



NORTH CAROLINA LEADERSHIP FORUM

2016

Challenge

How can we enable more North Carolinians
to earn enough to support their families?

Resource Materials

Data and Research Packet #1

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BACKGROUND AND PURPOSE

The North Carolina Leadership Forum (NCLF) steering committee and planning team are pleased to offer this compilation of resources to help participants prepare for the inaugural NCLF meeting on March 3-4, 2016.

NCLF, a yearlong conversation about the future of North Carolina, seeks to provide a space for open dialogue about the most pressing issues facing our state. One of the great strengths of North Carolina has always been an ability to draw upon our remarkable diversity and to work together for the benefit of our state.

We are concerned, however, that today there are few opportunities for leaders with different perspectives to engage in frank and productive conversation. The NCLF will bring together leaders from across disciplines, industries and geographies to engage in conversation, to understand different points of view about how to address those issues, and to advance mutually acceptable solutions that improve the lives of North Carolinians.

Forum participants are a carefully identified and highly select group of 36 leaders invited to participate in the inaugural NC Leadership Forum. In 2016, the forum will focus on the question: *How can we enable more North Carolinians to earn enough to support their families?*

This compilation of materials highlights research and findings on many of the issues relevant to our overarching theme, and includes some comments from participants made during pre-forum phone conversations with our NCLF planning team. While many areas are covered here, we are aware that many areas are not covered as adequately as some of you might suggest, given your interests and priorities. Some important issues are not covered at all.

The purpose of this document is to familiarize all NCLF participants with information about North Carolina that is likely to be helpful to our discussions in March and in the forum meetings that follow. We welcome and expect your engagement and input on additional information that you think will inform our ongoing conversations and work. We encourage you to view this document as a resource in progress and to reference it throughout the year.

The North Carolina Leadership Forum Steering Committee:

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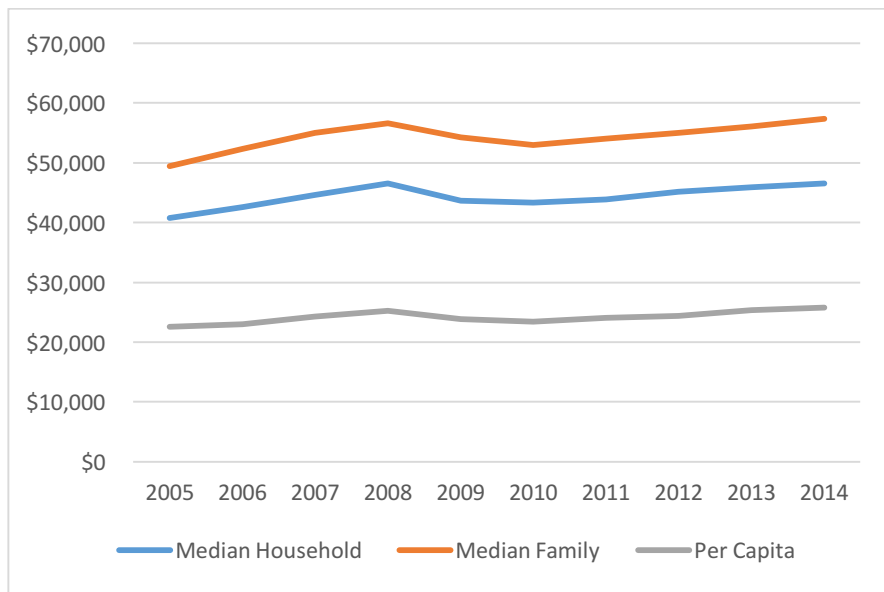
PART 1: ECONOMIC OUTCOMES

"To my mind, it starts with agreement on what the facts are. What are North Carolinians earning, and what is the appropriate level of earning? Are the problems unique to certain demographics?"

- NCLF participant

INCOME

Comparison of Various Income Measure Trends in North Carolina, 2005 - 2014¹



Key Terms

Average Income: The sum of all incomes divided by the total number of incomes. The median is often viewed as the better central measure because averages can be distorted by a small number of extremely large values.

Median Income: The single most widely used measure of income by census; the median reports the income that ranks in the middle of the distribution.

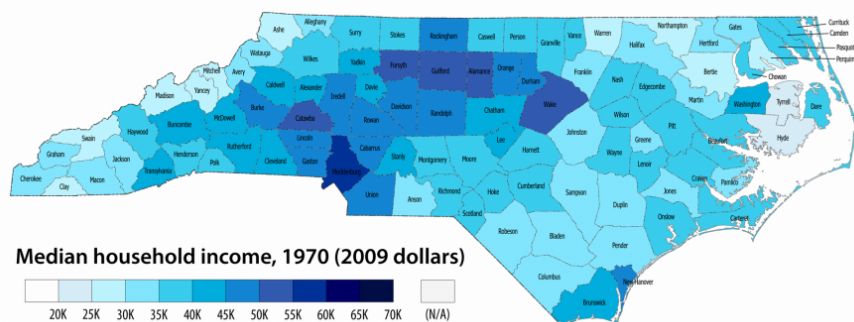
Household Income: The total of income figures reported for all individuals at the same address.

Family Income: The total of income figures reported for all persons in the same household who are related by blood, marriage, or adoption.

Per Capita Income: The total aggregate income for the area divided by the total population. PCI does not take into account "economies of scale" involved when people share a household.

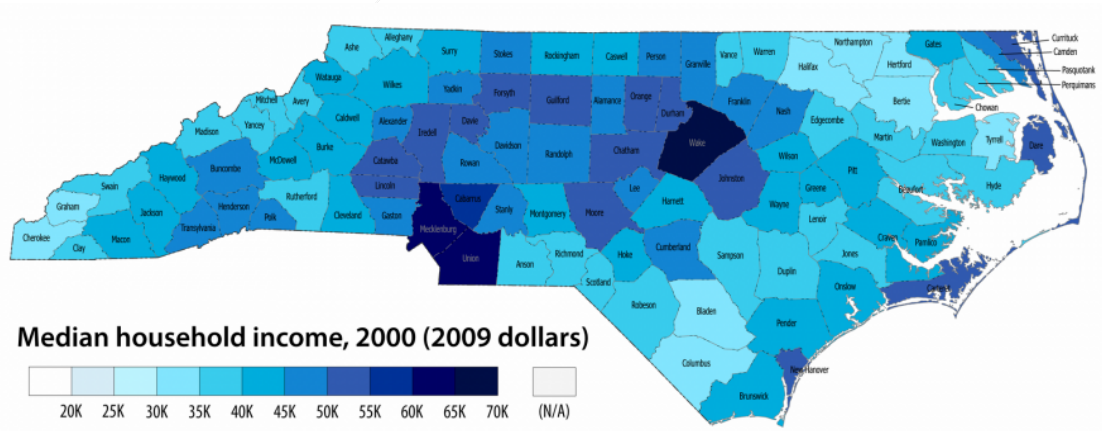
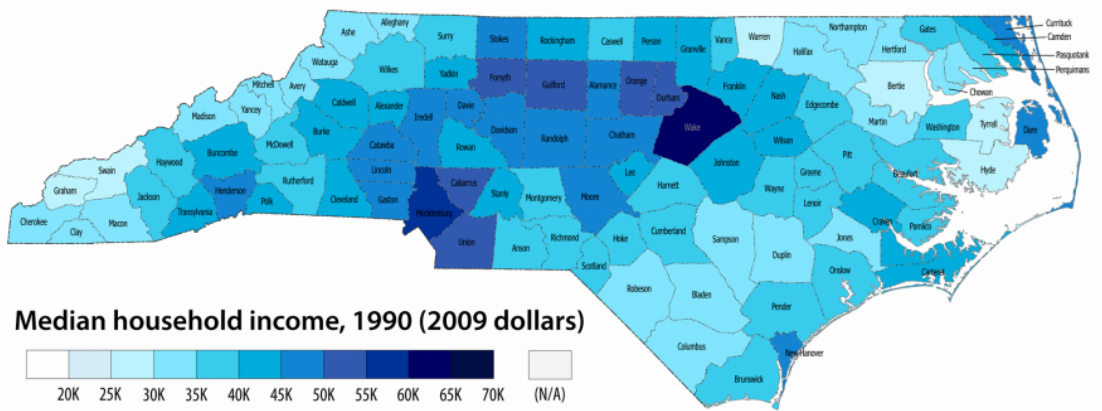
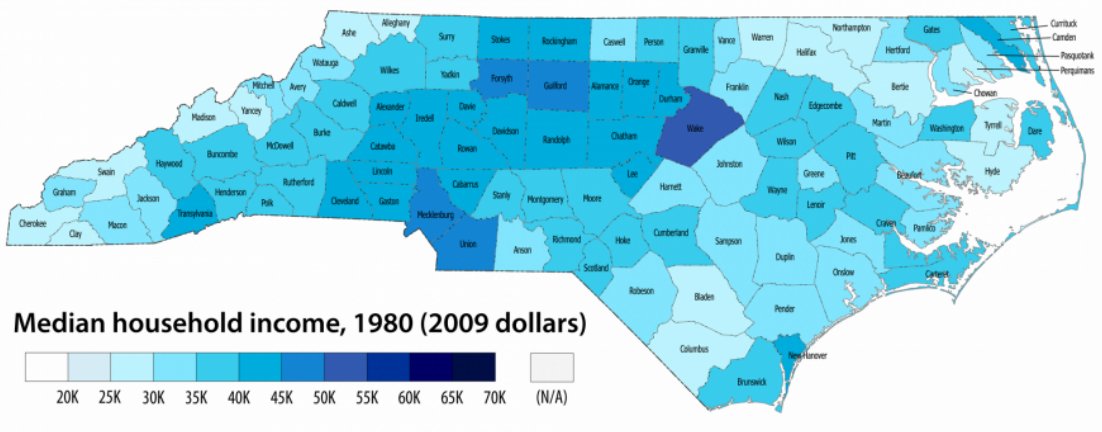
Source: U.S. Census

Median Household Income Trends, 1970 – 2000²



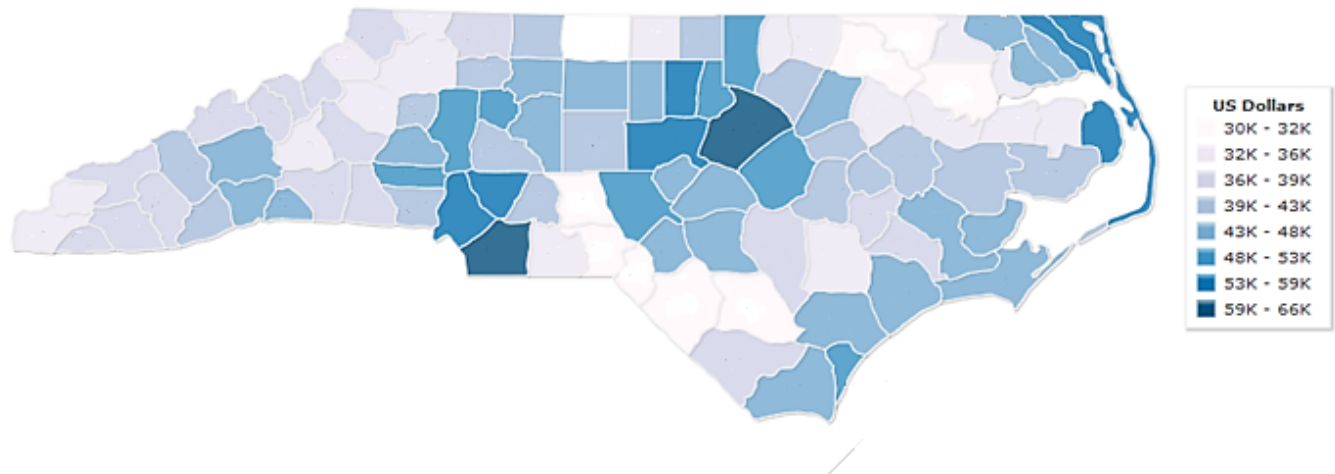
¹ US Census Bureau, American Community Survey. Accessed at: factfinder.census.gov

² Learn NC. "Mapping a Changing North Carolina." Accessed at: www.learnnc.org



North Carolina Median Household Income by County, 2009 – 2013³

This map highlights median household incomes across the state by county. Pockets of higher and lower median household income can be observed in different nodal areas around cities and rural areas.



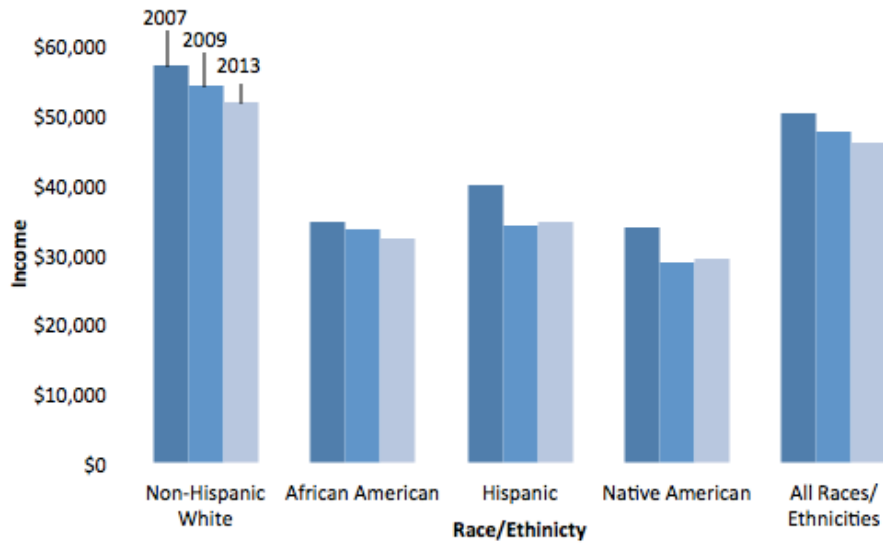
Top and Bottom 5 Median Family Income Counties in 2010, 2012, 2014⁴

2010		2012		2014	
County	Median	County	Median	County	Median
Wake	81,461	Orange	83,967	Orange	85,866
Orange	79,811	Wake	83,691	Wake	84,135
Camden	74,320	Union	73,203	Union	73,755
Union	71,538	Mecklenburg	68,238	Camden	71,070
Mecklenburg	67,375	Camden	69,800	Currituck	70,882
State Median	51,153	State Median	57,146	State Median	57,328
Alleghany	38,535	Tyrrell	39,127	Tyrrell	38,690
Tyrrell	37,708	Alleghany	38,830	Bertie	38,566
Scotland	37,232	Northampton	36,585	Northampton	38,391
Graham	34,831	Scotland	36,452	Scotland	36,940
Robeson	34,788	Robeson	35,549	Robeson	36,042

³ U.S. Census Bureau, American Community Survey, 5-Year Estimates. Accessed at <http://www.indexmundi.com/facts/united-states/quick-facts/north-carolina/median-household-income#map>

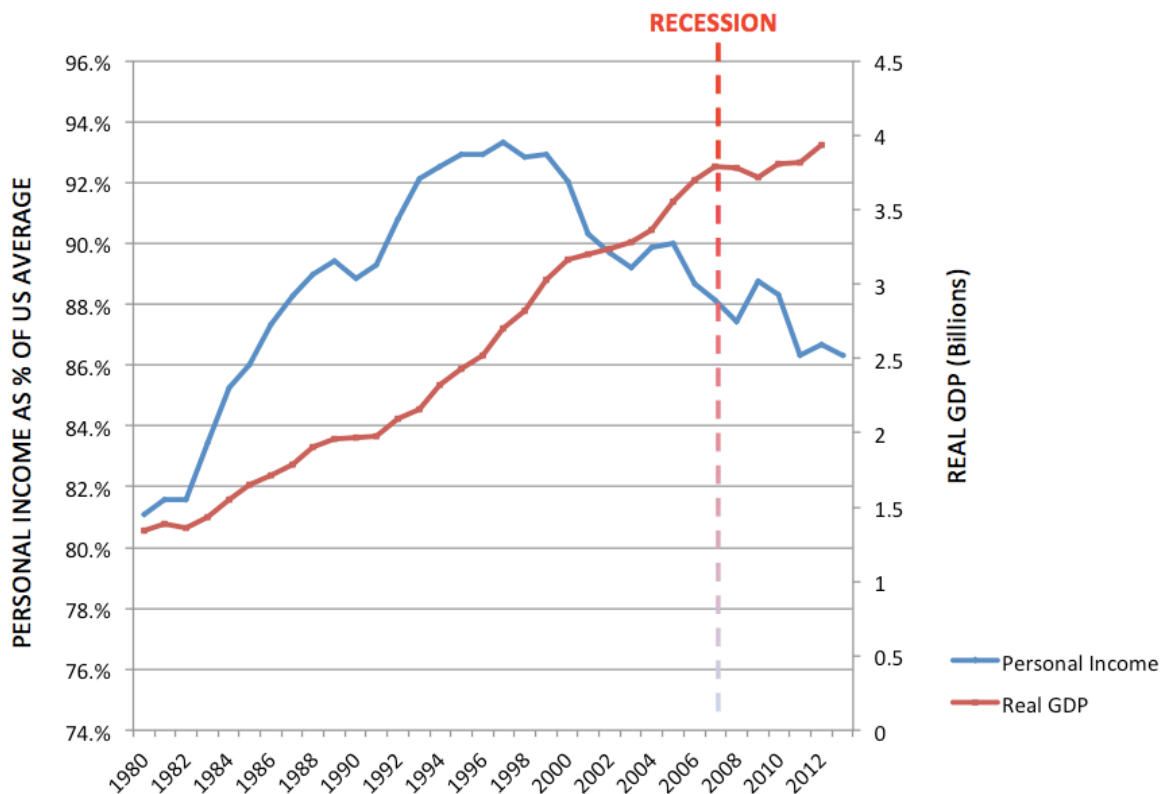
⁴ U.S. Census Bureau, American Community Survey, One-Year Estimates, various.

Median Household Income (2013) By Race/Ethnicity of Householder, NC, 2007 – 2013⁵



NC Per Capita Income as a Percent of U.S., 1964 – 2014⁶

In 2014, NC PCI ranked 39th in the United States. PCI counts all forms of income.



⁵ U.S. Census Bureau, American Community Survey, One-Year Estimates, various.

⁶ Brent Lane (2016). *North Carolina Economy and Income: Growth vs. Gain*. UNC Center for Competitive Economics. Accessed at: <http://www.ncga.state.nc.us/DocumentSites/Committees/JLEGEOC/2015-2016/Meeting%20Documents/2%20-%20February%204,%202016/4%20%20EBL%20UNC%20NCGA%20Econ%20Dev%20Oversight%20cmte%20Feb%204%202016%20final.pdf>

Real Household Income (2013) by Quintile, North Carolina and United States⁷

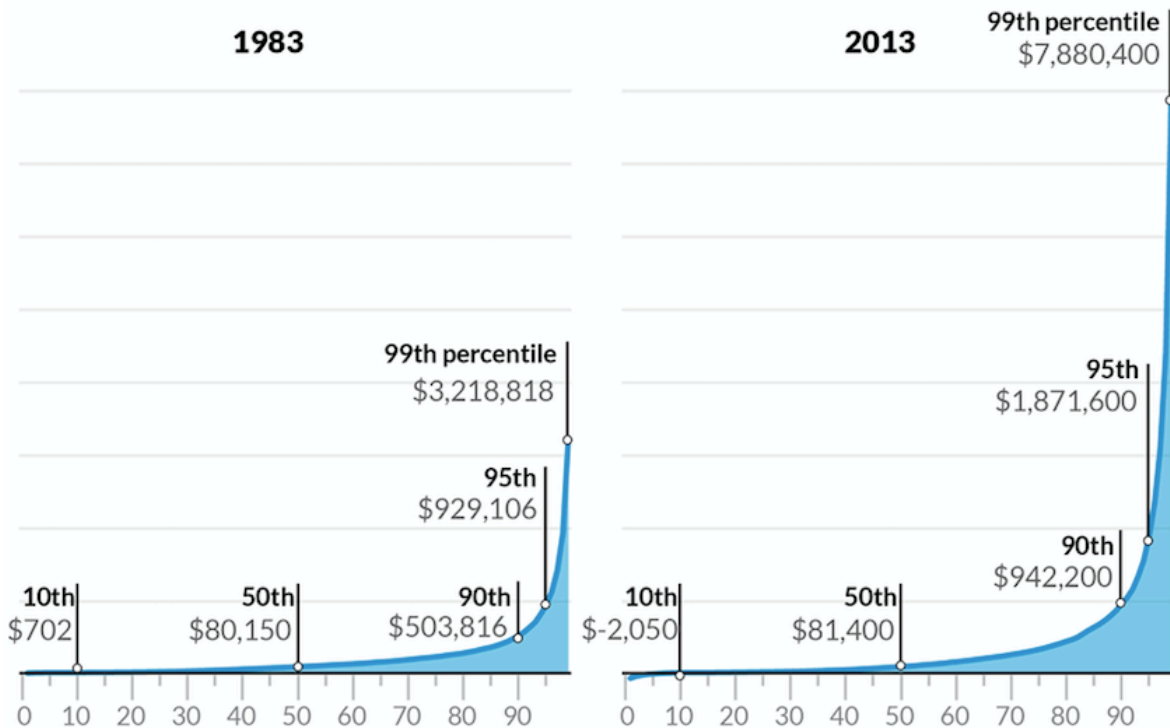
United States			North Carolina	
Income Group	Income Range	Avg. Income	Income Range	Avg. Income
Lowest Fifth	\$0-\$21,433	\$11,544	\$0-\$19,468	\$10,544
Second Fifth	\$21,434-\$41,110	\$30,919	\$19,469-\$36,093	\$27,466
Middle Fifth	\$41,111-\$66,952	\$52,717	\$36,094-\$57,032	\$45,940
Next Fifth	\$66,954-\$106,101	\$83,937	\$57,032-\$91,701	\$72,486
Top Fifth	\$106,102+	\$189,718	\$97,702+	\$164,092
Next 15%	\$106,102-\$200,233	\$139,666	\$91,702-\$171,854	\$120,647
Top 5%	\$200,234+	\$339,950	\$171,855+	\$294,366

Real Income: The income of an individual or group after taking into consideration the effects of inflation on purchasing power.

ASSETS AND WEALTH

In the United States

Percentiles of Family Wealth, 1963 – 2013⁸

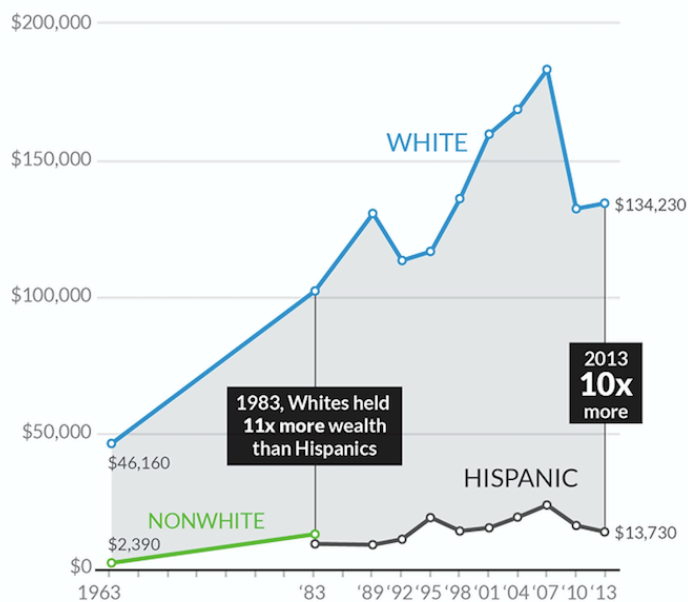
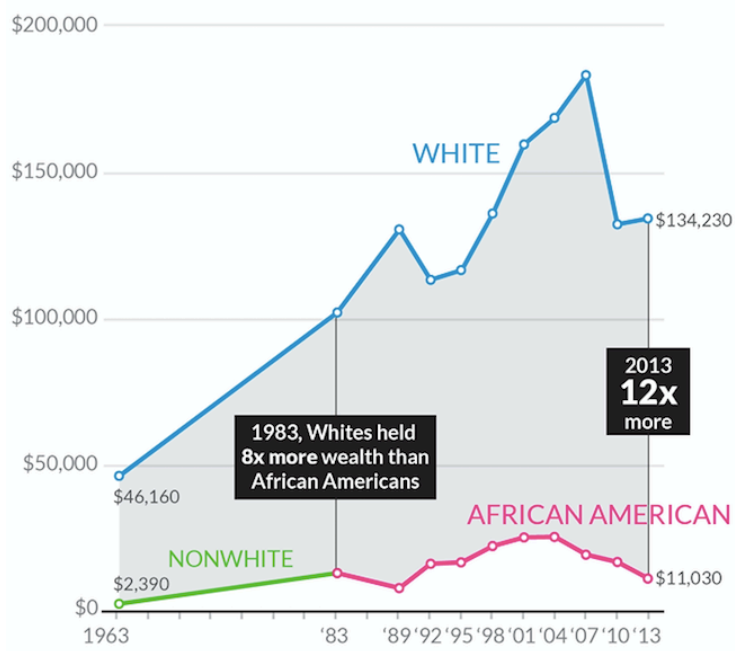


⁷ Think NC First (April 2015). "A Comeback Short of the Mark: Income Trends in North Carolina in the Wake of the Great Recession." Accessed at www.ncpolicywatch.com/wp-content/uploads/2015/05/Trends_Report.pdf

⁸ The Urban Institute. Data source, Survey of Financial Characteristics of Consumers 1962, Survey of Changes in Family Finances 1963, and Survey of Consumer Finances, 1983 – 2013. 2013 dollars

Median Family Wealth by Race/Ethnicity, 1963 – 2013⁹

*"Race is definitely part of the puzzle."
- NCLF Participant*



⁹ Ibid.

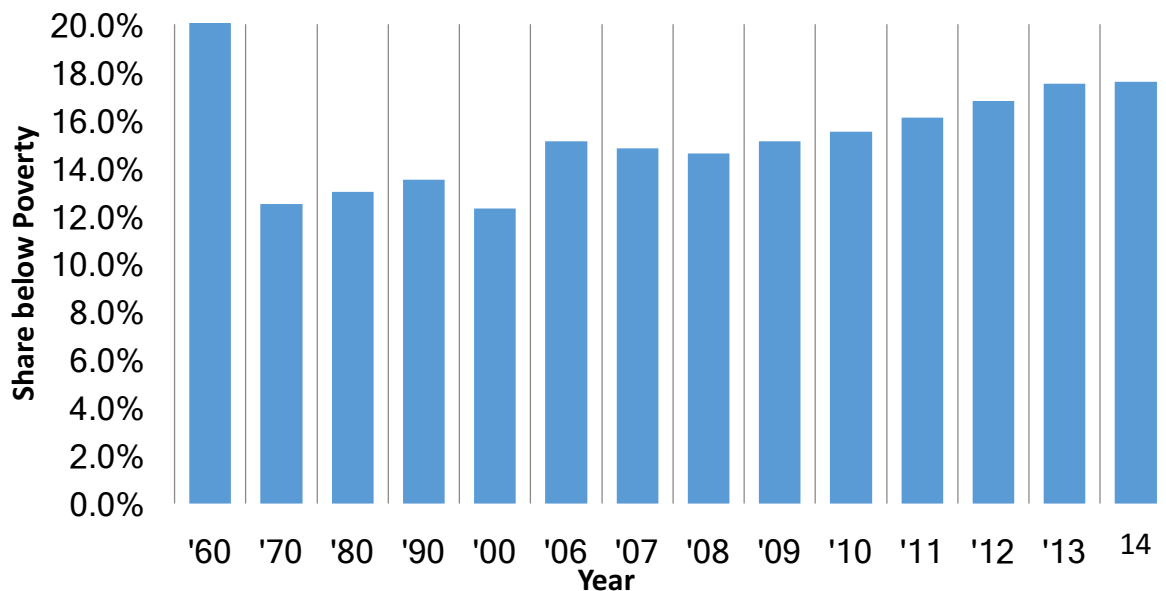
In North Carolina

Overall Wealth Measures and Asset Types by Race¹⁰

North Carolina	Median Values			Mean Values		
	White	African American	B:W Ratio	White	African American	B:W Ratio
Net Worth	\$68,441	\$3,000	0.04	\$197,492	\$44,296	0.22
Wealth	\$71,900	\$9,500	0.13	\$204,453	\$49,641	0.24
Debt	\$38,500	\$6,770	0.18	\$78,889	\$33,294	0.42
Wealth to Debt Ratio	1.87	1.40		2.59	1.49	
<i>Participation Rate</i>						
Home Equity	73%	45%		\$73,223	\$26,648	0.36
Pension	59%	31%		\$44,828	\$10,323	0.23
Non-Home Prop.	13%	2%		\$32,129	\$653	0.02
Savings	78%	59%		\$14,125	\$3,505	0.25
Stocks	11%	2%		\$6,639	\$712	0.11
Life Insurance	43%	50%		\$99,956	\$79,740	0.80

POVERTY

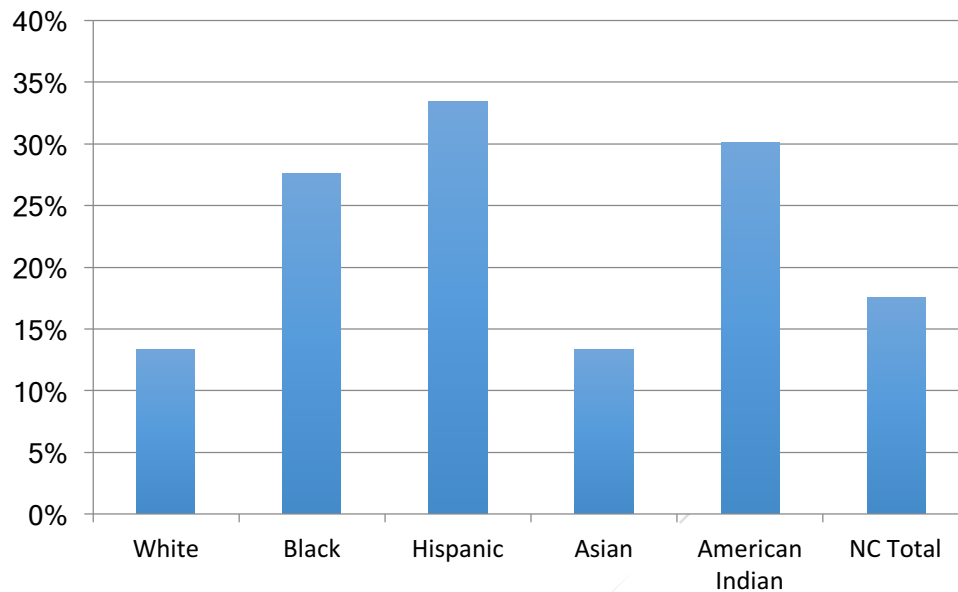
Official Poverty Rate in North Carolina, 1990-2015¹¹



¹⁰ The Center on Poverty, Work and Opportunity. (2010). Documenting Poverty, Economic Distress and Challenge in North Carolina. Retrieved from [http://www.zsr.org/sites/default/files/documents/Documenting Poverty, Economic Distress and Challenge in NC.pdf](http://www.zsr.org/sites/default/files/documents/Documenting%20Poverty,%20Economic%20Distress%20and%20Challenge%20in%20NC.pdf)

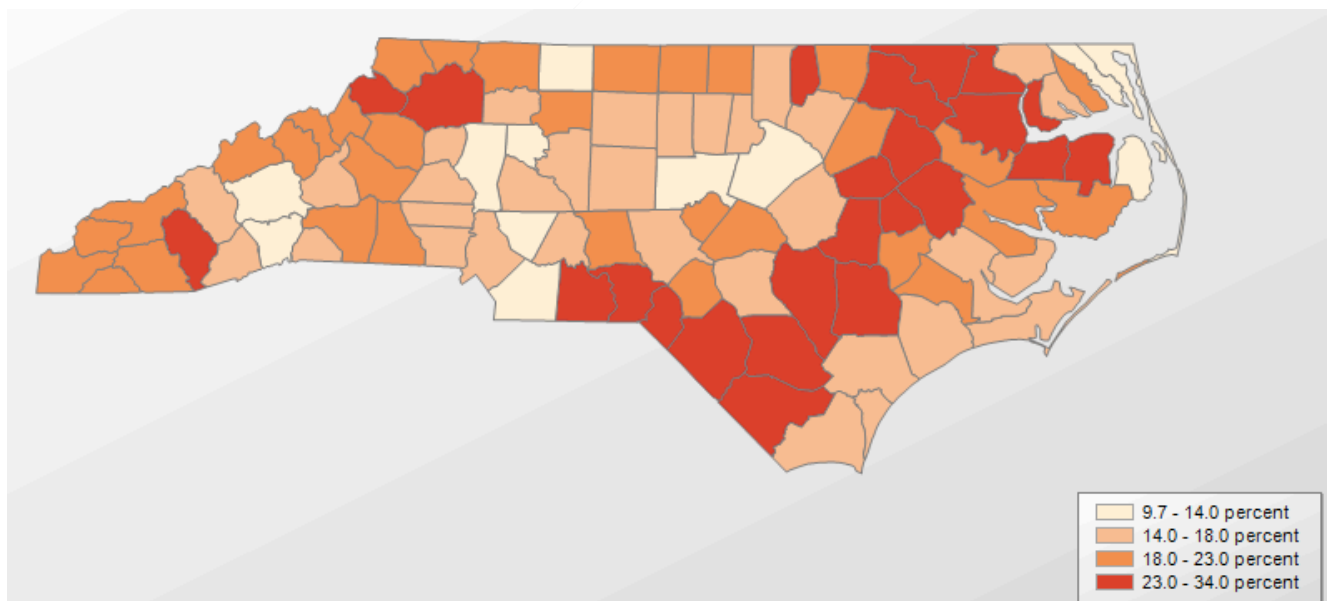
¹¹ U.S. Census Bureau, American Community Survey, one-year estimates.

Poverty Rate in North Carolina by Race, 2014¹²



Percent of People in Poverty by North Carolina County, 2014¹³

This map shows the counties in North Carolina with the greatest percentage of people in poverty.



¹² U.S. Census Bureau, American Community Survey, one-year estimates.

¹³ United States Department of Agriculture Economic Research Service. Source: Bureau of the Census, Small Area Income and Poverty Estimates. Accessed at www.ers.usda.gov

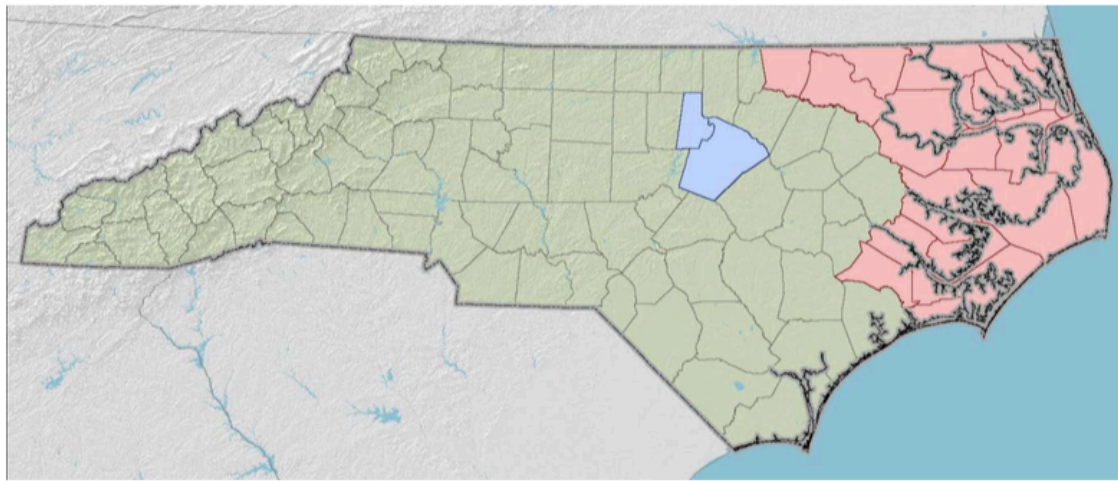
"Even within urban settings, there are pockets of deep poverty where people lack opportunity."

- NCLF participant

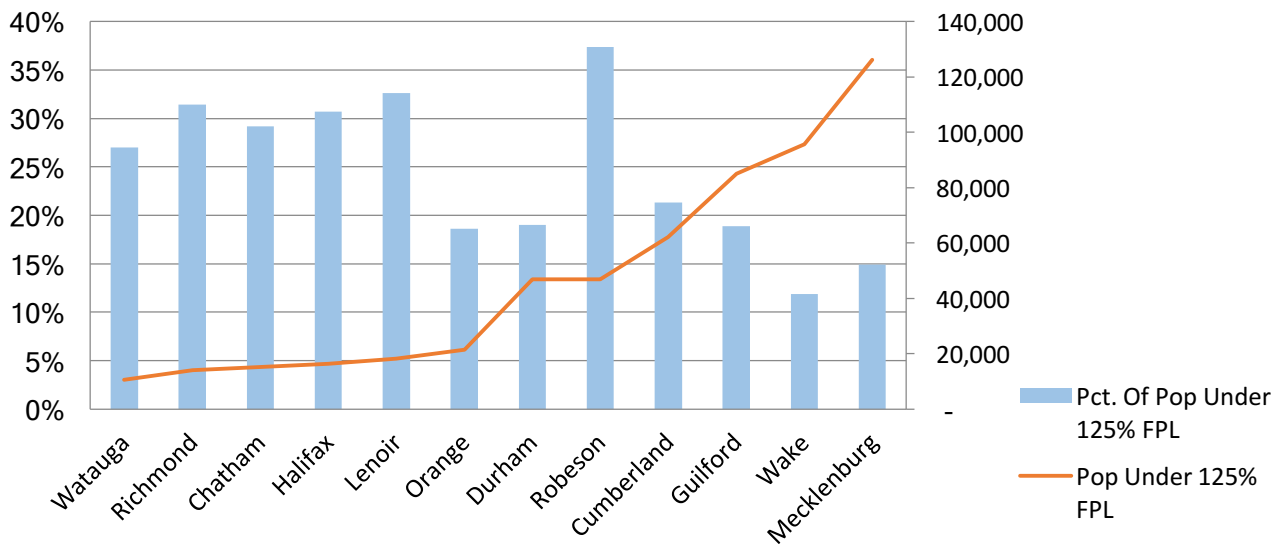
150,000: the number of people living below the poverty line in **Wake and Durham Counties**.

113,000: the number of people living below the poverty line in **21 northeastern NC counties** (Beaufort, Bertie, Camden, Carteret, Chowan, Craven, Currituck, Dare, Gates, Halifax, Hertford, Hyde, Jones, Martin, Northampton, Pamlico, Pasquotank, Perquimans, Tyrrell, Warren, Washington)

Source: *Census Bureau: 2013 Poverty and Median Household Income Estimates, December 2014.*



Percentage of Population Under 125% of Federal Poverty Level (FPL) Compared to Number of People Living Below 125% of FPL by NC County, 2009¹⁴



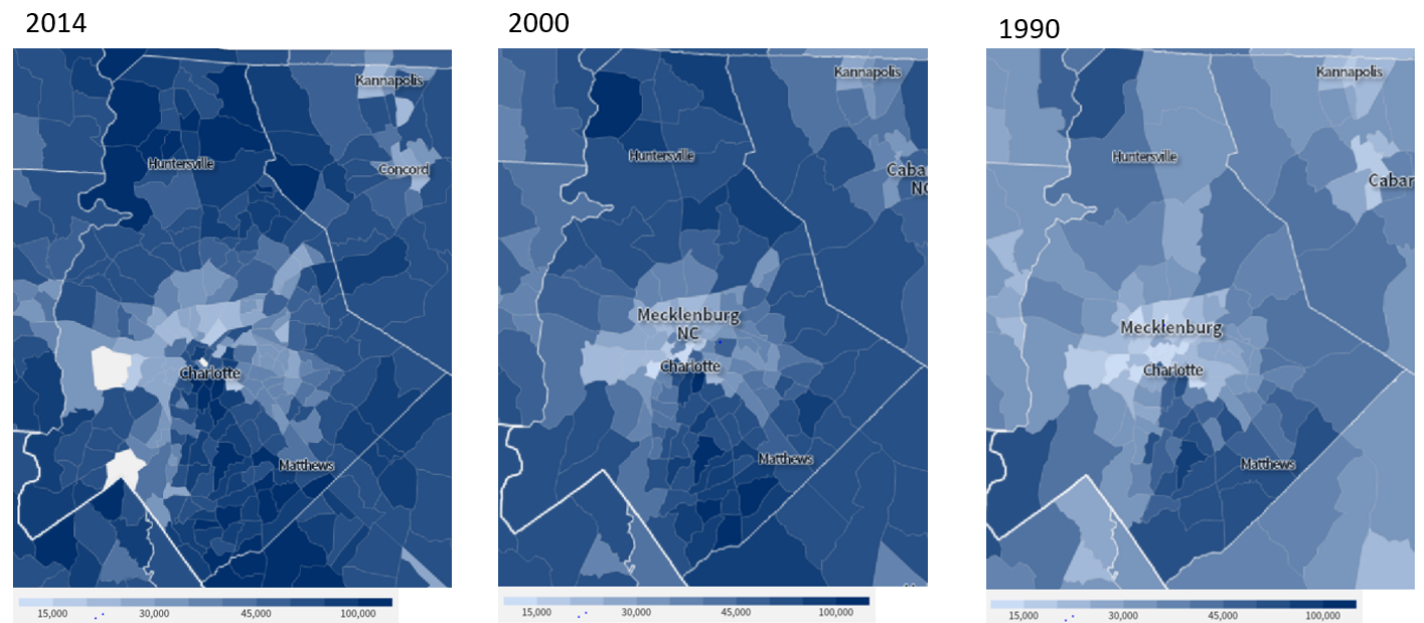
¹⁴ The number and percentage of the population under 125 percent of the Federal Poverty Level is from the Census Bureau's American Community Survey 2006-2008.

Poverty by Census Tract in Urban Counties: A Two County Snapshot¹⁵

Mecklenburg County

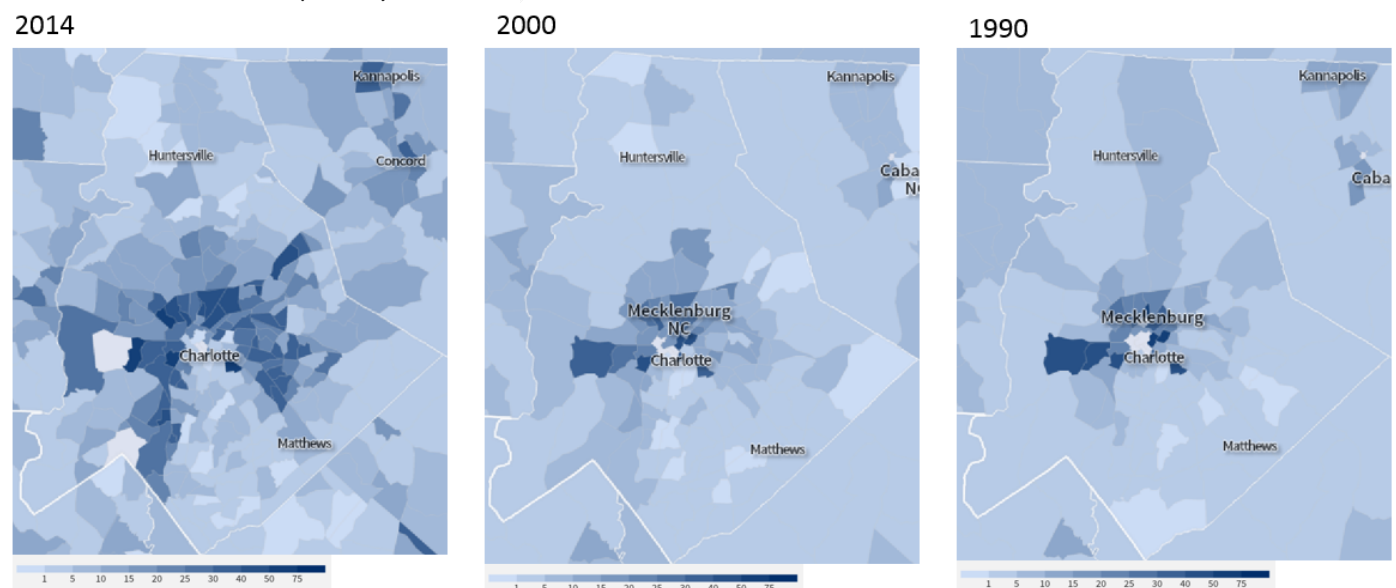
Median Household Income (Darker blue tracts are more affluent areas)

For 2014 the median income ranged from \$15,682 in the poorest census tract to \$184,336 in the most affluent census tract.



