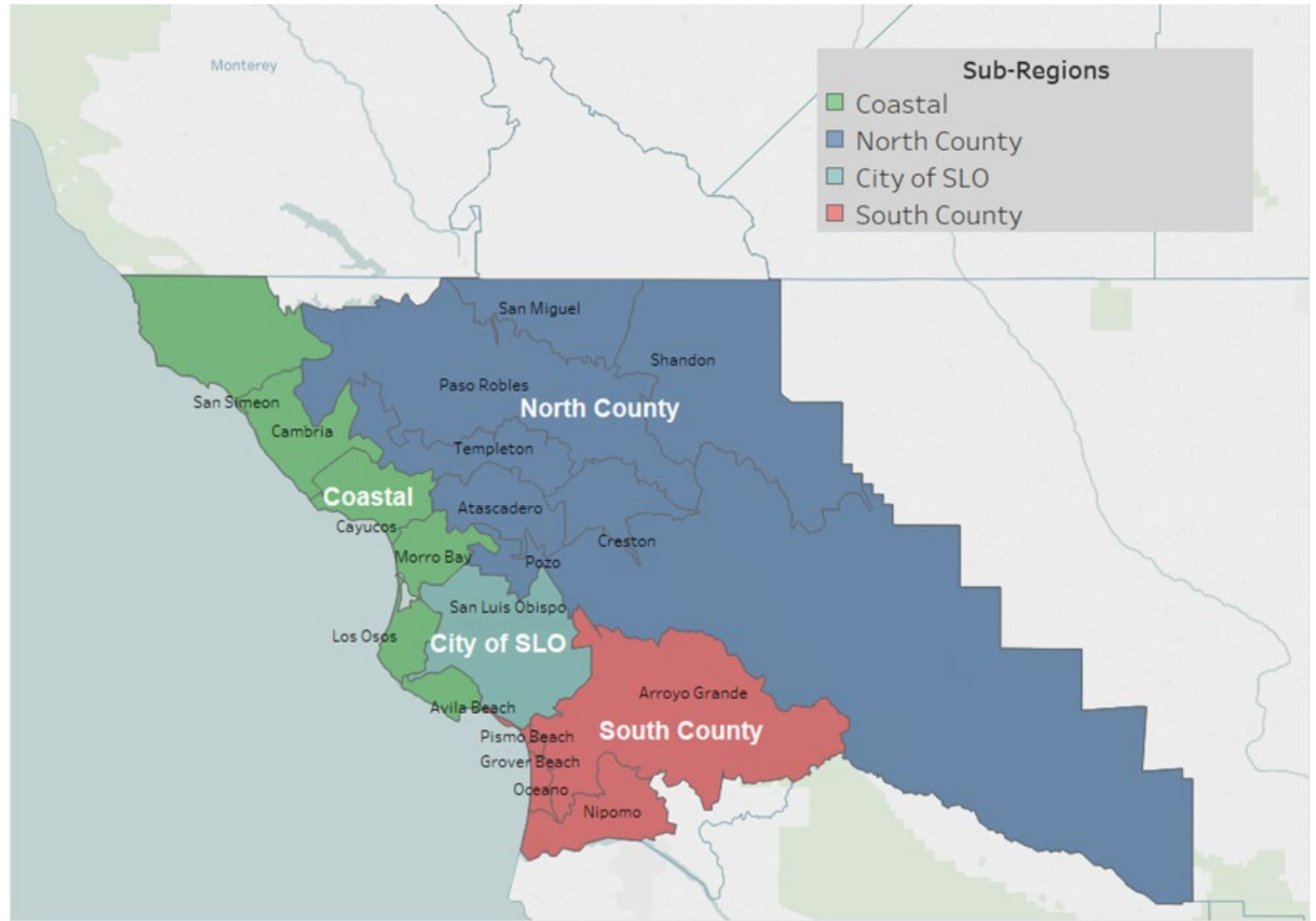




2023

San Luis Obispo County State of the Workforce

Regional Definition



Zip Codes: 93402, 93412, 93424, 93428, 93430, 93435, 93442, 93443, 93452, 93422, 93423, 93432, 93446, 93447, 93451, 93453, 93461, 93465, 93401, 93403, 93405, 93406, 93407, 93408, 93409, 93410, 93420, 93421, 93433, 93444, 93445, 93448, 93449, 93475, and 93483

Agenda

1. Research Objective & Methodology
2. Key findings from the SOW Research
3. Next steps: Challenges & Opportunities for workforce development in SLO County

Research Objectives

1. Measure county workforce characteristics
 - Assess current workforce demographics
 - Analyze workforce needs in infrastructure-related sectors
 - Analyze performance of key industry clusters
2. Assess current economic trends and their impacts on workforce demand and supply
3. Identify challenges and opportunities for workforce development in San Luis Obispo County

