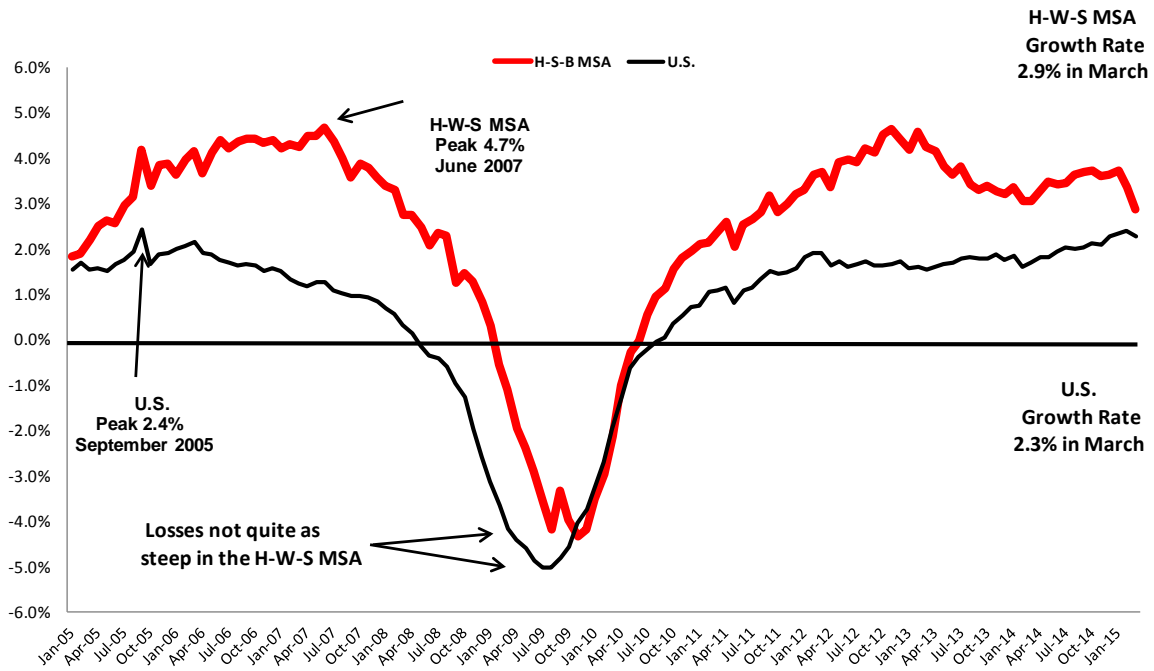
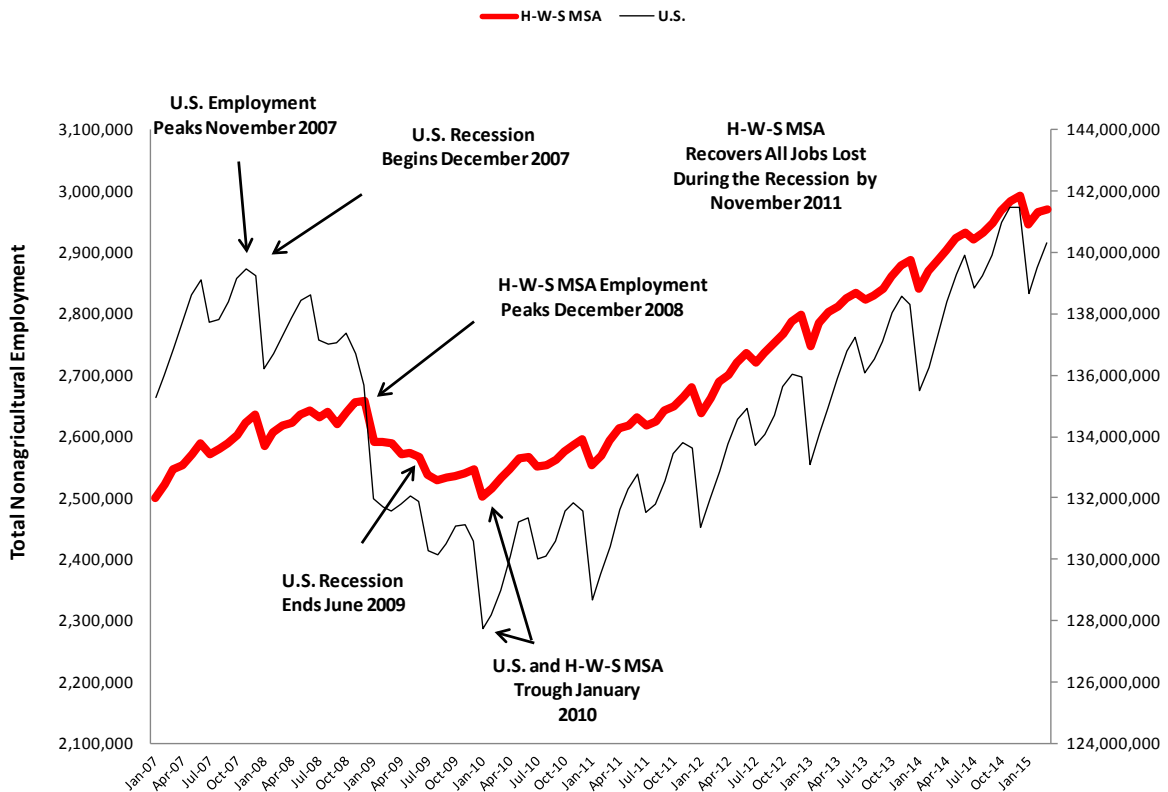
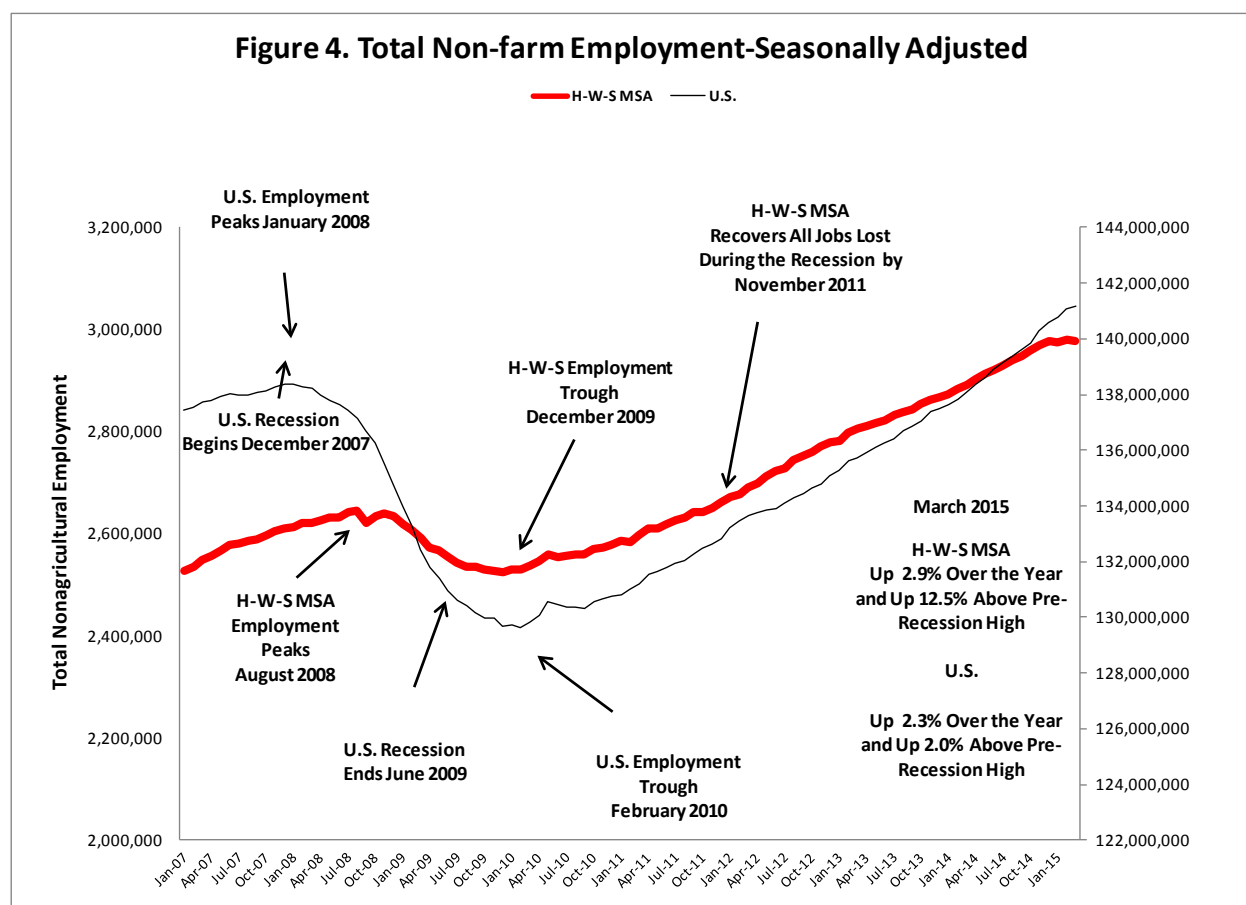


