

LMI TUESDAYS!!!!

Session 9: North Carolina's Industry Outlook!

September 7, 2021

Jeff Rosenthal

Senior Labor Market Analyst

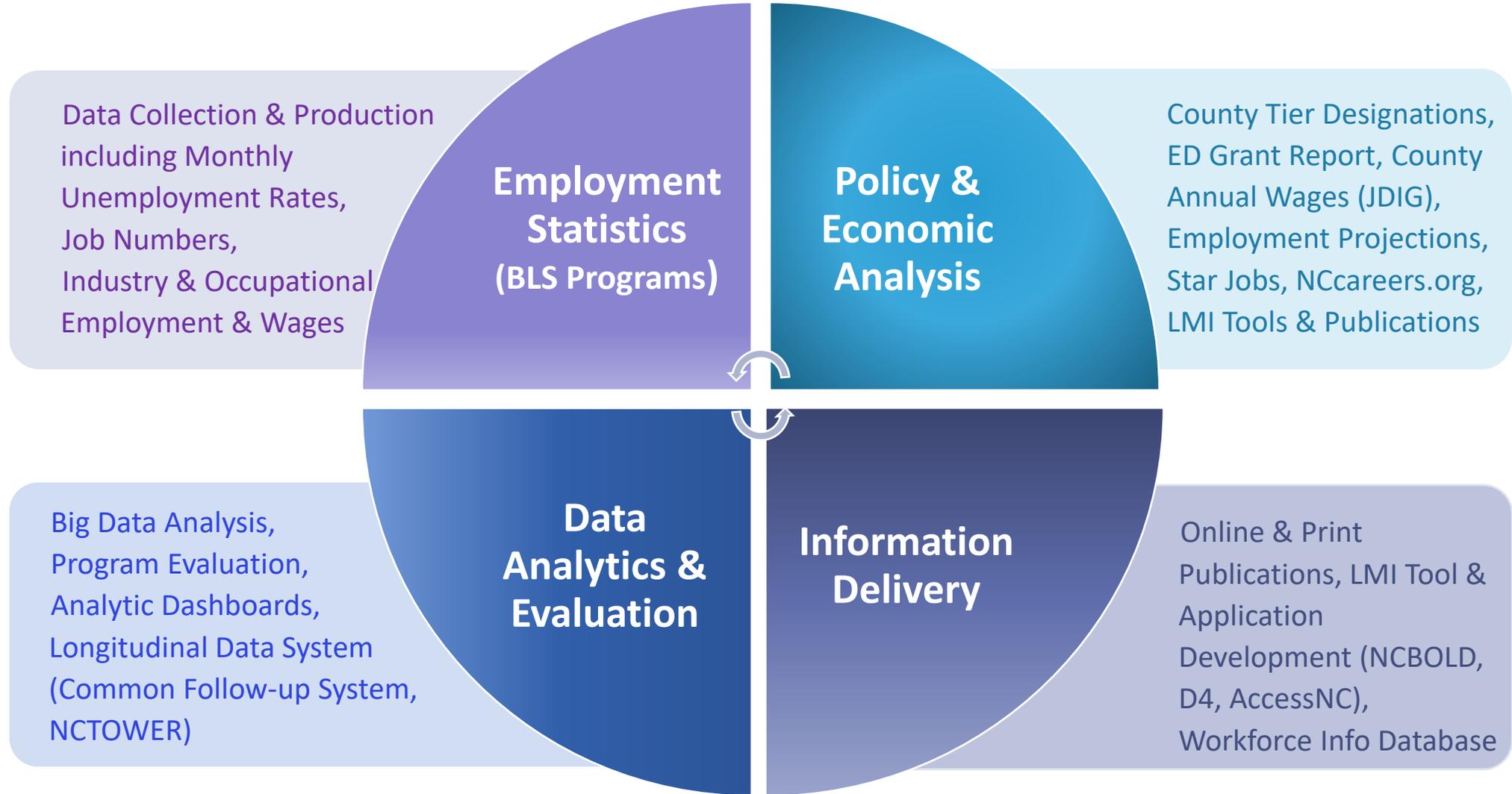
NC Department of Commerce

Thanks:

Meihui Bodane, Jeff DeBellis,
Negussie Asfaw, and Chi Wong

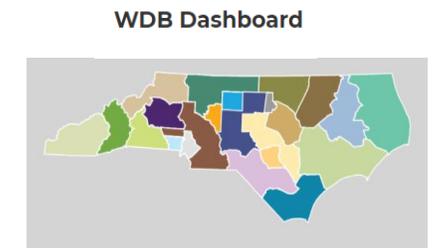
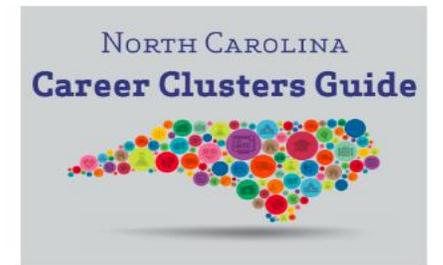


LEAD TEAMS





SAMPLE LIST OF PRODUCTS AND TOOLS



Foci for Today's Talk

- 1. What are the current industries and their locations?**
- 2. Where do we project future growth?**

Current Industry Landscape in NC

<https://d4.nccommerce.com/>



Quarterly Census of Employment and Wages (QCEW)

