

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LIEUTENANT GOVERNOR



LINDA CHU TAKAYAMA
DIRECTOR

LEONARD HOSHIJO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
830 PUNCHBOWL STREET, ROOM 321
HONOLULU, HAWAII 96813
www.labor.hawaii.gov
Phone: (808) 586-8844 / Fax: (808) 586-9099
Email: dlir.director@hawaii.gov

September 22, 2015

Ms. Virginia Hamilton
Regional Administrator
Employment and Training Administration
U.S. Department of Labor
90 7th Street, Suite 17-300
San Francisco, CA 94103-1516

Dear Ms. Hamilton:

In accordance with Training and Employment Guidance Letter (TEGL) No. 23-13, the Department of Labor and Industrial Relations (DLIR) and the Workforce Development Council (WDC) respectfully submit the Program Year 2014 Workforce Information Grant Annual Performance Report for Hawaii. The report summarizes our accomplishments and the results of customer consultations regarding Hawaii's workforce information products and services. It also includes some recommendations for suggested changes and improvements to the required workforce information grant deliverables.

Enclosed is a hard copy of the annual performance report. A PDF version will also be emailed to your office and to Carol Padovan, our ETA Federal Projects Officer.

Should you have any questions, please contact Phyllis Dayao, Chief of the DLIR Research and Statistics Office, at (808) 586-8999.

Sincerely,

LINDA CHU TAKAYAMA
Director
Department of Labor and
Industrial Relations

Sincerely,

LESLIE WILKINS
Chair
Workforce Development
Council

Enclosure

Equal Opportunity Employer/Program
Auxiliary aids and services are available upon request to individuals with disabilities.
TTY/TDD (808) 586-8844

**Hawai'i Department of Labor and Industrial Relations
Research and Statistics Office**

**WORKFORCE INFORMATION GRANT (WIG)
July 1, 2014 to June 30, 2015**

ANNUAL REPORT



Introduction: Hawai'i Workforce and Labor Market Information Products and Services

Goal: Identifying skills and training needed to qualify Hawai'i job seekers for the local labor market

In addition to the following Workforce Information Core Products and Services required by the USDOL/ETA TEGL 23-13, the Research and Statistics (R&S) Office planned to provide green workforce information wherever possible.

- Populate the Workforce Information Database (WIDb) with state and local data.
- Produce and disseminate state and local industry and occupational employment projections.
- Publish a statewide annual economic analysis report for the governor and state legislature, Workforce Development Council (WDC), and Local Workforce Investment Boards (LWIBS).
- Produce and publish other economic and labor market reports and products.

This report describes Hawai'i's accomplishments during the July 2014 to June 2015 program year. The period of performance is from July 1, 2014 to September 30, 2015. Actual and estimated expenditures are expected to have no significant variance. All of PY 2014 deliverables, supplemental reports, and consultations have been met within the allotted schedule.

Part A: Accomplishments

1) Workforce Information Database (WIDb)

R&S populated and maintained all core tables of the Workforce Information Database (WID) for the areas and time periods required in a timely manner, following the guidelines issued by the Analyst Resource Center (ARC). Core data tables populated include: Current Employment Statistics (CES), employer database, income, industry projections, industry, industry occupational (io) matrix, labor force, license authority, license, occupational projections, Occupational Employment Statistics (OES) wages, and population.

By June 2015, the database was also populated with items that went beyond the core requirements such as including more county and island data when available, providing additional years of data for the core tables, and populating other non-core tables. The following files contain MSA/County data: building, CES, commute, consumer price index (CPI), employer database, income, industry projections, industry, iomatrix, labor force, occupational projections, OES wages, population, program completers, programs, property values, sales, schools, supply, tax, and UI claims. Both CES and labor force also contain Island data. Non-core tables that were populated include: building, commute, CPI, license history, program completers, programs, property values, sales,

schools, short term industry projections, short term occupational projections, supply, tax, and UI claims.

We also collected licensing information for 70 occupations, updated the required licensing files with 2014 data (licauth, license, lichist, licxocc, licxonet), and submitted the data files to the National Crosswalk Service Center for inclusion in America's Career InfoNet in May 2015.

Hawai'i maintains Version 2.5 of the WI database and it is available online at Hawai'i Workforce Infonet (HIWI): www.hiwi.org.

