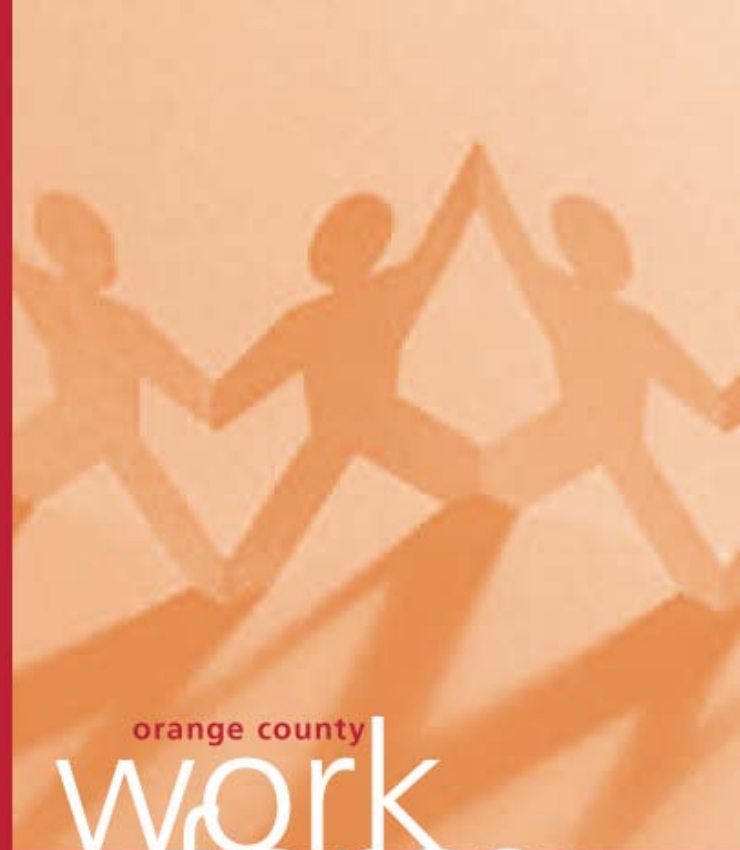




Orange County Business Council  
and Orange County Workforce  
Investment Board  
Present:

## The 2007 Workforce Indicators Report

**WELLS  
FARGO**



orange county  
**work  
force**  
2007



# Beating the Competition in a Flattening World

**WELLS  
FARGO**



**ORANGE COUNTY**  

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**BUSINESS COUNCIL**



**ORANGE COUNTY  
WORKFORCE INVESTMENT BOARD**



**THE IRVINE COMPANY**

**TOSHIBA**



**ANAHEIM**

*Workforce Investment Board*



# Introduction

**The 2007 Workforce Indicators show that Orange County continues to be in an enviable position to address the challenges of the future.**

**Remember, my call last year was whether we can cultivate a “fit” Orange County workforce for the demands of a “flat” global economy of the future?**

**Challenges remain, but we are definitely starting to see progress on a number of key metrics. Our efforts are paying off!**

# Targets for Tracking Success Through 2010

***Create sustainable job growth needed to keep unemployment 1.5% below state and national averages.***

***Create 5,000 new, high-wage jobs in Biomedical and Computer Software clusters and 25,000 jobs in Business and Professional Services by 2010.***