Figure 3. Total Non-farm Employment-Actual



Seasonally adjusted data for the H-W-S MSA and U.S. seen in figure 4 provides an additional view of employment removing the erratic seasonal movement. The pace of seasonally adjusted job growth has fallen nearly one full percentage point from 3.8 percent in December 2014 to 2.9 percent in March. The H-W-S MSA recovered all jobs lost since the beginning of the recession by November 2011. Payrolls have since grown another 12.5 percent above the pre-recession high adding another 331,300 jobs. Employment at the national level finally reached the pre-recession high in April of 2014 after more than six years of recovery with payrolls up 2,818,000 jobs or 2.0 percent above the pre-recession high.

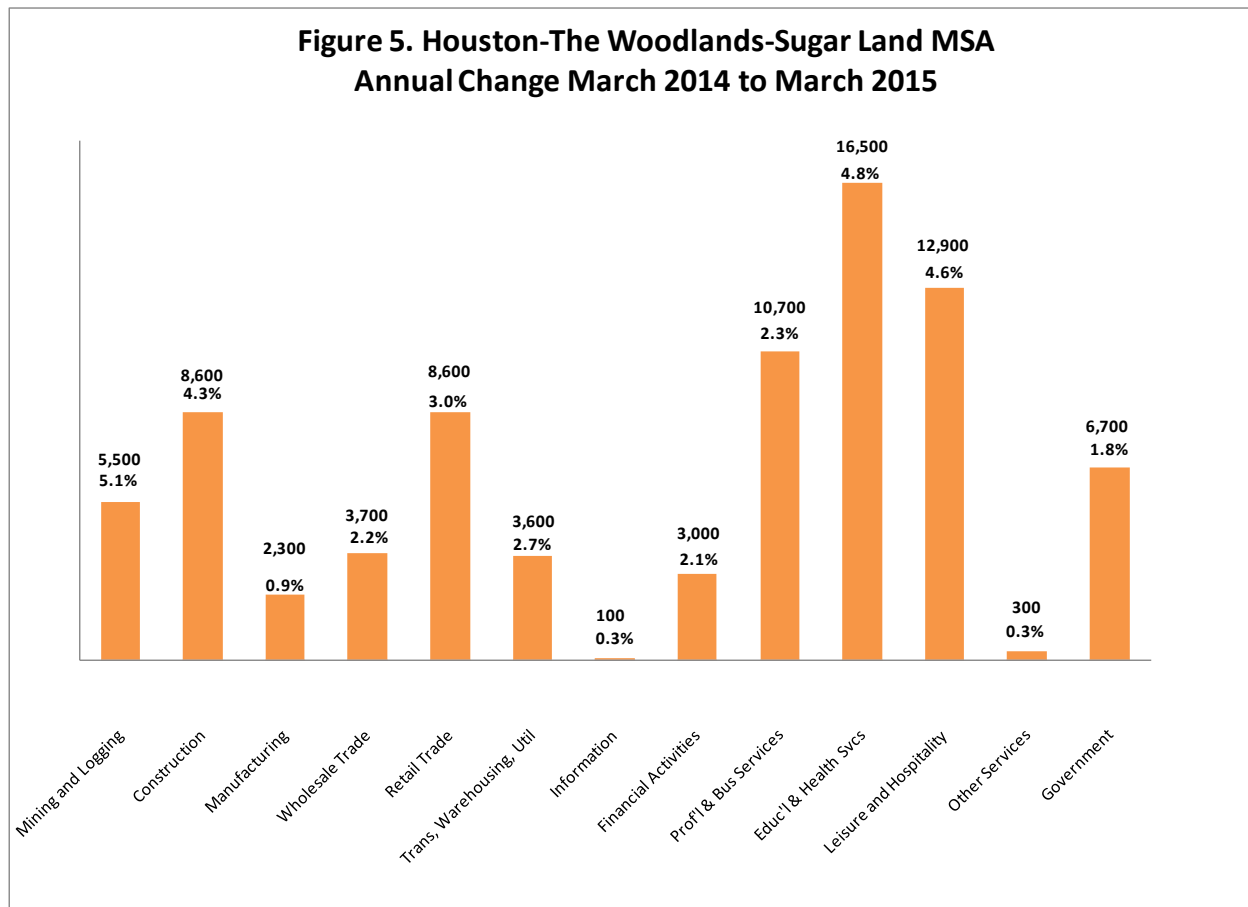


DETAILS BY SUPER SECTOR

Mining and Logging was showing signs of weakness from low oil prices in March with payrolls down 700 jobs over the month. This was the largest March decline since 2009. The two subsectors, Oil and Gas Extraction and Support Activities for Mining, reported slight losses of 100 and 300 jobs respectively. The pace of job growth in Mining and Logging fell one-half of a percentage point to 5.1 percent, an increase of 5,500 jobs over the year. The average U.S. rig count was 1,108 in March, down 240 from February and 695 (38.5%) from one year earlier. The average Texas rig count was 492 in March, down 107 from January and 372 (43.1%) from one year earlier. Continued declines in the super sector are expected in the near future due to weak demand.

Construction experienced a net increase of 800 jobs in March. The increase was made possible by an addition of 2,100 jobs in Specialty Trade Contractors. Construction of Buildings and Heavy and Civil Engineering Construction experienced declines over the month. The super sector added 8,600 jobs over the year. The 4.3 percent pace of job growth was down considerably from 7.0 percent in January. Most of the increase is found in Construction of Buildings where activity has been robust,

up 6,400 jobs or 12.4 percent. While declining oil prices may slow some areas of construction, cheap natural gas prices continue to encourage a variety of projects related to the petrochemical industry.



