



**North Carolina Leadership Forum
2016**

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

Data Supplement
June 2016

TABLE OF CONTENTS

STATE WAGE PROFILES..... 3

COST OF LIVING 8

ECONOMIC WELL-BEING & FINANCIAL FRAGILITY..... 13

ALTERNATIVE WAGE STANDARDS..... 17

UNIONIZATION, COLLECTIVE BARGAINING, AND WAGES 20

LABOR SUPPLY AND DEMAND..... 25

PUBLIC ASSISTANCE & TAX CREDITS 38

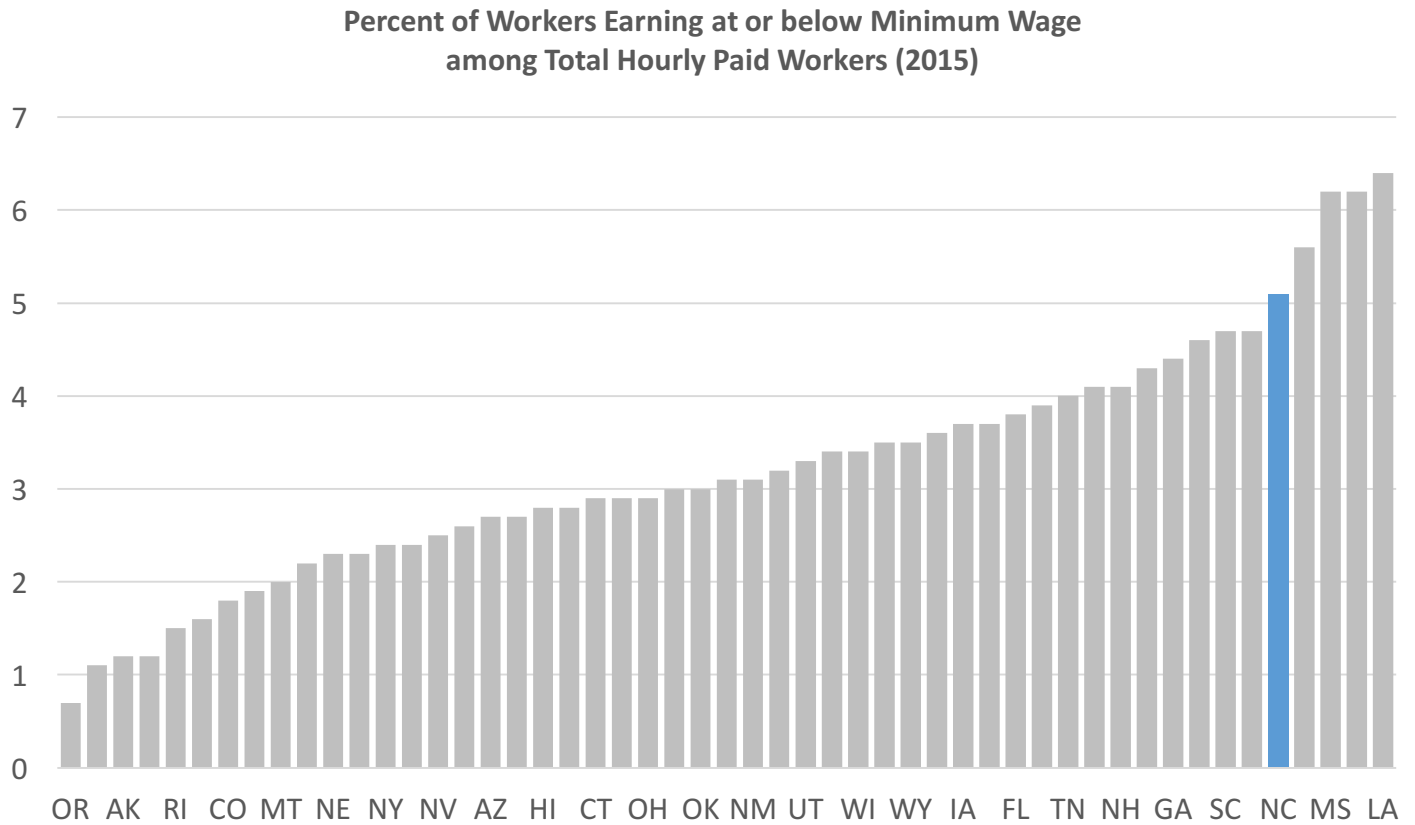
QUALITY OF LIFE MEASURES 41

MIGRATION AND URBANIZATION TRENDS 43

2015 NC COUNTY SNAPSHOTS 48

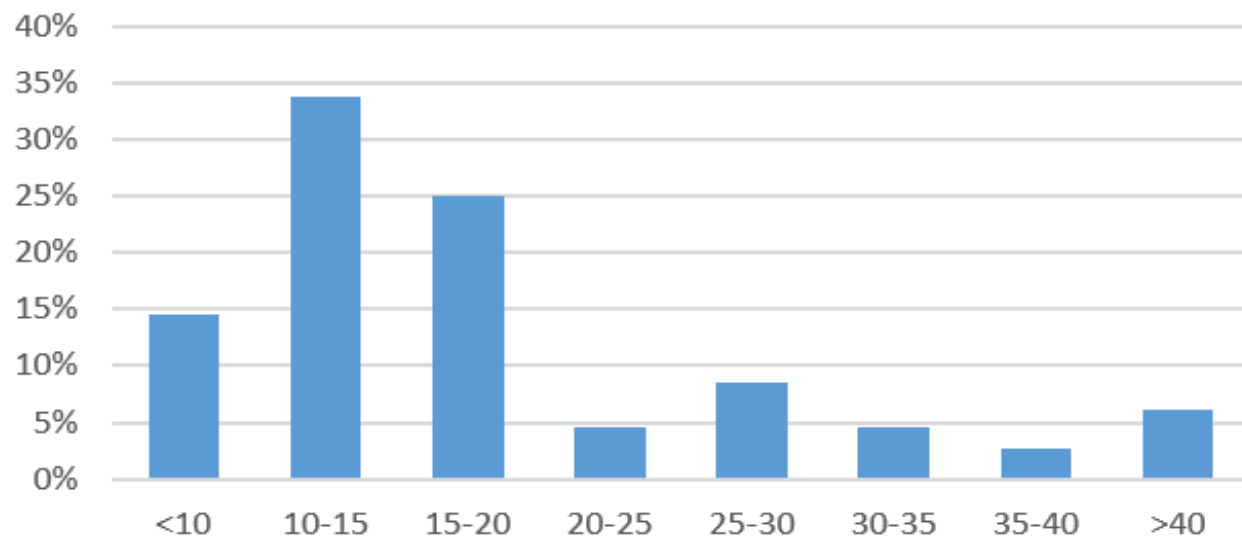
STATE WAGE PROFILES

Source: BLS

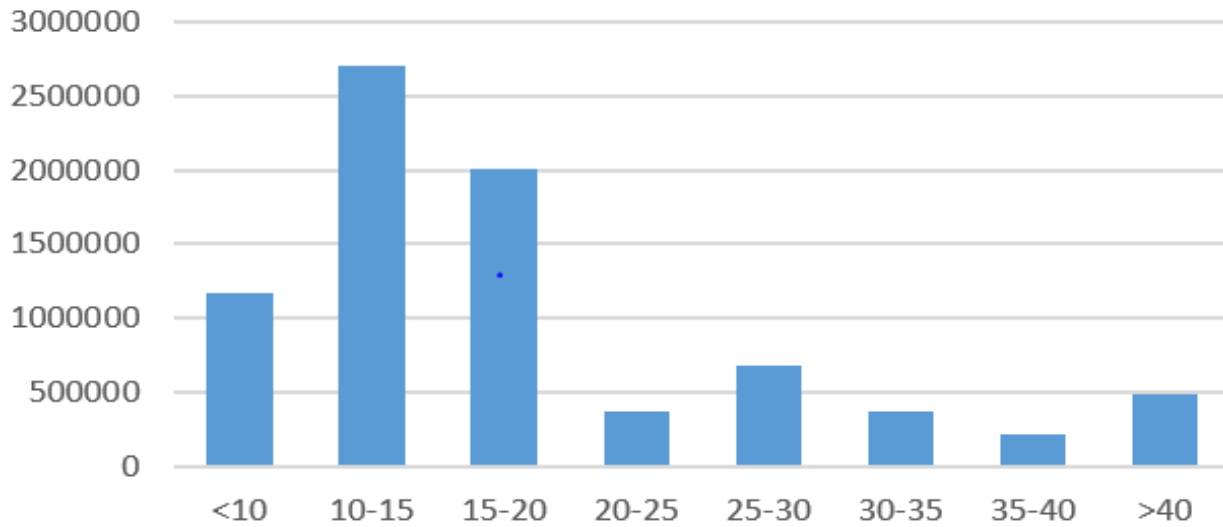


North Carolina – Hourly Wages

Percent employed by hourly wage



Number employed by hourly wage



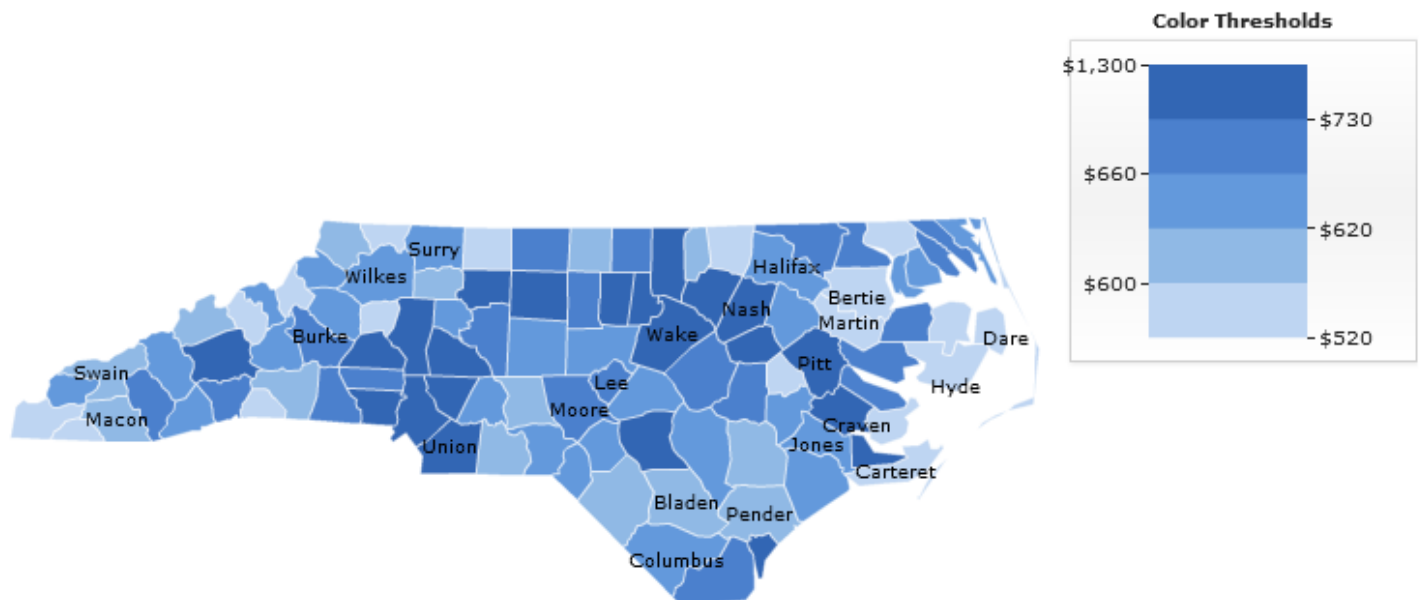
Wage Profiles for Select NC Counties

Percent employed by weekly wage

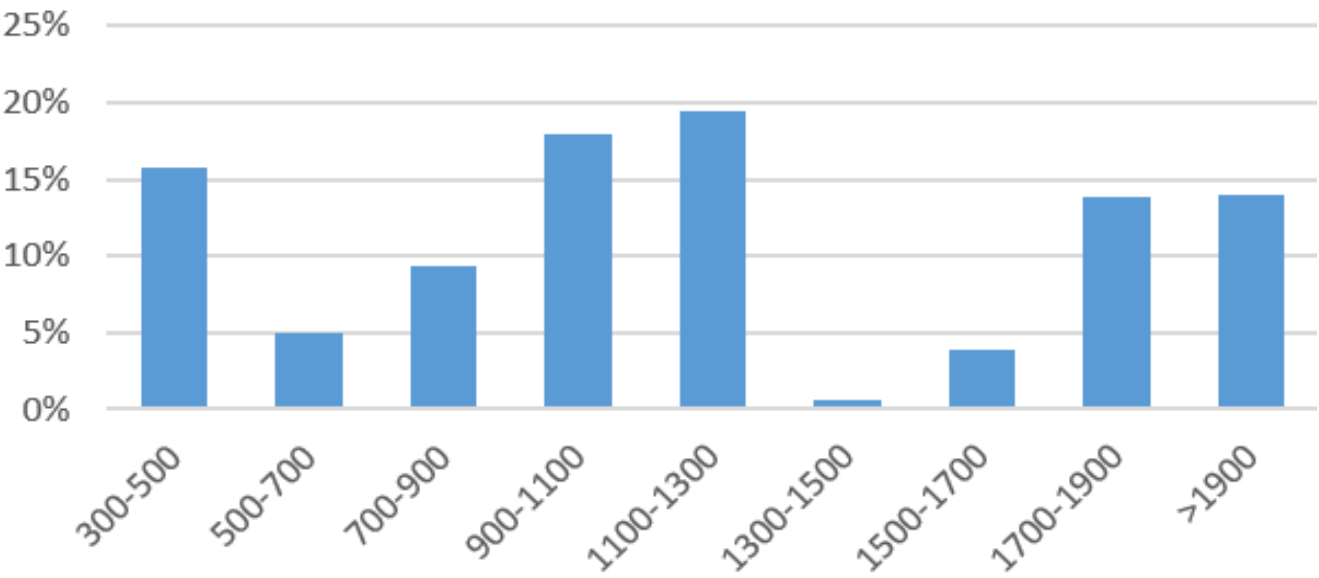
Source: BLS

By County

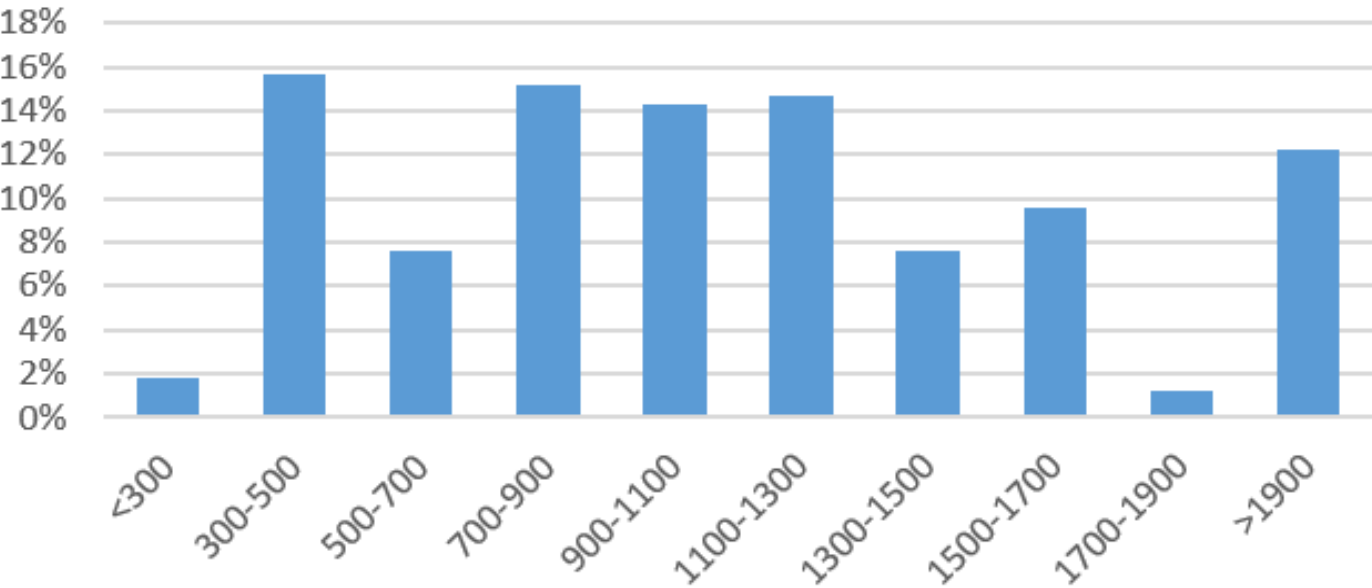
Average weekly wage, Total, all industries, Total Covered Q3 2015 (p)