Percent living in Poverty (Darker blue areas have higher concentrations of poverty)

In 2014, some census tracts had no families living below the poverty line while other tracts had as many as 69% of families lived below the poverty threshold.



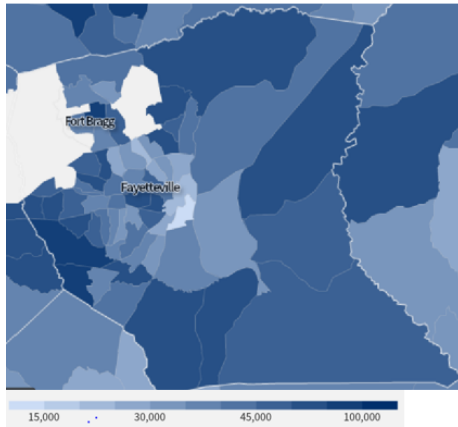
¹⁵ Graphics created at www.socialexplorer.com with data from the U.S. Census American Community Survey.

Cumberland County

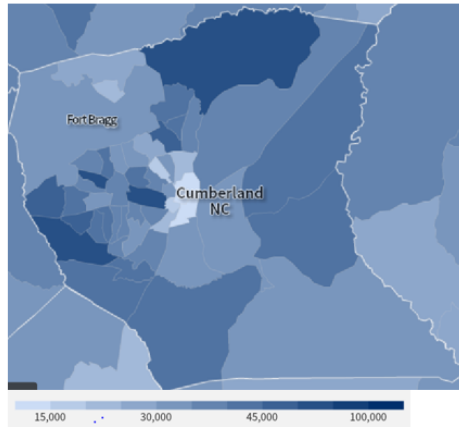
Median Household Income (Darker blue tracts are more affluent areas)

For 2014, the median income ranged from \$14,174 in the poorest census tract to \$95,313 in the most affluent census tract.

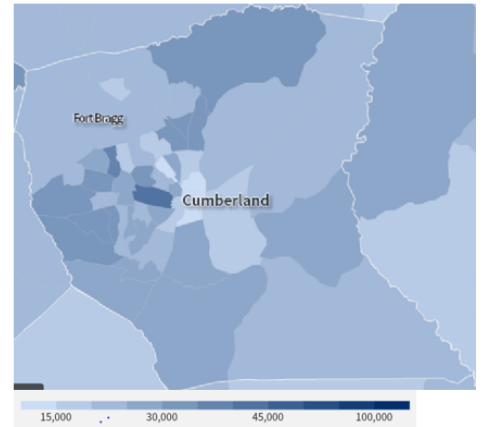
2014



2000



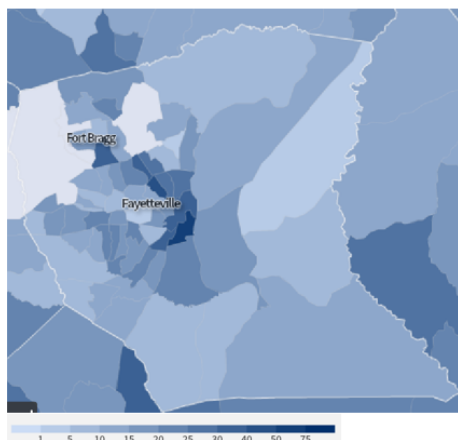
1990



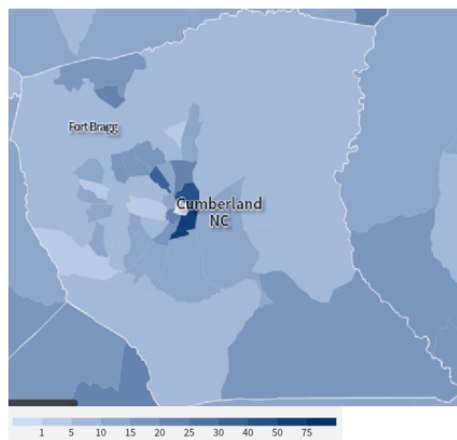
Percent living in Poverty (Darker blue areas have higher concentrations of poverty)

In 2014, the proportion of people living below the poverty line ranges from a low of 2% in some census tracts to a high of 64% in others.

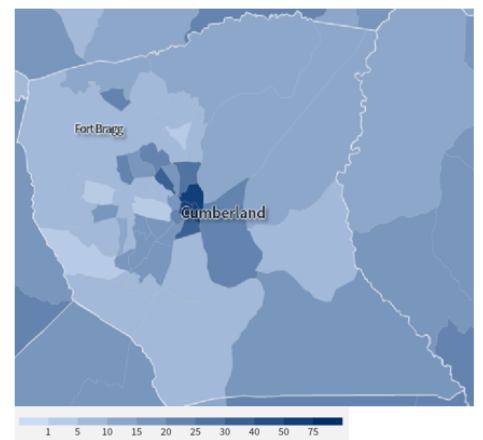
2014



2000



1990



ECONOMIC MOBILITY

Intergenerational Mobility in the 50 Largest U.S. Commuting Zones¹⁶

Charlotte is ranked 50th – the least mobile of the 50 largest commuting zones in the United States. Raleigh is ranked 48th.

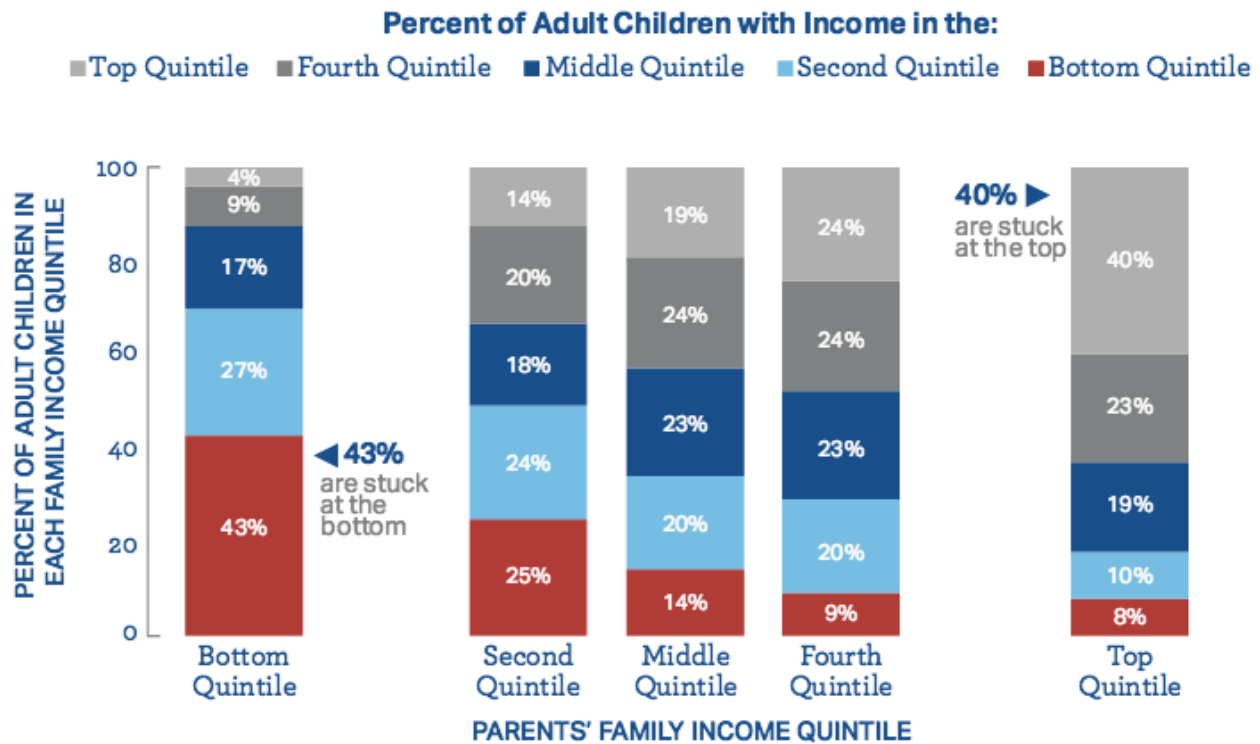
Intergenerational Mobility in the 50 Largest Commuting Zones

Upward Mob. Rank	CZ Name	Population	Absolute Upward Mobility	P(Child in Q5 Parent in Q1)	Pct. Above Poverty Line	Relative Mobility Rank-Rank Slope
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Salt Lake City, Utah	1,426,729	46.2	10.8	77.3	0.264
2	Pittsburgh, Pennsylvania	2,561,364	45.2	9.5	74.9	0.359
3	San Jose, California	2,393,183	44.7	12.9	73.5	0.235
4	Boston, Massachusetts	4,974,945	44.6	10.5	73.7	0.322
5	San Francisco, California	4,642,561	44.4	12.2	72.5	0.250
6	San Diego, California	2,813,833	44.3	10.4	74.3	0.237
7	Manchester, New Hampshire	1,193,391	44.2	10.0	75.0	0.296
8	Minneapolis, Minnesota	2,904,389	44.2	8.5	75.2	0.338
9	Newark, New Jersey	5,822,286	44.1	10.2	73.7	0.350
10	New York, New York	11,781,395	43.8	10.5	72.2	0.330
11	Los Angeles, California	16,393,360	43.4	9.6	73.8	0.231
12	Providence, Rhode Island	1,582,997	43.4	8.2	73.6	0.333
13	Washington DC	4,632,415	43.2	11.0	72.2	0.330
14	Seattle, Washington	3,775,744	43.2	10.9	72.0	0.273
15	Houston, Texas	4,504,013	42.8	9.3	74.7	0.325
16	Sacramento, California	2,570,609	42.7	9.7	71.3	0.257
17	Bridgeport, Connecticut	3,405,565	42.4	7.9	72.4	0.359
18	Fort Worth, Texas	1,804,370	42.3	9.1	73.6	0.320
19	Denver, Colorado	2,449,044	42.2	8.7	73.3	0.294
20	Buffalo, New York	2,369,699	42.0	6.7	73.1	0.368
21	Miami, Florida	3,955,969	41.5	7.3	76.3	0.267
22	Fresno, California	1,419,998	41.3	7.5	71.3	0.295
23	Portland, Oregon	1,842,889	41.3	9.3	70.5	0.277
24	San Antonio, Texas	1,724,863	41.1	6.4	74.3	0.320
25	Philadelphia, Pennsylvania	5,602,247	40.8	7.4	69.6	0.393
26	Austin, Texas	1,298,076	40.4	6.9	71.9	0.323
27	Dallas, Texas	3,405,666	40.4	7.1	72.6	0.347
28	Phoenix, Arizona	3,303,211	40.3	7.5	70.6	0.294
29	Grand Rapids, Michigan	1,286,045	40.1	6.4	71.3	0.378
30	Kansas City, Missouri	1,762,873	40.1	7.0	70.4	0.365
31	Las Vegas, Nevada	1,568,418	40.0	8.0	71.1	0.259
32	Chicago, Illinois	8,183,799	39.4	6.5	70.8	0.393
33	Milwaukee, Wisconsin	1,660,659	39.3	4.5	70.3	0.424
34	Tampa, Florida	2,395,997	39.1	6.0	71.3	0.335
35	Orlando, Florida	1,697,906	39.1	5.8	71.5	0.326
36	Port St. Lucie, Florida	1,533,306	39.0	6.2	71.2	0.303
37	Baltimore, Maryland	2,512,431	38.8	6.4	67.7	0.412
38	St. Louis, Missouri	2,325,609	38.4	5.1	69.0	0.413
39	Dayton, Ohio	1,179,009	38.3	4.9	68.2	0.397
40	Cleveland, Ohio	2,661,167	38.2	5.1	68.7	0.405
41	Nashville, Tennessee	1,246,338	38.2	5.7	67.9	0.357
42	New Orleans, Louisiana	1,381,652	38.2	5.1	69.5	0.397
43	Cincinnati, Ohio	1,954,800	37.9	5.1	66.4	0.429
44	Columbus, Ohio	1,663,807	37.7	4.9	67.1	0.406
45	Jacksonville, Florida	1,176,696	37.5	4.9	68.9	0.361
46	Detroit, Michigan	5,327,827	37.3	5.5	68.5	0.358
47	Indianapolis, Indiana	1,507,346	37.2	4.9	67.5	0.398
48	Raleigh, North Carolina	1,412,127	36.9	5.0	67.3	0.389
49	Atlanta, Georgia	3,798,017	36.0	4.5	69.4	0.366
50	Charlotte, North Carolina	1,423,942	35.8	4.4	67.0	0.397

¹⁶ Chetty, R., Hendren, N., Kline, P., & Saez, E. (2014). Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States.

Income Quintile of Children When They Grow Up, Relative to Their Parents' Income Quintile¹⁷

The graph below depicts a relationship between birth and social mobility. If birth had no effect, each cell would be 20%. Although people born into middle class families (Q2-Q4) exhibit social mobility, those born into Q1 and Q5 families are more likely to remain in the social class to which they were born.



Note: Numbers are adjusted for family size.
Source: Pew Charitable Trusts, "Pursuing the American Dream: Economic Mobility Across Generations" (Washington: 2012).

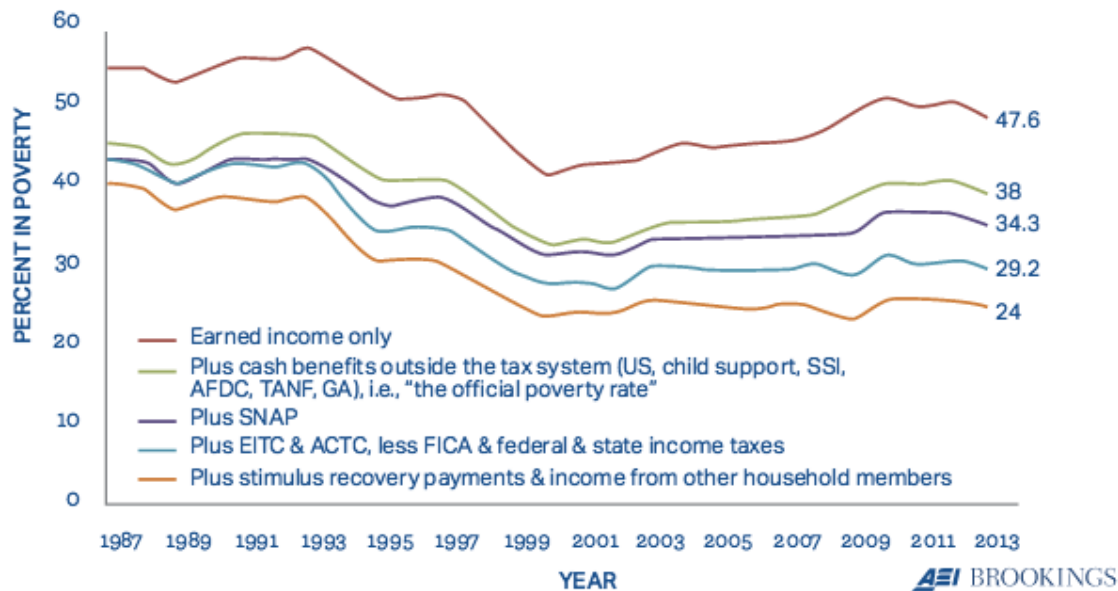
AEI BROOKINGS

¹⁷ AEI-Brookings Report. Opportunity, Responsibility, and Security: A Consensus Plan for Reducing Poverty and Restoring the American Dream. Accessed at: https://www.aei.org/wp-content/uploads/2015/12/opportunity_responsibility_security_doar_strain_120315_FINAL.pdf

PUBLIC ASSISTANCE

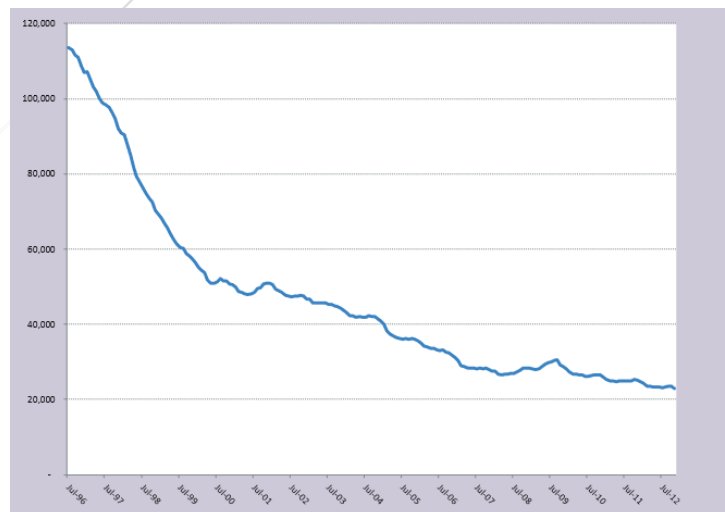
Effect of Earnings, Transfers, and Taxes on the Poverty Rate¹⁸ Among Households Headed by Single Mothers, 1987 – 2013

“Most people are shocked when they learn the poverty rate does not account for various forms of public assistance.” -NCLF Participant



Work First is North Carolina’s Temporary Assistance for Needy Families (TANF) program, which provides cash assistance to families, for a limited period of time, as long as the able-bodied adults work or receive work-related training or education.

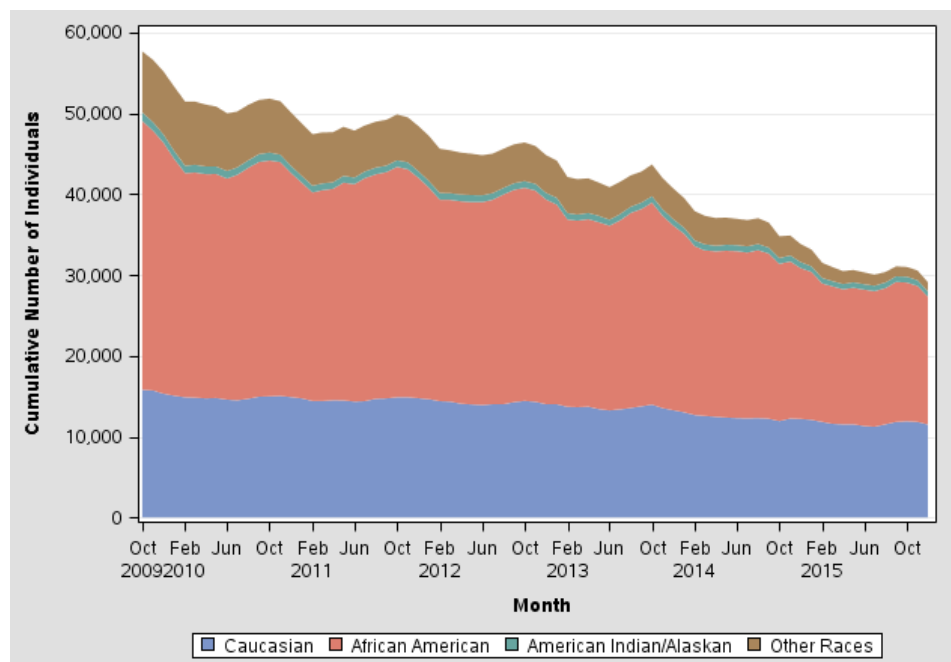
Work First Family Caseloads by Year, July 1996 – July 2012¹⁹



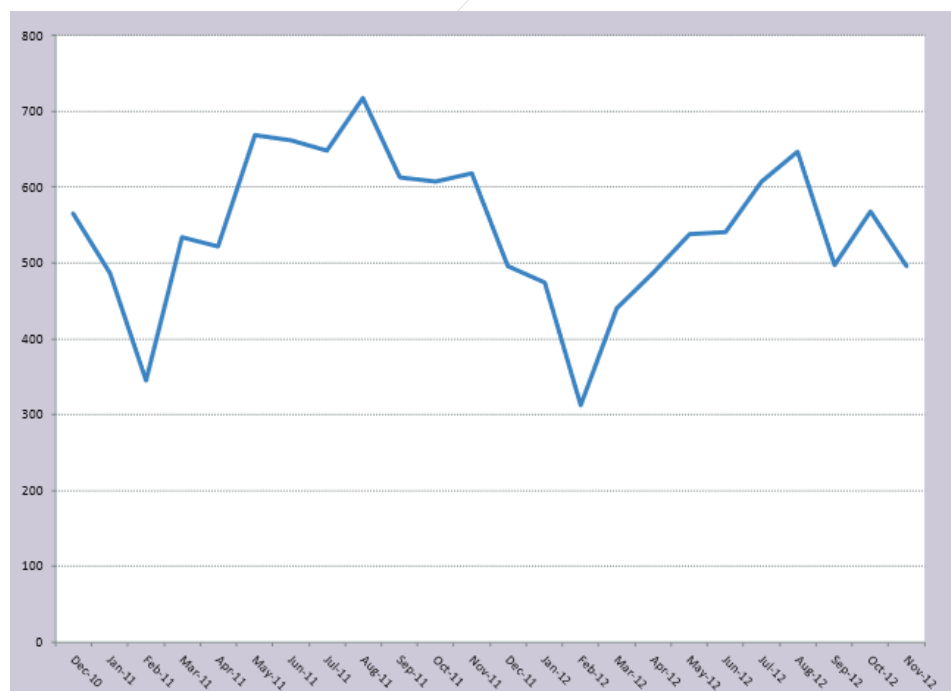
¹⁸ Ibid.

¹⁹ Jordan Institute for Families UNC-CH School of Social Work. Changes and Trends in the Work First Caseload in North Carolina.

Racial Composition of Work First Cases (Point in Time Data) Over Time, 2009 - 2015²⁰



The Number of Families Approved for Diversion Assistance, Dec. 2010 – Dec. 2012²¹

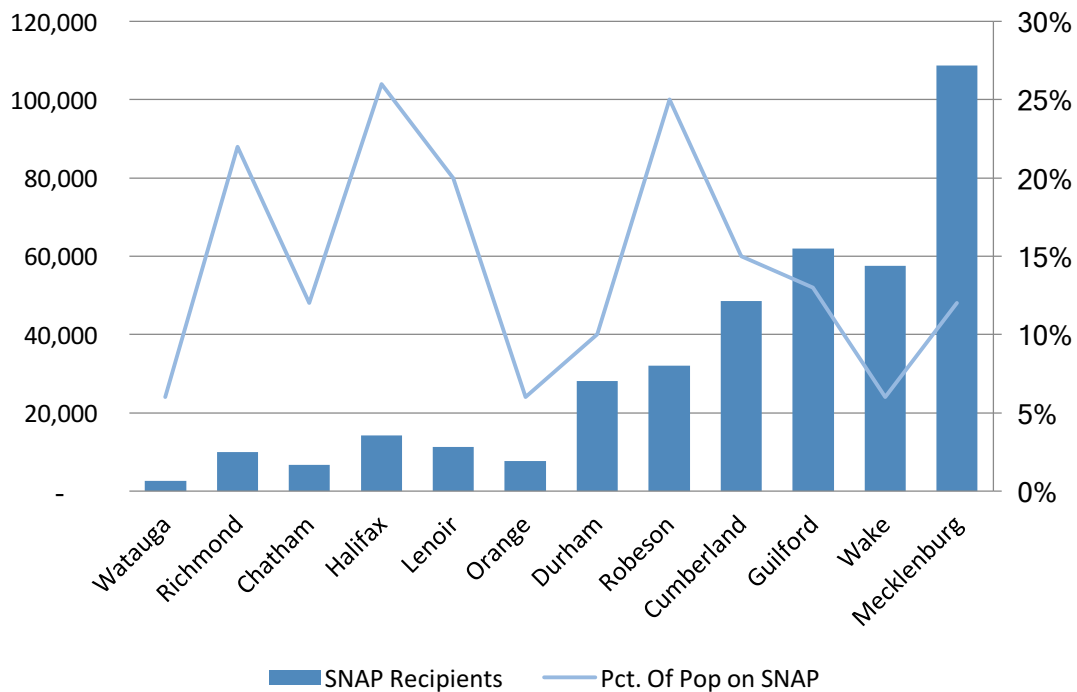


²⁰ Source: <http://ssw.unc.edu/ma/>

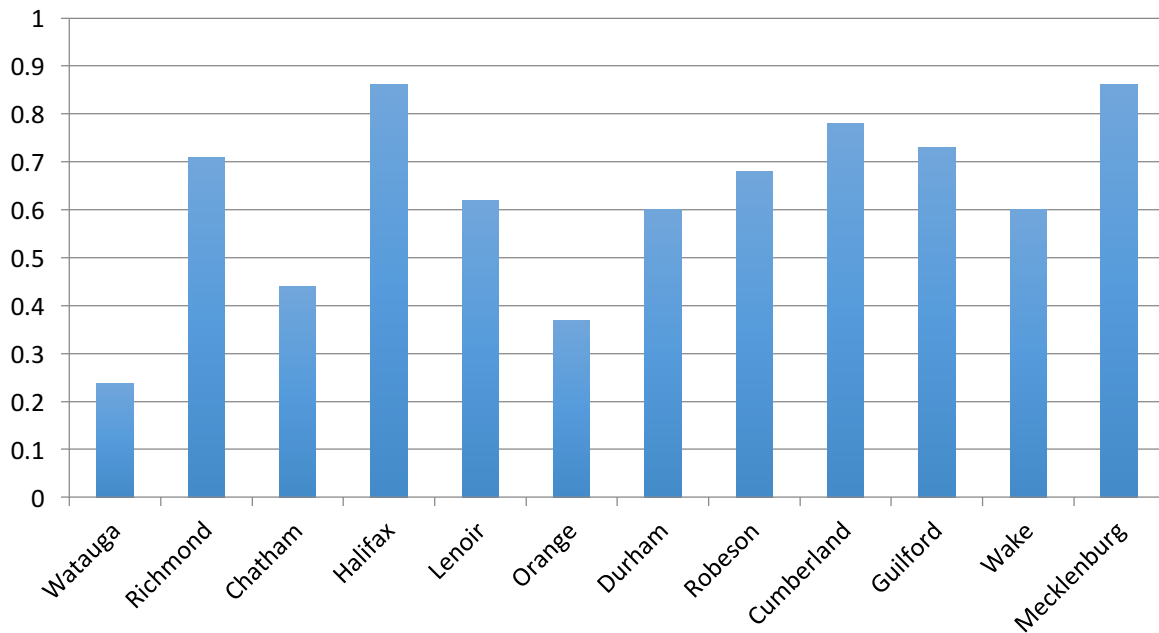
²¹ Jordan Institute for Families UNC-CH School of Social Work. Changes and Trends in the Work First Caseload in North Carolina.

Supplemental Nutrition Assistance Program (SNAP)

Number and Percentage of Population on SNAP by NC County, 2009²²



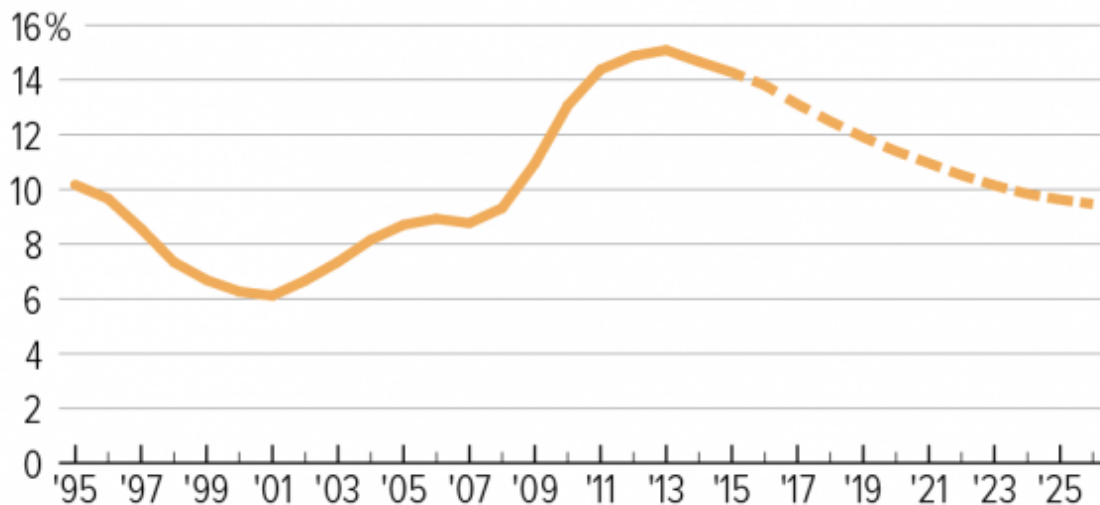
Ratio of SNAP Recipients to Population Under 125% of FPL by NC County, 2009²³



²² The number of SNAP recipients in June 2009 and the percentage of the population on SNAP provided by The New York Times.

²³ Ibid.

SNAP Participants as Share of NC Population²⁴



Note: dotted line indicates CBO projection.

Supplemental Nutrition Assistance Program in Southern States²⁵

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: NUMBER OF PERSONS PARTICIPATING (Data as of February 05, 2016)					
State	November 2014	October 2015 <i>Preliminary</i>	November 2015 <i>Initial</i>	Percent Change	
				November 2015 vs Oct 2015	November 2015 vs Nov 2014
Alabama	902,523	881,402	879,861	-0.2%	-2.5%
Georgia	1,841,721	1,774,540	1,774,065	0.0%	-3.7%
Kentucky	796,518	713,911	708,026	-0.8%	-11.1%
Louisiana	866,483	879,541	869,943	-1.1%	0.4%
Mississippi	651,409	628,354	625,332	-0.5%	-4.0%
Missouri	842,984	843,876	841,146	-0.3%	-0.2%
North Carolina	1,691,116	1,647,808	1,643,503	-0.3%	-2.8%
South Carolina	816,789	793,218	1,094,116	37.9%	34.0%
Tennessee	1,264,669	1,168,238	1,150,153	-1.5%	-9.1%
Virginia	879,175	844,204	842,957	-0.1%	-4.1%

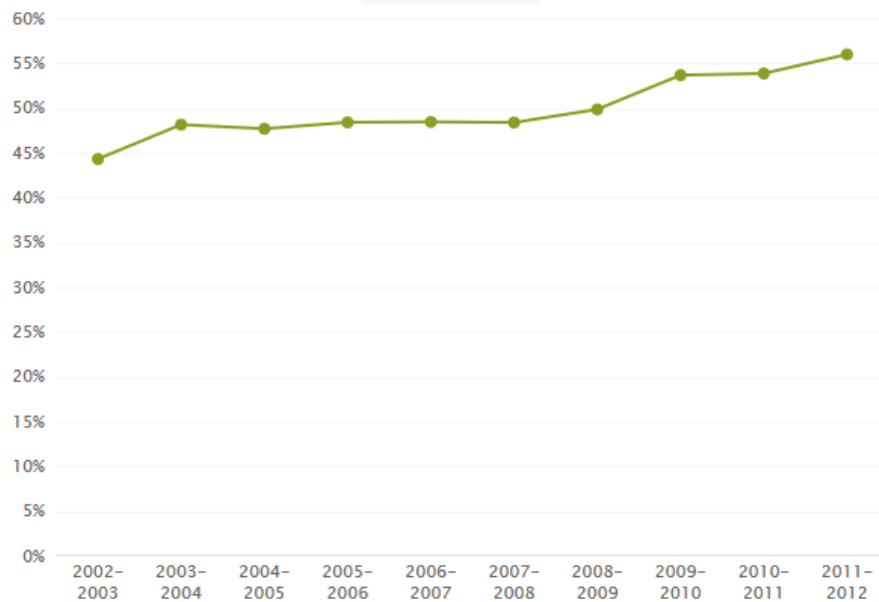
²⁴ USDA (SNAP program data), U.S. Census Bureau (resident Population estimates and projections), and Congressional Budget Office January 2015 baseline

²⁵ USAD (SNAP program data)

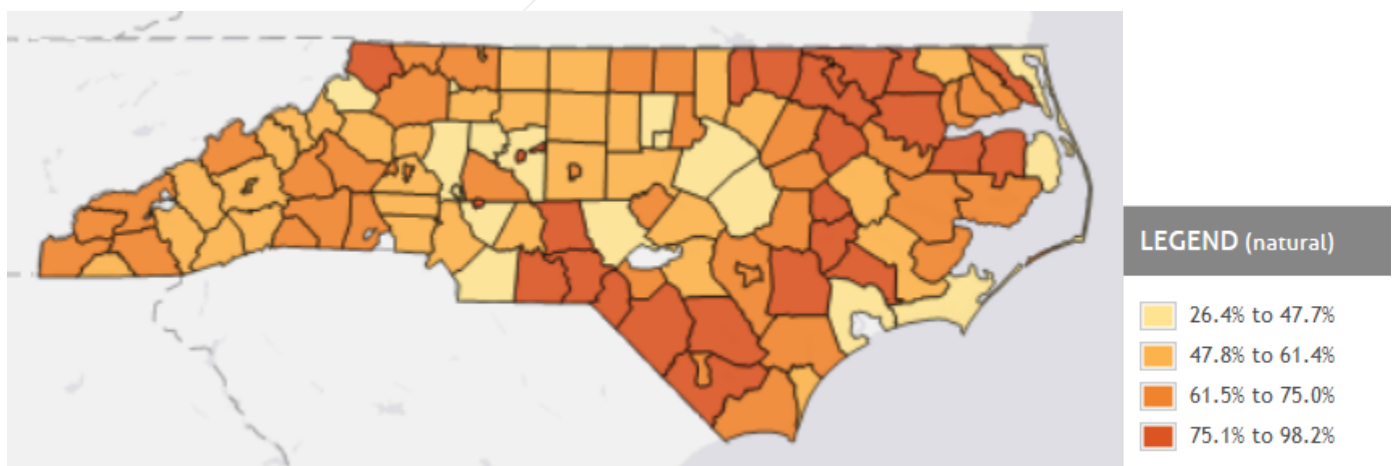
Free and Reduced Price Lunch (FRL)

In 2014 – 2015 academic year, **679,858** students received Free Lunch, and an additional **73,959** students received Reduced Price Lunch. The Free and Reduced Price Lunch population accounted for **52.8%** of North Carolina's total student population.

Percent of Students Enrolled in Free and Reduced Lunch in North Carolina, 2002 - 2012²⁶



Percent of Students Enrolled in FRL by School District, 2011-2012²⁷



²⁶ Source: North Carolina Department of Public Instruction, Division of Financial and Business Services. "Free & Reduced Meal Application Data." Available online at: <http://www.ncpublicschools.org/fbs/resources/data/>.

²⁷ Source: North Carolina Department of Public Instruction, Division of Financial and Business Services. "Free & Reduced Meal Application Data." Available online at: <http://www.ncpublicschools.org/fbs/resources/data/>.

Number of NC Students Receiving FRL by LEA, 2014 – 2015 academic year²⁸

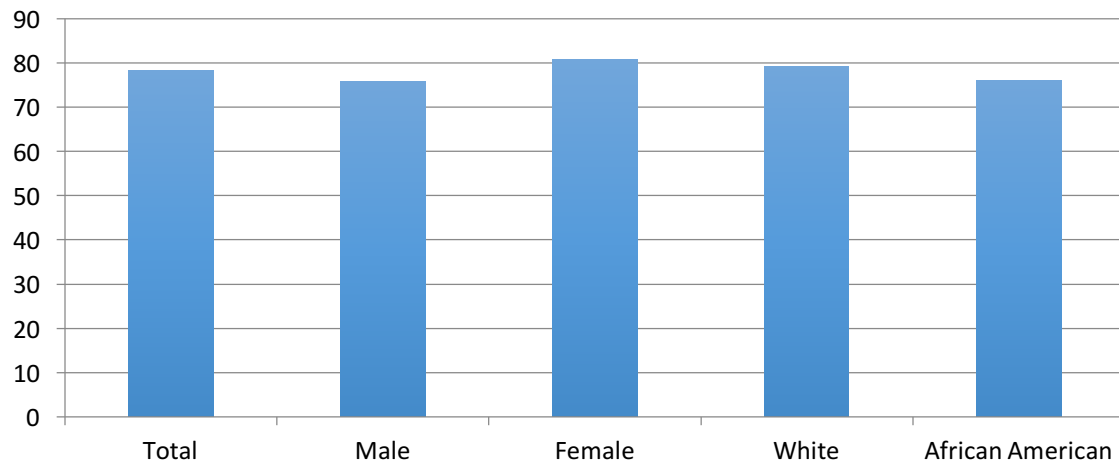
LOCAL EDUCATION AGENCY NAME	TOTAL FRL	% RECEIVING FRL
HYDE COUNTY SCHOOLS	263	62.92%
TYRRELL COUNTY SCHOOLS	462	80.63%
ELKIN CITY SCHOOLS	524	42.99%
PAMLICO COUNTY SCHOOLS	566	44.46%
CAMDEN COUNTY SCHOOLS	609	32.69%
JONES COUNTY SCHOOLS	689	61.68%
WELDON CITY SCHOOLS	720	76.92%
ALLEGHANY COUNTY SCHOOLS	737	53.14%
CLAY COUNTY SCHOOLS	749	58.61%
GRAHAM COUNTY SCHOOLS	825	69.62%
ROBESON COUNTY SCHOOLS	14,592	62.57%
UNION COUNTY PUBLIC SCHOOLS	14,990	36.30%
JOHNSTON COUNTY SCHOOLS	16,082	47.27%
GASTON COUNTY SCHOOLS	17,517	56.18%
DURHAM PUBLIC SCHOOLS	20,691	62.40%
FORSYTH COUNTY SCHOOLS	27,792	52.11%
CUMBERLAND COUNTY SCHOOLS	31,821	63.82%
GUILFORD COUNTY SCHOOLS	37,819	52.99%
WAKE COUNTY SCHOOLS	55,845	36.72%
CHARLOTTE-MECKLENBURG SCHOOLS	66,847	46.86%
TOTAL	753,817	52.83%

²⁸ NC Department of Public Instruction. Free and Reduced Lunch Application Materials.
<http://www.dpi.state.nc.us/fbs/resources/data/>

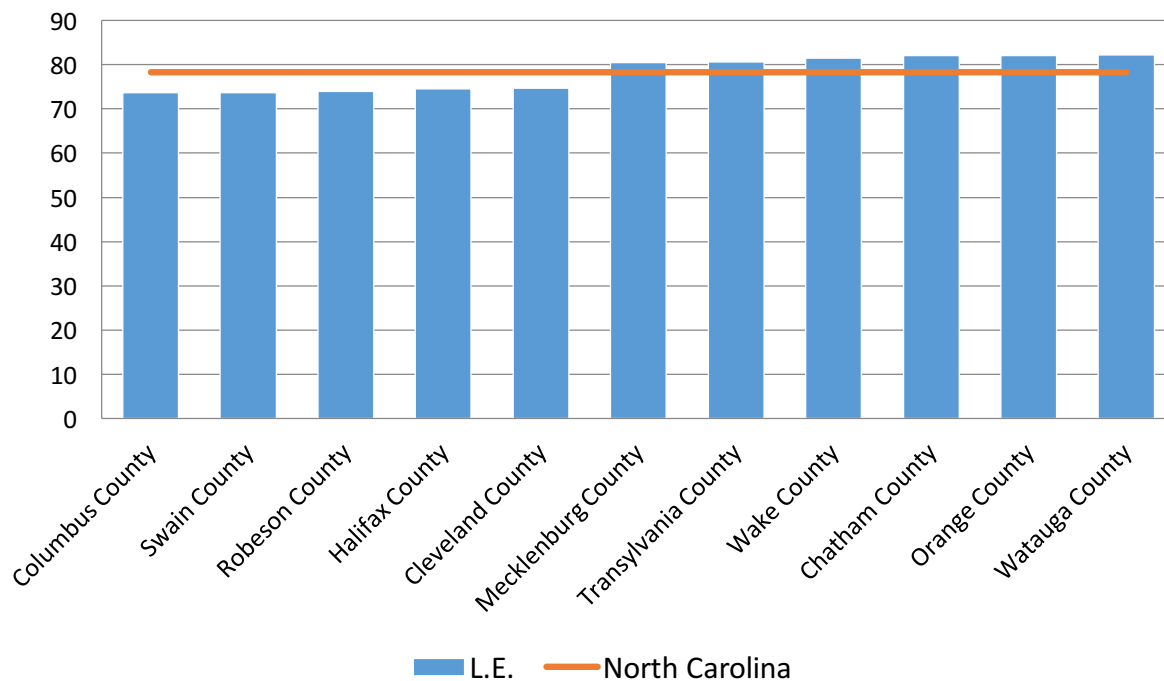
LIFE EXPECTANCY AND INFANT MORTALITY

"I would argue if a community has a very high life expectancy of educational attainment, maybe Commerce doesn't need to be helping them." - NCLF Participant

Life Expectancy for North Carolinians, 2012 – 2014²⁹



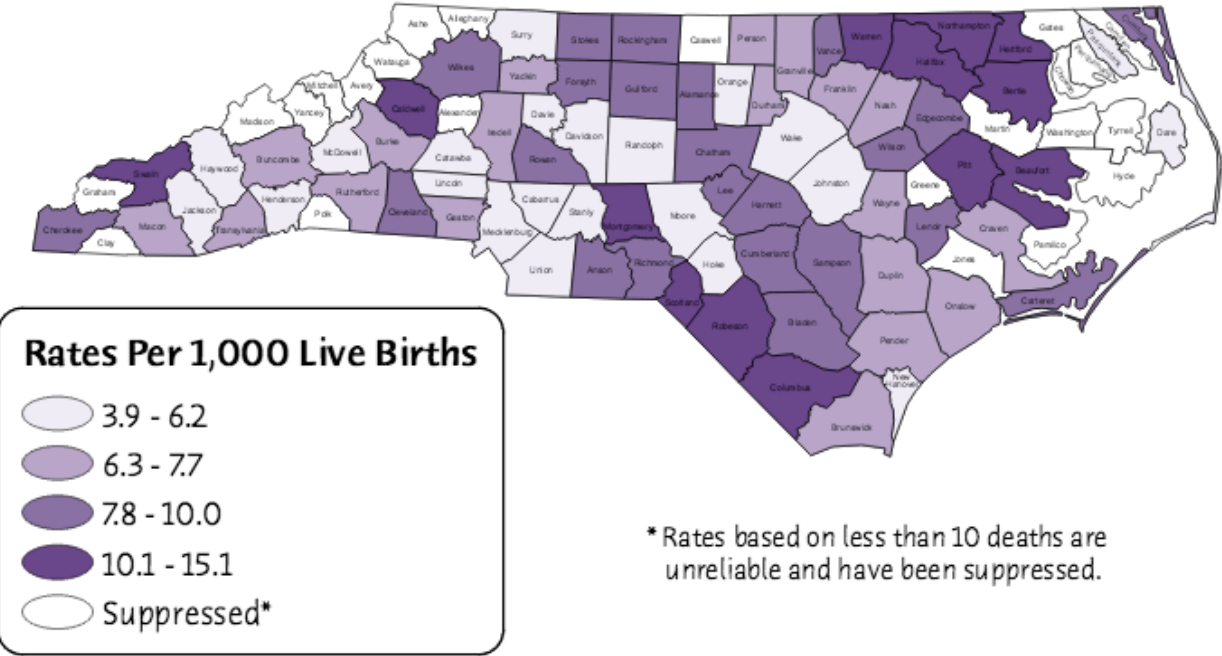
Life Expectancy by NC County, 2012 – 2014 (lowest and highest L.E. shown below)³⁰



²⁹ North Carolina State Center of Health Statistics. Accessed at: www.schs.state.nc.us

³⁰ Ibid.