- Latest 2021Q1
- Down to County Level
- Detailed Industries

Current Industry Landscape

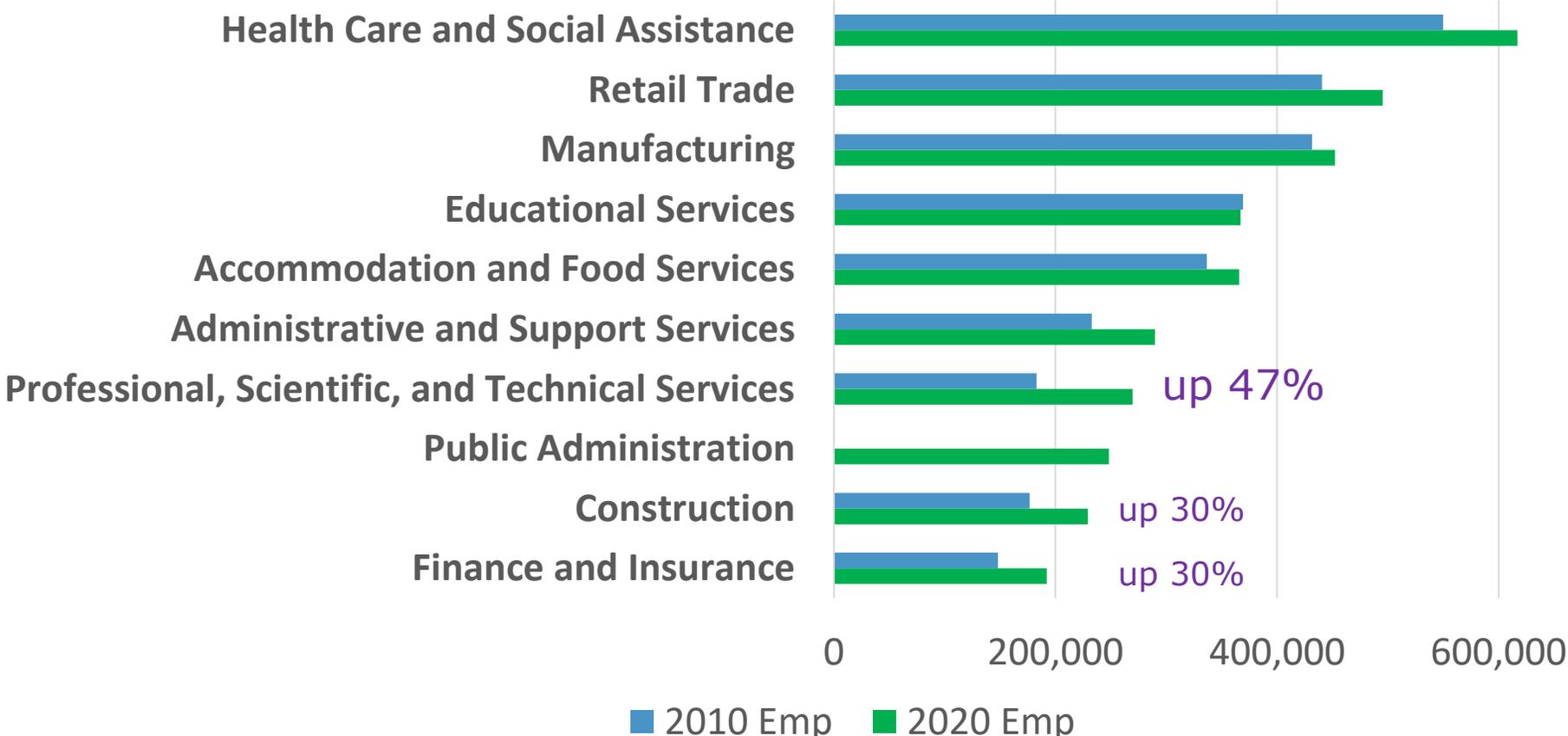
Largest Industries by Employment 2021Q1

Industry	Establishments	Average Employment	Average Weekly Wage	% of Total Employment
Health Care and Social Assistance	27,521	623,688	\$1,034	14.2%
Retail Trade	35,171	509,902	\$634	11.6%
Manufacturing	10,256	459,754	\$1262	10.5%
Educational Services	6,998	372,368	\$969	8.5%
Accommodation and Food Services	22,779	368,587	\$365	8.4%

Source: NC Dept of Commerce/LEAD, Quarterly Census of Employment and Wages 2021 Quarter 1

Current Industry Landscape

Largest Industries 2010-2020



Source: NC Dept of Commerce: Quarterly Census of Employment and Wages 2010 and 2020 Annual

Current Industry Landscape

Where are the Industries Located?

A lot of the top 5 largest industries are located across the state

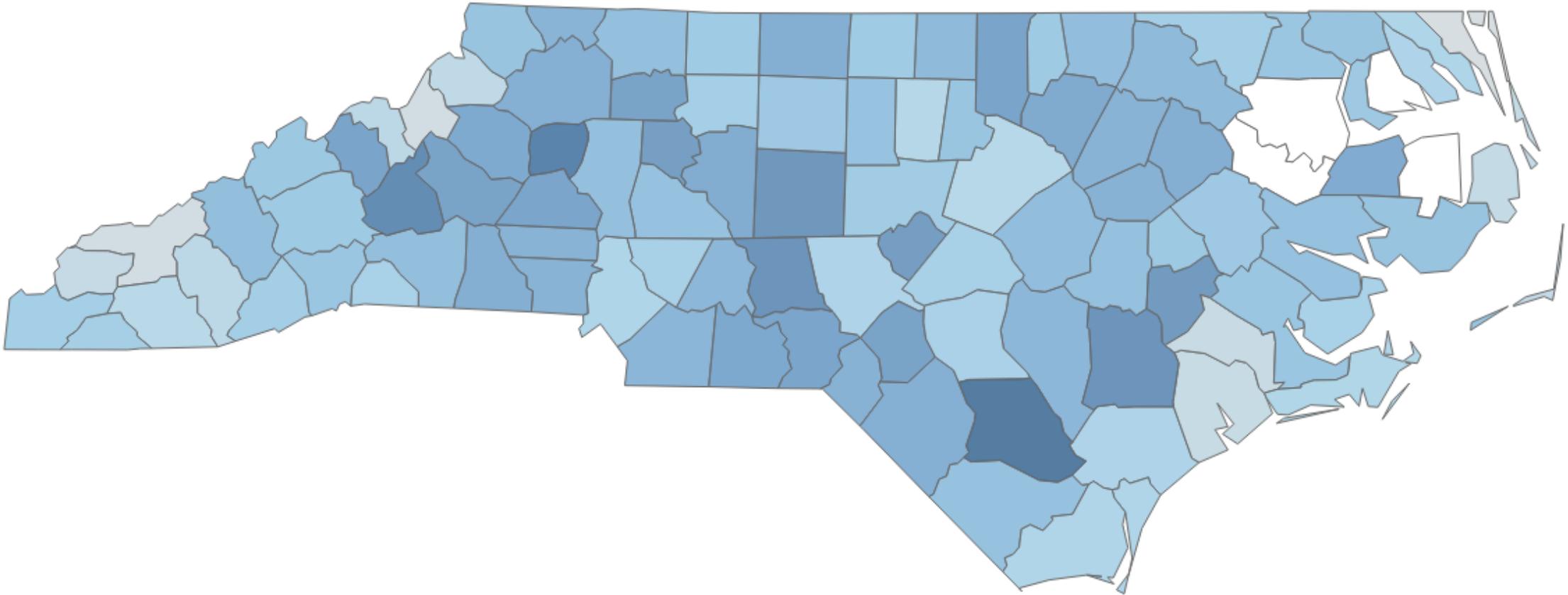
- Health Care & Social Assistance
- Retail Trade
- **Manufacturing**
- Educational Services
- Accommodation & Food Services

