



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 28, 2016

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. 39-14, the Hawai'i Department of Labor and Industrial Relations (DLIR) and the Workforce Development Council (WDC) respectfully submit the Program Year 2015 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 Ingrid Schonfield, 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

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

**WORKFORCE INFORMATION GRANT (WIG)
July 1, 2015 to June 30, 2016**

ANNUAL REPORT



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

Goal: Provide high-quality data on in-demand industries and occupations for WIOA which requires that investments in employment, education, and training programs are data-driven.

In addition to the following Workforce Information Core Products and Services required by the USDOL/ETA TEGL 39-14, Change 1, the Research and Statistics (R&S) Office planned to be engaged in WIOA transition planning by supplying data, information, and analysis to support the state in meeting its goals:

- Populate, maintain, and update the Workforce Information Database (WID) 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 Development Boards (LWDBs).
- Produce and publish other economic and labor market reports and products.

This report describes Hawai'i's accomplishments during the July 2015 to June 2016 program year. The period of performance is from July 1, 2015 to September 30, 2016. Actual and estimated expenditures are expected to have no significant variance. All of PY 2015 deliverables, supplemental reports, and consultations have been met within the allotted schedule.

PY15 Deliverables and Activities**1) Workforce Information Database (WID)**

R&S converted the Workforce Information Database (WID) from version 2.5 to 2.6.1 in February 2016. We continued to populate, maintain, and update all core tables of the 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 maintained included: Current Employment Statistics (CES), employer database (EMPDB), income, industry projections, industry (QCEW), industry-occupation employment matrix (IOMATRIX), labor force, license authority, license, occupational projections, Occupational Employment Statistics wages (IOWAGE), and population.

By June 2016, 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, cenlabor, CES, commute, consumer

price index (cpi), employer database, income, industry projections, industry, iomatrix, iowage, labor force, occupational projections, payment, 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, cenlabor, commute, CPI, license history, payment, program completers, programs, property values, sales, schools, supply, tax, and UI claims.

We also collected licensing information for 72 occupations, updated the required licensing files with 2015 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 April 2016.

Hawai'i maintains Version 2.6.1 of the WID and it is available online at *Hawai'i Workforce Infonet* (HIWI): www.hiwi.org.

2) Industry and Occupational Employment Projections

During PY 2015, employment projections were prepared for the 2015 to 2017 and 2014 to 2024 periods for the State. Staff completed statewide short-term industry and occupational employment projections based on 2015/Q1 for 2017/Q1 and long-term industry and occupational projections were developed with calendar year 2014 as the base year and 2024 as the projected year. 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). Projections were transmitted to the PC & PMP and then self-published to the public website by the end of February 2016 for the short-term projections and by the end of June 2016 for the long-term projections.

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

The 2015-2017 short-term projections data tables were posted on our HIWI website in March 2016 and the full report, *Employment Forecasts for the Short-term Future, 1st Qtr. 2017*, appeared on our HIWI website in April 2016. For the first time, the report included projections of knowledge, skills, and work activities based on the projected job openings. (Report link: <https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Short-TermForecasts-2015-2017.pdf>) The long-term projections data tables were posted on HIWI in June 2016, while the full report, *Employment Projections for Industries and Occupations, 2014-2024* was published on HIWI in September 2016. (Report link: <https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Long-TermProjections-2014-2024-State.pdf>)

As a supplement to the short-term projections, staff produced a brochure titled *Best Job Opportunities NOW!* that included a list of jobs with the most openings and fastest

growing jobs by education level. This compilation of occupations represented the most in-demand jobs and those with the most openings for jobseekers at the current time.

(Report link:

<https://www.hiwi.org/admin/gsipub/htmlarea/uploads/BestJobOpportunities-2016.pdf>)

Staff also produced a listing of the top 25 occupations in the state with the most openings based on our 2014-2024 occupational forecasts titled *Hawai'i's Hot 25 Demand Occupations*. These occupations were grouped by educational and training levels and included information on work activities, skills, abilities, and knowledge.

(Report link:

https://www.hiwi.org/admin/gsipub/htmlarea/uploads/Hot25DemandOccs_2014-2024-State.pdf).

Staff participated in seven webinars during the program year of which three were sponsored by the Projections Managing Partnership regarding the LEWIS transition, proposed Step-Ahead Adjustment to Base Year Employment, and broadening the selection of skills reports. Three webinars were hosted by the Council of Community Economic Research and focused on the Census Bureau's LED program. Staff also participated in one Geographic Solutions' webinar featuring Labor Market Profiles.

Staff also attended Geographic Solutions' annual Workforce Technology Conference in Orlando, Florida in June 2016, which provided information on WIOA, LMI, future HIWI website enhancements, and opportunities to network with our cohorts from other states and discuss current website development issues.