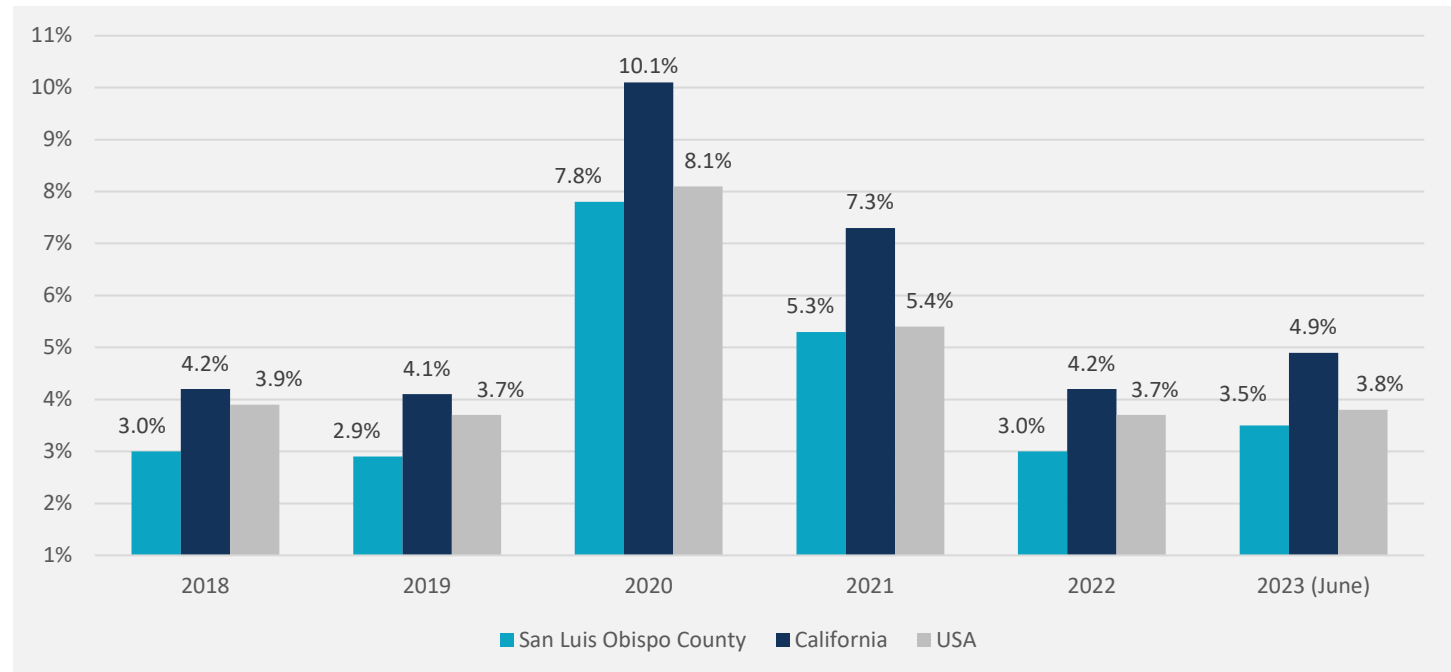
Methodology

1. Conduct executive interviews with key regional stakeholders.
2. Compile and analyze economic, employment, and demographic data
3. Conduct follow-up interviews to identify challenges and opportunities for workforce development

Key Finding #1

San Luis Obispo County's economy is recovering from the COVID-19 pandemic more quickly than the rest of the state. The county's unemployment rate has continued to fall, reaching pre-pandemic levels in 2022.

Unemployment Rate, 2018-2023

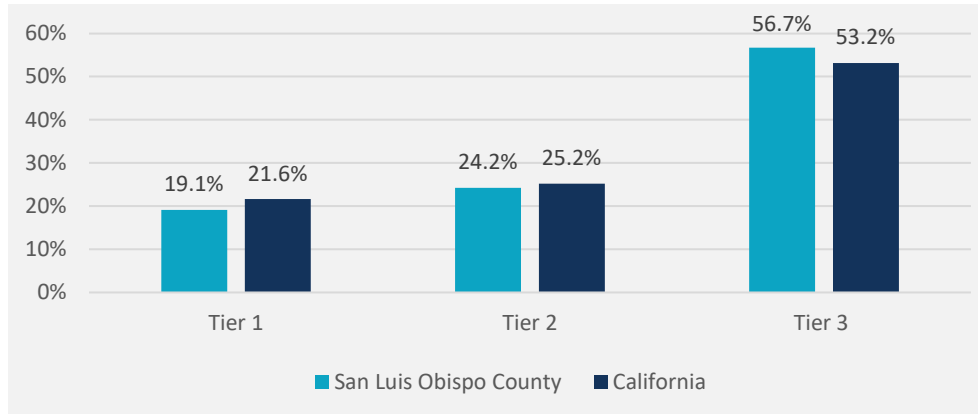


California Employment Development Department (EDD). Local Area Unemployment Statistics (2018-2023).

Key Finding #2

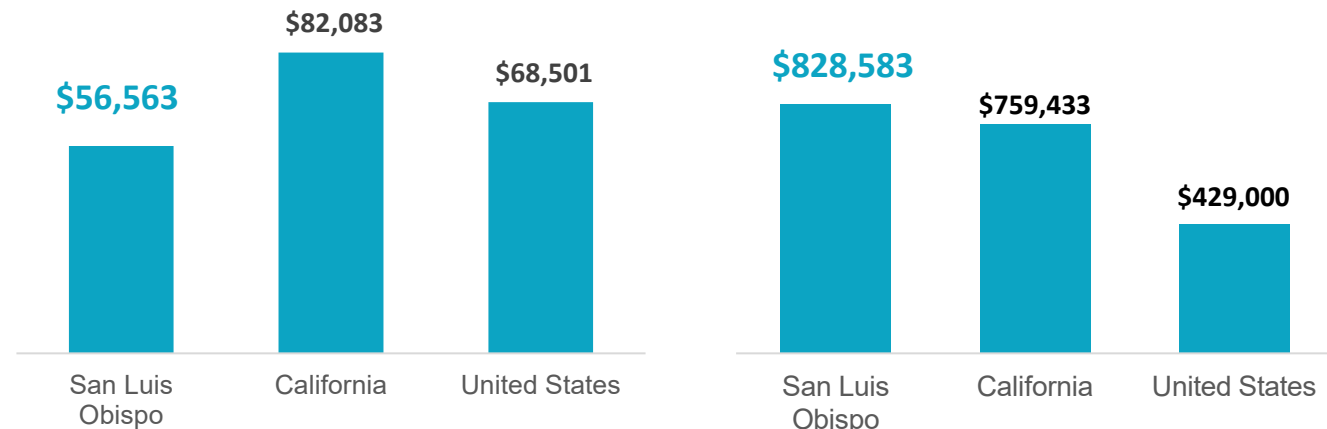
The county has a higher concentration of low-wage jobs than the rest of the state, lower average earnings, and significantly higher housing costs.

Job Quality by Tiers (2022)



JobsEQ Q3 2022, Bureau of Labor Statistics. Quarterly Census of Employment and Wages (2022).

Average Earnings vs. Median Cost of a Home (2023)