Manufacturing experienced a loss for the third consecutive month, down 100 jobs. This was the first March decline for the super sector since 2009 during the great recession. Weak demand due to low oil prices was responsible for the decline which was limited to manufacturers of durable goods. The pace of job growth in Manufacturing fell to 0.9 percent, an increase of 2,300 jobs over the year. Job growth in Durable Goods Manufacturing has fallen to 0.5 percent, an increase of 800 jobs over the year. Nondurable Goods Manufacturing added 1,500 jobs over the year, up 1.9 percent. The Houston Purchasing Managers Index fell to 44.5 in March. Only two of the eight underlying indices were pointing to expansion. Any index over 50 indicates production gains over the near term.

Trade Transportation & Utilities experienced a loss for the third consecutive month, down 400 jobs in March. Preliminary estimates for February indicated the super sector added 800 jobs over the month but the revised data indicates a loss of 700 jobs. March's decline was due to weakness in the Wholesale Trade sector where payrolls were down 2,200 jobs in March. The pace of job growth in the super sector fell to its lowest in four years, up 2.7 percent or 15,900 jobs over the year. Retail Trade was responsible for half of the increase, up 8,600 jobs, where Motor Vehicle and Parts Dealers experienced the strongest retail job growth, up 1,700 jobs or 4.5 percent over the year. Truck Transportation was the fastest growing subsector with payrolls up 1,300 jobs or 5.4 percent over the year.

Information reported a slight increase of 100 jobs over the year. About half of the MSA's employment in information resides in telecommunications with the remainder found in newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services.

Financial Activities added 800 jobs over the month, up 0.5 percent. This was the strongest March increase for the super sector since 2007. Financial Activities added 3,000 jobs to payrolls over the year, up 2.1 percent. While most areas of the super sector were reporting over-the-year job gains, Credit Intermediation and Related Activities reported a loss of 400 jobs and Depository Credit Intermediation reported a loss of 100 jobs. Securities, Commodity Contracts, and Other Financial Investments and Related Activities experienced the strongest job growth, up 1,100 jobs or 6.3 percent.

Professional and Business Services reported its first March loss since 2009, down 100 jobs. A loss of 1,800 jobs in Employment Services was primarily responsible for the decline. The pace of job growth in the super sector has fallen two full percentage points since January to 2.3 percent, an increase of 10,700 jobs over the year. Employment Services has been hit especially hard and is reporting a loss of 4,900 jobs over the year, down 6.3 percent. Most of the remaining areas within the super sector were reporting job gains with the exception of Management of Companies and Enterprises, down 300 jobs or 0.9 percent. Legal Services reported the strongest job gains with payrolls up 1,800 jobs or 7.7 percent over the year. Law firms have indicated a rise in work with mergers and acquisitions, bankruptcies, and litigation. Weaker job growth is expected to continue in the super sector as long as demand for services related to oil and gas exploration and production remains weak.

Education and Health Services added 600 jobs in March with payrolls up 16,500 jobs or 4.8 percent over the year. All subsectors were reporting healthy over-the-year increases. Ambulatory Healthcare Services accounted for nearly half of the new jobs, up 8,000 jobs or 5.8 percent. Population growth continues to drive demand in the Education and Health Services super sector.

Leisure and Hospitality experienced a seasonal gain of 4,700 jobs in March but the 1.6 percent increase was the weakest for March since 2002. The pace of job growth in the super sector fell more than one full percentage point to 4.6 percent, an increase of 12,900 jobs over the year. The increase was driven by gains in Food Services and Drinking Places which added 10,600 jobs over the year. Population growth continues to drive demand in the Leisure and Hospitality super sector.

Other Services experienced slight loss of 200 jobs in March. This was the first March loss since 1997. The pace of job growth in the super sector fell to 0.3 percent, an increase of 300 jobs over the year. Other Services includes, as a partial list, industries such as various repair services (industrial equipment, mining machinery and equipment, and many others related to the oil and gas industry), personal care services, dry cleaning and laundry services, and religious and social advocacy organizations.

Government was basically unchanged in March, up 100 jobs, with payrolls up 6,700 jobs or 1.8 percent over the year. Most of the increases have been in Local Government, up 6,200 jobs or 2.2 percent, driven by gains in Local Government Educational Services.

NONAGRICULTURAL EMPLOYMENT		Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	MAR 2015	Net	Percent	Net	Percent
Total Nonfarm	2,971,200	5,500	0.2%	82,500	2.9%
Total Private	2,585,000	5,400	0.2%	75,800	3.0%
Goods Producing	574,600	0	0.0%	16,400	2.9%
.Mining and Logging	113,000	-700	-0.6%	5,500	5.1%
...Oil and Gas Extraction	54,800	-100	-0.2%	1,000	1.9%
...Support Activities for Mining	55,700	-300	-0.5%	3,200	6.1%
.Construction	206,900	800	0.4%	8,600	4.3%
..Construction of Buildings	58,100	-400	-0.7%	6,400	12.4%
..Heavy and Civil Engineering Construction	46,100	-900	-1.9%	-400	-0.9%
..Specialty Trade Contractors	102,700	2,100	2.1%	2,600	2.6%
.Manufacturing	254,700	-100	0.0%	2,300	0.9%
..Durable Goods	173,300	-700	-0.4%	800	0.5%
...Fabricated Metal Product Manufacturing	63,900	-200	-0.3%	1,300	2.1%
...Machinery Manufacturing	57,800	200	0.3%	2,100	3.8%
....Agriculture, Construction, and Mining Machinery Manufacturing	41,700	0	0.0%	600	1.5%
...Computer and Electronic Product Manufacturing	17,400	-100	-0.6%	-800	-4.4%
..Non-Durable Goods	81,400	600	0.7%	1,500	1.9%
...Petroleum and Coal Products Manufacturing	9,900	0	0.0%	-300	-2.9%
...Chemical Manufacturing	37,400	200	0.5%	800	2.2%
Service Providing	2,396,600	5,500	0.2%	66,100	2.8%
.Private Service Providing	2,010,400	5,400	0.3%	59,400	3.0%
..Trade, Transportation, and Utilities	601,700	-400	-0.1%	15,900	2.7%
...Wholesale Trade	169,300	-2,200	-1.3%	3,700	2.2%
....Merchant Wholesalers, Durable Goods	97,000	-1,000	-1.0%	1,700	1.8%
.....Professional and Commercial Equipment and Supplies Merchant Wholesale	12,700	100	0.8%	300	2.4%
....Merchant Wholesalers, Nondurable Goods	45,000	-400	-0.9%	300	0.7%
...Retail Trade	296,800	1,100	0.4%	8,600	3.0%
....Motor Vehicle and Parts Dealers	39,500	400	1.0%	1,700	4.5%
....Building Material and Garden Equipment and Supplies Dealers	22,300	500	2.3%	300	1.4%
....Food and Beverage Stores	61,700	-600	-1.0%	1,800	3.0%
....Health and Personal Care Stores	18,500	100	0.5%	300	1.6%
....Clothing and Clothing Accessories Stores	27,600	500	1.8%	-700	-2.5%
....General Merchandise Stores	64,500	0	0.0%	700	1.1%
.....Department Stores	21,300	-200	-0.9%	0	0.0%
.....Other General Merchandise Stores	43,200	200	0.5%	700	1.6%
...Transportation, Warehousing, and Utilities	135,600	700	0.5%	3,600	2.7%
....Utilities	16,000	0	0.0%	300	1.9%
.....Air Transportation	20,200	100	0.5%	-400	-1.9%
.....Truck Transportation	25,500	100	0.4%	1,300	5.4%
.....Pipeline Transportation	10,500	100	1.0%	400	4.0%
..Information	33,200	0	0.0%	100	0.3%
...Telecommunications	15,100	0	0.0%	0	0.0%
..Financial Activities	148,800	800	0.5%	3,000	2.1%
...Finance and Insurance	94,400	800	0.9%	1,700	1.8%
....Credit Intermediation and Related Activities	43,400	200	0.5%	-400	-0.9%
.....Depository Credit Intermediation	28,800	200	0.7%	-100	-0.3%
....Securities, Commodity Contracts, and Other Financial Investments and Related Activities	18,600	200	1.1%	1,100	6.3%
....Insurance Carriers and Related Activities	32,200	300	0.9%	1,100	3.5%
...Real Estate and Rental and Leasing	54,400	0	0.0%	1,300	2.4%