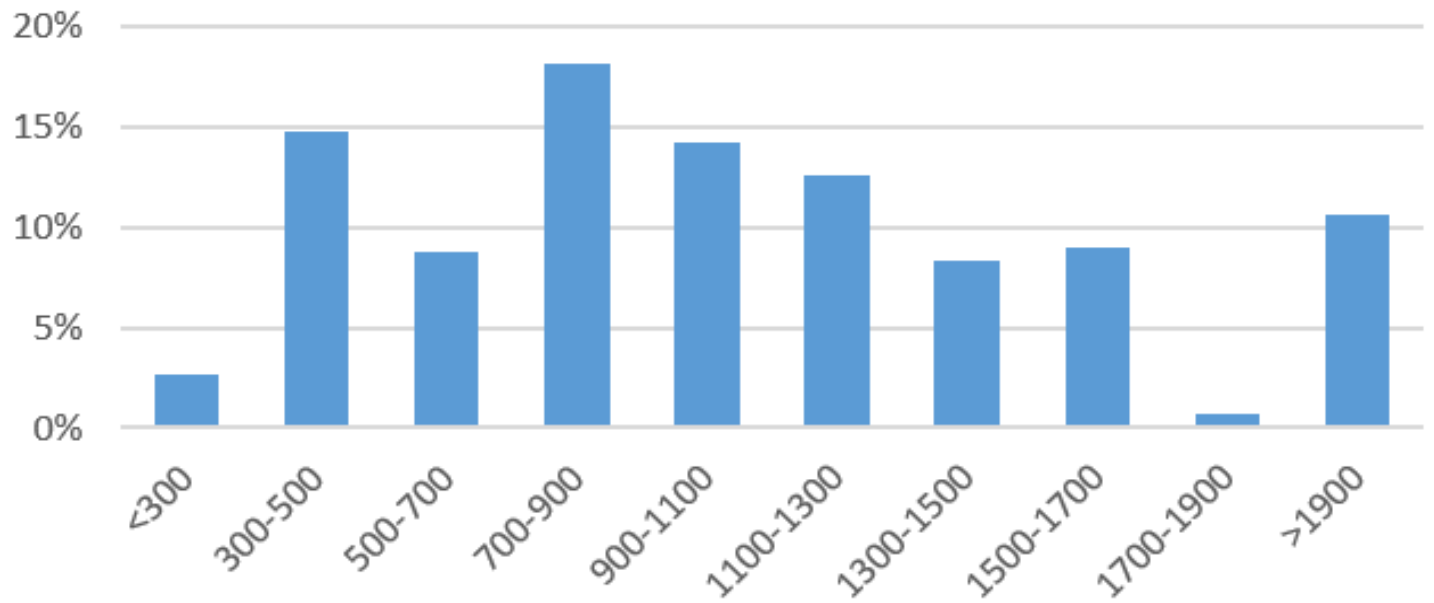
Durham, NC



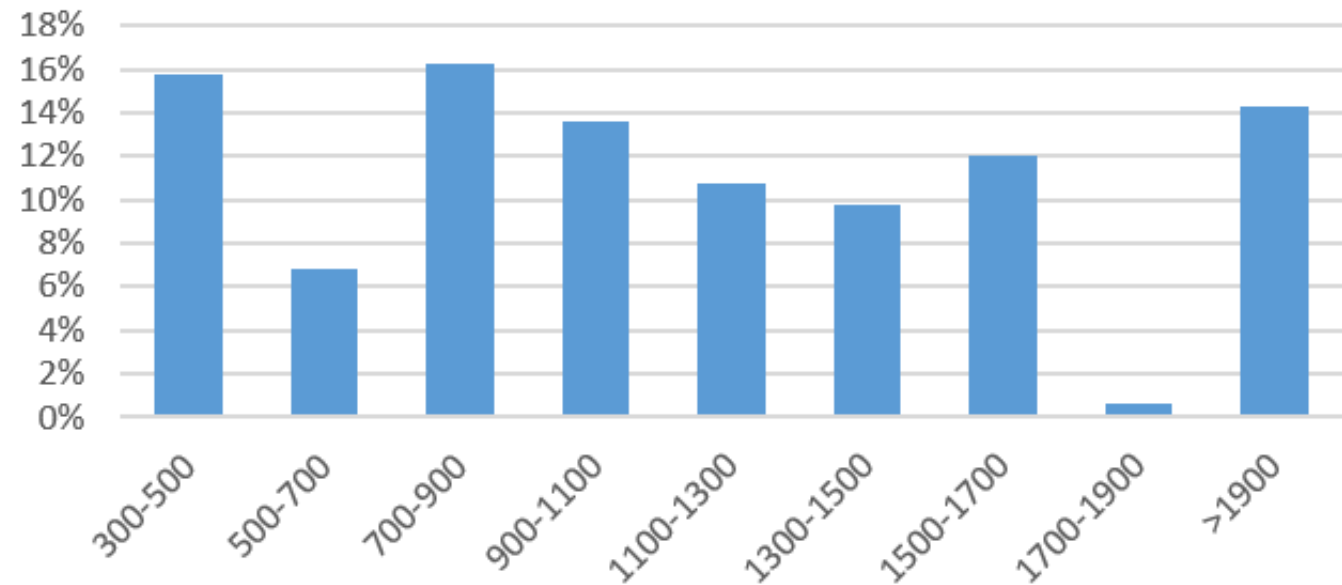
Forsyth, NC



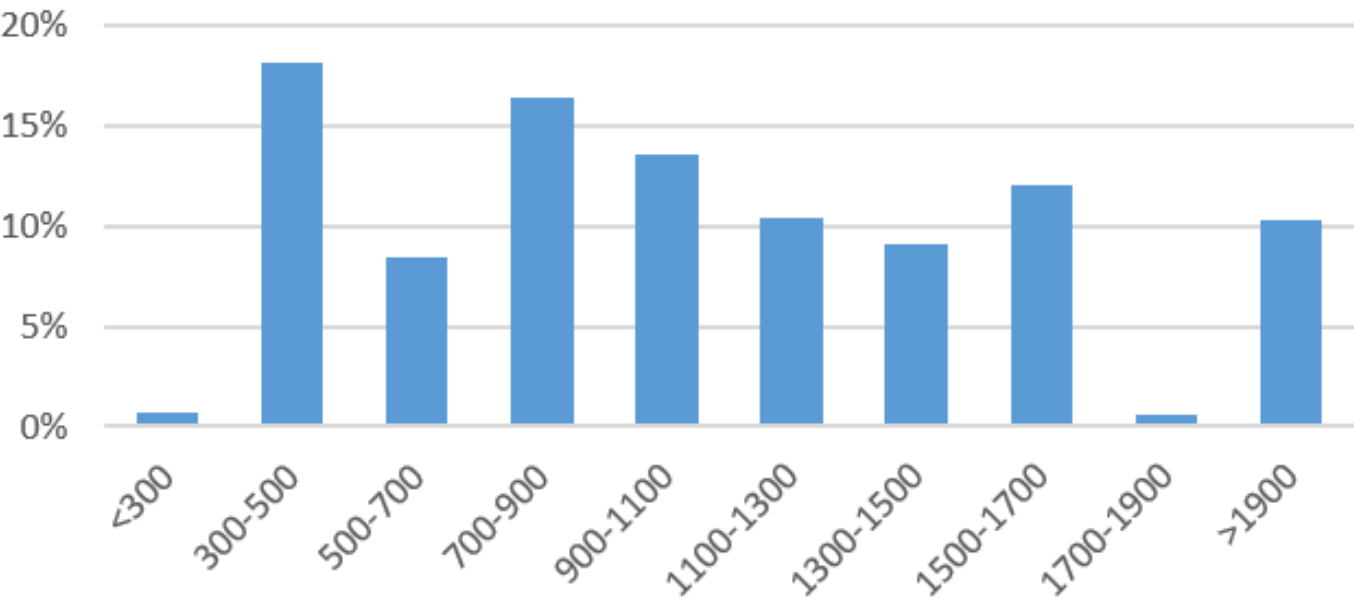
Guilford, NC



Mecklenburg, NC



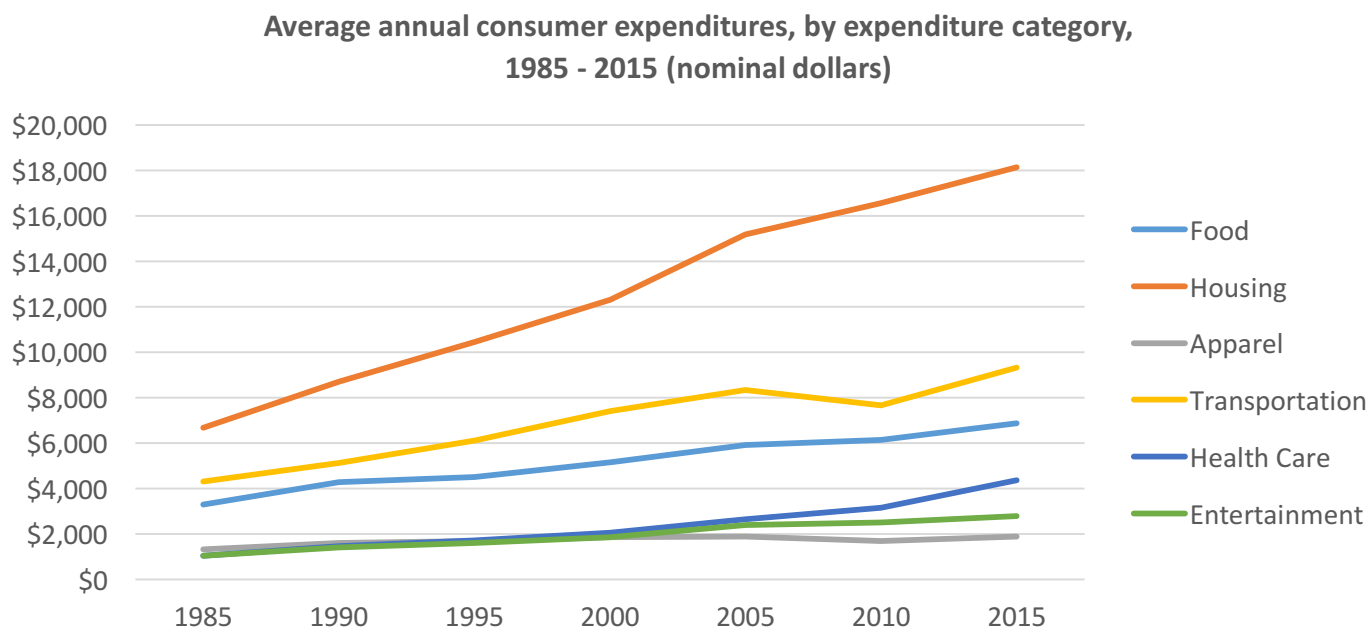
Wake, NC



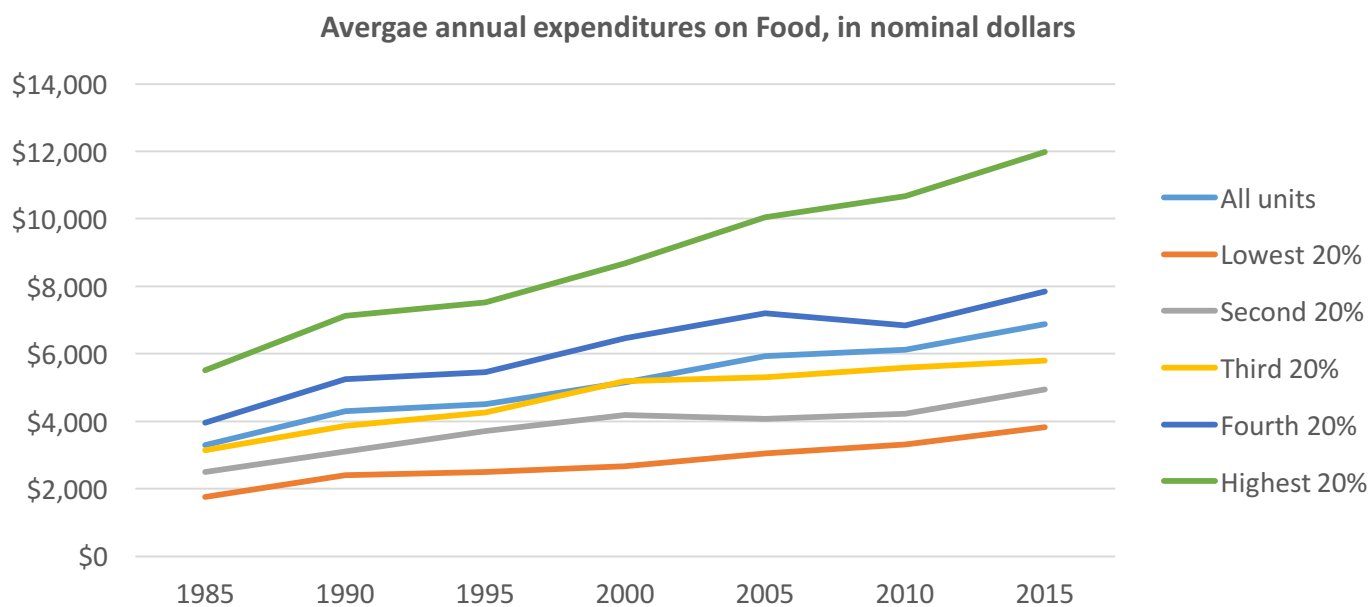
COST OF LIVING

Historic Trends in U.S. Consumer Spending, in nominal dollars

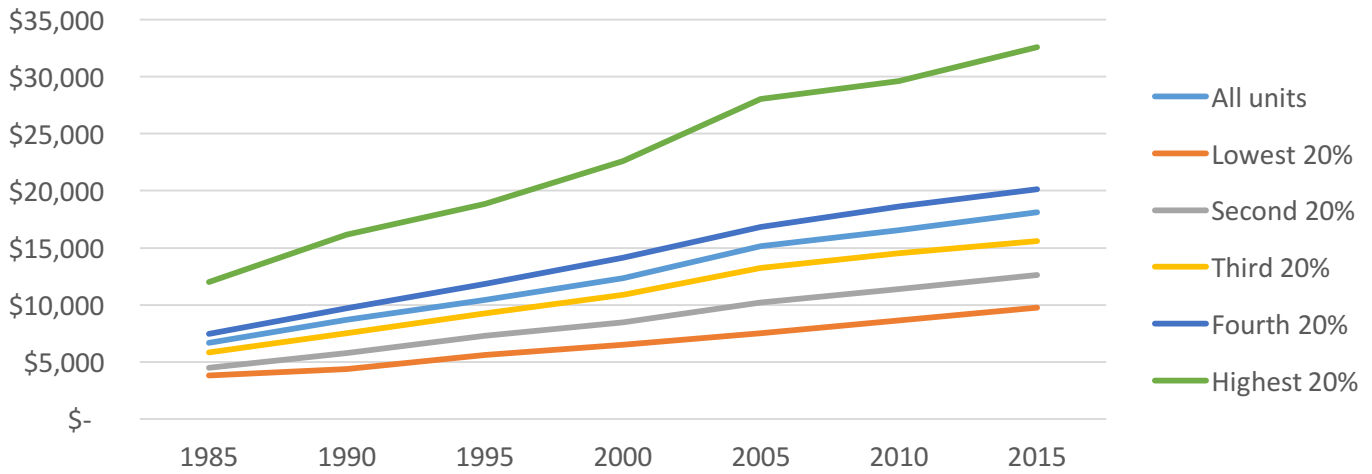
Source: Bureau of Labor Statistics



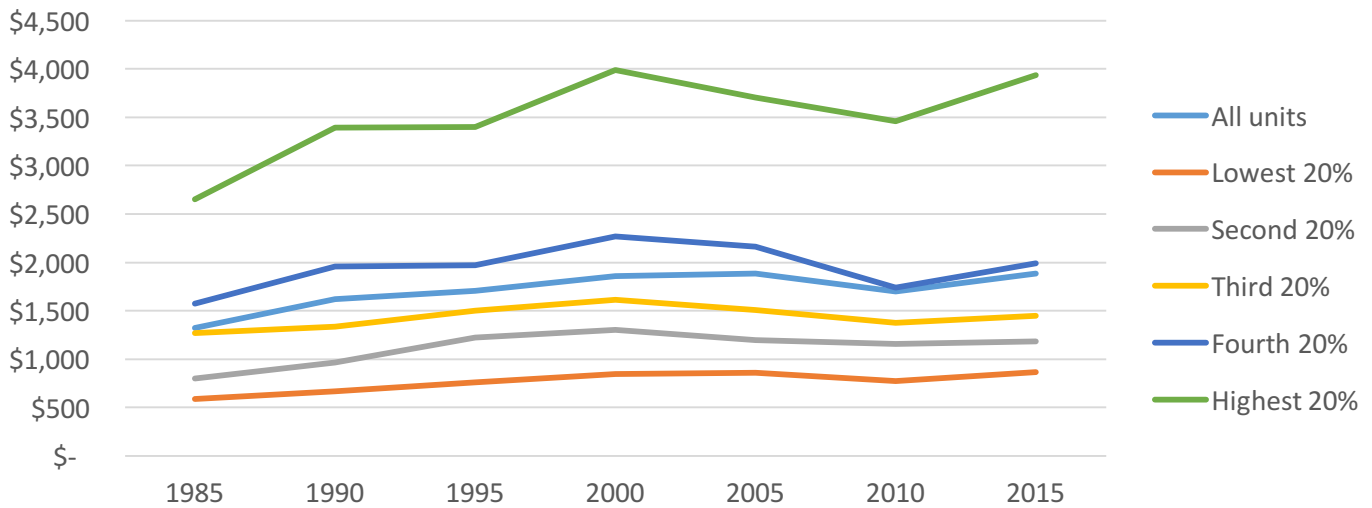
By Quintile of Income Before Taxes



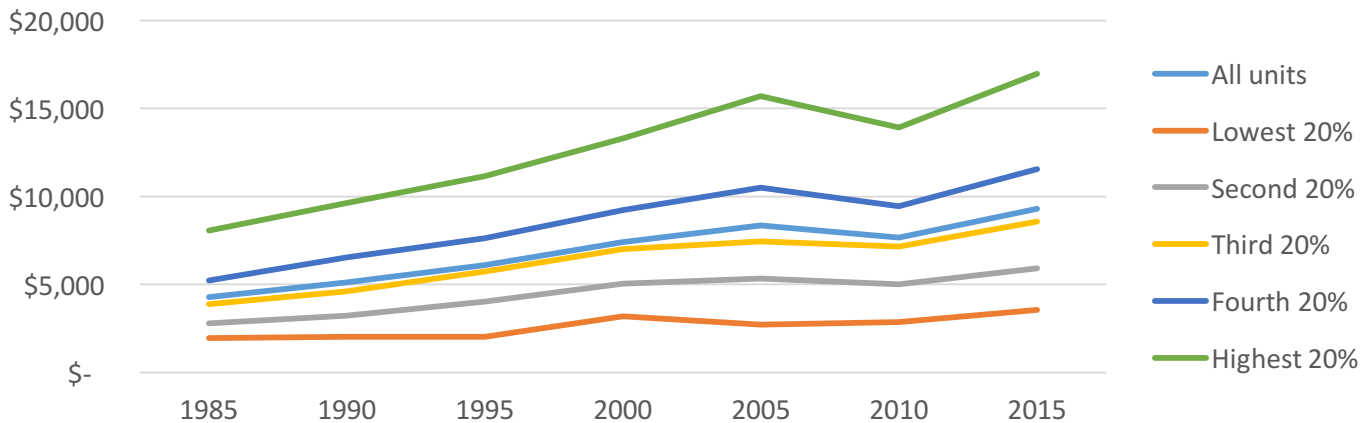
Average annual expenditures on Housing, in nominal dollars



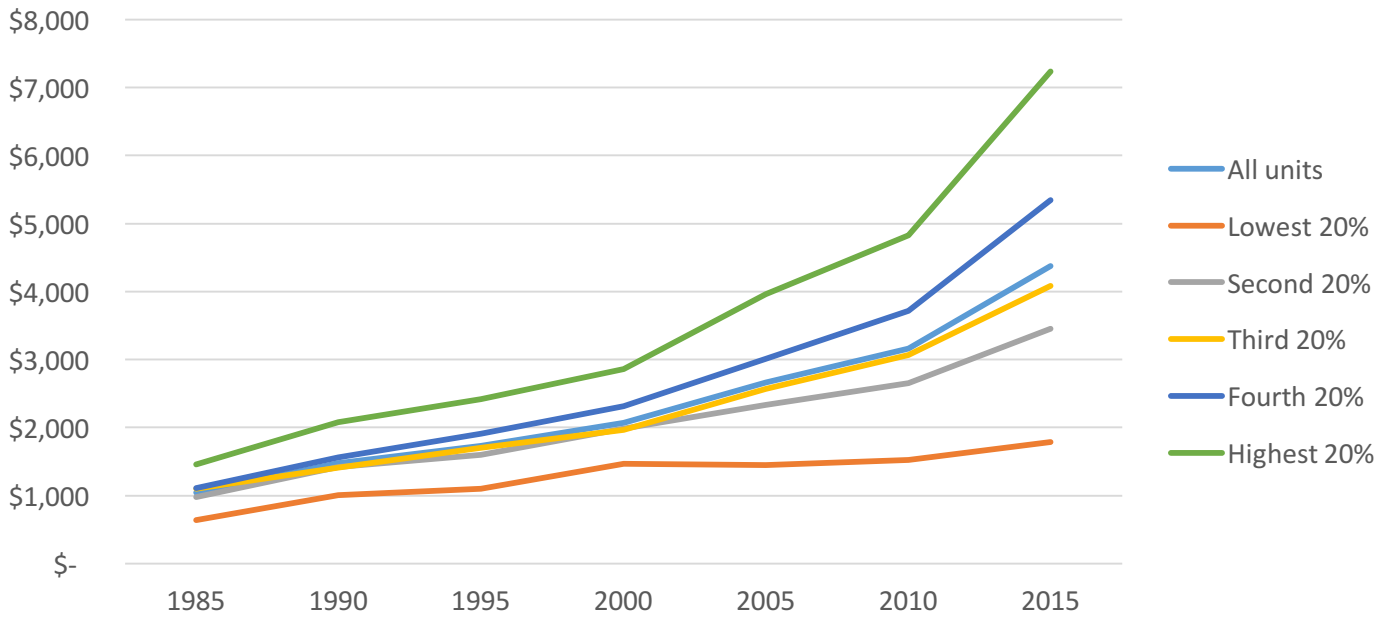
Average annual expenditures on Apparel, in nominal dollars



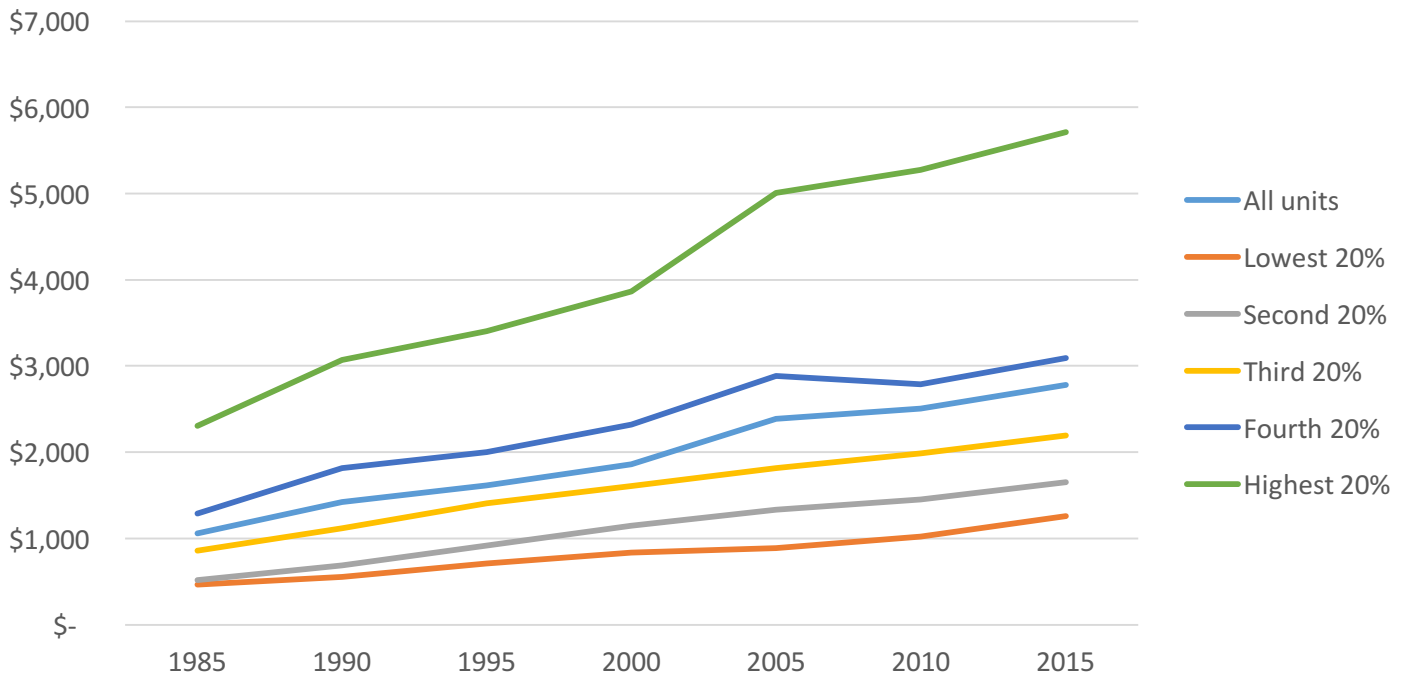
Average annual expenditures on Transportation, in nominal dollars



Average annual expenditures on Healthcare, in nominal dollars



Average annual expenditures on Entertainment, in nominal dollars



Cost of Healthcare Insurance – By the Numbers

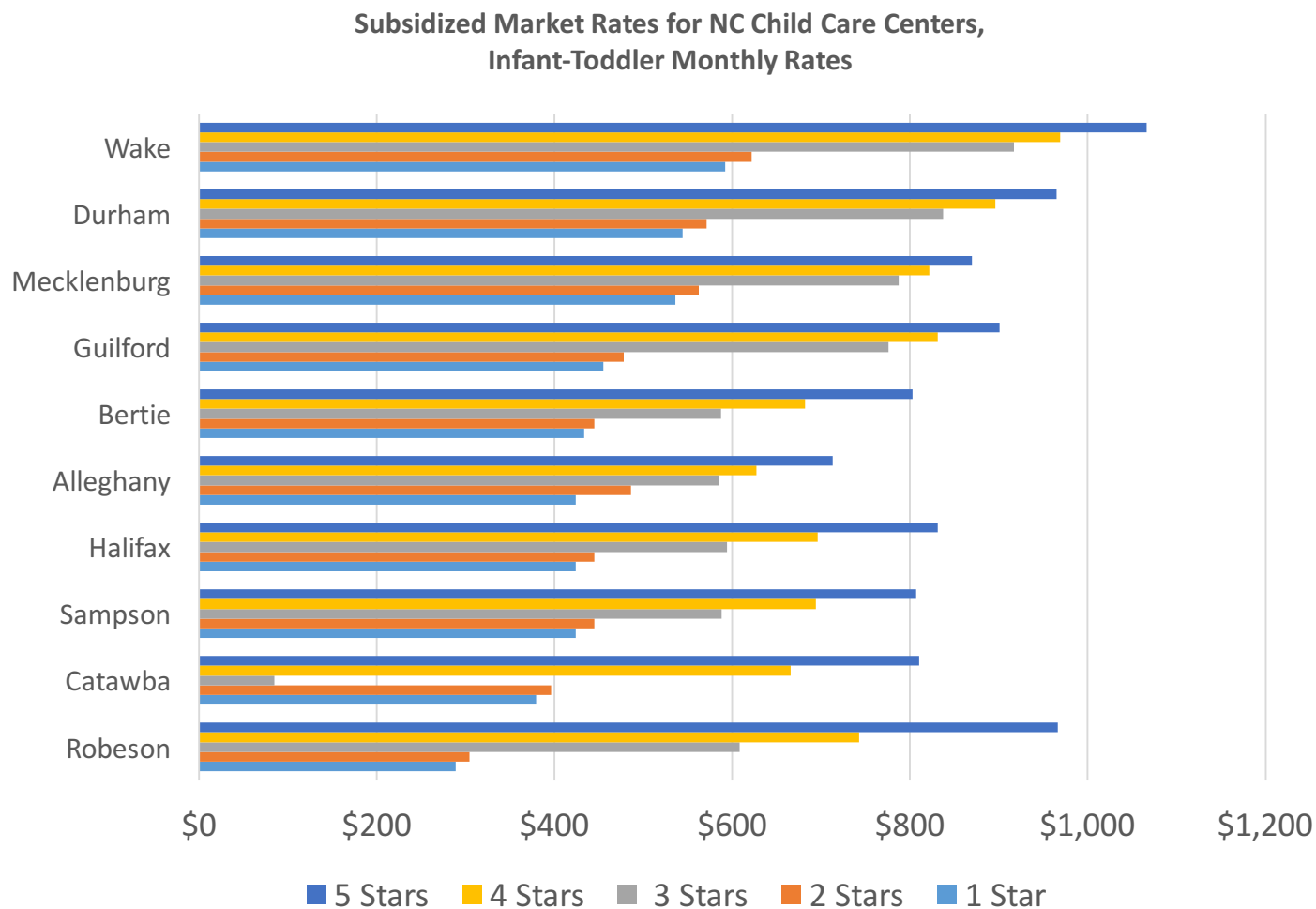
1. 613,487 individuals in NC are covered through the Health Insurance Marketplace. 89 percent of enrollees qualify for Advance Premium Tax Credits. For these individuals, the average monthly premium is \$98 (an 80% reduction).
2. Rates for insurance plans vary widely across North Carolina and in many areas are higher than the national average, in part because few insurers have jumped into the new state exchange market in North Carolina.
3. For example, for a family of four making \$50,000, the average premium is \$282 a month after federal tax subsidies, but costs *before subsidies* range from \$691 per month in Allegheny County to \$745 per month in Buncombe County. The state is divided into 16 rating areas.
4. BCBS is the only carrier offering plans in all 100 counties and is the only carrier in 61 counties. In the other 39 counties, Coventry Care of North Carolina is also offering plans. (Rural areas have fewer choices).
5. 89 percent of North Carolina consumers who were signed up for a plan through the state exchange qualified for an average tax credit of \$399 per month through the Marketplace.
6. North Carolina consumers could choose from an average of 24 health plans in their county for 2016 coverage – up from 18 in 2014.
7. In 2015, 207,058 consumers in North Carolina under the age of 35 were signed up for Marketplace coverage (37 percent of plan selections in the state). And 156,692 consumers 18 to 34 years of age (28 percent of all plan selections) were signed up for Marketplace coverage.