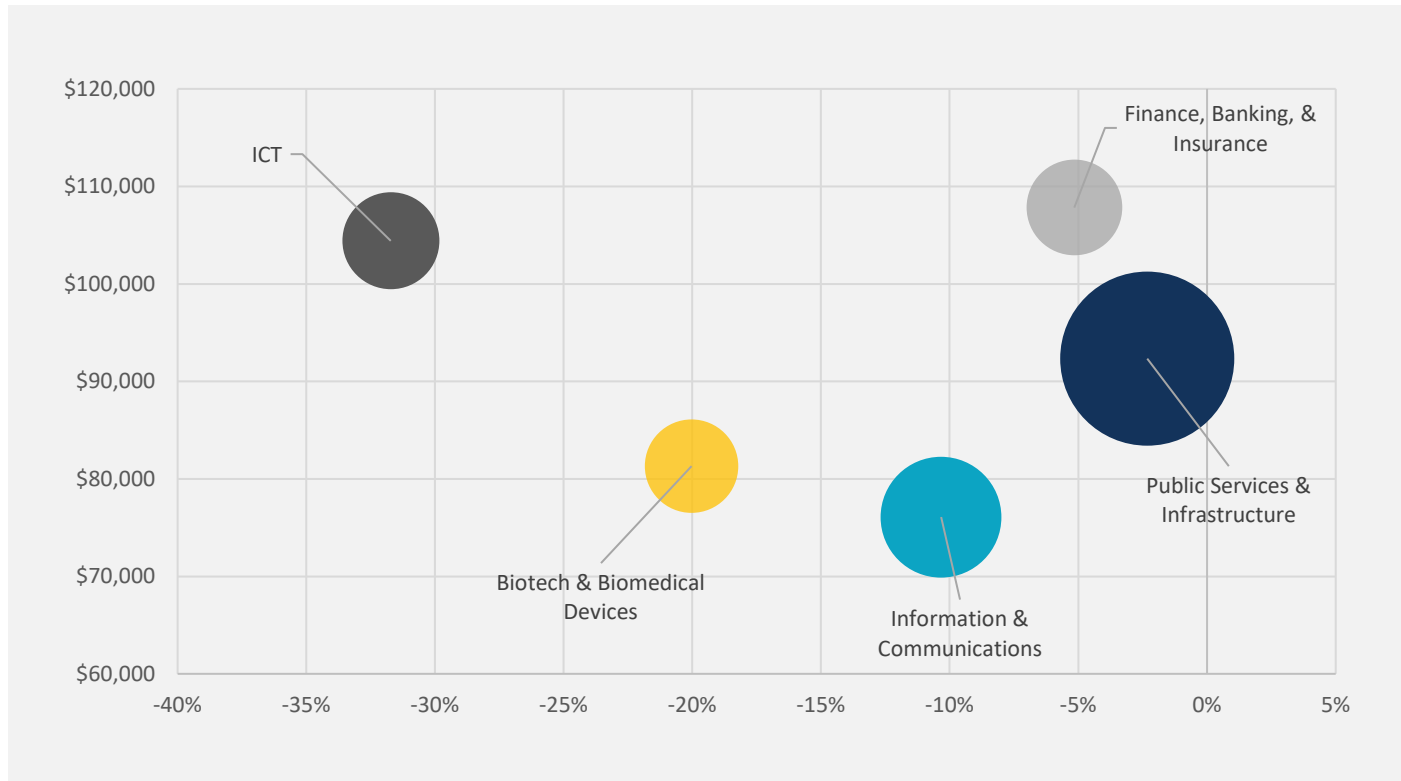
JobsEQ Q1 2023, Bureau of Labor Statistics. Quarterly Census of Employment and Wages (2023).

California Association of Realtors. Historical Housing Dataset (2023).

Key Finding #3

All of the high-earning industry clusters, from 2018 to 2022, experienced a decline in San Luis Obispo County.

High-Earning Industry Clusters (2018-2022)

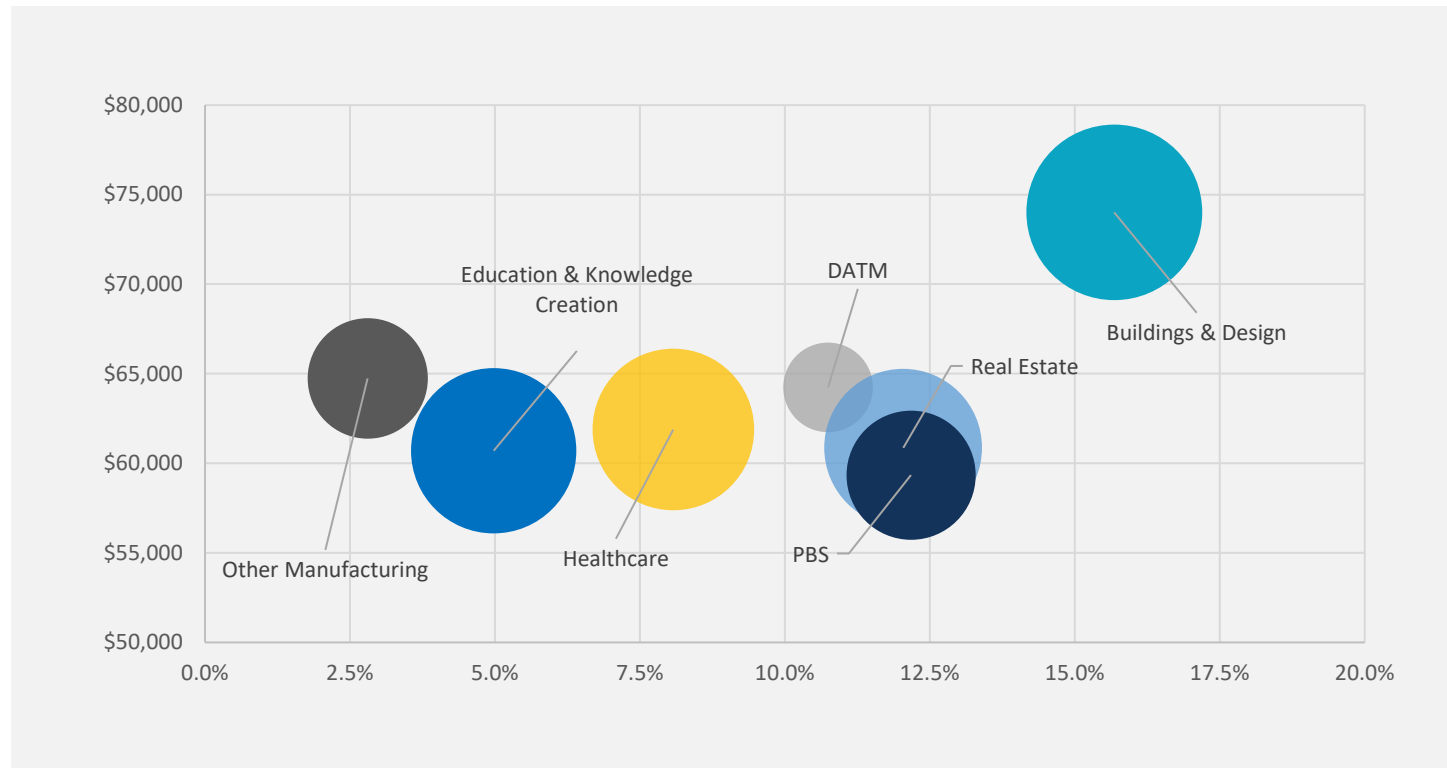


JobsEQ Q3 2022, American
Community Survey 2021 5-year
estimates.