NONAGRICULTURAL EMPLOYMENT		Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA		MAR 2015	Net Percent	Net Percent	
..Professional and Business Services		466,100	-100 0.0%	10,700 2.3%	
...Professional, Scientific, and Technical Services		223,000	500 0.2%	8,600 4.0%	
....Legal Services		25,300	-200 -0.8%	1,800 7.7%	
....Accounting, Tax Preparation, Bookkeeping, and Payroll Services		25,100	-200 -0.8%	800 3.3%	
....Architectural, Engineering, and Related Services		75,800	-300 -0.4%	3,600 5.0%	
....Computer Systems Design and Related Services		33,200	400 1.2%	1,600 5.1%	
...Management of Companies and Enterprises		33,600	200 0.6%	-300 -0.9%	
...Administrative and Support and Waste Management and Remediation Services		209,500	-800 -0.4%	2,400 1.2%	
....Administrative and Support Services		199,600	-400 -0.2%	2,900 1.5%	
.....Employment Services		72,900	-1,800 -2.4%	-4,900 -6.3%	
.....Services to Buildings and Dwellings		48,300	1,000 2.1%	1,900 4.1%	
..Educational and Health Services		362,100	600 0.2%	16,500 4.8%	
...Educational Services		54,800	-200 -0.4%	2,700 5.2%	
...Health Care and Social Assistance		307,300	800 0.3%	13,800 4.7%	
....Ambulatory Health Care Services		146,500	-500 -0.3%	8,000 5.8%	
....Hospitals		81,100	500 0.6%	4,000 5.2%	
..Leisure and Hospitality		295,100	4,700 1.6%	12,900 4.6%	
...Arts, Entertainment, and Recreation		30,100	1,500 5.2%	1,200 4.2%	
...Accommodation and Food Services		265,000	3,200 1.2%	11,700 4.6%	
....Accommodation		25,300	200 0.8%	1,100 4.5%	
....Food Services and Drinking Places		239,700	3,000 1.3%	10,600 4.6%	
..Other Services		103,400	-200 -0.2%	300 0.3%	
Government		386,200	100 0.0%	6,700 1.8%	
.Federal Government		27,800	100 0.4%	200 0.7%	
.State Government		73,400	400 0.5%	300 0.4%	
..State Government Educational Services		40,300	200 0.5%	300 0.8%	
.Local Government		285,000	-400 -0.1%	6,200 2.2%	
..Local Government Educational Services		199,600	-400 -0.2%	4,700 2.4%	

UNEMPLOYMENT RATE	MAR 2015	FEB 2015	MAR 2014
H-W-S MSA	4.2	4.3	5.2
Texas (Actual)	4.2	4.3	5.4
United States (Actual)	5.6	5.8	6.8

Houston-The Woodlands-Sugar Land MSA: Includes Austin, Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties.
All Data is Subject To Revision.

Sources: U.S. Department of Labor, BLS, Texas Workforce Commission, Institute for Supply Management, Baker Hughes Incorporated, Kiley Advisors, Metrostudy, and The Federal Reserve Bank of Dallas.

Workforce Demands in the Oil & Gas Industry: Upstream Manufacturing

Workforce Solutions

June 2015

**Workforce Solutions is an affiliate of the Gulf Coast Workforce Board, which manages a regional workforce system that helps employers solve their workforce problems and residents build careers so both can compete in the global economy. The workforce system serves the City of Houston and the surrounding 13 Texas Gulf Coast counties including: Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton*

This report is the second in a series providing an overview on the state of the oil and gas industry in the Gulf Coast including a brief look at immediate and long-term challenges.

An Overview of Manufacturing Related to Oil & Gas

It is widely known that the economy of the Gulf Coast Region is largely centered on the energy industry with roughly half of all jobs tied to it in some way. A key industry critical to oil and gas production lies in manufacturing. This can take several forms ranging from the production of specialized equipment needed to extract crude oil and natural gas, to pipelines and storage facilities, to the refining of petroleum products for fuels, chemicals, plastics and more.

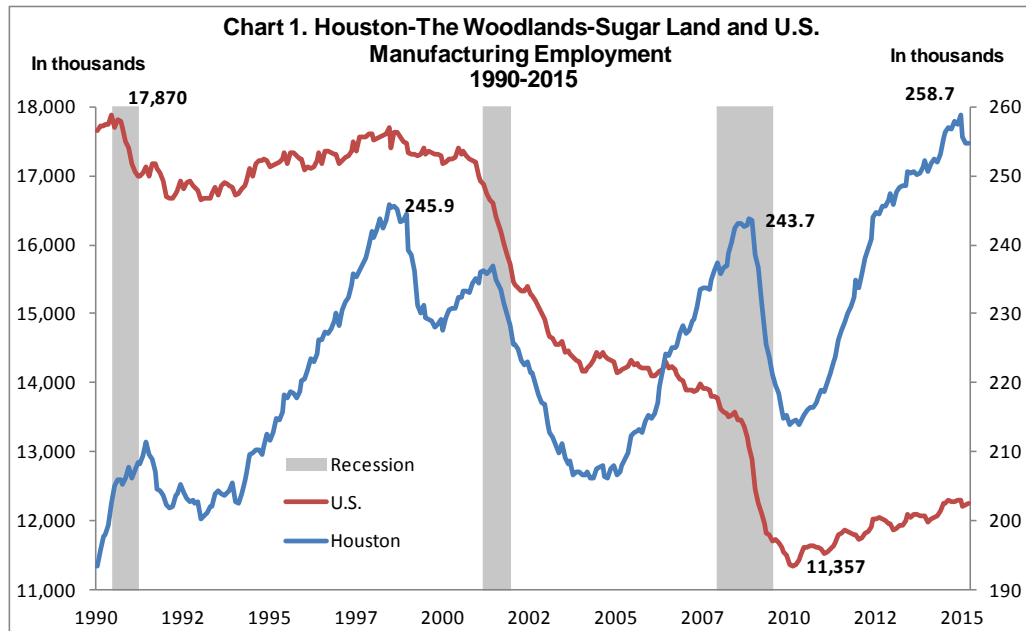
These different types of manufacturing roughly correspond to the three major segments of the oil and gas industry:

- Upstream – the exploration, production, and extraction of oil and gas
- Midstream – the transportation, storage, and wholesale marketing of crude or refined petroleum products
- Downstream – the oil and gas operations that take place after production and up to the point of sale

This report will focus on manufacturing related to upstream oil and gas given the relatively large number of manufacturing sub-industries in this segment and their outsized contribution to the overall sector's employment.