North Carolina Infant Mortality Rates by County, 2010 - 2014³¹



³¹ Ibid.

PART 2:

FACTORS RELATED TO ECONOMIC OUTCOMES

In conversations with NCLF participants in the weeks leading up to the first meeting of the North Carolina Leadership Forum, one clear theme emerged about the factors contributing to the 2016 challenge: this is a multi-faceted problem that includes both personal, cultural, and structural dimensions. This section provides an overview of some of the major factors identified by participants.

A multi-faceted problem

"The main barriers are primarily ones of opportunity. People deserve the opportunity to earn a living supporting their family in the way they want to. This requires access to high quality, low cost health care and lifelong education, as well as a job that pays individuals enough for their work."

"It is important to talk about personal decisions that people have control over. Decisions made when young or in an emotional or drunken state, that then inhibits their ability to develop human capital: dropping out of school, having children out of wedlock, abusing alcohol or drugs. These decisions statistically change your odds dramatically. We have to address these issues."

"There are structural barriers in our state along race and economic lines that limit some peoples' abilities to find and keep good paying jobs."

"The pillars are education, healthcare, and faith."

"Some rural areas face big challenges: migration trends, loss of educational opportunities, lack of infrastructure, generational poverty. It is so hard to break the cycle and when there is a break, people leave and don't come back to that county."

"There is no way back from the demise of rural economies. You cannot sustain a high tech economy on a rural basis...our past was an aberration."

- NCLF Participants

FACTOR: EDUCATION

"Education is the mover of everything."

"I have the most hope for some discussion on education with this crowd because that is the key to this whole thing."

"The challenge is mostly educational or derived from education: lack of, lack of access to, and ability to pay for quality education."

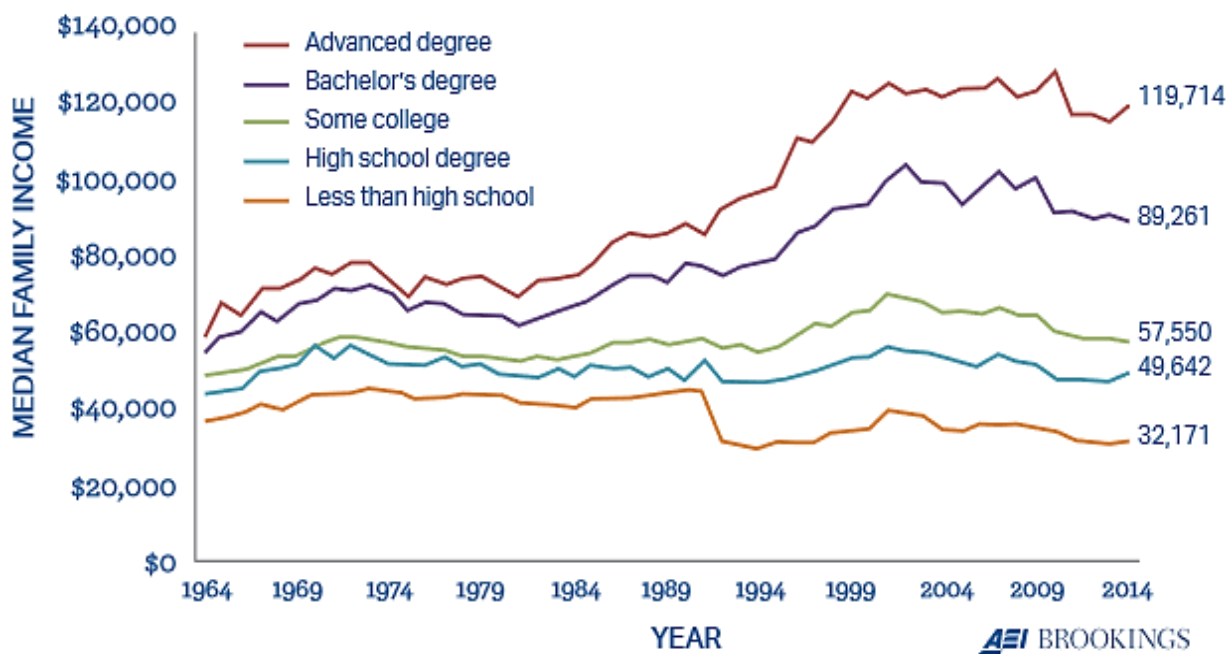
"The challenge is one of access to high quality education and of will -- both the public will to ensure we have the high quality necessary but also the will of the individual to take advantage of it."

"Education is a continuum. We do a disservice by focusing on any one part of it."

- NCLF Participants

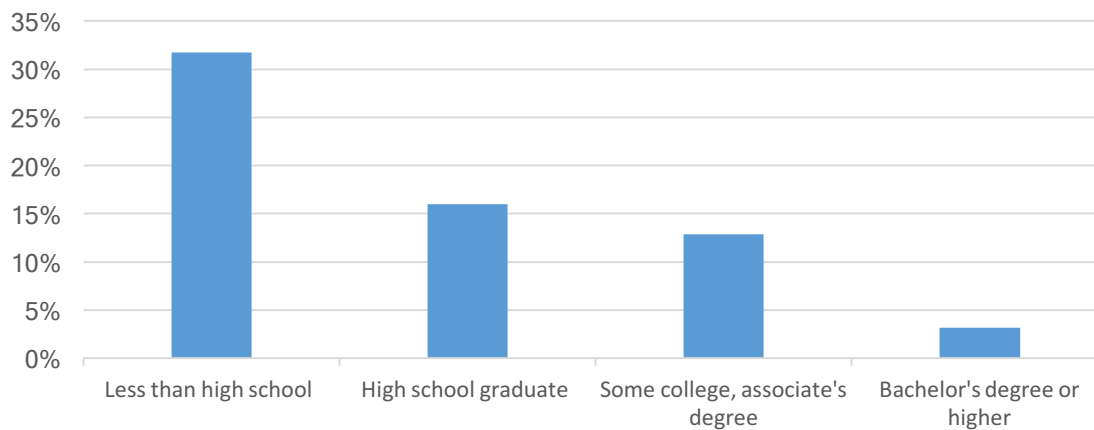
Education Level and Income

Median Family Income of Adults Age 30-39 by Educational Level, 1964-2014³²



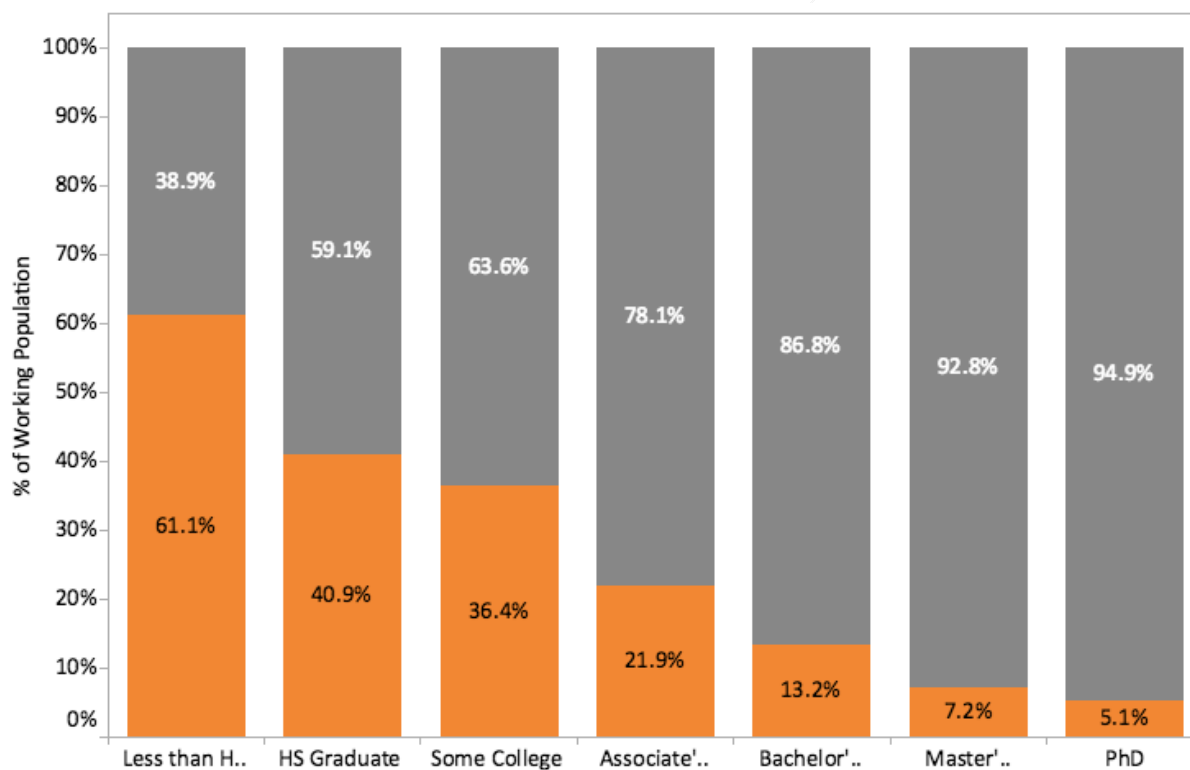
³² AEI-Brookings Report.

Percent of families living in poverty in NC, by educational attainment, 2015³³



Educational Attainment

Proportion of Low-Wage Status (below 150% FPL) by Educational Attainment³⁴



LEGEND: Low-Wage Status in orange, Non Low-Wage in grey

³³ U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

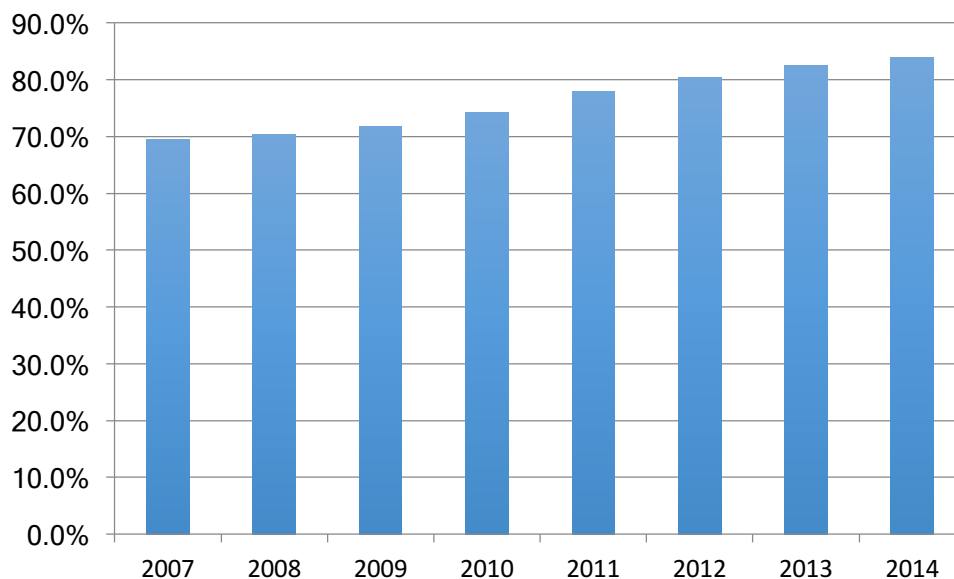
³⁴ UNC-CH, Dept. of City and Regional Planning. "The State of Low-Wage Work in N.C." Accessed at: <https://planning.unc.edu/low-wage-work-in-nc>

Four-Year Cohort High School Graduation Rates in NC, 2007 – 2014³⁵

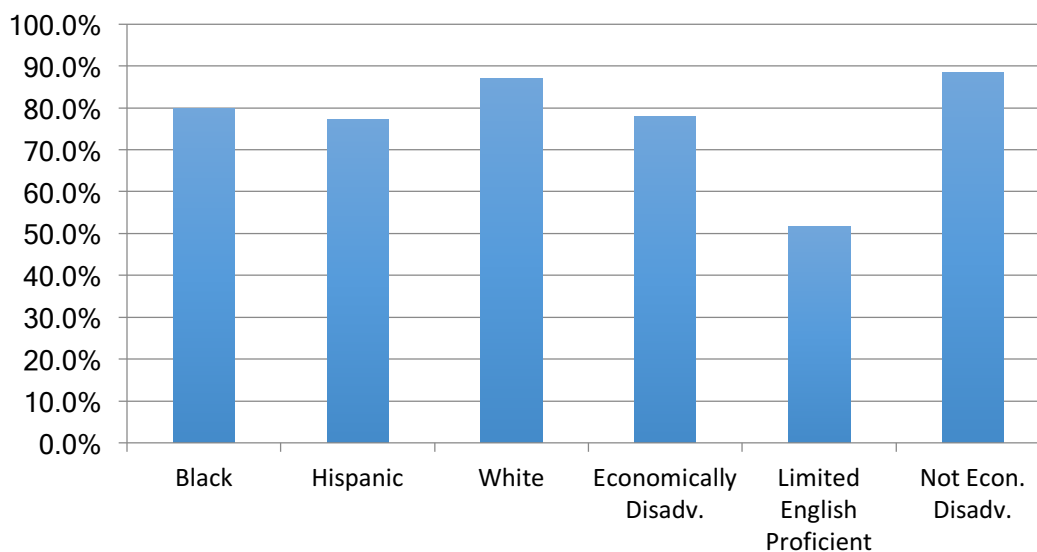
Education attainment in North Carolina and the United States has increased over the last 20 years. Although North Carolina still lags behind the national average, the gap has narrowed in recent years.³⁶

Key Term

Cohort: In education, the term is typically applied to students who are educated at the same period of time (e.g. enter 9th grade in same year).



Four-Year Cohort High School Graduation Rates in NC by Subgroup, 2014³⁷

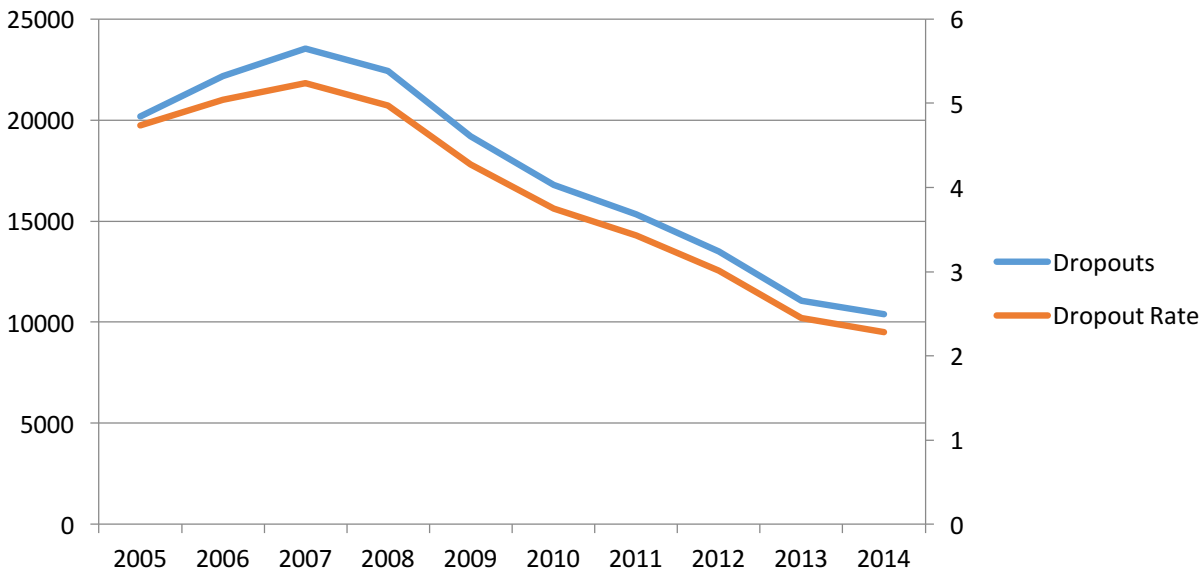


³⁵ North Carolina Department of Public Instruction, Data and Statistics. Accessed at: www.dpi.state.nc.us/data/reports

³⁶ U.S. Census Bureau, 1990-2010.

³⁷ Ibid

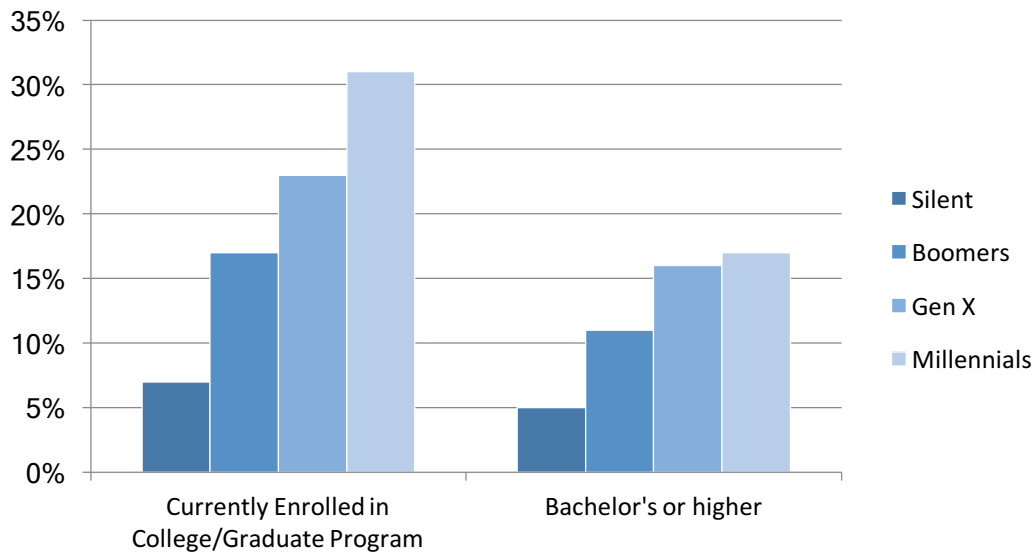
High School Dropouts and Dropout Rates in NC, 2004 – 2014³⁸



Generational Trends in School Enrollment and Attainment at Ages 18 – 29, NC³⁹

For the educational levels featured here – high school diplomas and bachelor's degrees – North Carolina's gains have been better than the nation's for the past five years.⁴⁰

Educational characteristics of NC young adults in 1960, 1980, 2000, and 2013



³⁸ Ibid.

³⁹ Trippet, Rebecca. (Dec 2105) "NC in Focus: Increasing Educational Attainment." UNC Carolina Demography, data source: 1980, 1990, and 2000 decennial census, and 2013 American Community Survey.

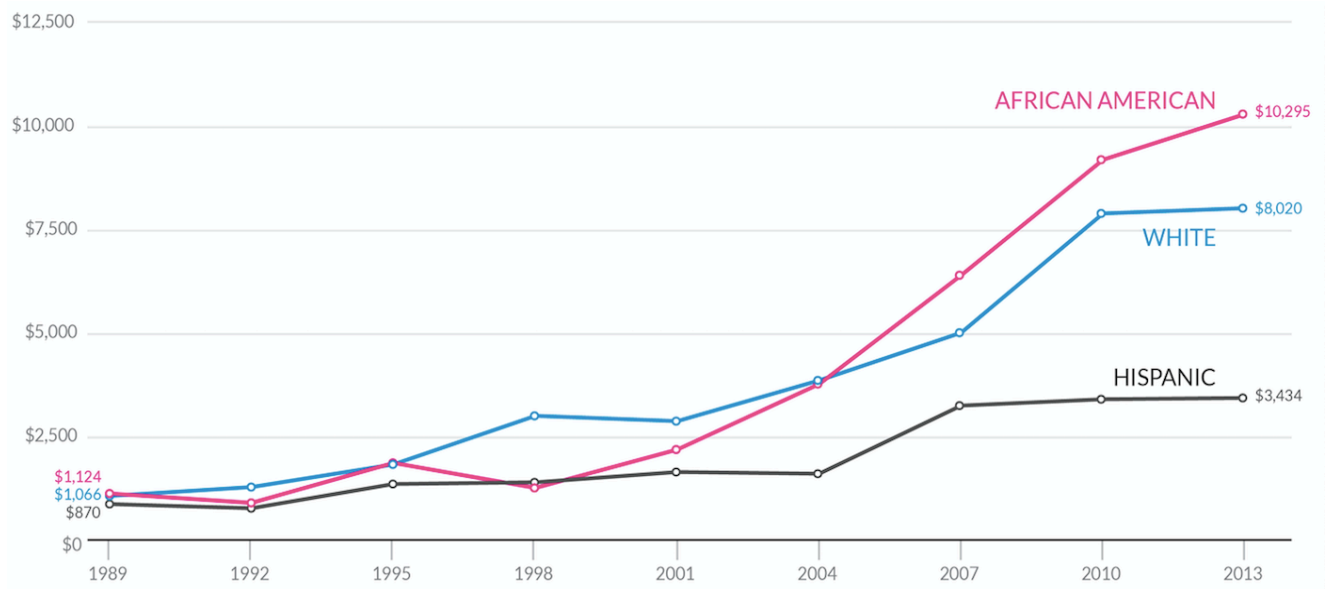
⁴⁰ Walden, Michael. (2015). North Carolina's Future Job Markets and Policy Responses. Accessed at <https://iei.ncsu.edu/wp-content/uploads/2016/01/Walden-IEI-White-Paper-futurejobs-July2015.pdf>

Cost of College

"The explosion of cost within the university system concerns me. Cost has gone up faster than quality of education ... How do you avoid problem of people taking on debt and dropping out?"

- NCLF participant

Average Family Student Loan Debt for those Ages 25 – 55, 1989-2013⁴¹



⁴¹ Urban Institute. *Nine Charts about Wealth Inequality in America*. Source: Survey of Consumer Finances, 1989 – 2013. Note: 2013 dollars. Age is defined as the age of the household head.

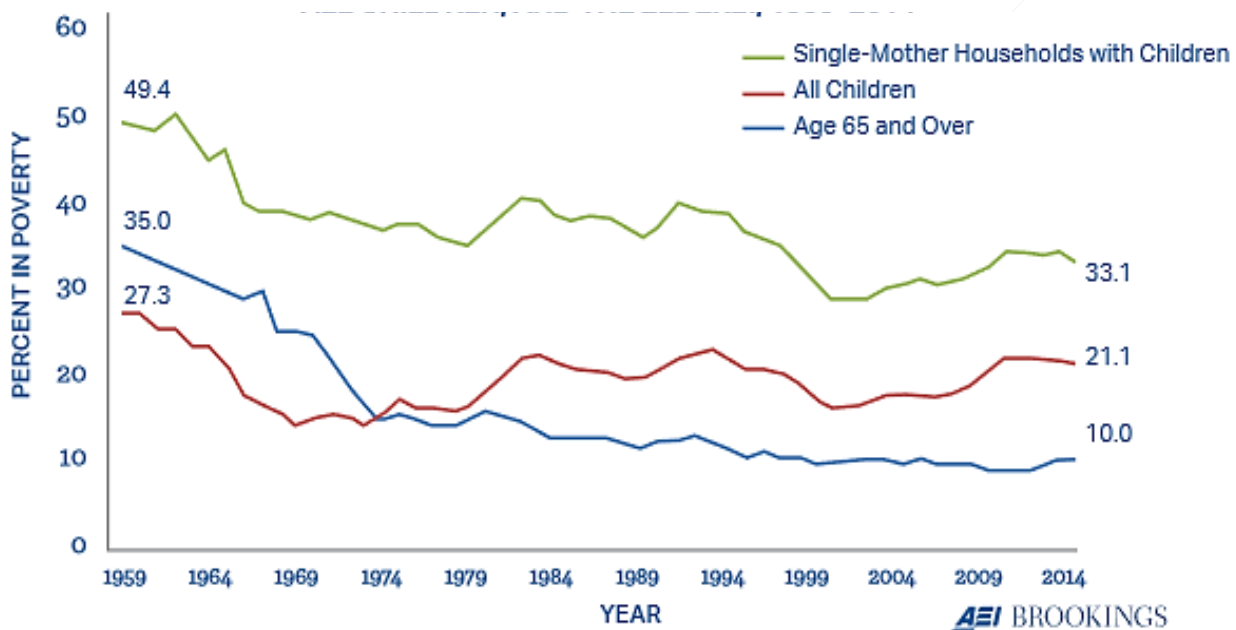
FACTOR: FAMILY COMPOSITION

"So much of the problem stems from the breakdown of the family."

"How much is influenced by single earning families?"

- NCLF Participants

U.S. Official Poverty Rates for Children in Single-Mother Households, All Children, and the Elderly, 1959 – 2014⁴²



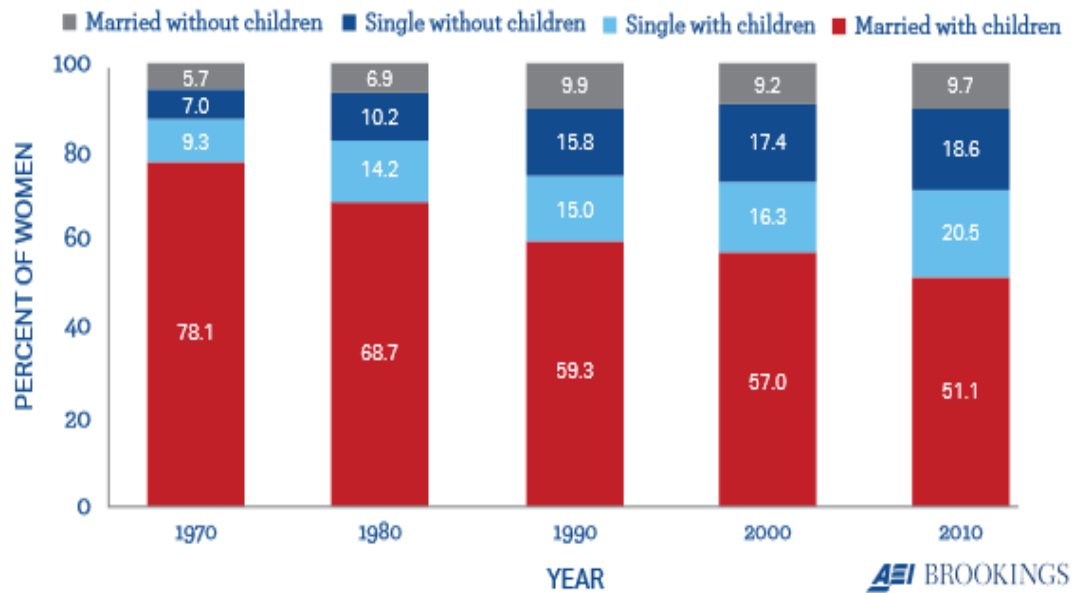
Note: Data on elderly poverty rates unavailable for years 1960-1965.
Source: Census Bureau, Poverty Division, CPS ASEC Tables 2 and 3.

In North Carolina, non-married black families are **six times** more likely to be poor than married black families. Non-married Hispanic families are more than **twice** as likely to be poor than married Hispanic families, while non-married white families are **seven times** more likely to be poor than married white families.⁴³

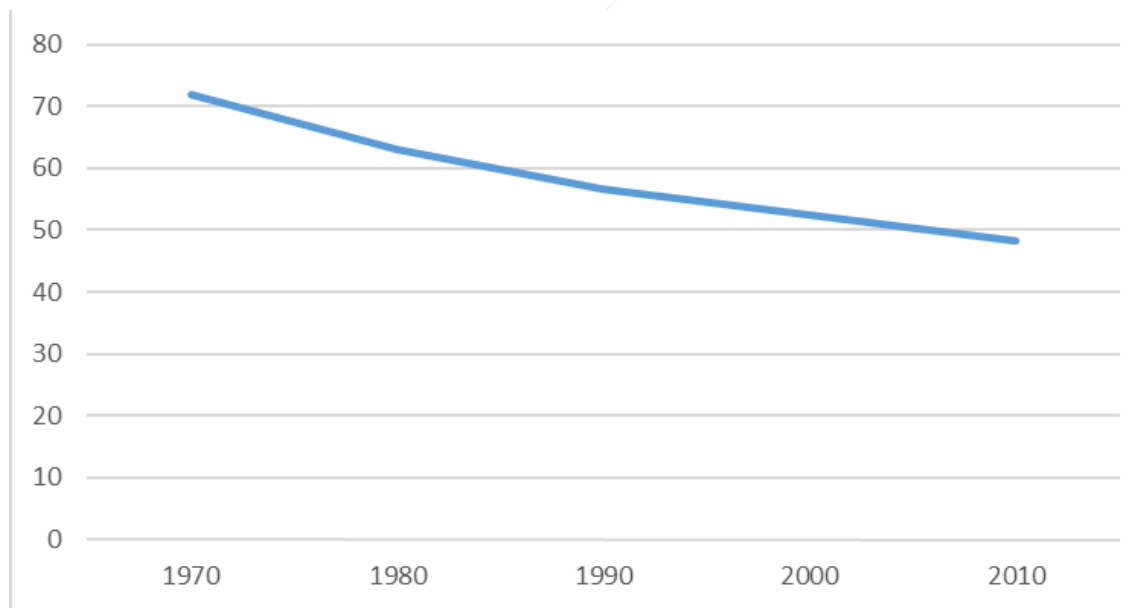
⁴² AEI-Brookings Report.

⁴³ Marriage: North Carolina's Number 1 Weapon Against Child Poverty. (2010). Accessed at <http://www.heritage.org/childpoverty/north-carolina>

Changes Nationally in Women's Family Structures At Age 35, 1970-2010⁴⁴



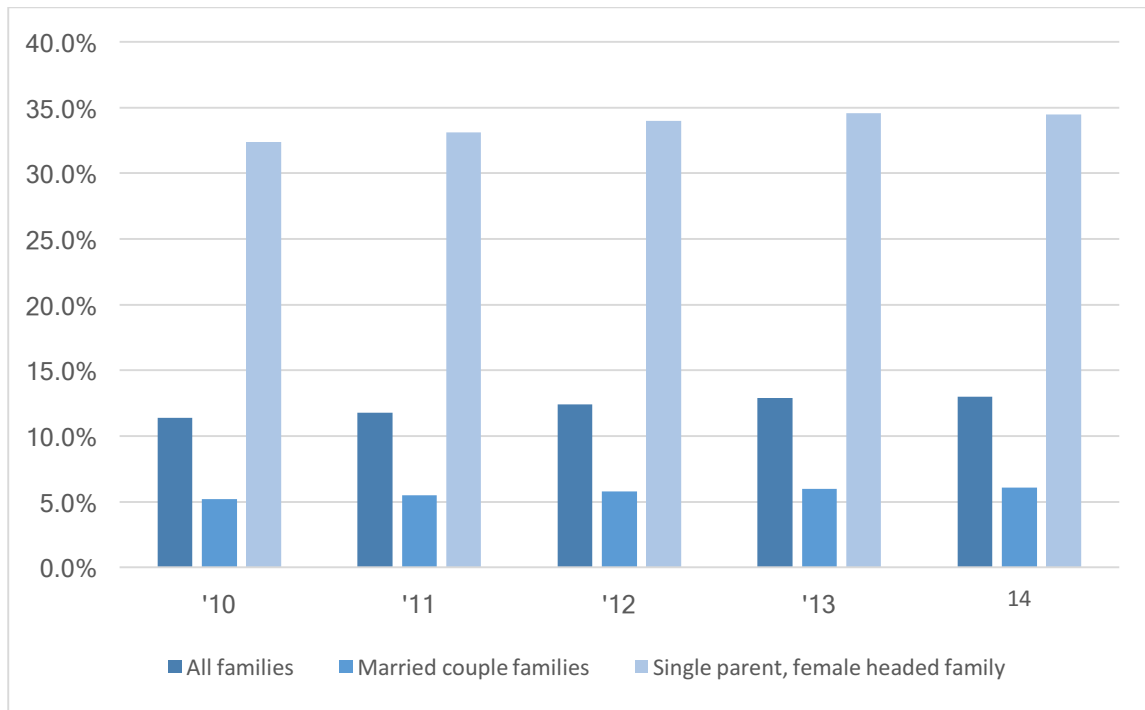
Percentage of Married Households in North Carolina, 1970 – 2010⁴⁵



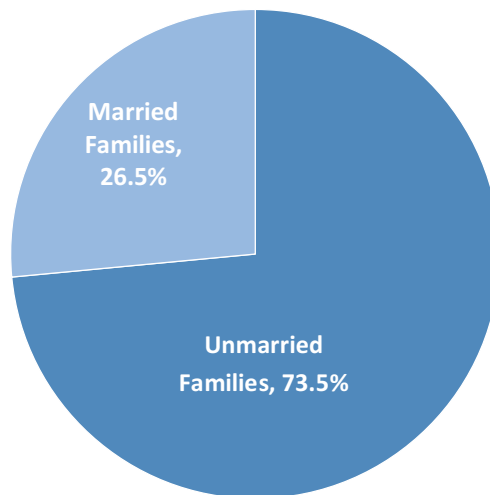
⁴⁴ AEI-Brookings Report.

⁴⁵ U.S. Census Bureau.

Percentage of NC Families with Children Living in Poverty⁴⁶



NC Families Living in Poverty, by Marital Status⁴⁷



⁴⁶ US Census Bureau. Analysis of data from the American Community Survey, one year estimates.

⁴⁷ Heritage. Analysis of data from the U.S. Census Bureau, American Community Survey, 2007 – 2009.

FACTOR: WORK

"I've been struck with how many people I've run into who are underemployed, have better skills than they can find a job. It seems to me now that there are more and more people working less than 30 hours as a move away from providing benefits. Has this changed?"

"College grads under 40 – the demographic of underemployed people for whom the American dream is not being realized."

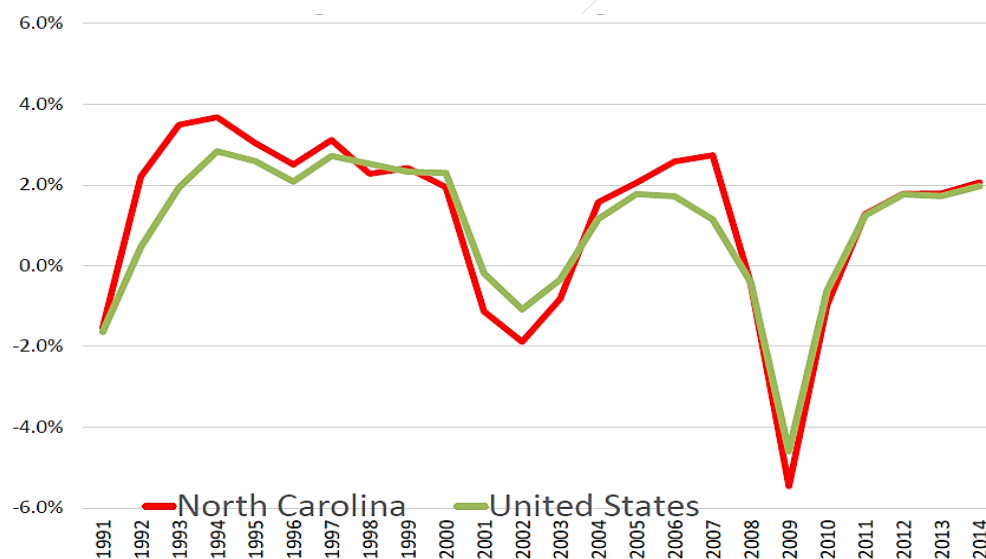
"The challenge facing furniture manufacturers is labor not market. The average employee is in there 50s. Young people don't want to look at it."

"You can divide the state into two parts: those where there are not enough jobs that pay a living wage and the other part where there are jobs but the people who live there don't have access to them."

- NCLF Participant

THE CHANGING MIX OF JOBS

Percentage Of Annual Change In Total Jobs⁴⁸



Key Terms

Labor force:
Sum of the employed and unemployed.

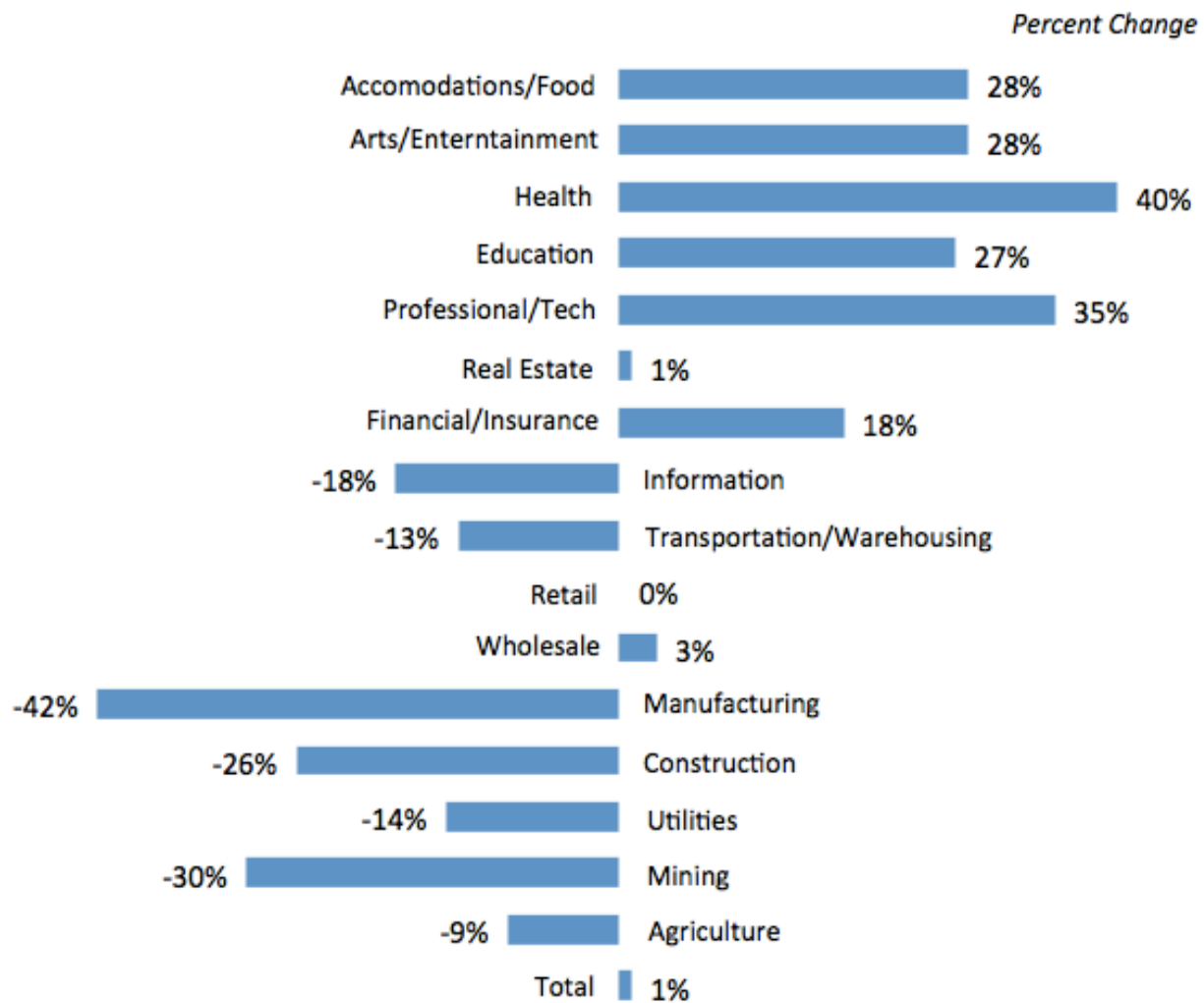
Unemployment rate: Number of unemployed as a percentage of the labor force.

Participation Rate:
Number of people in labor force as a percentage of civilian population 16 years and older.

Employment-Population Ratio: Number of employed as a percentage of civilian population 16 years and older.

⁴⁸ Ted Abernathy, "Joint Legislative Economic Development & Global Engagement Oversight Committee." Source: BLS 2015.

NC Employment Changes by Industry, 2000 – 2012⁴⁹



Key Terms

Industry:

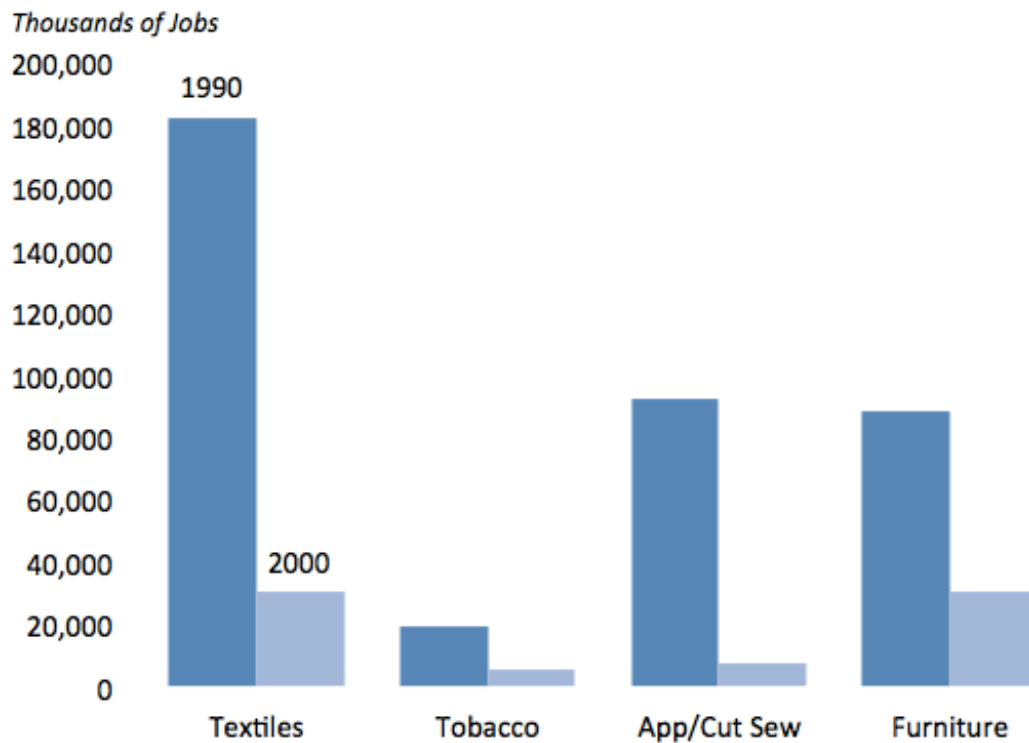
Describes businesses. Industries are assigned NAICS industry codes by the US Census Bureau.