Cost of Housing

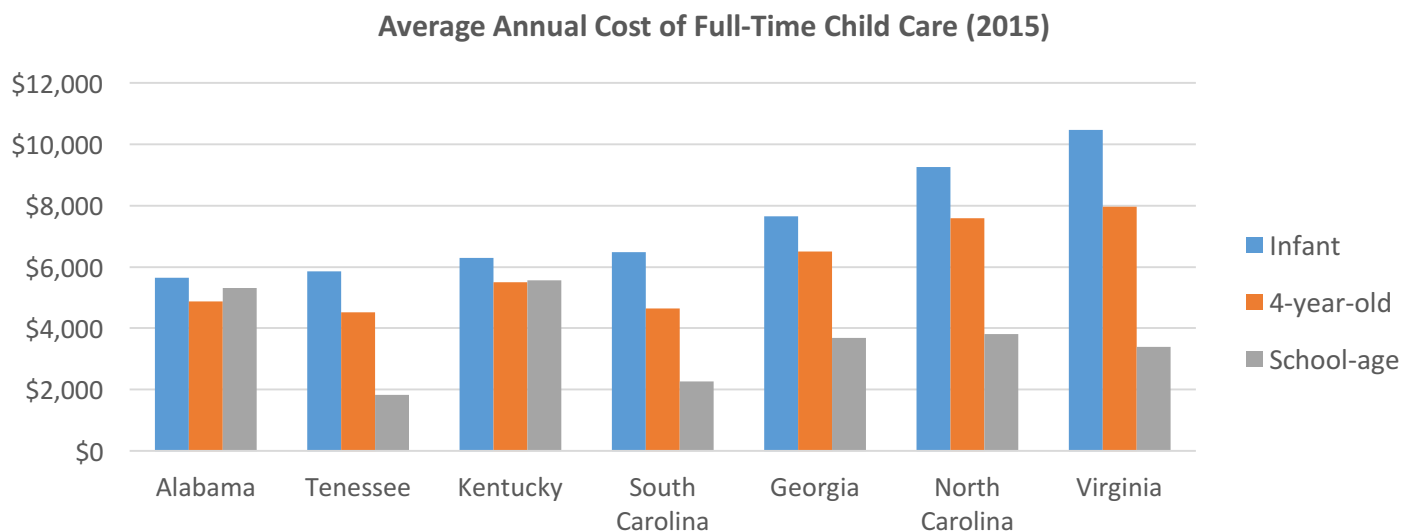
Source: North Carolina Housing Coalition and HUD

1. Across North Carolina the cost of housing has risen faster than wages, putting affordable housing out of reach for thousands of North Carolina families.
2. Over 600,000 low income families live in homes they cannot afford.
3. Over 300,000 NC households pay more than ½ their income for housing.
4. A family must earn at least \$60,000/year to afford the average home price in North Carolina.
5. The greatest unmet need for housing is for households earning \$25,000 and below.
6. The U.S. Department of Housing and Urban Development (HUD) defines “affordable housing” as housing that costs an owner or renter no more than 30% of household income.

Cost of Childcare – County and State Comparisons



Source: NC Division of Child Development and Early Education



Source: Childcare Aware of America

ECONOMIC WELL-BEING & FINANCIAL FRAGILITY

Economic Well-Being of US Households in 2014: By the Numbers

Source: Board of Governors of the Federal Reserve System

65%	Reported their families are either “doing okay” or “living comfortably”
49%	Percent of part-time workers (36% of all workers) would prefer to work more hours at their current wage if they were able to do so
47%	Could not cover an emergency expense costing \$400, or would cover it by selling something or borrowing money
31%	Went without some form of medical care in the 12 months before the survey because they could not afford it
24%	Reported they or a family member living with them experienced some form of financial hardship in the year prior
21%	Reported that their spending exceeded their income in the previous year
63%	Saved at least some money in the past year.
23%	Have education debt.
38%	Percent of those who reported dropping out of college due to family responsibilities.
39%	Of non-retirees have given little to no thought to financial planning or retirement
31%	Have no retirement savings or pension.
45%	Of non-retirees expect to continue working in some capacity during retirement to generate additional income

The State of Emergency Savings

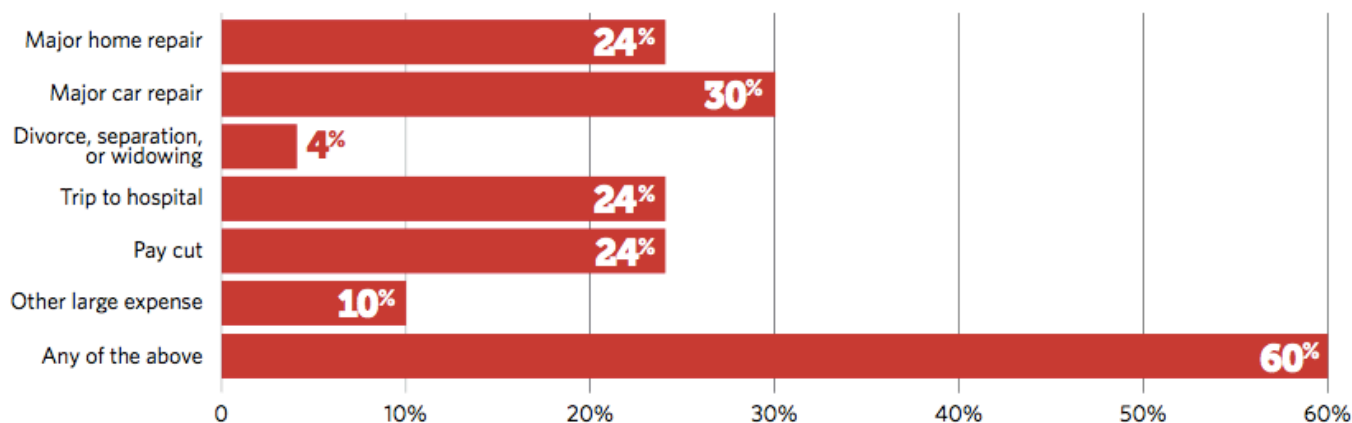
Source: Pew Charitable Trusts

The following is a list of key findings from a 2015 analysis data from Pew’s Survey of American Family Finances, a nationally representative survey of more than 7,800 households. Participants were asked about financial shocks that occurred in the 12 months before the survey and about their current financial situation. The analysis found:

- **60 percent** of households experienced a financial shock in the past 12 months.
- The median cost of households’ most expensive shocks was **\$2,000**; the median household spent half a month of income on its most expensive one.
- More than half of households struggled to “make ends meet” after their most expensive financial shocks.
- After suffering a financial shock, households had lower savings and higher credit card debt than those that did not have one.
- 47 percent of households that experienced a financial shock also had serious financial shortfalls in the past 12 months, compared with 16 percent of households that did not.

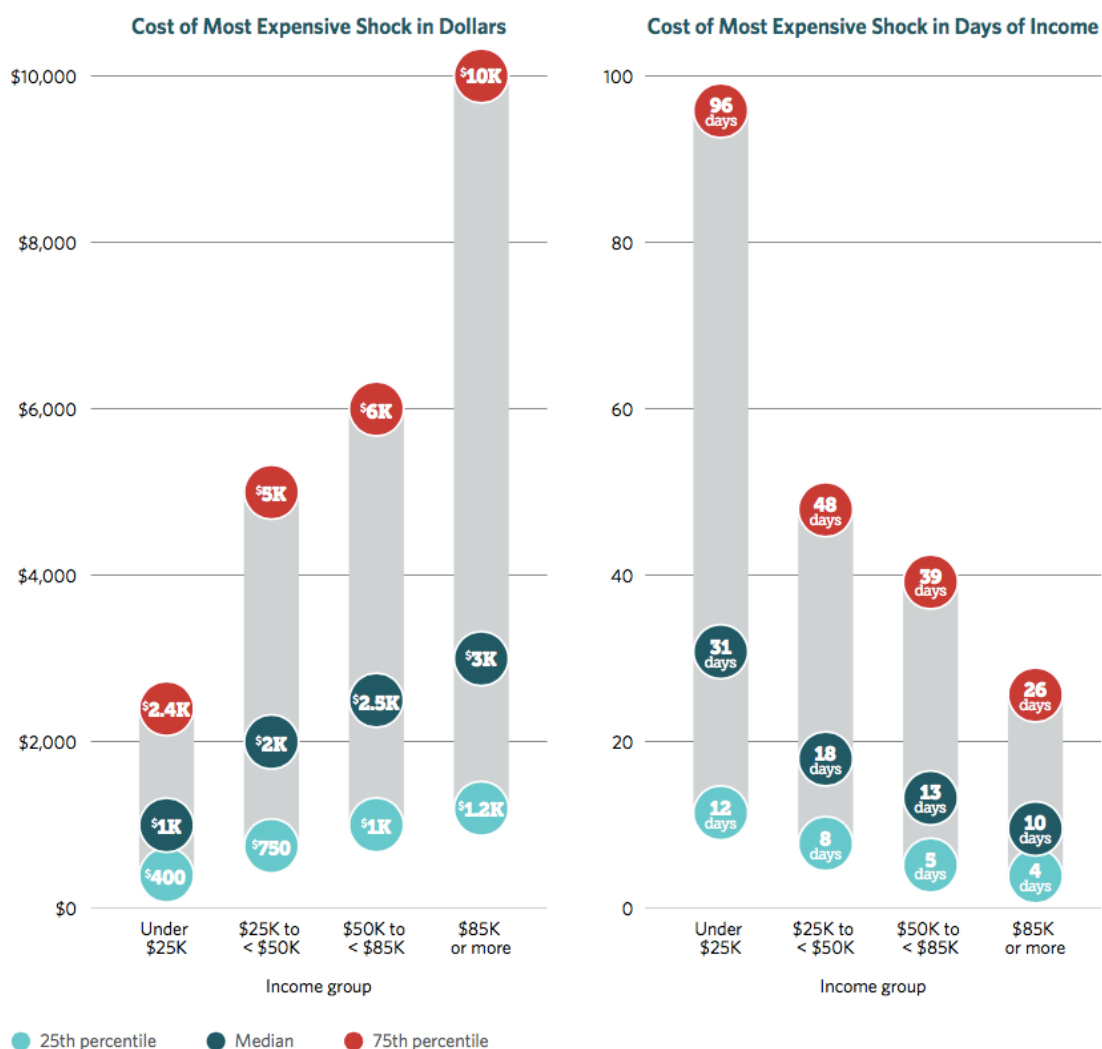
A Majority of American Households Experienced a Financial Shock

Percentage of respondents reporting a shock in the past 12 months, by type



The Median Household's Most Expensive Shock Cost Higher-Income Households More but Was a Greater Burden on Lower-Income Households.

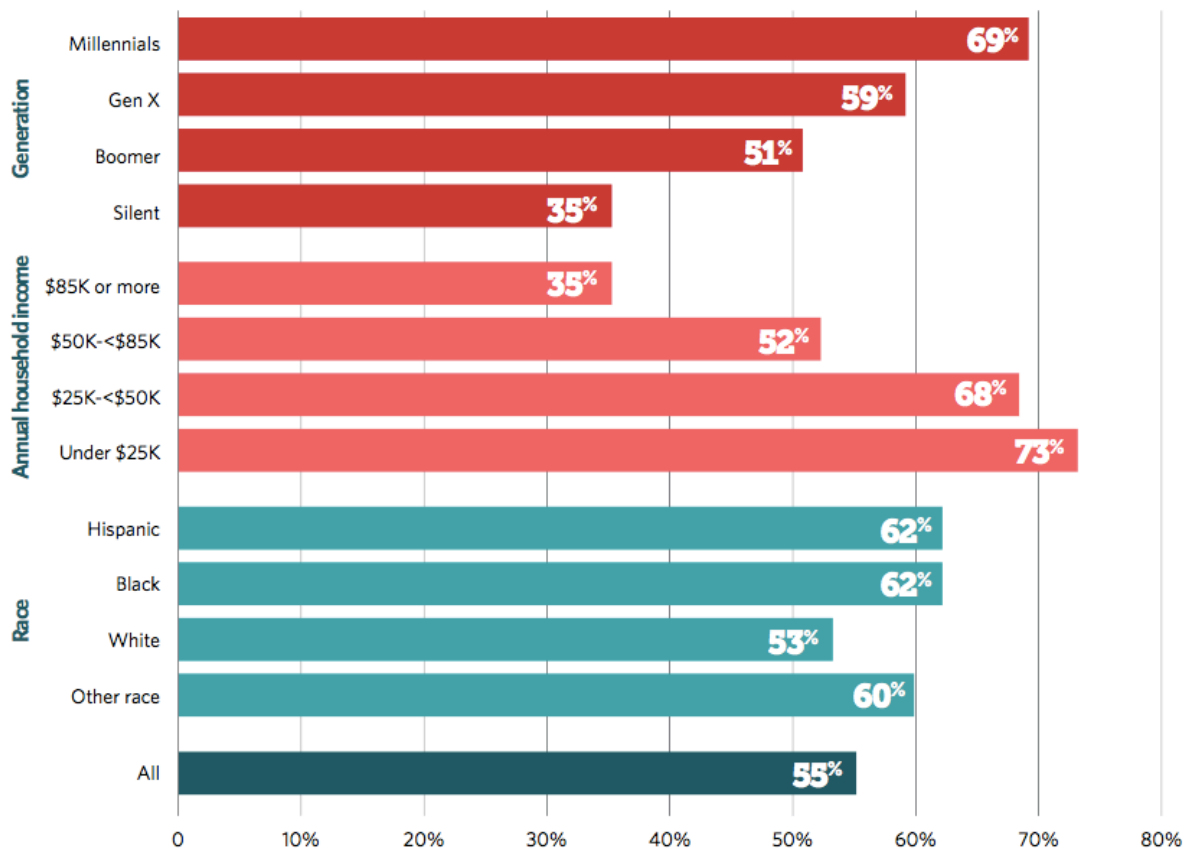
Cost distribution for the most expensive shocks, in days of income and dollars



Source: Pew Charitable Trusts

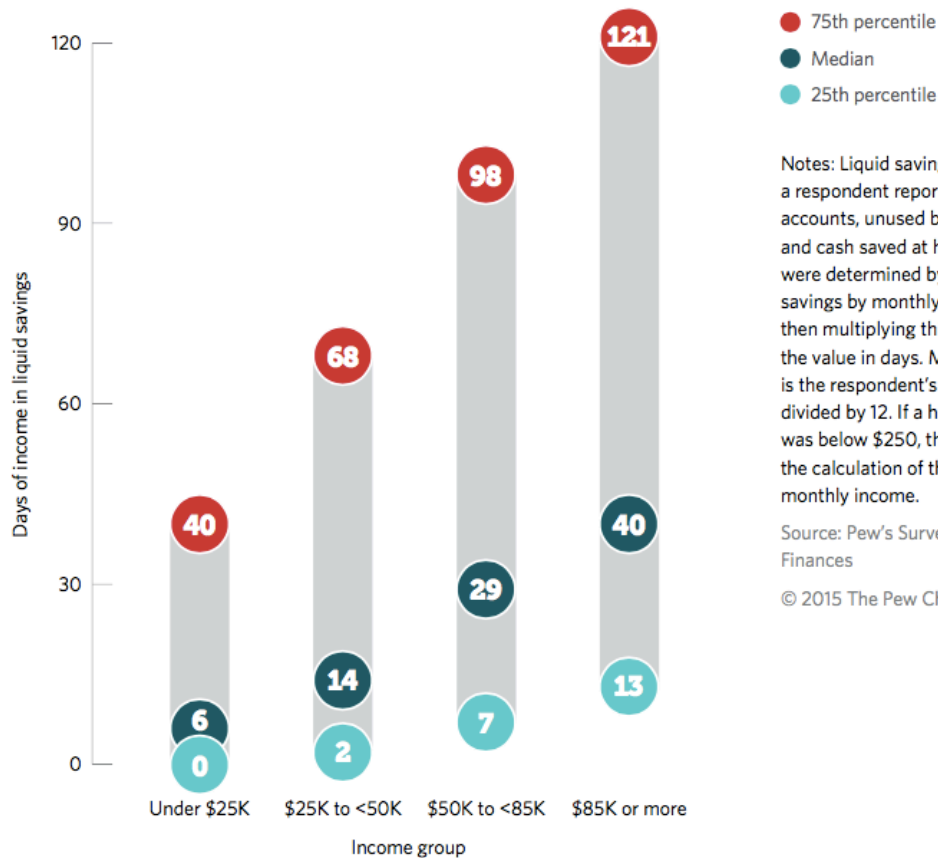
Most Households Struggled Financially After a Shock

Percentage reporting difficulty as a result of a shock, by demographic group



Source: Pew Charitable Trusts

Days of Household Income Held in Liquid Savings, by Income Group

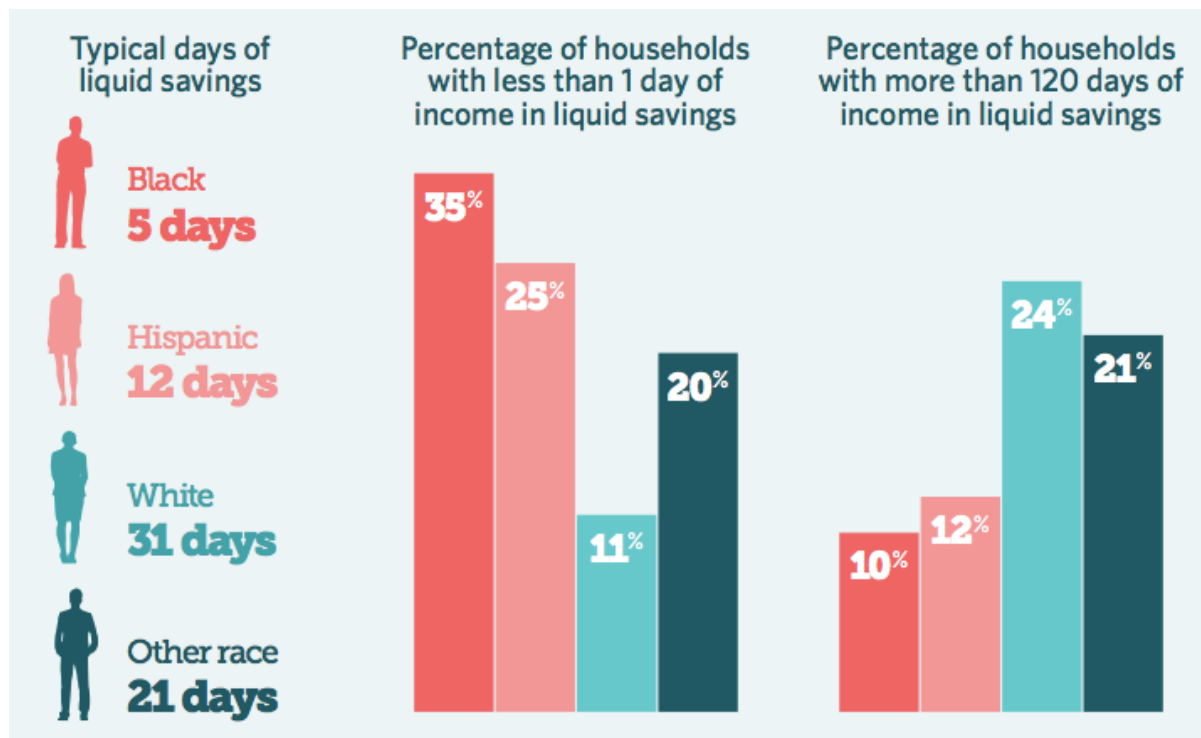


Notes: Liquid savings are the sum of the values a respondent reports for checking and savings accounts, unused balances on prepaid cards, and cash saved at home. Days of income were determined by dividing reported liquid savings by monthly household income and then multiplying this figure by 30 to obtain the value in days. Monthly household income is the respondent's annual household income divided by 12. If a household's monthly income was below \$250, then \$250 was used in the calculation of the ratio instead of actual monthly income.