Key Finding #4

All of the mid-earning industry clusters, from 2018 to 2022, experienced growth in San Luis Obispo County.

Mid-Earning Industry Clusters (2018-2022)

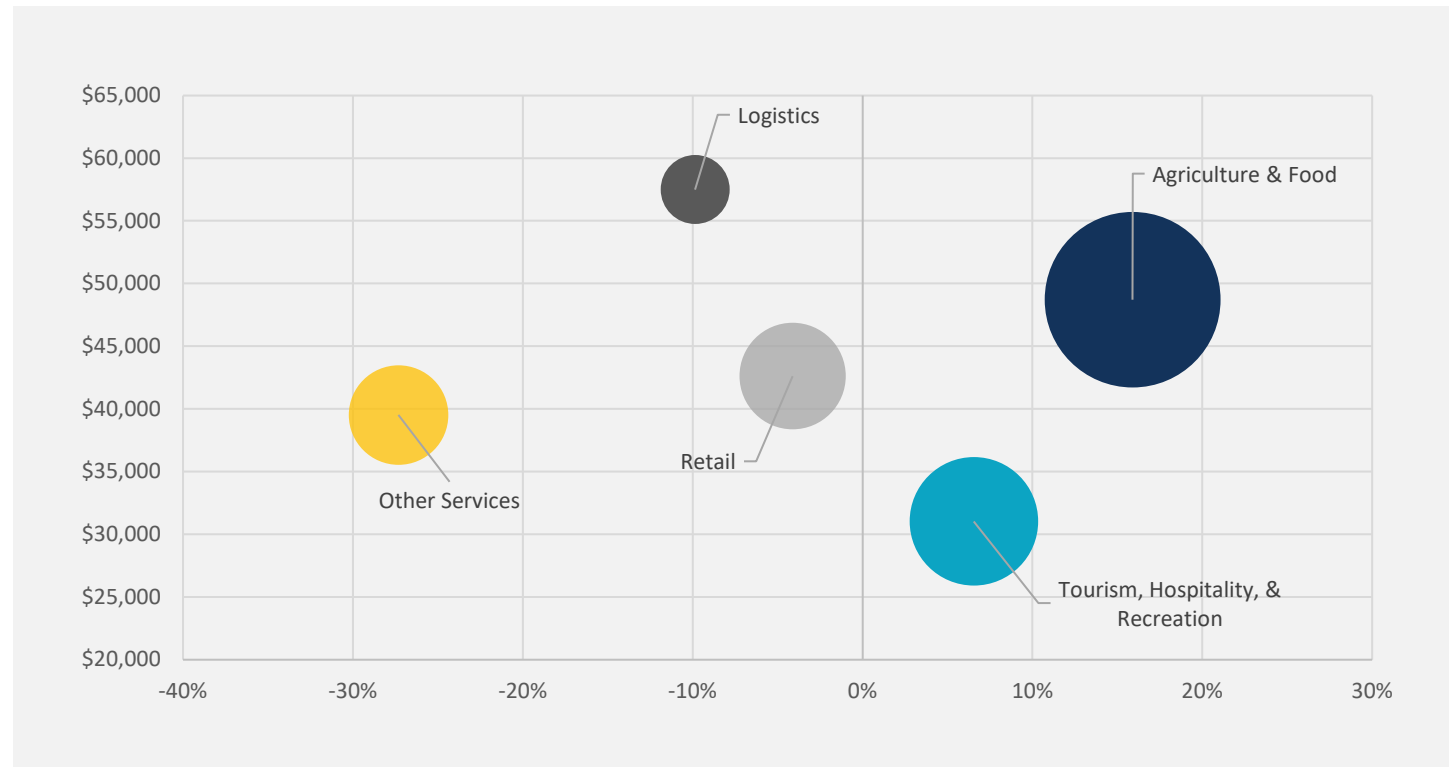


JobsEQ Q3 2022, American
Community Survey 2021 5-year
estimates.

Key Finding #5

Lowest-earning industry clusters, from 2018 to 2022, experienced mixed growth in San Luis Obispo County, with agriculture and tourism increasing and logistics, retail, and other services declining.

Lowest-Earning Industry Clusters (2018-2022)