***Increase enrollment of students in Intermediate Algebra, Advanced Math, and First-Year Chemistry by 10% by 2010.***

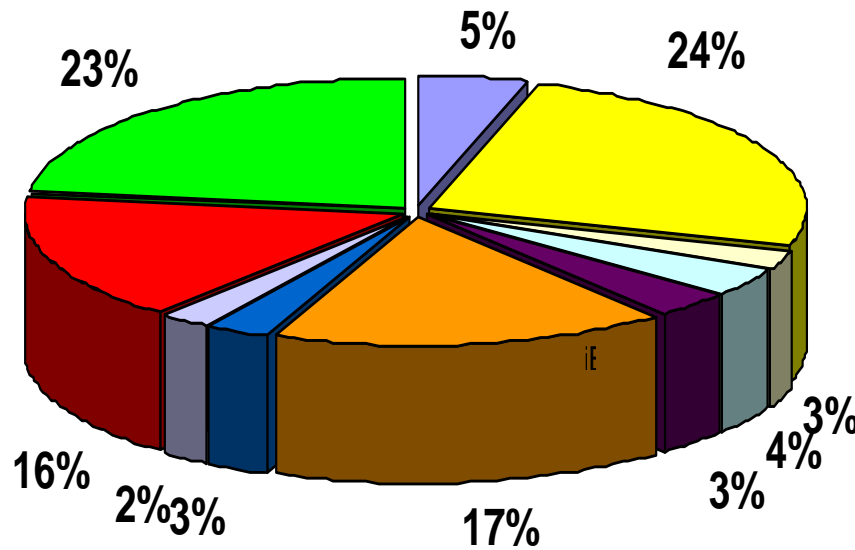
# Part I: Employment Trends

## *Orange County's Job Opportunities*

*Which key industry clusters are thriving?*

*Which ones are stagnating or declining?*

# Today's Orange County Economy



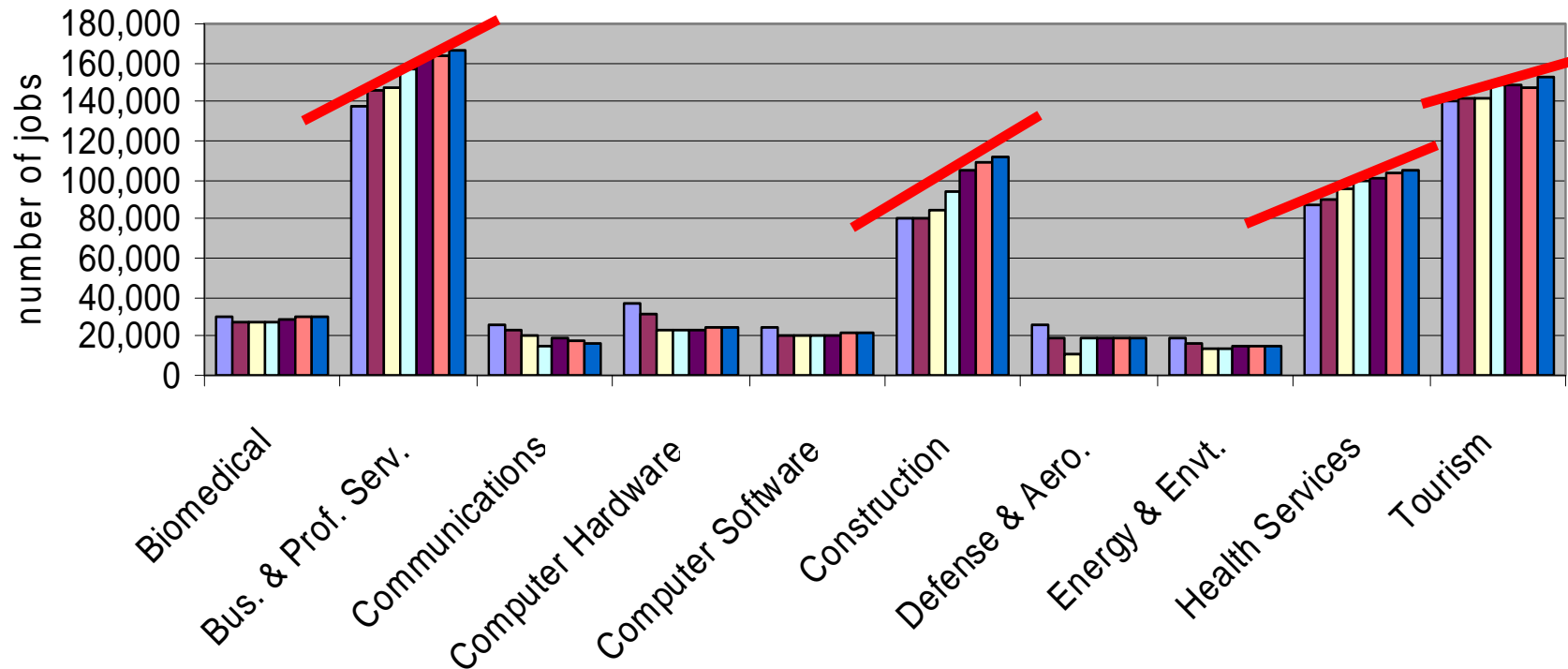
- Biomedical
- Bus. & Prof. Serv.
- Communications
- Computer Hardware
- Computer Software
- Construction
- Defense & Aero.
- Energy & Emt.
- Health Services
- Tourism

# Job Growth Trends: Are We on Target?

*Create sustainable job growth needed to keep unemployment 1.5% below state and national averages.*

# Orange County Cluster Trends

Orange County Cluster Employment, 2001 - 2006



# Orange County Cluster Employment

	2005 Workforce	2006 Workforce	Percent Change
Biomedical	28,745	30,521	6.18%
Business Services	162,116	166,719	2.84%
Communications	19,463	16,592	-14.75%
Computer Hardware	23,659	24,349	2.92%
Computer Software	20,554	22,027	7.17%
Construction	105,209	111,693	6.16%
Defense & Aerospace	19,290	18,883	-2.11%
Energy & Environment	14,481	14,713	1.60%
Health Services	101,330	104,453	3.08%
Tourism	149,259	152,893	2.43%

## Part II: Key Employment Questions

***Which clusters have created high wage growth?***

***Which have stagnated?***

# Occupation Trends: Are We on Target?

*By 2010, increase wages for Orange County's top ten industry clusters by 20%.*

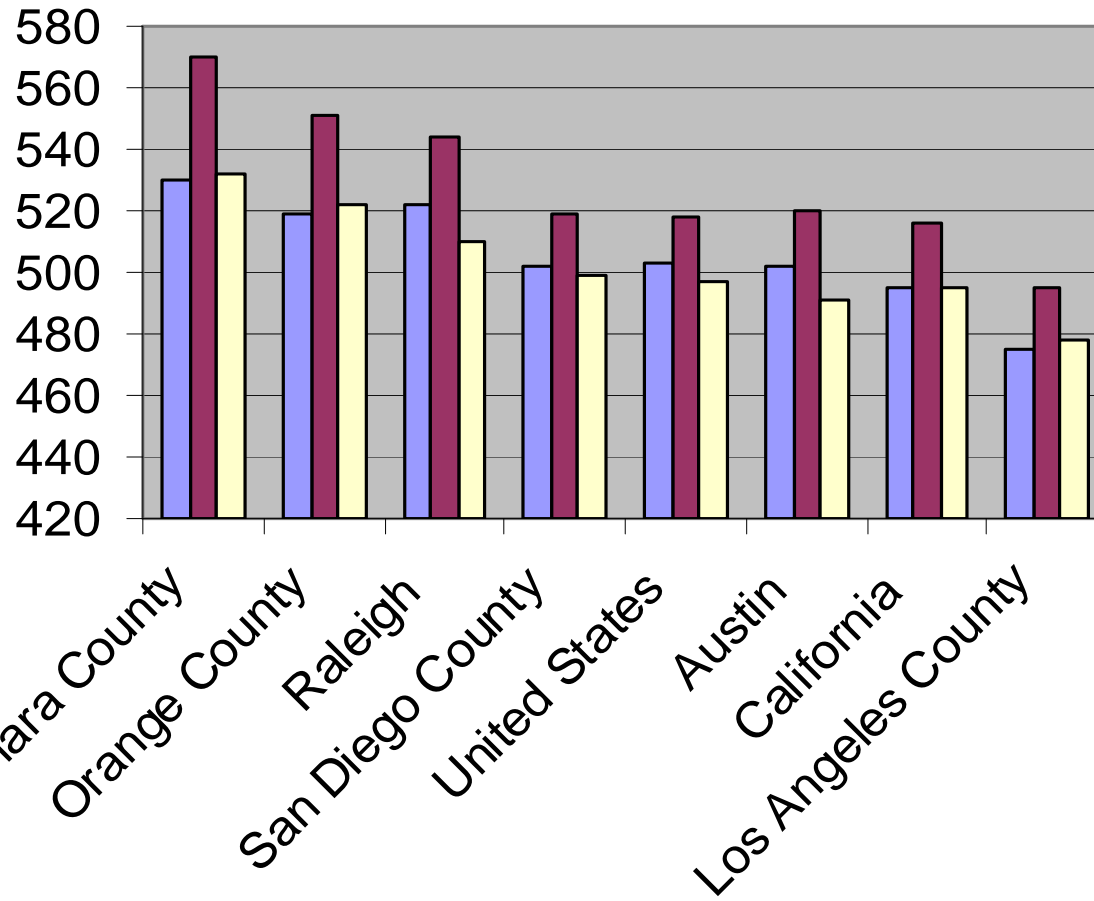
# Orange County Cluster Wages

	Orange County 2005	Orange County 2006	California 2006
Biomedical	\$61,300	\$82,739	\$82,085
Business and Professional Services	\$44,533	\$48,801	\$50,487
Communications	\$61,800	\$62,320	\$77,812
Computer Hardware	\$63,873	\$69,277	\$98,094
Computer Software	\$78,887	\$83,526	\$100,978
Construction	\$47,425	\$49,927	\$46,997
Defense & Aerospace	\$81,781	\$89,244	\$88,272
Energy & Environment	\$50,742	\$54,475	\$69,121
Health Services	\$43,740	\$45,736	\$47,740
Tourism	\$18,377	\$19,095	\$19,115