Manufacturing Employment: Past, Present, and Future

As of March 2015, manufacturing in the Gulf Coast Region employed approximately 255,000 people, or roughly 9 percent of total employment. Whereas the neither the U.S. nor Texas have seen their manufacturing employment rise above their peaks recorded in the mid-1970s and late-1990s, respectively, Houston registered its all-time high just recently in December of 2014 with nearly 259,000 jobs. This surpassed the previous peaks in mid-1997 and late-2008 by around 15,000 jobs (see chart 1). In short, Houston's manufacturing sector has demonstrated a degree of resilience after each downturn rarely seen across other major metropolitan areas or states.

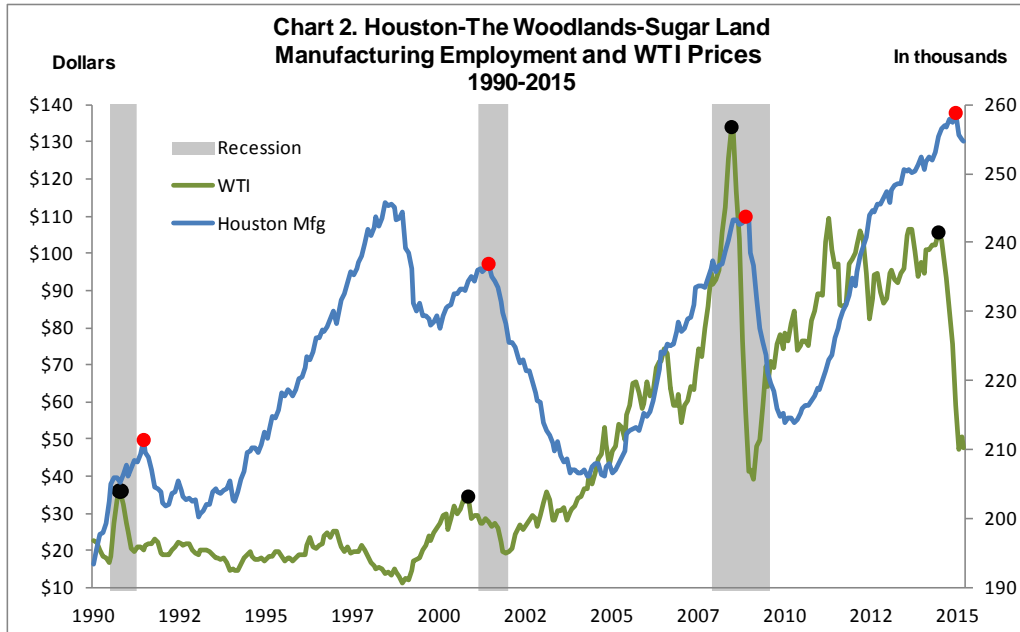


Source: BLS/TWC – Current Employment Statistics (CES)

While manufacturing employment in the Gulf Coast has shown a tendency to rise over time in contrast to other regions, its fortunes remain largely tied to the price of oil. This can be seen in Chart 2, which shows that a peak in oil prices has often been followed by a peak in manufacturing employment approximately six to eight months later. As a result, there is a strong likelihood that we have seen peak employment in manufacturing for this economic cycle. Furthermore it suggests that steepest declines in manufacturing jobs may occur towards the latter half of 2015. The section below details historical peaks in the price of West Texas Intermediate and Houston-area manufacturing employment from 1990 to present.

- WTI peaks in Oct 1990 followed by manufacturing in June 1991.
- WTI prices peaks in November 2000 followed by manufacturing in June 2001.
- WTI peaks in June 2008 followed manufacturing in November 2008.
- WTI peaks in June 2014 followed by manufacturing in December 2014?

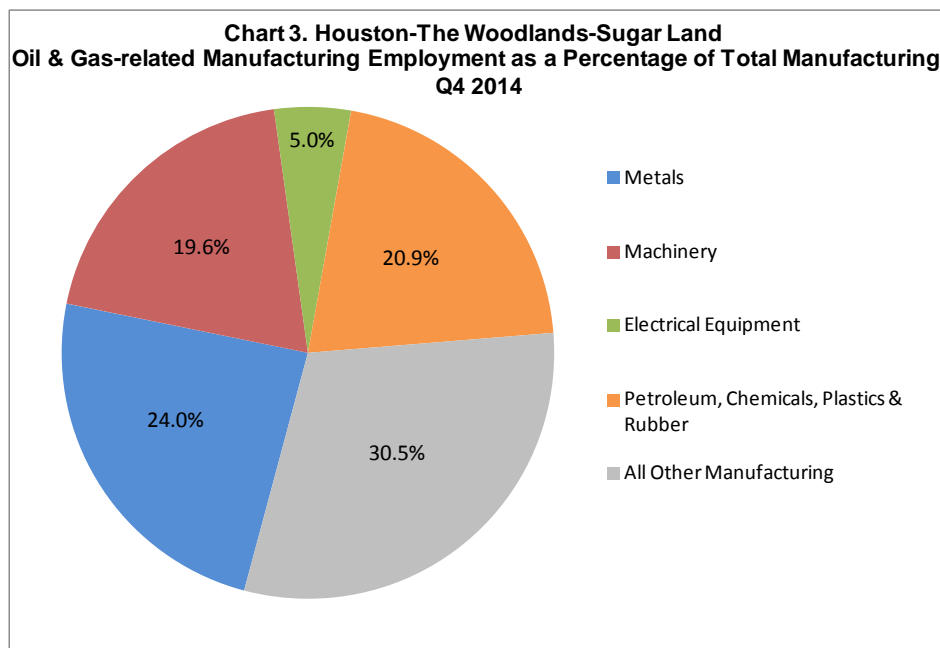
The first three peaks and subsequent declines all coincide with national recessions as determined by the National Bureau of Economic Research (NBER) to varying degrees. This does not necessary imply that the U.S. is currently in a recession. However it should be noted that due to the lag across various economic data, the NBER can make such determinations as much as a year after downturns have begun or ended. Nevertheless the Gulf Coast manufacturing sector remains expected to grow, albeit slightly slower than average (22.8 percent vs. 23.8 percent for all industries) based on long-term employment projections for an additional 56,000 jobs by 2022.



Source: BLS/TWC – Current Employment Statistics (CES) and Energy Information Administration

Upstream Manufacturing Sub-industries

As noted, manufacturing in the Gulf Coast remains highly dependent on the oil and gas industry, particularly as source of demand for extraction equipment and as a supplier of feedstock to produce various petroleum-based products. Examining sub-industries at the four-digit NAICS level reveals four types of manufacturing with the strongest relationship to oil and gas (see Chart 3): **metals, machinery, electrical equipment, and petroleum products, chemicals, plastics, and rubber.**



Source: BLS/TWC – Quarter Census of Employment and Wages (QCEW)

These four groups comprise nearly 70 percent of all manufacturing employment in the Gulf Coast region. Furthermore, the upstream portion consisting of metals, machinery, and electrical equipment, comprises almost 50 percent of manufacturing jobs. Note that numerous other manufacturing sub-industries with a less obvious connection to oil and gas are also likely to provide goods and services to this industry. Hence the estimates included in this report may understate the full extent to which Gulf Coast manufacturing relies on oil and gas. The following sections provide brief descriptions of these upstream manufacturing groups along with their long-term outlooks.