2) Industry and Occupational Employment Projections

During PY 2014, employment projections were prepared for the 2014 to 2016 and 2012 to 2022 periods for the State. Staff completed short-term industry and occupational employment projections based on 2014/Q1 for 2016/Q1 and long-term industry and occupational projections were developed with calendar year 2012 as the base year and 2022 as the projected year for the four counties and revised for the State. Both short-and long-term projections were developed according to the methodology, software tools, and guidelines developed by the Projections Consortium and the Projections Managing Partnership (PC & PMP). The short- term employment projections were submitted to the PC & PMP for review in February 2015 and the long-term projections were completed at the end of June 2015.

As required, these projection estimates for both the short-and long-term were included in the Workforce Information Database (WID), and were made available to the public through our HIWI website.

Staff also published a state projections report for 2012-2022 by September 30, 2014 (<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Long-TermProjections-2012-2022-State.pdf>), including the updated numbers in the Workforce Information Database (WIDb) and made it available to the public through our HIWI website. The 2014-2016 short-term projection estimates and report, *Employment Forecasts for the Short-term Future*, were placed on our HIWI website at the end of February 2015 (<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Short-TermForecasts-2014-2016.pdf>), and the long-term projection figures appeared on HIWI at the end of June 2015. *Employment Projections for Industries and Occupations, 2012-2022* reports for both state and counties were published on HIWI at the end of September 2015.

Staff also produced a listing of the top 25 occupations in the state with the most openings based on our 2012-2022 occupational forecasts titled *Hawai'i's Hot 25 Demand Occupations* (https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Hot25DemandOccs_2012-2022-State.pdf) and new top 20 occupational lists for the four counties. These listings were grouped by educational and training levels and were handed out at job fairs and at several presentations that included educators at the

postsecondary and community college level and school and career counselors. They were made available on our HIWI website for general distribution, too.

Staff participated in 17 webinars during the program year of which two were sponsored by the Projections Managing Partnership, regarding sub-state projections and occupational separations. Two webinars were on the Census Bureau's LED program and two were on the Workforce Innovation and Opportunity Act (WIOA) transition and vision. The Council of Community Economic Research hosted four, and Geographic Solutions conducted two webinars about their latest version of labor market information and analytical software. The Health Resources and Service Administration also held two focusing on the new area health resource files and the 2012-2015 supply/demand nursing projections. The remainder of the webinars attended was related to the ARC Employer Database and the impacts of health reform and severe weather on the workforce.

Throughout the program year, staff participated in two GeoSol webinars. Staff also attended GeoSol's annual conference in Monterey, California in June 2015, networking and discussing website development issues with our cohorts from other states.

3) Annual Economic Analysis and Other Reports

R&S compiled and produced an economic analysis report titled *Hawai'i Labor Market Dynamics* for 2014 that provided data and information on the state and local labor markets for individuals who develop workforce policies and make workforce investment decisions. The report highlighted job trends over various time periods, noting the effects of the recent economic downturn and its impact on the state's labor market. It also compared forecasted job openings between the first quarters of 2014 and 2016 and between 2012 and 2022 for the state and counties. Information on size of the workforce; unemployment rates by geographic areas; long-term job openings by education and training required; industry and occupation analyses; and wages were included in addition to Local Employment Dynamics (LED) data. For the first time in a while, the report also contained recent available job openings data that provided skills, certification/educational background needed, and hiring employers information.

The Hawai'i Labor Market Dynamics report was made available on the HIWI website at the end of September 2015 (<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/HawaiiLaborMarketDynamics2015.pdf>.)

4) Customer Consultations

Throughout PY 2014, the R&S Office continued to consult with its customers through emails, phone calls, and in-person exchanges about the usefulness of products developed and services provided by our office. The "in-person" encounters involved attending meetings

and participating in technical workgroups to inform and ensure that future development of workforce information aimed to satisfy our customers' needs.

Staff was consulted by several daily news and television reporters inquiring about (1) the percentage of persons on Molokai earning a subsistence living, (2) the number of Filipino immigrant workers employed at specific companies, and (3) if there was a shortage of nurses for care homes. In response to the first inquiry, we were able to provide Census American Community Survey tables on median earning for West and East Molokai and poverty status of the town of Kaunakakai as well as the 2014 Poverty Guidelines table for Hawai'i and also directed the inquirer to a special study done in 2005 that provided different family compositions and wages that were deemed self-sufficient by county. As for the second inquiry, we had to inform the reporter that BLS does not allow us to release individual company information. For the third inquiry, we were able to provide registered and licensed practical nurse numbers based on our short-term and long-term projections and OES employment, as well as data on supply and demand projected from 2012- 2025 from a special study by the US Department of Health and Human Services.