## Part III: Essential Education, Skills and Abilities for the Future Workforce

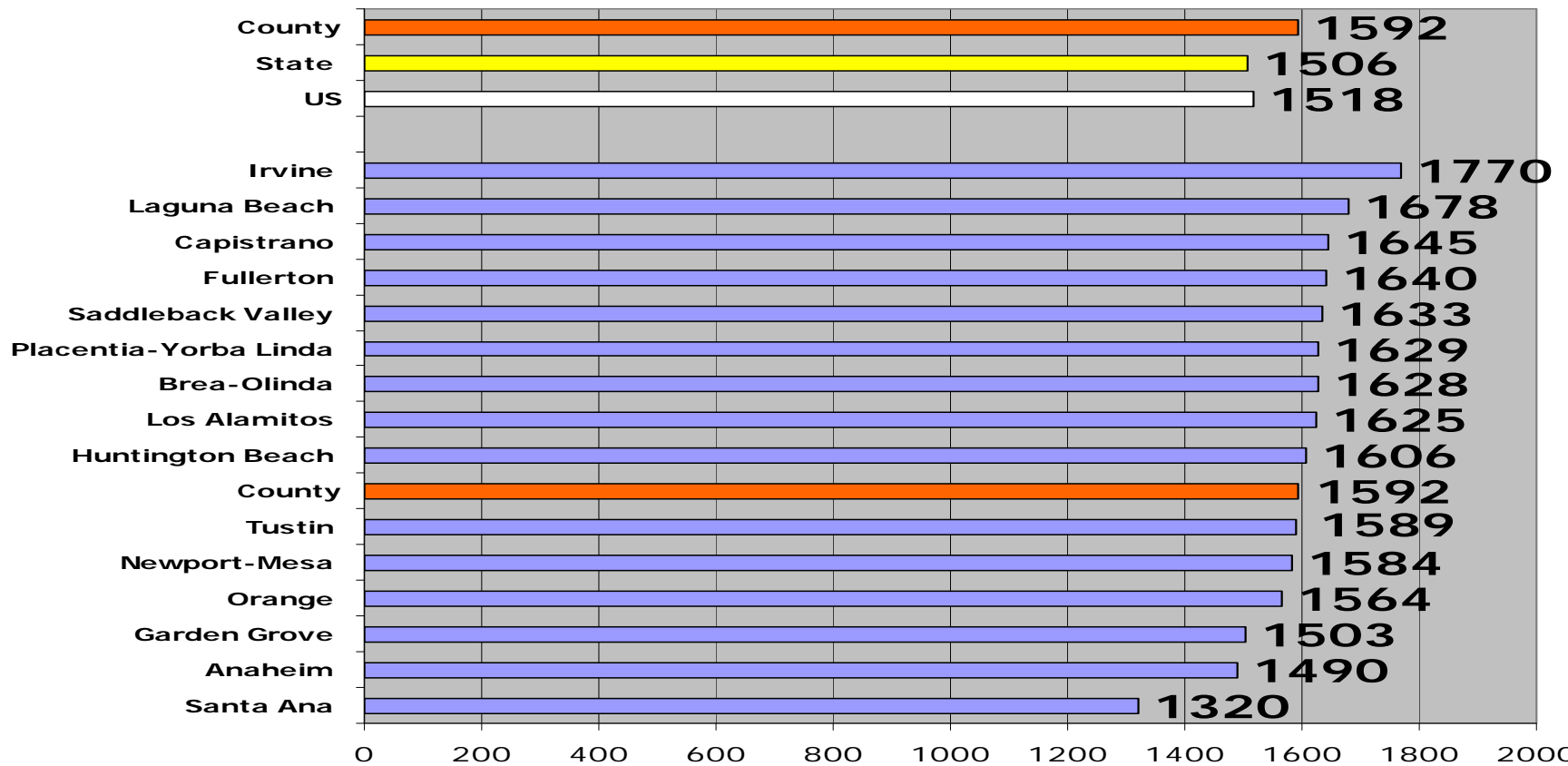
***What Knowledge, Skills and Abilities will be the most deficient in our future workforce?***