Occupation:

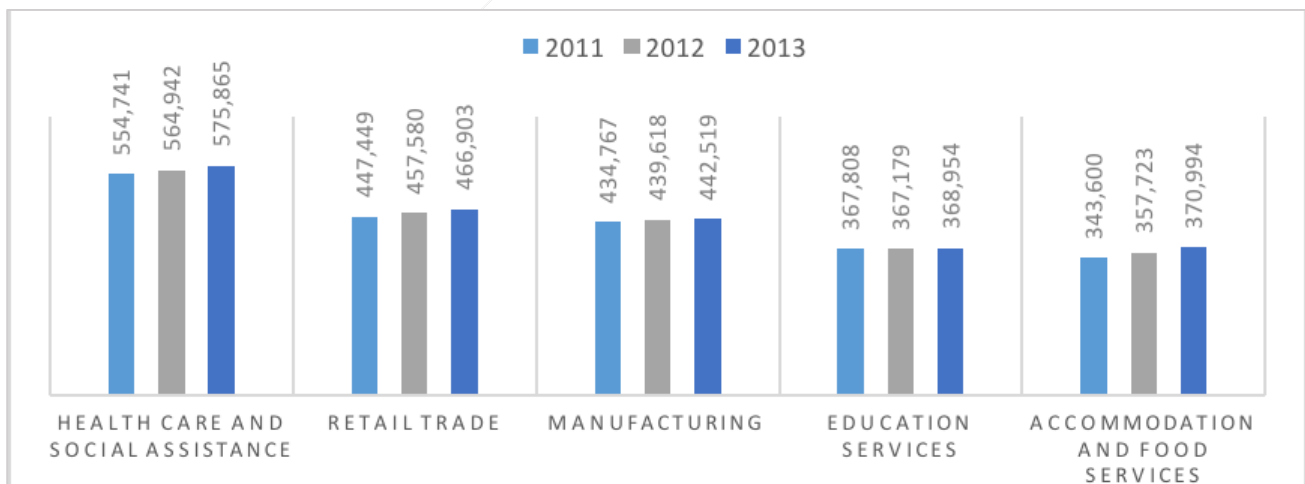
Describes jobs. A single industry has multiple occupations.

⁴⁹ Lester, William and Nichola Lowe. Think NC First. *Rebuilding the Bridge to the Future: An Analysis of What Works for North Carolina's Economy*.

NC Job Changes by Industry, 1990 – 2000⁵⁰



Top 5 NC Employers by Industry⁵¹



⁵⁰ Ibid.

⁵¹ Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages. Accessed at: http://www.careerinfonet.org/industry/ind_employment_data

NC Top 25 Employers and County Location, 2014⁵²

2014 Rank	Company Name	County
1	Duke University	Durham
2	Charlotte Mecklenburg Hospital	Mecklenburg
3	Charlotte-Mecklenburg Board of Education	Mecklenburg
4	Wake County Public Schools	Wake
5	Wells Fargo Bank Na (A Corp)	Mecklenburg
6	U N C Chapel Hill	Orange
7	Bank Of America Na	Mecklenburg
8	Guilford County Schools	Guilford
9	N C State University At Raleigh	Wake
10	UNC Health Care System	Orange
11	Defense Ex Army Navy & Air Force	Cumberland
12	Winston Salem Forsyth County School	Forsyth
13	Cumberland County Board Of Education	Cumberland
14	Wake Med	Wake
15	North Carolina Baptist Hospitals	Forsyth
16	U S Air Inc.	Mecklenburg
17	City Of Charlotte	Mecklenburg
18	Moses H Cone Memorial Hospital	Guilford
19	Memorial Mission Hospital Inc.	Buncombe
20	Pitt County Memorial Hospital	Pitt
21	Forsyth Memorial Hospital Inc.	Forsyth
22	Union County Schools	Union
23	East Carolina University	Pitt
24	IBM Corporation	Durham
25	Durham Public Schools	Durham

⁵² North Carolina Department of Commerce, Labor & Economic Analysis Division. Accessed at: <http://d4.nccommerce.com/QCEWLargestEmployers.aspx>

North Carolina's Largest Private Employers Ranked in Order According to First Quarter 2015
Employment Size (including Labor Jobs)⁵³

Rank	Employer	Industry
1	Wal-Mart	Retail Trade
2	Food Lion	Retail Trade
3	Duke University	Educational Services
4	Wells Fargo Bank NA	Finance & Insurance
5	Bank of America	Finance & Insurance
6	Lowe's Home Improvement	Finance & Insurance
7	Harris Teeter	Retail Trade
8	Branch Banking & Trust	Retail Trade
9	Smithfield Foods	Finance & Insurance
10	US Airways	Manufacturing
11	Wake Forest University Baptist Medical	Transportation & Warehousing
12	United Parcel Service	Health Care & Social Assistance
13	Ingle's Markets	Transportation & Warehousing
14	Wake Med Health & Hospitals	Retail Trade
15	Target Corporation	Health Care & Social Assistance
16	TWC Administration	Retail Trade
17	Cone Health	Health Care & Social Assistance
18	Belk Inc.	Retail Trade
19	Memorial Mission Hospital	Information
20	IBM Corp.	Health Care & Social Assistance
21	AT&T Services	Retail Trade
22	Laboratory Corporation of America	Health Care & Social Assistance
23	Lowes Foods	Manufacturing
24	Compass Group USA Inc.	Information
25	Walgreens	Health Care & Social Assistance

⁵³ Ibid.

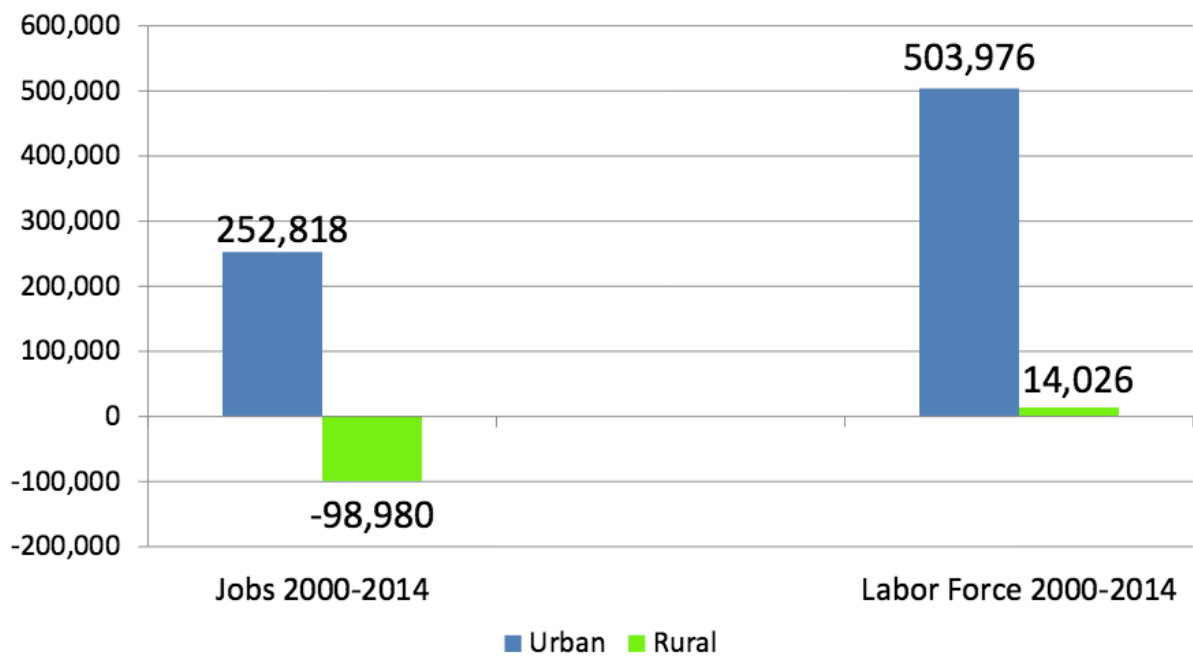
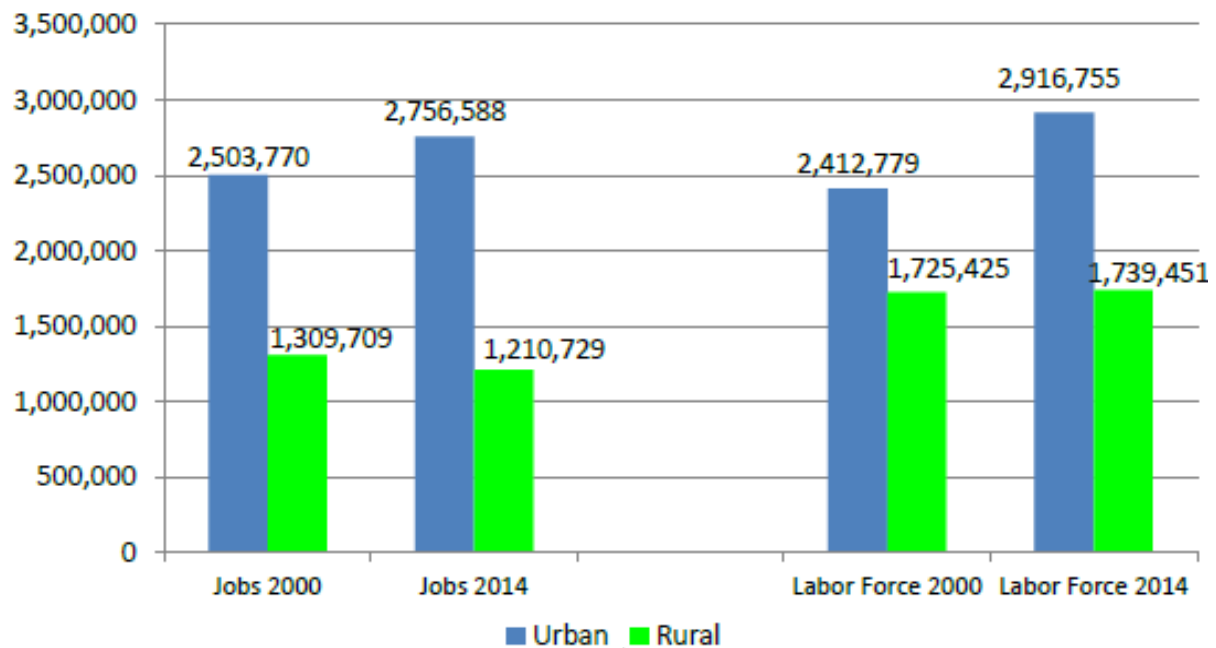
Top 20 NC Employer Industries by Sector 2011 - 2013⁵⁴

Rank	Industry By Sector	2011	2012	2013
1	Health Care and Social Assistance	554,741	564,942	575,865
2	Retail Trade	447,449	457,580	466,903
3	Manufacturing	434,767	439,618	442,519
4	Education Services	367,808	367,179	368,954
5	Accommodation and Food Services	343,600	357,723	370,994
6	Administrative and Support and Waste Management and Remediation Services	250,042	260,294	272,602
7	Public Administration	237,105	236,148	237,798
8	Professional, Scientific, and Technical Services	190,856	198,160	203,206
9	Construction	173,754	172,145	173,485
10	Wholesale Trade	168,204	171,803	173,869
11	Finance and Insurance	148,111	148,527	150,922
12	Transportation and Warehousing	125,314	127,233	128,364
13	Other Services (except Public Administration)	95,401	98,106	100,391
14	Management of Companies and Enterprises	77,297	80,544	77,841
15	Information	68,687	70,248	70,789
16	Arts, Entertainment, and Recreation	57,953	59,331	61,228
17	Real Estate and Rental and Leasing	47,213	48,149	50,020
18	Agriculture, Forestry, Fishing and Hunting	28,399	28,746	28,745
19	Utilities	13,390	13,516	13,699
20	Mining	3,044	3,003	2,961

⁵⁴ Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages. Accessed at: http://www.careerinfonet.org/industry/ind_employment_data

Urban and Rural NC Job & Labor Force Shifts 2000-2014⁵⁵

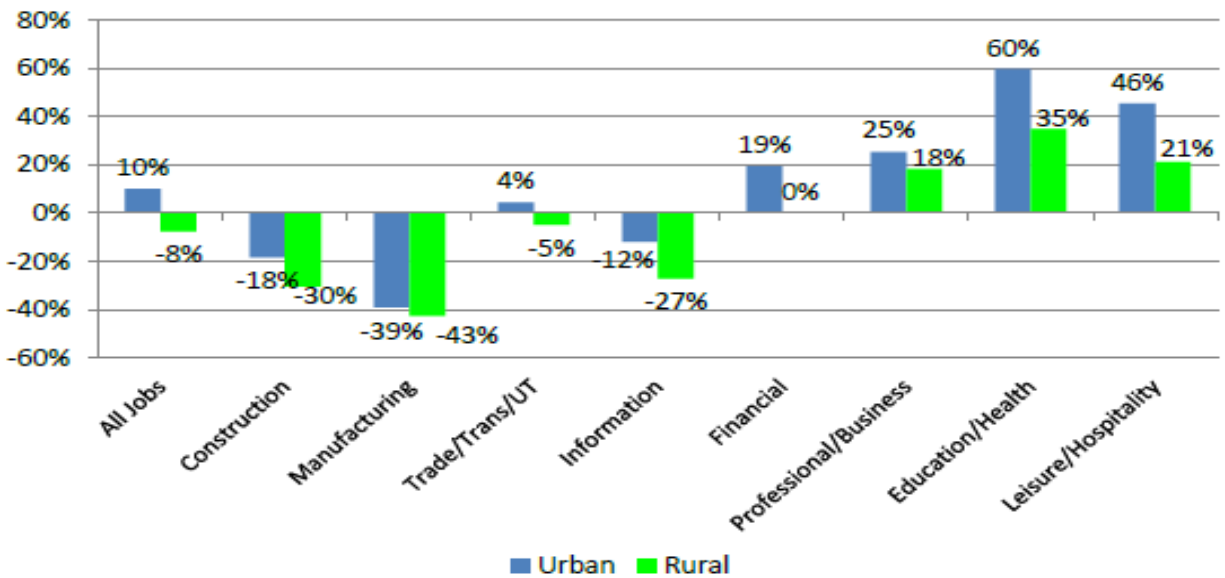
From 2000 to 2014, jobs in urban settings increased by 252,818 while jobs in rural settings decreased by 98,980. From 2000 to 2014, the labor force in urban settings increased by 503,976 and the labor force in rural settings increased by 14,026.



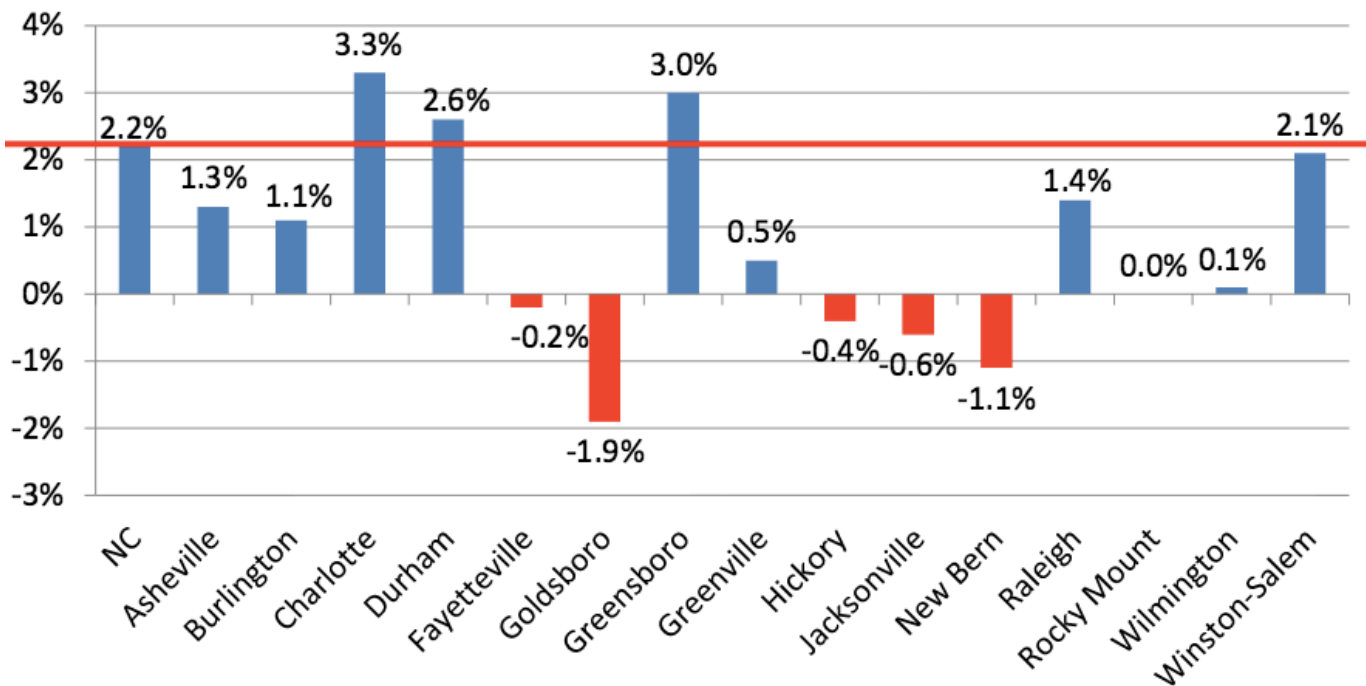
⁵⁵ Abernathy, Ted. Economic Leadership. Joint Legislative Economic Development & Global Engagement Oversight Committee. Workforce Presentation.

NC Job Changes 2000-2014⁵⁶

Urban areas have experienced a 10% increase in jobs whereas rural areas have seen an 8% decrease in jobs.



NC Metro Employment Growth Last 12 Months Compared to 12 Months Ago⁵⁷



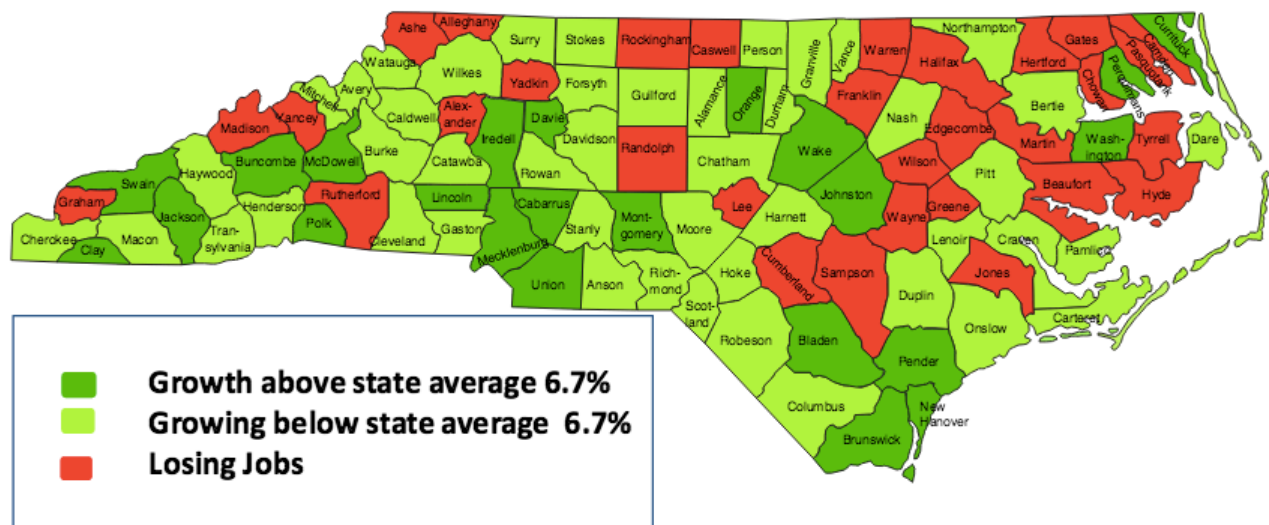
⁵⁶ Ted Abernathy. Economic Leadership. Joint Legislative Economic Development & Global Engagement Oversight Committee. Workforce Presentation.

⁵⁷ Ibid. Source: BLS, Dec 2015, measured Nov 2014 – Nov 2015.

Change in Average Number of Jobs by NC County, 2012 - 2015⁵⁸

We are still doing an incentive program – going into Wake and Durham and Mecklenburg Counties. They don't need it. Why should the state be funneling any money into cities like Charlotte and Raleigh?

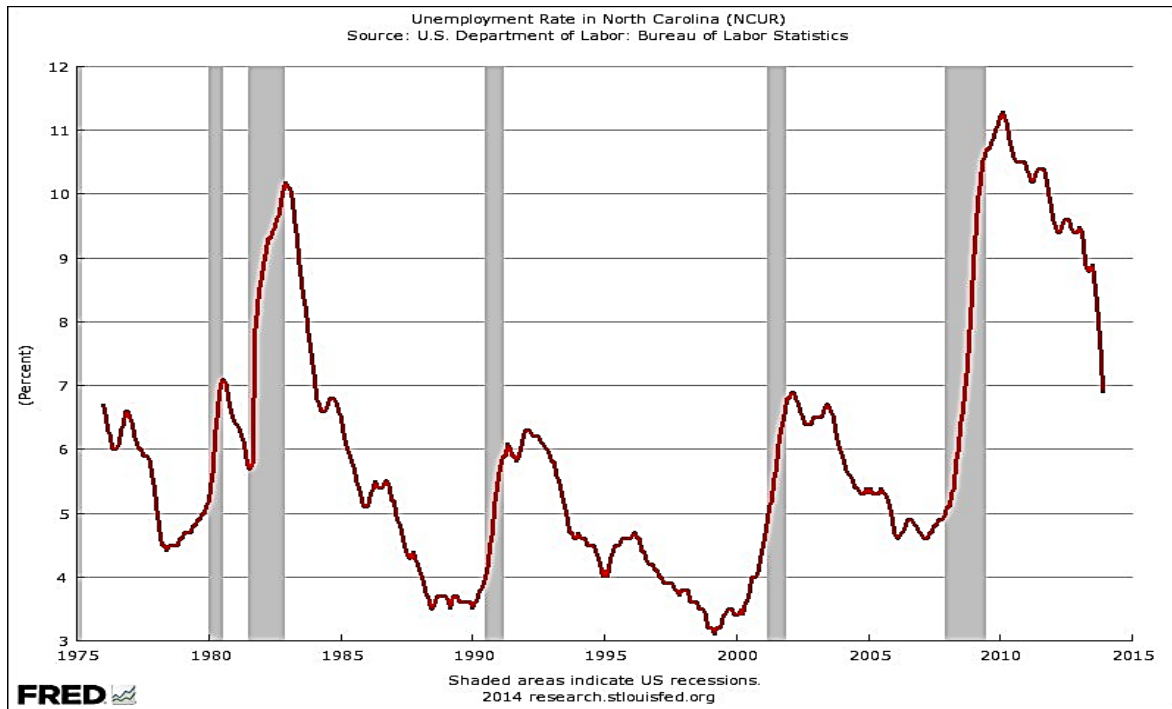
- NCLF participant



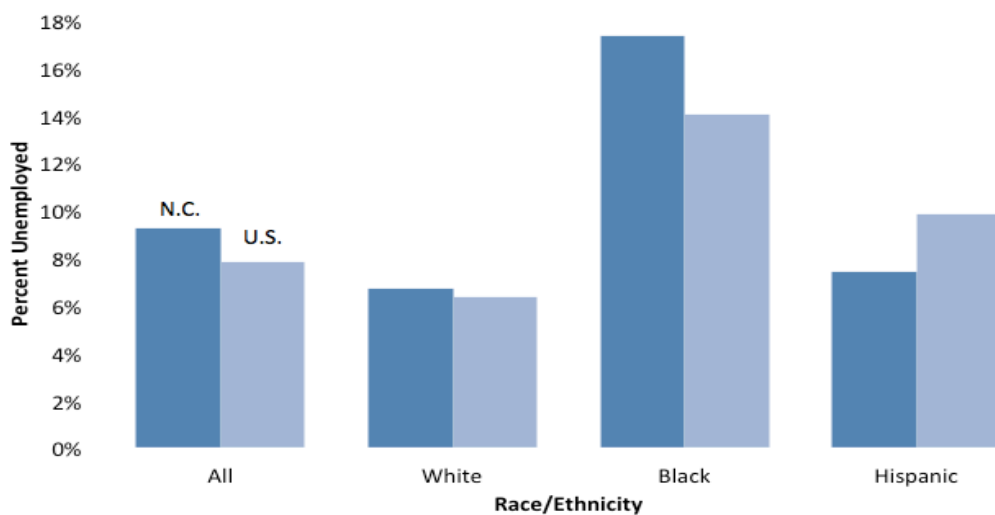
⁵⁸ Ibid. Source: NC Department of Commerce. Accessed at: <http://d4.nccommerce.com/QCEWLargestEmployers.aspx>

UNEMPLOYMENT

Unemployment Rates in NC, 1975 - 2015⁵⁹



Unemployment Rates in the U.S. and North Carolina by Race and Ethnicity, 2012⁶⁰

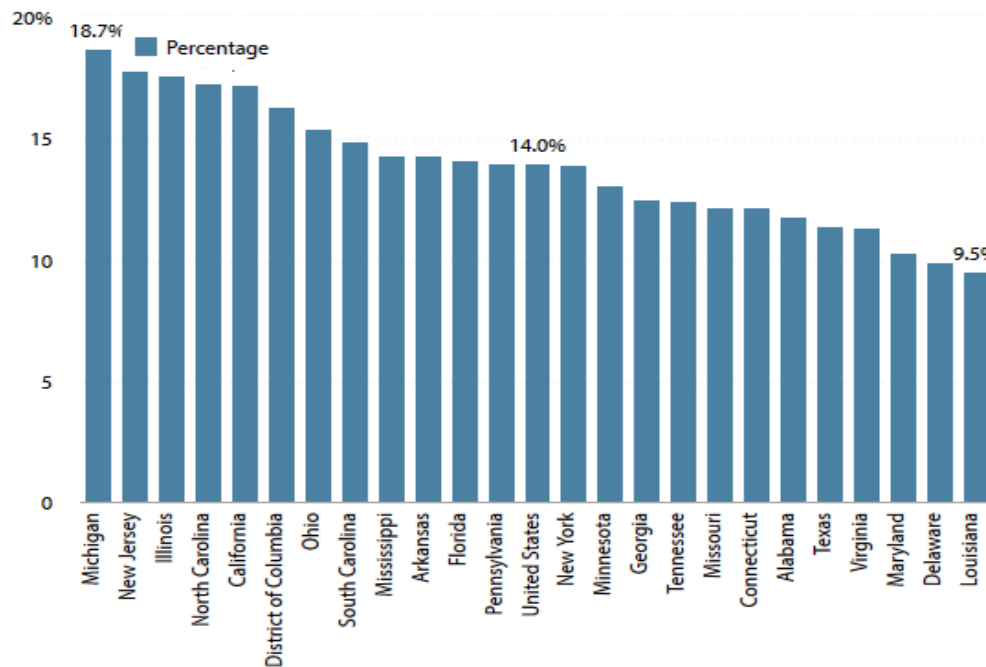


⁵⁹ NC Jobs Plan (Dec. 2013). North Carolina Economic Development Board.

https://www.nccommerce.com/Portals/0/Documents/AboutOurDepartment/BoardsCommissions/NC%20Jobs%20Plan%20Report_Final.pdf

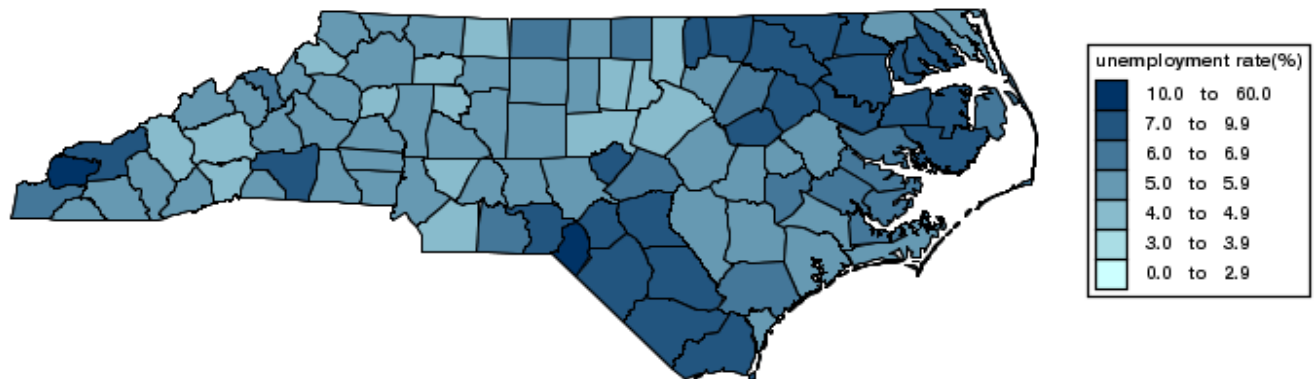
⁶⁰ Mary Gable's analysis of Bureau of Labor Statistics Local Area Unemployment Statistics and basic monthly Current Population Survey microdata from Economic Policy Institute. Retrieved from: <http://www.epi.org/publication/ongoing-joblessness-north-carolina-unemployment/>

Black Unemployment Rate in NC Compared to 23 Other States and the U.S., 2012⁶¹



Unemployment Rates by NC County (Not Seasonally Adjusted)⁶²

This map shows the areas with the highest concentrations of unemployed North Carolinians.



⁶¹ Mary Gable's analysis of Bureau of Labor Statistics Local Area Unemployment Statistics and basic monthly Current Population Survey microdata from Economic Policy Institute. Retrieved from: <http://www.epi.org/publication/ongoing-joblessness-north-carolina-unemployment/>

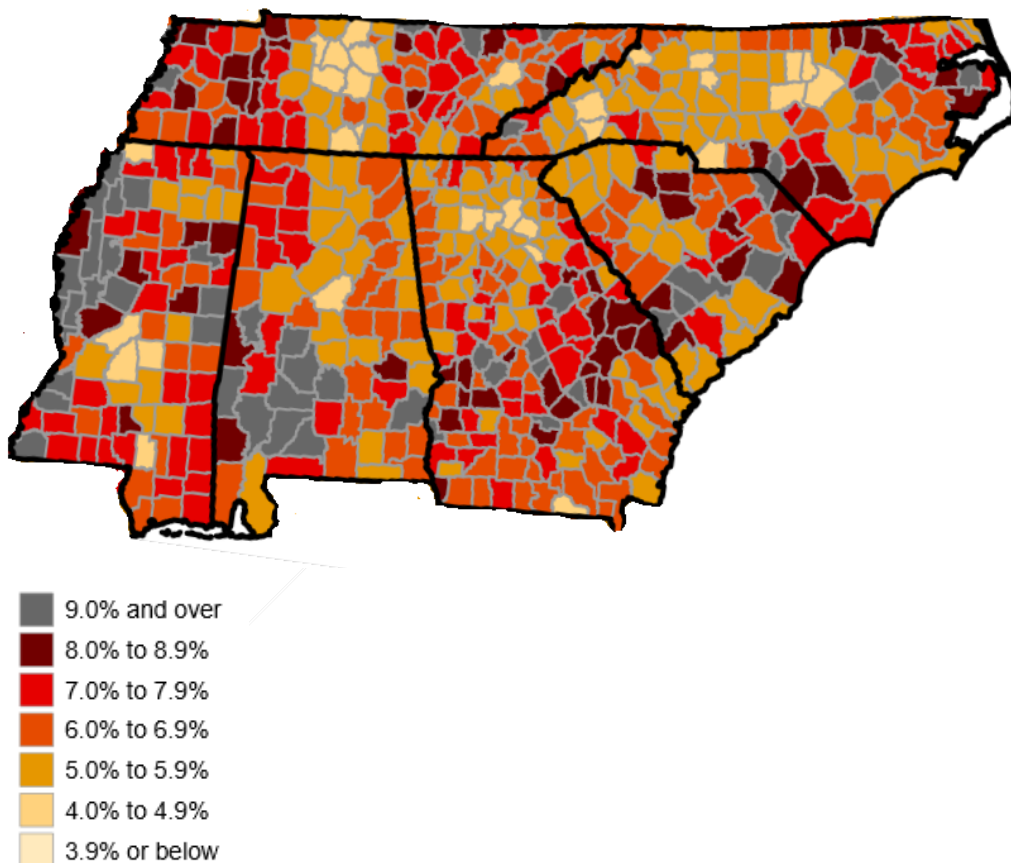
⁶² Unemployment Rates by County, not Seasonally Adjusted, NC, Nov. 2015 from the U.S. Bureau of Labor Statistics. <http://data.bls.gov/map/MapToolServlet?survey=la&map=county&seasonal=u&datatype=unemployment&year=2015&period=M11&state=37>

Unemployment in Urban and Rural Counties (as of Feb 2014)⁶³

Seventy-four of North Carolina's 100 counties are considered rural, a legacy of the state's agricultural history. However, 66 percent of the state's 9.4 million residents live in urban counties (counties with 200 persons per square mile or greater).

	Urban	Rural
Unemployment Rate for NC	9.2%	10.7%
Number of Unemployed (as of 2011) ⁶⁴	243,549	245,552
Per Capita Income per NC Counties	\$27,383	\$21,269
Population in Workforce for NC Counties	51.7%	46.5%
Poverty Rate for NC Counties	14.7%	18.7%

Unemployment Rates by County, January 2015 – December 2015 Averages⁶⁵



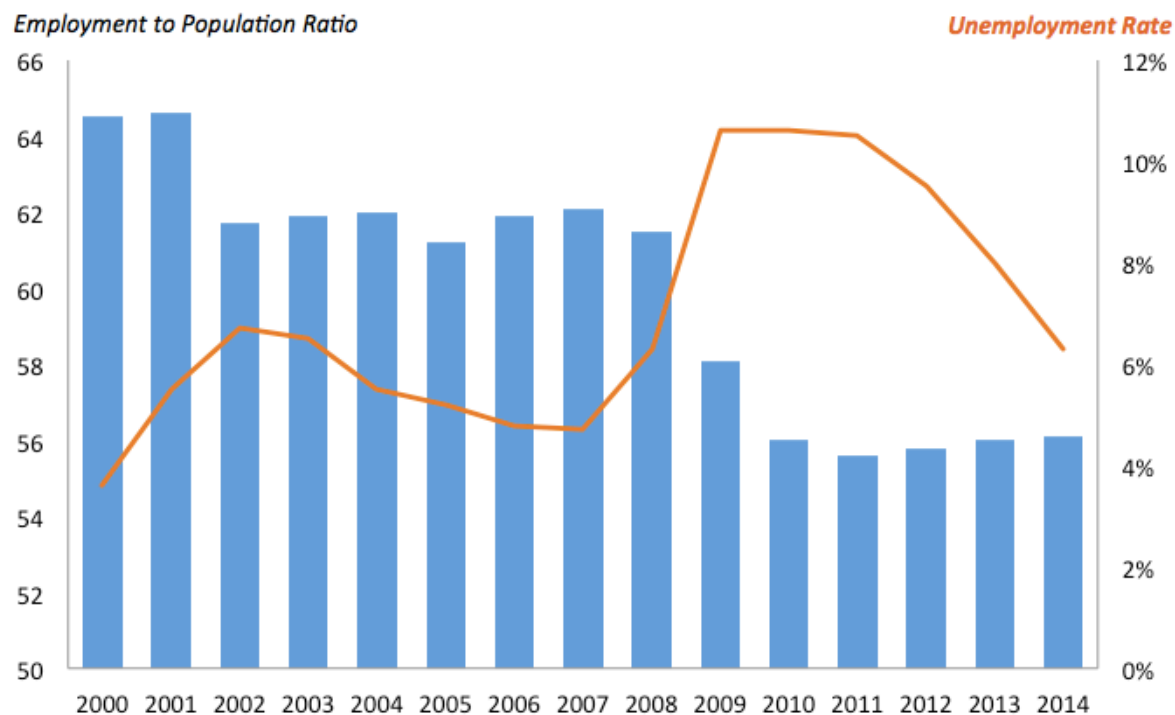
⁶³ Source: UNC-CH City and Regional Planning Department.

⁶⁴ NC Rural Center, Rural Data Bank. Accessible at: <http://www.ncruralcenter.org/>

⁶⁵ Source: Bureau of Labor Statistics, Local Area Unemployment Statistics. Retrieved from: <http://www.bls.gov/web/laus/mstrtcr2.pdf>

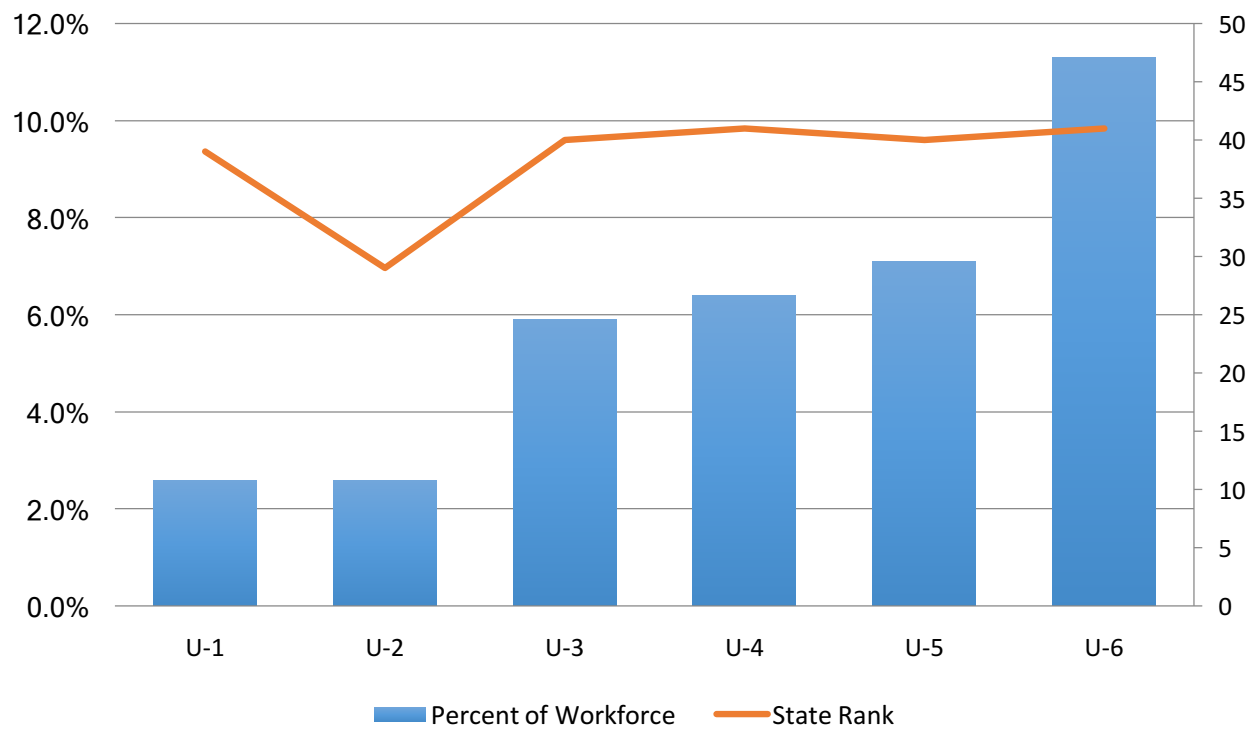
Employment to Population Ratio versus Unemployment Rate in NC, 2000 - 2014⁶⁶

The bars in the below graph show the percentage of people working divided by the total population. Although unemployment has fallen, the total percentage of people working overall has decreased. North Carolina ranks **39th** out of 50 in percentage of people working.



⁶⁶ Weisenthal, Joe. *Look How The Unemployment Rate Is Plunging In The One State That Already Canceled Long-Term Unemployment Benefits*. Business Insider. January 28, 2014. (Graph is from U.S. Department of Labor Statistics.) <http://www.businessinsider.com/north-carolina-unemployment-rate-2014-1>

Alternative Measures of Labor Underutilization for NC, 2015 annual averages⁶⁷



The Six State Unemployment Measure Definitions:

- **U-1**, persons unemployed 15 weeks or longer, as a percent of the civilian labor force;
- **U-2**, job losers and persons who completed temporary jobs, as a percent of the civilian labor force;
- **U-3**, total unemployed, as a percent of the civilian labor force (this is the definition used for the official unemployment rate);
- **U-4**, total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers;
- **U-5**, total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers; and
- **U-6**, total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

⁶⁷ US Dept. Bureau of Labor Statistics. Accessed at: <http://www.bls.gov/lau/stalt.htm>

UNDEREMPLOYMENT

Approximately 40% of workers in North Carolina who held a part-time position over the last year were involuntary part-time workers, meaning that they would like to work full-time.