During the imminent threat of volcanic lava flow damage to the surrounding areas of Pahala in the Puna District of Hawai'i County and a request by its Workforce Development manager, our staff provided data on the number of businesses and residents that could potentially be affected, using the Census' OntheMap (OTM) program.

RS staff also used OTM to respond to questions on the types of industries and jobs in the Leeward side of Oahu so that West Oahu College could develop courses and certification plans to qualify people to fill this demand.

5) Activities Undertaken To Meet Customers Needs

R&S continued to provide information and ongoing support to the Hawai'i Workforce Development Council (WDC), Workforce Investment Boards (WIBs), and One-Stop Centers in PY 2014. Staff attended WIB and WDC meetings to be briefed on updates and for guidance on workforce development policies, priorities, and issues. In June 2015, our annual LMI Plan was discussed with Council members to ensure that our LMI data supported the statewide workforce development initiatives.

Due to support staff shortages in the Workforce Development Council, R&S staff has provided computer support in uploading documents to their website that needed distributing and reviewing prior to Council meetings. Staff also conducted a soft skills survey of the construction, health, hospitality, and IT industries that was part of a National Emergency Grant proposal to determine the skills that local employers found lacking in their job applicants (https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Soft_Skills_Survey_Results_and_Analysis-2015.pdf). In conjunction with that survey,

for the first time, staff worked jointly with the Chamber of Commerce of Hawai'i in compiling a list of current employer addresses for these four industries.

We worked closely with the Workforce Development Division, annually developing numbers on areas of substantial unemployment in the state and providing a summary for their WIA Annual Performance Report. The Workforce Development Division has shared our brochures and flyers on HIWI and Hot Jobs at numerous job fairs for students and veterans as well as used our workforce data for grant supporting purposes. In response to a request from WDD, we used the Census' OnTheMap feature to focus on the Wahiawa and Schofield Barracks areas and produced work/home area profiles and inflow/outflow reports. Staff also participated in explaining R&S' role in the new WIOA at a stakeholders meeting. For WDD's work on the Senior Community Service Employment Program, R&S provided the most current numbers on Hawai'i's population 55 years and older and those at the poverty level.

The HIWI website continued providing local LMI data and support to the local WIBs. The WID drives HIWI, and most of the data is collected at the county level, which replicates our LWIB geography. LWIBs have access to the most current labor market information available. HIWI has pages for each county for easy one-stop access to data focused around geographical areas. The Local Employment Dynamics (LED) information is linked through HIWI, providing the capability to continually offer county labor data. The LED **OnTheMap** tool on our website supplies detailed maps and reports of where people live and where they work for county and rural areas.

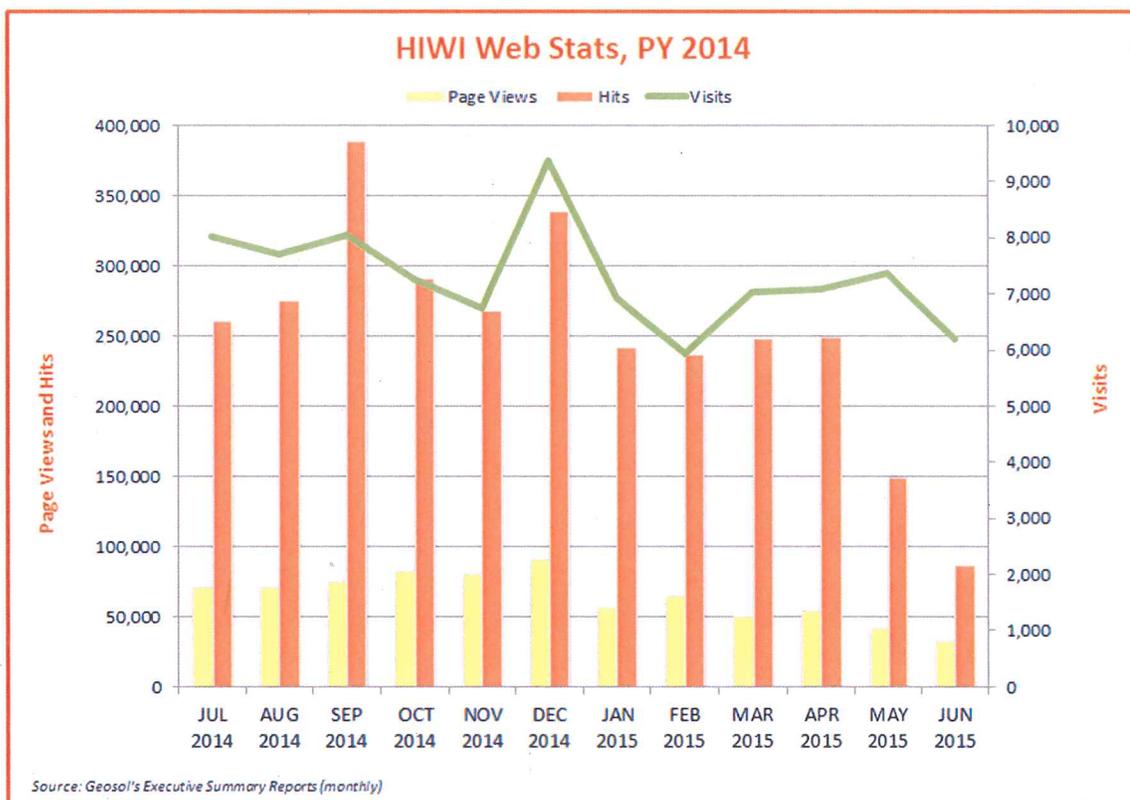
Legislators were interested in (1) our green workforce publications and (2) requested supporting data on the number of employers by employment size class by counties and the number of employers by gross annual sales classes by counties. On the latter, we were only able to provide limited data from QCEW and estimates from InfoGroup supplied data residing on our WIB database.