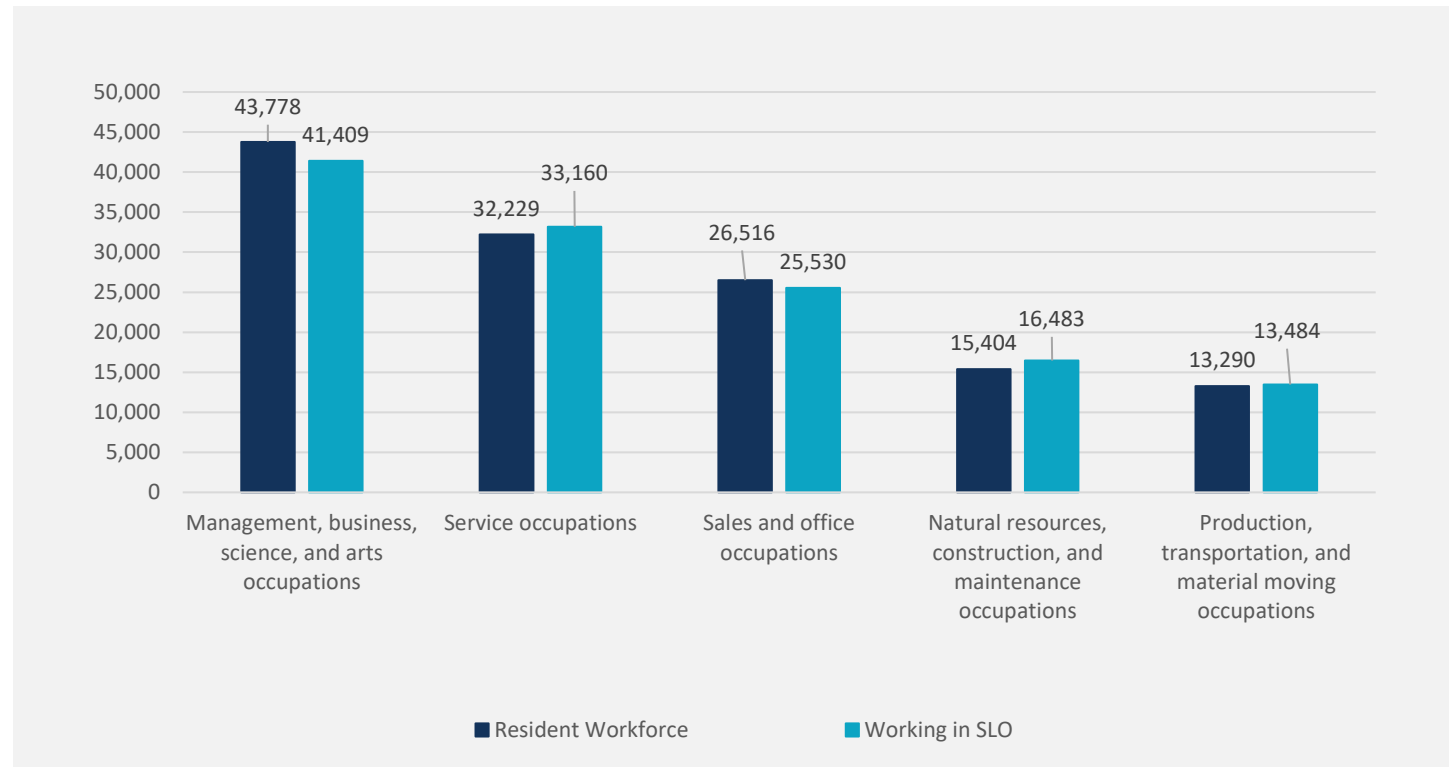


JobsEQ Q3 2022, American
Community Survey 2021 5-year
estimates.

Key Finding #6

San Luis Obispo County has had a difficult time retaining high-level local talent.

Working Residents and Jobs in San Luis Obispo County (2022)

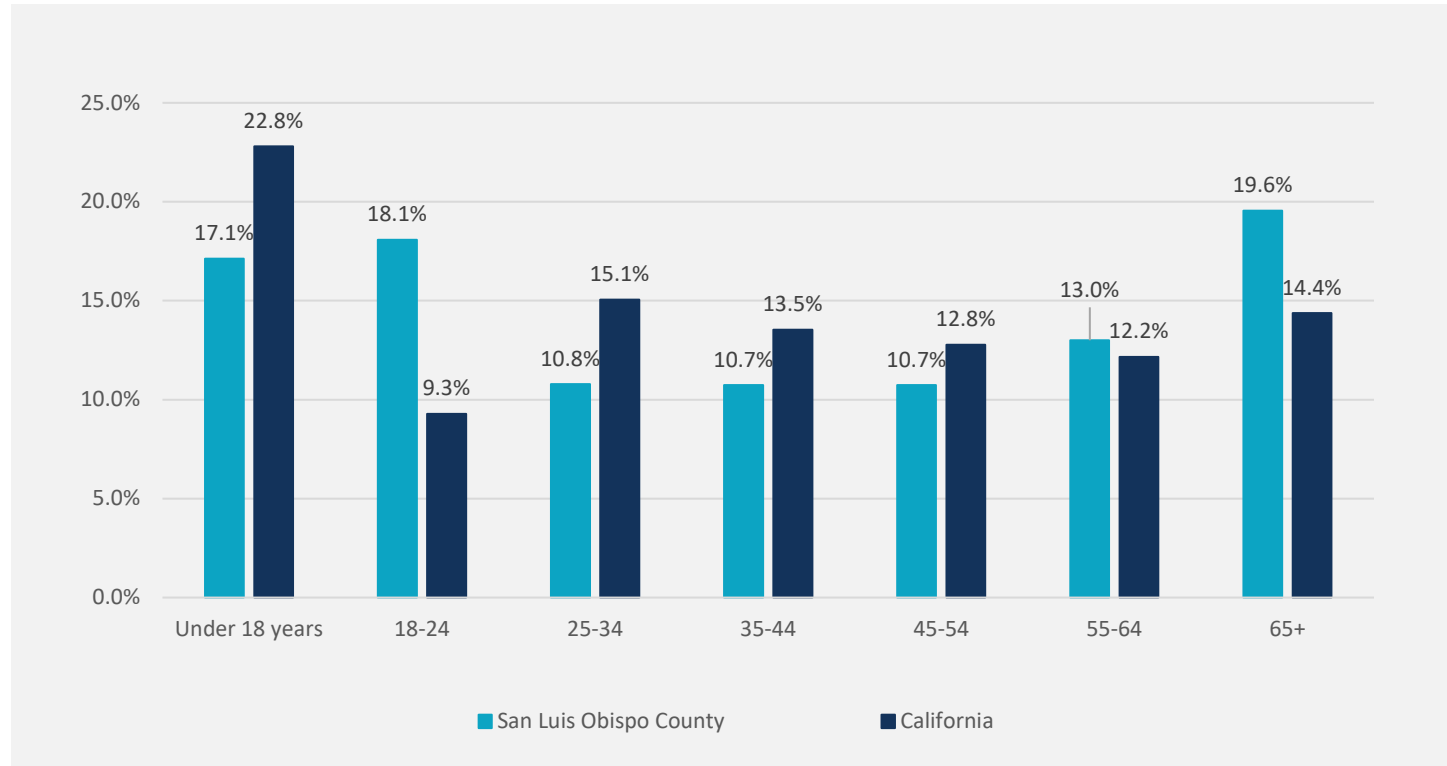


JobsEQ Q3 2022, Bureau of Labor Statistics. Quarterly Census of Employment and Wages (2022).

Key Finding #7

San Luis Obispo County has a “U-shaped” age distribution.

