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Manuel Q. Cruz
Director

NOV 25 2014

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

Dear Ms. Hamilton:

Enclosed is our PY 2013 Annual Performance Report for the Workforce Information Core Products and Services program. This report was developed in accordance with the requirements contained in Training and Employment Guidance Letter No. 29-12.

We look forward to continuing program operations and improvement with the U.S. Department of Labor, Employment & Training Administration's Workforce Information program.

Sincerely,

MANUEL Q. CRUZ
Director

DENISE SELK
Chairperson
Guam Workforce Investment Board

Enclosure

**Annual Performance Report
Workforce Information
Program Year 2013
Guam**

Annual Performance Report

Workforce Information

Program Year 2013

Guam

This report describes the work activities and accomplishments during the July 2013 to June 2014 program year as required by the Training and Employment Guidance Letter (TEGL) No. 29-12 and detailed in Attachment 2. This report outlines the successful completion of each of the four specified deliverables in the PY 2013 program which include: a) Workforce Information Databases (WIDb), b) State and local industry and occupational employment projections, c) A statewide annual economic analysis report, and d) Other economic and labor market reports and products. The report lists the core deliverables and activities in the nine topic categories outlined by ETA for the report.

Summary of Grant Activities

i. Workforce Information Database (WIDb)

Staff continued to populate and maintain the Workforce Information database (WIDb) formerly known as America's Labor Market Information (ALMIS) databases. Both core and other WIDb database tables have been populated beyond the core requirements. All Core tables have been populated to the extent that the programs and data exist on Guam. Updated Occupational Licensing databases were submitted to the National Crosswalk Service Center for placement on the America's Career InfoNet (ACINet) site. Guam's occupational licensing information databases including licensed occupations and licensing agencies as well as other occupational licensing information can now be viewed online as part of the national licensing information system:

http://www.careerinfonet.org/licensedoccupations/lois_agency.asp?stfips=66&nodeid=16&by=occ&onetcode=9999 In addition to licensing information, other occupational information for Guam including the highest paying jobs by occupation is included and accessible through this site: <http://www.careerinfonet.org/oview5.asp?next=oview5&Level=overall&optstatus=&jobfam=&id=1&nodeid=7&socode=&ShowAll=&stfips=66> .

Highest-Paying Occupations by Median Hourly Wages and Educational Level is also accessible for job search and training planning by level of educational achievements at:

<http://www.careerinfonet.org/oview5.asp?next=oview5&Level=edu7&optstatus=&jobfam=&id=1&nodeid=7&socode=&stfips=66&ShowAll=>

Tables of key interest such as building permits, employment, unemployment, wages, hours worked, average hourly earnings, number of persons employed by occupation, etc. in time series format from the ALMIS database information are presented in Excel spreadsheets available online on the Department of Labor's website in response to customer information in that format: <http://bls.guam.gov/>

The page includes graphs of two key labor indicators – employment and unemployment. It also includes a table of Employment Indicators and a summary table of Economic Indicators

<http://bls.guam.gov/summary-economic-indicators>

Now that Guam has populated WIDb databases, they are accessible online where there is a national system to display them as noted previously. However, for most of the databases, there is no national system for access and display. The format is not suitable for use directly.

States, therefore, had either developed or contracted private vendors to provide search, access and display capabilities to make the database format user friendly. In last year's report we noted that the Government of Guam, Agency for Human Resource Development (AHRD) contracted Geographic Solutions to provide software services for the Workforce System. This software uses the WIDb databases to provide Labor Market Information on demand with a focus on providing it to jobseekers as well as employers as desired and needed. During this program year the system was implemented and is now accessible online at:

www.hireguam.com/ When looking for or placing a job order this format provides information from a variety of the databases such as licenses, wages, training and more in response to searches for specific occupations. This capability provides very focused, user friendly and customized information for a person looking for occupational information. We have made arrangements with the vendor to provide the WIDb databases in the latest format with the most recent available data updates to display when the system is deployed and have since done so. In addition to the deployment of the labor market information through this system for jobseekers, the Workforce Information grant funded the creation and maintenance of a Labor Market Information page with analyst capabilities; https://www.hireguam.com/vosnet/dashboards/defaultana.aspx?menuid=MENU_START_PAGE_DASHBOARD_ANA

Our office has also obtained the DataZoa software to provide more robust analytical capabilities in the use and display of labor market information on the Guam Department of Labor's Bureau of Labor Statistics webpages:

<http://bls.guam.gov>

ii. Industry and occupational projections

The Guam Department of Labor has produced both short and long-term industry and occupational employment projections for the specified time frames using the Projections Managing Partnership software suite. The Guam staff who are responsible for the projections received training on both the long-term and short-term projection modules in Salt Lake City, Utah. One of the primary challenges of producing such information is the creation of an industry employment time-series database. As Guam does not have an unemployment insurance program and consequently the associated U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages Program (QCEW). In lieu of this Guam operates an Annual Census of Establishments survey program which provides the employer database for U.S. Department of Labor, Bureau of Labor Statistics cooperative statistical programs. The annual survey continues to be completed and during this program year, time-series employment data

was compiled by Standard Industrial Classification (SIC) industry categories and is available for 4, 3, and 2 digit industry division levels. This provides the foundation for producing industry trends using historical patterns. Conversion to the NAICS format to produce NAICS based industry formats was required for this program. The work to convert the historical time-series employment data from the SIC coding format to the NAICS format was undertaken two years ago and has been completed. Historical industry data in the NAICS format is now available on the Department of Labor's website under the Statistics section. Our Annual Census of Establishment reports are now being tabulated and published in the native NAICS format going forward. As Guam is geographically compact with only one island, it is not a State, and is considered one labor market for most purposes; sub-state projections are not needed or produced.

There are substantial developments expected on Guam in the future associated with plans to relocate Marines from Okinawa and equal number of dependents to Guam. These plans have been downsized and delayed. This and other large scale defense construction plans as well as those of the local government and private industry has resulted in the need for specific plan and construction information which is now being collected systematically to support forecasts which involve substantial changes to employment beyond those shown in historical trend analysis. These include building permits and Department of Defense Construction contracts.

Guam continues to successfully operate the U.S. Department of Labor's Occupational Employment program which provides the database of occupational information required to develop occupational forecasts. Guam has obtained and is populating the long-term industry software to produce the long-term projections. The short-term projections software requires monthly time-series data. Guam does not have monthly time-series data. Discussions and work with the software trainers and developers to work through alternative approaches to producing the short-term projections overcoming the monthly data format input requirements were successful and short term projections are made using the more detailed annual industry data in conjunction with the more aggregated and current quarterly data. It has been coordinated so that the short-term forecasts are consistent with the long-term and incorporates recent military buildup and other economic information. These projections are available on the Bureau of Labor Statistics, Guam Department of Labor website in the projections area which includes a link to the Projections Central display of State Occupational Projections both Long Term through 2022 and Short Term through 2015.

<http://bls.guam.gov/employment-projections>

iii. Annual economic analysis and other reports

An annual economic report has been prepared and incorporated as a section into the Executive Budget each year. The FY 2015 Economic Outlook report on pages 19-25 fulfills this requirement:

[http://bbmr.guam.gov/2015Reports/FY2015%20EXECUTIVE%20BUDGET%20REQUEST%20\(FINAL\).pdf](http://bbmr.guam.gov/2015Reports/FY2015%20EXECUTIVE%20BUDGET%20REQUEST%20(FINAL).pdf)

The report was initially published as a section in the Executive Branch budget for FY 2015 and it was republished as a special feature in the Pacific Daily News Pacific Marketplace business paper. It was the source of much of the content and economic analysis used in the most recent plan produced by the Guam Workforce Information Board (WIB). It has been provided to the Employment &

Training Administration in the required PDF format. Information from it along with other Labor Market Information were also used in the development of the Senior Community Service Employment Program (SCSEP) and Disabled Veterans Outreach Program (DVOP).

As the U.S. Department of Labor, Bureau of Labor Statistics does not fund Guam for the Current Employment Statistics program or the Local Area Unemployment Statistics program or the Quarterly Census of Employment and Wages (QCEW), those programs are primarily locally funded with incidental support from the Workforce Information program for, contractual costs, software and supplies. We conduct an Annual Census of Establishments in lieu of the QCEW and associated industry refiling survey. These reports are completed and published on a quarterly basis.