Several special groups wanted data on Filipinos such as the types of occupations they occupied, how many were licensed doctors, the number that were holding multiple jobs, and the number who owned businesses. They also wanted to know which health professions were experiencing shortages. Of these inquiries, we were able to direct them to the state's licensing division and provided a list of healthcare occupations with the most projected job openings. Another requestor wanted to know the number of elderly that had to work to supplement their retirement/social security income. The only source was the Census LED tables on employment and earnings and the poverty status table from ACS.

Staff presented short-term and long-term job projections, job openings, fastest growing occupations, training requirements, education, and work experience information to an educational state conference as a panelist to discuss state workforce needs forecast for the next five years.

6) New Tools and Resources

As mentioned earlier, labor market information produced by R&S in PY 2014 is available on our HIWI website (<http://www.hiwi.org>) for dissemination to our customers, and in particular to facilitate use by our workforce investment partners. E-mail alerts to site subscribers and through Twitter announced new products, information, and reports available on the website. LMI postings on the HIWI website consisted of the monthly news releases on local unemployment rates and non-farm employment counts in the Press Release and Quick Data Links sections, while employment projections for the state, occupational employment and wages for the state and Honolulu MSA, annual labor force updates for Affirmative Action programs, and Quarterly Census of Employment and Wages (QCEW), industry employment and pay, and green jobs and employers were also accessible in the Quick Data Links area. Additionally, Local Employment Dynamics (LED) tools were linked to our website, including the Census OnTheMap tools that provide detailed maps and reports showing where people work and where they live for county and rural areas. Staff added an Internet link to ETA's Labor Market Information WIN-WIN Community of Practice.



Web statistics reported about 87,693 visits for PY 2014, more than double the number in PY 2013. During these sessions, more than 774,256 pages were viewed. The most frequented pages viewed were Occupational Employment Statistics (2,267), Local Area Unemployment Statistics (1,272), Current Employment Statistics (1,108), Projections (1,004), and Quarterly Census of Employment and Wages (879).

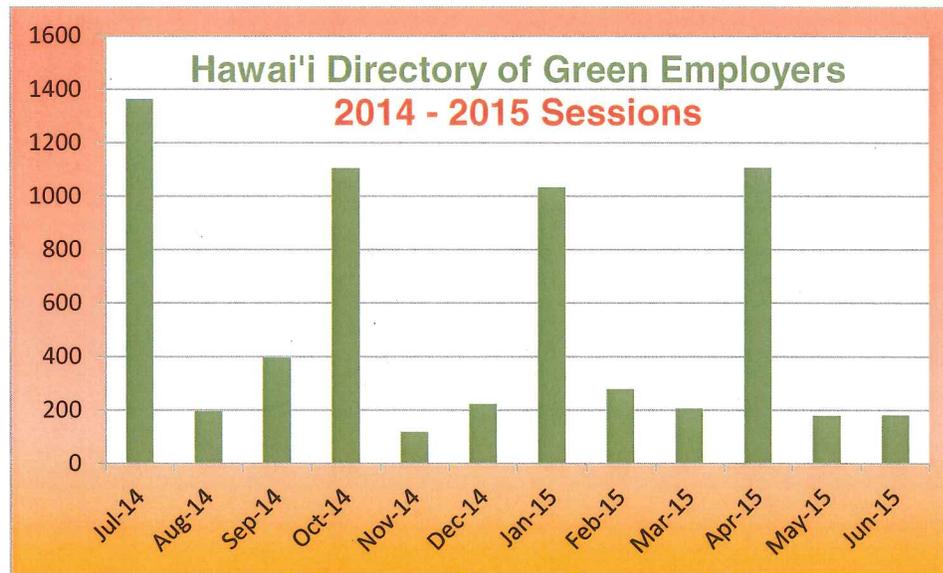
Updates for the Workforce Information Database (WID) Version 2.5 were accessible through our Internet delivery system, HIWI. Staff also continued to provide WID information to HireNetHawaii, the online job-matching system sponsored by our department at www.hirenetHawaii.com and maintains a link to that website on HIWI.