Use Location Quotient (LQ) to identify specialization

LQ= $\frac{\text{proportion of employment in industry I in small region}}{\text{proportion of employment in industry I in larger region}}$

Current Industry Landscape

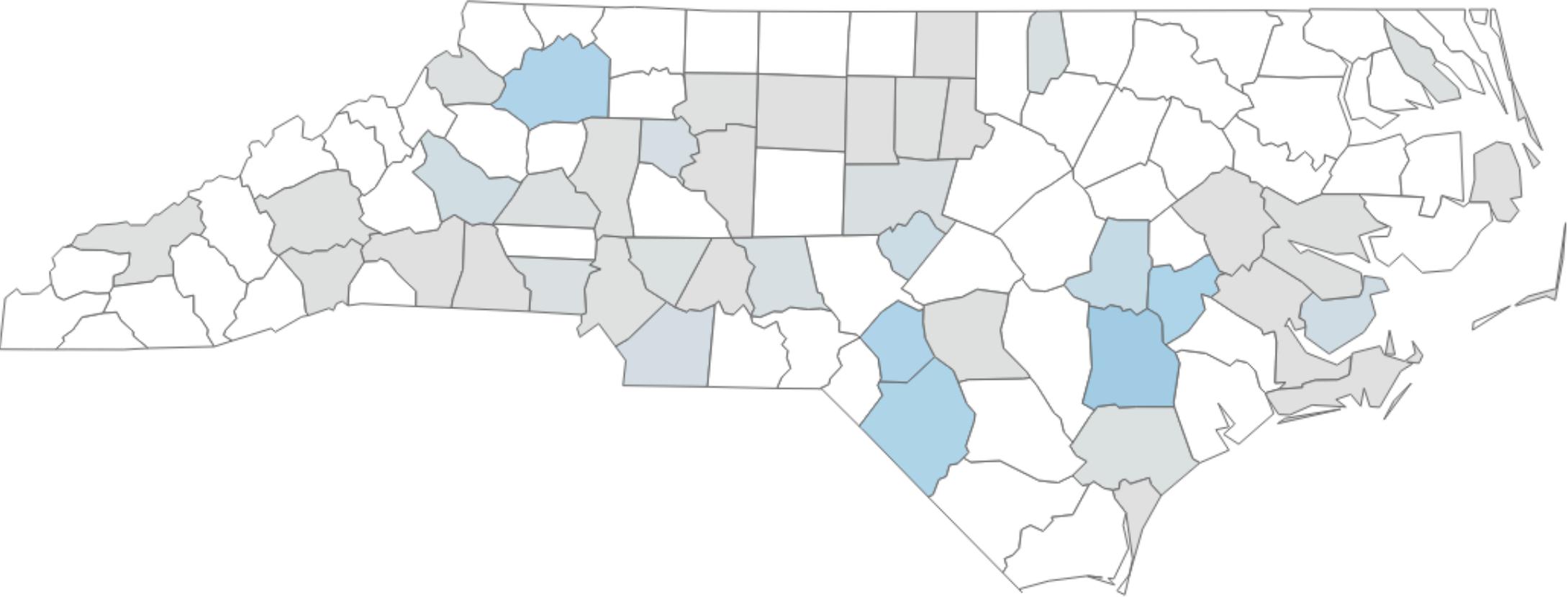
Manufacturing by Location Quotient



Source: US Department of Labor Bureau of Labor Statistics and NC Dept of Commerce: Quarterly Census of Employment 2020Q3 Private