Metals

This group, which accounts for nearly one-quarter of all manufacturing jobs in the region, includes industries that engage in activities ranging from die forging to machine shops that fabricate or modify raw metal products by rolling, bending, and shaping. Products from these industries include basic structural components used in oil and gas production, construction, and even maritime industries. As of the fourth quarter of 2014 there were over 62,000 jobs in these industries. Despite the current regional economic downturn, metal-related industries are expected to grow faster than average by the year 2022, up 29 percent or 16,000 jobs. (See appendix for the seven sub-industries in this category).

Machinery

This group is composed of two sub-industries: **Agriculture, Construction, and Mining Machinery Manufacturing**, and **Other General Purpose Machinery Manufacturing**. The former industry includes firms engaged in the manufacture of oil and gas field equipment such as drilling machinery, production equipment such as pump jacks, and structural equipment such as derricks. Agriculture, Construction, and Mining Machinery Manufacturing alone provides 44,000 jobs to the region and is the single-largest sub-industry within the overall manufacturing sector. Other General Purpose Machinery Manufacturing comprises a broad range of industrial products not always specific to, but frequently used in oil and gas production and exploration due to the industry's concentration in the Gulf Coast. Overall projected growth between these two sub-industries is expected to be particularly robust at 33 percent for an increase of 15,000 jobs over the decade.

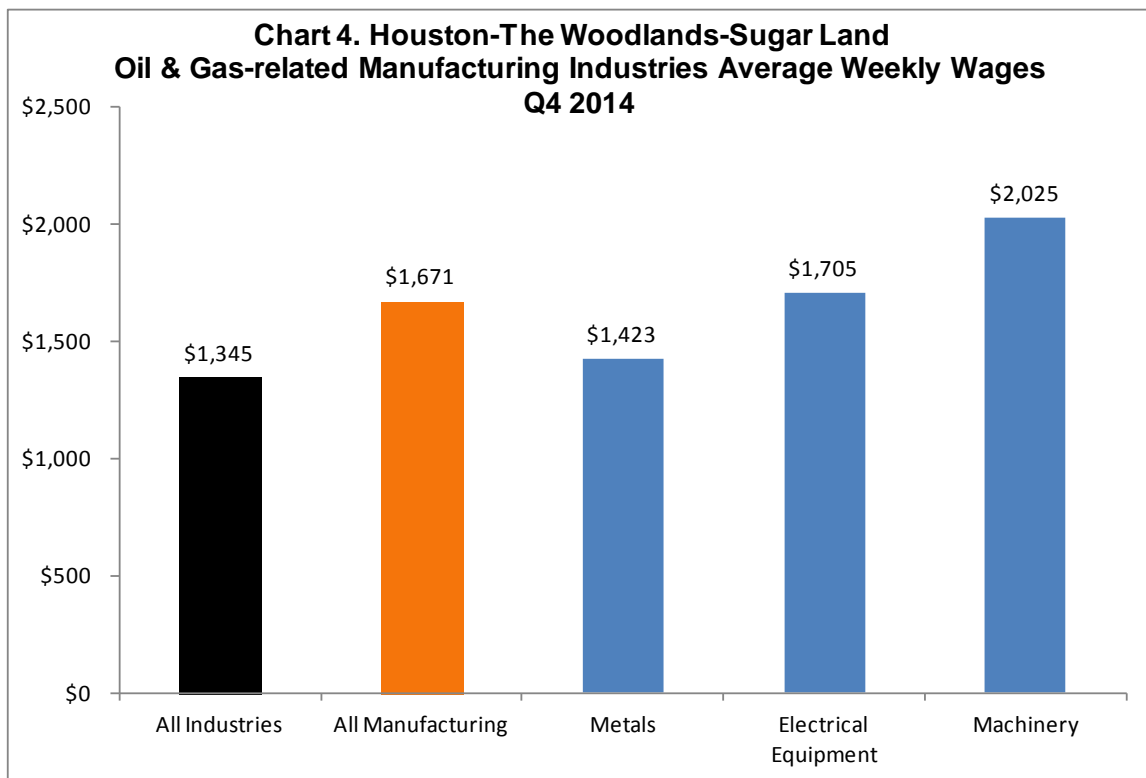
Electrical Equipment

The smallest of the three upstream manufacturing groups, Electrical Equipment is composed of **Electrical Equipment Manufacturing** as well as **Electronic Instrument Manufacturing**. While not limited to the oil and gas industry, Electrical Equipment Manufacturing produces power generation equipment and motor control systems critical to maintaining constant operation at oil field sites that are often times geographically remote. Electronic Instrument Manufacturing provides control and monitoring equipment

integral to regulating oil and gas production that also incorporates warning systems to enhance worker safety. Combined, these sub-industries provide 12,000 jobs across the Gulf Coast and are expected to add 3,300 jobs between 2012 and 2022.

Wages

Despite near-term challenges in light of low oil prices, the manufacturing sector can provide above average wages to those with the right skills. At \$1,671 per week, manufacturing wages in the region were 24 percent above the average for all industries (\$1,345) as of fourth quarter 2014. Drilling down further to the upstream manufacturing groups outlined earlier revealed that two out of three yielded wages above the average for overall manufacturing. Machinery manufacturing providing the highest average weekly wage at \$2,024, followed by electrical (\$1,705), and metals (\$1,422). (See Chart 4.)