Source: Pew's Survey of American Family Finances

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Days of Liquid Savings, by Demographic Group



Source: Pew Charitable Trusts

ALTERNATIVE WAGE STANDARDS

Source: MIT and the NC Budget and Tax Center

MIT Living Wage Standard (2015)

For Durham, NC

Annual Expenses	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children	2 Adults (One Working) 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Food	\$3,022	\$4,457	\$6,704	\$8,887	\$5,540	\$6,898	\$8,903	\$10,835	\$5,540	\$6,898	\$8,903	\$10,835
Child Care	\$0	\$5,983	\$9,716	\$13,449	\$0	\$0	\$0	\$0	\$0	\$5,983	\$9,716	\$13,449
Medical	\$2,072	\$6,533	\$6,322	\$6,386	\$4,642	\$6,322	\$6,386	\$6,353	\$4,642	\$6,322	\$6,386	\$6,353
Housing	\$6,900	\$10,116	\$10,116	\$13,044	\$8,532	\$10,116	\$10,116	\$13,044	\$8,532	\$10,116	\$10,116	\$13,044
Transportation	\$4,697	\$8,554	\$9,859	\$11,553	\$8,554	\$9,859	\$11,553	\$11,037	\$8,554	\$9,859	\$11,553	\$11,037
Other	\$2,253	\$3,916	\$4,284	\$5,178	\$3,916	\$4,284	\$5,178	\$4,838	\$3,916	\$4,284	\$5,178	\$4,838
Required annual income after taxes	\$18,944	\$39,559	\$47,002	\$58,497	\$31,185	\$37,480	\$42,136	\$46,108	\$31,185	\$43,463	\$51,852	\$59,556
Annual taxes	\$3,281	\$6,852	\$8,141	\$10,132	\$5,401	\$6,492	\$7,298	\$7,986	\$5,401	\$7,528	\$8,981	\$10,315
Required annual income before taxes	\$22,225	\$46,411	\$55,143	\$68,629	\$36,586	\$43,971	\$49,434	\$54,093	\$36,586	\$50,991	\$60,833	\$69,871

Hourly Wages	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children	2 Adults (One Working) 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Living Wage	\$10.68	\$22.31	\$26.51	\$32.99	\$17.59	\$21.14	\$23.77	\$26.01	\$8.79	\$12.26	\$14.62	\$16.80
Poverty Wage	\$5.00	\$7.00	\$9.00	\$11.00	\$7.00	\$9.00	\$11.00	\$13.00	\$3.00	\$4.00	\$5.00	\$6.00
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

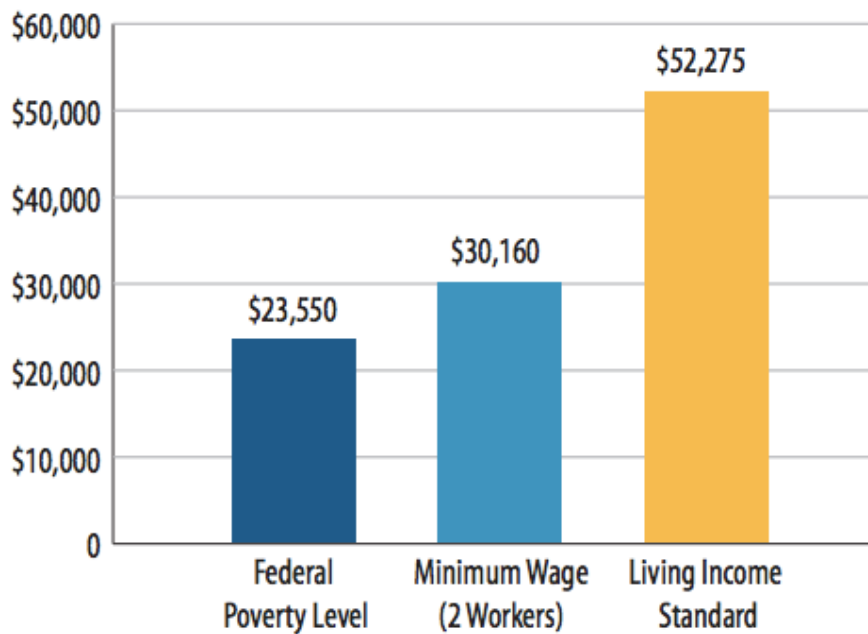
For Halifax, NC

Annual Expenses	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children	2 Adults (One Working) 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Food	\$3,022	\$4,457	\$6,704	\$8,887	\$5,540	\$6,898	\$8,903	\$10,835	\$5,540	\$6,898	\$8,903	\$10,835
Child Care	\$0	\$5,983	\$9,716	\$13,449	\$0	\$0	\$0	\$0	\$0	\$5,983	\$9,716	\$13,449
Medical	\$2,072	\$6,533	\$6,322	\$6,386	\$4,642	\$6,322	\$6,386	\$6,353	\$4,642	\$6,322	\$6,386	\$6,353
Housing	\$5,568	\$7,644	\$7,644	\$9,960	\$6,324	\$7,644	\$7,644	\$9,960	\$6,324	\$7,644	\$7,644	\$9,960
Transportation	\$4,697	\$8,554	\$9,859	\$11,553	\$8,554	\$9,859	\$11,553	\$11,037	\$8,554	\$9,859	\$11,553	\$11,037
Other	\$2,253	\$3,916	\$4,284	\$5,178	\$3,916	\$4,284	\$5,178	\$4,838	\$3,916	\$4,284	\$5,178	\$4,838
Required annual income after taxes	\$17,612	\$37,087	\$44,530	\$55,413	\$28,977	\$35,008	\$39,664	\$43,024	\$28,977	\$40,991	\$49,380	\$56,472
Annual taxes	\$3,050	\$6,424	\$7,713	\$9,598	\$5,019	\$6,063	\$6,870	\$7,452	\$5,019	\$7,100	\$8,553	\$9,781
Required annual income before taxes	\$20,662	\$43,511	\$52,242	\$65,010	\$33,996	\$41,071	\$46,534	\$50,475	\$33,996	\$48,090	\$57,933	\$66,253

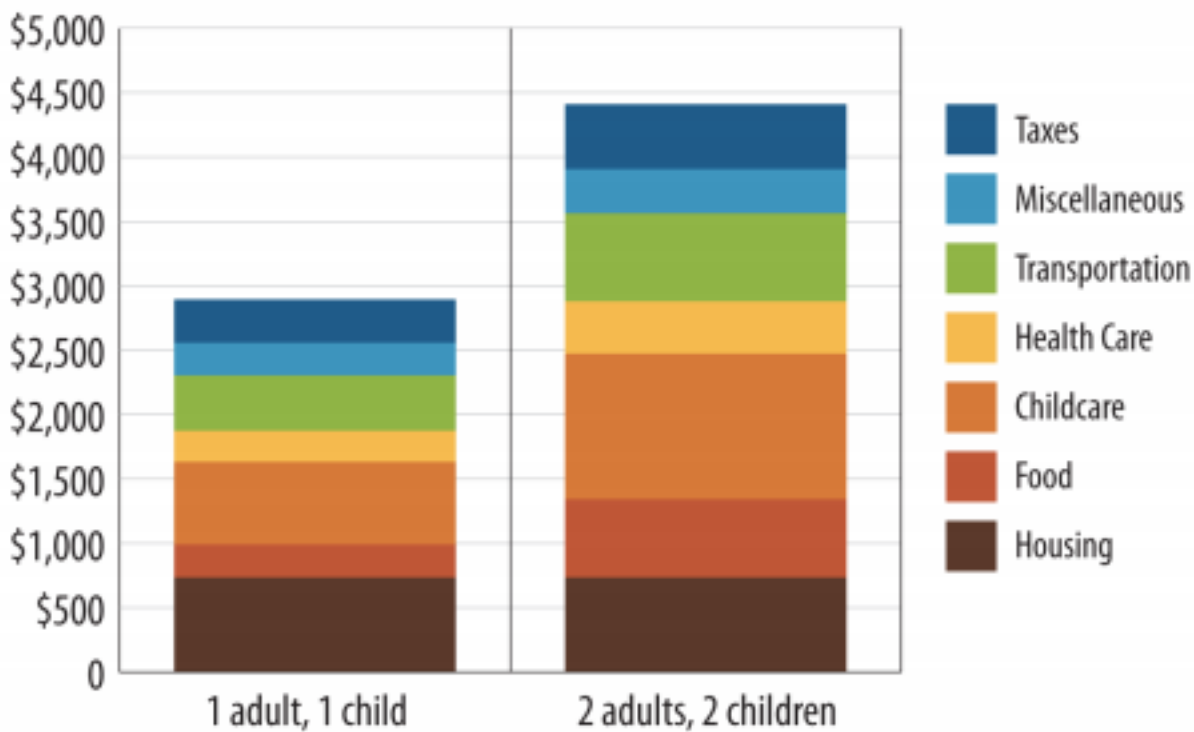
Hourly Wages	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children	2 Adults (One Working) 3 Children	2 Adults	2 Adults 1 Child	2 Adults 2 Children	2 Adults 3 Children
Living Wage	\$9.93	\$20.92	\$25.12	\$31.26	\$16.34	\$19.75	\$22.37	\$24.27	\$8.17	\$11.56	\$13.93	\$15.93
Poverty Wage	\$5.00	\$7.00	\$9.00	\$11.00	\$7.00	\$9.00	\$11.00	\$13.00	\$3.00	\$4.00	\$5.00	\$6.00
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

NC Budget and Tax Center Living Income Standard (2014)

Living Income Standard Compared to Poverty Level and Minimum Wage (family of four)



The Basic Cost of Living for a North Carolina Family with Two Family Types



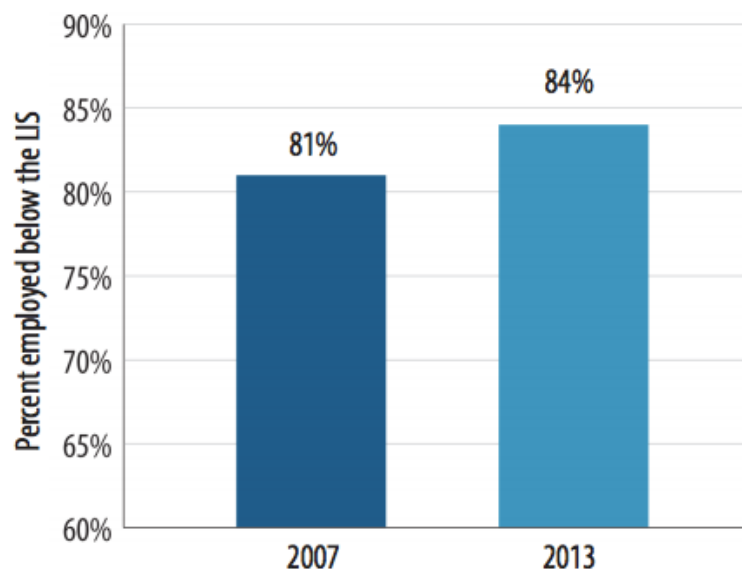
Source: NC Justice Center. The 2014 Living Income Standard for North Carolina.

Living Costs by Selected County (2010)

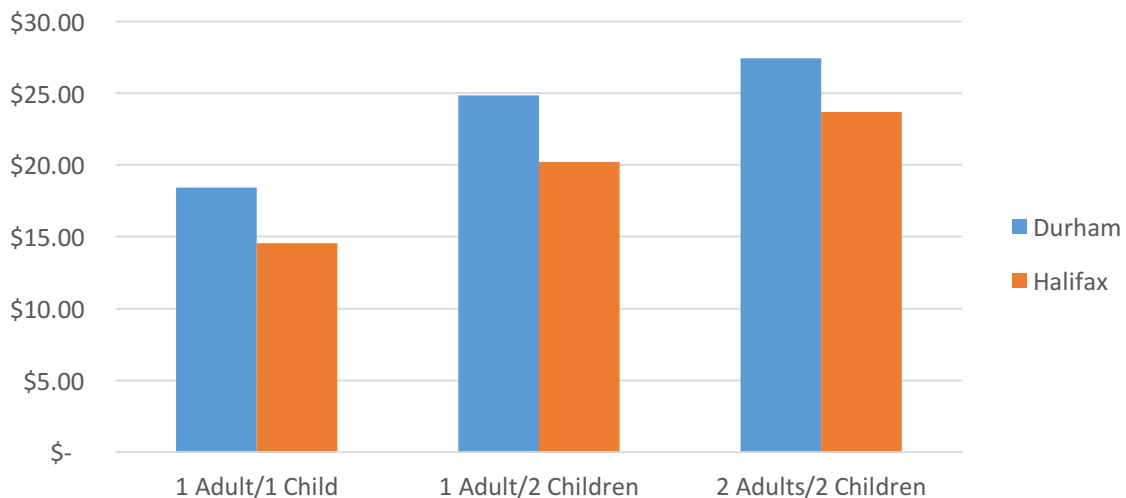
Most Expensive		Least Expensive	
Currituck	\$61,261	Alamance	\$47,766
Wake	\$60,177	Forsyth	\$47,359
Orange	\$58,047	Rowan	\$46,892
Chatham	\$57,453	Davidson	\$45,875
Durham	\$57,057	Catawba	\$45,659

Note: Figures are for family of four.

Percent of Employed Persons Earning Below the Living Income Standard

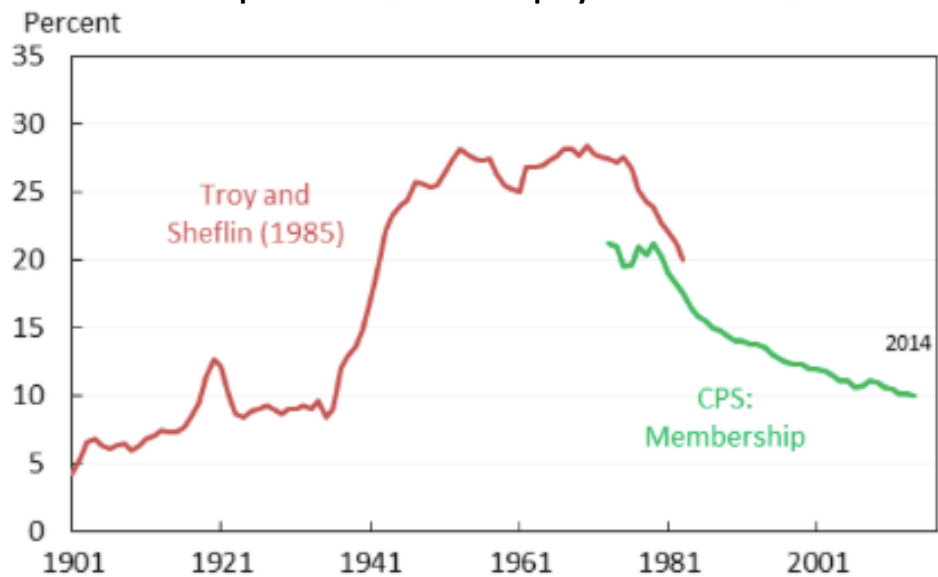


Living Income Standard Hourly Wage – 2 County Comparison



UNIONIZATION, COLLECTIVE BARGAINING, AND WAGES

Union Membership as Share of Total Employment

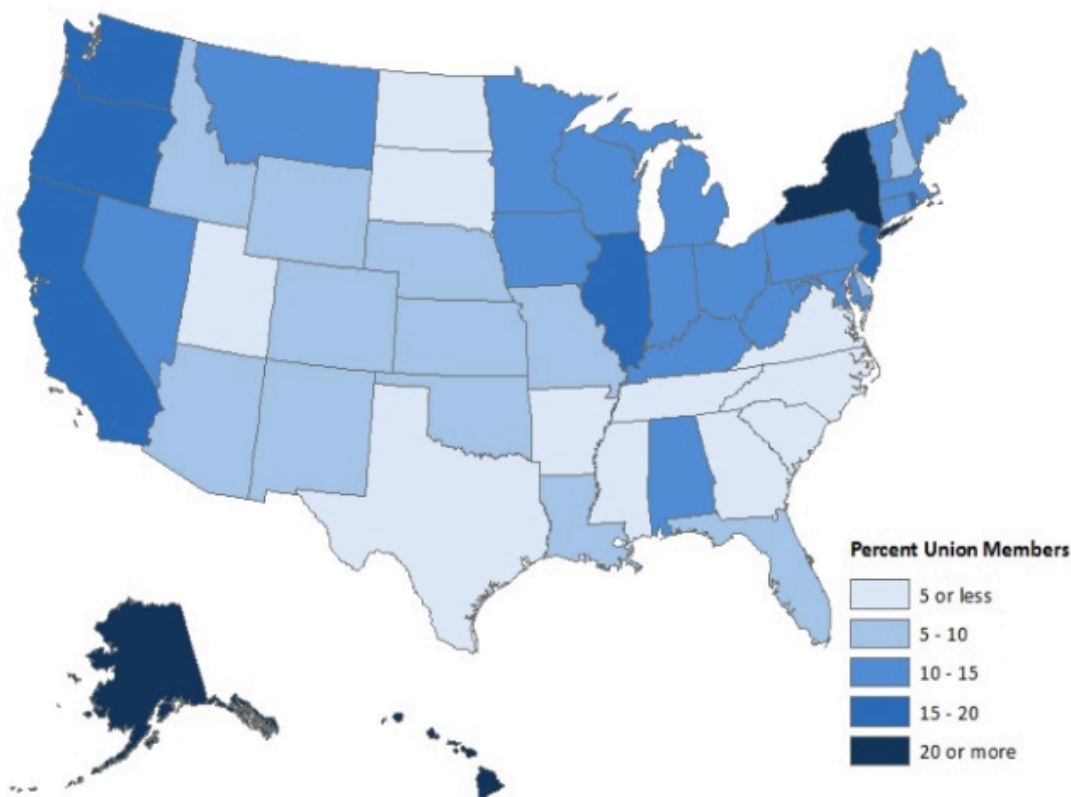


Note: Total employment from 1901 to 1947 is derived from estimates in Weir (1992). For 1948 to 2014, employment data are annual averages from the monthly Current Population Survey.
Source: Troy and Sheflin (1985); Bureau of Labor Statistics, Current Population Survey; Weir (1992); CEA calculations.

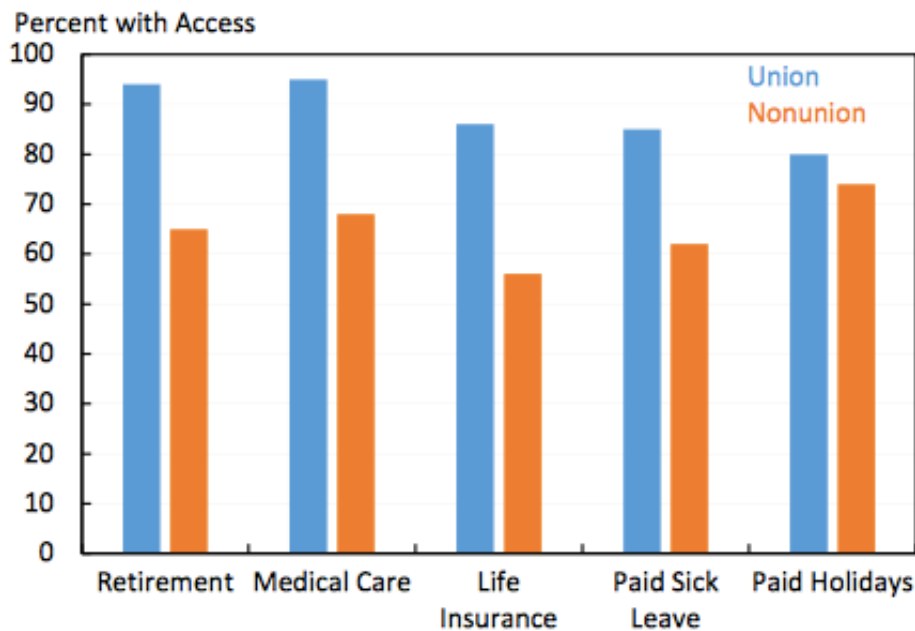
Source: White House Council of Economic Advisers Issue Brief, October 2015

Union Membership Rates by State

Source: BLS



Access to Benefits by Union Membership Status



Union premiums for health, retirement, and paid leave

Benefit	Union	Nonunion	Difference		Union premium
			Unadjusted	Adjusted*	
Health insurance					
Percent covered	83.5%	62.0%	21.5%	17.5%	28.2%
Employer share (%)					
Single	88.3%	81.8%	6.5%	9.1%	11.1%
Family	76.3%	64.9%	11.4%	10.1%	15.6%
Deductible (\$)	\$200	\$300	-\$100	-\$54	-18.0%
Retiree health coverage	76.6%	59.8%	16.7%	14.6%	24.4%
Pension					
Percent covered	71.9%	43.8%	28.1%	23.6%	53.9%
Employer costs (per hour)	-	-			
Defined benefit	-	-	-	\$0.39	36.1%
Defined contribution	-	-	-	-\$0.11	-17.7%
Time off					
Vacation weeks	2.98	2.35	0.63	-	26.6%
Paid holiday/vacation (hours)	-	-	-	22.2	14.3%

* Adjusted for establishment size, occupation, industry, and other factors.

Source: Buchmueller, Di Nardo, and Valletta (2001) and Mishel et al. (2003).

Estimates of the union wage premium

Data source (date)	Union premium*	Source
Household Surveys		
<i>Current Population Surveys (CPS)</i>		
All wages and salary (1997)	17.8%	Hirsch and Macpherson (2003, Table 2a)
Private (1997)	18.4%	Hirsch and Shumacher (2002, Table 4)
Private adjusted for imputations (1997)	23.2%	Hirsch and Shumacher (2002, Table 4)
<i>Survey of Income and Program Participation (SIPP)</i>		
All (1992, 1993, 1996)	24.5%	Gundersen (2003, Appendix B)
Employer Surveys		
<i>National Compensation Survey (NCS)</i>		
All except agriculture and federal (1997)	17.4%	Pierce (1999a, Table 5)
<i>Employment Cost Index (ECI)</i>		
All except agriculture and federal (1994)		Pierce (1999b, Table 3)
Hourly wages	20.3%	
Hourly compensation	27.5%	

* Union premium is the percent by which union workers earn more than comparable nonunion workers. These estimates are obtained from analyses which employ "controls" for worker and employer characteristics, industry, and occupation.