Current Industry Landscape

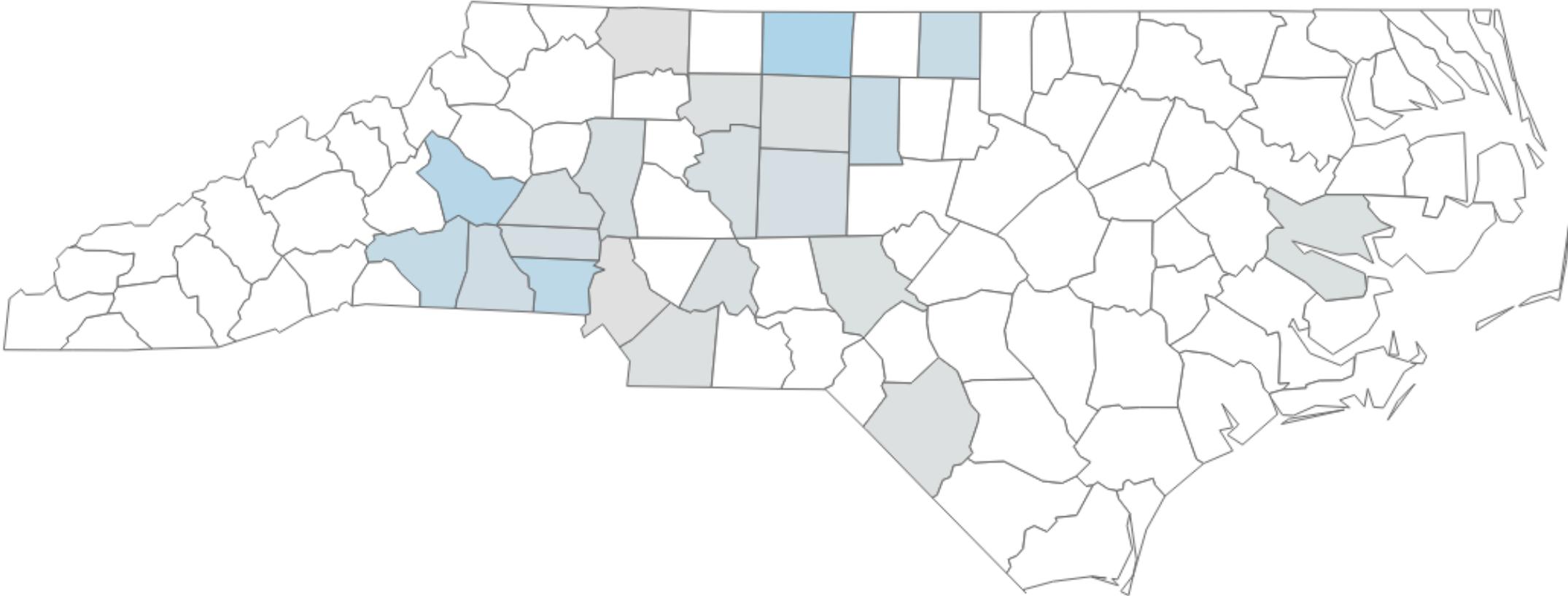
Food Manufacturing by Location Quotient



Source: US Department of Labor Bureau of Labor Statistics and NC Dept of Commerce: Quarterly Census of Employment 2020Q3 Private

Current Industry Landscape

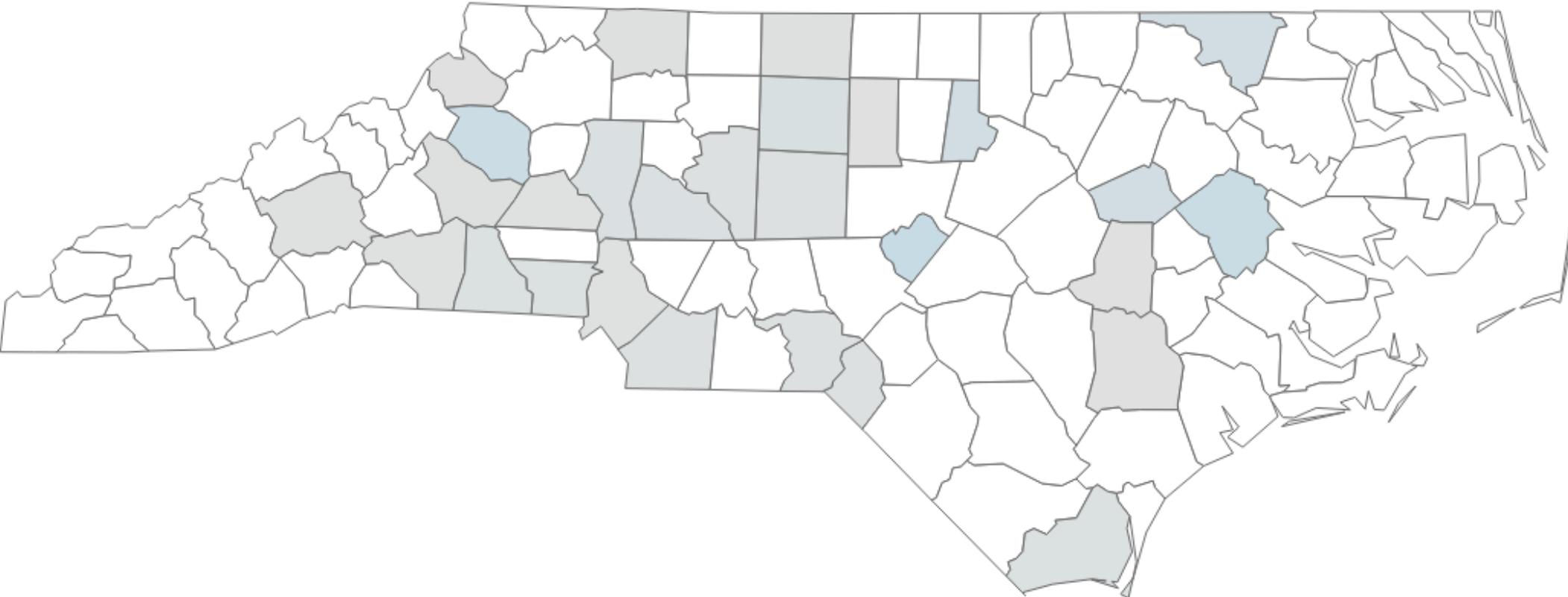
Textile Mills by Location Quotient



Source: US Department of Labor Bureau of Labor Statistics and NC Dept of Commerce: Quarterly Census of Employment 2020Q3 Private