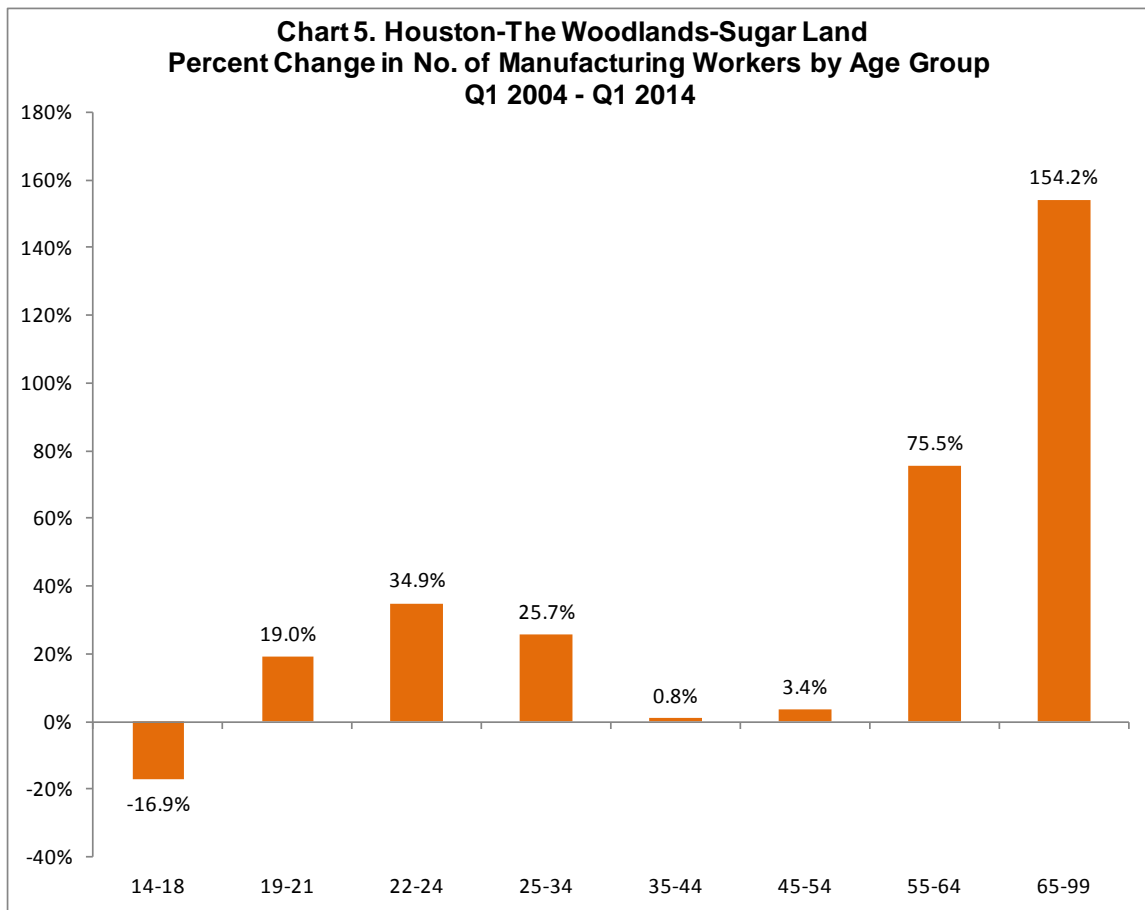


Source: BLS/TWC – Quarterly Census of Employment and Wages (QCEW)

Demographic Challenges

An Aging Workforce

Similar to the construction and mining sectors highlighted in previous reports, the manufacturing sector, including the portions affiliated with oil and gas, faces the challenge of an aging workforce. Chart 5 shows that between Q1 2004 and Q1 2014, the fastest growing age groups in Gulf Coast manufacturing were those aged 55-64 and 65 and over, up 76 percent and 154 percent, respectively. Perhaps even more concerning was the anemic growth in the number of workers aged 35-44 and 45-54, up 0.8 percent and 3.4 percent, over this same period. This suggests a possible dearth of future senior talent in the coming years as the two oldest cohorts transition from the workforce to retirement. On a positive note, growth among manufacturing workers aged 19 to 34 may provide a boost to the future cohort of workers aged 35-54 based on respectable growth of 19 percent to 35 percent.



Source: Census – Quarterly Workforce Indicators (QWI)

Appendix A

Gulf Coast Employment Projections - Oil & Gas-related Manufacturing Industries 2012-2022

		Average Annual Employment		Net Chg	Pct Chg
		2012	2022		
Machinery	Manufacturing	247,520	304,000	56,480	22.8%
	Ag., construction, and mining machinery mfg.	40,750	54,810	14,060	34.5%
	Other general purpose machinery manufacturing	5,870	7,120	1,250	21.3%
		46,620	61,930	15,310	32.8%
Metals	Other fabricated metal product manufacturing	14,920	20,160	5,240	35.1%
	Machine shops and threaded product mfg.	12,170	15,250	3,080	25.3%
	Architectural and structural metals mfg.	14,540	18,220	3,680	25.3%
	Coating, engraving, and heat treating metals	6,820	8,830	2,010	29.5%
	Steel product mfg. from purchased steel	2,100	2,690	590	28.1%
	Forging and stamping	2,590	3,250	660	25.5%
	Iron and steel mills and ferroalloy mfg.	1,280	1,690	410	32.0%
		54,420	70,090	15,670	28.8%
Petroleum, Chemical, Plastics, Rubber	Basic chemical manufacturing	20,810	24,250	3,440	16.5%
	Petroleum and coal products manufacturing	12,200	14,210	2,010	16.5%
	Plastics product manufacturing	9,510	11,910	2,400	25.2%
	Other chemical product and preparation mfg.	4,320	5,290	970	22.5%
	Resin, rubber, and artificial fibers mfg.	3,930	4,110	180	4.6%
	Rubber product manufacturing	1,430	1,790	360	25.2%
	Paint, coating, and adhesive manufacturing	2,380	2,770	390	16.4%
		54,580	64,330	9,750	17.9%
Electrical	Electronic instrument manufacturing	7,470	9,360	1,890	25.3%
	Electrical equipment manufacturing	4,510	5,900	1,390	30.8%
		11,980	15,260	3,280	27.4%

Appendix B

Gulf Coast Employment Projections - Production Occupations within Oil & Gas-related Manufacturing Industries 2012-2022

SOC	Occupation	Average Annual		Net Chg	Pct Chg
		2012	2022		
	51-4041 Machinists	3,090	4,470	1,380	44.7%
	51-4121 Welders, Cutters, Solderers, and Brazers	3,300	4,330	1,030	31.2%
	51-2092 Team Assemblers	2,350	3,080	730	31.1%
	51-9061 Inspectors, Testers, Sorters, Samplers, & Weighers	1,640	2,180	540	32.9%
	51-1011 First-Line Supervisors of Production & Operating Workers	1,270	1,660	390	30.7%
	51-4122 Welding, Soldering, and Brazing Machine Setters, Operators, and Tenders	670	1,060	390	58.2%
	51-4011 Computer-Controlled Machine Tool Operators, Metal/Plastic	580	930	350	60.3%
	51-2031 Engine & Other Machine Assemblers	920	1,220	300	32.6%
	51-9198 Helpers--Production Workers	930	1,220	290	31.2%
	51-9121 Coating, Painting, & Spraying Machine Setters, Operators, & Tenders	690	910	220	31.9%
	51-2041 Structural Metal Fabricators & Fitters	620	800	180	29.0%
	51-2023 Electromechanical Equipment Assemblers	540	710	170	31.5%
Machinery	51-4035 Milling & Planing Machine Setters, Operators, & Tenders, Metal/Plastic	800	960	160	20.0%
	51-2022 Electrical & Electronic Equipment Assemblers	460	620	160	34.8%
	51-4034 Lathe & Turning Machine Tool Setters, Operators, & Tenders, Metal/Plastic	680	810	130	19.1%
	51-4012 Computer Numerically Controlled Machine Tool Programmers, Metal/Plastic	190	300	110	57.9%
	51-4031 Cutting, Punching, & Press Machine Setters, Operators, & Tenders, Metal/Plastic	520	620	100	19.2%
	51-4033 Grinding, Lapping, Polishing, & Buffing Machine Tool Setters, Operators, & Tenders, Metal/Plastic	230	280	50	21.7%
	51-4111 Tool and Die Makers	110	150	40	36.4%
	51-4194 Tool Grinders, Filers, and Sharpeners	40	60	20	50.0%
	51-4081 Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	140	150	10	7.1%
	51-4072 Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	20	30	10	50.0%
	51-9122 Painters, Transportation Equipment	40	50	10	25.0%
	51-4199 Metal Workers and Plastic Workers, All Other	20	20	0	0.0%
	51-4032 Drilling & Boring Machine Tool Setters, Operators, & Tenders, Metal/Plastic	40	30	-10	-25.0%
		19,890	26,650	6,760	34.0%

Continued on following page

Gulf Coast Employment Projections - Production Occupations within Oil & Gas-related Manufacturing Industries
2012-2022, Cont'd