# OC Education Outcomes: SAT Scores Compare Favorably Across State & Nation

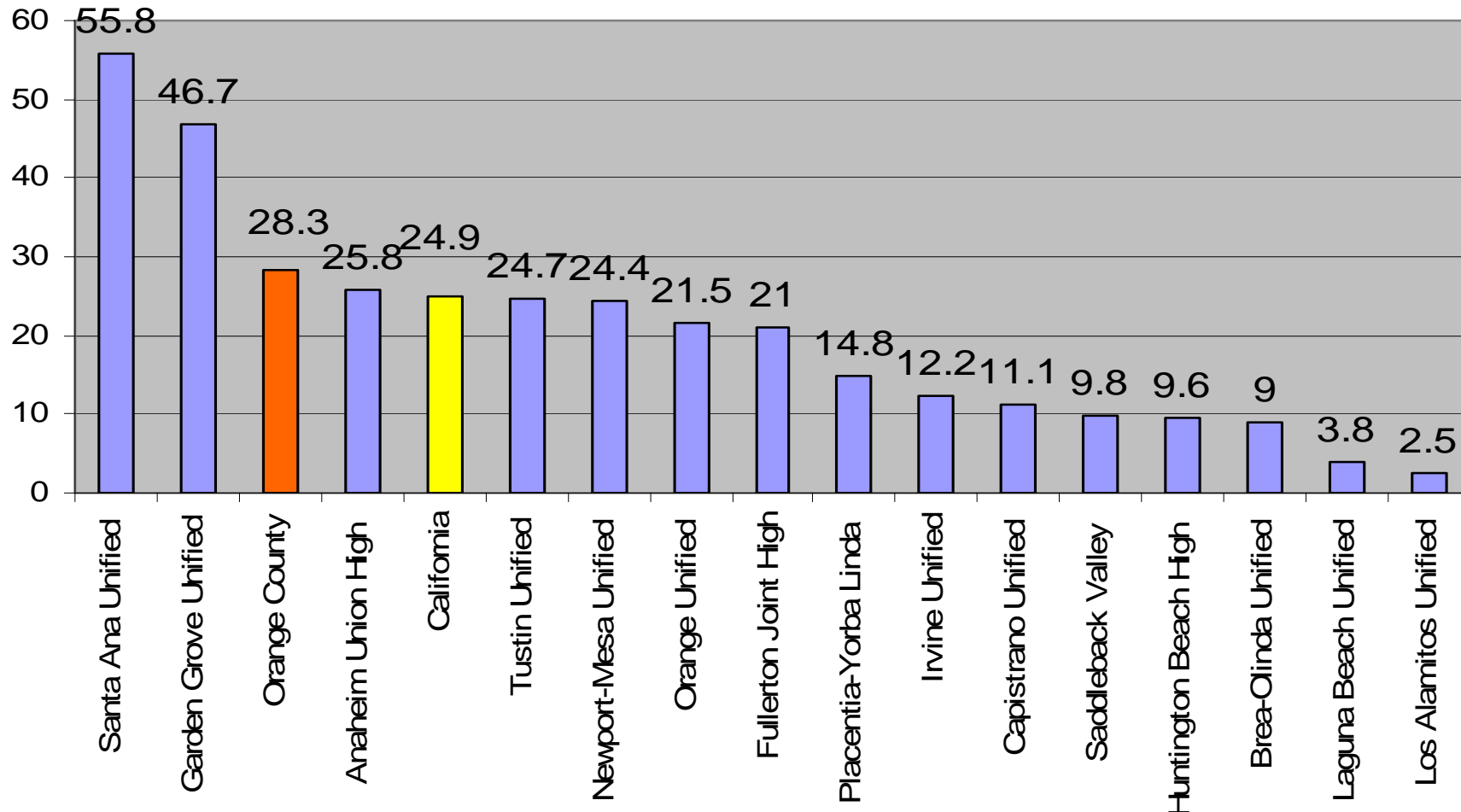


# OC Education Outcomes: Disparities in SAT Scores by School District

Average Total SAT Scores By School District



# English Learners & Education Outcomes



# Educational Outcomes: Are We on Target?

*By 2010, double the rate of “converted” Fluent English Proficient students from 10% to 20%.*

*By 2010, 50% of Hispanic/Latino and Pacific Islander students meet UC/CSU eligibility.*

# Orange County's College Preparation Trends

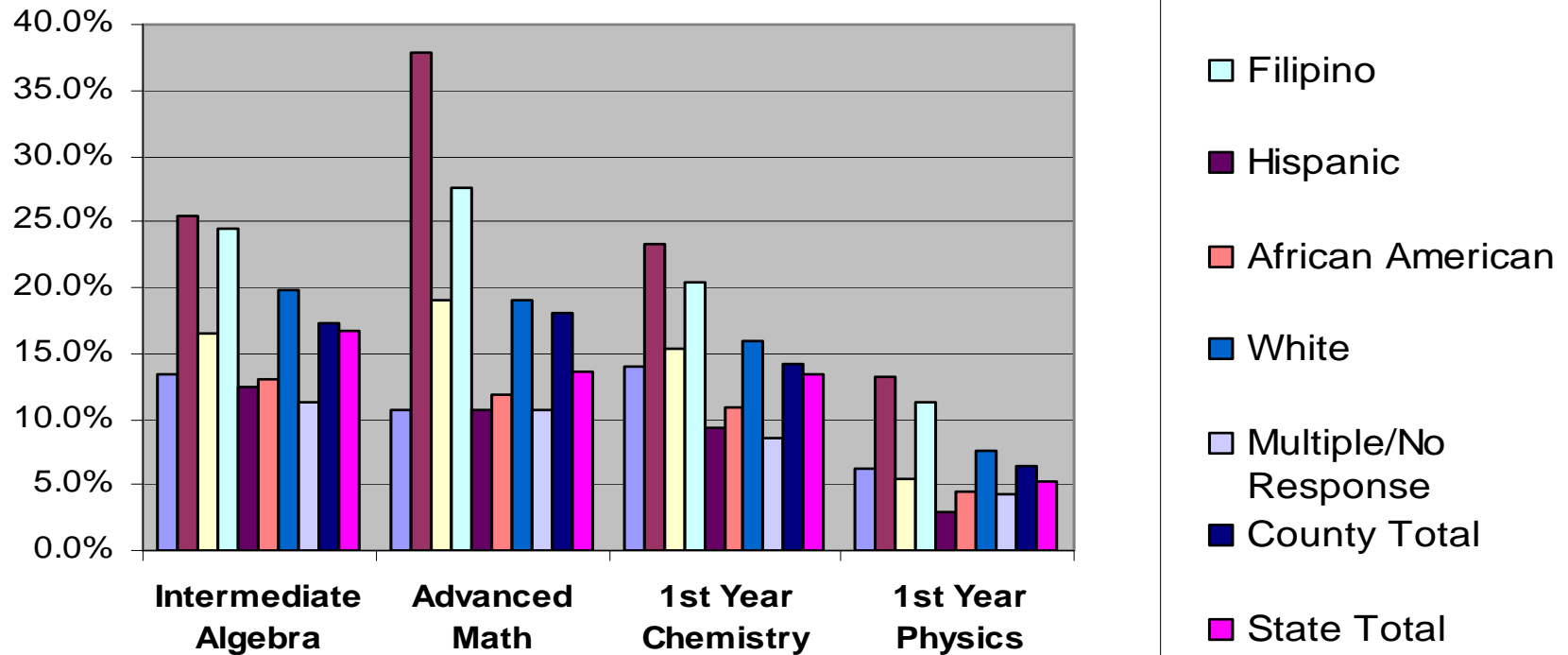
	<u>% ENROLLMENT K-12</u>	<u>% UC/CSU ELIGIBLE</u>	
		<u>2005</u>	<u>2006</u>
LATINO	44.3%	18.2%	35.1%
WHITE	35.7%	45.5%	42.6%
ASIAN	13.0%	63.0%	63.6%
FILIPINO	1.6%	53.1%	46.9%
AF. AMERICAN	1.9%	24.6%	28.3%
PAC. ISLANDER	0.7%	27.8%	26.5%
AMER INDIAN	0.5%	35.5%	38.8%
OC		38.7%	43.4%
CALIFORNIA		35.2%	35.9%