Union wage premium by subgroup

Demographic group	Union wage premiums	Percent union	Source
Occupation			
White collar (1997)	2.2%	11.6%	Mishel et al. (2003, Table 2.3a)
Blue collar (1997)	23.3	20.8	Mishel et al. (2003, Table 2.3a)
Education			
College (1997)	5.1%	10.4%	Mishel et al. (2003, Table 2.3a)
High school (1997)	20.8	23.6	
All (1992, 1993, 1996)	24.5	NA	Gundersen (2003, Table 5.1 and Appendix C)
High school or less	35.5	NA	
Wage distribution (1989)			Card (1991)
Lowest fifth	27.9%	23.5%	
Second fifth	16.2	30.3	
Middle fifth	18.0	33.1	
Fourth fifth	0.9	24.7	
Top fifth	10.5	17.7	

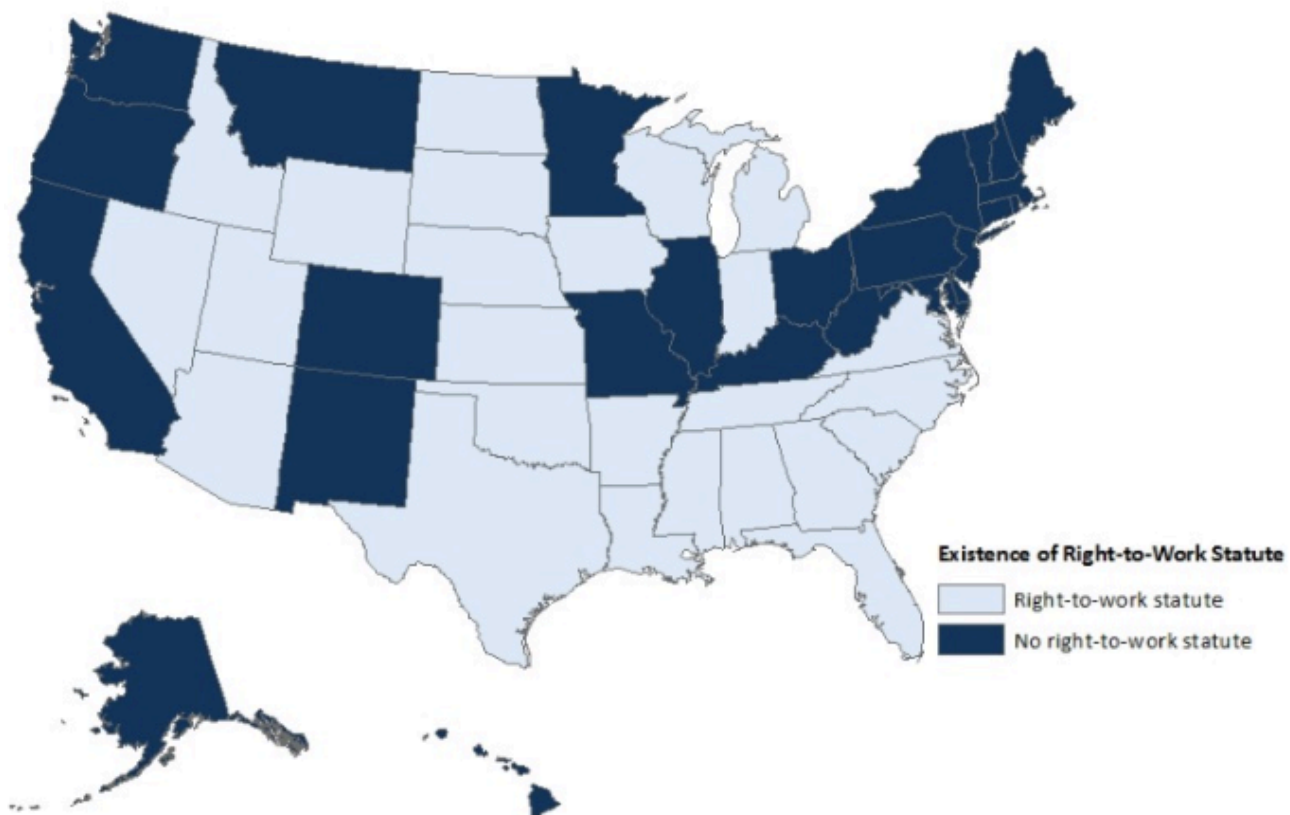
Median weekly earnings of full-time wage and salary workers by union affiliation

Characteristic	2014				2015			
	Total	Members of unions ¹	Repre-sented by unions ²	Non-union ³	Total	Members of unions ¹	Repre-sented by unions ²	Non-union ³
AGE AND SEX								
Total, 16 years and over.....	\$791	\$970	\$965	\$763	\$809	\$980	\$975	\$776
16 to 24 years.....	477	602	605	470	487	616	605	482
25 years and over.....	839	987	985	810	860	997	994	831
25 to 34 years.....	726	874	867	705	735	886	882	716
35 to 44 years.....	881	1,034	1,029	848	900	1,050	1,048	870
45 to 54 years.....	899	1,025	1,022	872	923	1,029	1,024	899
55 to 64 years.....	911	1,014	1,017	885	927	1,020	1,017	904
65 years and over.....	824	908	920	813	873	961	963	852
Men, 16 years and over.....	871	1,015	1,013	840	895	1,017	1,014	869
16 to 24 years.....	493	644	643	485	510	655	633	505
25 years and over.....	922	1,036	1,035	899	947	1,041	1,038	927
25 to 34 years.....	755	896	889	740	770	888	889	756
35 to 44 years.....	964	1,102	1,097	933	983	1,093	1,094	963
45 to 54 years.....	1,011	1,083	1,088	994	1,040	1,107	1,110	1,023
55 to 64 years.....	1,021	1,068	1,076	1,007	1,064	1,084	1,082	1,059
65 years and over.....	942	921	936	943	1,003	1,010	998	1,005
Women, 16 years and over.....	719	904	899	687	726	928	921	697
16 to 24 years.....	451	557	562	445	450	567	565	443
25 years and over.....	752	921	917	728	761	944	940	736
25 to 34 years.....	679	848	843	655	690	884	876	667
35 to 44 years.....	781	962	956	751	804	1,002	1,001	764
45 to 54 years.....	780	951	945	754	799	958	950	768
55 to 64 years.....	780	931	935	757	784	937	934	759
65 years and over.....	740	879	887	719	740	894	905	718
RACE AND HISPANIC OR LATINO ETHNICITY								
White.....	816	997	992	784	835	1,007	999	803
Men.....	897	1,043	1,041	867	920	1,051	1,044	895
Women.....	734	929	923	704	743	952	944	715
Black or African American.....	639	810	807	611	641	800	798	617
Men.....	680	835	833	648	680	824	821	650
Women.....	611	792	788	590	615	768	768	595
Asian.....	953	979	998	948	993	1,094	1,107	977
Men.....	1,080	1,028	1,041	1,087	1,129	1,097	1,125	1,130
Women.....	841	939	950	823	877	1,091	1,090	835
Hispanic or Latino ethnicity.....	594	811	795	573	604	862	847	586
Men.....	616	860	838	596	631	901	887	610
Women.....	548	757	739	520	566	778	783	541

Source: BLS

Right to Work Status by State

Source: National Conference of State Legislatures

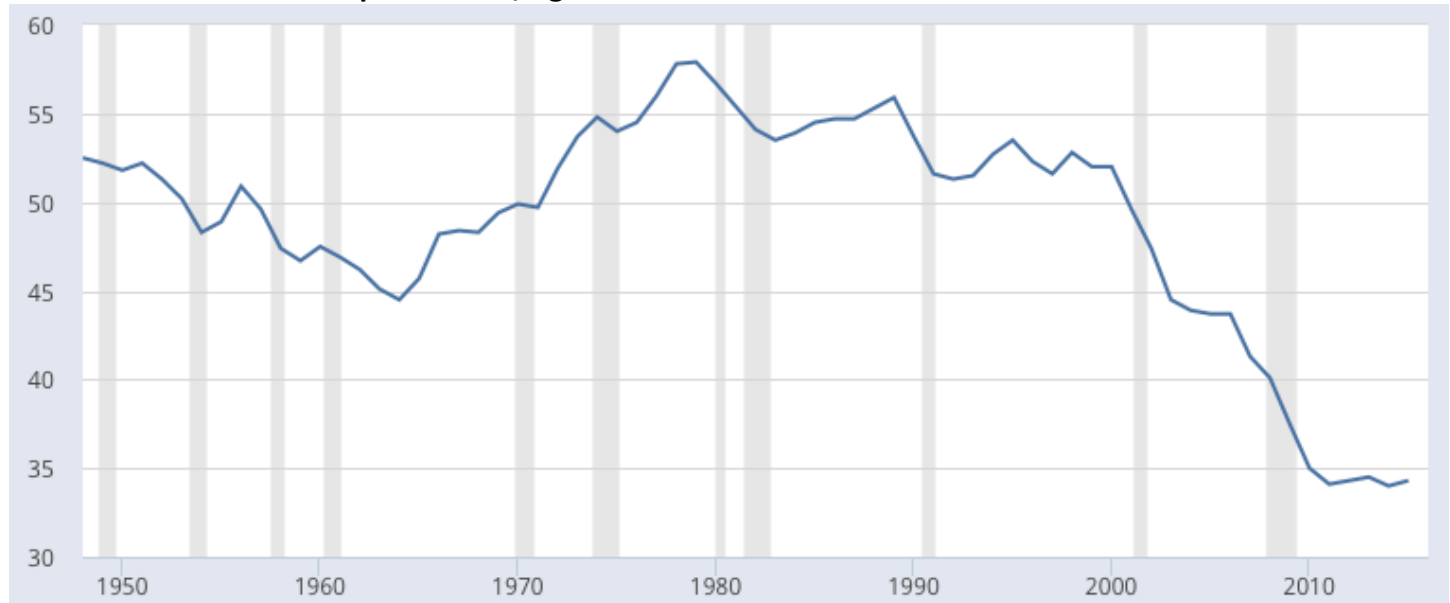


LABOR SUPPLY AND DEMAND

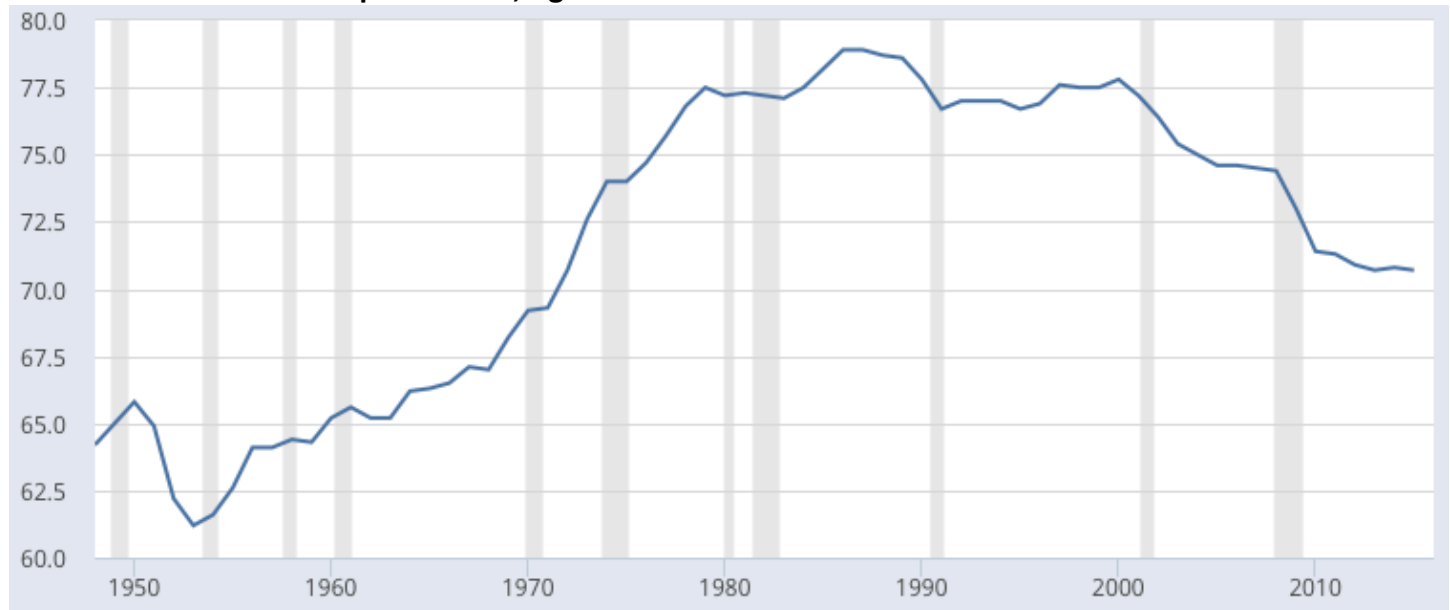
Labor Participation Rates

Source: Federal Reserve Economic Data

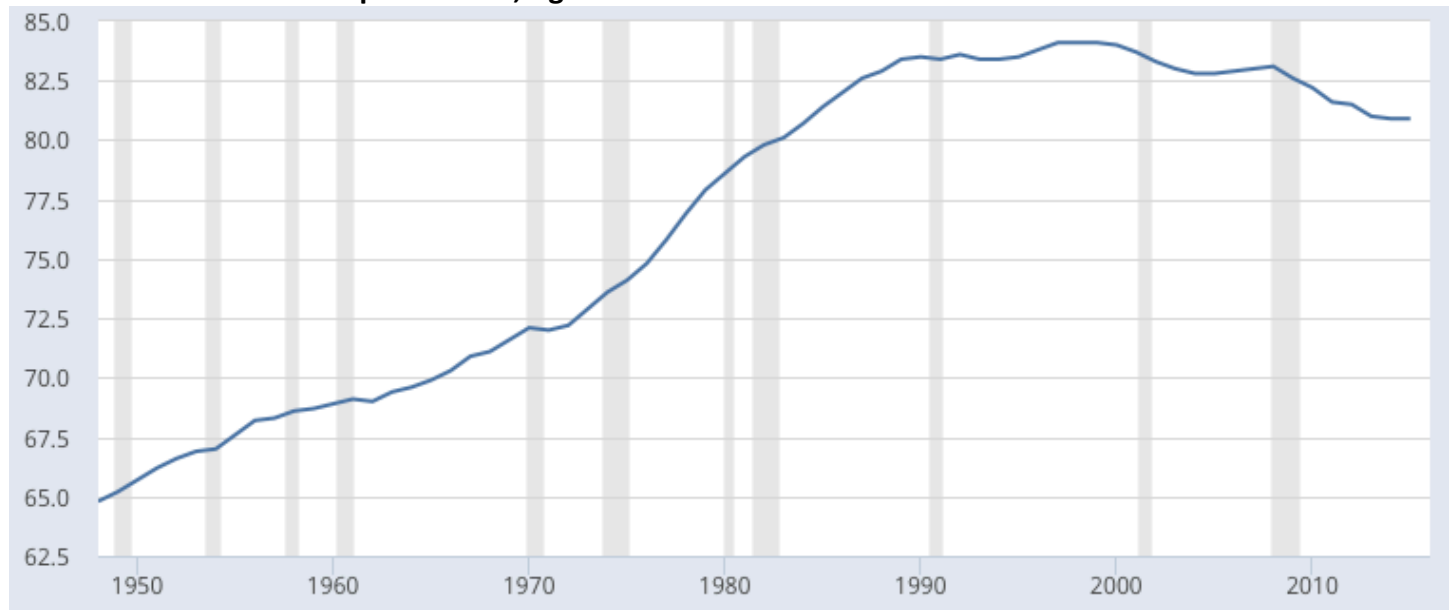
Civilian Labor Force Participation Rate, Age 16 - 19



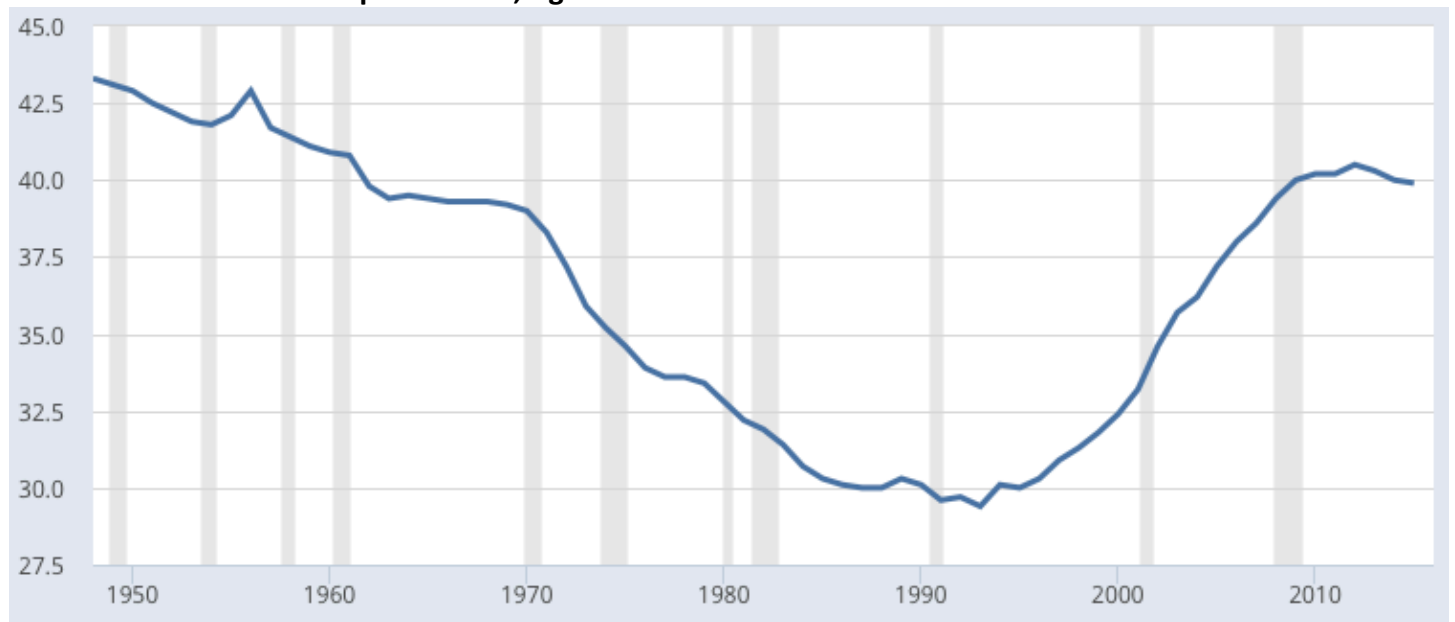
Civilian Labor Force Participation Rate, Age 20 - 24



Civilian Labor Force Participation Rate, Age 25 - 54

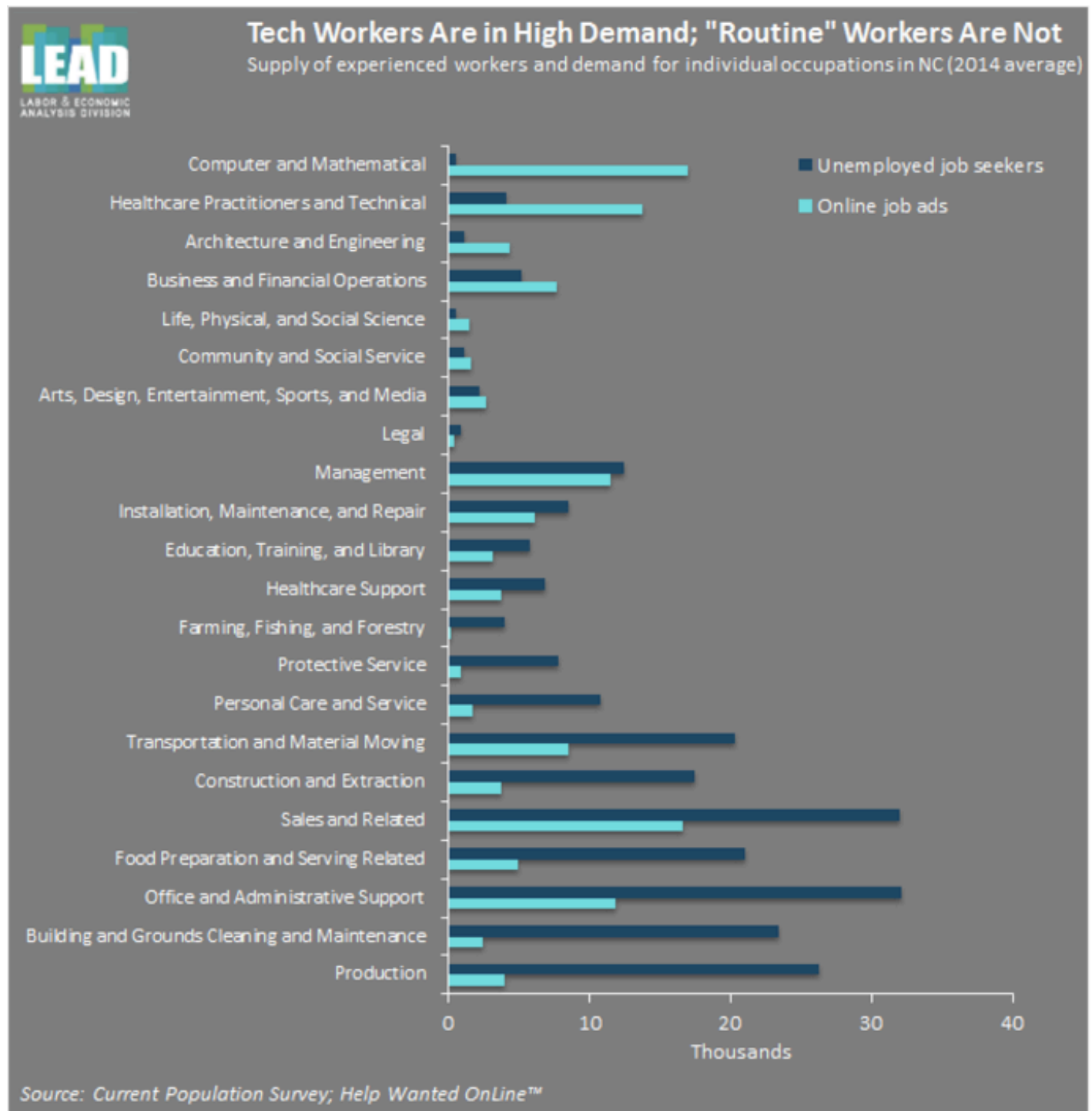


Civilian Labor Force Participation Rate, Age 55 and Over



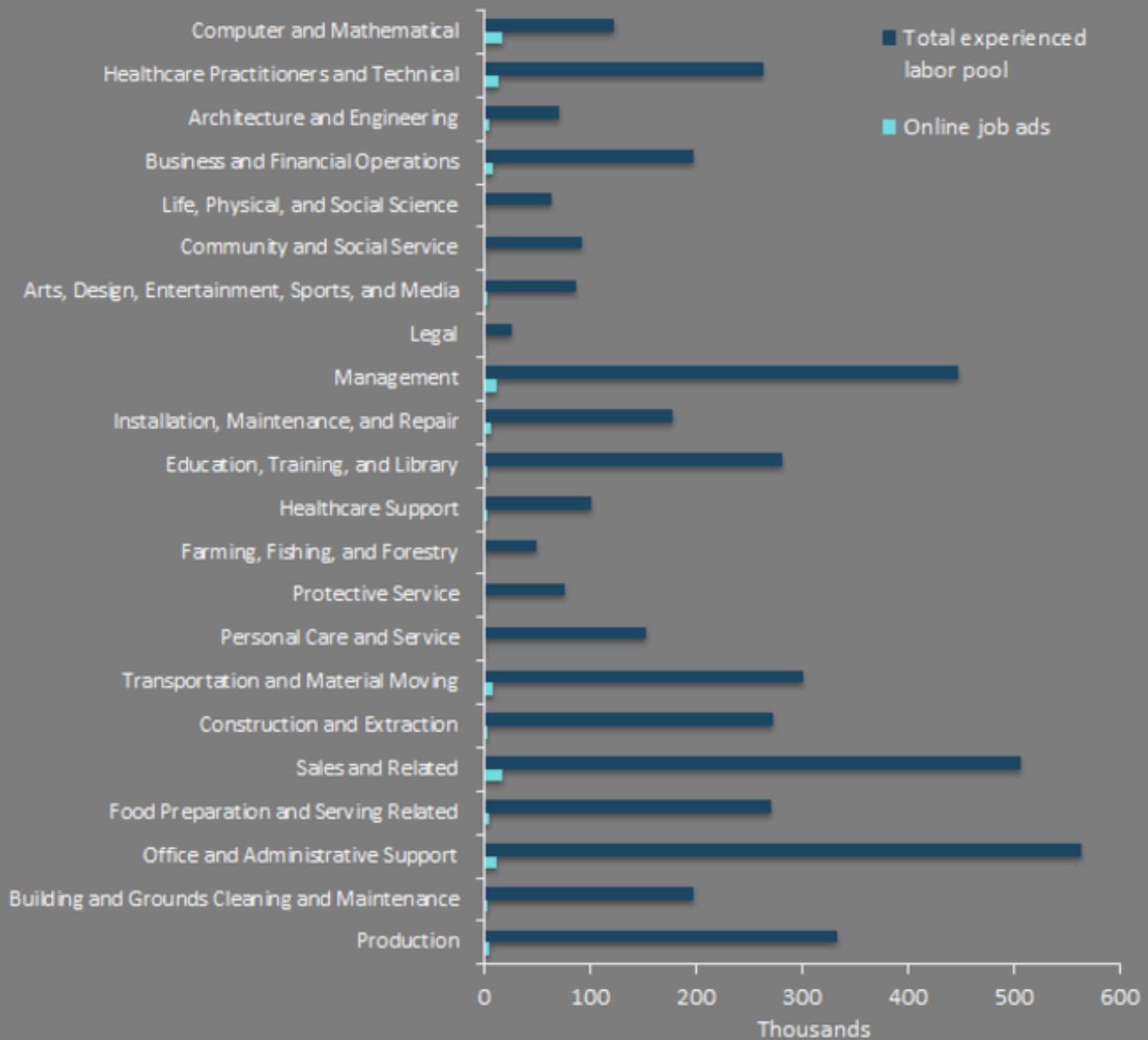
Supply of experienced workers and demand for individual occupations in NC (2014 average)

Source: NC Labor and Economic Analysis Division



Plenty of Potential Candidates for All Types of Occupations

Supply of experienced workers and demand for individual occupations in NC (2014 average)



Industries with Labor Shortages

Source: Brookings (2013)

- **Agriculture:** Lack of access to workers has led to (1) food processing operations for frozen broccoli and cauliflower moving to Mexico, (2) some of the nation's most productive farms closing down, and farmers from states like Wisconsin, **North Carolina**, Maryland, Louisiana, and Washington delaying expansion plans.
- **Health Care:** At a time where increased retirements and new mandatory health insurance promise to dramatically increase the demand for medical care, 30 percent of hospitals are already reporting **shortages in specialty services**. The **shortages of nurses** alone are estimated to top 115,000. 80 percent of hospital CEOs are currently making efforts to increase the number of primary care physicians.
- **Manufacturing:** Employers in the manufacturing sector report difficulty filling **available high-skilled positions**. Even at the height of the Great Recession in 2010, companies reported 227,000 open jobs. Factory owners note that is difficult to bring manufacturing jobs back when they cannot find the talent they need to expand.
- **Technology:** Microsoft has 200 employees in its software center in Vancouver because it couldn't get **engineers** into the US. Google developed its news aggregator outside the US for similar reasons, and companies like ON Semiconductor in Phoenix are revving up their overseas hiring because they cannot find workers in the US. The problem is especially acute at the governmental level, where more than half of state governments (54.8 percent) report difficulty filling vacant **IT positions**.