3) Annual Economic Analysis and Other Reports

R&S compiled and produced a comprehensive economic analysis report titled *Hawai'i Labor Market Dynamics* for 2015 that provided 10 years of historical data and analysis of the state and local labor markets for state policy makers including the governor, state legislature, and the state/local workforce development boards. The report can support workforce planning initiatives and help in the workforce investment decision-making process. The report compared Hawai'i's civilian labor force growth, participation rate, and unemployment rate to the United States as well as matching the counties up against the State. Job growth in Hawai'i vs. the Nation included analysis of the counties. Industries were examined to see if they rebounded from the recession. Using Local Employment Dynamics (LED) data to track the hires and separations revealed the effect on job movement during the recession, while job creation and job destruction trends in Hawai'i's key industries provided an insight into the dynamics at the firm level as compared to the outward stability of an industry. OES wages in Hawai'i were compared to the National average to determine which occupational groups were lower than average. The report also compared forecasted statewide job openings in the short- and long-term and what occupations were in demand. Real-time job openings data obtained from the Geographic Solutions-developed tool America's Labor Market Analyzer (ALMA) provided current

information. Recent available job openings data provided a way to gauge the imbalance of employer required education/skills and available candidate education/skills. The Hawai'i Labor Market Dynamics report was posted on the HIWI website in September 2016 (Report link: <https://www.hiwi.org/admin/gsipub/htmlarea/uploads/HawaiiLaborMarketDynamics2016.pdf>)

4) Customer Consultations

Throughout PY 2015, 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.

Healthcare data was on the forefront as R&S received various requests from different entities. We prepared tables of online advertised jobs (real-time data) obtained from America's Labor Market Analyzer which was developed by Geosol. By County, we compared potential candidates with actual job openings in the health care occupations. Additional information such as education level preferred by the majority of employers, projected job openings, and OES average wages were also provided. We also put together a list of health occupations that were licensed in Hawai'i and how many licenses were currently active. Another request was for the number of community health worker jobs there were in Hawai'i, along with current job openings.

In order to answer a request for construction and healthcare occupations that are experiencing a labor shortage, R&S used the projections data and computed a ratio of job openings due to growth to job openings due to replacements. To supplement this, a supply and demand gap was calculated for each occupation using the program completers as the supply and total projected job openings as the demand. Those occupations with more job openings than program completers were designated as having a labor shortage.

R&S staff were able to extract and compile data from the Census Bureau's Local Employment Dynamics (LED) program for an out-of-state author doing research on Hispanics in Hawai'i. Historical data on employment by industry from 1995 to 2014 was provided for the Hispanic and Total population in Hawai'i. Other Census data from the American Community Survey was also provided.

We continued to provide updated information to West Oahu College using the Census LED On-the-Map (OTM) tool. West Oahu College partnered with employers in the area to create internships and jobs for their graduates in hopes of lessening the traffic problem on Oahu. Another request for similar data for the targeted Kapolei-Ewa-Waianae area was also fulfilled with OTM data.

5) Activities Undertaken To Meet Customers' Needs

R&S continued to provide information and ongoing support to the Hawai'i Workforce Development Council (WDC), Local Workforce Development Boards (LWDBs), and One-Stop Centers in PY 2015. Staff attended WDC meetings to be briefed on updates and for guidance on workforce development policies, priorities, and issues. In June 2016, our annual LMI Plan was discussed with Council members to ensure that our LMI data supported the statewide workforce development initiatives.

Due to staff shortages in the Workforce Development Council, R&S staff continued to provide computer support in uploading documents to their website that needed distributing and reviewing prior to Council meetings. We also contributed labor market information for their WIA Annual Performance Report.

Staff worked closely with the Workforce Development Division, annually developing numbers on areas of substantial unemployment in the state. 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. To help ease their transition due to staff turnover, R&S provided assistance with the Quarterly Federal Reports for the Wage Record Interchange System (WRIS), Wagner-Peyser, Veterans, and Trade Adjustment Act (TAA) programs. R&S also conducted a survey of employers who sent their employees to Employment Training Fund (ETF) subsidized courses to gauge their satisfaction with the program. The survey was mailed out and also available online using SurveyMonkey. R&S also assisted WDD with redesigning and posting their Voluntary Worker Survey online using SurveyMonkey. The survey would get information from future dislocated workers from Hawaiian Commercial & Sugar Co. about what types of services they would need when the company shuts down by the end of 2016. The intention was to have the survey broad enough to be used for any companies that would go out of business in the future.

The HIWI website continued providing local LMI data and support to the local WDBs. The WID drives HIWI, and most of the data is collected at the county level, which replicates our LWDB geography. LWDBs have access to the most current labor market information available. HIWI has area profiles for each county, providing quick access to data focused on a geographical area. 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.