Age Composition in San Luis Obispo County (2021)

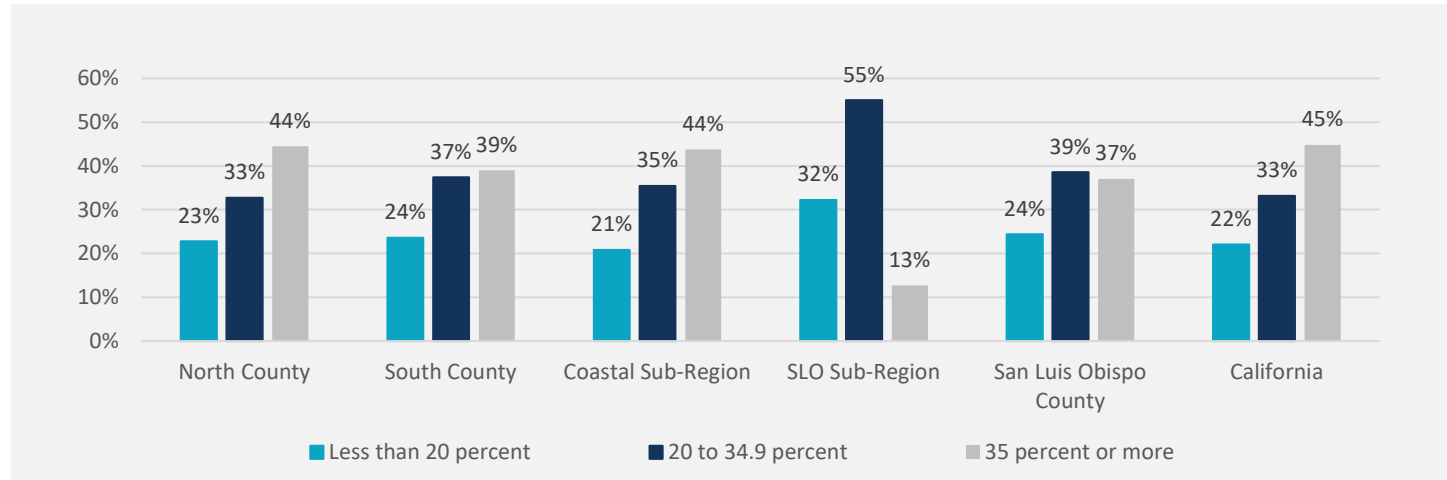


United States Census Bureau.
American Community Survey 5-year
Estimates (2021).

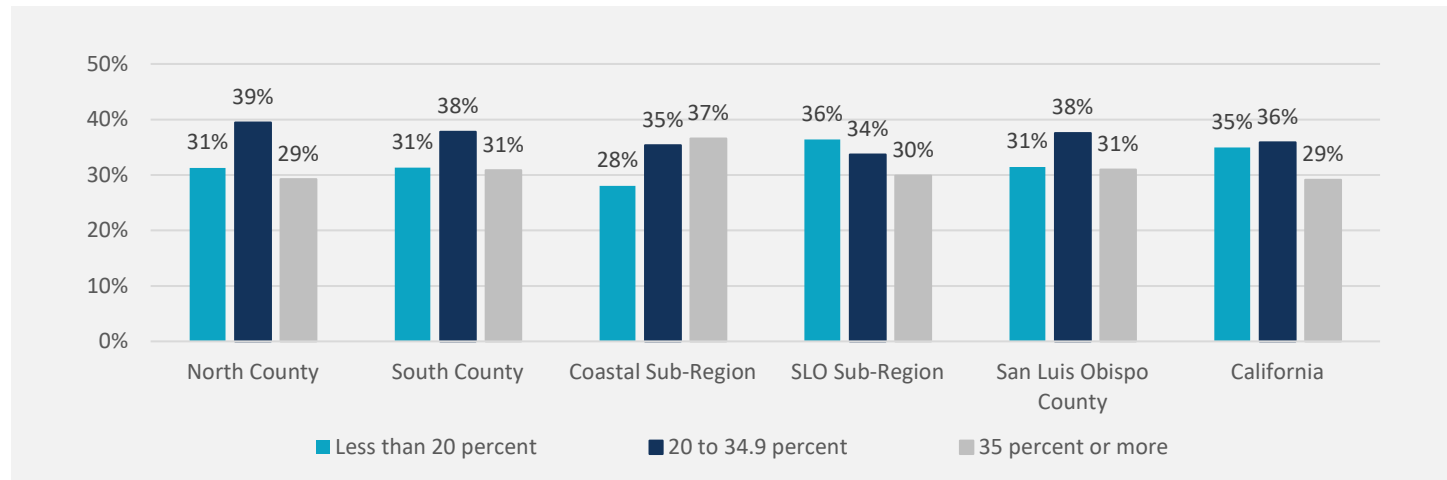
Key Finding #8a

Housing burdens are significant in San Luis Obispo County.

Homeowners' Share of Income Spent on Housing Costs (2021)



Renters' Share of Income Spent on Housing Costs (2021)

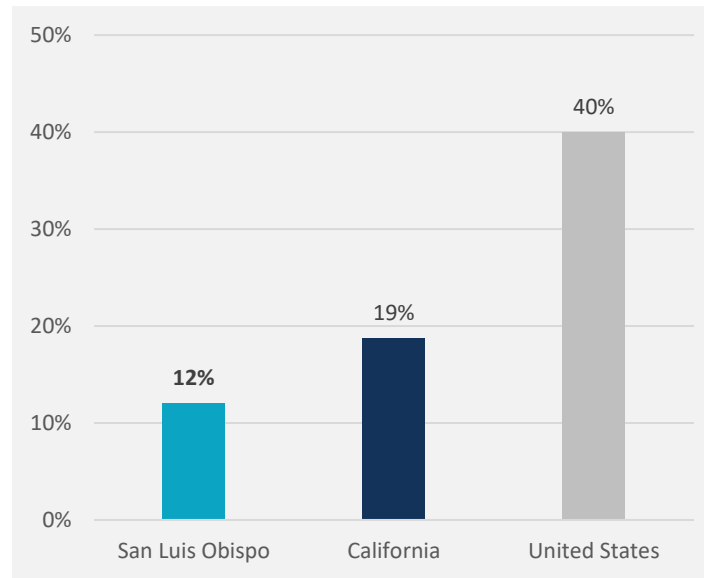


United States Census Bureau. American Community Survey 5-year Estimates (2021).

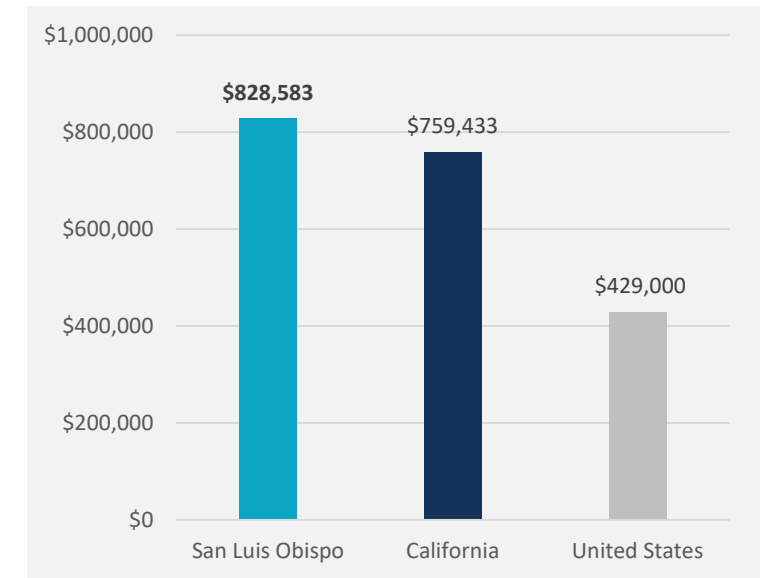
Key Finding #8b

Housing Costs in San Luis Obispo County are higher than state and national averages.