STATEWIDE INDUSTRY PROJECTIONS (2022)

NC Industries projected to experience the greatest reduction in labor force

Industry	2012 Employment	2022 Employment	Net Change	Percent Change	Weekly Wage
Apparel Manufacturing	9025	3557	-5468	-60.6	\$497
Crop Production	7677	4742	-2935	-38.2	\$473
Leather and Allied Product Manufacturing	435	271	-164	-37.7	\$557
Furniture and Related Product Manufacturing	33081	21567	-11514	-34.8	\$659
Animal Production	7346	4874	-2472	-33.7	\$640
Textile Mills	28221	19279	-8942	-31.7	\$685
Beverage and Tobacco Product Manufacturing	10358	8245	-2113	-20.4	\$1,120
Textile Product Mills	6586	5242	-1344	-20.4	\$636
Electrical Equipment, Appliance, and Component Manufacturing	21459	17894	-3565	-16.6	\$1,141
Computer and Electronic Product Manufacturing	33538	28509	-5029	-15	\$2,046
Miscellaneous Manufacturing	15045	12826	-2219	-14.7	\$927
Publishing Industries (except Internet)	18456	16262	-2194	-11.9	\$1,292
Utilities	12279	11029	-1250	-10.2	\$1,598
Motion Picture and Sound Recording Industries	4323	3888	-435	-10.1	\$443
Plastics and Rubber Products Manufacturing	30514	27526	-2988	-9.8	\$891
Machinery Manufacturing	29694	27073	-2621	-8.8	\$1,122
Federal Government, Excluding Post Office	51710	47866	-3844	-7.4	
Paper Manufacturing	15871	14772	-1099	-6.9	\$1,085
Primary Metal Manufacturing	7561	7103	-458	-6.1	\$1,088
Chemical Manufacturing	41947	39517	-2430	-5.8	\$1,482
Printing and Related Support Activities	10961	10348	-613	-5.6	\$801
Electronics and Appliance Stores	13711	13018	-693	-5.1	\$757
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	325	312	-13	-4	\$1,345
Couriers and Messengers	13935	13477	-458	-3.3	\$720
Miscellaneous Store Retailers	24194	23882	-312	-1.3	\$433

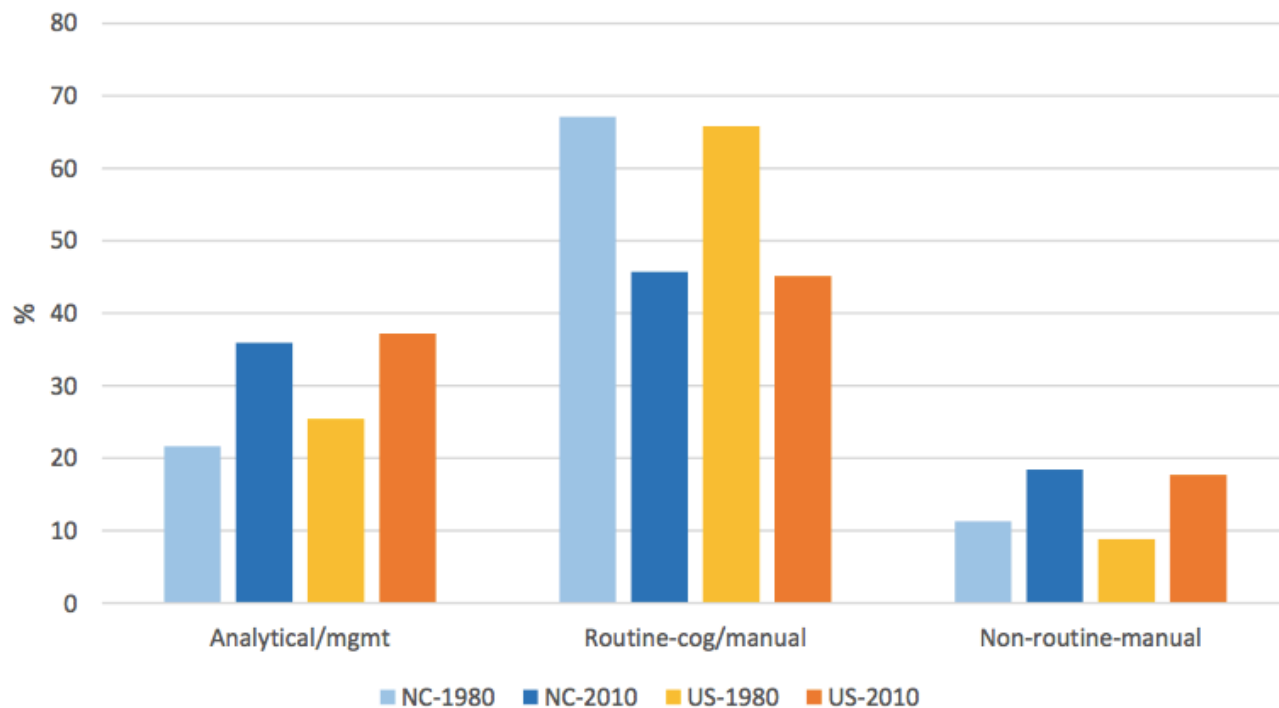
NC industries projected to experience the greatest growth in labor force

Industry	2012 Employment	2022 Employment	Net Change	Percent Change	Weekly Wage
Real Estate	35223	40736	5513	15.7	\$810
Accommodation, including Hotels and Motels	39271	45426	6155	15.7	\$387
Religious, Grantmaking, Civic, Professional, and Similar Organizations	81933	95083	13150	16	\$621
Amusement, Gambling, and Recreation Industries	42156	49021	6865	16.3	\$316
Building Material and Garden Equipment and Supplies Dealers	38075	44444	6369	16.7	\$566
Scenic and Sightseeing Transportation	360	422	62	17.2	\$422
Water Transportation	580	681	101	17.4	\$2,548
Health and Personal Care Stores	32311	38147	5836	18.1	\$662
Hospitals	189112	223416	34304	18.1	\$974
Support Activities for Transportation	12857	15215	2358	18.3	\$883
Heavy and Civil Engineering Construction	25649	30911	5262	20.5	\$889
Furniture and Home Furnishings Stores	14404	17403	2999	20.8	\$551
Credit Intermediation and Related Activities	83318	102143	18825	22.6	\$1,445
Rental and Leasing Services	12605	15513	2908	23.1	\$733
Insurance Carriers and Related Activities	44992	55850	10858	24.1	\$1,232
Transit and Ground Passenger Transportation	5115	6512	1397	27.3	\$551
Nursing and Residential Care Facilities	98706	127166	28460	28.8	\$458
Professional, Scientific, and Technical Services	195234	253156	57922	29.7	\$1,343
Waste Management and Remediation Service	8779	11441	2662	30.3	\$780
Funds, Trusts, and Other Financial Vehicles	932	1252	320	34.3	\$1,313
Construction of Buildings	36268	49484	13216	36.4	\$1,003
Ambulatory Health Care Services	180381	251249	70868	39.3	\$1,018
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	18878	26987	8109	43	\$2,333
Specialty Trade Contractors	110379	158224	47845	43.3	\$756
Social Assistance	69663	102574	32911	47.2	\$423

2050 Job Market Predictions

Source: Michael L. Walden, July 2015

Distribution of U.S. and North Carolina Workforce Between “Task” Job Categories, 1980 and 2010



Projected Occupational Changes in North Carolina from Technology Replacement

Probability of Replacement by Technology	Number of Occupations (% of total)	Number of Employees (% of total)	Median Salary	Low Salary/ High Salary	For 10,000 or more Employees, Percent of Occupations Paying over \$55,000	For 10,000 or more Employees, Percent of Occupations Paying under \$30,000
0-30%	262 (37%)	1,245,150 (32%)	\$57,370	\$19,910/ \$215,780	48%	14%
31-70%	133 (19%)	775,700 (20%)	\$39,940	\$19,410/ \$107,580	11%	44%
71-100%	307 (44%)	1,882,190 (48%)	\$33,110	\$17,830/ \$122,020	8%	63%

Source: Author’s calculations using Frey/Osborne methodology applied to North Carolina 2013 occupational data from the North Carolina Office of Employment Security.

North Carolina Occupations with Greater than 10,000 Employees and a 0% to 30% Probability of Replacement by Technology (ranked from lower to higher probability of replacement).

<i>Occupation</i>	<i>Number of Employees</i>	<i>Annual Earnings</i>
Supervisors of mechanics, installer, repairers	15,340	\$59,610
Physicians and surgeons	17,880	\$200,000
Elementary school teachers	40,430	\$42,870
Computer systems analysts	16,210	\$84,760
Pre-school teachers	11,300	\$25,530
High school teachers	24,190	\$43,510
Registered nurses	88,350	\$59,290
Supervisors of offices	38,070	\$49,910
Supervisors of production facilities	21,370	\$55,430
Nursing assistants	50,990	\$22,860
College teachers	50,800	\$75,000
Lawyers	11,820	\$114,840
Computer systems managers	11,440	\$129,280
Software developers	20,190	\$92,410
Emergency medical technicians	10,430	\$31,980
Licensed practical nurses	15,550	\$41,570
Financial managers	15,210	\$127,320
Supervisors of non-retail sales workers	10,370	\$90,870
Childcare workers	22,500	\$19,910
Law enforcement officers	19,630	\$40,940
Management analysts	11,230	\$84,330
Electricians	12,960	\$39,890
General and operation managers	52,080	\$125,240
Firefighters	12,800	\$32,720
Supervisors of construction	18,200	\$54,410
Middle school teachers	17,470	\$42,160
Web and network developers	31,720	\$60,000
Business operations specialists	28,240	\$69,170
Supervisors of retail sales workers	42,890	\$40,930
Medical assistants	13,890	\$29,390

Source: Author's calculations using Frey/Osborne methodology applied to North Carolina 2013 occupational data from the North Carolina Office of Employment Security.

Source: Michael L. Walden, July 2015

North Carolina Occupations with Greater than 10,000 Employees and a 31% to 70% Probability of Replacement by Technology (ranked from lower to higher probability of replacement).

<i>Occupation</i>	<i>Number of Employees</i>	<i>Annual Earnings</i>
Human resource specialists	12,430	\$58,580
Packers	27,460	\$21,360
Home health aides	47,860	\$19,410
Customer service representatives	83,650	\$31,550
Teacher assistants	33,070	\$22,640
Auto service technicians	20,980	\$39,130
Correctional officers	17,150	\$31,890
Meat packers	10,180	\$24,250
Market research analysts	12,130	\$67,050
Supervisors of food preparation	33,160	\$31,840
Maintenance and repair workers	39,810	\$37,240
Stock clerks	47,310	\$23,700
Machinists	11,530	\$37,550
Heating and air conditioning installers	10,800	\$39,690
Production worker helpers	17,280	\$23,850
Janitors and cleaners	53,940	\$21,730
Delivery service drivers	22,410	\$32,550
Maids	28,820	\$19,530

Source: Author's calculations using Frey/Osborne methodology applied to North Carolina 2013 occupational data from the North Carolina Office of Employment Security.

Source: Michael L. Walden, July 2015

North Carolina Occupations with Greater than 10,000 Employees and a 71% to 100% Probability of Replacement by Technology (ranked from lower to higher probability of replacement).

<i>Occupation</i>	<i>Number of Employees</i>	<i>Annual Earnings</i>
Amusement and recreation attendants	10,520	\$18,520
Personal care aides	13,740	\$19,430
Bartenders	10,170	\$20,810
Dishwashers	12,550	\$17,980
Heavy truck drivers	48,370	\$38,480
Medical secretaries	10,780	\$30,200
Security guards	26,380	\$24,880
Moving laborers	73,580	\$25,280
Sales personnel in wholesaling and manufacturing	43,270	\$60,070
Executive secretaries	25,060	\$46,530
Food preparation workers	20,430	\$20,290
Construction laborers	16,470	\$25,920
School bus drivers	16,890	\$24,850
Pharmacy technicians	11,680	\$28,090
Retail salespersons	139,330	\$24,430
Fast food restaurant workers	134,960	\$17,830
Industrial truck drivers	19,250	\$29,880
Accountants	29,000	\$68,970
Waiters and waitresses	76,860	\$18,890
Bill collectors	11,840	\$32,490
Landscaping workers	27,360	\$23,740
Receptionists	28,340	\$26,220
Office clerks	68,750	\$27,220
Cafeteria and coffee shop attendants	11,880	\$18,160
Secretaries, except medical, legal, and executive	63,020	\$32,790
Restaurant cooks	32,640	\$21,340
Bill clerks	15,740	\$33,610
Team assemblers	38,530	\$28,040
Cashiers	106,010	\$18,950
Counter and rental clerks	11,570	\$24,860
Restaurant hosts and hostesses	12,430	\$17,950
Inspectors and testers	18,870	\$34,030
Bookkeeping clerks	43,900	\$35,150
Driver/sales workers	14,390	\$27,770
Shipping and receiving clerks	20,980	\$30,280
Packaging machine operators	14,070	\$30,320
Tellers	12,480	\$27,690
Loan officers	10,400	\$71,870
Other sales representatives	18,980	\$63,170

Source: Author's calculations using Frey/Osborne methodology applied to North Carolina 2013 occupational data from the North Carolina Office of Employment Security.

Source: Michael L. Walden, July 2015

Alternative North Carolina Employment Forecasts from 2013 to 2050

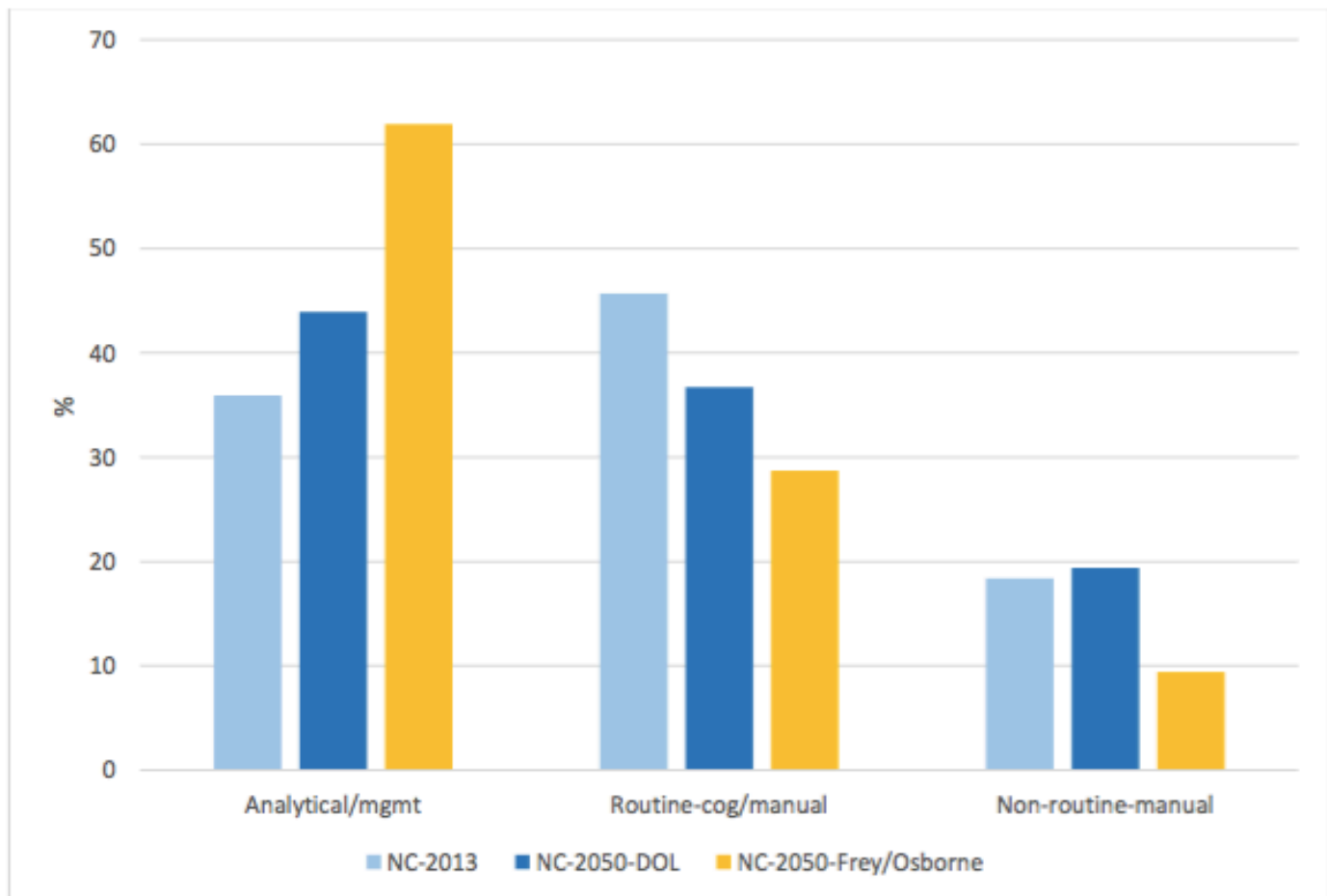
U.S. Dept. of Labor

Frey/Osborne

Total jobs, percentage change, 2013-2050	42%	-32%
Analytical/management share % pt. change	+8 % points	+26 % points
Routine cognitive/manual share % pt. change	-9 % points	-17 % points
Non-routine manual share % pt. change	+1 % point	-9 % points
Change in analytical/mgmt. task jobs	+1,044,810	+288,439
Change in routine cognitive/manual task jobs	+327,532	-1,125,263
Change in non-routine manual task jobs	+366,880	-460,723

Source: U.S. Bureau of Labor Statistics, U.S. Department of Labor, "Industry Employment and Output Projections to Projections to 2022"; Frey and Osborne; calculations by the author.

Alternative 2050 North Carolina Workforce Forecasts



Source: Michael L. Walden, July 2015

PUBLIC ASSISTANCE & TAX CREDITS

1. Earned Income Tax Credit (EITC)

Federal EITC

The Earned Income Tax Credit (EITC) is a federal tax credit for low- and moderate-income working people. It is intended to encourage and reward work as well as offset payroll and income taxes.

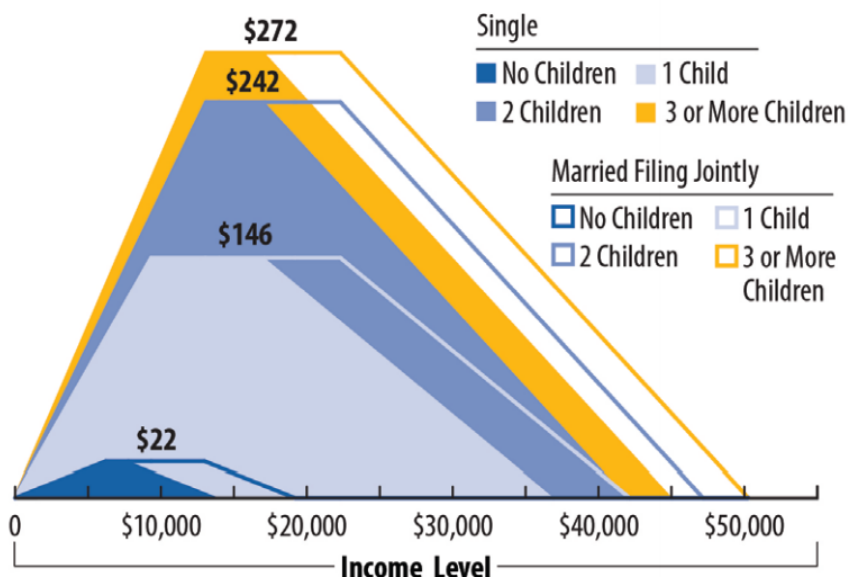
Working families with children that have annual incomes below about \$39,000 to \$53,300 (depending on marital status and the number of dependent children) may be eligible for the federal EITC. Also, working-poor people who have no children and have incomes below about \$14,800 (\$20,300 for a married couple) can receive a very small EITC.

- Federal EITC kept 293,408 people out of poverty (3% of NC 2011 population) in NC, with 145,769 being children.
- 931,000 people received EITC in NC, with the average EITC payment equaling \$2,462. Total expenditure of EITC on NC residents was \$2.3 billion.