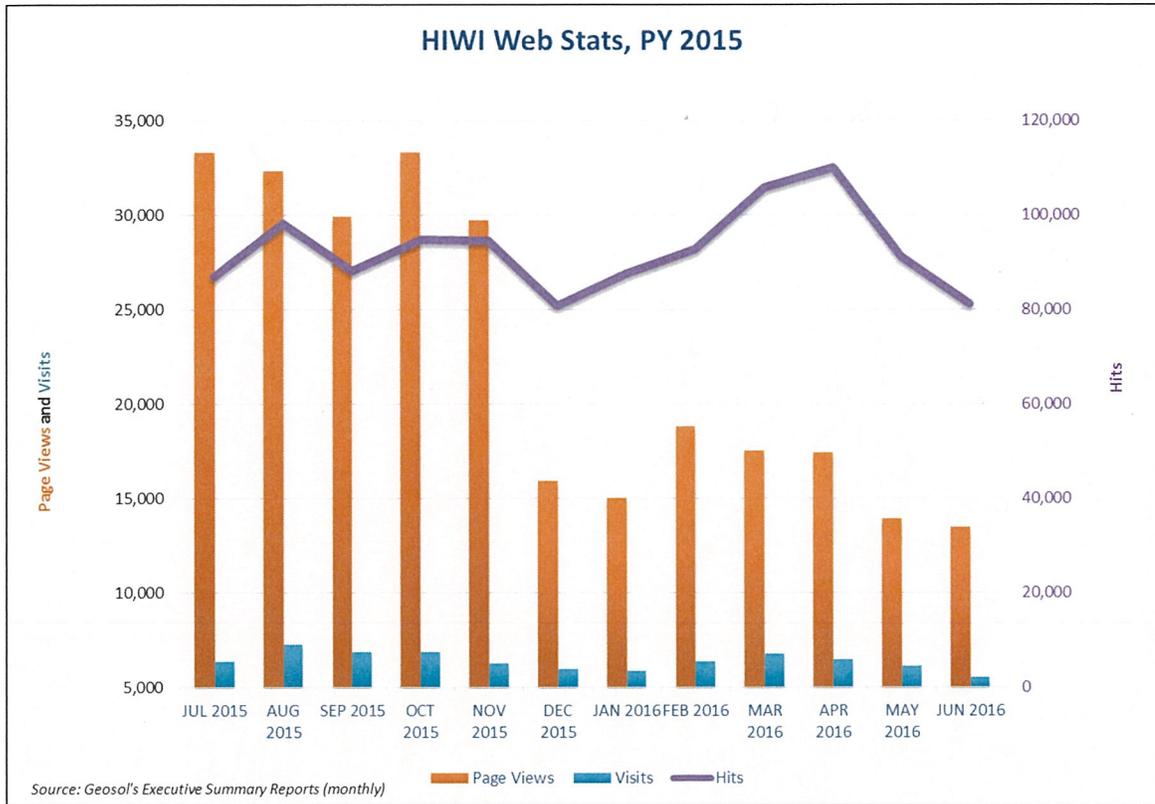
Staff did a presentation at the University of Hawai'i West Oahu College in December 2015 to report the data that we compiled from the Census LED On-the-Map tool, showing what kinds of jobs were in West Oahu and where the residents work. Staff did another presentation in January 2016 to the Hawai'i Division of Vocational Rehabilitation, a core WIOA partner, about the long-term projections from 2012 to 2022. Handouts of HIWI brochures and Hot Jobs in the State and Counties were distributed to the audience of 25 people. Staff prepared a slide presentation on

Hawai'i's workforce for the keynote address at the Hawai'i Business Meeting in March 2016. HIWI brochures and a flyer on Hawai'i's Advertised Jobs were handed out to 100 attendees. Staff prepared another slide show containing labor market information for Kauai County that was provided to our Department's Director for a presentation. Staff also attended job fairs in March 2016 (Kapiolani Community College), April 2016 (Leeward Community College), and May 2016 (Blaisdell Center) to promote the HIWI website and hand out Hot Jobs flyers. We not only provided general labor market statistics, but were actively recruiting to fill vacant positions within our office.

6) New Tools and Resources

As mentioned earlier, labor market information produced by R&S in PY 2015 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. Employment projections for the state, occupational employment and wages for the state and counties, annual labor force updates for Affirmative Action programs, 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 updated the web link from ETA's Labor Market Information WIN-WIN Community of Practice to the redirected url for LMI Central: Guide to State and Local Workforce Data.