Underemployment Rates in the Southern States⁶⁸

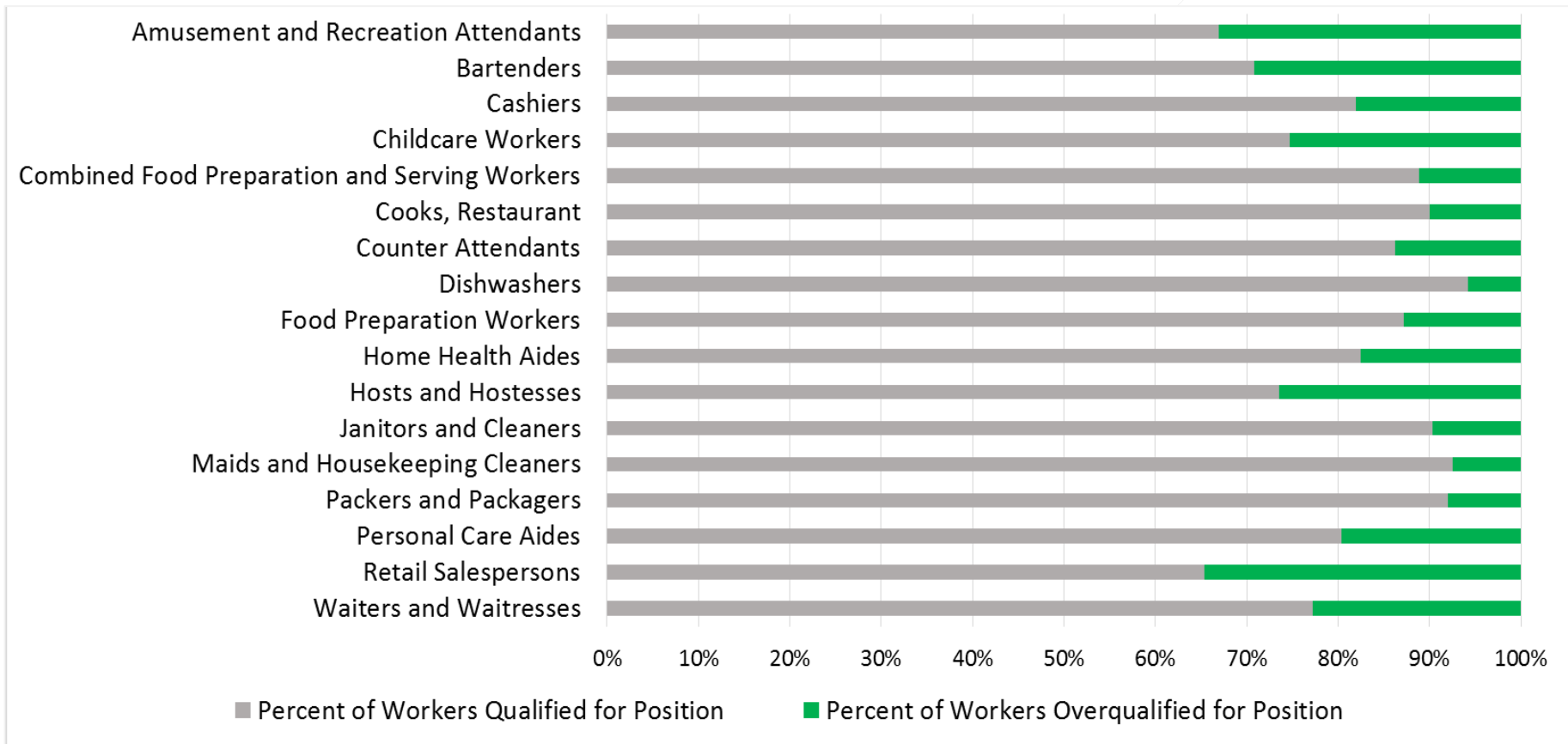
	WORKERS UNDER AGE 25				ALL WORKERS			
	2000	2007	2012	2013	2000	2007	2012	2013
ALABAMA	19.5%	17.2%	24.2%	26.9%	8.2%	7.1%	13.5%	12.2%
ARKANSAS	17.7%	16.7%	27.2%	30.3%	7.5%	9.5%	13.0%	13.7%
FLORIDA	14.4%	16.0%	28.4%	23.8%	6.5%	8.0%	16.0%	14.2%
GEORGIA	13.1%	17.7%	31.6%	30.7%	6.0%	8.1%	15.7%	14.8%
KENTUCKY	15.0%	19.6%	27.8%	30.5%	6.9%	9.3%	13.8%	15.0%
LOUISIANA	20.4%	13.3%	25.6%	24.2%	9.2%	7.2%	11.9%	12.7%
MISSISSIPPI	22.7%	22.9%	35.3%	33.0%	9.5%	10.8%	15.1%	14.6%
NORTH CAROLINA	14.3%	18.1%	33.1%	31.9%	6.2%	8.5%	16.2%	14.7%
SOUTH CAROLINA	16.3%	21.3%	34.3%	27.6%	6.7%	9.5%	15.8%	14.0%
TENNESSEE	14.9%	19.8%	23.1%	31.1%	7.5%	8.0%	13.3%	14.7%
TEXAS	16.3%	15.9%	23.1%	22.6%	7.4%	7.7%	12.1%	11.3%
VIRGINIA	11.1%	13.6%	28.8%	25.9%	4.2%	6.1%	11.7%	11.5%
WEST VIRGINIA	20.6%	22.6%	28.5%	26.2%	10.2%	9.2%	13.1%	12.0%
UNITED STATES	14.9%	17.3%	27.9%	27.0%	7.0%	8.3%	14.7%	13.8%

SOURCE: ECONOMIC POLICY INSTITUTE BRIEFING PAPER #377. AUTHOR'S ANALYSIS OF CURRENT POPULATION SURVEY OUTGOING ROTATION GROUP MICRODATA

⁶⁸ MDC. State of the South: Building an Infrastructure of Opportunity for the next generation. 2016. Retrieved from: http://stateofthesouth.org/wp-content/uploads/2014/11/MDC_StateOfTheSouth_web.pdf

North Carolinians Overqualified for Occupations Based on Education

Approximately 18% of North Carolinians are underemployed, as determined by having more education than a job requires. Some occupations such as retail salespeople and childcare workers have a higher percentage of workers whose level of education exceeds the requirement of their jobs.⁶⁹



⁶⁹ Department of City and Regional Planning at UNC-Chapel Hill. Regional Workforce UNC. Underemployment. (n.d.). Retrieved from <http://www.lowwagenc.org/underemployment/>

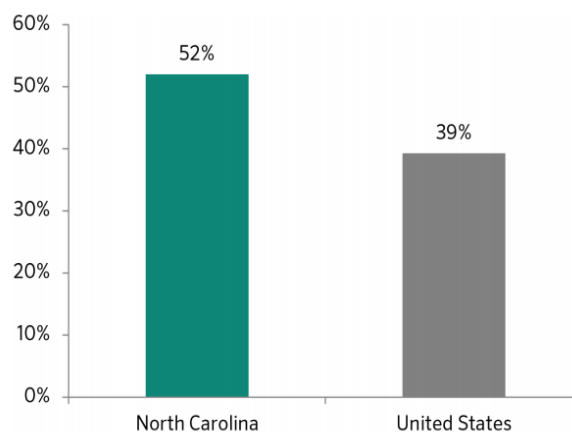
THE CONTINGENT WORKFORCE

Employers around the nation are increasingly relying on temporary workers. Businesses outsource labor to account for idle periods, reduce recruiting and training costs, and avoid the costs associated with lay-offs. By its nature, temporary work does not support stable, long-term employment, and is typically geared toward low-skilled jobs.

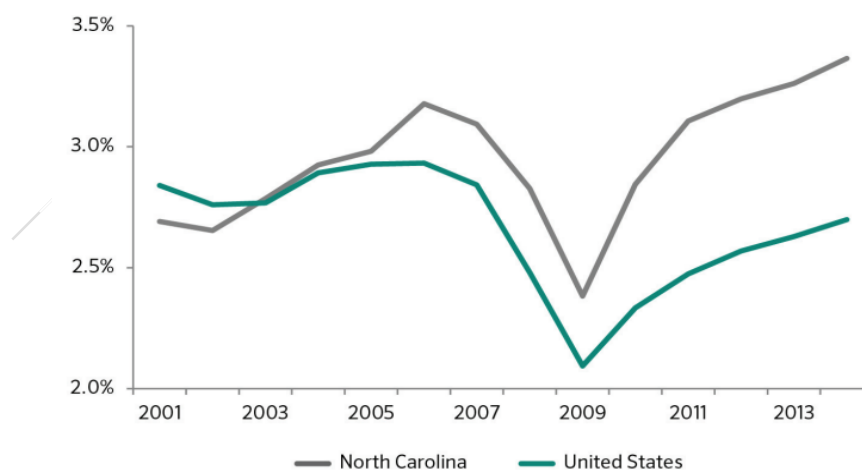
“There has been a change in the nature of work – a breakdown in the social contract that existed for decades. There is less and less full-time employment, and more contingent workers. What is it that we expect from employment? What did employment use to provide that it is no longer, and what is the responsibility of the government and individuals now?”

- NCLF participant

Percent Change in Temporary Employment, 2009 – 2014⁷⁰



Temporary Employment as Percentage of All Employment⁷¹



⁷⁰ North Carolina Justice Center (2015). *The Age of Contingent Employment*. Source: Analysis of annual employment in NAICS 56132 and 56133, Quarterly Census of Employment and Wages.

⁷¹ Ibid.

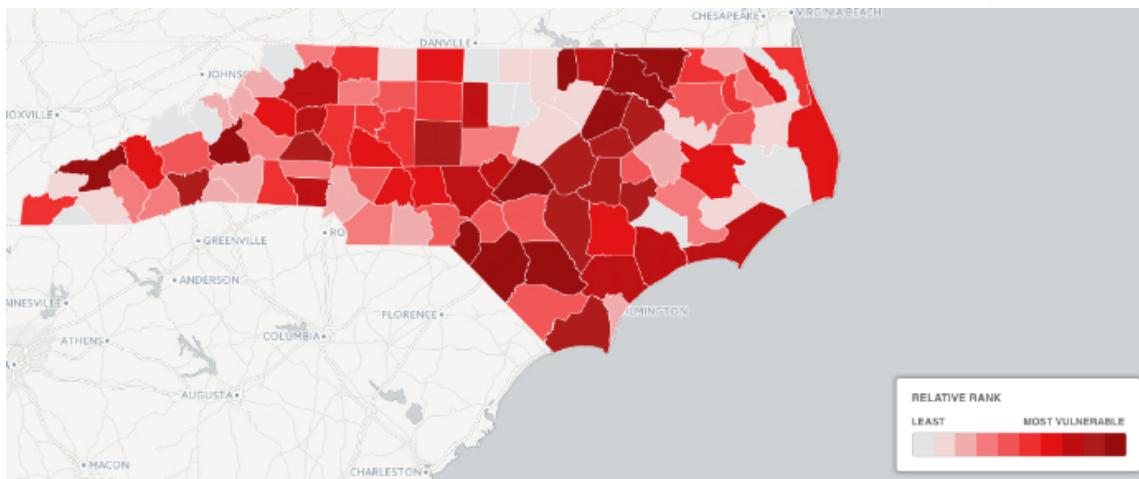
PREDICTED WORK DISRUPTIONS

Materials from the 2016 Emerging Issues Forum at NC State University highlight North Carolina's expected future jobs challenges as the technical revolution removes more than a million current jobs and the state's demography shifts as the population ages, grows more diverse, and more women join the workforce.⁷²

"Education is going to be important. More of a challenge of how do we provide a workforce delivery system that is agile enough for the kind of turbulence that is coming with the rise of automation and other disruptive trends. The main challenge is not about more money."

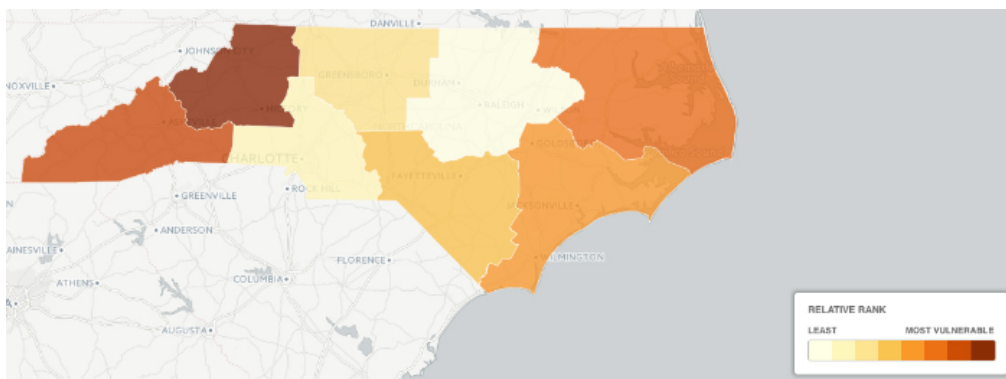
- NCLF Participant

NC Counties Most Vulnerable to Disruption⁷³



NC Regions Most Vulnerable to Disruption⁷⁴

Regionally, the least vulnerable areas of the state, which include the Charlotte and Triangle metro areas, feature relatively less wage exposure, more people of working age, and higher levels of educational attainment.



⁷² NC State University. Institute for Emerging Issues. FutureWork Disruption Index for North Carolina. Released February 1, 2016.

Retrieved from: <https://iei.ncsu.edu/wp-content/uploads/2016/02/REPORT-IEI-FutureWork-Disruption-Index-for-NC-2-1-2016.pdf>

⁷³ Ibid.

⁷⁴ Ibid.

Key Findings from the Emerging Issues Institute's 2016 report on predicted work disruptions:⁷⁵

- Lower-wage jobs are particularly at risk, but automation is threatening many job categories. More than 1 million North Carolinians are currently employed in these most vulnerable roles. The five most vulnerable roles: Food prep and servers (including fast food), retail salespersons, cashiers, waiters, and general office clerks.
- On average, NC counties face the potential loss of more than 25% of their current jobs and nearly 20% of current wages as a result of automation and related technologies. Counties facing the highest percentage of job losses due to automation are Watauga (41%), Carteret (40%), Dare (40%), Johnston (40%), Buncombe (39%) and Catawba (39%).
- Top five counties most vulnerable to disruption: Northampton, Vance, Halifax, Robeson, and Nash. The counties least vulnerable to disruption include a mix of urban, including Orange and Durham, and rural, including Camden, Hyde, and Madison

⁷⁵ Ibid.

FACTOR: WAGES

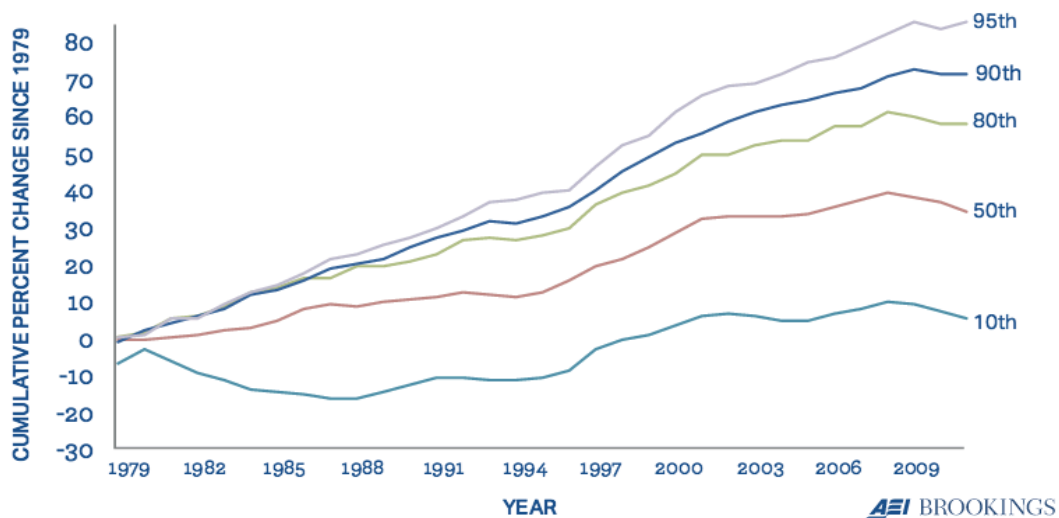
"The challenge isn't rocket science. People need to earn higher wages. We need to pay people a decent wage."

"The state has a long history of really low wage jobs in agriculture and textile; there have been some times where you could start in a low-income job with a pathway to a living wage, but pathway industries have either vanished or diminished. Now we have low wage, dead-end jobs."

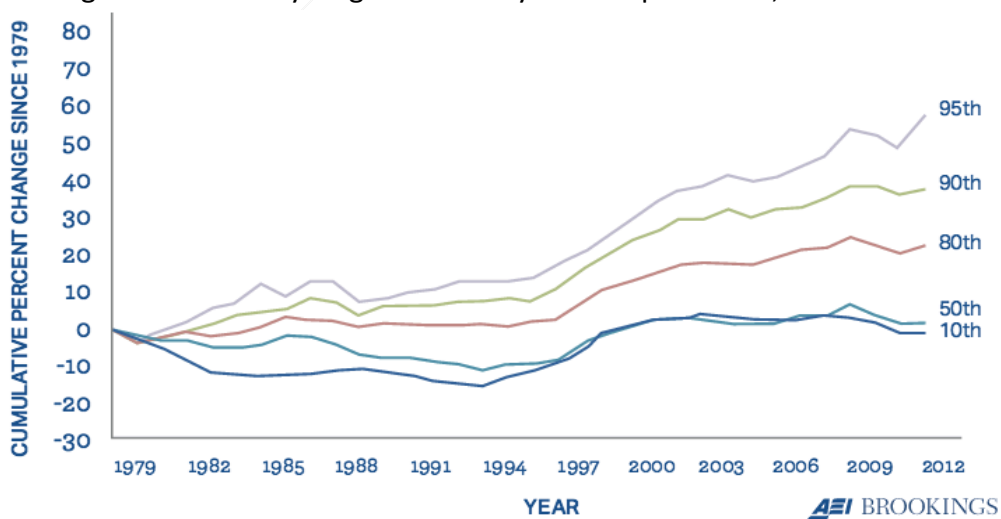
"There has been a loss of well-paying jobs over the last couple of decades. The opportunities for a good paying job do not exist."

- NCLF Participants

Cumulative changes in real hourly wages of women by income percentile, 1979-2010⁷⁶



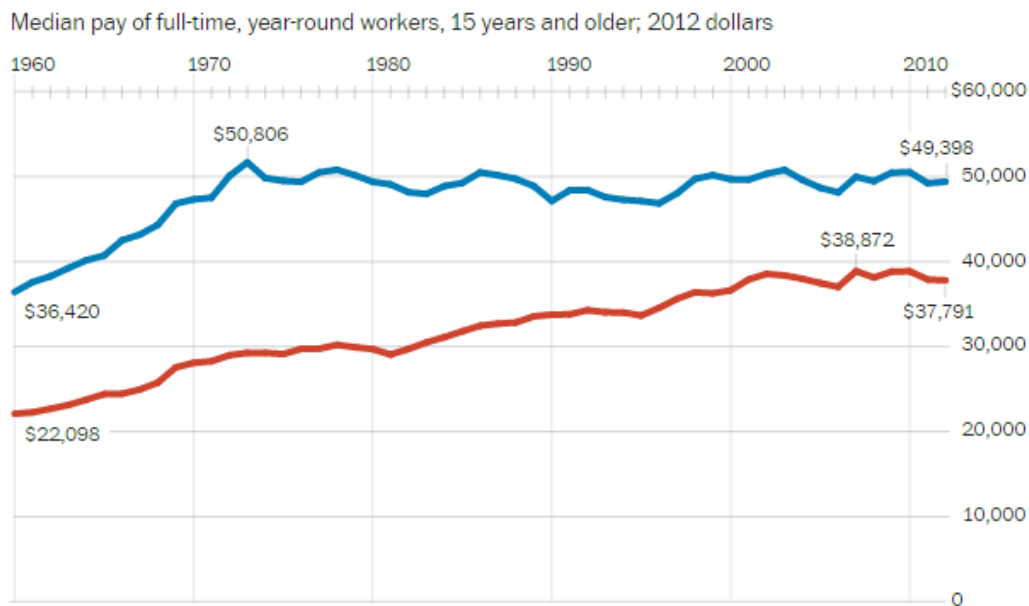
Cumulative changes in real hourly wages of men by income percentile, 1979-2010



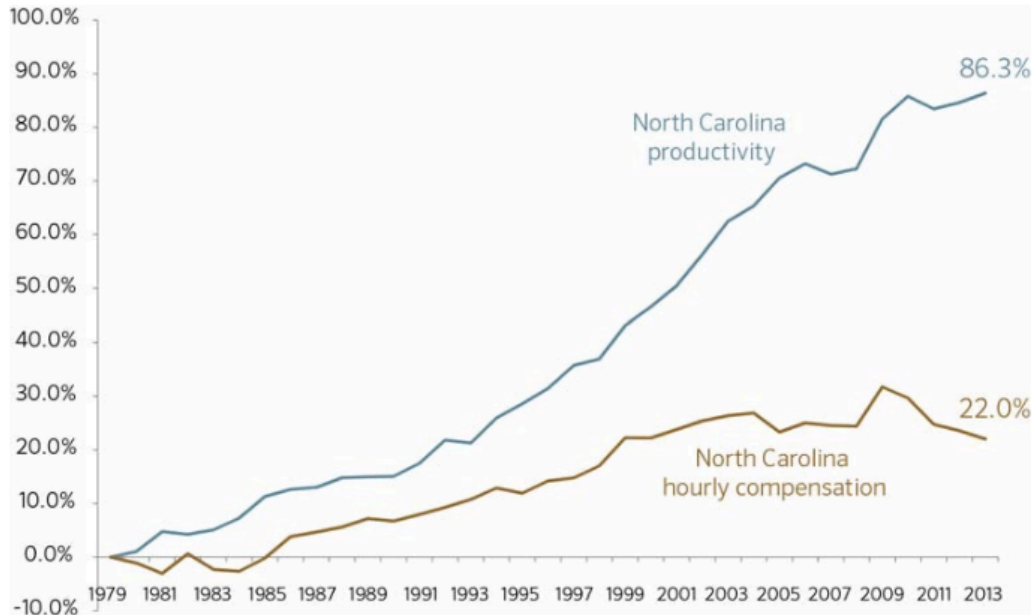
⁷⁶ AEI-Brookings Report.

Median Pay by Gender in U.S., 1960 – 2010⁷⁷

Earnings for men in blue, and for women in red



Productivity and Wage Growth in North Carolina⁷⁸

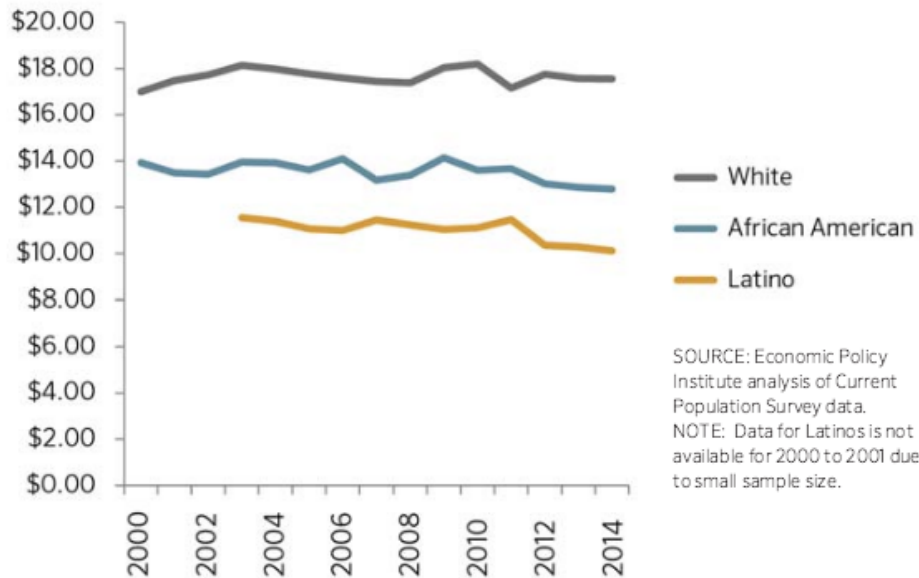


Source: EPI analysis of unpublished total economy data from Bureau of Labor Statistics, Labor Productivity, and costs program; employment data from Bureau of Labor Statistics, Local Area Unemployment Statistics; wage data from Current Population Survey and compensation from the Bureau of Economic Analysis, State/National Income and Product Accounts public data series.

⁷⁷ The Washington Post (Apr 8, 2014). "The Wage Gap." Accessed at: <https://www.washingtonpost.com/apps/g/page/national/the-wage-gap/932/>

⁷⁸ The North Carolina Justice Center. *State of Working North Carolina, 2015: The Future of Work and Ensuring Job Quality in North Carolina*.

Hourly Wages by Race in NC⁷⁹



721,569

Number of adults in NC without college degrees or with limited English language skills who worked at least some of the last year but earned poverty-level wages.

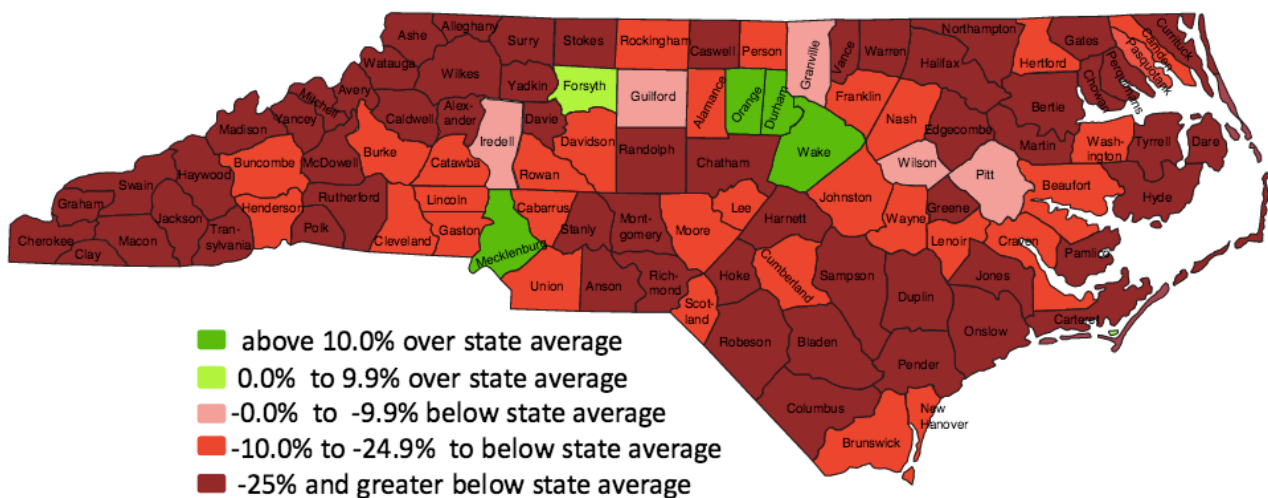
649,661

Number of adults in NC without college degrees or with limited English language skills who worked at least some of the last year and earned above poverty-level wages but below the state median wage (\$15).

Annual Average Pay by County Compared to State Average⁸⁰

We are two states. There is a sector not earning enough, and a strong vibrant sector around metro areas where at least the environment -- yes, there are always pockets where people struggle -- at least it's close to your home and you have some opportunity -- it is not the urban/rural divide. Hickory is an urban area. Many urban areas are flat-lined.

- NCLF participant



⁷⁹ Ibid.

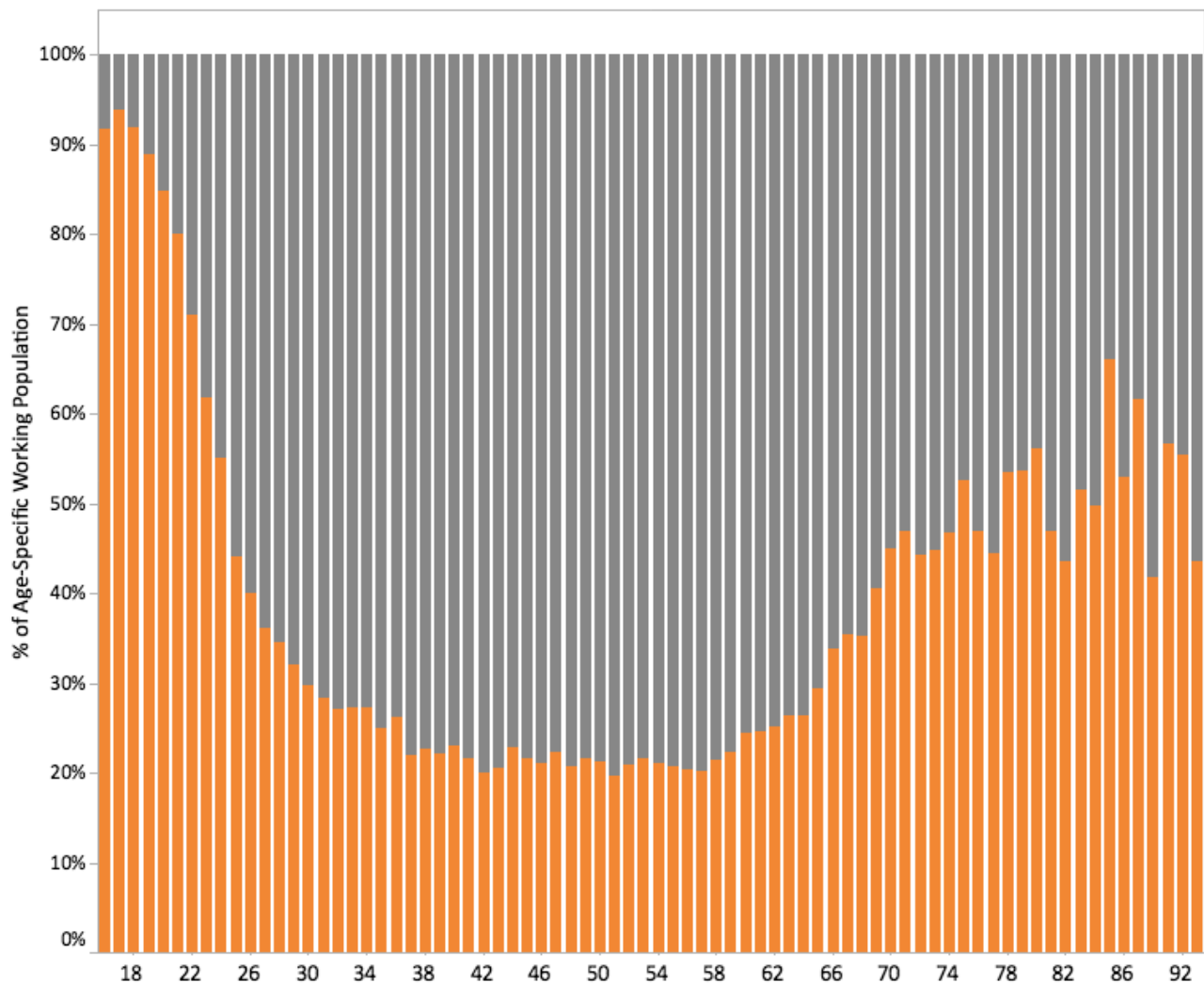
⁸⁰ Ted Abernathy. Source: U.S. Bureau of Labor Statistics. Accessed at: www.ibs.gov

Low-Wage Work in North Carolina

For the purpose of the data below, low-wage work has been defined as 150% of the Federal Poverty Level for a family of two (**\$11.34 per hour** or \$23,595 per year).

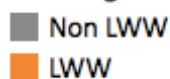
31% of North Carolina's work force is employed in low-wage jobs under this definition.⁸¹

Proportion of Low-Wage Status by Age in NC, 2012



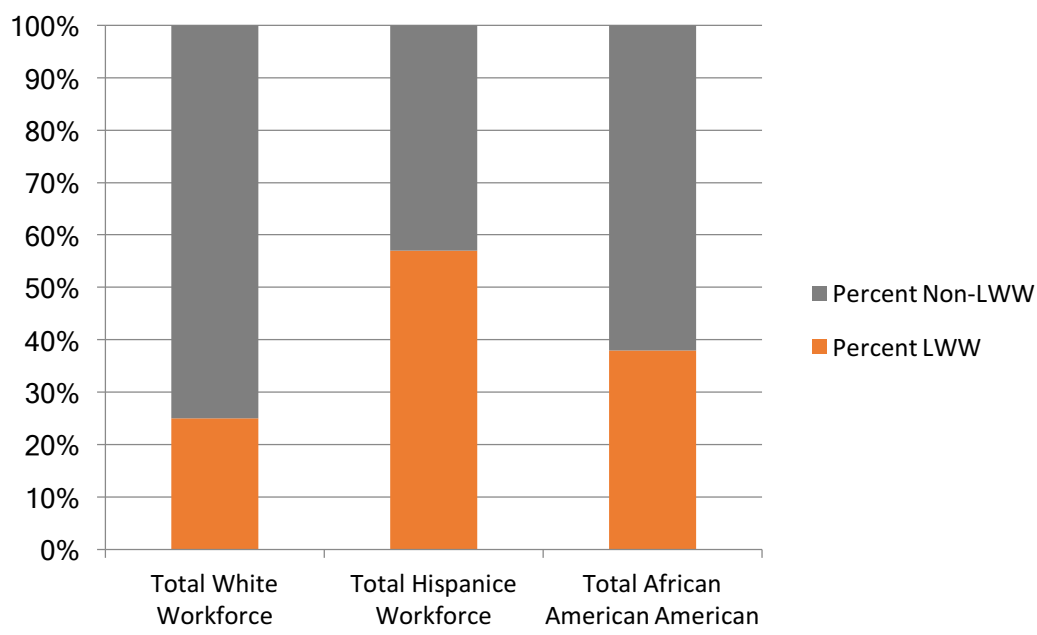
Youth (16-24 years) in the laborforce are much more likely to be low wage than adults 25 years and older. Proportion of low-wage workers increases again after age 65. (Source: Author tabulations of 2012 American Community Survey (5% IPUMS-USA)).

Low Wage Status

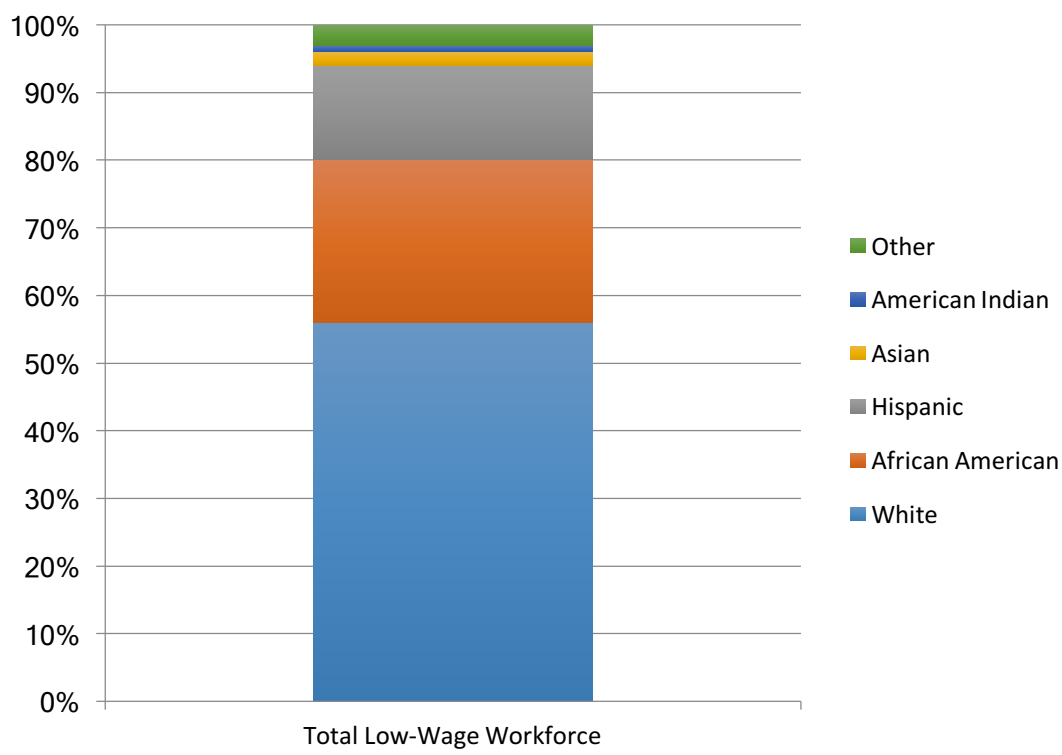


⁸¹ Department of City and Regional Planning at UNC-Chapel Hill. Regional Workforce UNC. Underemployment. (n.d.). Retrieved from <http://www.lowwagenc.org/underemployment/>

Racial and Ethnic Make Up of Low-Wage Work⁸²

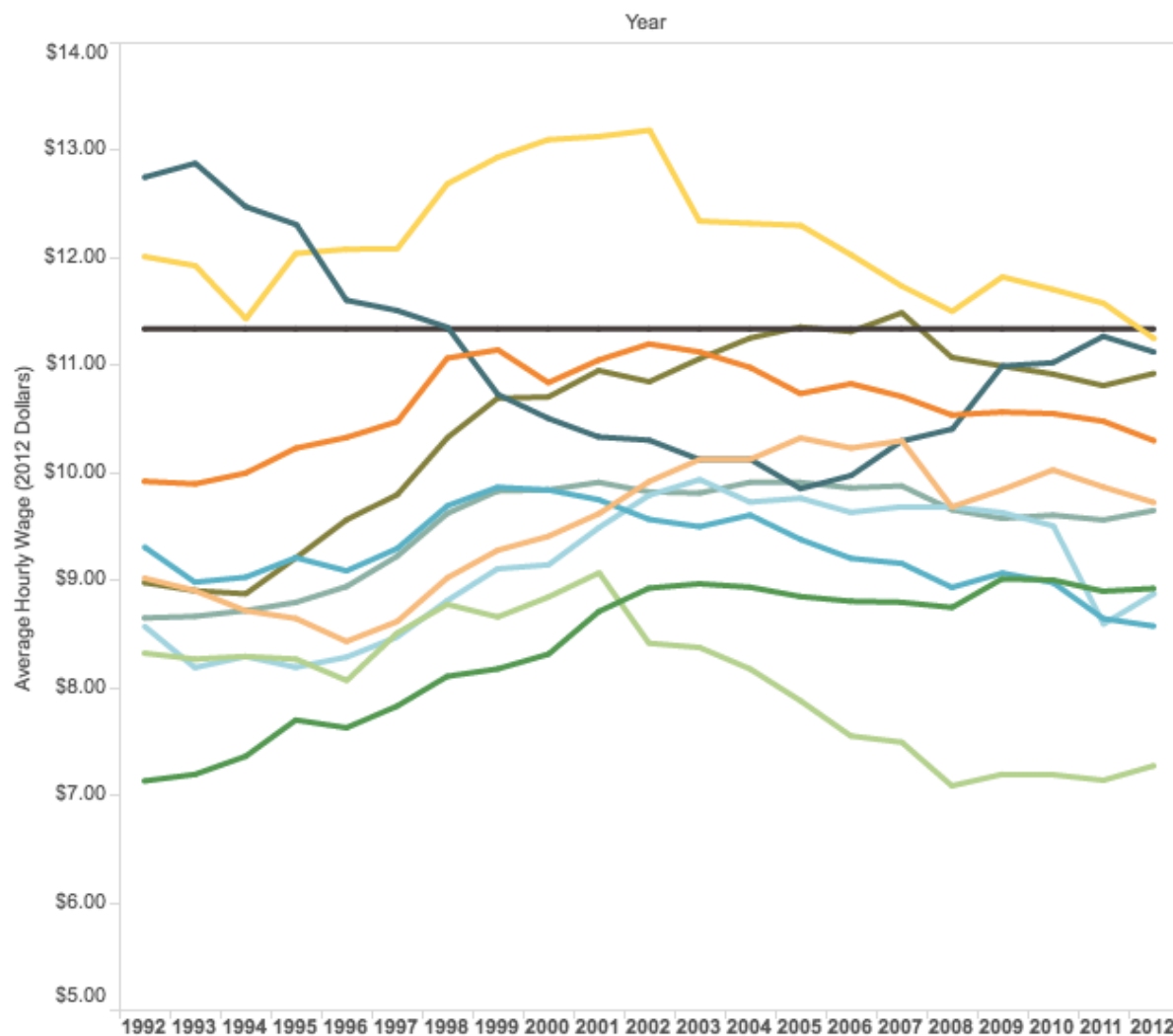


Total Low-Wage Workforce



⁸² Ibid.

Average Hourly Wages in Low-Wage Industries⁸³



544

Number of occupations in NC with median wages below 150% of the FPL. An estimated 1,192,890 North Carolinians work in these occupations. 28.7% of low-wage workers work in Food Preparation and Service occupations, 22% in Sales, and 8.8% in Healthcare Support.

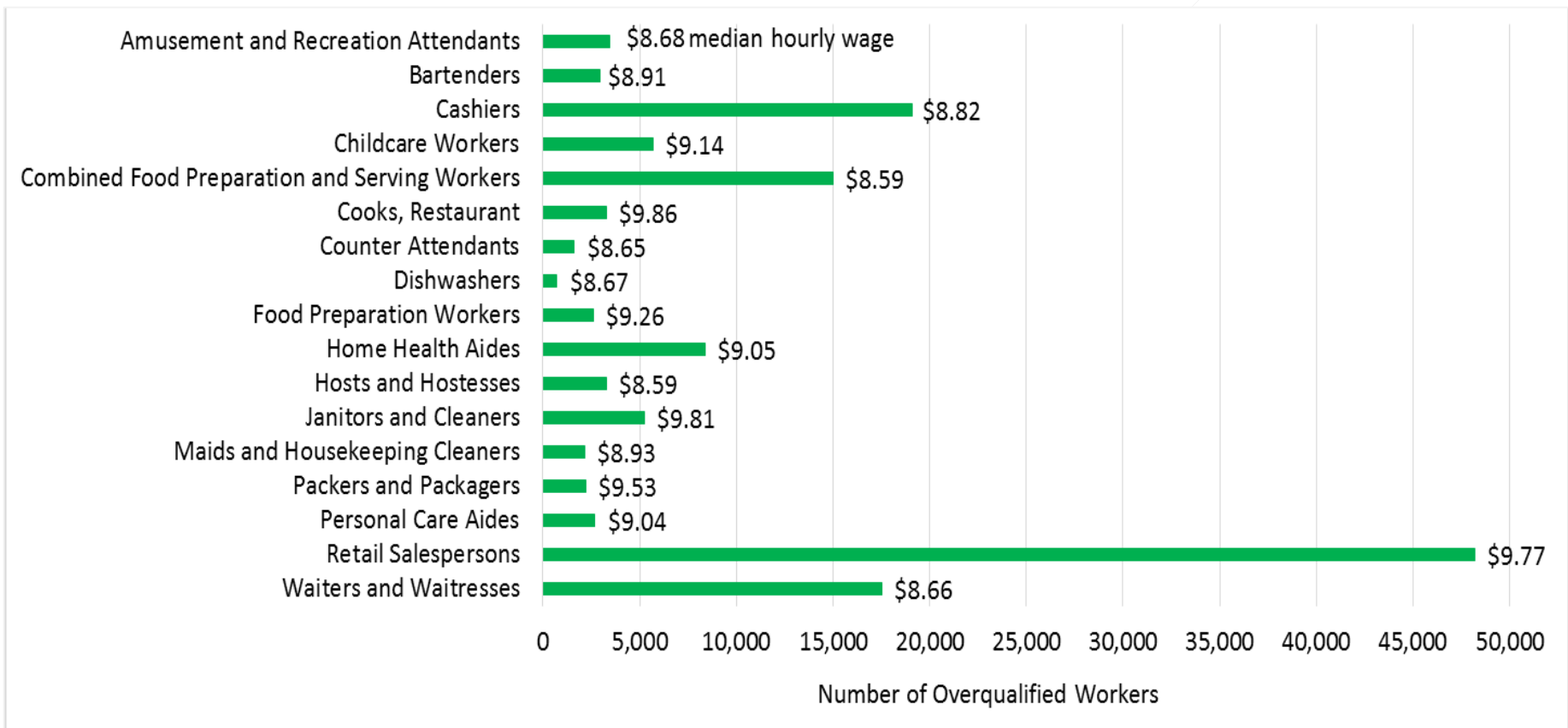
Measure Names

- Child Day Care Services
- Clothing Stores
- Continuing care, assisted living facilities
- Department Stores
- Gasoline Stations
- Grocery Stores
- Home Health Care Services
- Individual and Family Services
- Low Wage Cutoff
- Traveler Accommodation
- Services to Buildings and Equipment

⁸³ Ibid.

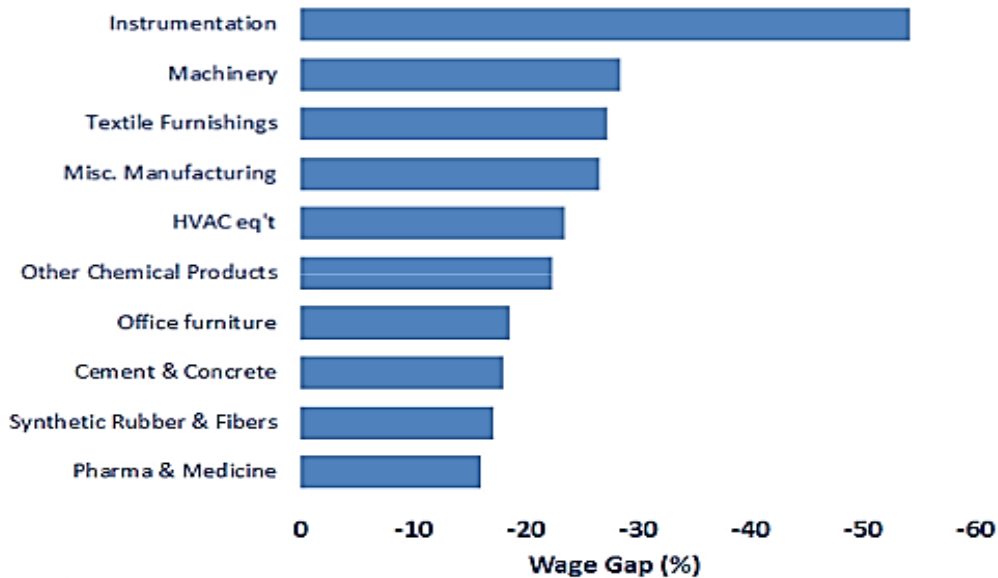
NC Wages by Industry and Occupation

Number of Overqualified Workers in NC by Occupation and Median Hourly Wage⁸⁴



⁸⁴ Ibid.