North Carolina's EITC

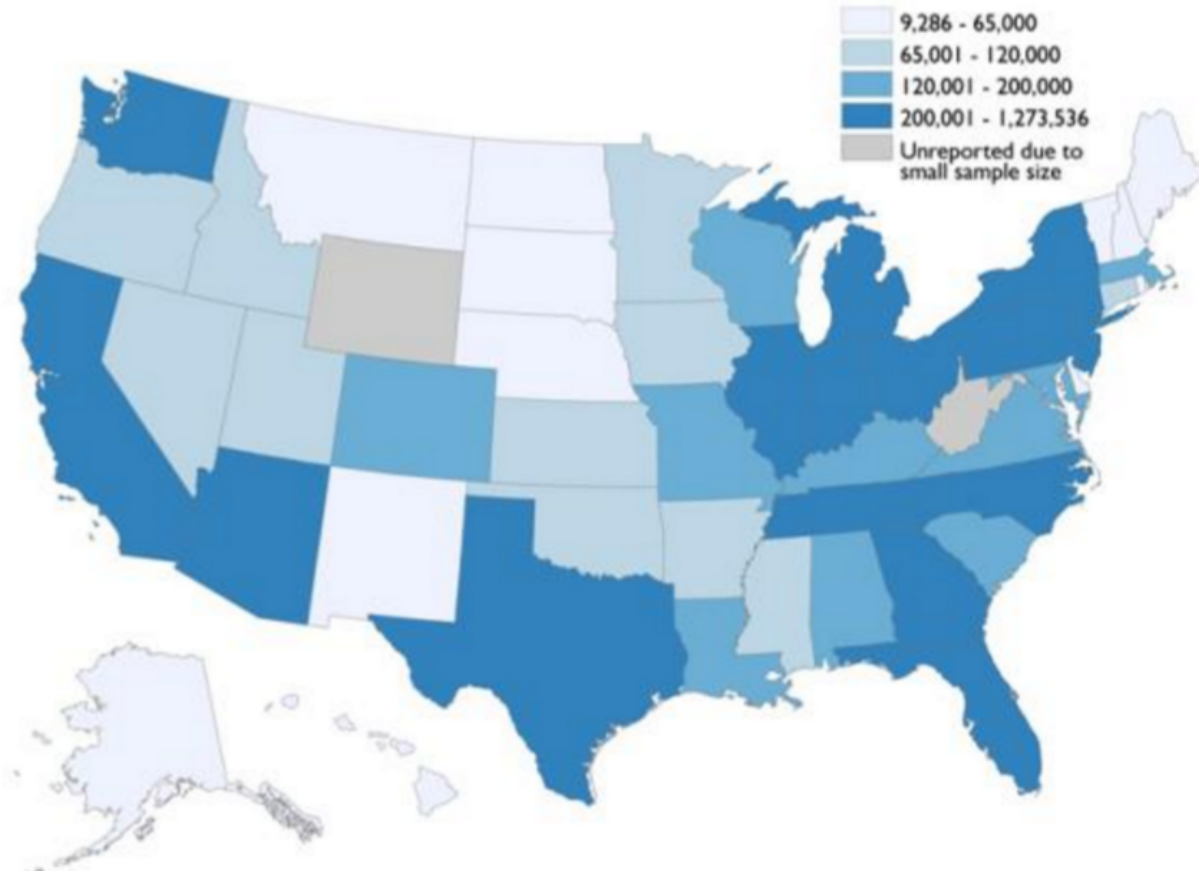
Twenty-six states, plus the District of Columbia, have also established their own EITCs to supplement the federal credit. North Carolina ended its state EITC in 2013. The state tax credit was refundable and was set at 5 percent of the Federal credit.

Value of North Carolina Earned Income Tax Credit, 2013



Most states set their credits based on the federal credit, however, the percentages used vary greatly from state to state. In 23 of the states and the District of Columbia, credits are fully refundable if the amount is greater than the taxes owed. In Delaware, Maryland, Ohio and Virginia, the EITC can only reduce a worker's tax liability, not provide a refund. All of the states that offer credits, except Wisconsin, allow workers without qualifying children to be eligible for EITC.

Number of People Lifted out of Poverty by EITC and CTC, 2009 - 2011



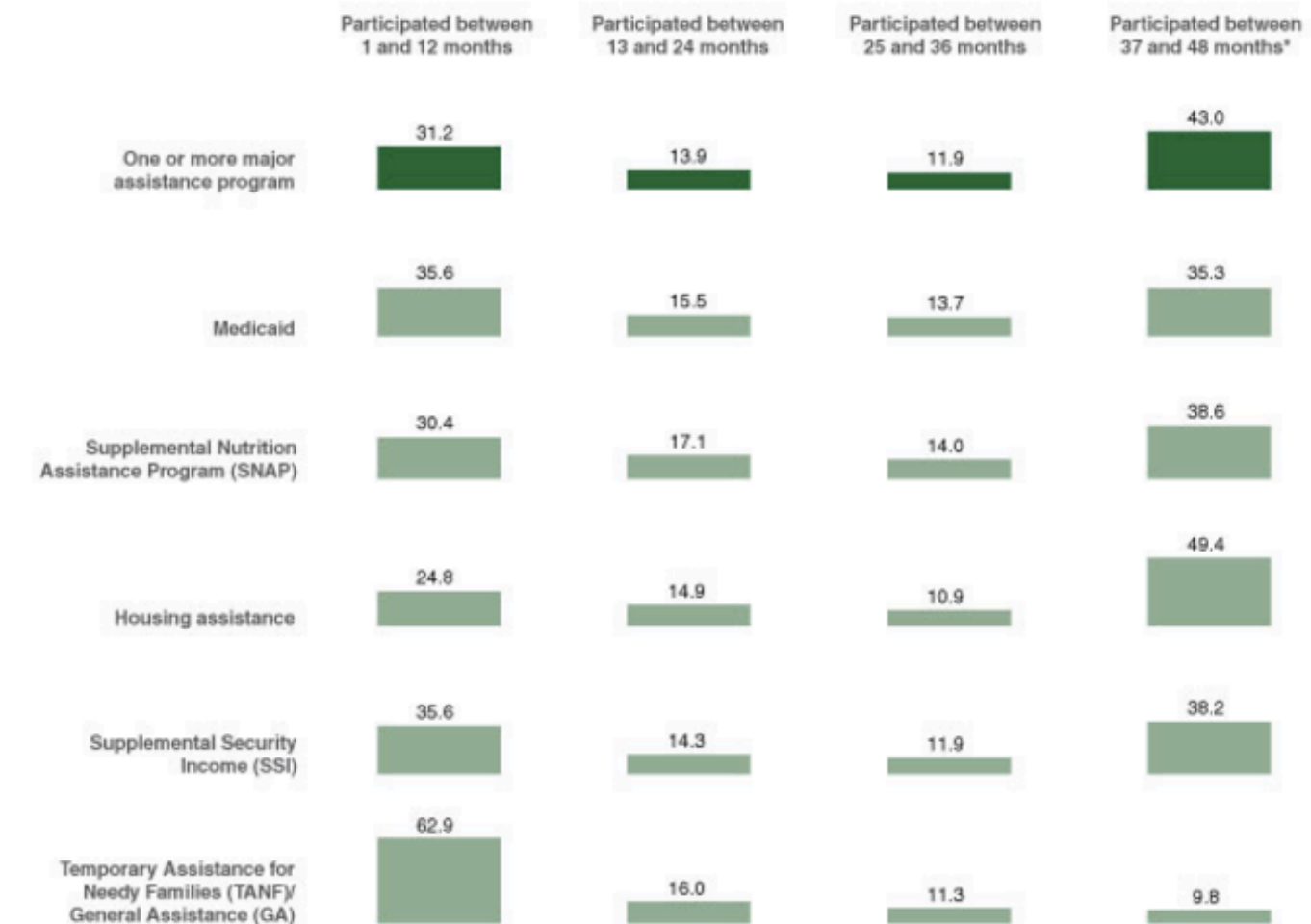
Source: Brookings

Time Spent in Government Programs (2015)

21.3 percent of U.S. Population Participates in Government Assistance Programs Each Month

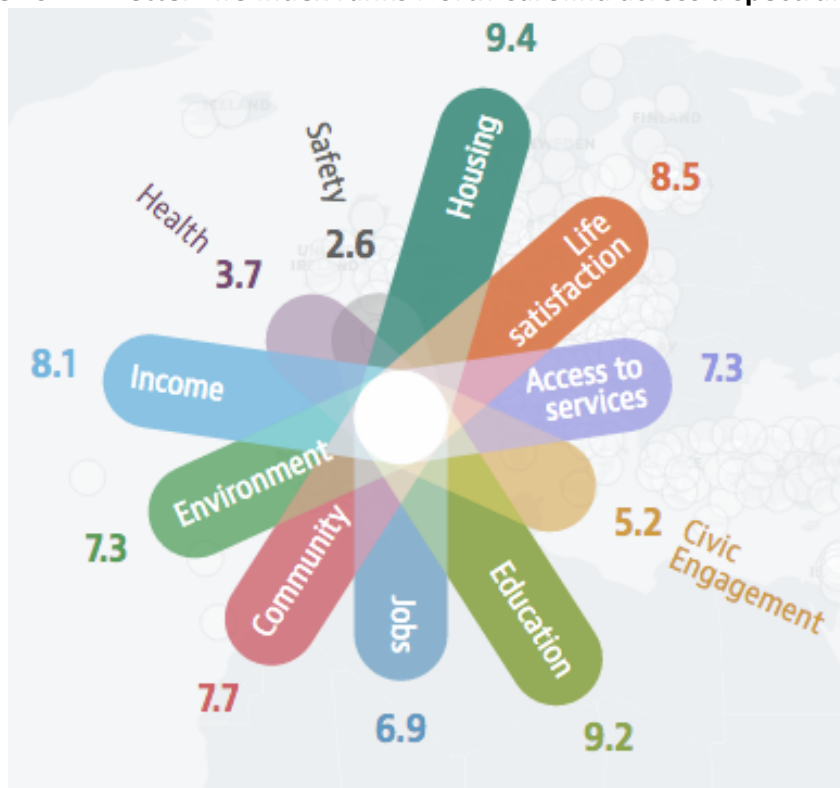
Percentage participating for one or more months

Source: U.S. Census Bureau



QUALITY OF LIFE MEASURES

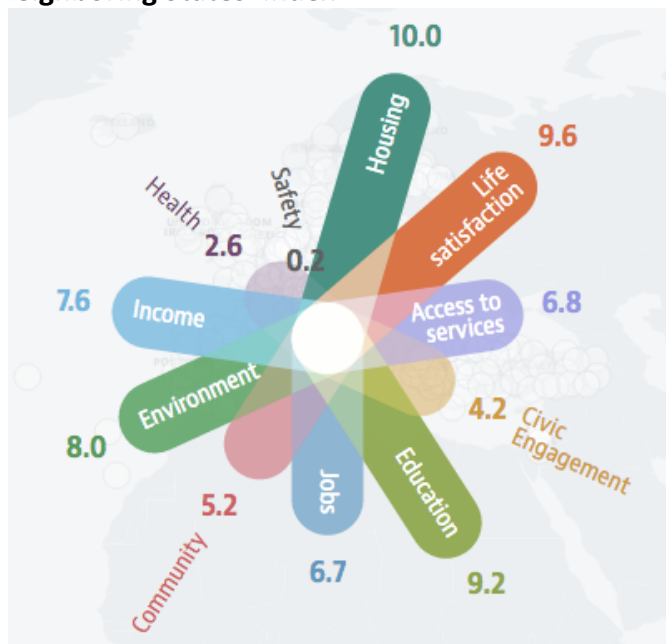
OECD¹ – Better Life Index ranks North Carolina across a spectrum of topics



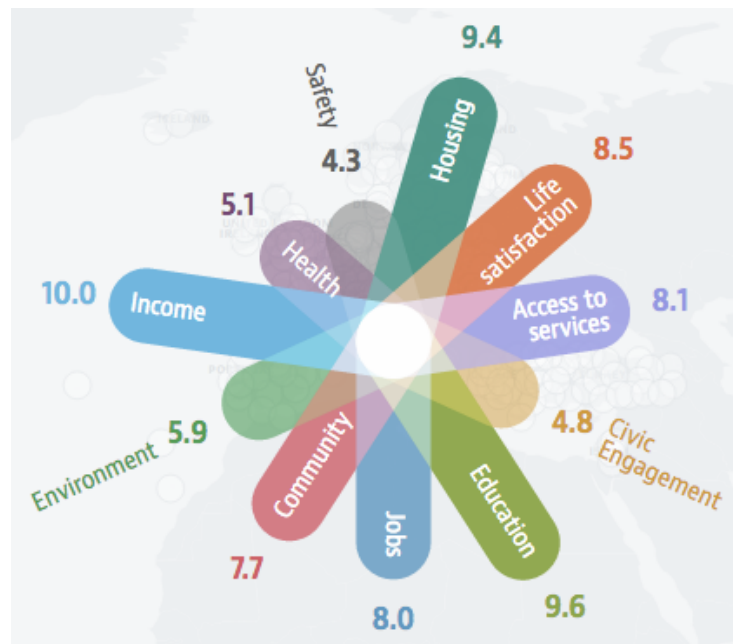
North Carolina's Rank Among U.S. States

- Access to services – 35th
- Civic Engagement – 9th
- Education – 38th
- Jobs – 43rd
- Environment – 32nd
- Income – 34th
- Health – 37th
- Safety – 32nd
- Housing – 20th

Neighboring States' Index



South Carolina



Virginia

¹ <http://www.oecdregionalwellbeing.org/region.html#US37>

Annie E. Casey Foundation – KIDS COUNT Index²

State Rankings, 2015

State	Economic Well-Being Rank	Education Rank	Health Rank	Family and Community Context Rank	Overall Rank 2015
North Carolina	34	28	32	36	35
South Carolina	39	43	36	39	42
Tennessee	38	36	30	37	36
Georgia	43	40	37	40	40
Florida	45	27	38	34	37
Alabama	41	45	40	44	45
Virginia	14	14	10	17	14

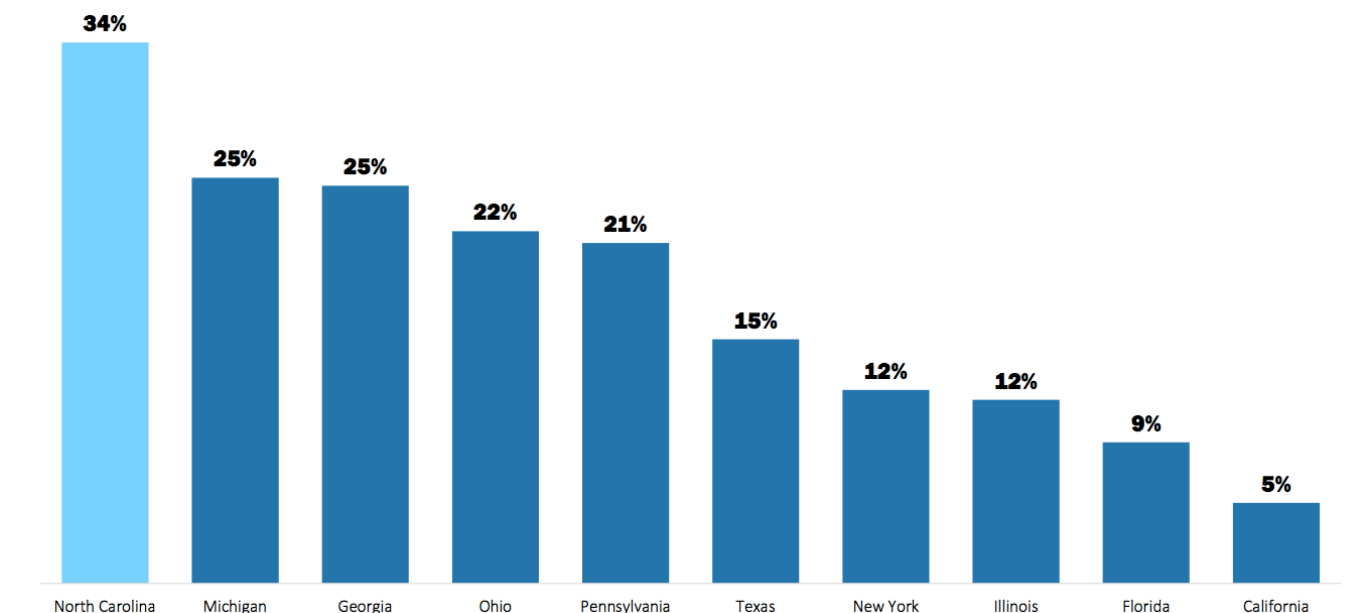
² <http://datacenter.kidscount.org/publications>

MIGRATION AND URBANIZATION TRENDS

Source: UNC Carolina Demography, Rebecca Tippet (April 2016)

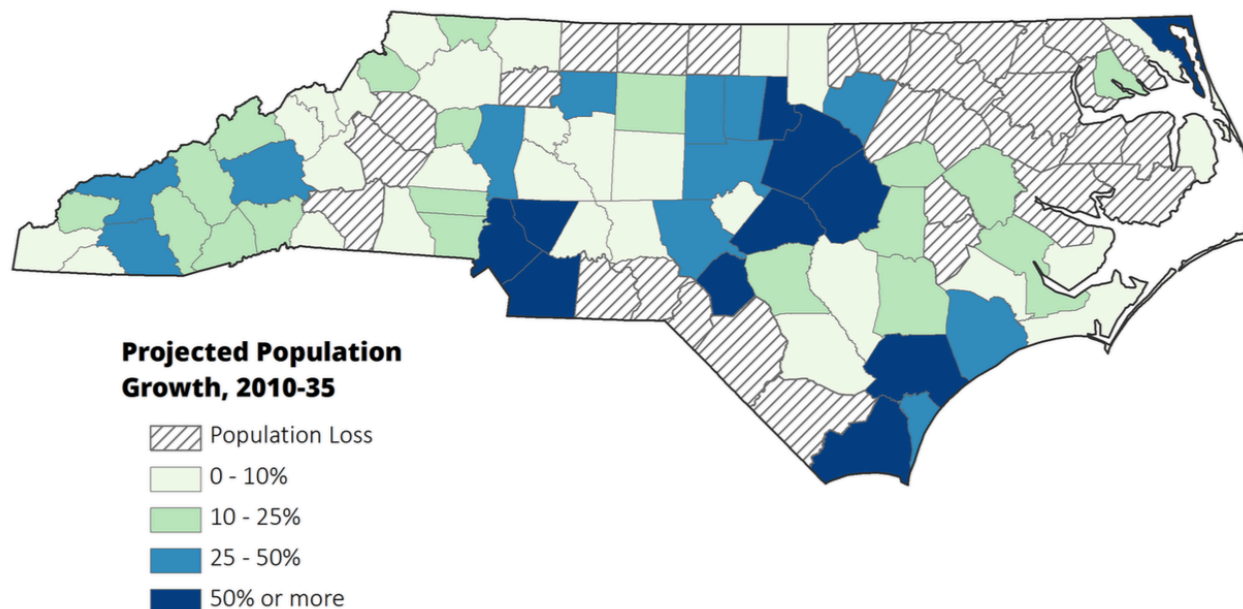
Among 10 most populous states in 2010, NC most rural

Population share living in rural areas, 2010



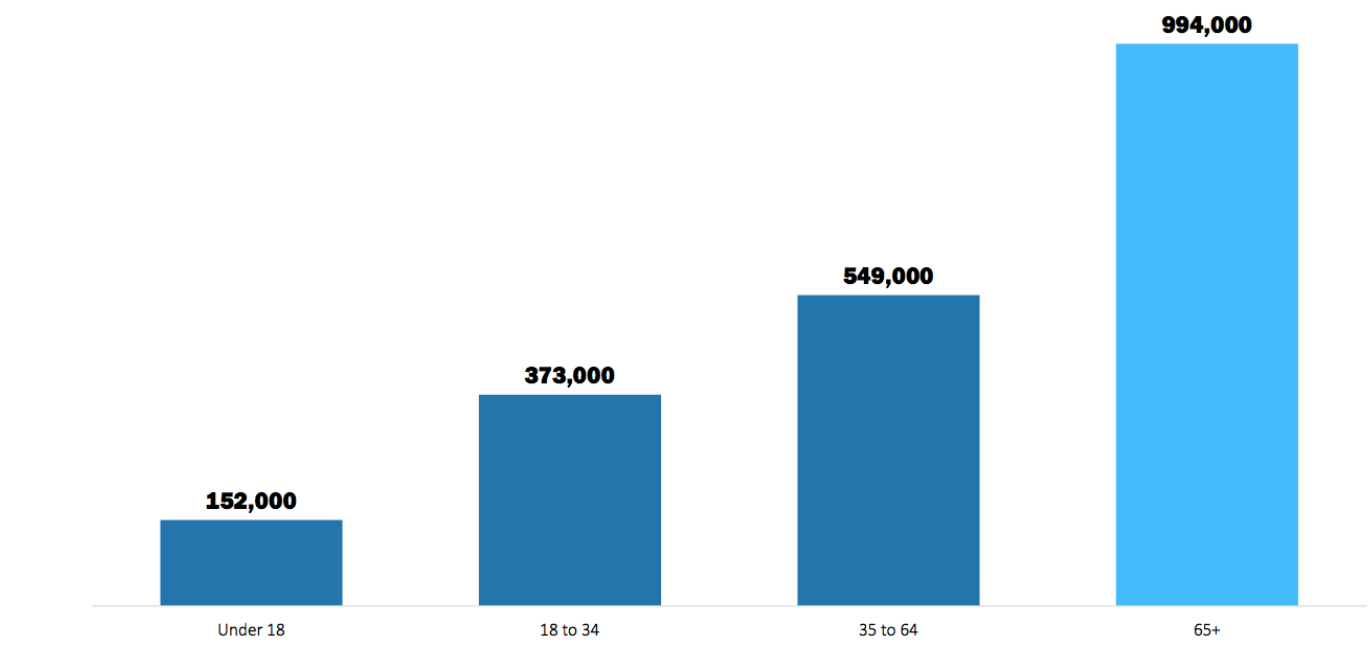
Population growth will be uneven across North Carolina

Projected population growth, 2010-2035



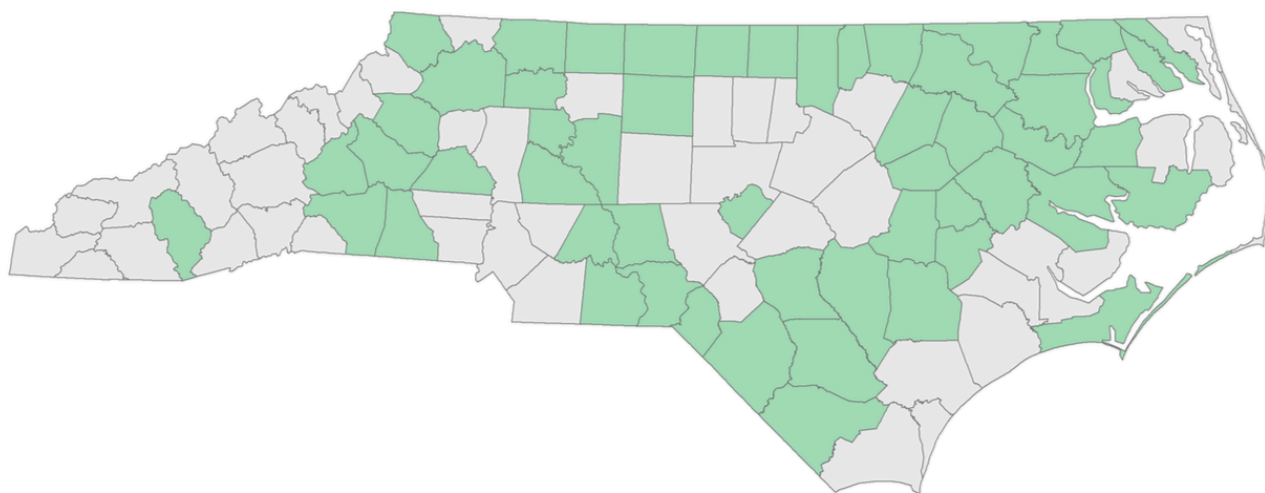
Half of state's 2 million new residents in next 20 years will be 65+