Current Industry Landscape

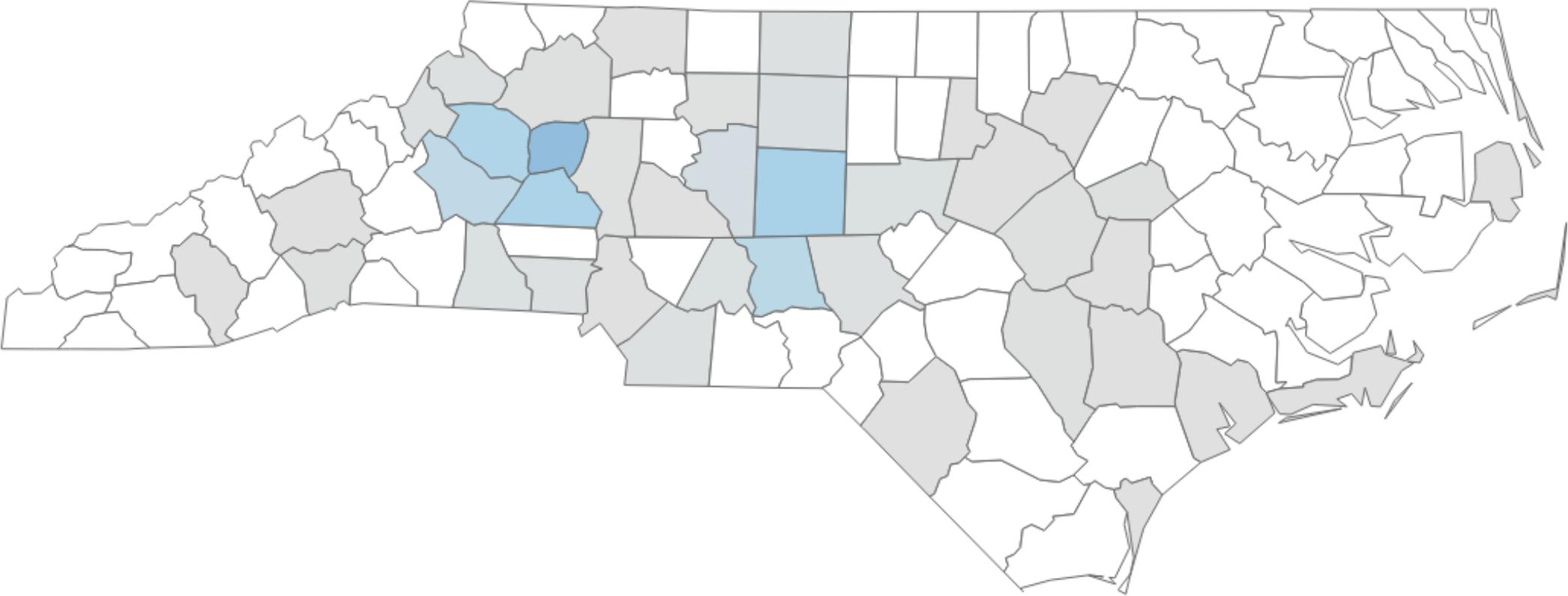
Chemical Manufacturing by Location Quotient



Source: US Department of Labor Bureau of Labor Statistics and NC Dept of Commerce: Quarterly Census of Employment 2020Q3 Private

Current Industry Landscape

Furniture Manufacturing by Location Quotient



Source: US Department of Labor Bureau of Labor Statistics and NC Dept of Commerce: Quarterly Census of Employment 2020Q3 Private

Projecting **Demand** into the Future

Long-Term Employment Projections 2018-2028

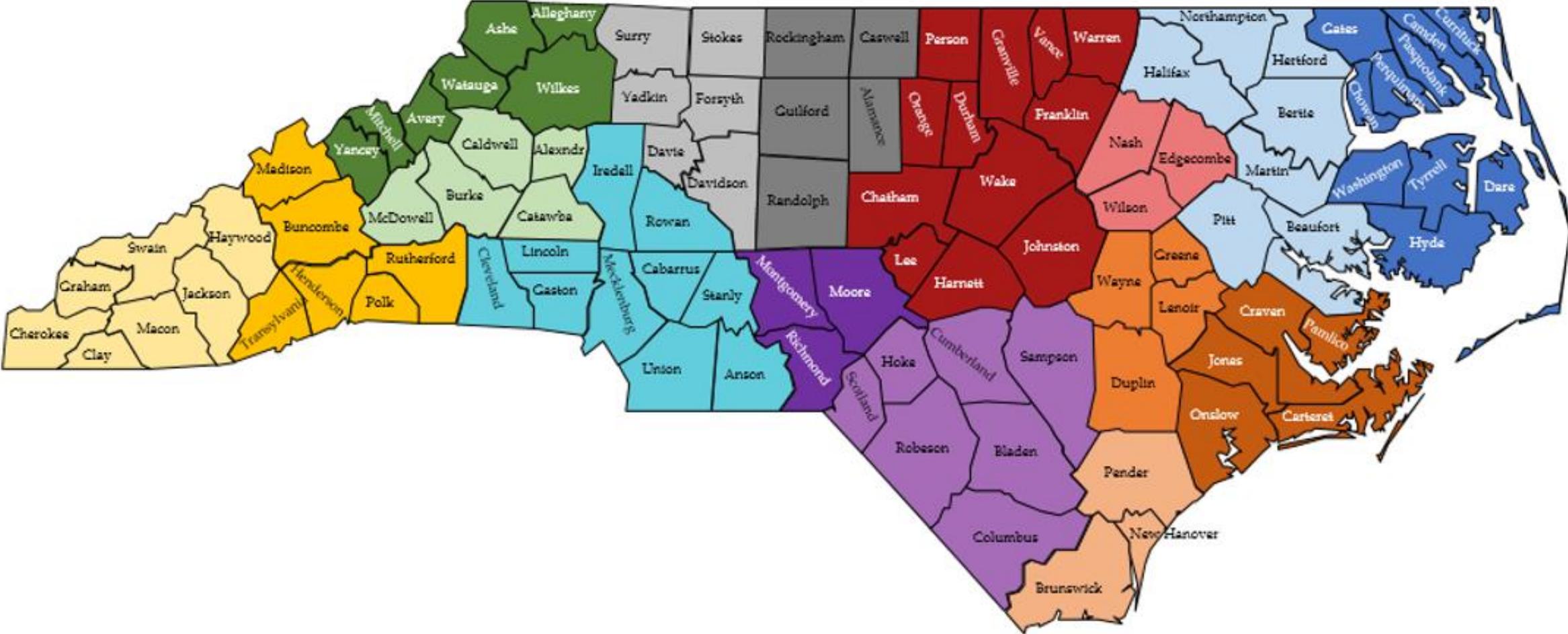
Ingredients:

- **employment trends from 1990**
- **consideration of covariates like industrial output and population**

Caveats:

- **COVID impact not included**
- **Does not include announced job creation**
- **Does consider automation and technology through review process, but more in occupational projections**

Sub-State Projections Regions



Largest Projected Growth Industries

Statewide 2018-2028

Industry Title	Employment Estimate 2018	Employment Estimate 2028	Net Change	Percent Change
Health Care and Social Assistance	589,919	670,722	80,803	13.70%
Accommodation and Food Services	430,360	476,729	46,369	10.77%
Professional, Scientific, and Technical Services	254,871	295,088	40,217	15.78%
Construction	221,048	250,996	29,948	13.55%
Administrative and Support and Waste Management and Remediation Services	296,963	316,564	19,601	6.60%
Finance and Insurance	173,423	191,880	18,457	10.64%
Educational Services	381,773	396,173	14,400	3.77%
Management of Companies and Enterprises	83,296	93,319	10,023	12.03%
Government	298,616	308,527	9,911	3.32%
Other Services (except Government)	173,555	182,634	9,079	5.23%