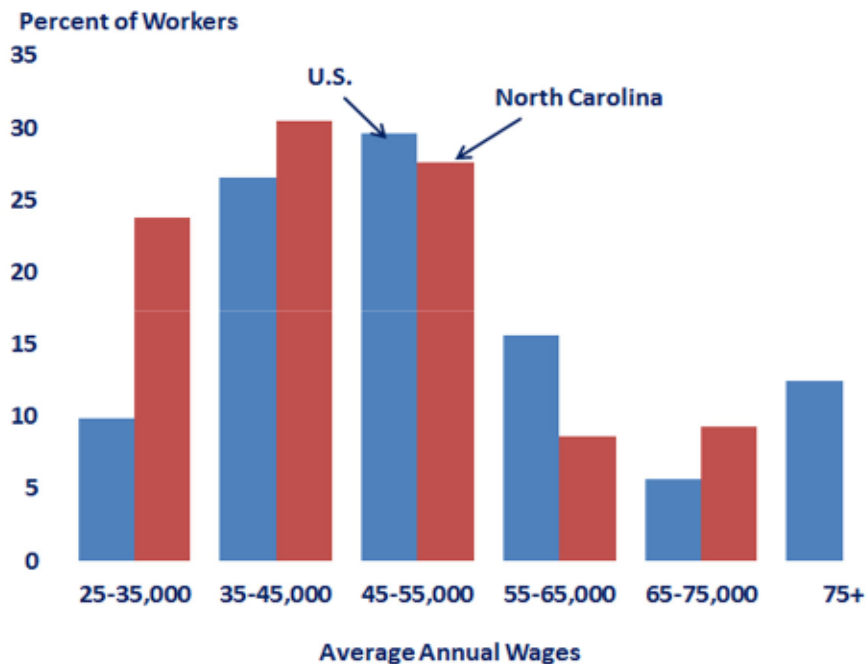
NC Industries with the Wage Gap (percentage below national average)



* Industries with greater than 2,000 employees
 Data: US Census Bureau, Annual Survey of Manufacturing, 2011
 Author's Calculations

Of the 68 North American Industry Classification System (NAICS) industries with greater than 2,000 employees active in North Carolina, 51 pay wages that are below the national average, while only 17 have wage rates above the national average.⁸⁵

Manufacturing Wage Profile, NC compared to US Average⁸⁶



NOTE: The graph shows industry average wages, with North Carolina presented as having no industries that pay more than \$75,000 on average.

⁸⁵ Gereffi, Gary and Aaron Sydor. (Sept. 3, 2014). Research Brief: North Carolina's Manufacturing Wage Gap. Duke University Center on Globalization, Governance & Competitiveness. <http://www.cggc.duke.edu/pdfs/2014-09-03%20NC%20Manufacturing%20Wage%20Gap.pdf>

⁸⁶ Ibid.

Median Annual Wages across Occupations in NC, 2011⁸⁷

The table below highlights the range of median annual income across occupations in North Carolina. The occupations featured below represent a sample spread of common industries in the state.

OCCUPATION	MEDIAN ANNUAL WAGE
CASHIERS	\$18,350
CHILDCARE WORKERS	\$19,020
TAXI DRIVERS AND CHAUFFEURS	\$20,710
TELEMARKETERS	\$23,110
CONSTRUCTION LABORERS	\$24,930
MEDICAL ASSISTANTS	\$28,860
AUDIO AND VIDEO EQUIPMENT TECHNICIANS	\$31,520
CARPENTERS	\$32,790
POLICE AND SHERIFF'S PATROL OFFICERS	\$39,300
LODGING MANAGERS	\$41,420
ADULT BASIC AND SECONDARY EDUCATION AND LITERACY	\$43,030
AUTOMOTIVE BODY AND RELATED REPAIRERS	\$44,120
HUMAN RESOURCES SPECIALISTS	\$45,280
CRIMINAL JUSTICE AND LAW ENFORCEMENT TEACHERS POS	\$48,216
BUSINESS AND FINANCIAL OPERATIONS OCCUPATIONS	\$54,269
ACCOUNTANTS AND AUDITORS	\$55,588
BUDGET ANALYSTS	\$57,883
REGISTERED NURSES	\$58,490
MARKET RESEARCH ANALYSTS & MARKETING SPECIALISTS	\$61,270
EDUCATION ADMIN. ELEMENTARY & SECONDARY	\$62,551
FINANCIAL ANALYSTS	\$65,771
POSTSECONDARY TEACHERS ALL OTHER	\$67,810
TECHNICAL WRITERS	\$69,530
COMPUTER PROGRAMMERS	\$71,760
BIOMEDICAL ENGINEERS	\$81,564
ATMOSPHERIC AND SPACE SCIENTISTS	\$85,484
COMPUTER AND INFORMATION SCIENTISTS RESEARCH	\$104,830

544

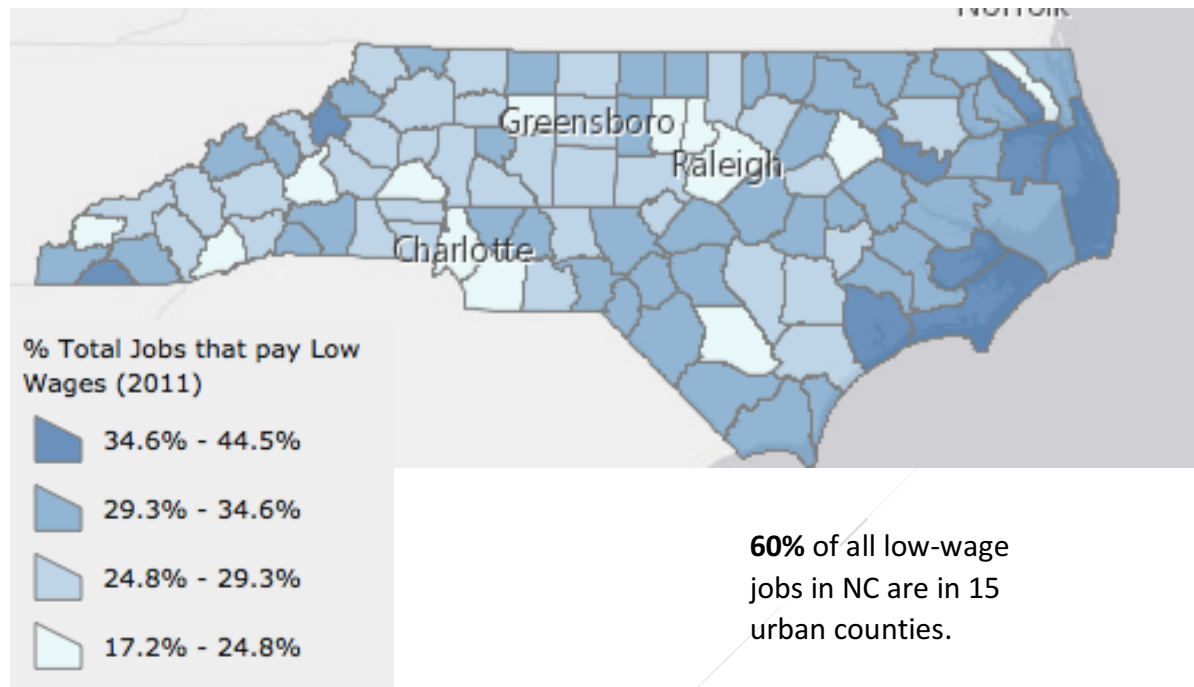
Number of occupations in NC with median wages below 150% of the FPL. An estimated 1,192,890 North Carolinians work in these occupations. 28.7% of low-wage workers work in Food Preparation and Service occupations, 22% in Sales, and 8.8% in Healthcare Support.

Source: UNC-CH, Dept. of City and Regional Planning.

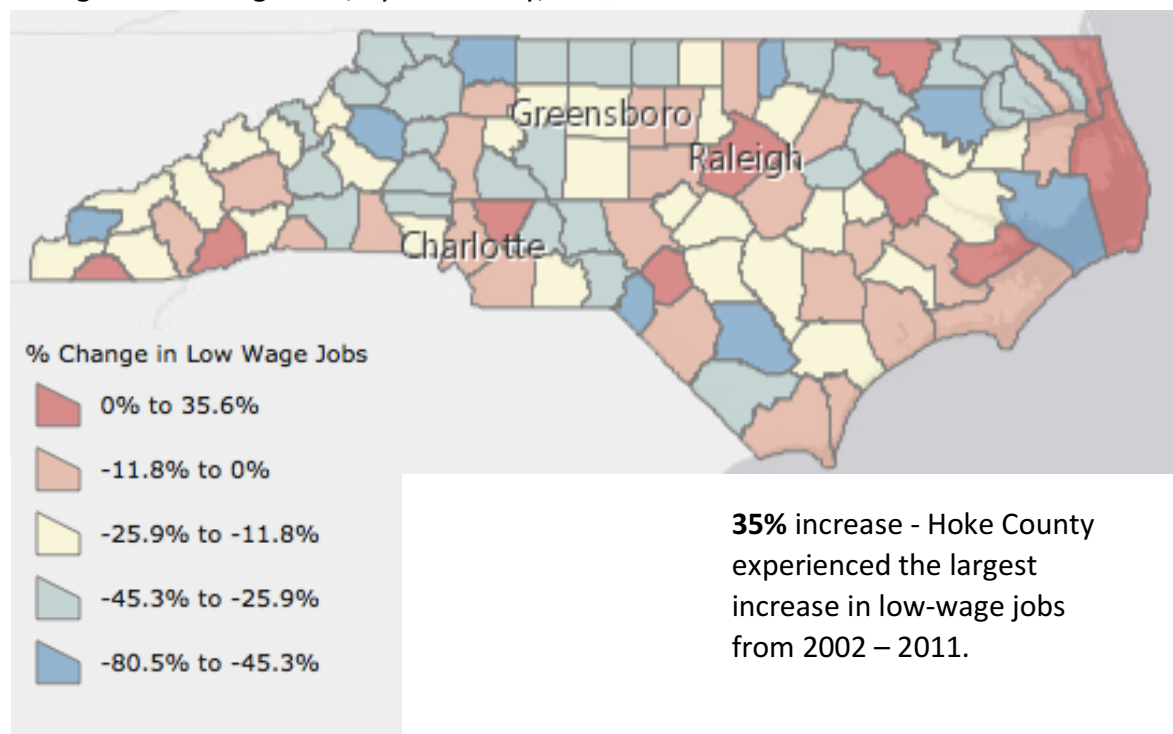
⁸⁷ North Carolina Commerce. (2011). Accessed at <http://d4.nccommerce.com/OESSelection.aspx>

Geographic Distribution of Low-Wage Jobs⁸⁸

Percent of Total Jobs by NC County that Pay a Low-Wage



Change in Low-Wage Jobs, by NC County, 2002 - 2011



⁸⁸ Department of City and Regional Planning at UNC-Chapel Hill. Regional Workforce UNC. Underemployment. (n.d.). Retrieved from <http://www.lowwagenc.org/underemployment/>

FACTOR: WORKFORCE DEVELOPMENT

"It is more difficult to hire into the service sector. Even though we offer a training program, cover 80 percent of health care cost, and offer a 401K, we still experience high turnover. We lose employees due to drug testing and because they lack a good work ethic and quit when faced with actual work."

"The primary challenge is educational skills to meet the new economy."

"It often goes unspoken, the kind of skills you need to advance. It takes emotional intelligence in order to participate in a very diverse workplace."

"In any one time, we have between 150 and 180 open positions. That is the monthly average."

"According to the Chamber, we have 3,000 jobs we need filled and we don't have the skills to fill them."

"We find communication skill is frequently lacking, oral and written, for the job that is available. It is stunning to me, even for those with degrees, how challenging it is for people to communicate."

- NCLF Participants

Hiring Difficulties in NC

Approximately **45%** of manufacturers and non-manufacturers who attempted to hire reported difficulty, with no significant differences between rural and urban employers. Employers cited a variety of reasons for hiring difficulties. Most frequently, candidates lacked work experience, education credentials, and technical skills. Manufacturers were far more likely to cite a lack of technical skills as reason for difficulties.

Industries Most Cited with Hiring Difficulties

Industries Most Cited With Hiring Difficulties	
63%	Educational Services (of 24 employers)
59.10%	Construction (of 22 employers)
53.30%	Health Care and Social Assistance (of 45 employers)
45.30%	Manufacturing (of 342 employers)

Source: NC Department of Commerce. *Employer Needs Survey*. (Aug. 2014)

Manufacturing Sub-Sectors Cited with Hiring Difficulties	
65.0%	Plastics & Rubber Products Manufacturing (of 20 employers)
59.1%	Chemical Manufacturing (of 22 employers)
55.6%	Nonmetallic Mineral Product Manufacturing (of 18 employers)
54.2%	Machinery Manufacturing (of 48 employers)
52.0%	Fabricated Metal Product Manufacturing (of 50 employers)
43.5%	Furniture and Related Product Manufacturing (of 23 employers)

Source: NC Department of Commerce. *Employer Needs Survey*. (Aug. 2014)

Occupations Most Cited with Hiring Difficulties

Occupations Most Cited with Hiring Difficulties (All industries)

Sales & Related Occupations:

Sales Representatives; Cashiers

Healthcare Practitioners Technical Occupations:

Registered Nurses; Licensed Practical & Licensed Vocational Nurses

Educational Training & Library Occupations:

Secondary School Teachers; Preschool Teachers

Office & Administrative Support Occupations:

Receptionists and Information Clerks; Customer Service
Representatives

Transportation & Material Moving Occupations:

Laborers & Freight/Stock/Material Movers; Hand; Driver/Sales
Workers

Source: NC Department of Commerce. *Employer Needs Survey*. (Aug. 2014)

Occupations Most Cited with Hiring Difficulties (Manufacturing)

Production Occupations:

Machinists; Welders; Cutters; Solders & Braziers

Architecture & Engineering Occupations:

Industrial Engineers; Electrical & Electronic Engineering Technicians

Installation, Maintenance & Repair Occupations:

Maintenance & Repair Workers General; Maintenance Workers,
Machinery

Management Occupations:

Industrial Production Managers; Marketing Managers

Office & Administrative Support Occupations:

Shipping, Receiving & Traffic Clerks; Customer Service
Representatives

Source: NC Department of Commerce. *Employer Needs Survey*. (Aug. 2014)

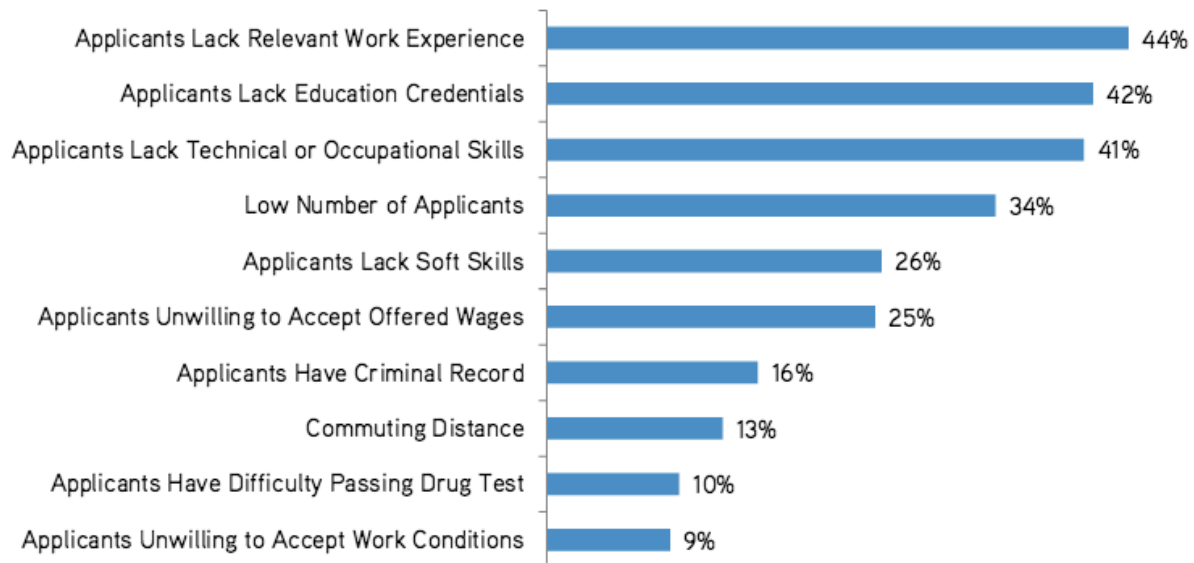
Skills Gap & Other Reasons for Hiring Difficulties

"It takes more skill to qualify for higher income jobs. How do we get more people over this hurdle?"

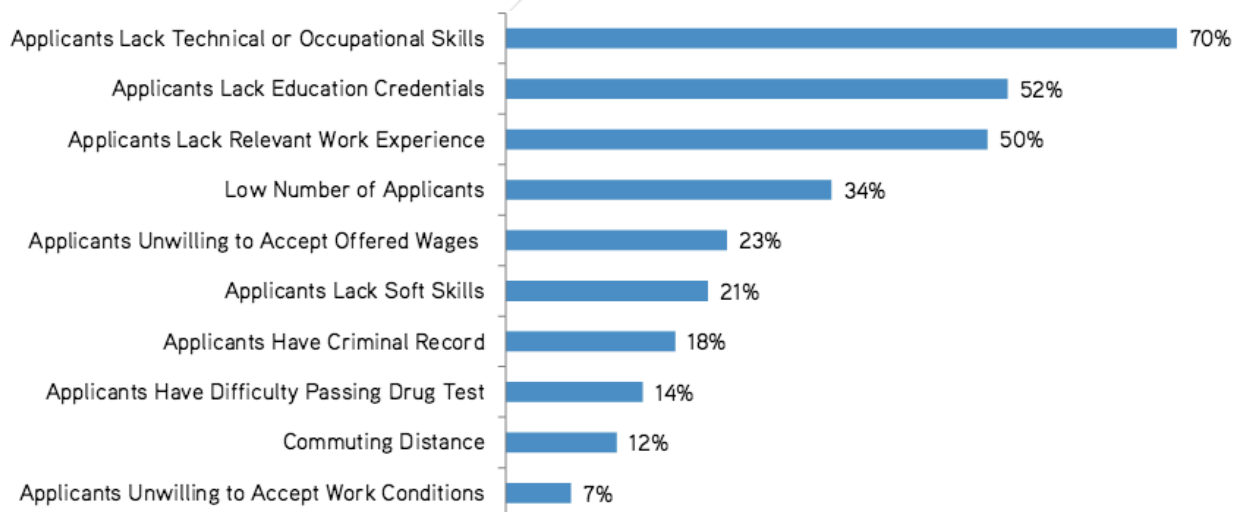
"I don't buy the argument that the problem is all about a gap in skills."

-NCLF participants

Reasons Given for Hiring Difficulties, General Sample

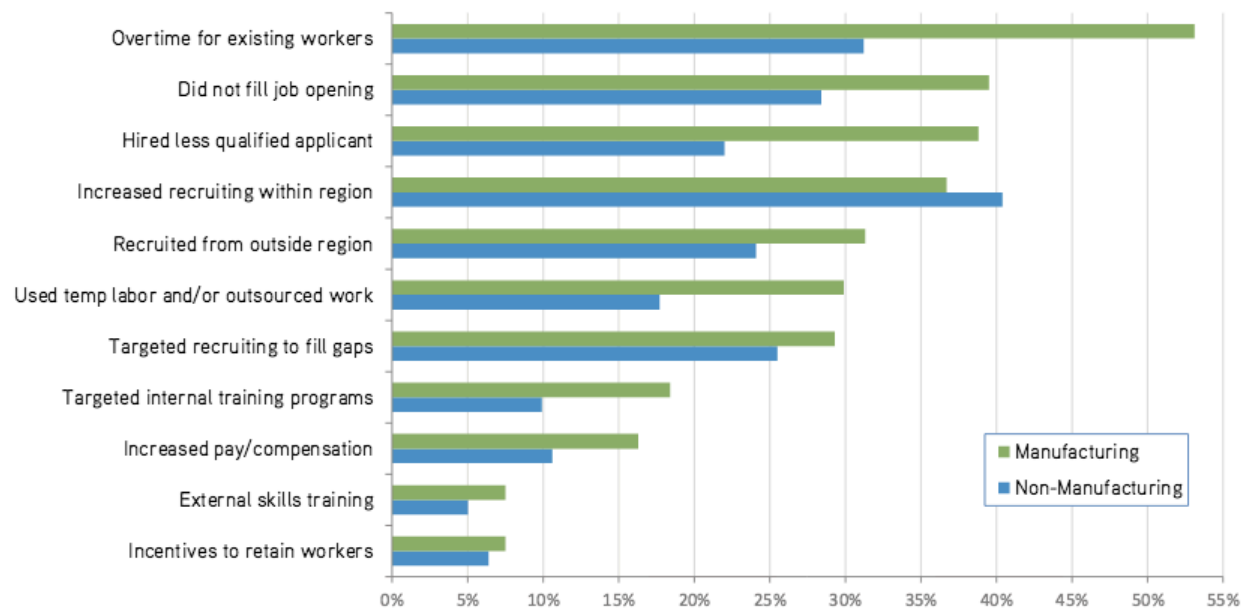


Reasons Given for Hiring Difficulties, Manufacturing Sample

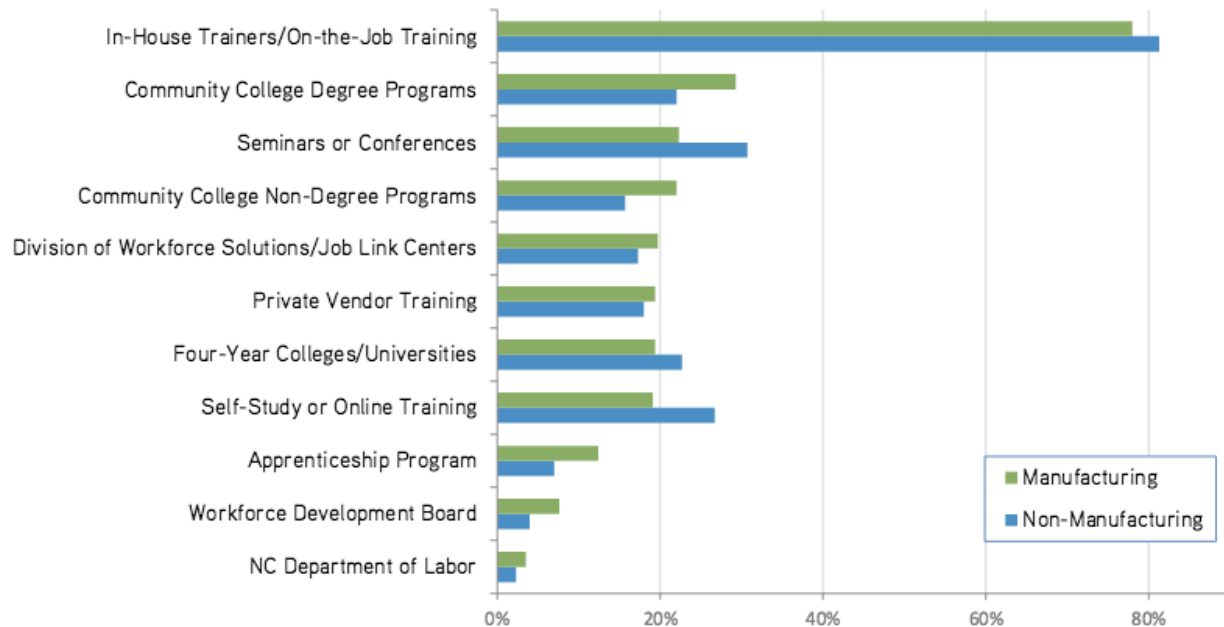


Source: NC Department of Commerce. *Employer Needs Survey*. (Aug. 2014)

Responses to Hiring Difficulties Among Manufacturers and Non-Manufacturers



Resources Used to Meet Skill Needs of Workforce Among Manufacturers and Non-Manufacturers



Source: NC Department of Commerce. Employer Needs Survey. (Aug. 2014)

FACTOR: *BUSINESS CLIMATE*

"The business climate needs to be attractive to entrepreneurs, but how do we do this in a way that isn't short sighted and doesn't sell out our long-term prosperity."

"It is important to create an environment where small business can thrive. It all comes down to free enterprise operated by people with a conscience."

"If you look at the way companies are moving away from NC, what is the basis for that decision. In spite of efforts to entice companies to come to rural parts of state, they choose metropolitan areas where there is the physical and human infrastructure."

"We have not created an environment where people want to invest."

"I'm having a hard time recruiting people to come here because of amendment one, because we are slashing funds in public education...the perception is reality – that NC is moving backward – in social and environmental issues."

- NCLF participants

NC in National Ranking of States for Business⁸⁹

Forbes Best States for Business (Oct 2013)

Top Ten States

1. Utah
2. **North Carolina**
3. Nebraska
4. North Dakota
5. Colorado
6. Texas
7. Virginia
8. Indiana
9. South Dakota
10. Washington

North Carolina Rankings

- #5 in Business Costs
- #9 in Labor Supply
- #4 in Regulatory Environment
- #22 in Economic Climate
- #10 in Growth Prospects
- #16 in Quality of Life

Chief Executives Best States for Business, 2015⁹⁰

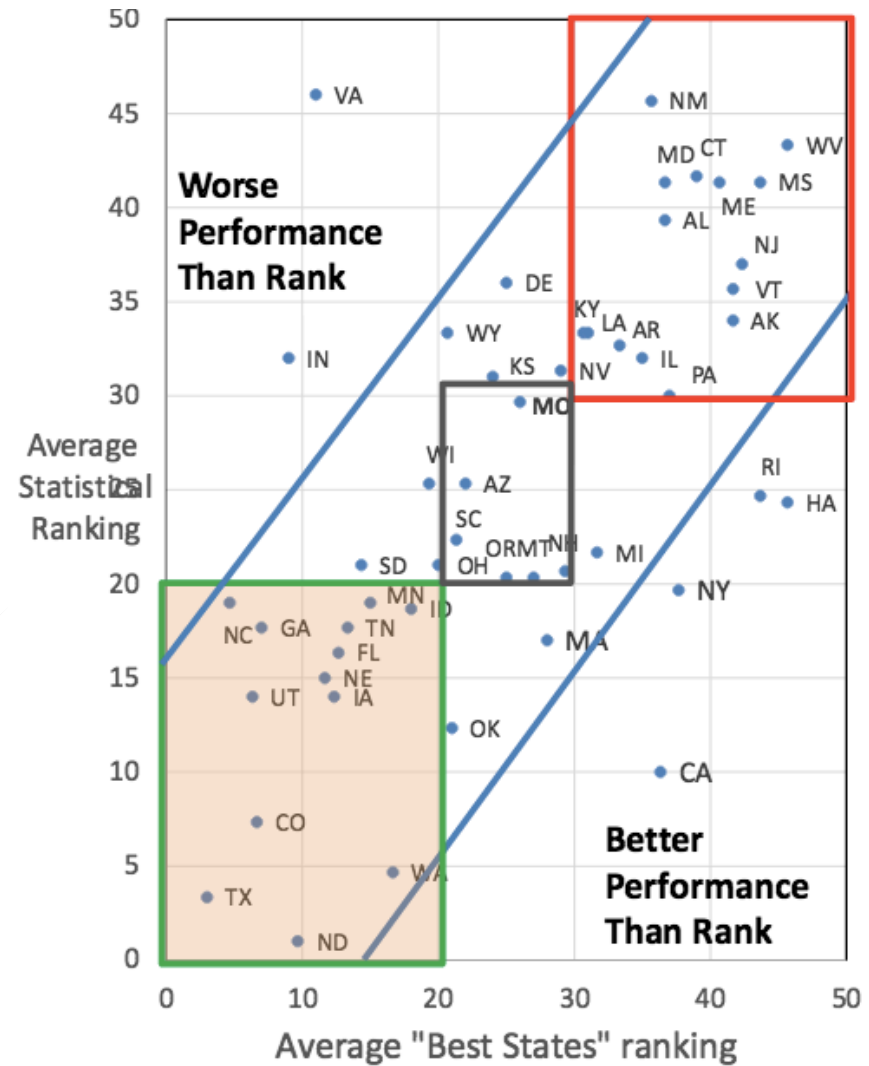
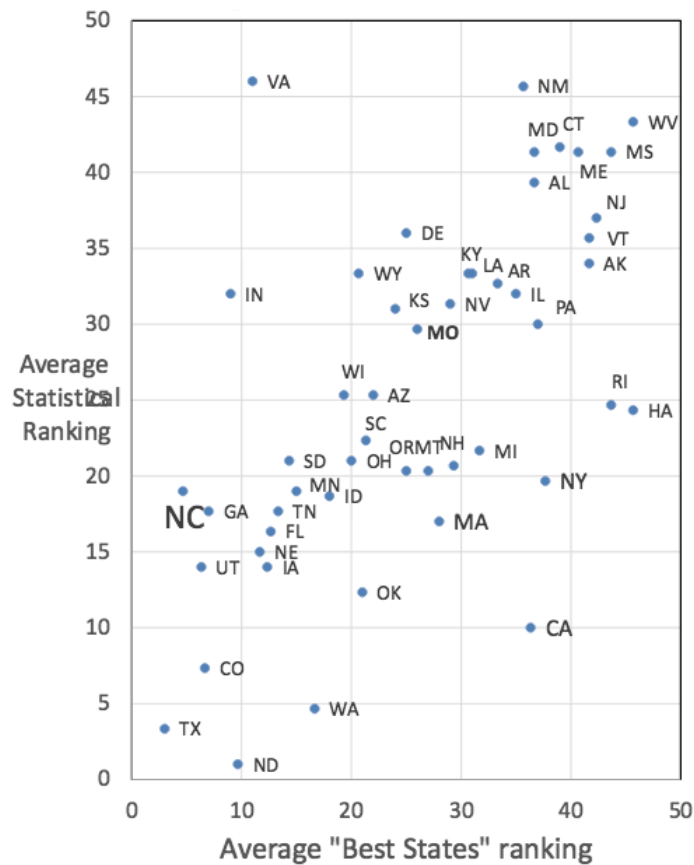
- | | |
|--------------------------|--------------------|
| 1. Texas | 6. Indiana |
| 2. Florida | 7. Louisiana |
| 3. North Carolina | 8. Nevada |
| 4. Tennessee | 9. Arizona |
| 5. Georgia | 10. South Carolina |

⁸⁹ Ted Abernathy. From Forbes Best States for Business (2015). <http://www.forbes.com/places/nc>

⁹⁰ Ted Abernathy. From Chief Executive Magazine, 2015.

Rankings and Actual Performance⁹¹

Graphs below plot states average ranks by Forbes, CNBC, and Chief Executive against actual performance for job growth, wage growth, and growth in GSP.



⁹¹ Ibid.

Top Factors for Companies Considering New Investment⁹²

1. Highway accessibility
2. Occupancy or construction costs
3. Available land
4. Availability of buildings
5. Availability of skilled labor
6. Labor costs
7. Right-to-work state
8. Proximity to major markets
9. Energy availability and costs
10. Corporate tax rate
11. Tax exemptions
12. State and local incentives

Top Quality of Life Factors for Companies Considering New Investment⁹³

1. Low crime rate
2. Ratings of public schools
3. Health care facilities
4. Housing availability
5. Housing costs
6. Colleges and universities in the area
7. Recreational opportunities
8. Cultural opportunities
9. Climate

⁹² Ibid. Source: Area Development 29th Annual Survey of Corporate Executives, March 2015.

⁹³ Ibid.

American South Tax Rankings⁹⁴
(rank of 1 being best)

(1 is Best, 50 is Worst)	Corporate Tax	Individual Income	Sales Tax	Property Tax
Alabama	27	23	41	10
Arkansas	40	28	44	19
Florida	14	1	12	16
Georgia	8	42	17	30
Kentucky	29	30	11	17
Louisiana	23	27	50	24
Maryland	16	45	8	41
Mississippi	11	21	28	33
Missouri	4	29	29	7
North Carolina	25	15	33	29
Oklahoma	7	40	38	11
South Carolina	13	41	18	21
Tennessee	15	8	47	37
Texas	39	6	36	36
Virginia	6	39	6	26
West Virginia	17	26	25	25

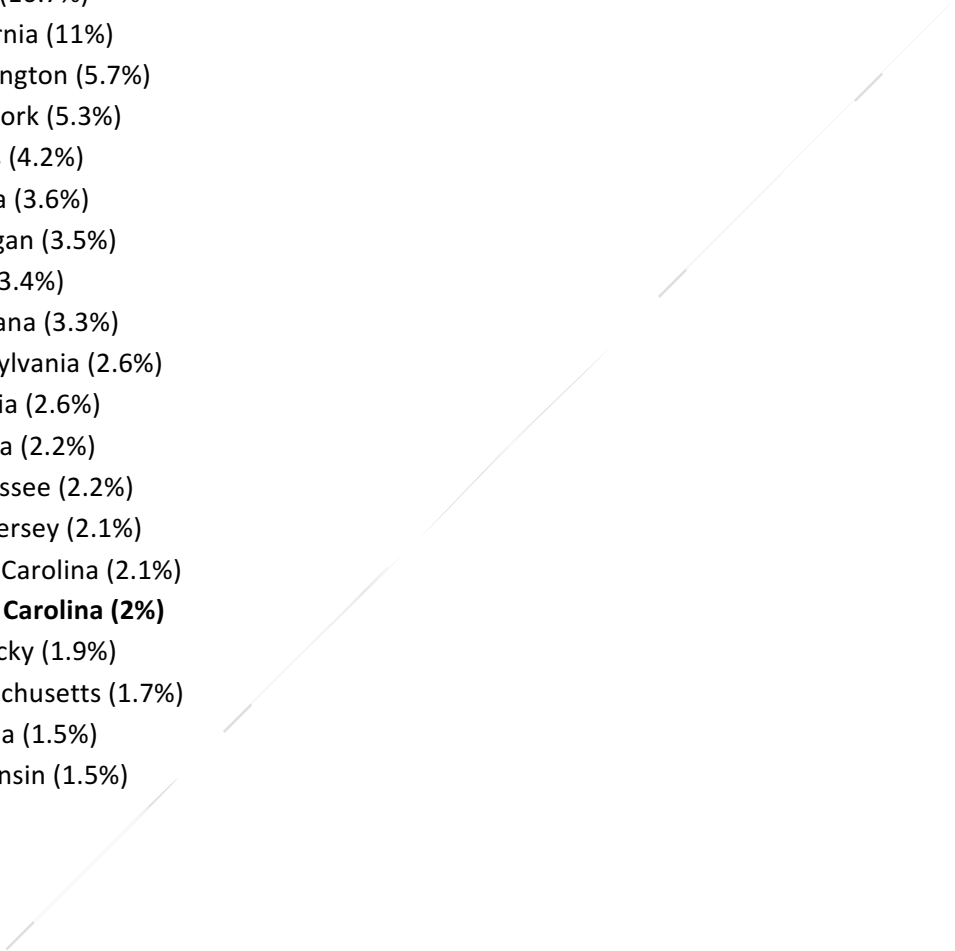
⁹⁴ Ibid. Source: Tax Foundation.

North Carolina Exports

"Exports do not comprise enough of our economy. We are too import-dependent. The solution is not about finding more ways for Charlotte and Salisbury to sell to one another."

"We need to win the next round of globalization. We lost the first two."
- NCLF participants

U.S. Exports of Goods by State as Percentage of all U.S. Exports, Top 20 States, 2015⁹⁵

- 
1. Texas (16.7%)
 2. California (11%)
 3. Washington (5.7%)
 4. New York (5.3%)
 5. Illinois (4.2%)
 6. Florida (3.6%)
 7. Michigan (3.5%)
 8. Ohio (3.4%)
 9. Louisiana (3.3%)
 10. Pennsylvania (2.6%)
 11. Georgia (2.6%)
 12. Indiana (2.2%)
 13. Tennessee (2.2%)
 14. New Jersey (2.1%)
 15. South Carolina (2.1%)
 - 16. North Carolina (2%)**
 17. Kentucky (1.9%)
 18. Massachusetts (1.7%)
 19. Arizona (1.5%)
 20. Wisconsin (1.5%)

⁹⁵ U.S. Census Bureau. Accessed at: https://www.census.gov/foreign-trade/statistics/state/origin_movement/

FACTOR: BARRIERS TO EMPLOYMENT AND FINANCIAL SECURITY

Many individuals and families face one or more barriers to getting or keeping employment. This section is intended to highlight a few of those barriers, but does not capture many others such as mental health challenges, substance abuse, and inconsistent work history to name a few.

"It is awfully hard without housing and healthcare access to get ahead."

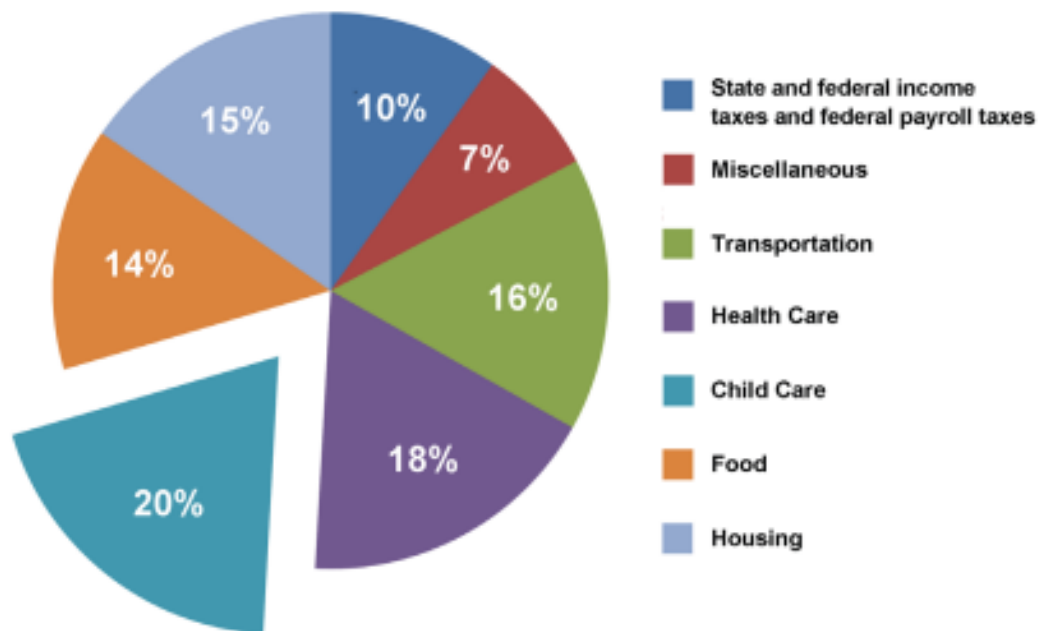
"Even if you are Albert Einstein, and you face these barriers, you are going to have some barriers to entry."

- NCLF Participants

CHILD CARE

For many North Carolina families, childcare is the largest cost in a monthly budget, surpassing the cost of food, health care and even housing. The average annual cost of full-time care at a childcare center in North Carolina is approximately \$8,500 per child, with costs depending on the age of the child, the quality of care, and geography.

Child Care as Proportion of Household Budget for Family of Four⁹⁶

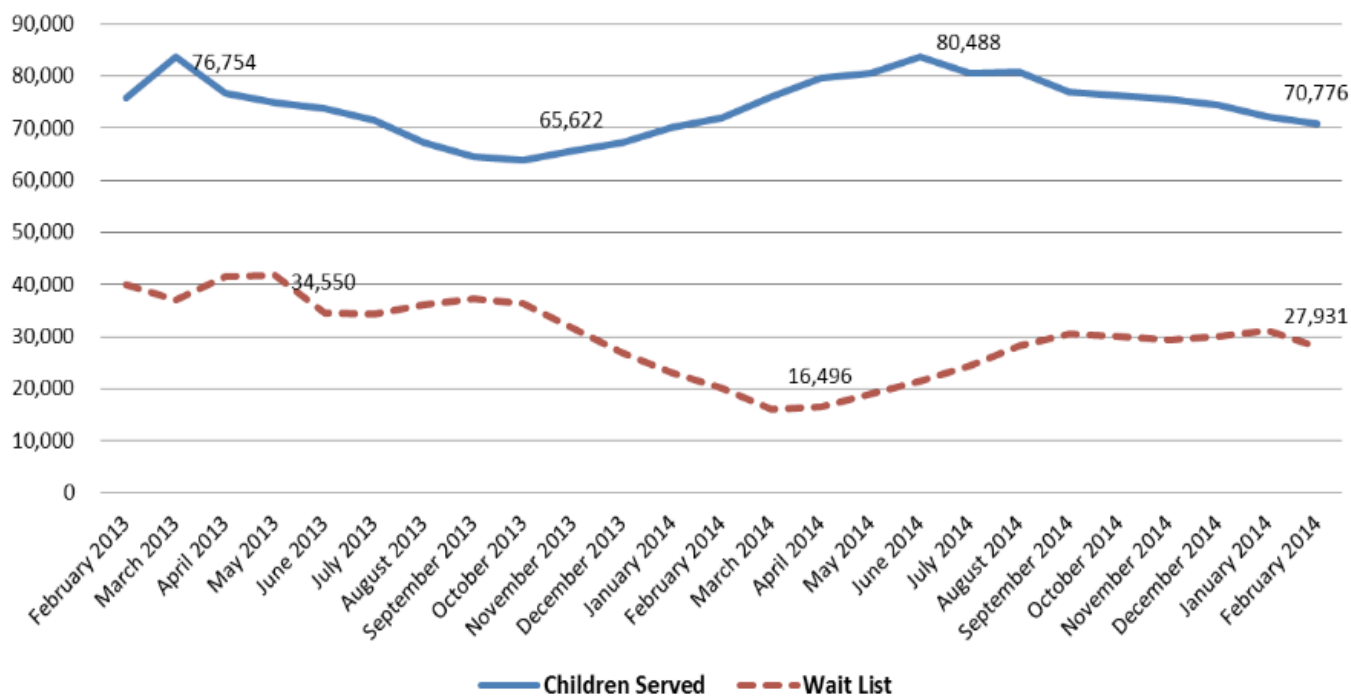


⁹⁶ Alexandra Forter Sirota, 2011. Making Ends Meet After the Great Recession, The 2010 Living Income Standard.

NC Children Served and On Waitlist, Child Care Subsidies, 2010 - 2014⁹⁷

JULY THROUGH FEBRUARY	AVG. MONTHLY CHILDREN SERVED	AVG. MONTHLY WAITLIST
FY 2010 - 2011	85,296	45,932
FY 2011 - 2012	77,724	46,584
FY 2012 - 2013	76,990	42,833
FY 2013 - 2014	67,809	30,659
FY 2014 - 2015	75,986	28,936

Number NC Children Served by Child Care Subsidies and on Waitlist, 2013 – 2014⁹⁸



75,000

Number of NC children per month who receive subsidy services.

85%

Percent of children receiving services because their parents are employed and earn less than \$25,000 per year.

1,376,636

Number of children potentially eligible for child care subsidy services.