We purchased a license for America's Labor Market Analyzer (ALMA) from Geographic Solutions, Inc. in order to supply more current job openings data from our state's HireNet website such as the types of jobs and employers available; area of distribution; and skills, education/training, and certifications employers are demanding; and to integrate this real-time job listings with our HIWI website labor market data including projections.

R&S contracts with Geographic Solutions, Inc. to host and maintain our Internet delivery system of LMI products and services as well as the green portal, and with the Hawai'i Information Consortium for the on-line business directory of green employers. The green portal had 49,730 visits during PY2014 which led to over 522,600 page views.



The Hawai'i Directory of Green Employers had over 7,900 individual sessions resulting in more than 18,050 page views during the same period. R&S maintained the online Hawai'i Directory of Green Employers so that establishments could update their contact and occupational employment information. The information from this site provides the only current source for identifying green employers and monitoring the growth of green jobs statewide.



7) Efforts to Create and Support Partnerships and Collaborations

R&S maintained a viable working relationship with the one remaining support staff to the Workforce Development Council (WDC) and Workforce Investment Boards (WIBs) by responding to requests for data and investigating issues that Hawai'i's workforce investment system was interested in studying and pursuing further action on. We helped WDC maintain their website and upload documents for circulation and comments. We updated and reproduced labor market material for distribution such as the following brochures:

- Hot Jobs (https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Hot25DemandOccs_2012-2022-State.pdf),
- Education Pays (<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/EducationPays.pdf>), and
- Best Job Opportunities Now (<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/BestJobOpportunities-2015.pdf>).

We also produced an updated version of a LED handout (https://www.hiwi.org/admin/gsipub/htmlarea/uploads/LED_Data_Tools_brochure.pdf). Our attendance at council

meetings and frequent informal contacts with the WDC office, especially regarding work on green jobs, agriculture, information technology, healthcare, and special grants provided direction that allowed us to work collaboratively on developing appropriate products to inform state and local customers about the current state of our workforce situation. Staff produced customized files for users of our data, providing industry and occupational employment projections, occupational wages by industries, and labor force information for affirmative action programs.

R&S continues to support the Governor's Health initiative by participating in workshops coordinated by the Native Hawaiian Board of Health, Papa Ola Lokahi, to develop a Hawaiian Health Master Plan focused on improving the health of Native Hawaiians. The comprehensive plan focuses on health promotion and coordinated services such as access to a good education and jobs as being predictors of health and well-being. In conjunction with this goal, staff attended a Census Information Center conference that made recommendations to US Census Bureau administrators regarding census survey questions about race and ethnic classifications.

8) Activities to Leverage LMI-WI funding

RS conduction of the soft skills survey of employers in the four industries of construction, healthcare, hospitality, and IT produced more detailed information than a prior survey conducted by the local chamber of commerce, which only asked employers if soft skill training was needed. Our survey identified the top four soft skills for each of the industries. This information will enable the community colleges to know which skills are valuable and need to be developed through training courses. The National Emergency Grant funding will enable the creation of videos to be used in the training.

Staff's knowledge of the LED OnTheMap tool was tapped several times throughout the program year to help with postsecondary schools formulation of course planning.

R&S staff continued to participate in an Economic Forecasting Work Group: This group was convened by the Legislature. The chairs of the House Labor and Finance committees felt that there was a need to facilitate data sharing and use of resources that would improve the State's capacity to project revenues for budget planning purposes. Members of this work group included legislators, economists from the public and private sectors, workforce development administrators, Hawai'i Tourism Authority, University of Hawai'i, Department of Tax, and the Department of Business Development. R&S was identified as a key provider of projections and other labor market data. These meetings brought to light program areas in R&S that may need additional resources.