Source: NC Dept of Commerce: 2018-2028 Employment Projections

Fastest Projected Growth Industries

Statewide 2018-2028

Industry Title	Employment Estimate 2018	Employment Estimate 2028	Net Change	Percent Change
Professional, Scientific, and Technical Services	254,871	295,088	40,217	15.78%
Health Care and Social Assistance	589,919	670,722	80,803	13.70%
Construction	221,048	250,996	29,948	13.55%
Management of Companies and Enterprises	83,296	93,319	10,023	12.03%
Accommodation and Food Services	430,360	476,729	46,369	10.77%
Finance and Insurance	173,423	191,880	18,457	10.64%
Arts, Entertainment, and Recreation	75,927	81,887	5,960	7.85%
Administrative and Support and Waste Management and Remediation Services	296,963	316,564	19,601	6.60%
Real Estate and Rental and Leasing	60,122	64,022	3,900	6.49%
Other Services (except Government)	173,555	182,634	9,079	5.23%

Source: NC Dept of Commerce: 2018-2028 Employment Projections

Projected Growth in Regions

Where are the **Growth** Industries Located?

Health Care and Social Assistance

Professional, Scientific, & Technical Services

Construction

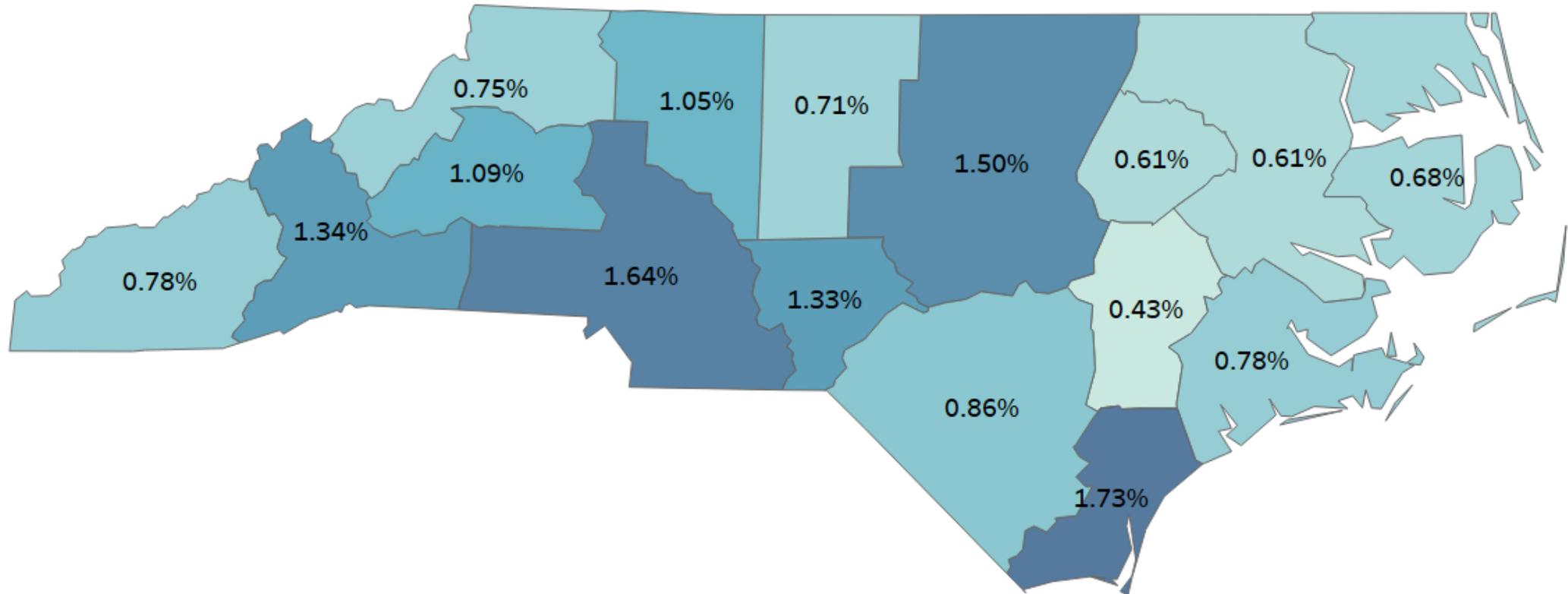
Accommodation & Food Services

Manufacturing

Source: NC Dept of Commerce: Quarterly Census of Employment and Wages 2010 and 2020 Annual

Projected Industry Landscape

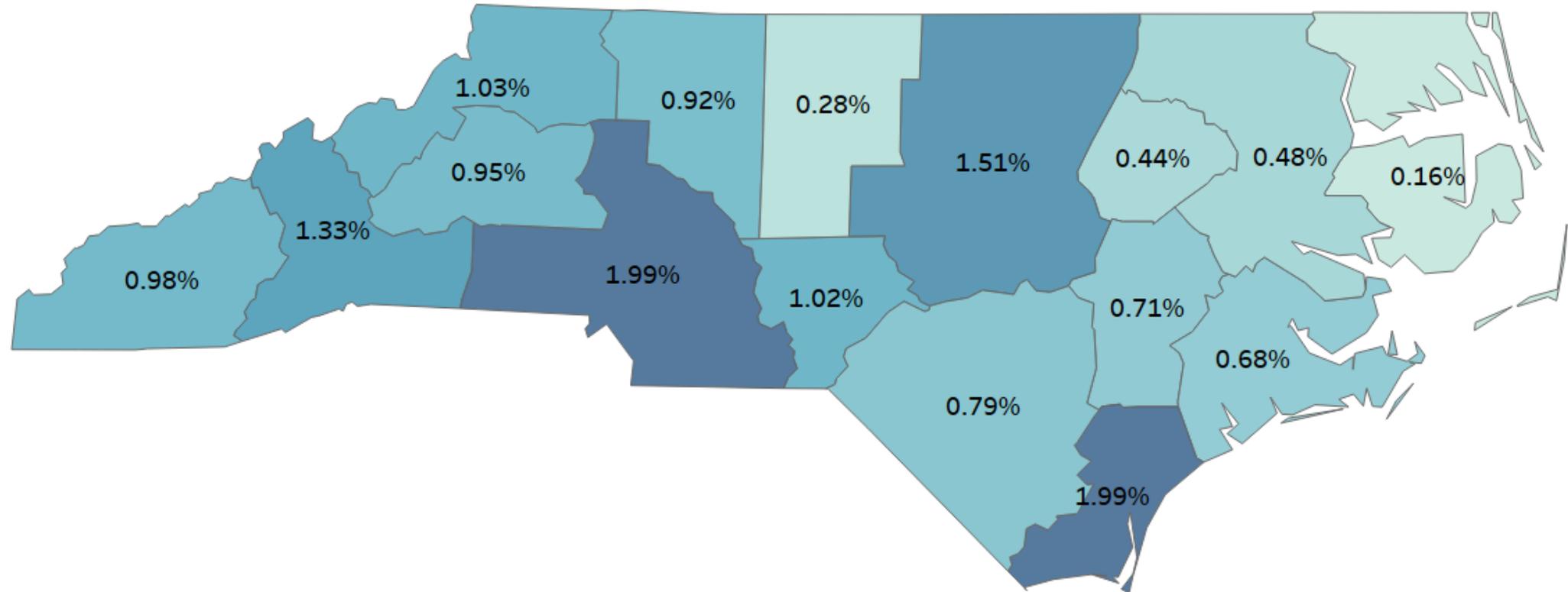
Health Care & Social Assistance by Annualized Growth Rate