# Essential Education, Skills and Abilities: Are We on Target?

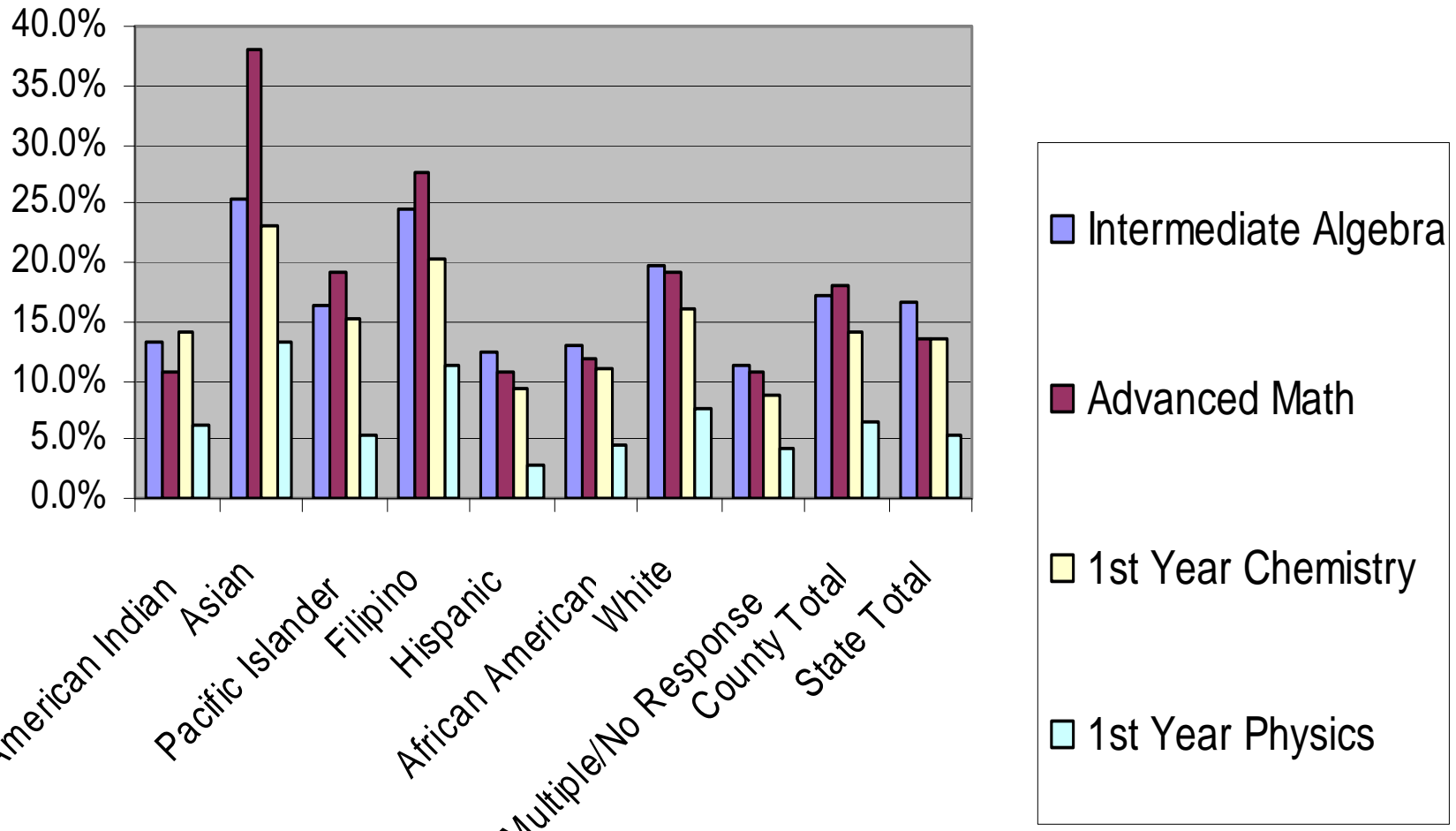
*Increase enrollment of students in Intermediate Algebra, Advanced Math, and First-Year Chemistry by 10% by 2010.*