SOC		2012	2022	Net Chg	Pct Chg
	51-4041 Machinists	5,220	7,160	1,940	37.2%
	51-4011 Computer-Controlled Machine Tool Operators, Metal/Plastic	1,910	2,860	950	49.7%
	51-4121 Welders, Cutters, Solderers, and Brazers	2,790	3,570	780	28.0%
	51-1011 First-Line Supervisors of Production & Operating Workers	2,380	3,080	700	29.4%
	51-9061 Inspectors, Testers, Sorters, Samplers, & Weighers	2,340	3,020	680	29.1%
	51-9198 Helpers--Production Workers	1,870	2,400	530	28.3%
	51-9121 Coating, Painting, & Spraying Machine Setters, Operators, & Tenders	1,170	1,570	400	34.2%
	51-2092 Team Assemblers	1,160	1,510	350	30.2%
	51-2041 Structural Metal Fabricators & Fitters	1,190	1,520	330	27.7%
	51-4031 Cutting, Punching, & Press Machine Setters, Operators, & Tenders, Metal/Plastic	1,930	2,210	280	14.5%
	51-4034 Lathe & Turning Machine Tool Setters, Operators, & Tenders, Metal/Plastic	1,440	1,670	230	16.0%
	51-4191 Heat Treating Equipment Setters, Operators, and Tenders, Metal and Plastic	630	830	200	31.7%
	51-4193 Plating and Coating Machine Setters, Operators, and Tenders, Metal and Plastic	1,040	1,230	190	18.3%
	51-4012 Computer Numerically Controlled Machine Tool Programmers, Metal/Plastic	280	460	180	64.3%
	51-4033 Grinding, Lapping, Polishing, & Buffing Machine Tool Setters, Operators, & Tenders, Metal/Plastic	920	1,040	120	13.0%
	51-4122 Welding, Soldering, and Brazing Machine Setters, Operators, and Tenders	180	280	100	55.6%
	51-9022 Grinding & Polishing Workers, Hand	270	360	90	33.3%
Metals	51-4021 Extruding & Drawing Machine Setters, Operators, & Tenders, Metal/Plastic	470	540	70	14.9%
	51-4081 Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	500	570	70	14.0%
	51-4192 Layout Workers, Metal and Plastic	250	320	70	28.0%
	51-2022 Electrical & Electronic Equipment Assemblers	210	280	70	33.3%
	51-4111 Tool and Die Makers	120	170	50	41.7%
	51-4022 Forging Machine Setters, Operators, & Tenders, Metal/Plastic	350	390	40	11.4%
	51-4023 Rolling Machine Setters, Operators, & Tenders, Metal/Plastic	240	280	40	16.7%
	51-4072 Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	250	290	40	16.0%
	51-2099 Assemblers & Fabricators, All Other	90	130	40	44.4%
	51-9199 Production Workers, All Other	100	140	40	40.0%
	51-9111 Packaging & Filling Machine Operators & Tenders	80	110	30	37.5%
	51-4035 Milling & Planing Machine Setters, Operators, & Tenders, Metal/Plastic	200	220	20	10.0%
	51-9192 Cleaning, Washing, & Metal Pickling Equipment Operators & Tenders	100	120	20	20.0%
	51-4194 Tool Grinders, Filers, and Sharpeners	30	40	10	33.3%
	51-4199 Metal Workers and Plastic Workers, All Other	60	60	0	0.0%
	51-4051 Metal-Refining Furnace Operators & Tenders	10	10	0	0.0%
	51-7042 Woodworking Machine Setters, Operators, & Tenders, Ex. Sawing	20	20	0	0.0%
	51-4032 Drilling & Boring Machine Tool Setters, Operators, & Tenders, Metal/Plastic	160	150	-10	-6.3%
		29,960	38,610	8,650	28.9%

Continued on following page

**Gulf Coast Employment Projections - Production Occupations within Oil & Gas-related Manufacturing Industries
2012-2022, Cont'd**

SOC		2012	2022	Net Chg	Pct Chg
	51-1011 First-Line Supervisors of Production & Operating Workers	4,600	5,300	700	15.2%
	51-2092 Team Assemblers	3,460	4,030	570	16.5%
	51-4041 Machinists	3,330	3,860	530	15.9%
	51-8091 Chemical Plant & System Operators	3,010	3,410	400	13.3%
	51-8093 Petroleum Pump System Operators, Refinery Operators, & Gaugers	1,050	1,350	300	28.6%
	51-8099 Plant and System Operators, All Other	1,280	1,490	210	16.4%
	51-9011 Chemical Equipment Operators & Tenders	510	660	150	29.4%
	51-9012 Separating, Filtering, Clarifying, Precipitating, & Still Machine Setters, Operators, & Tenders	700	840	140	20.0%
	51-9023 Mixing & Blending Machine Setters, Operators, & Tenders	220	340	120	54.5%
	51-9061 Inspectors, Testers, Sorters, Samplers, & Weighers	660	750	90	13.6%
	51-9111 Packaging & Filling Machine Operators & Tenders	450	520	70	15.6%
Petroleum , Chemical, Plastics, Rubber	51-4121 Welders, Cutters, Solderers, and Brazers	420	480	60	14.3%
	51-9198 Helpers--Production Workers	240	300	60	25.0%
	51-9041 Extruding, Forming, Pressing, & Compacting Machine Setters, Operators, & Tenders	420	460	40	9.5%
	51-9121 Coating, Painting, & Spraying Machine Setters, Operators, & Tenders	110	130	20	18.2%
	51-2091 Fiberglass Laminators & Fabricators	50	70	20	40.0%
	51-4011 Computer-Controlled Machine Tool Operators, Metal/Plastic	30	40	10	33.3%
	51-4021 Extruding & Drawing Machine Setters, Operators, & Tenders, Metal/Plastic	50	60	10	20.0%
	51-4032 Drilling & Boring Machine Tool Setters, Operators, & Tenders, Metal/Plastic	10	20	10	100.0%
	51-4033 Grinding, Lapping, Polishing, & Buffing Machine Tool Setters, Operators, & Tenders, Metal/Plastic	10	20	10	100.0%
	51-4081 Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	70	80	10	14.3%
	51-4111 Tool and Die Makers	90	100	10	11.1%
	51-4199 Metal Workers and Plastic Workers, All Other	30	40	10	33.3%
	51-9022 Grinding & Polishing Workers, Hand	60	70	10	16.7%
	51-9031 Cutters & Trimmers, Hand	40	40	0	0.0%
	51-9197 Tire Builders	10	10	0	0.0%
		20,910	24,470	3,560	17.0%

Continued on following page

Gulf Coast Employment Projections - Production Occupations within Oil & Gas-related Manufacturing Industries
2012-2022, Cont'd

SOC		2012	2022	Net Chg	Pct Chg
Electrical Equipment	51-1011 First-Line Supervisors of Production & Operating Workers	1030	1300	270	26.2%
	51-2092 Team Assemblers	480	590	110	22.9%
	51-4041 Machinists	360	450	90	25.0%
	51-9061 Inspectors, Testers, Sorters, Samplers, & Weighers	260	330	70	26.9%
	51-4121 Welders, Cutters, Solderers, and Brazers	310	380	70	22.6%
	51-9198 Helpers--Production Workers	200	270	70	35.0%
	51-9121 Coating, Painting, & Spraying Machine Setters, Operators, & Tenders	150	210	60	40.0%
	51-4011 Computer-Controlled Machine Tool Operators, Metal/Plastic	150	200	50	33.3%
	51-4081 Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	80	100	20	25.0%
	51-4031 Cutting, Punching, & Press Machine Setters, Operators, & Tenders, Metal/Plastic	60	70	10	16.7%
	51-4072 Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	40	50	10	25.0%
	51-2022 Electrical & Electronic Equipment Assemblers	80	90	10	12.5%
	51-2099 Assemblers & Fabricators, All Other	20	30	10	50.0%
	51-2023 Electromechanical Equipment Assemblers	10	10	0	0.0%
	51-2021 Coil Winders, Tapers, & Finishers	10	10	0	0.0%
		3240	4090	850	26.2%