We have also published other special reports as needed. The impact of an increase in minimum wage and reports on safety and health statistics were published. One special study produced was a comprehensive report on federal expenditure trends was produced by the Department of Labor, Bureau of Labor Statistics using the Consolidated Federal Funds Reports (CFFR) of which publication had since been discontinued by the U.S. Department of Commerce. The Bureau of Labor statistics also produces time-series statistical tables on building permits and federal construction projects to produce leading information for future construction industry employment. Aggregate statistics such as gross domestic product for the government's revenue forecasting are desired and input into that process has been made and GDP estimates for Guam have since been published by the U.S. Department of Commerce, Bureau of Economic Analysis. The publications of reports includes quarterly publication of the Current Employment Report, annual publication of the Annual Census of Establishments, annual Publication of an Economic Outlook report and annual publication of the Occupational Employment and Wage Statistics reports have been accomplished as planned.

Domestic Products estimates for Guam by the Bureau of Economic Analysis were produced with input from Government of Guam agencies. The Chief Economist was appointed by the Governor as a member of the 2010 Census of Population and Housing for Guam review committee. The Department of Labor, including the Chief Economist coordinates and briefs the Governor and staff regarding the release of the latest employment and unemployment reports and economic reports as requested.

The Department of Labor, Bureau of Labor Statistics worked on the 2012 Economic Census as the lead local agency during PY 2013 with Census funding. It has participated in the form redesign process with Economic Census personnel in consultation with private employers and other government agencies.

A substantial focus of the Workforce Information work effort and funding commitment has been to modernize and revise the unemployment statistics program. These efforts include improved sampling methods, an increased emphasis on more efficient and regular data collection by phone instead of personal visits. This included the establishment of a small call center office with phone headsets to permit future direct data entry to the computer with immediate editing. In consultation with the professional staff at the US Bureau of Labor Statistics and the Census department we are working to adopt the U.S. data collection software and participate in their survey methods training. This will help maintain quality and consistency with the U.S. BLS methods and procedures as well as increase operational efficiency. Guam is the only U.S. Territory which is not included in the U.S. LAUS program which operates it's own unemployment statistics program.

The workforce information produced under this funding has been incorporated and used in a number of special economic reports including the Draft and Final Economic Impact Statements regarding relocation of the Marines to Guam from Okinawa. It is also used in bond indenture documents for public bond financing as well as various new stories on labor and economic events.

While this annual economic report addresses the jobless problem from the perspective of the activities to create new jobs, the analysis that focuses on the jobless population as a whole on a quarterly and historical trend is contained in the Unemployment Situation on Guam reports:

<http://bls.guam.gov/unemployment-situation-guam>.

Information on Low earnings by occupation is shown in the Occupational Employment Statistics Excel spreadsheets showing wage distributions by occupation and wage category in percentiles:

<http://bls.guam.gov/occupational-employment-statistics>

Information on skill shortages can be obtained from the reports on foreign labor in various visa categories in the Annual Census of Establishments at:

<http://bls.guam.gov/annual-census-establishments> and the H-2B Quarterly Reports: <http://dol.guam.gov/document/h-2b-quarterly-reports-fy-2014>.

Additional Information on the Labor Force, Earnings, Educational Attainment, Vocational Training, Veteran Status, Health Insurance and Commuting characteristics information is also provided in the 2010 Census of Populations reports. 2010 Census Guam Detailed Cross Tabulations (Part 1) (.xls format):

http://www.bsp.guam.gov/index.php?option=com_content&view=article&id=130&Itemid=100008

iv. Customer consultations

The facility for customer feedback exists for Workforce Information on the Department of Labor's website on the statistics menu. A more robust customer feedback page is planned for the next version of the website. The Geographic Solutions software is to include counts on usage of various information resources incorporated into the workforce system. The reports show page views to be an average of about one thousand per month. Feedback is solicited and received during and after public presentations. Customers frequently contact and meet with us regarding the information available and what is desired for their projects. One need identified is employment information with greater geographic detail and fringe benefit information. Fringe benefit information as an employer cost was expanded with the release of the 2012 Economic Census., Improvement in the Economic Census question on fringe benefits was a collaborative process with industry, Census and Guam LMI personnel. The need for more consistently published unemployment statistics was noted along with the associated income statistics. We have resumed providing the unemployment statistics on a quarterly basis for the last two years.

v. Activities undertaken to meet customer needs

All of the activities and reports outlined in this report are undertaken to meet customer needs. This year we successfully implemented Guam's Virtual One-Stop www.HireGuam.com website with Labor Market Information (LMI) provided in the WIDb format particularly focused to support the job and training customers, employers and analytical uses of LMI.