# Academic Achievement in Math and Sciences

**Enrollment in Upper Level Science and Math Courses by  
Ethnicity 2006-2007**

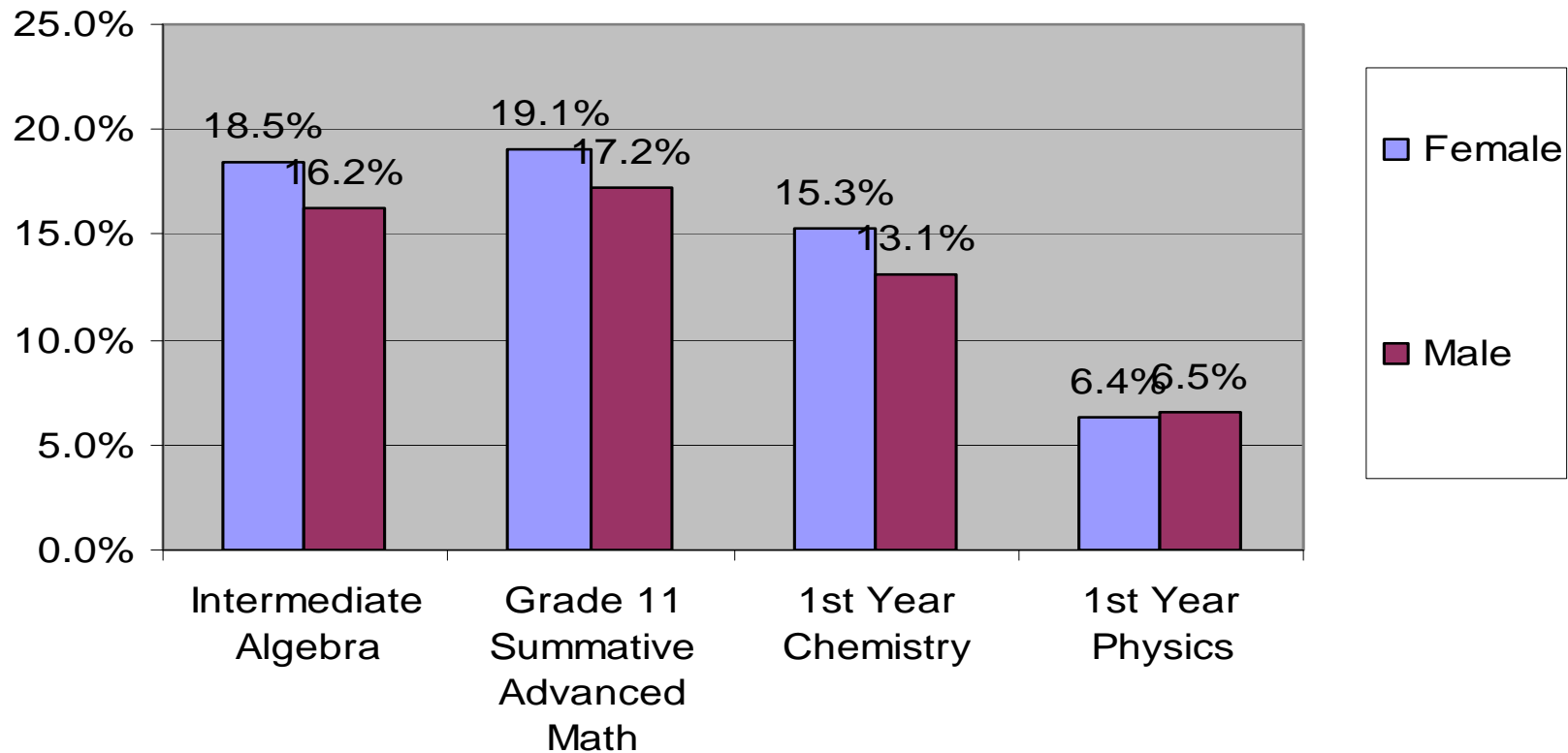


# Enrollment in Upper Level Science & Math Courses by Ethnicity 2006-07



# Academic Achievement in Math and Sciences

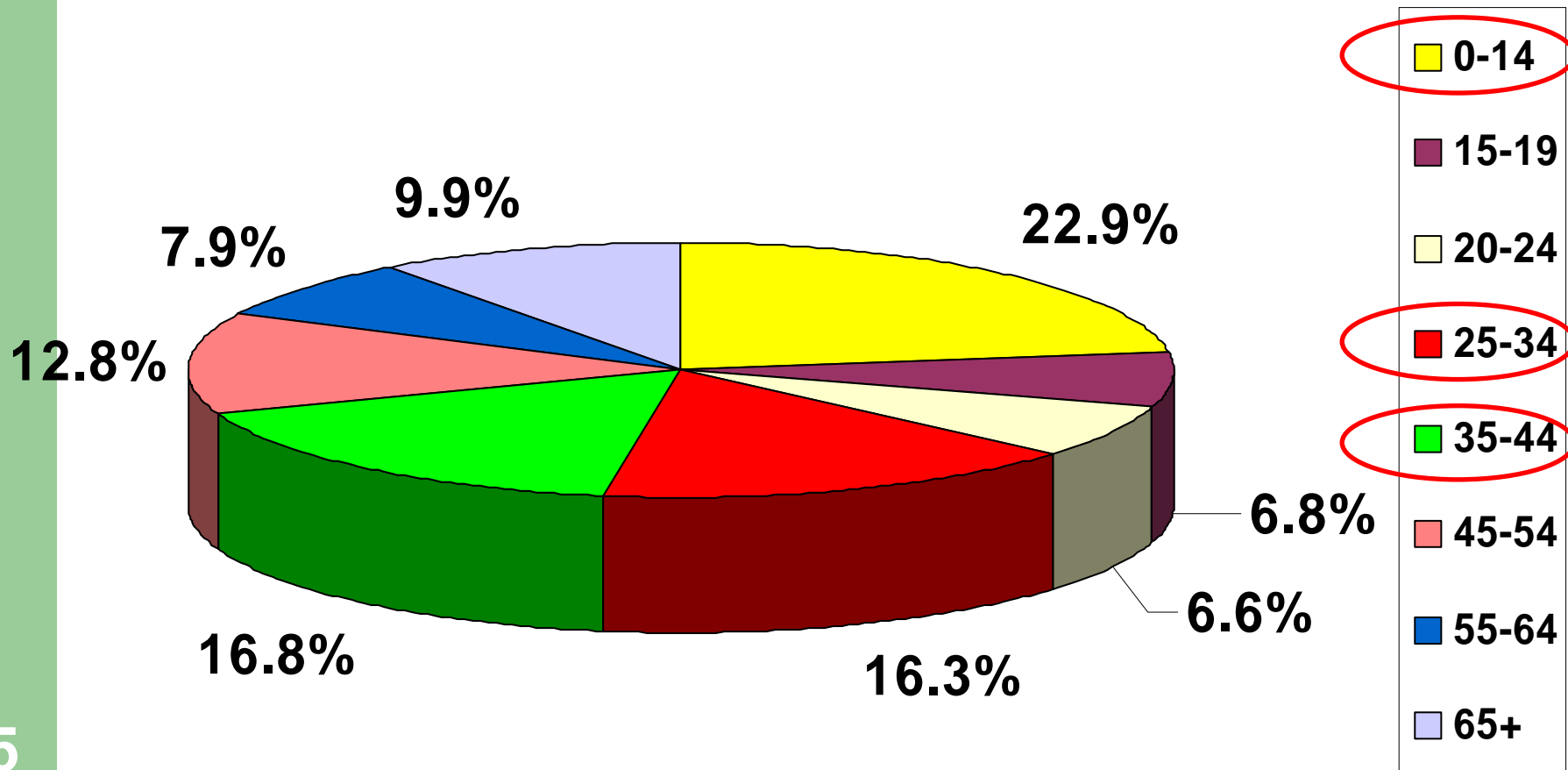
**Enrollment in Upper Level Science and Math Courses by  
Gender 2006-2007**