R&S continued to support the development of the workforce longitudinal data system funded by a Workforce Data Quality Initiative (WDQI) grant. Called the Workforce Longitudinal Data System (WorLDS), the WorLDS staff continued development of the database and web portal and met regularly with the developers of a Student Longitudinal Data System, aka dxp

or Data eXchange Partnership, administered by the University of Hawai'i's P-20 Initiative. It is hoped that these two systems will become a federated system in the near future.

R&S also participated in a Multi-State Longitudinal Data Exchange project administered by the Western Interstate Commission for Higher Education (WICHE). This project looked at where cohorts of graduates from the DOE attended postsecondary training and ended up in the workforce. Four states – Hawai'i, Washington, Oregon, and Idaho – participated in this demonstration project. All states were able to find more of their graduates who may have re-located to another state by participating in this project.

R&S also conducted a survey of clean energy employers through an agreement with the Hawai'i Energy Policy Forum (HEPF), an organization whose mission is to achieve a clean and sustainable energy future for Hawai'i. HEPF is responsible for a multiphase project to develop meaningful metrics in order to measure Hawai'i's progress towards its clean energy goals. One of the main components of the project was the assessment of the green job market and the collection of up-to-date information regarding green jobs. The need for up-to-date information regarding green jobs led to HEPF contracting R&S in the Fall of 2014 to conduct a survey and provide a report on the status of green jobs in the state.

9) Recommendations to ETA for Changes and Improvements to WIGS requirements

Now that the state's economy is strengthening, the R&S office needs ETA's continued support for more labor market information tools to produce quality workforce intelligence so that people will know where they can receive appropriate training to acquire the skills necessary for future employment. The projects listed below are critical to our delivery of quality labor market and workforce information for our customers and partners. These tools include:

- *Hawaii Workforce Infonet (HIWI)*, which is the primary delivery system of LMI, contains the latest updates of the WID database online. The WI system continually needs upgrading as newer technologies evolve for improved information processing and delivery. Additional resources will be necessary to afford the upgrades to the current Internet delivery system. Fortunately with additional funding from other sources this program year, we were able to purchase software that could supply us with previously eliminated real-time job postings data. However, we may not be able to continue to provide this type of data in the future without more funding.
- *Hawaii Green Jobs Portal* needs funding to maintain this vehicle of displaying green jobs data that had been previously collected through a Green Jobs survey back in 2010. Additionally, since the Occupational Employment Statistics survey never provided green jobs information, the Hawaii Directory of Green Employers will require funding for maintenance, allowing employers to update their contact, employment, and occupational information and may be the only source to maintain currency of green workforce data.

- Local Employment and Wage Information System (LEWIS) needs funding from ETA and technical support from the Projections Management Partnership (PMP). LEWIS is a critical component to the production of county level occupational wages and employment projections, which interests many of our customers, particularly the county WIBs. Industry staffing patterns are also produced from the LEWIS software and used in the Projections Suite system to create occupational projections for the state and counties. Without LEWIS, our state would not be able to produce vital county level data that would be meaningful for our local WIBs. In the past, some of the special requests that LEWIS has provided information on helped to determine: entry/experience wage levels based on various wage percentiles and new and emerging occupations of green, agricultural, health, and IT jobs.
- Each new version of Local Employment Dynamics (LED), a Census Bureau product in partnership with the states, provides more detailed analysis with regards to labor market areas. LED provides demographic and socio-economic information on the workforce for the state, counties, and smaller census areas that is always of interest to the non-MSA residents. Another very helpful Census product is the OnTheMap feature that has useful tools within the LED program and was used numerous times this past year to respond to requests. With Census support, staff was able to attend the annual LED Partnership Workshops in Washington, D.C. in September 2014 and June 2015.
- As stated above, R&S is developing Hawaii's Workforce Longitudinal Data System (WorLDS), through a Workforce Data Quality Initiative grant. WorLDS will integrate data sets from within our department and other state, counties, and non-profit agencies' workforce development programs with data from the University of Hawaii and the state's Department of Education to track the supply and demand for skilled workers to determine where students and workers are headed in Hawaii's labor market. Staff will need additional funding to support and work closely with grant-funded staff in order to sustain the maintenance of the data after the grant ends in December 2015.