vi. New tools and resources

The new tools and resources were outlined in other sections of the report. These include a new website for our department and labor market information: www.bls.guam.gov. Also included is a new website for a variety of customer needs: www.hire.guam.com.

vii. Efforts to create and support partnerships and collaborations

Guam has one Workforce Investment Board. Various members individually request and receive information and reports primarily by e-mail as requested. The board is periodically provided reports and statistical information separately or as part of other information to support various activities. The agency Director meets with the Workforce Investment Board periodically. The Chief Economist and Labor Market Information (LMI) Director participates in a number of activities to support partnerships and collaborations both nationally within the federal and state governments as well as locally. The Guam LMI director s participates in annual national and regional meetings with federal and state leaders and practitioners in Washington D.C, and San Francisco. This has included meetings at the Census Bureau, Bureau of Labor Statistics, Employment & Training Administration, Bureau of Economic Analysis and the National Association of State Workforce Agencies (NASWA). It also includes monthly conference calls with the western region LMI directors and conference calls and webinar participation with both BLS and ETA as arranged.

Local partnerships include participating as a member of the Guam Visitor's Bureau research committee as well as in Guam Economic Development Authority (GEDA) meetings and discussions regarding the military buildup and public finance. Public outreach includes dissemination of news releases on all publications as well as providing topical information as requested for various media stories involving economic and statistical issues of the day. The Chief Economist is a statutory member of the Special Economic Services which provides economic information as requested by the Legislature as part of the annual budget process in public hearings at the Guam Legislature. The process this year included meetings with the Governor and various cabinet members involved in government finance and economic development. Additionally, economic and statistical information has been presented in conferences as a guest speaker and panel member with the Chamber of Commerce this year and the Society of Human Resource Managers and the Micronesian Empowerment conference in previous years. The Chief Economist has developed and maintained productive long-term professional relationships with various media on Guam. The information and statistics produce are widely disseminated with analysis provided upon release but additionally to provide content and perspective using LMI information where the LMI report is not the primary purpose of the story. This includes areas including public discussion .on job openings, job searches, economic development, revenues and the minimum wage.

viii. Activities to leverage LMI-WI funding

The Guam Department of Labor participated in a number of activities to leverage LMI-WI funding. This leveraging is done in a number of areas including funding, use of LMI from other sources, program operation, software, and information dissemination.

We used lapsed American Recovery and Reinvestment Act funding to facilitate the upgrade to our unemployment statistics program. We obtain and participate in BLS and Census programs which make available information for ETA purposes including economic analysis and projections free of charge. We use and incorporate LMI developed by other agencies such as the Census, both Population and Economic, and BEA to provide an economic context for the Guam labor market and to provide information which complements those data produced by the Department of Labor, both the BLS and ETA, minimizing duplication. We use the Annual Census of Establishments to support the data input for the industry time series input for the employment projections. We use the employer file for the sampling basis for BLS sample surveys. We use primarily locally funded data sources as inputs for the WIDb. We use federal and consortium software and training resources such as the projections software as well as the Estimates Delivery System (EDS). This also leverages the available BLS funded OES survey data on employment and wages for other employment and training purposes expanding the published information available using existing data bases already collected. We use national software to disseminate our LMI information more widely through the Career InfoNet facility and projections central. We provide links to related websites so as to make available related relevant information with out duplication. Where federal software is not available we leveraged the funds available by using widely used commercial software for LMI dissemination in which the development and maintenance costs are shared by numerous users.

ix. Recommendations to ETA for changes and improvements to WIGS requirements

In producing the deliverable requirements, special consideration needs to be given to the non-state areas. Funding is vitally needed. However, due to the fixed costs and complexity of implementing this array of programs a higher base level of funding is needed.

Maintenance and improvement in the existing Estimates Delivery System (EDS) continues to be a critical priority. It is a great example of “leveraging resources” in several respects. One, central maintenance, development and support incurs the cost once and makes the software resource available to all fifty states plus territories. Two, the software further “leverages” the existing statistical data base to use it for other purposes and more reports without the cost very high cost of collecting additional information. It provides a capacity to respond to customized customer inquiries and needs including legislative policy changes in evaluating the effects of changes in the minimum wage and the number and types of workers affected by such proposals.

Stability and continuation of existing requirements as much as possible is desired unless additional funding is made available for additional activities.