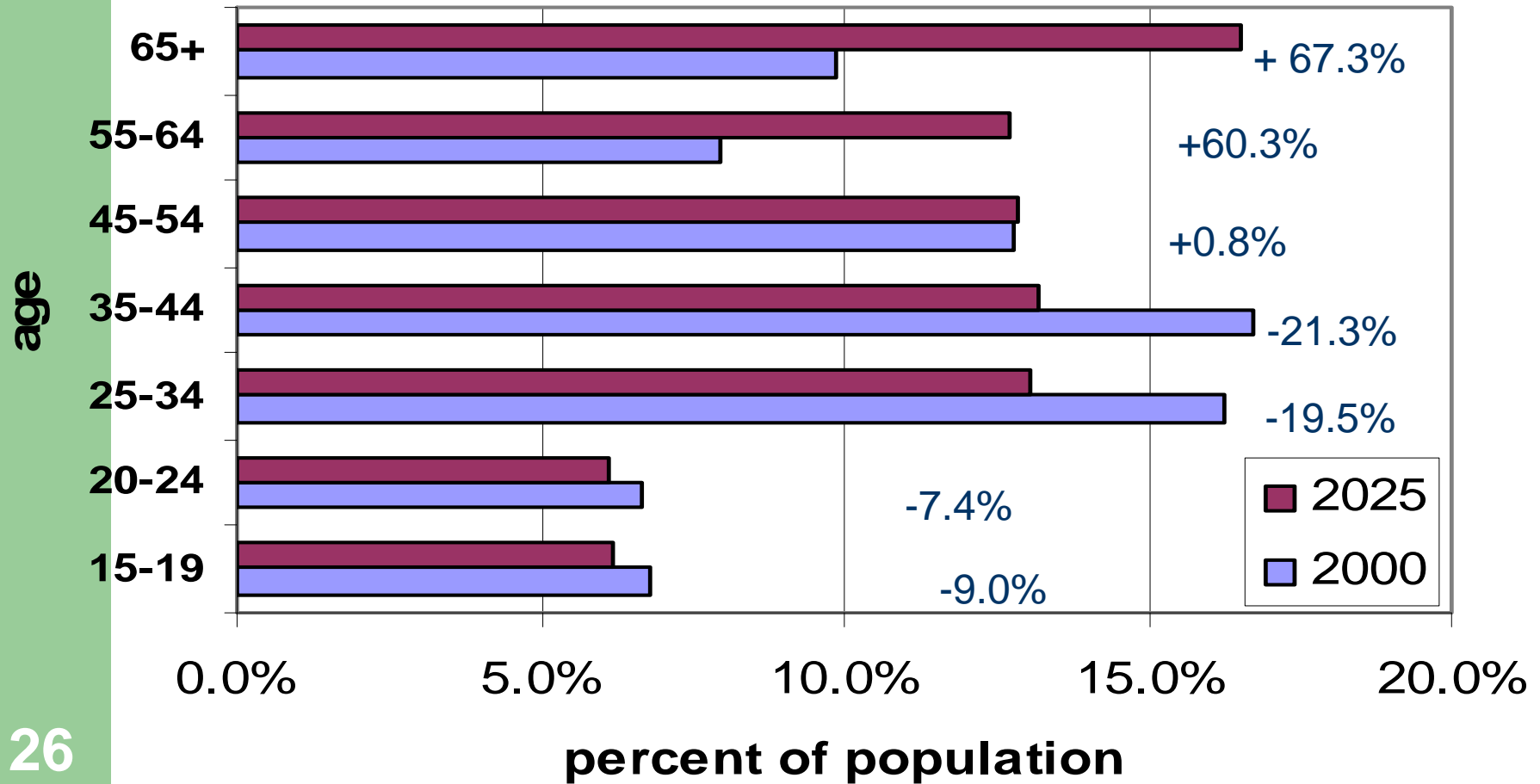
## **Part V: Are Demographics Destiny in Orange County?**

- **Orange County Continues to Become More Diverse**
- **Orange County's Population Growing Older Rapidly**
- **Older OC Workers Will Be In Demand**
- **Growth in Jobs Shifts to South County**
- **Housing and Rental Affordability Remain Challenges**