Source: NC Department of Commerce: Labor & Economic Analysis Division. 2018-2028 Long-Term Employment Projections

Projected Industry Landscape

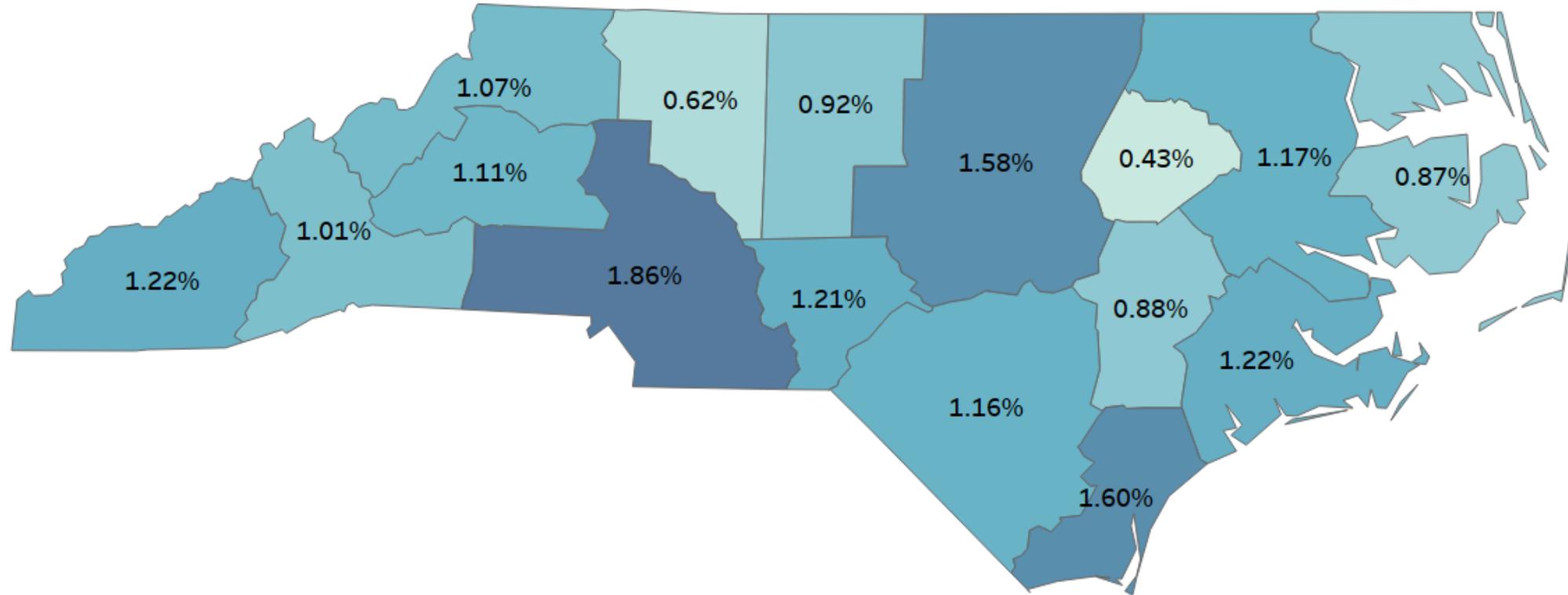
Professional, Scientific, & Technical Services by Annualized Growth Rate



Source: NC Department of Commerce: Labor & Economic Analysis Division. 2018-2028 Long-Term Employment Projections