16%

Percent of eligible children are receiving subsidized childcare.

⁹⁷ Deborah Landry, North Carolina Fiscal Research (2015) report on Child Care Subsidies.

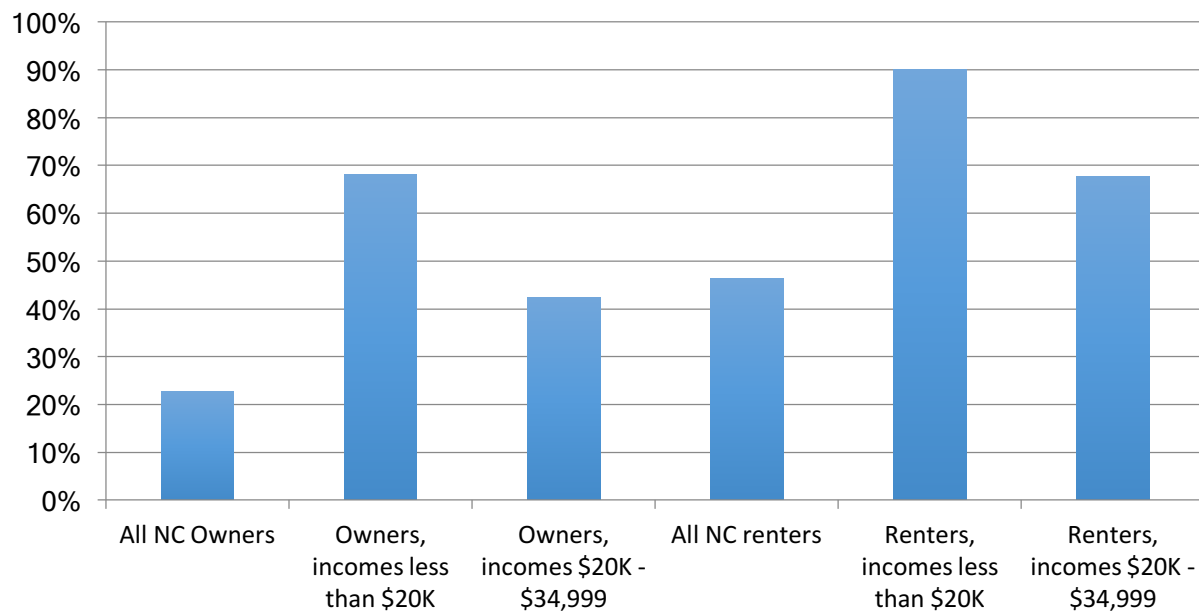
⁹⁸ Ibid.

HOUSING

Housing Cost-Burden

The US Census defines cost-burden as owners or renters who spend 30 percent or more of their income on housing. Owners or renters who spend more than 50% of their income on housing are considered severely cost-burdened.⁹⁹

Percent of North Carolinians who are Housing Cost-Burdened in NC, 2014¹⁰⁰



Severe Housing Cost-Burden in NC

281,500 low-income households pay more than half their income for rent. These households are:

38%

Households with children

38%

Elderly or disabled

54%

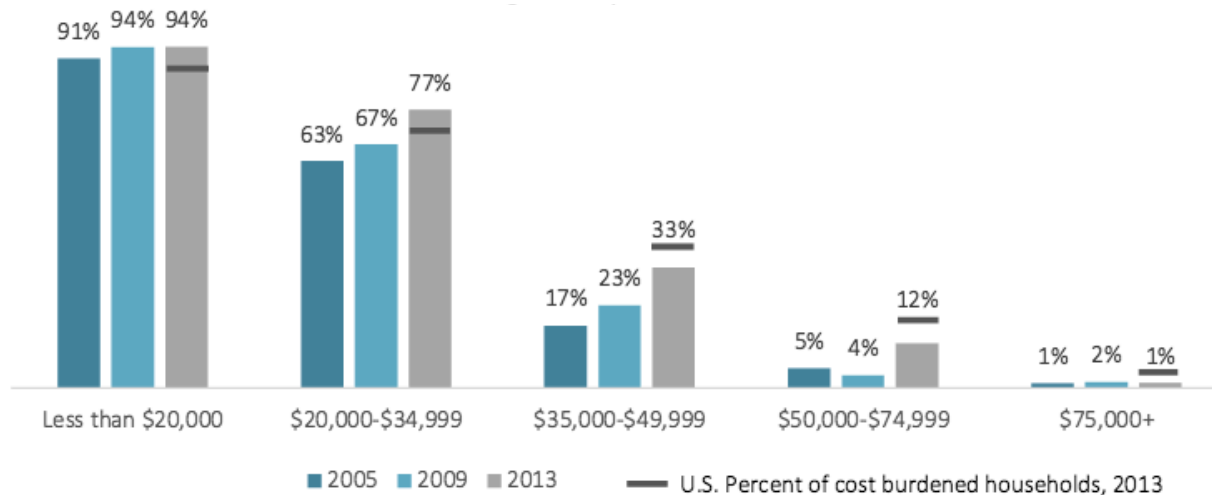
Working households

⁹⁹ <http://www.census.gov/housing/census/publications/who-can-afford.pdf>

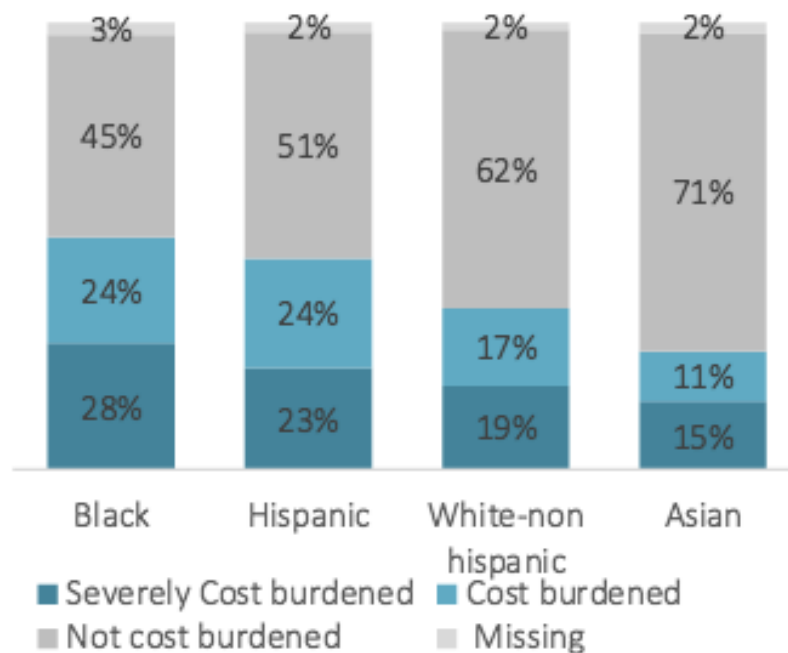
¹⁰⁰ U.S. Census Bureau, American Community Survey, one-year estimate.

Case Study: Housing Cost-Burden in Charlotte-Mecklenburg County¹⁰¹

Cost burdened renter-occupied households by income, Charlotte-Mecklenburg County, 2005 - 2013



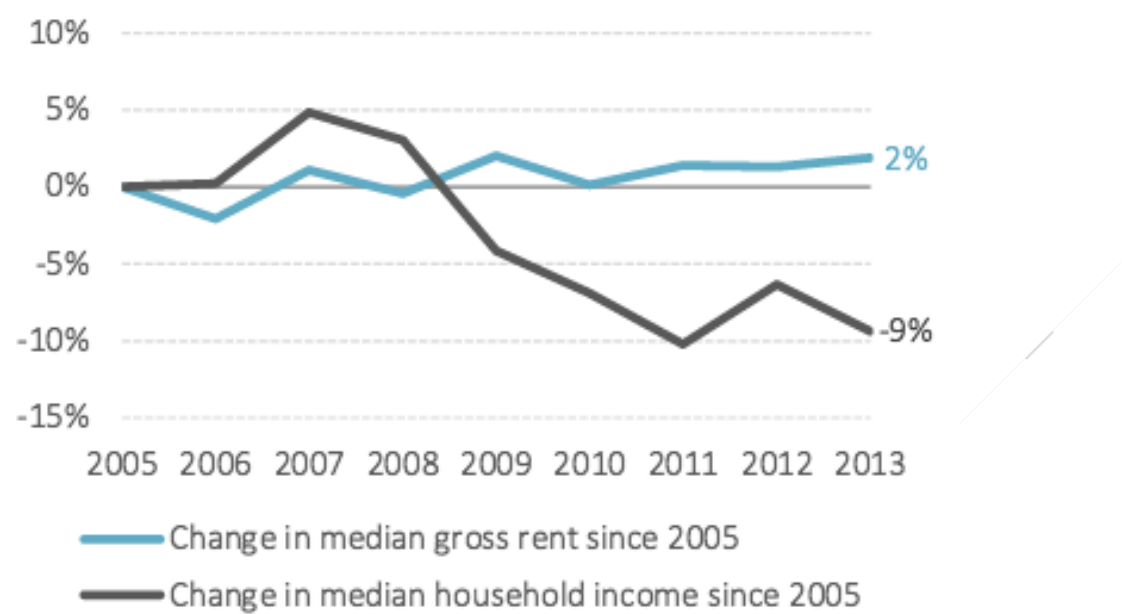
Cost burdened renter-occupied households by race, Mecklenburg County, 2008 - 2012¹⁰²



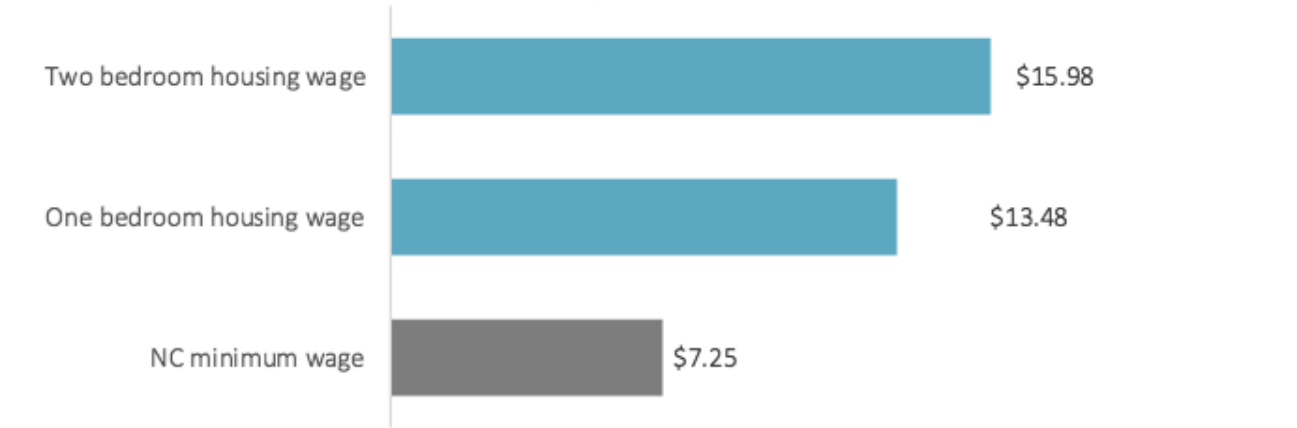
¹⁰¹ Housing Instability in Charlotte-Mecklenburg (2015). Prepared by UNC Charlotte Urban Institute on behalf of the Housing Advisory Board of Charlotte-Mecklenburg.

¹⁰² Ibid.

Percent change since 2005 in inflation adjusted median gross rent and median household income, Mecklenburg County, 2005 – 2013¹⁰³



Hourly wage needed in Mecklenburg Co if working 40 hours per week to afford an apartment¹⁰⁴



¹⁰³ Ibid.

¹⁰⁴ Ibid.

TRANSPORTATION

Accessibility to Jobs: Rank Among Nation's 50 Largest Metropolitan Areas¹⁰⁵

Access by Car	Minutes Away						
	Overall*	10	20	30	40	50	60
Los Angeles, CA	1	3	2	1	1	1	2
New York, NY	3	5	5	3	2	2	1
Charlotte, NC-SC	40	47	44	30	34	34	34
Raleigh-Durham, NC	50	48	45	49	49	49	49

Access By Transit	Minutes Away						
	Overall*	10	20	30	40	50	60
Los Angeles, CA	3	7	6	6	4	3	2
New York, NY	1	1	1	1	1	1	1
Charlotte, NC-SC	35	33	36	34	34	33	34
Raleigh-Durham, NC	40	44	31	39	41	42	42

Note: *Weighted average favoring closer jobs

Source: Accessibility Observatory, University of Minnesota

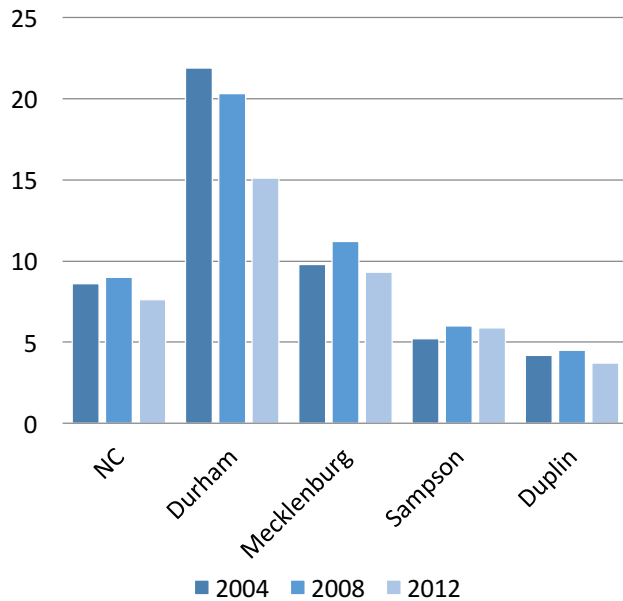
¹⁰⁵ *Source:* Accessibility Observatory, University of Minnesota

HEALTH¹⁰⁶

Healthcare Providers

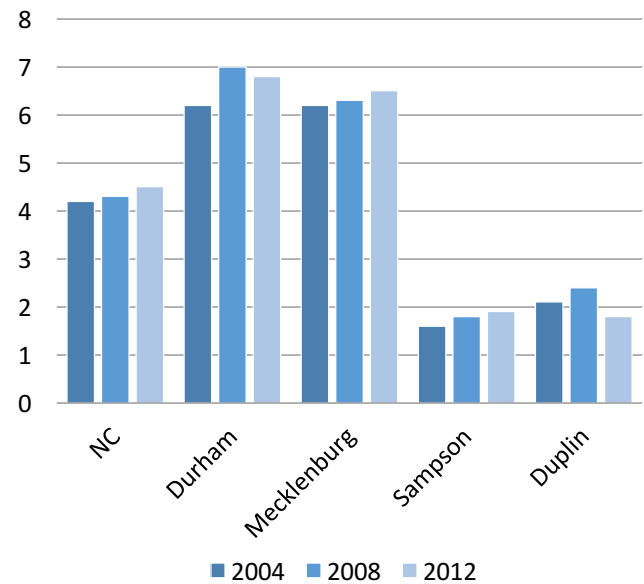
Number of Physicians

Per 10,000 Residents



Number of Dentists

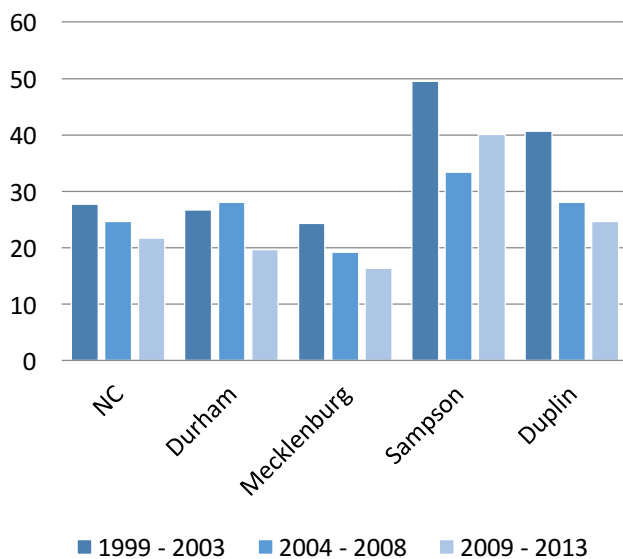
Per 10,000 Residents



Health Outcomes

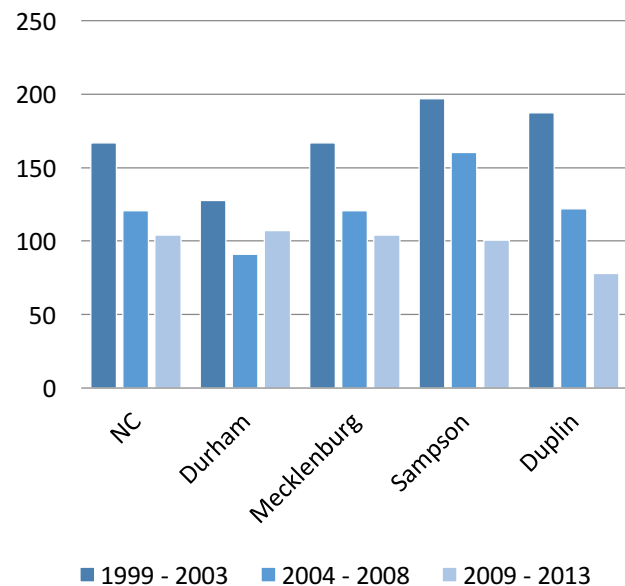
Age-Adjusted Diabetes Death Rates

Per 10,000 Residents



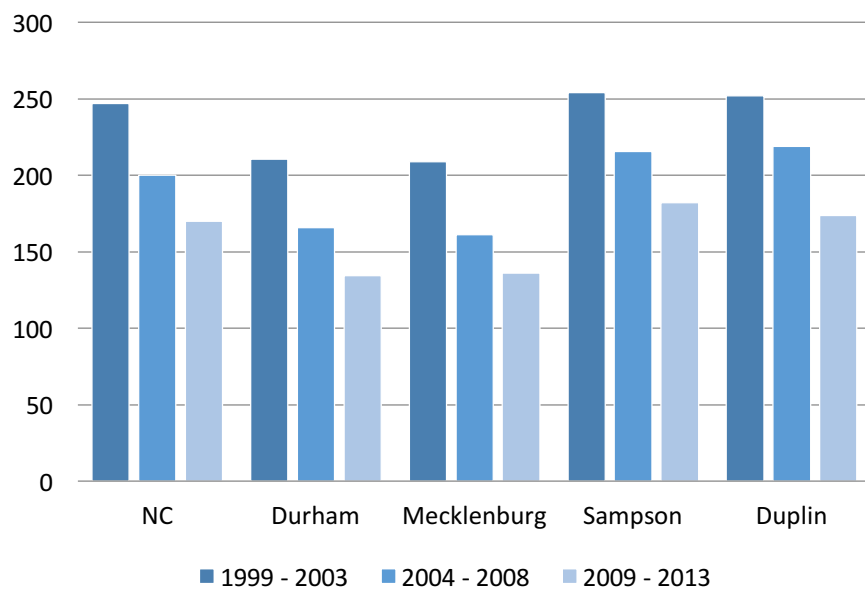
Inpatient Hospitalization Rates for Asthma

Per 10,000 Residents



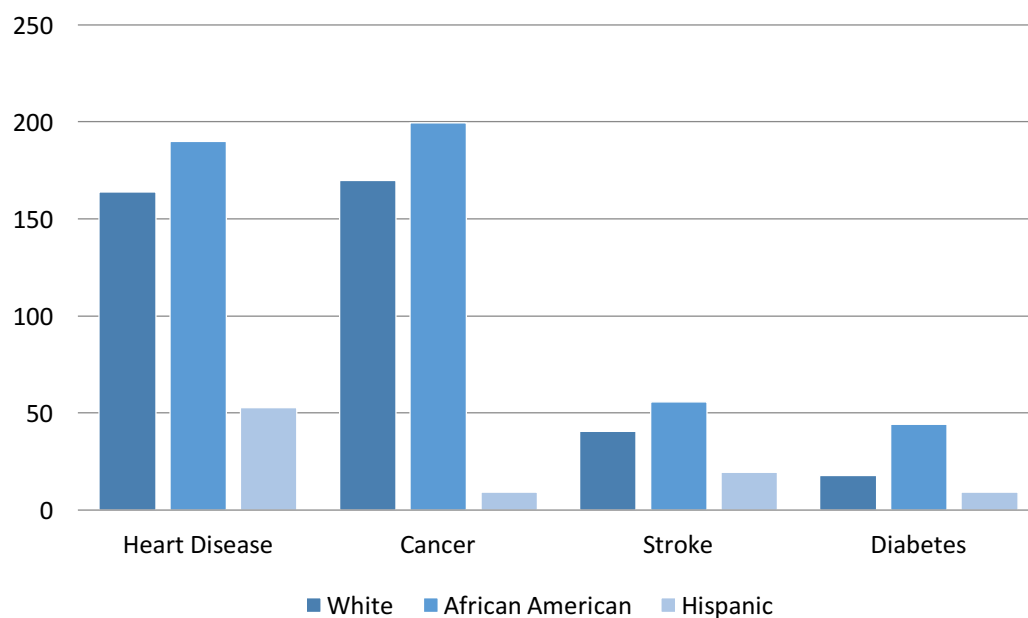
¹⁰⁶ North Carolina State Center for Health Statistics. Accessed at: <http://www.schs.state.nc.us/data/county.cfm>

Age-Adjusted Heart Disease Death Rates¹⁰⁷ Per 10,000 Residents



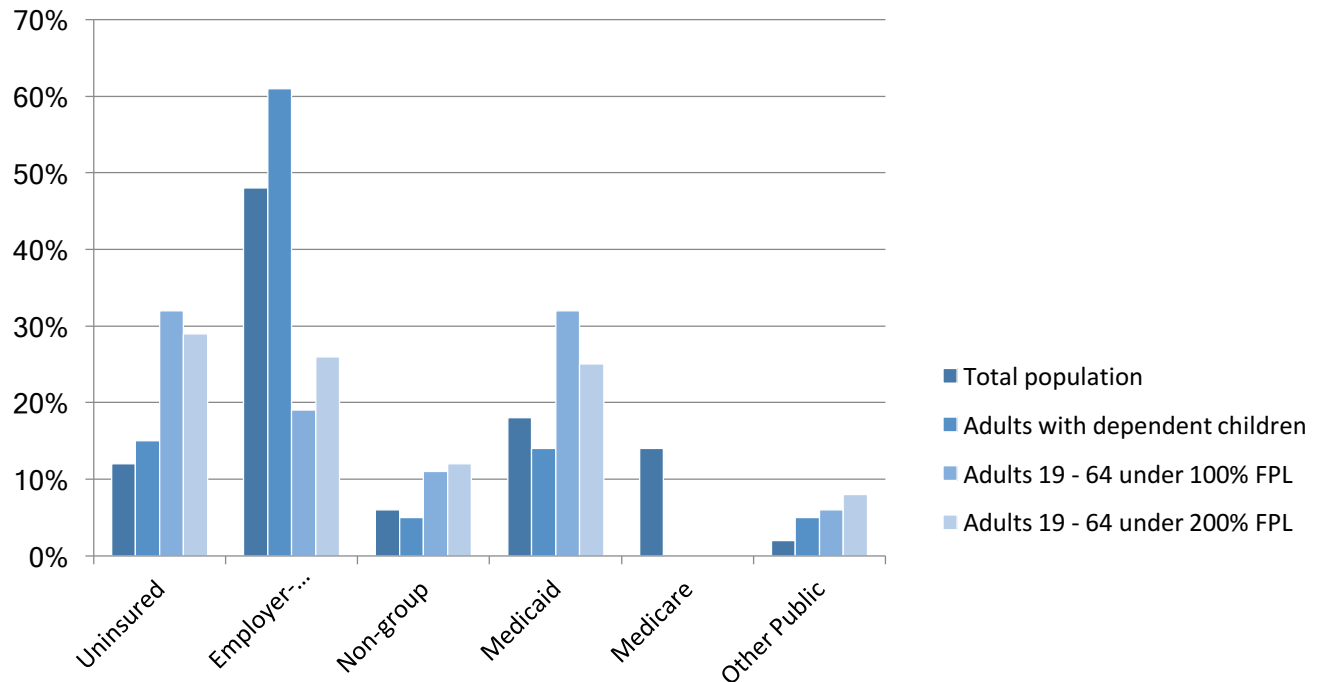
Health Outcomes by Race/Ethnicity

Age-Adjusted Mortality Rates in NC, 2010 – 2014 Per 100,000 Residents



¹⁰⁷ Ibid.

Health Insurance Coverage in NC, 2014¹⁰⁸



CRIMINAL CONVICTIONS

"The outrageous rate of incarceration – all the way from in-school and out-of school suspensions to prison – is an absolute train wreck, and is an issue that drives a lot of economic distress."

- NCLF Participant

There are over 1.6 million of the 9.5 million North Carolinians with a criminal record. More than 90% of employers in the state conduct criminal background checks on their potential employees.¹⁰⁹

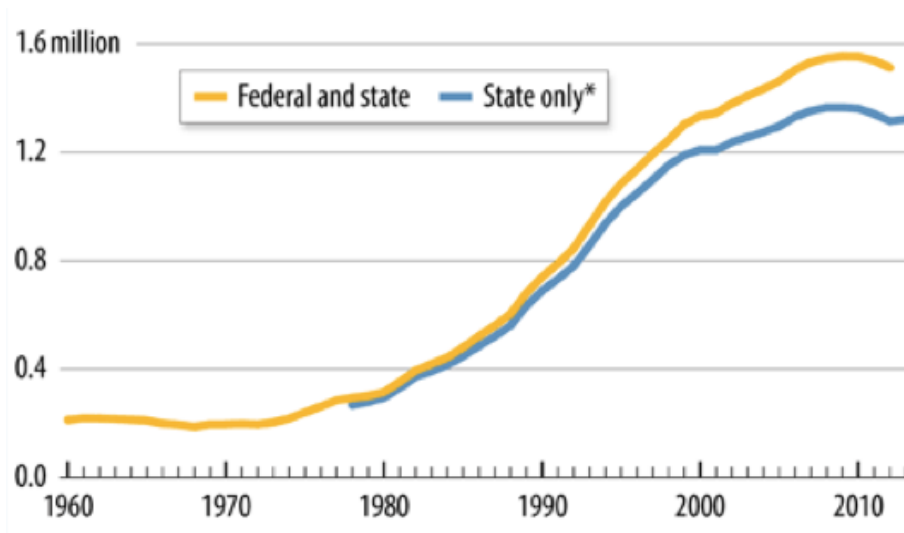
The prison population was 32,850 in January 2016. 1,519 of these prisoners were youth. 98% will eventually be released. 50% of ex-offenders are sent back to prison for new crimes. In 2015, North Carolina released, on average, 1,522 people from prison every month.¹¹⁰

¹⁰⁸ Kaiser Family Foundation. State Health Facts. Accessed at: <http://kff.org/statedata/>

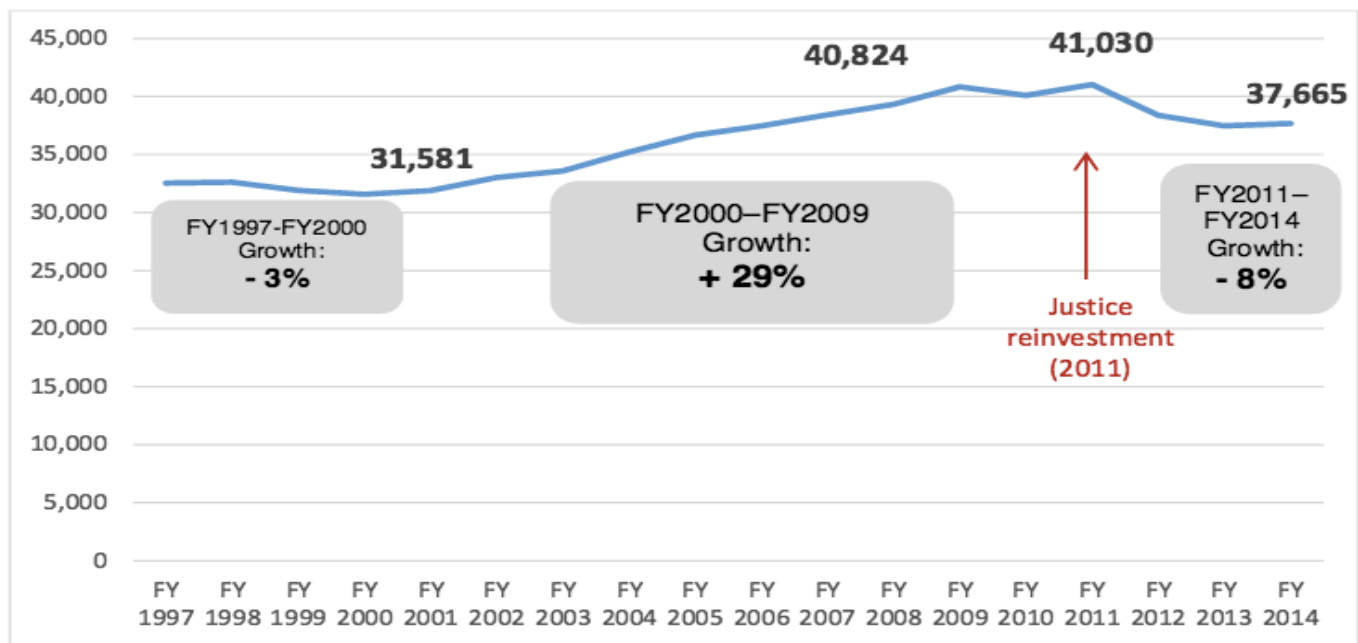
¹⁰⁹ Pursley, Evelyn. (2015). Expunction Projects: Second Chances Benefit Individuals and Our State. *North Carolina IOLTA*. Accessed at http://www.nciolta.org/journal_spring2014.asp.

¹¹⁰ North Carolina Department of Corrections. Accessed at: <http://randp.doc.state.nc.us/pubdocs/0007073.PDF>

National Trends in Incarceration, State and Federal¹¹¹



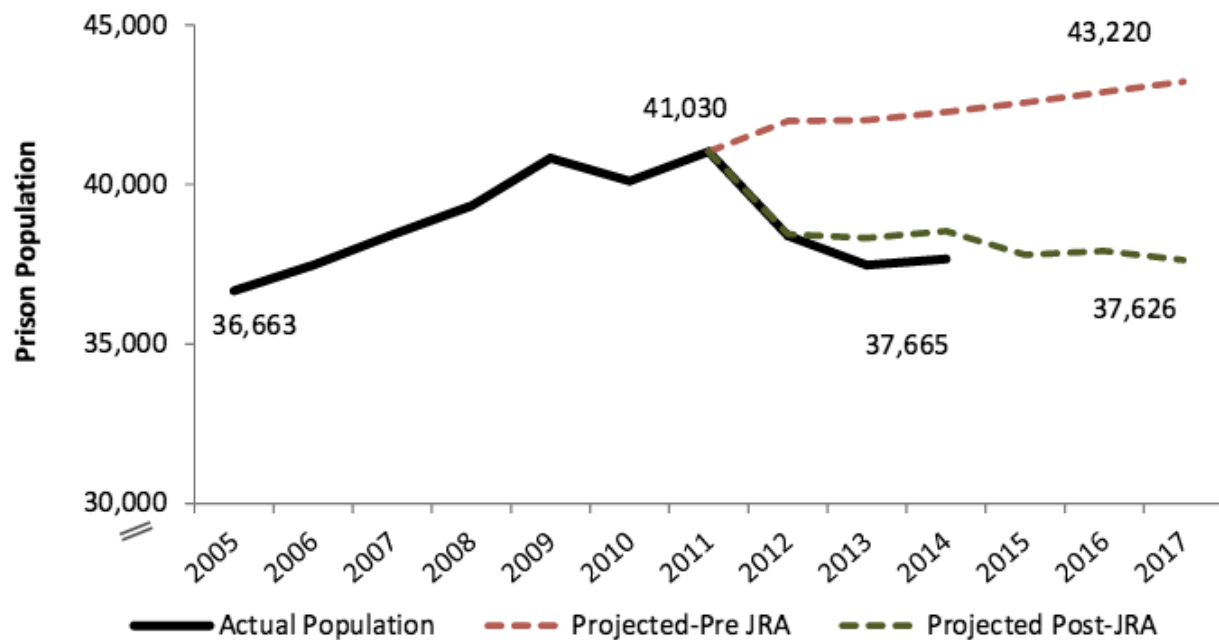
North Carolina Year End Prison Population, 1997 - 2014¹¹²



¹¹¹ Michael Mitchell and Michael Leachman (Oct 28, 2014). Changing Priorities: State Criminal Justice Reforms and Investments in Education. Center for Budget and Policy Priorities. Source: US Dept. of Justice, Bureau of Justice Statistics.

¹¹² North Carolina Department of Corrections.

NC Prison Population and Projections, 2005 - 2017¹¹³

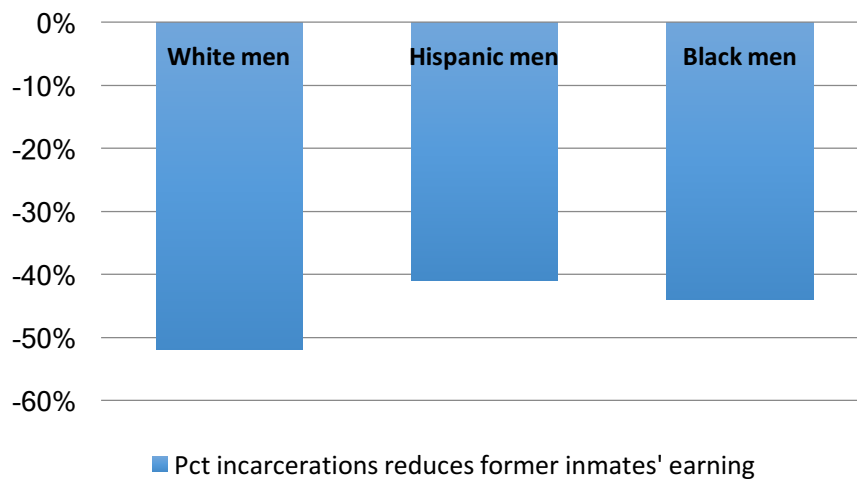


Incarceration and Race

Nearly 45% of those under NC Department of Correction supervision are African American; this disparity is a significant challenge to communities of color.¹¹⁴ Nationally, 1 in 12 African Americans, age 18 – 64, have been incarcerated compared to 1 in 87 who are White and 1 in 36 who are Hispanic. For African Americans, the number climbs to 1 in 9 for ages 20 – 34, and 1 in 3 for those in this age group without a high school diploma.¹¹⁵

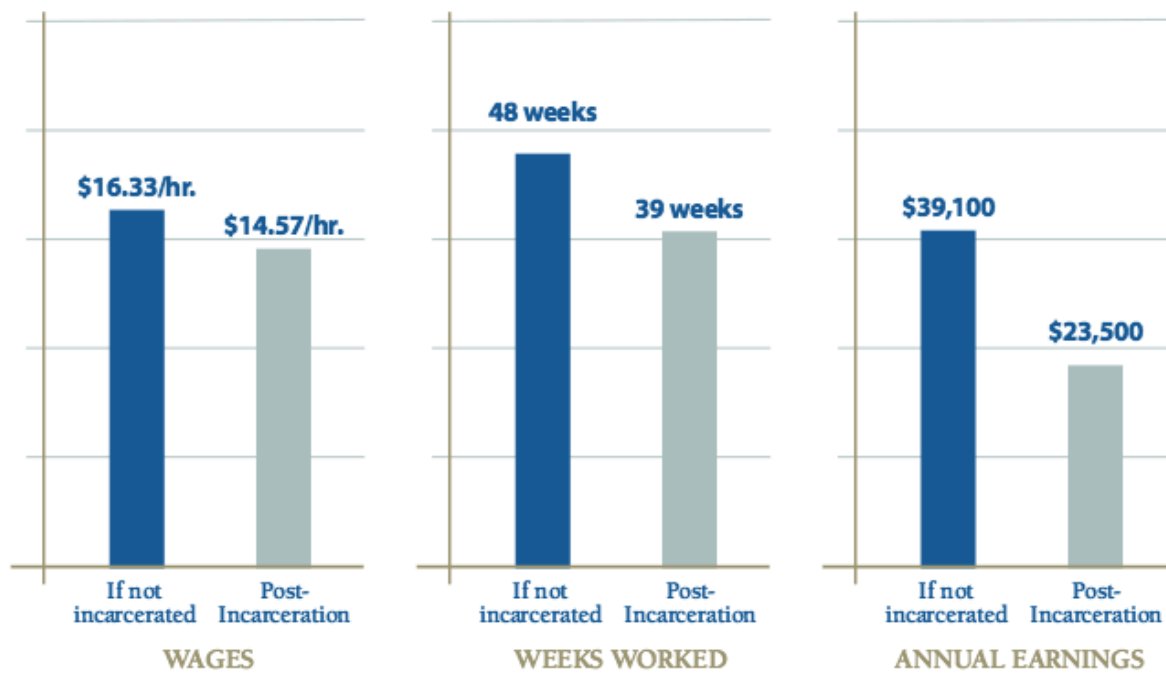
Aggregate Impact of Incarceration on Earnings, in U.S.

A job applicant with a criminal record is 50% less likely to receive a call back for a position for work.¹¹⁶

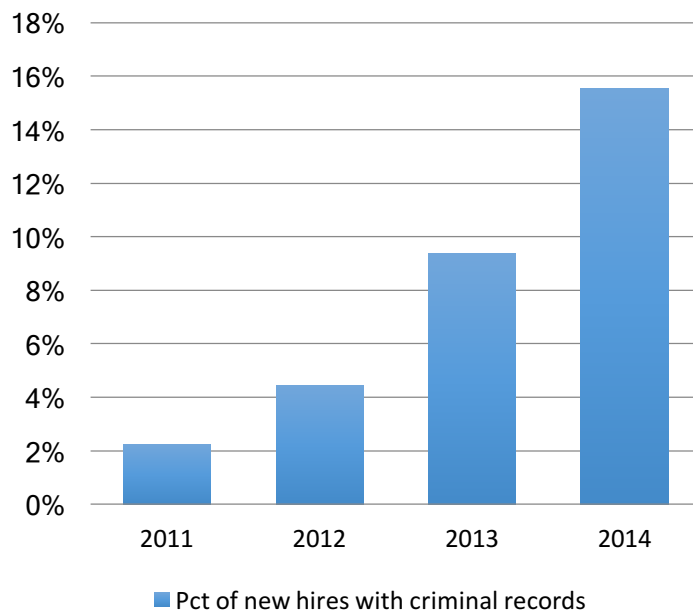


¹¹³ Ibid.

Estimated Effect of Incarceration on Male Wages, Weeks Worked, and Annual Earnings, predicted at age 45, in United States¹¹⁷



Percentage of New Hires in Durham, NC Government with Criminal Records After Ban the Box¹¹⁸



¹¹⁴ Bruce Western and Becky Pettit (2010). Collateral Costs: Incarceration's Effect on Economic Mobility. Pew Charitable Trust.

¹¹⁵ Ibid.

¹¹⁶ Pager, Devah. (March 2003). "The Mark of a Criminal Record." *AJS*. Vol 108(5). P. 937-75. Accessed at http://scholar.harvard.edu/files/pager/files/pager_ajs.pdf

¹¹⁷ Bruce Western and Becky Pettit (2010). Collateral Costs: Incarceration's Effect on Economic Mobility. Pew Charitable Trust.

¹¹⁸ The Southern Coalition for Social Justice (2014). The Benefits of Ban the Box: A Case Study of Durham, NC.

APPENDICES

APPENDIX 1: DEMOGRAPHICS

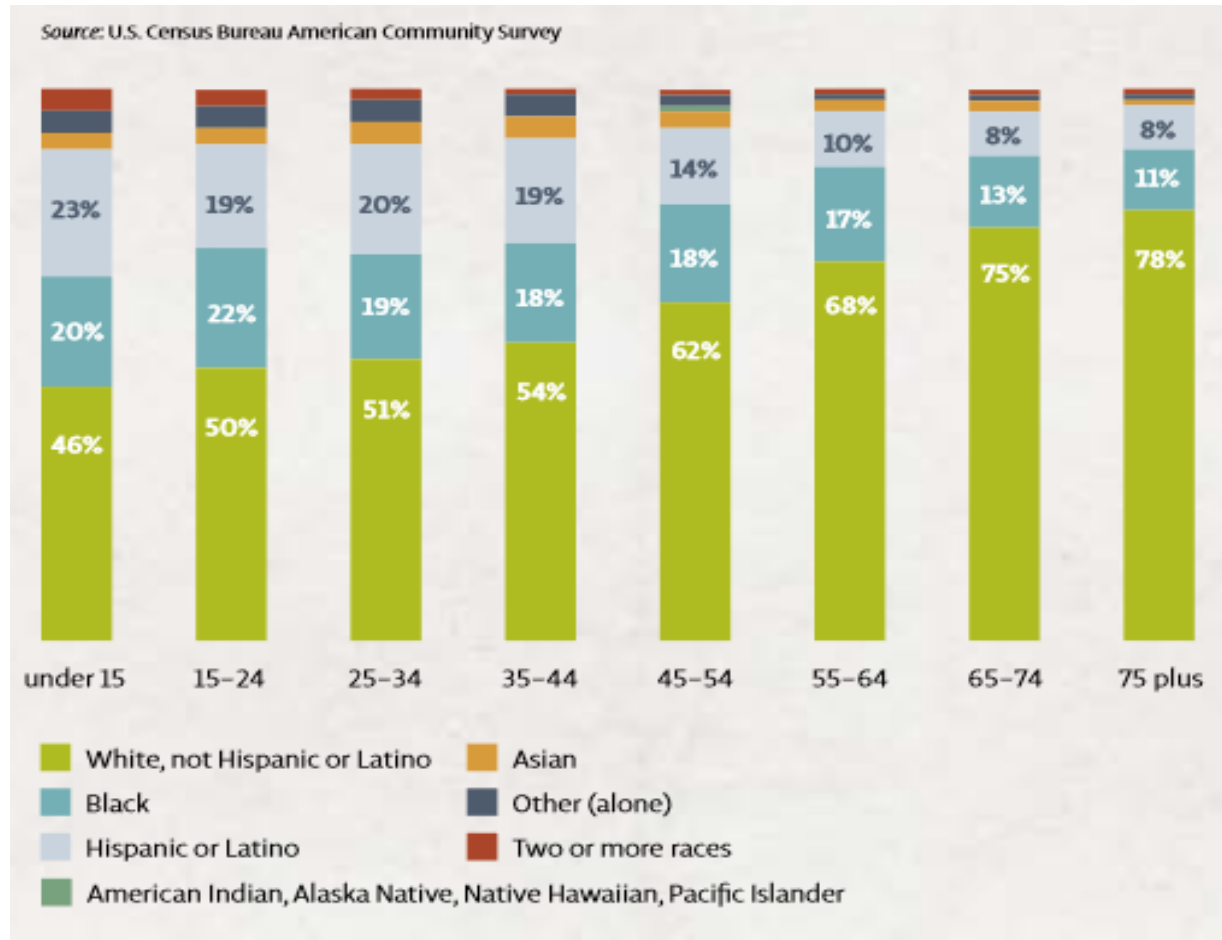
Population

This section highlights the changes in North Carolina's population from 2000 to 2010. Trends can be observed in the overall population growth, the increase of Hispanic or Latino population, and the increased population of people 65 years and over.