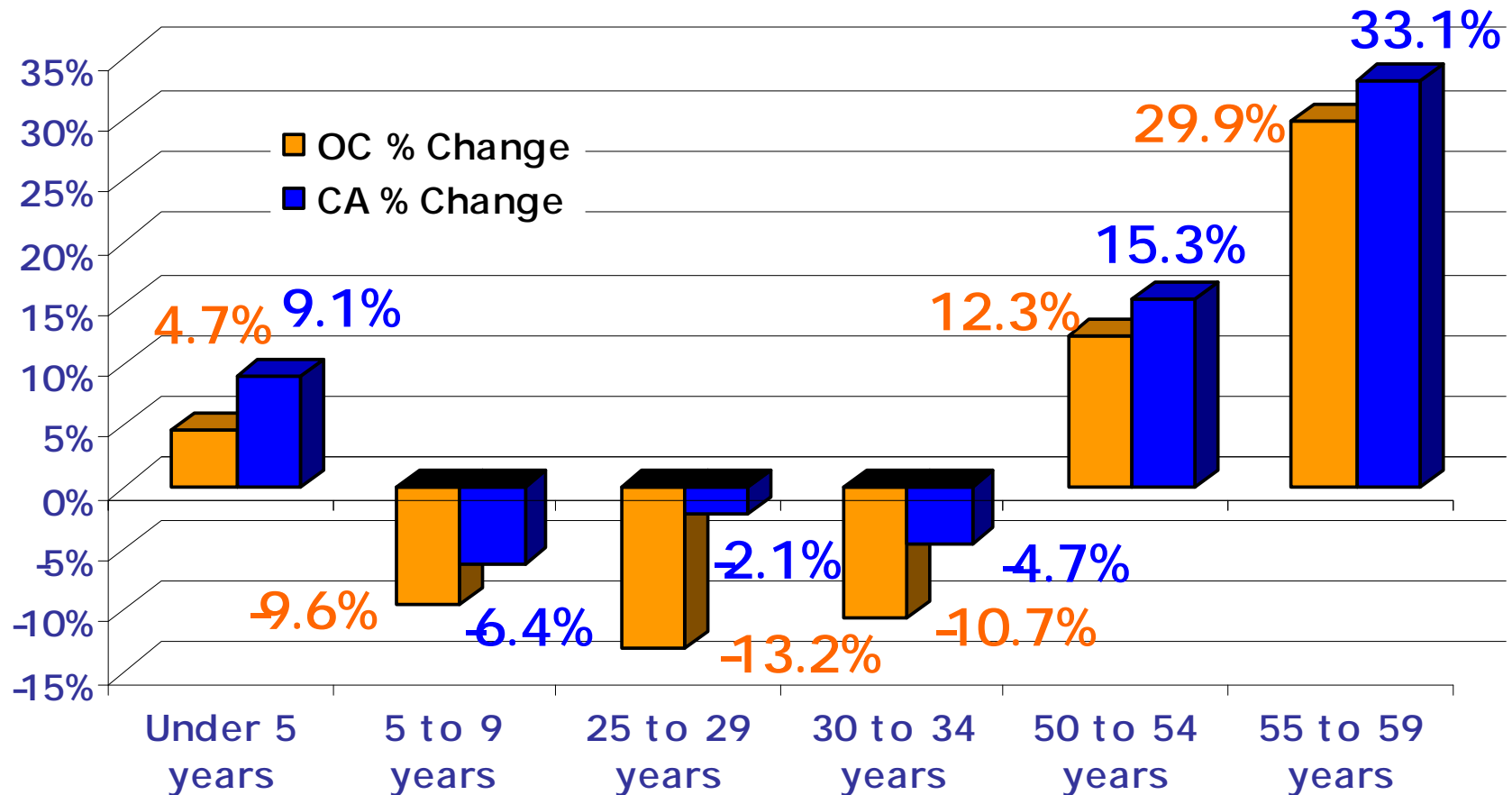
# Our Age Today



# Projected Components of Population by Age in Orange County 2000-2025



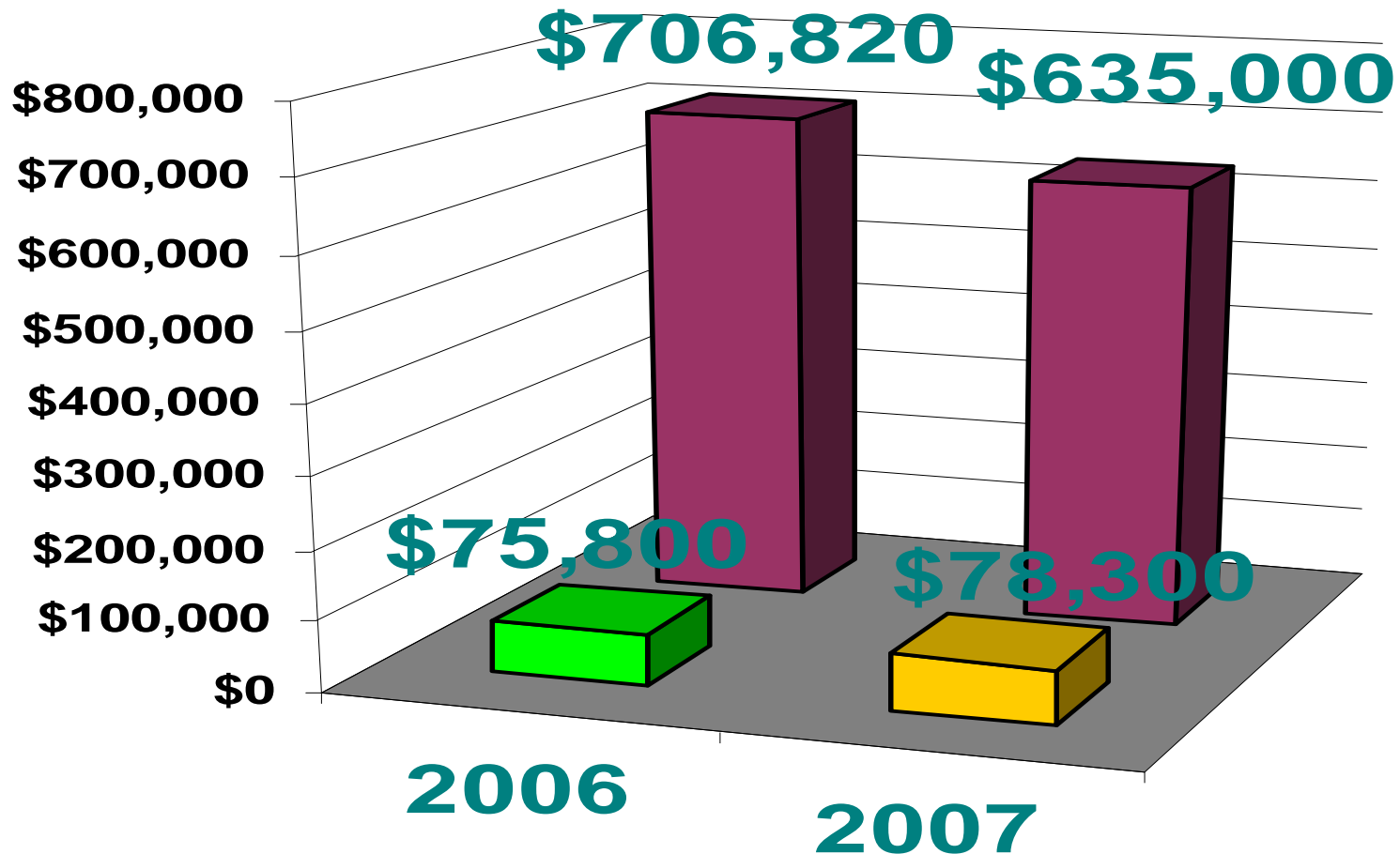
# Orange County and California Population Loss by Age



# Part V: Housing Affordability

***Will our workers be able  
to afford living in the  
Orange County?***

# Household Income and Housing Affordability Today



# Workforce Housing: Are We on Target?

*Orange County has sufficient affordable housing for all income levels and maintains a competitive home purchasing power of wages compared to other innovation-driven economies.*

# Part VI: Summary & Conclusions

***Clear Progress Made in the  
Last 12 Months***

# How Will Orange County's Economy Change in the Next 20 Years?

The county's economy and job creation will continue to expand. Biggest numerical growth projected to occur in:

- **Business Professional Services (doubling)**
- **Health Services**

## Key Growth Clusters

- **Computer Software**
- **Communications**
- **Energy & Environmental**

# Orange County's "Clusters at Risk"

**Clusters at risk of significant downsizing without proactive economic development, education, and workforce training action:**

- **Defense/Aerospace**
- **Computer Hardware & Electronics**

**Biomedical in danger of stagnation without similar action**

# Workforce OC 2025 Agenda: What are the Key Takeaways?

- **The Rise of Business & Professional Services and Health Services Employment Will Not Be Accompanied by Strong Wage Growth**
- **Trends Toward More Science, Math, Engineering, and Technology Education & Training Are Needed to Remain Competitive, but not Growing Fast Enough to Meet Future Demand**
- **Gaps and Mismatches in K-12 College Preparation – Trends Toward College Prep Not Growing Fast Enough**

# Workforce Agenda for Orange County

***Challenge: To constructively address the critical issues that could detrimentally affect our ability to develop, cultivate, attract and retain such a workforce, we need:***

- **Training & Skills Development to Meet Cluster Demands**
- **Educational Attainment to Maintain Competitiveness**
- **English Fluency to Bring Along Underachievers**
- **Housing Affordability at All Wage-Earning Levels**

## **Our Opportunity:**

**If we effectively address the challenges outlined in this report and build a strong, skilled workforce in our growth clusters...**

**Orange County will be *the* destination for innovative industries in the 21st Century**

# Thank You!



**ORANGE COUNTY**  

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**BUSINESS COUNCIL**



**ORANGE COUNTY  
WORKFORCE INVESTMENT BOARD**



**TOSHIBA**



*Workforce Investment Board*