Projected Industry Landscape

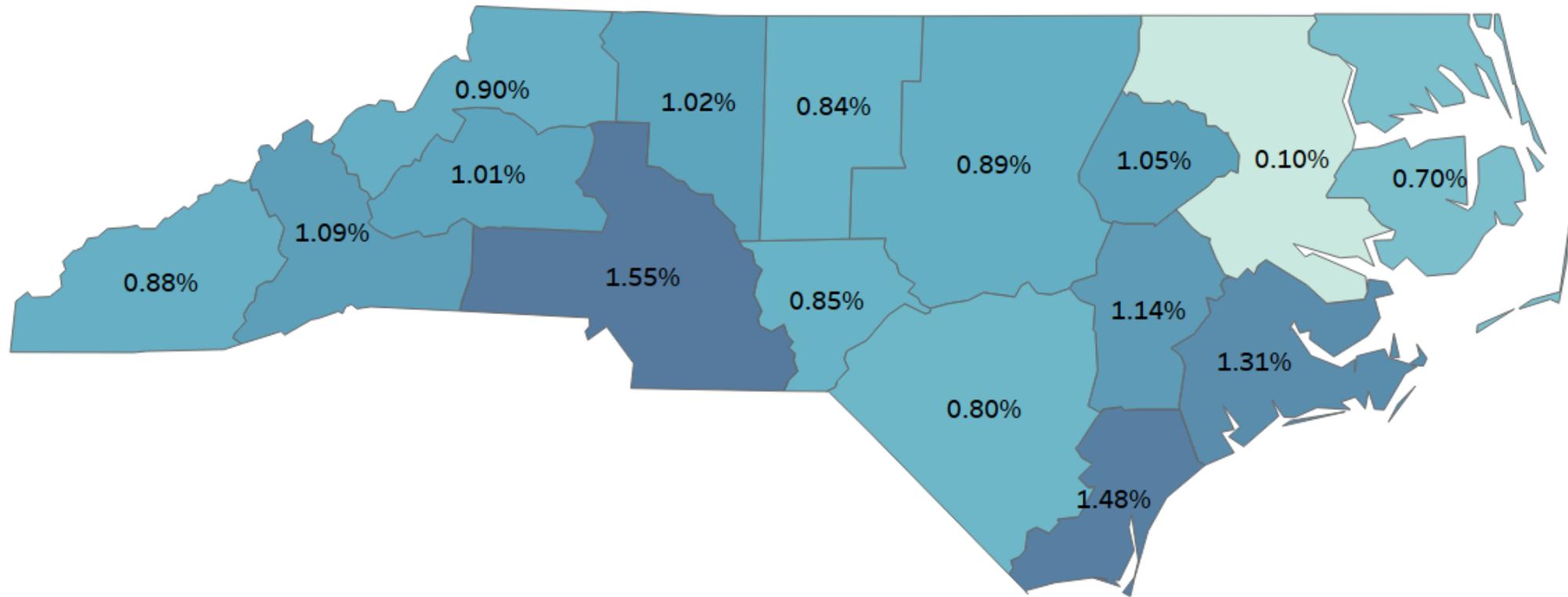
Construction by Annualized Growth Rate



Source: NC Department of Commerce: Labor & Economic Analysis Division. 2018-2028 Long-Term Employment Projections

Projected Industry Landscape

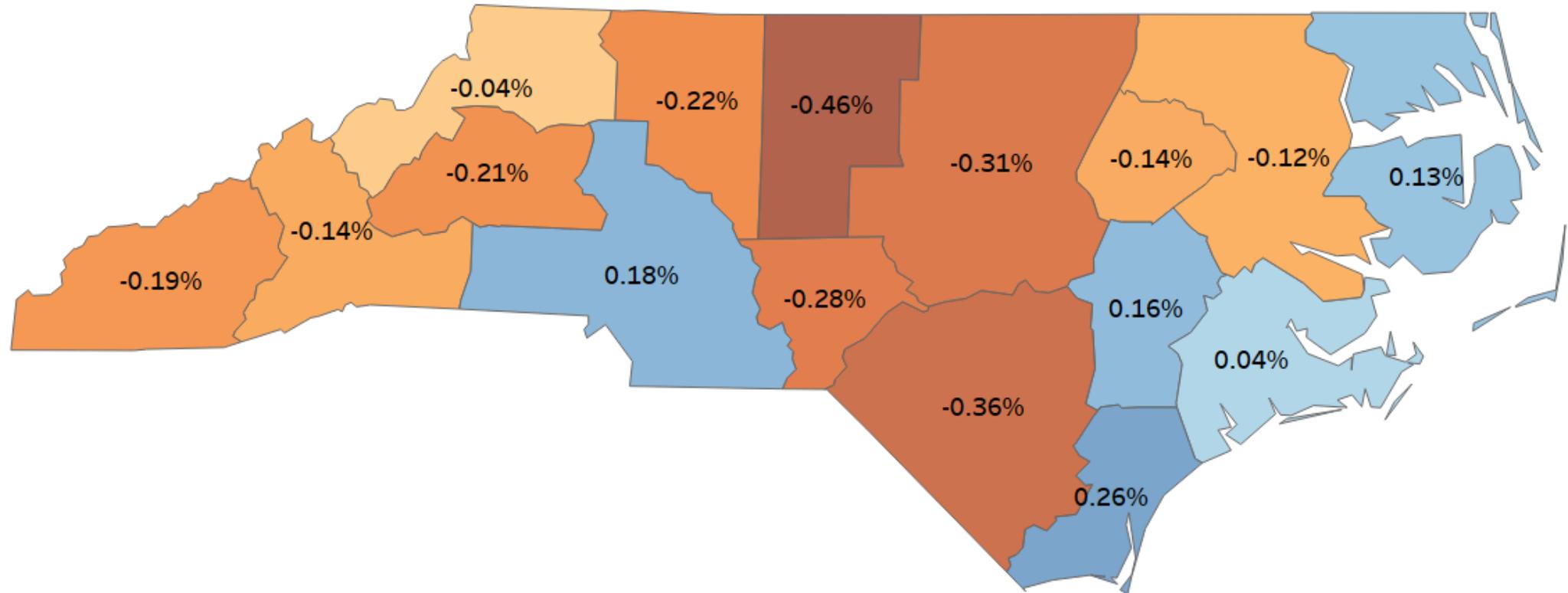
Accommodation & Food Services by Annualized Growth Rate



Source: NC Department of Commerce: Labor & Economic Analysis Division. 2018-2028 Long-Term Employment Projections

Projected Industry Landscape

Manufacturing by Annualized Growth Rate



Source: NC Department of Commerce: Labor & Economic Analysis Division. 2018-2028 Long-Term Employment Projections

Summary

- **Projections can help us understand long term trends for state, and across the state**
- **There are several large and key industries across the state that are expected to grow**
- **There is some regional variation in this growth**
- **We can use this data as context to consider as we plan for the future**



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Questions?

Topic for September 21

Session 10: Cross County Commuting Patterns

This session will very briefly touch upon some research we've presented recently on commuting patterns in our state, and more importantly, briefly show you the Census Bureau's [OnTheMap](#) application so you can start looking at your own patterns.

Some topics

Do you have a topic you'd like to see us try to cover?

Would you like to talk about your experience?

Email me at: jeff.rosenthal@nccommerce.com !!!



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Thank You!

Jeff Rosenthal

jeff.rosenthal@nccommerce.com



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