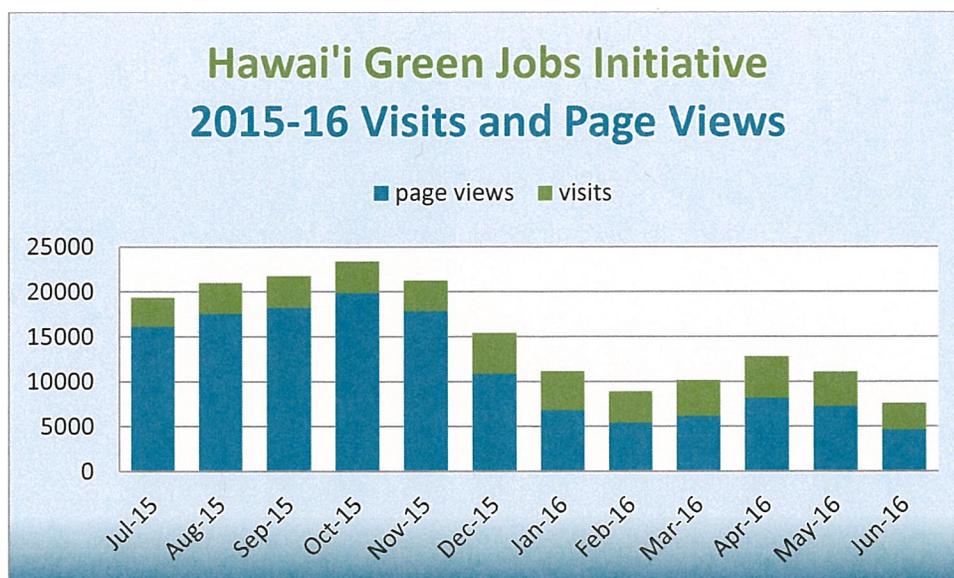
Web statistics reported about 76,970 visits for PY 2015, down about 12 percent from PY 2014. Labor market website usage normally goes down as the economy improves and people are working. During these sessions, about 270,950 pages were viewed. The most frequented pages viewed were Occupational Employment Statistics (2,030), Projections (1,500), Local Area Unemployment Statistics (1,060), Current Employment Statistics (960), Quarterly Census of Employment and Wages (800), and the InfoGroup listing of largest employers (770).



Updates for the Workforce Information Database (WID) Version 2.6.1 were accessible through our Internet delivery system, HIWI. Staff also continued to provide WID information for HireNet Hawai'i, the online job-matching system sponsored by our department at www.hirenethawaii.com and maintains a link to that website on HIWI.

We have a license for America's Labor Market Analyzer (ALMA) from Geographic Solutions, Inc. in order to supply real-time 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 these real-time data with our HIWI website labor market statistics 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 44,972 visits during PY2015 which led to over 138,937 page views.



The Hawai'i Directory of Green Employers had 4,165 individual sessions resulting in 10,775 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 Workforce Development Council (WDC) and Local Workforce Development Boards (LWDBs) by responding to requests for data and investigating issues that Hawai'i's workforce 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_2014-2024-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-2016.pdf>).

Our attendance at council meetings and frequent informal contacts with the WDC office, especially regarding work on the State Unified Work Plan 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. As mentioned earlier, we provided support to WDC by supplying labor market data for its WIA annual performance report and conducted the Employment Training Fund survey for WDD to assess its training program's value. 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 Legislature's Healthcare Workforce Advisory Board and the Native Hawaiian Board of Health, aka Papa Ola Lokahi, to develop a Hawaiian Healthcare 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.

8) Activities to Leverage LMI-WI funding

Usage of the LED OnTheMap tool enabled R&S staff to provide supporting data to postsecondary schools formulation of course planning and the future development of student internships and eventual job opportunities.

R&S staff continued to participate in an Economic Forecasting Work Group 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 that ended in December 2015. Called the Workforce Longitudinal Data System (WorLDS), the WorLDS staff completed the development of the database and web portal and worked closely 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.

In September of 2015 R&S completed a report and 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.

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:

- *Hawai'i 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 a license to a Geosol system (ALMA) that supplied us with previously eliminated real-time job postings data that is garnered through the HireNet Hawai'i system. In order to continue to provide this type of real-time data more funding will be needed.
- Hawai'i Green Jobs Portal needs funding to maintain this vehicle of displaying green jobs data that had been previously collected through a Green Jobs survey in 2010. Additionally, since the Occupational Employment Statistics survey discontinued its green jobs information, the Hawai'i 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 continued 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 Workforce Development Boards. 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 WDBs. 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. The recently released beta dataset is Job-to-Job Flows which looks at worker reallocation in the U.S.

Another very useful and unique Census product is the OnTheMap tool that was used numerous times this past year to respond to requests. With Census support, staff was able to attend the annual LED Partnership Workshop in Washington, D.C. in March 2016.