Percent of Households who can Afford a Median-Priced Home (2023)



Median Home Price, Single-Family Detached Homes (2023)

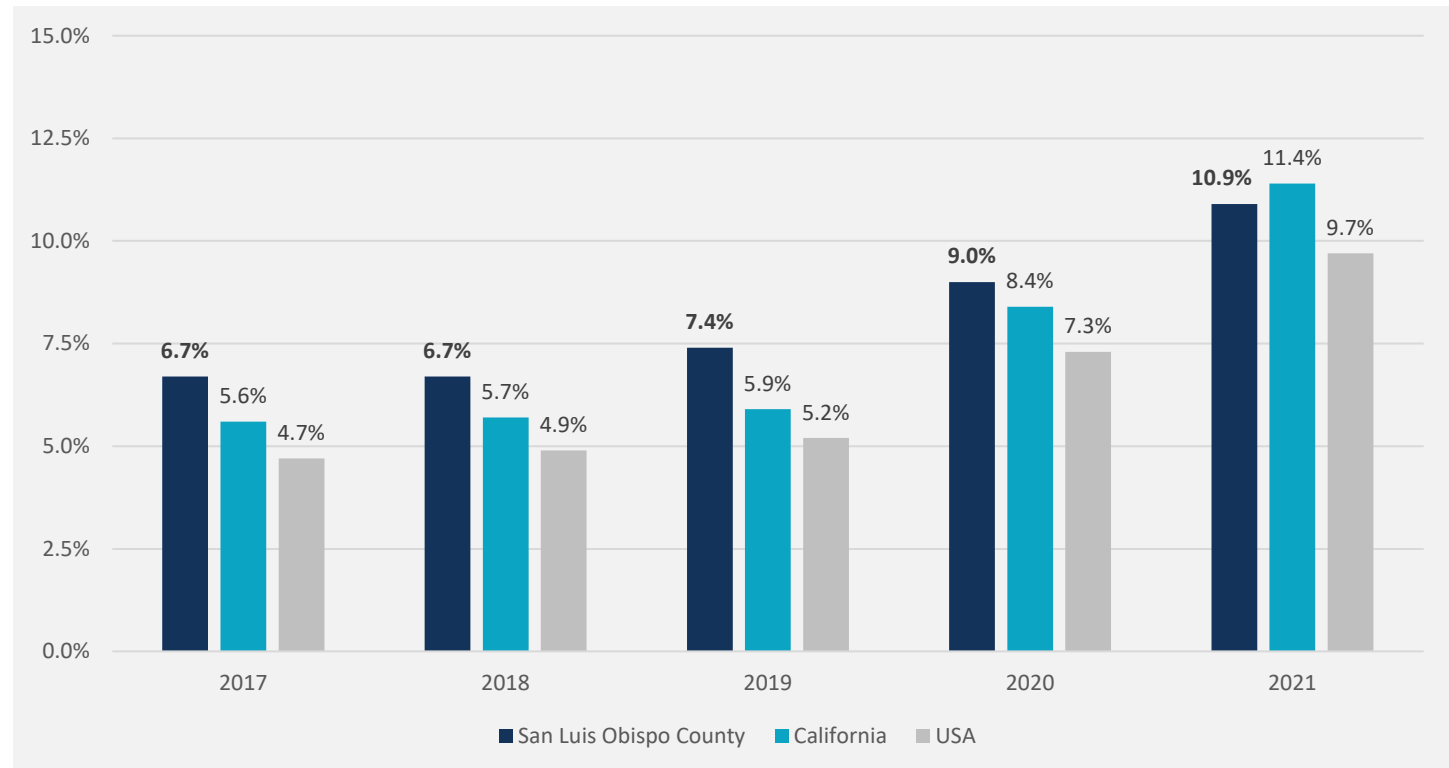


California Association of Realtors. Housing Affordability Index and Historical Housing Dataset (2023).

Key Finding #9

Remote work is increasing in San Luis Obispo County.

Percent of Residents Working from Home (2021)

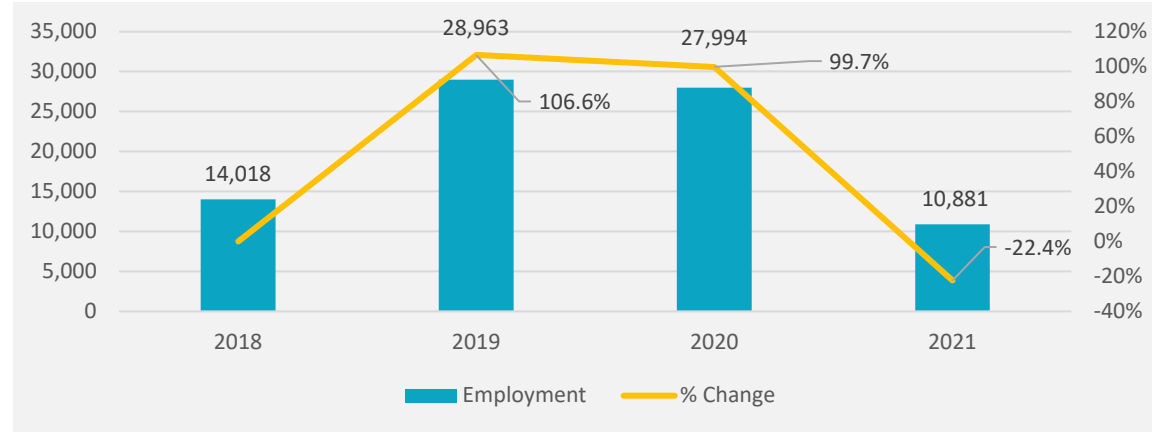


United States Census Bureau. American Community Survey 5-year Estimates (2021).