North Carolina –Overview	2000 Census		2010 Census		2000-2010 Change	
	<u>Counts</u>	<u>Percentages</u>	<u>Counts</u>	<u>Percentages</u>	<u>Counts</u>	<u>Percentages</u>
Total Population	8,049,301	100%	9,535,483	100%	1,486,173	18.46%
POPULATION BY RACE						
White	5,804,653	72.11%	6,528,950	68.47%	724,297	12.48%
Black or African American	1,737,545	21.59%	2,048,628	21.48%	311,083	17.90%
Asian	113,689	1.41%	208,962	2.19%	95,273	83.80%
Other	393,413	4.89%	748,943	7.86%	355,530	90.37%
POPULATION BY HISPANIC OR LATINO ORIGIN						
Persons of Hispanic or Latino Origin	378,963	4.71%	800,120	91.61%	421,157	111.13%
Persons not of Hispanic or Latino Origin	7,670,347	95.29%	8,735,363	91.61%	1,065,016	13.88%
POPULATION BY GENDER						
Female	4,106,617	51.02%	4,889,991	51.28%	783,374	19.08%
Male	3,942,693	48.98%	4,645,492	48.72%	702,799	17.83%
POPULATION BY AGE						
Persons 0 to 4 years	539,509	6.70%	632,040	6.63%	92,531	17.15%
Persons 5 to 17 years	1,424,538	17.70%	1,649,595	17.30%	225,057	15.80%
Persons 18 to 64 years	5,166,215	63.56%	6,019,769	61.13%	903,554	17.66%
Persons 65 years and over	969,048	12.04%	1,234,079	12.94%	265,031	27.35%

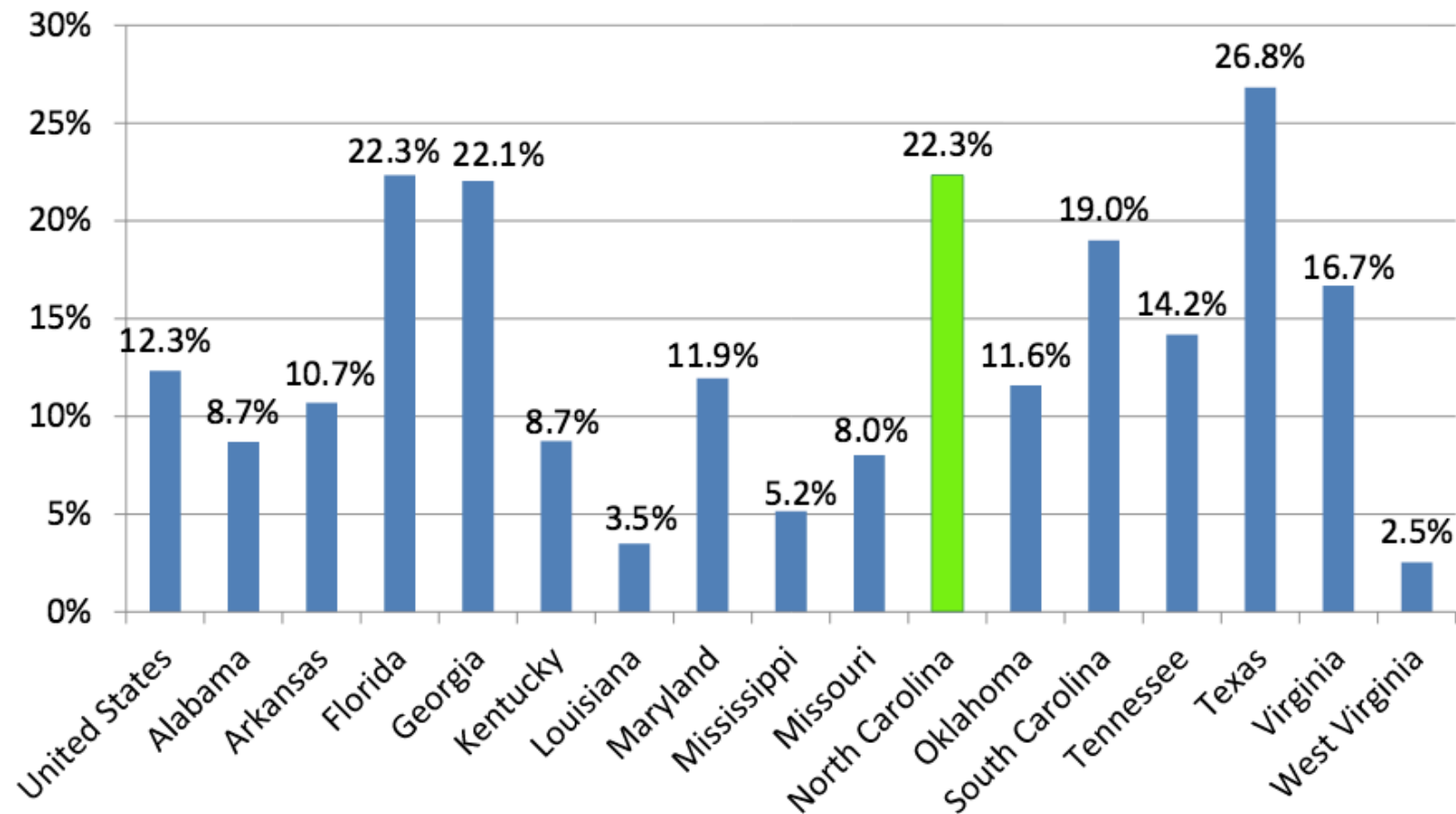
Data Source: United States Census Bureau. <http://quickfacts.census.gov/qfd/states/37000.html>

AGE GROUPS BY RACE AND ETHNICITY IN THE SOUTH, 2012¹¹⁹



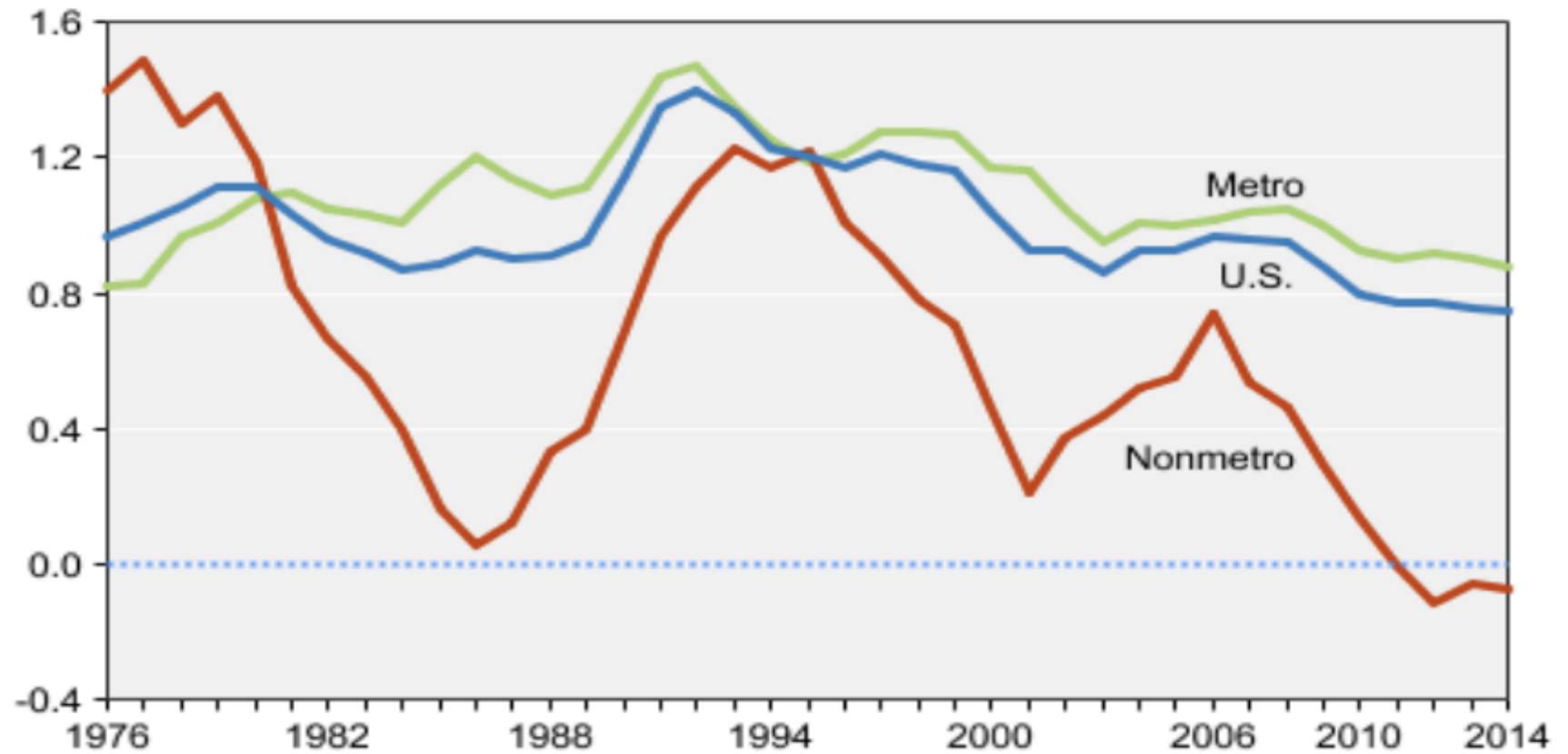
¹¹⁹ MDC. State of the South: Building an Infrastructure of Opportunity for the next generation. 2016. Retrieved from: http://stateofthesouth.org/wp-content/uploads/2014/11/MDC_StateOfTheSouth_web.pdf

Change in Population 2000 – 2013¹²⁰



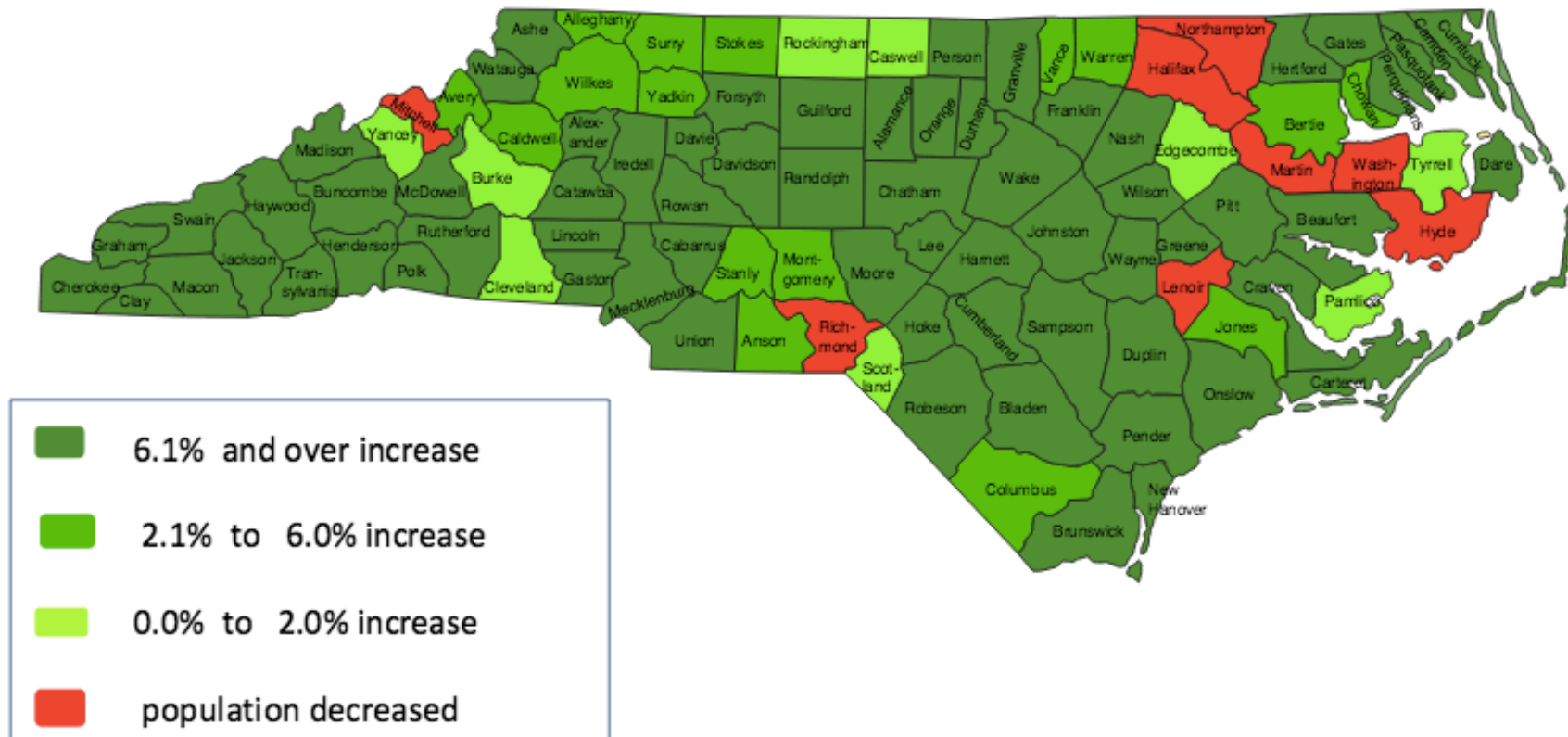
¹²⁰ Ted Abernathy, "Joint Legislative Economic Development & Global Engagement Oversight Committee." Source: U.S. Census.

Population Change in the U.S. by Metro/Non-Metro Status, 1976 – 2014¹²¹



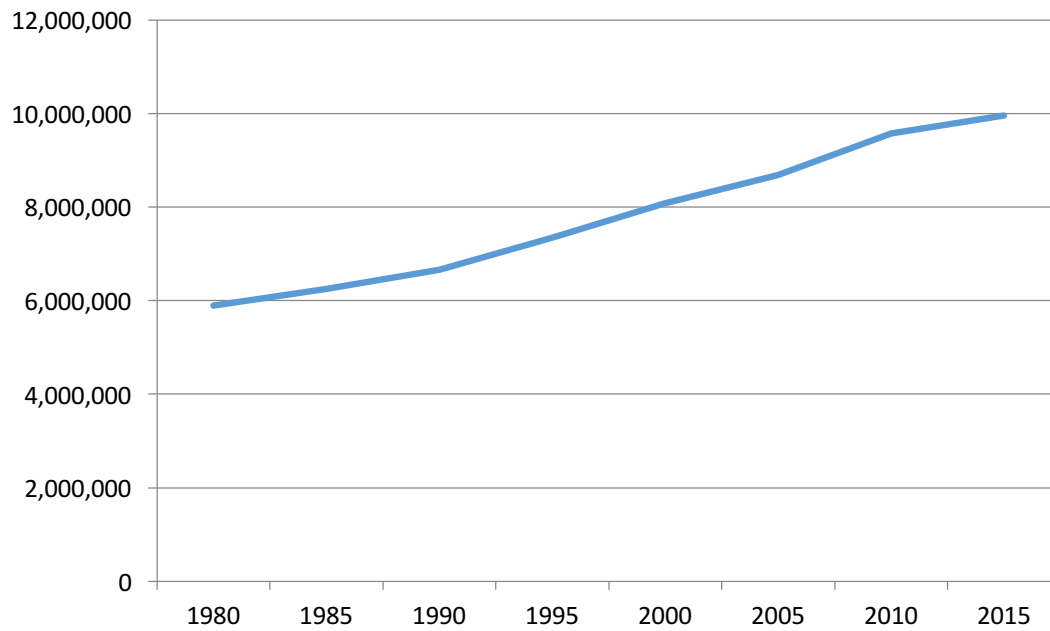
¹²¹ Ted Abernathy, "Joint Legislative Economic Development & Global Engagement Oversight Committee." Source: USDA, Economic Research Service using data from U.S. Census Bureau. Note: Metro status changed from some counties in 1980, 1990, 2000, and 2010.

Change in NC Population by County, 2000 – 2013¹²²

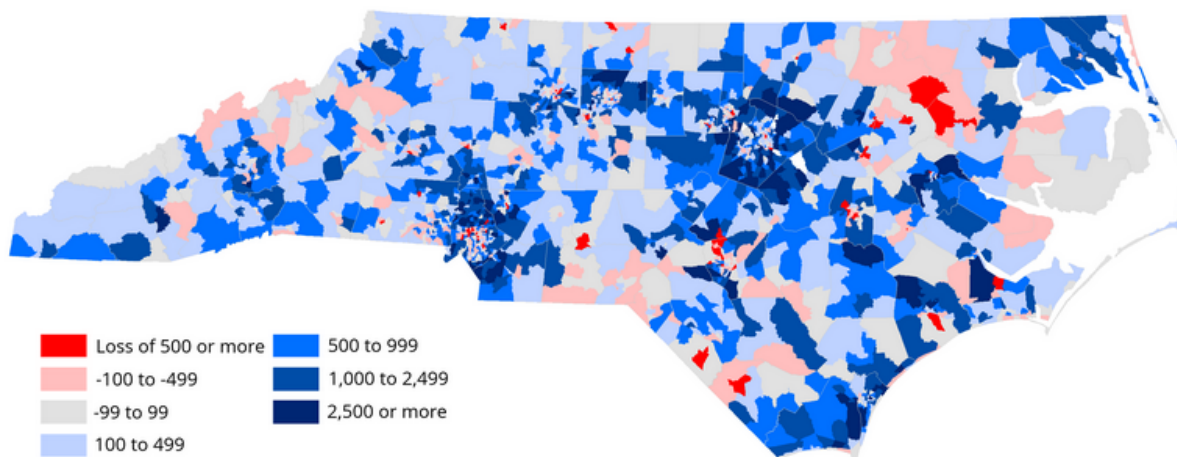


¹²² Ted Abernathy, "Joint Legislative Economic Development & Global Engagement Oversight Committee." Source: NC Office of State Budget and Management.

NC POPULATION GROWTH, 1980 – 2015¹²³



Total Population Change By NC Census Tract, 2000 to 2010¹²⁴

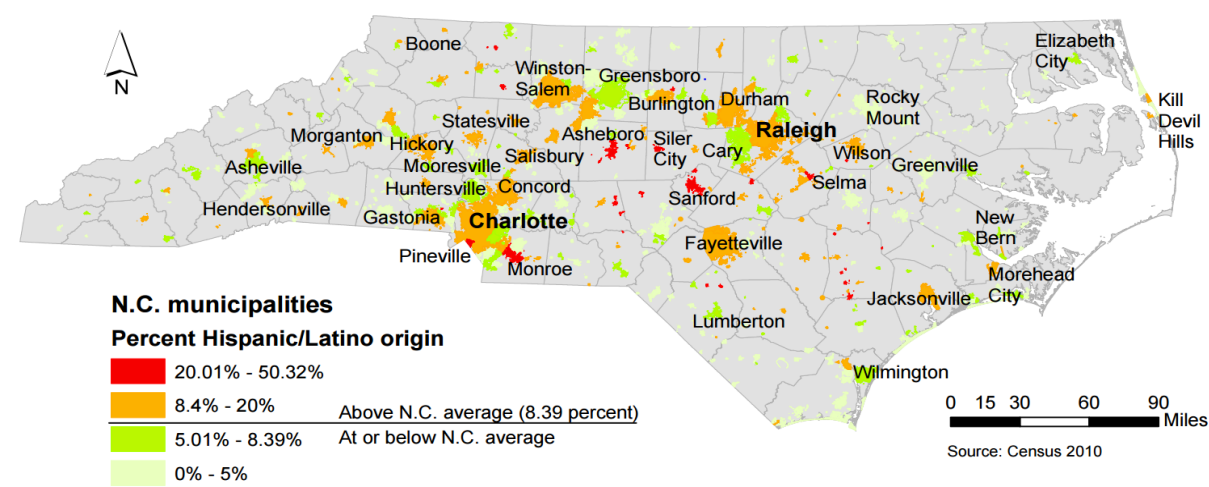


¹²³ U.S. Census Bureau.

¹²⁴ UNC Carolina Demography. Carolina Population Center. NC Neighborhood Change, 200 - 2010.
<http://demography.cpc.unc.edu/resources/nc-neighborhood-change-2000-2010/>

North Carolina Cities and Towns Percent Hispanic/Latino 2010¹²⁵

This map shows the percentage of Hispanic/Latino North Carolinians across the state. High concentration nodal regions can be observed in pockets around cities and rural areas.



¹²⁵ Ibid.

APPENDIX 2: MEDIAN HOUSEHOLD INCOME BY COUNTY

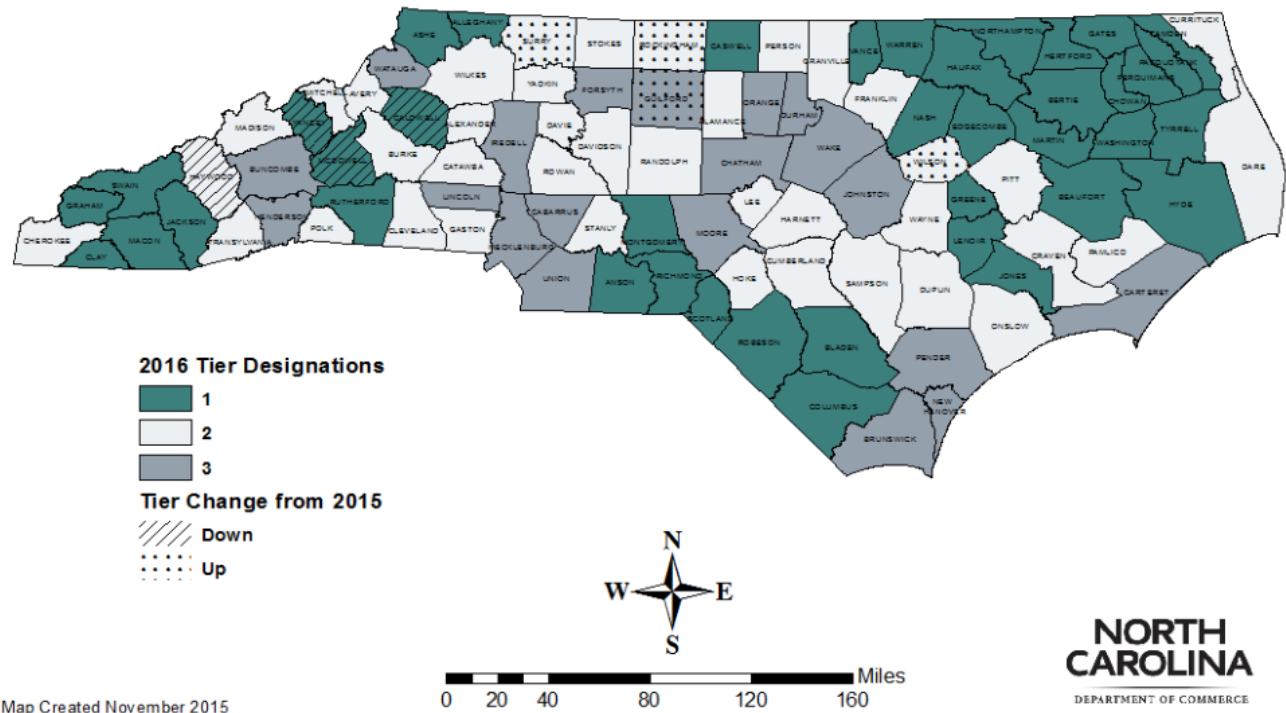
Median Family Income, North Carolina Overall and Breakdown by County 2009-2014

	2009	2010	2011	2012	2013	2014
North Carolina	55,529	56,153	57,171	57,146	56,928	57,328
Alamance	52,702	52,806	54,605	54,335	53,945	53,331
Alexander	50,894	51,431	49,627	49,603	50,123	52,128
Alleghany	40,340	38,535	40,092	38,830	40,767	41,420
Anson	36,784	39,612	40,026	39,422	39,667	39,250
Ashe	45,678	46,537	47,708	48,339	47,184	45,716
Avery	46,978	47,644	48,132	48,615	46,847	45,883
Beaufort	50,156	49,668	51,282	49,279	49,574	50,831
Bertie	39,873	39,443	41,043	42,284	40,850	38,566
Bladen	41,444	41,937	42,099	41,920	43,210	42,572
Brunswick	52,465	54,644	53,587	53,247	54,220	55,624
Buncombe	55,394	54,981	55,673	55,754	56,616	58,127
Burke	45,784	46,799	47,754	48,641	49,127	49,596
Cabarrus	64,713	65,594	66,290	67,052	66,058	65,267
Caldwell	47,777	48,462	48,462	47,892	46,628	47,028
Camden	70,625	74,320	74,943	69,800	70,025	71,070
Carteret	56,897	56,842	59,229	58,011	57,328	58,791
Caswell	43,534	44,401	46,433	48,471	45,925	48,678
Catawba	54,267	53,285	54,396	54,106	54,596	54,861
Chatham	65,914	66,120	69,431	66,268	66,875	68,910
Cherokee	43,889	44,949	44,916	44,218	43,178	43,347
Chowan	46,782	45,932	43,030	43,835	43,512	44,645
Clay	39,609	39,406	43,067	46,201	46,528	43,841
Cleveland	47,690	47,460	47,378	48,191	48,723	49,550
Columbus	43,285	45,193	45,800	45,602	45,865	44,940
Craven	54,442	53,604	56,233	56,148	55,689	55,293
Cumberland	49,743	50,910	51,760	51,800	51,944	52,106
Currituck	66,374	66,213	64,886	67,932	66,626	70,882
Dare	66,265	65,778	66,628	66,679	64,404	63,629
Davidson	53,200	54,652	55,015	54,667	54,218	53,410
Davie	61,343	61,659	62,730	61,971	58,530	59,406
Duplin	41,413	40,774	41,536	42,254	42,029	43,000
Durham	61,607	62,890	63,538	64,930	66,448	67,131
Edgecombe	39,059	41,857	42,280	41,605	42,351	41,748
Forsyth	60,637	59,867	60,235	60,094	59,764	60,319
Franklin	51,318	51,591	53,243	52,504	51,353	51,267
Gaston	52,452	53,366	53,484	52,484	51,851	51,726

Gates	56,703	55,559	56,350	58,699	53,577	54,985
Graham	32,273	34,831	38,722	40,143	39,580	43,083
Granville	56,493	57,203	57,380	56,275	54,842	55,253
Greene	44,975	48,409	50,858	49,753	50,781	49,877
Guilford	59,830	59,367	59,962	59,244	58,551	58,310
Halifax	39,366	40,569	41,190	41,838	42,607	41,823
Harnett	52,319	52,708	52,912	53,589	54,000	53,089
Haywood	51,473	51,596	52,444	52,291	52,014	51,669
Henderson	56,550	58,381	60,447	58,806	57,062	57,566
Hertford	38,618	39,973	40,520	42,911	41,713	40,746
Hoke	48,367	47,281	52,240	53,088	53,584	53,102
Hyde	47,179	44,406	42,121	46,250	42,048	48,301
Iredell	58,000	59,639	61,114	60,641	60,413	61,197
Jackson	48,586	49,500	49,761	49,097	48,568	49,661
Johnston	58,362	58,187	58,809	59,349	58,463	59,852
Jones	44,110	45,876	49,291	48,720	49,041	47,734
Lee	51,261	53,375	53,470	55,038	55,582	56,370
Lenoir	42,230	42,317	43,319	44,509	45,306	45,131
Lincoln	54,681	54,765	60,086	60,124	60,059	59,516
McDowell	46,848	47,243	46,239	46,827	45,874	45,000
Macon	47,243	46,702	48,852	46,485	45,633	47,043
Madison	48,739	49,838	50,359	50,041	49,806	50,301
Martin	40,226	43,293	45,471	45,951	44,633	48,828
Mecklenburg	68,544	67,375	68,218	68,238	68,083	69,166
Mitchell	42,546	41,727	43,629	43,922	46,432	47,687
Montgomery	42,983	43,740	42,716	41,611	43,038	46,909
Moore	59,123	61,068	63,139	62,699	62,099	62,914
Nash	51,926	55,186	55,449	54,494	52,681	54,314
New Hanover	62,827	65,188	66,039	67,853	67,938	67,149
Northampton	38,473	40,230	38,790	36,585	37,249	38,391
Onslow	46,263	48,380	49,914	50,533	49,819	50,764
Orange	78,125	79,811	82,309	83,967	84,770	85,866
Pamlico	44,516	51,630	54,347	55,110	54,679	57,513
Pasquotank	53,837	54,785	56,995	55,091	55,554	53,942
Pender	51,541	54,087	54,536	52,897	53,740	55,345
Perquimans	46,214	48,870	49,340	50,730	51,103	51,996
Person	53,920	54,747	52,490	51,510	49,521	50,718
Pitt	52,160	53,432	54,603	55,149	56,512	56,537
Polk	47,151	55,846	53,743	50,362	53,909	56,690
Randolph	48,321	49,257	49,294	50,602	50,234	50,930
Richmond	35,901	38,881	40,625	40,453	40,322	41,752
Robeson	35,002	34,788	35,814	35,549	35,861	36,042
Rockingham	47,199	48,641	48,112	46,911	47,715	48,003
Rowan	53,480	52,850	53,188	50,888	50,537	50,283
Rutherford	44,026	43,702	45,064	43,438	42,636	42,951

Sampson	44,211	44,296	45,000	45,796	43,557	42,907
Scotland	38,761	37,232	37,700	36,452	36,073	36,940
Stanly	55,120	58,125	57,086	56,054	54,611	53,843
Stokes	48,716	49,134	50,881	48,989	50,910	50,146
Surry	45,949	47,248	45,670	45,518	44,788	44,673
Swain	48,750	48,101	50,840	54,787	51,589	45,183
Transylvania	52,741	52,674	53,422	51,374	51,702	52,214
Tyrrell	28,809	37,708	45,186	39,127	38,493	38,690
Union	67,732	71,538	72,402	73,203	74,132	73,755
Vance	40,006	41,025	41,653	42,416	41,930	43,836
Wake	81,536	81,461	83,107	83,691	83,568	84,135
Warren	37,118	40,323	43,122	44,347	44,587	44,883
Washington	44,497	41,007	48,002	41,161	43,636	40,789
Watauga	55,297	56,112	59,845	60,449	60,066	59,972
Wayne	47,924	49,504	50,273	50,778	51,391	51,196
Wilkes	44,363	43,439	42,453	41,049	42,083	41,389
Wilson	47,943	47,716	47,443	47,647	47,796	46,644
Yadkin	51,380	50,990	52,199	50,954	50,372	47,486
Yancey	39,435	42,252	46,670	45,233	45,693	47,211

APPENDIX 3: 2016 COUNTY TIER DESIGNATIONS



The N.C. Department of Commerce annually ranks the state's 100 counties based on economic well-being and assigns each a Tier designation. The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2 and the 20 least distressed as Tier 3.

County Tiers are calculated using several factors:

- Average unemployment rate
- Median household income
- Percentage growth in population
- Adjusted property tax base per capital
- Automatically qualify for tier one if the county population is less than 12,000 people
- Automatically qualify for tier one if the county populations is less than 50,000 people and a poverty rate of 19 percent or greater
- Automatically qualify for tier two if a county population is less than 50,000 people

North Carolina legislators are considering changing this method of classifying counties. The tiered ranking system is being evaluated for its merit as a measure of economic well-being across the state.

APPENDIX 4: OVERVIEW OF PUBLIC ASSISTANCE PROGRAMS

This section provides an overview of some public assistance programs in North Carolina and the maximum income allowed to be eligible for the assistance. The program summaries are included to show the types of assistance available to North Carolina families, many of whom include individuals who are working and receiving assistance.

SIMPLIFIED NUTRITIONAL ASSISTANCE PROGRAM (SNAP)

North Carolina's Simplified Nutritional Assistance Program (SNAP) is a demonstration project designed to deliver food assistance to elderly individuals receiving Supplemental Security Income (SSI). SNAP is a simplified version of Regular Food and Nutrition Services (FNS). Applications are taken at county Departments of Social Services in the county in which the household resides.

HEAD START

Head Start is a Federal program that promotes the school readiness of children from birth to age five from low-income families by enhancing their cognitive, social, and emotional development. For this benefit program, you must be a resident of the state of North Carolina. Children from birth to age five from families with low income, according to the Poverty Guidelines published by the Federal government, are eligible for Head Start and Early Head Start services.

HEALTH CHOICE FOR CHILDREN

As of October 1998, families who have a total household income that is too high to qualify for Medicaid but too low to afford rising health insurance premiums are able to get free or reduced price comprehensive health care for their children. The new plan, NC Health Choice for Children, provides the same coverage provided for the children of state employees and teachers. Benefits include: sick visits; checkups; hospital care; counseling; prescriptions; dental care; eye exams and glasses; hearing exams and hearing aids; and other related services. In order to qualify for this benefit program, you must under 19 years of age, not covered by health insurance (including Medicaid), a U.S. national, citizen, legal alien, or permanent resident.

LOW-INCOME ENERGY ASSISTANCE PROGRAM (LIEAP)

The North Carolina Low Income Energy Assistance Program (LIEAP) provides a one-time vendor payment to help eligible households pay their heating bills. In order to qualify for this benefit priority in eligibility is given to households that contain an elderly person in age 60 and over or, a disabled person receiving a service through the North Carolina Division of Aging and Adult Services.

MEDICAID

Medicaid is a health insurance program for certain low-income and needy people paid with federal, state, and county dollars. It covers more than 1 million people in NC, including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments. North Carolina Medicaid includes Baby Love for prenatal and infant health care, Health Check for children up to age 21, Carolina ACCESS for managed care, and community alternatives to provide home and community care as a cost-effective alternative to institutionalization. Covered individuals are elderly or disabled individuals, children and their parents, persons needing long-term care and some Medicare recipients.

In order to qualify for this benefit program, you must have a financial situation that would be characterized as low income or very low income. You must also be either pregnant, blind, have a disability or a family

member in your household with a disability, be responsible for children under 19 years of age, or be 65 years of age or older.

SCHOOL BREAKFAST AND LUNCH

The School Breakfast Program provides funding that makes it possible for schools to offer a nutritious breakfast to students each day. Similarly, the goal of the National School Lunch Program (NSLP) is to protect the health and well-being of the nation's children by providing nutritious school meals every day. NSLP provides funding that makes it possible for schools to offer a nutritious school lunch. Schools receive Federal funds for each breakfast and lunch served, provided that the meal meets established nutrition standards.

SPECIAL MILK PROGRAM

The Special Milk Program (SMP) provides milk to children in schools and childcare institutions who do not participate in other Federal meal service programs. The program reimburses schools for the milk they serve. Schools in the National School Lunch or School Breakfast Programs may also participate in SMP to provide milk to children in half-day pre-kindergarten and kindergarten programs where children do not have access to the school meal programs.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The WIC program provides a combination of nutrition education, supplemental foods, breastfeeding promotion and support, and referrals for health care. WIC has proven effective in preventing and improving nutrition related health problems within its population. The North Carolina Department of Health and Human Services, Division of Public Health, Women's and Children's Health Section, Nutrition Services Branch administers it. County health departments, community and rural health centers, and community action agencies provide the services.

SUMMER FOOD SERVICE

The North Carolina Summer Food Service Program (SFSP) provides nutritious meals to children who would normally receive free or reduced price meals when school is in session. SFSP helps children to maintain a nutritious diet and helps their families to stretch their food dollars during the summer months. The program is offered in many and various locations such as parks, playgrounds, housing authorities, day camps, churches, community centers, etc. Often the SFSP meal service is combined with learning and recreational activities for the children.

In 2000, about 574,000 children in North Carolina were eligible to receive SFSP meals. However, less than 10 percent of this number were actually served. Therefore, the Nutrition Services Section is making every effort to publicize the program so that more organizations will sign up to become program sponsors.

UNEMPLOYMENT INSURANCE

Unemployment insurance benefits provide temporary financial assistance to workers unemployed through no fault of their own that meet North Carolina's eligibility requirements. In order to qualify for this benefit program, you must have worked in North Carolina during the past 12 to 18 months and have earned at least a minimum amount of wages as determined by our guidelines. You must also be able to work and available for work each week that you are collecting benefits.

WEATHERIZATION ASSISTANCE PROGRAM

The Weatherization Assistance Program is designed to help low-income citizens save energy and reduce expenses through the installation of energy conservation materials and the implementation of energy

efficiency measures in their homes. The goal of the program is to create a safe, energy efficient and comfortable home environment for the families served. Priority is placed on providing assistance to the elderly, individuals with disabilities and families with children. The 3,352 families that benefited from the program last year saved an average of \$173 per household. A household's income must be under 150 percent of poverty to be eligible to participate in the program; however, over eighty percent of the families served in North Carolina have annual incomes below \$15,000. The North Carolina Weatherization Assistance Program is implemented in all counties in the State through 29 sub grantees.

Local agencies determine client eligibility based on Federal Poverty Income Guidelines. Agency staff conduct an energy audit and perform diagnostic testing to determine air infiltration, heat loss, levels of carbon monoxide and identify recommended energy conservation, safety and health measures. Local agency staff and private contractors complete the work. Staff and the resident inspect the work and, if satisfied, the resident provides an approval signature.

WORK FIRST – TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Work First is North Carolina's Temporary Assistance for Needy Families (TANF) program to help families stay off welfare or move off welfare and into jobs.

Through Work First, parents can get short-term training, child care assistance, cash benefits, and other services to help them become self-sufficient. Most families have two years to move off welfare. Work First emphasizes three strategies:

1. **Diversion:** Keeping families off Temporary Assistance for Needy Families (TANF) cash assistance welfare by helping them cope with unexpected emergencies or setbacks. Under Work First, qualifying families can get up to three months' worth of cash diversion assistance, child care, food stamp benefits, and Medicaid, if they stay off TANF.
2. **Work:** Shortening the length of time that families receive TANF benefits by making work mandatory and by limiting how long a family can receive cash assistance.
3. **Retention:** Helping families that leave welfare to stay off with services such as transportation, encouraging them to save and by helping to make sure they really are better off working than on welfare.

RENTAL ASSISTANCE

Federal rental assistance helps struggling North Carolina seniors, people with disabilities, veterans, and working families keep a roof over their heads and make ends meet. Over 138,000 low-income households in North Carolina use federal rental assistance to rent modest housing at an affordable cost; at least 65 percent have extremely low incomes (30 percent of area median income or less).¹²⁶

¹²⁶ Source: Center on Budget and Policy Priorities. Accessed at <http://www.cbpp.org/sites/default/files/atoms/files/4-13-11hous-NC.pdf>

Assistance Program Maximum Income Level (per year)¹²⁷

Household Size	SNAP	Head Start	Health Choice for Children	LIEAP	School Breakfast & Lunch Program	Special Milk Program	WIC	Summer Food Service	Weatherization Assistance Program
1	\$23,540	\$11,770	\$23,340	\$15,301	\$21,775	\$21,775	\$21,775	\$21,775	\$23,540
2	\$31,860	\$15,930	\$31,460	\$20,709	\$29,471	\$29,471	\$29,471	\$29,471	\$31,860
3	\$40,180	\$20,090	\$39,580	\$26,117	\$37,167	\$37,167	\$37,167	\$37,167	\$40,180
4	\$48,500	\$24,250	\$47,700	\$31,525	\$44,863	\$44,863	\$44,863	\$44,863	\$48,500
5	\$56,820	\$28,410	\$55,820	\$36,933	\$52,559	\$52,559	\$52,559	\$52,559	\$56,820
6	\$65,140	\$32,570	\$63,940	\$42,341	\$60,255	\$60,255	\$60,255	\$60,255	\$65,140
7	\$73,460	\$36,730	\$72,060	\$47,749	\$67,951	\$67,951	\$67,951	\$67,951	\$73,460
8	\$81,780	\$40,890	\$80,180	\$53,157	\$75,647	\$75,647	\$75,647	\$75,647	\$81,780

¹²⁷ Accessed at: www.benefits.gov

APPENDIX 5: NCWORKS COMMISSION

The NCWorks Commission oversees the State's workforce development system, develops policy, and advises the Governor, N.C. General Assembly, state and local agencies, and businesses about how to further strengthen the state's workforce.

Workforce development services are administered through North Carolina's 23 Workforce Development Boards and delivered to job seekers and employers through local workforce offices in their respective areas. The NCWorks Training Center ensures that workforce development boards and NCWorks career center staff receive the training and professional development needed to meet the demands of the populations served throughout our State's workforce delivery system.¹²⁸

ADULT PERFORMANCE IN EMPLOYMENT¹²⁹

<i>Adult Performance (Table B)</i>			
Program Year	Adult Entered Employment Rate	Adult Employment Retention Rate	Adult Average Earnings in Six Month
PY 2007	76.6%	85.8%	\$11,634
PY 2008	76.7%	86.7%	\$12,450
PY 2009	65.3%	84.7%	\$11,715
PY 2010	62.8%	83.7%	\$10,774
PY 2011	67.1%	84.1%	\$11,014
PY 2012	70.9%	85.8%	\$11,731
PY 2013	67.9%	86.2%	\$11,726
PY 2014	61.4%	84.2%	\$12,077

<i>Cost Per Participant (Adult)</i>			
<i>Program</i>	Total Participants	Total Cost	Cost Per Participant
<i>Adult</i>	113,346	\$44,645,156.00	\$393.88

Source: North Carolina Workforce Investment Act Annual Report PY 2014

¹²⁸ NC Works Commission. North Carolina Investment Act Annual Report PY 2014.

<https://www.ncworks.gov/admin/gsipub/htmlarea/uploads/WIA%20Annual%20Reports/PY2014WIAAnnualReport.pdf> (pg 15)

¹²⁹ Source: North Carolina Workforce Investment Act Annual Report PY 2014.

<https://www.ncworks.gov/admin/gsipub/htmlarea/uploads/WIA%20Annual%20Reports/PY2014WIAAnnualReport.pdf>

APPENDIX 6: ADDITIONAL KEY TERMS

Cyclical unemployment - a temporary downturn in the job market. The most common form of cyclical unemployment occurs when workers are temporarily laid off.

Discouraged worker - an individual who had no employment during the survey week, who wants a job, has looked for work during the past year, and is available to work, but did not look for work in the last four weeks because he believed that no jobs were available to him. (Discouraged workers are not counted as being part of the labor force. They are not counted as unemployed because they have not made specific efforts to find work during the survey week.)

Dislocated worker - an employee who has been laid off from his/her job because of a business cutback or plant closure.

Duration of unemployment - the length of time during which a person classified as unemployed has been continuously looking for work.

Employed - persons aged 16 years or older who are working.

Frictional unemployment - occurs when a person voluntarily leaves one job and has not yet begun another job. The worker is voluntarily unemployed and is utilizing his right to change jobs.

Long-term unemployment - persons who have been unemployed for 27 or more consecutive weeks.

Seasonal adjustment - a process whereby normal seasonal changes in employment are removed or discounted. In doing so, the underlying employment trends are easier to identify.

Situational barriers - barriers to employment caused by “situations” in an individual’s personal life.

Structural unemployment - occurs when the basic nature of the economy changes over time -- when employers no longer demand skills that unemployed workers possess. (Structural unemployment is involuntary unemployment and typically requires retraining or education of displaced workers to bring their skills in line with demand.)

Turnover - the rate of replacement of employees.

Underemployment - a condition which exists when the full potential of labor is not being utilized.

Unemployed - persons 16 years or older who are not working but are able to work, are available for work, and are seeking either full-time or part-time work

Unemployment rate - is derived by dividing the number of unemployed by the labor force.

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APPENDIX 9: NORTH CAROLINA MAP



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