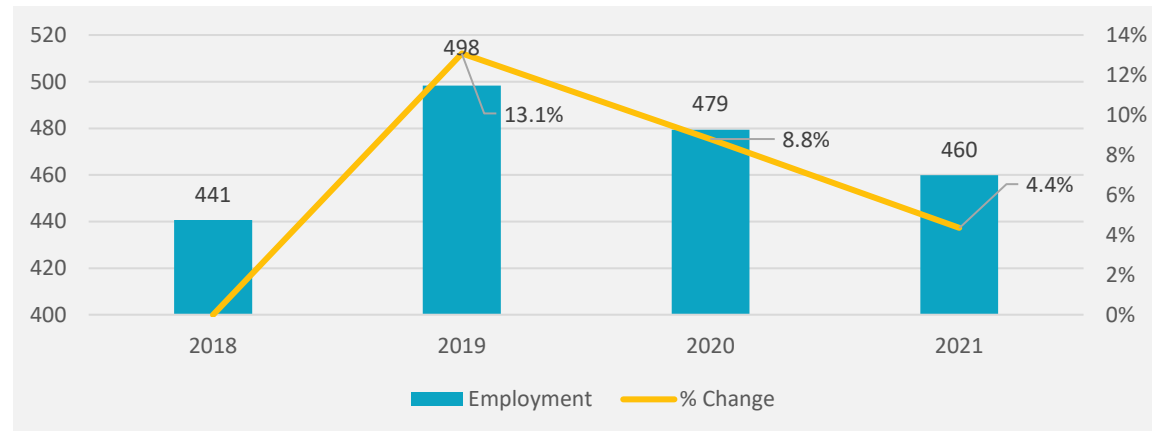
Key Finding #10

Crucial sectors of the county's infrastructure workforce have lost jobs in recent years. Absent current investments in local talent, future projects may be delayed if workers from outside the region are not available to shore up the county's infrastructure workforce.

SLO County Energy Workforce Employment (Cumulative % Change, 2018-2021)



SLO County Water Workforce Employment (Cumulative % Change, 2018-2021)

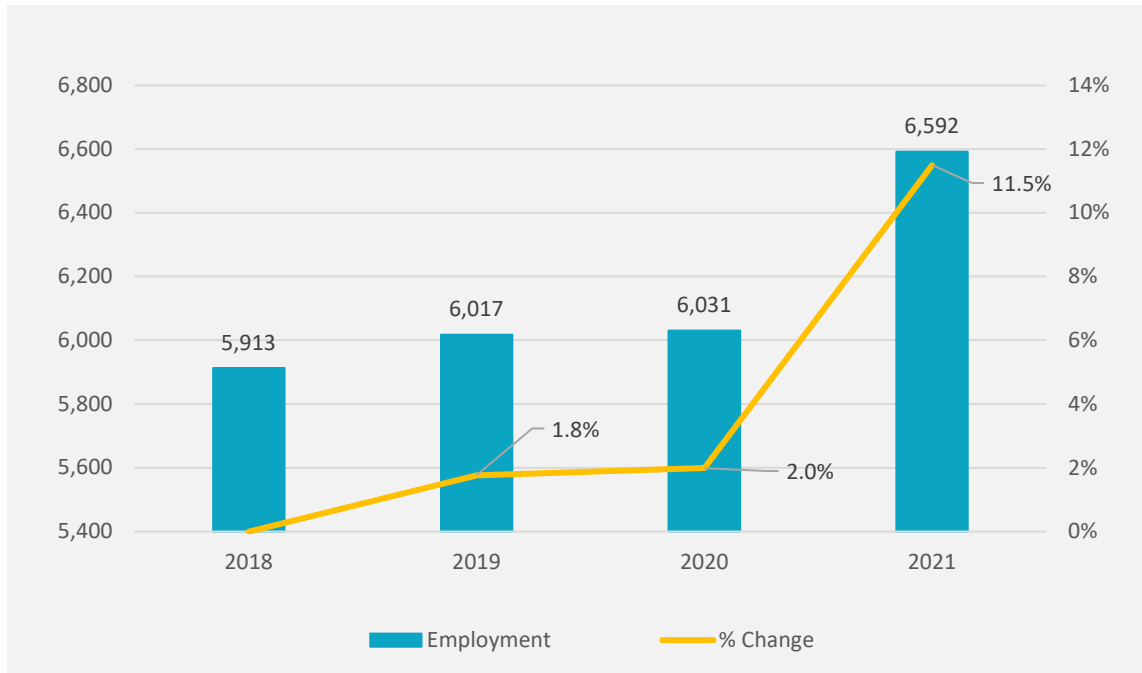


United States Census Bureau. American Community Survey 5-year Estimates (2021).

Key Finding #11

The county's residential construction workforce is aging, and a wave of retirements is approaching.

SLO County Residential Construction Workforce Employment (Cumulative % Change, 2018-2021)



SLO County Residential Construction Workforce Employment by Age Range (2021)

Age Group	14-24	25-34	35-44	45-54	55-64	65+
Employment (%)	8%	19%	28%	20%	17%	9%

Next Step #1: **Attract &** **Retain** **Talent**



Develop the entrepreneurial ecosystem to support the growth of new local businesses, particularly in higher-wage sectors.

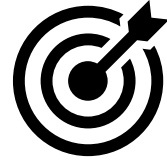


Support the needs of remote workers by investing in local transportation and telecommunications infrastructure and better understand their role in the county economy.



Ensure an adequate supply of local affordable housing to ensure that high housing costs do not constrain local labor market growth.

Next Step #2: Address Declining Job Quality



Develop local employment pathways for higher-wage jobs and industry clusters. Foster connections between local educational institutions and local businesses.



Partner with education providers to fill skills gaps in pathways to higher-wage jobs. Work with Cuesta College, Cal Poly, and labor unions to develop training courses and programs to fill skills gaps. (See Appendix A in the report)



Support local hiring initiatives in high-wage construction jobs to maximize employment opportunities for residents that will arise due to upcoming infrastructure investments.

**Questions:
What should
we be
tracking**



Business Birth & Growth Rate – Are new businesses being birthed in SLO County and are they expanding and if so in which industries?



How are industry clusters evolving in SLO – How are career pathways, supply chains, and use of technology changing in SLO's larger more dominant clusters (Tourism, Healthcare, Agriculture & Food, PBS, and Building & Design)



How is SLO's demography and work to housing relationship evolving – How does the change in the available workforce impact long-term business and employment growth?



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