Projected NC population growth by age, 2015-2035



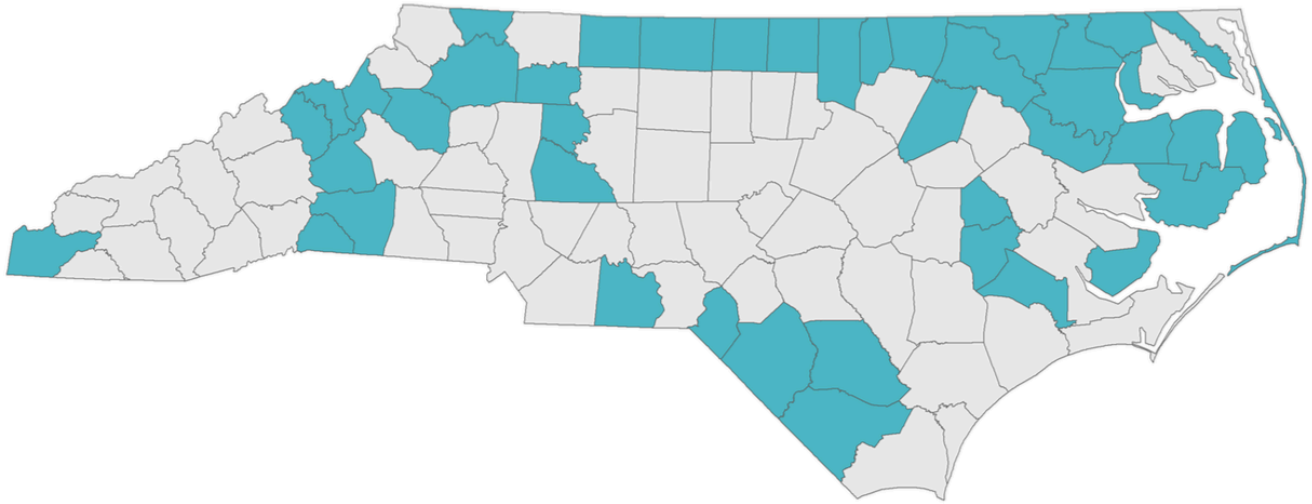
54 counties projected to have fewer children by 2035

Counties with projected declines in child population (0-17), 2015-2035



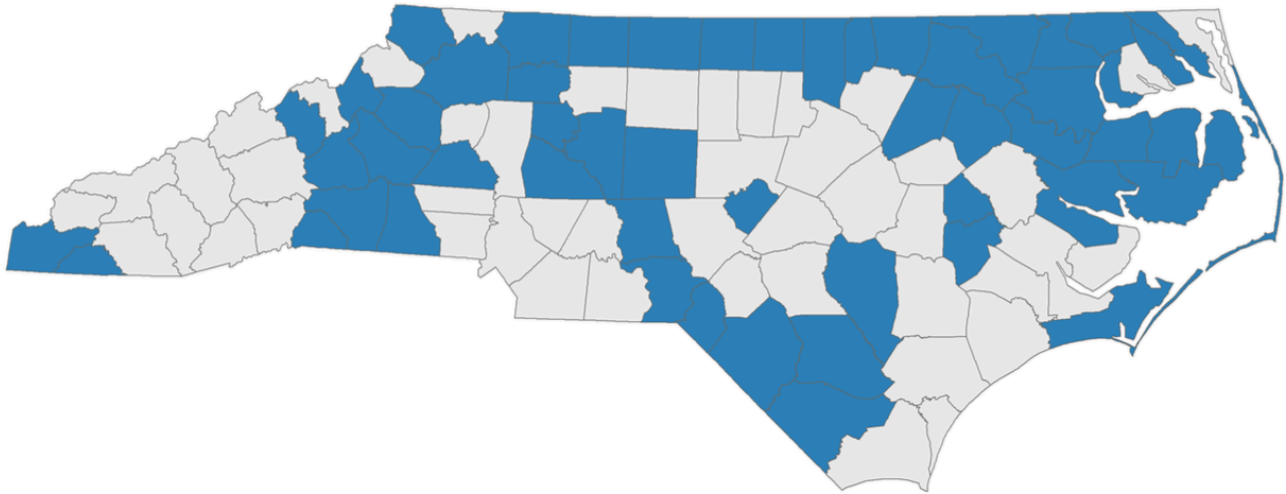
42 counties projected to have fewer young adults by 2035

Counties with projected declines in young adult population (18-34), 2015-2035



53 counties projected to have fewer working age adults by 2035

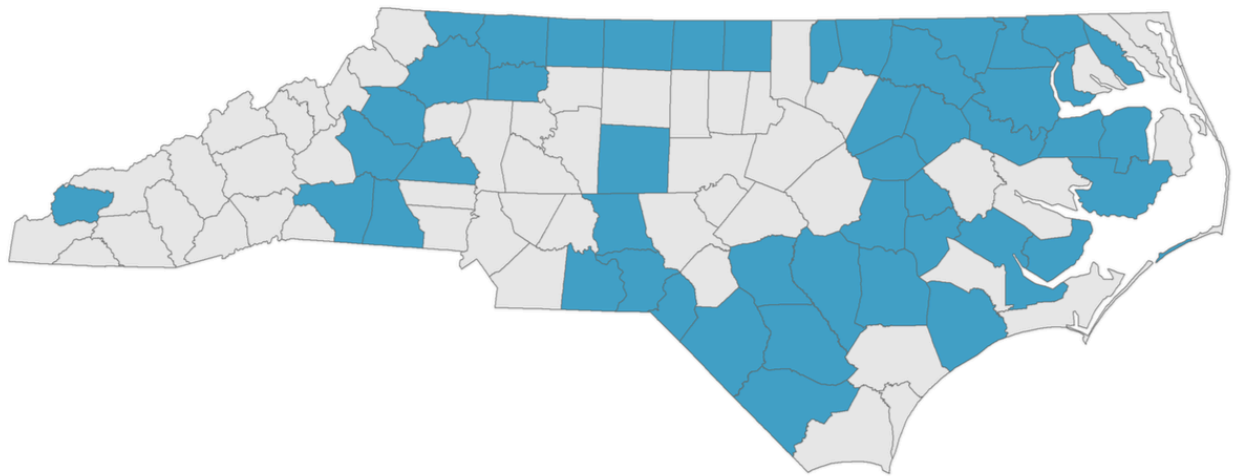
Counties with projected declines in prime working age adult population (35-64), 2015-2035



UNC Carolina Demography, Rebecca Tippet (April 2016)

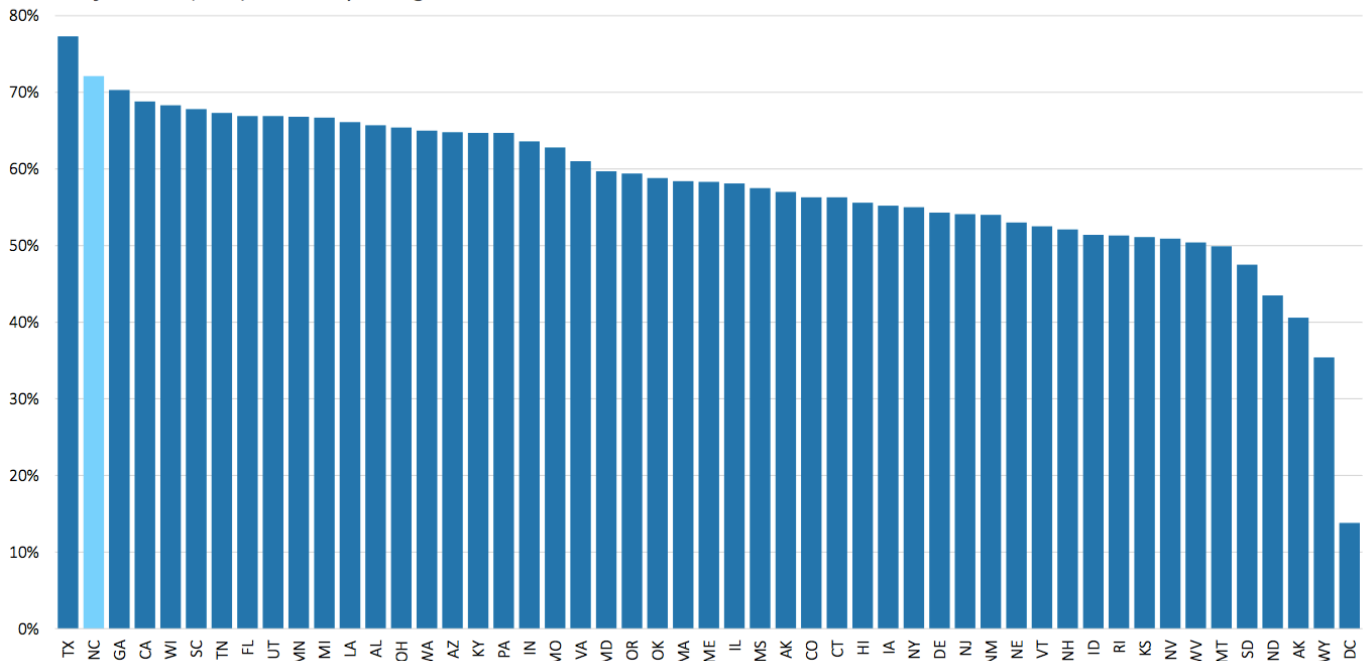
47 NC counties had net out migration between 2010-2015

Counties where more individuals moved away than moved in, 2010-15



Most NC-born adults still live here

Share of adults (18+) currently living in their birth state, 2014

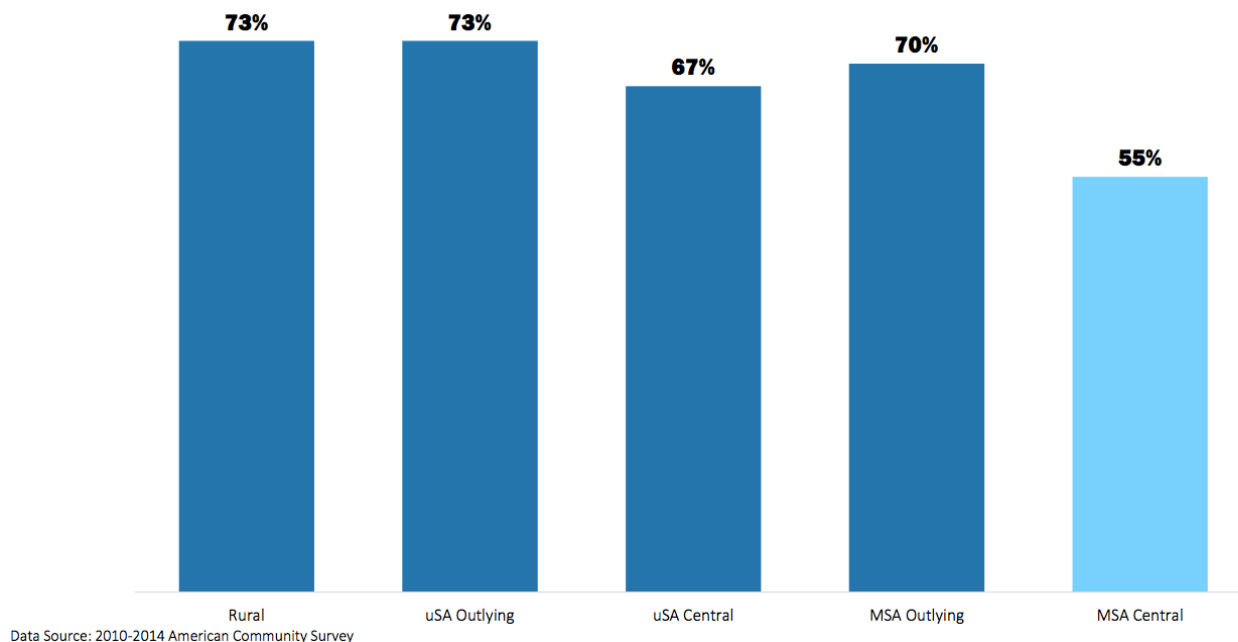


Data Source: 2014 American Community Survey

UNC Carolina Demography, Rebecca Tippet (April 2016)

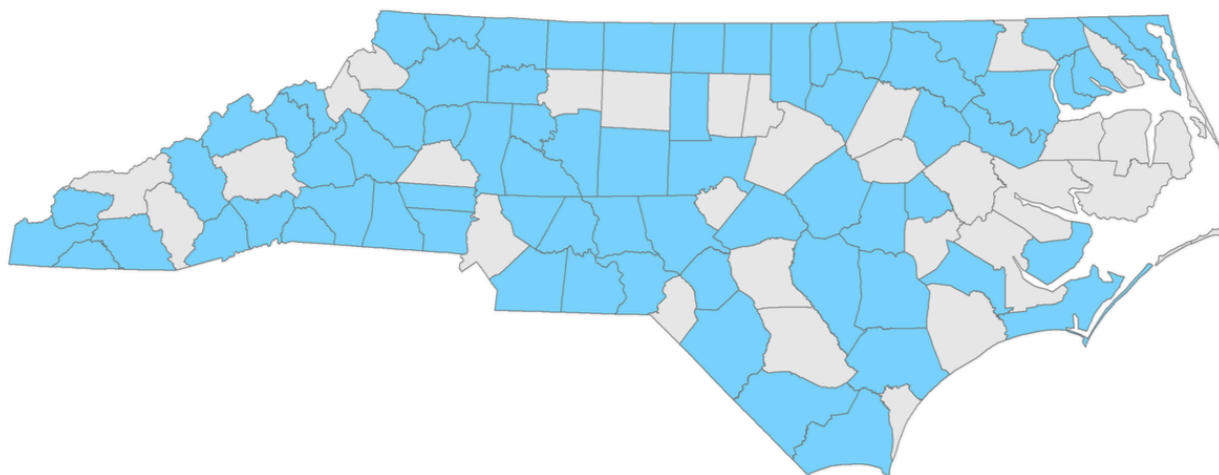
Rural, outlying, & micropolitan county movers more likely to stay in NC

Share of movers who leave their county of residence but stay in North Carolina, 2010-2014



70 North Carolina counties have net out commuting

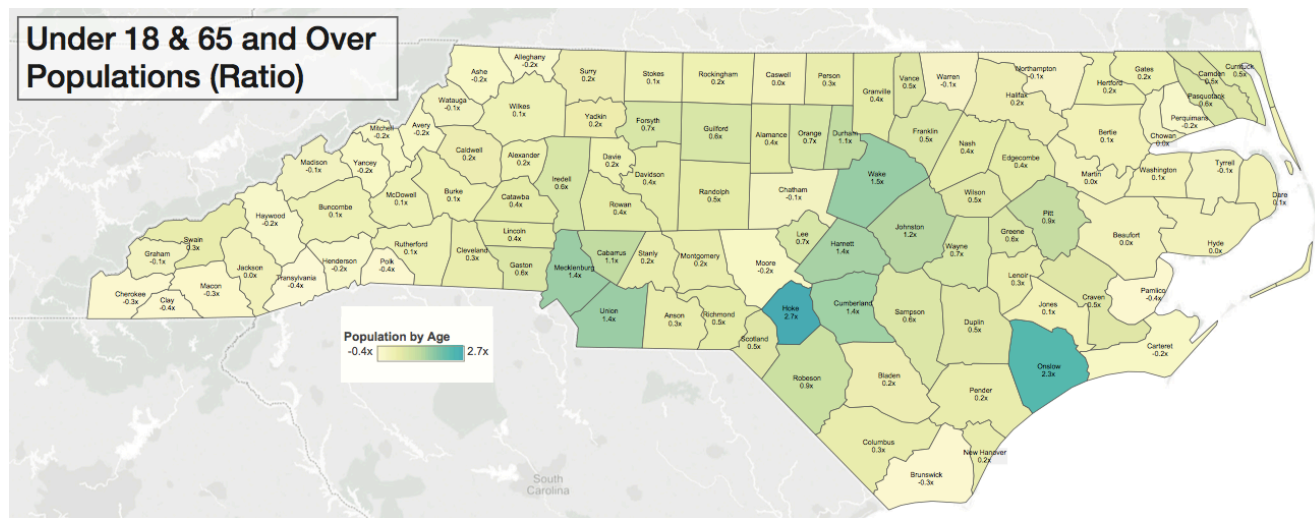
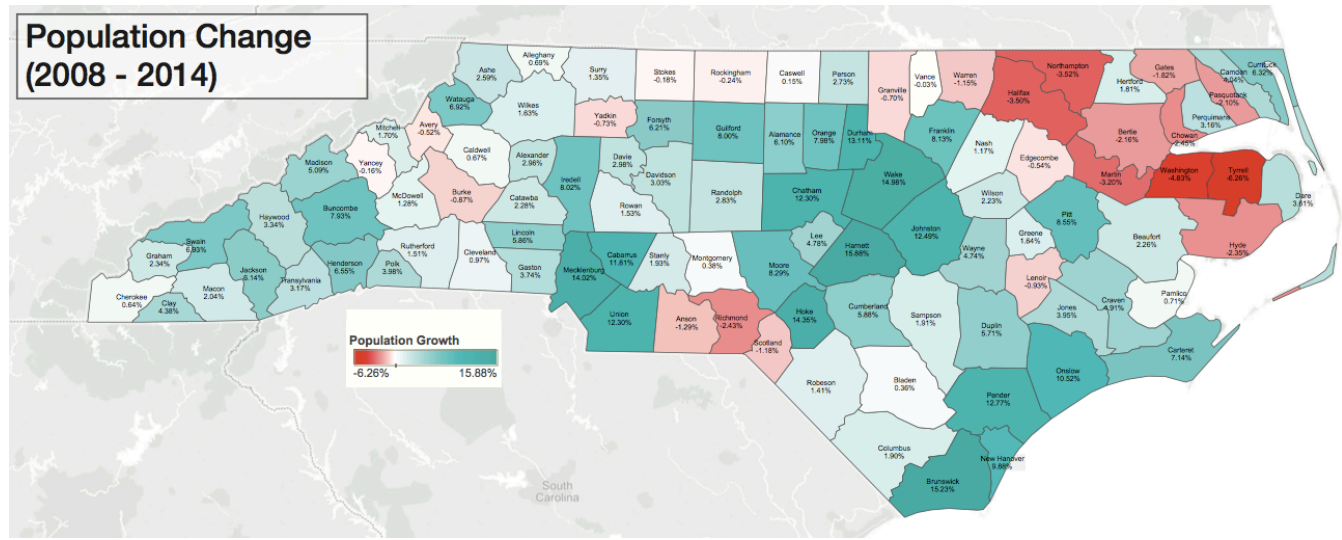
NC counties where more residents work in another county than work in the county of residence, 2009-13



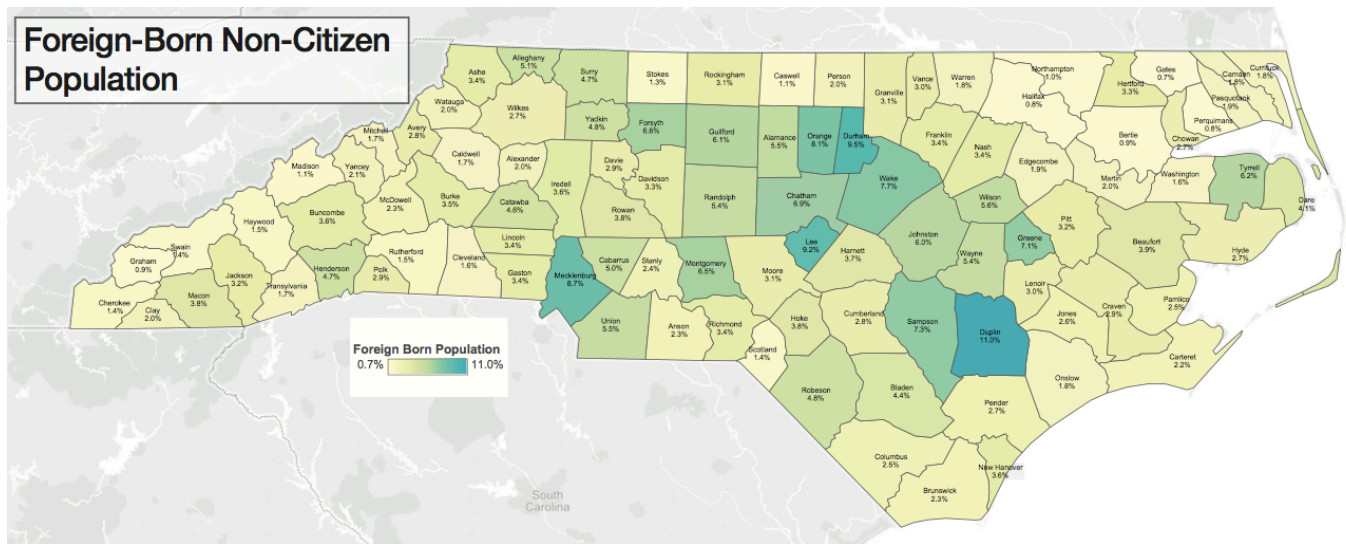
UNC Carolina Demography, Rebecca Tippet (April 2016)

2015 NC COUNTY SNAPSHOTS

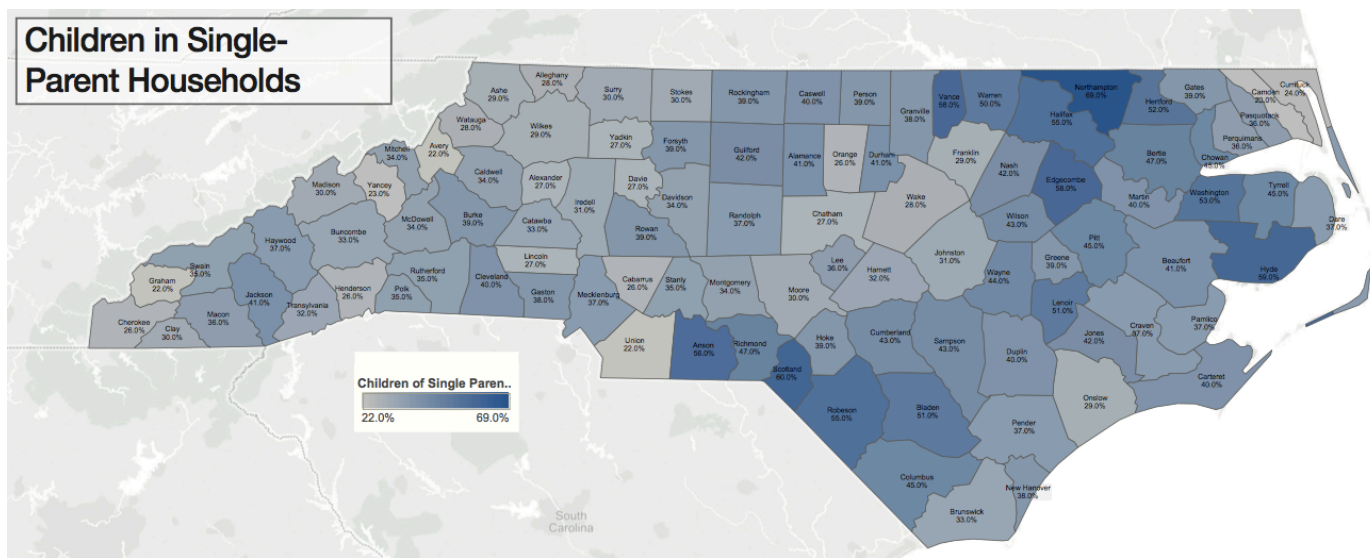
Source: North Carolina Association of County Commissioners' Center for County Research



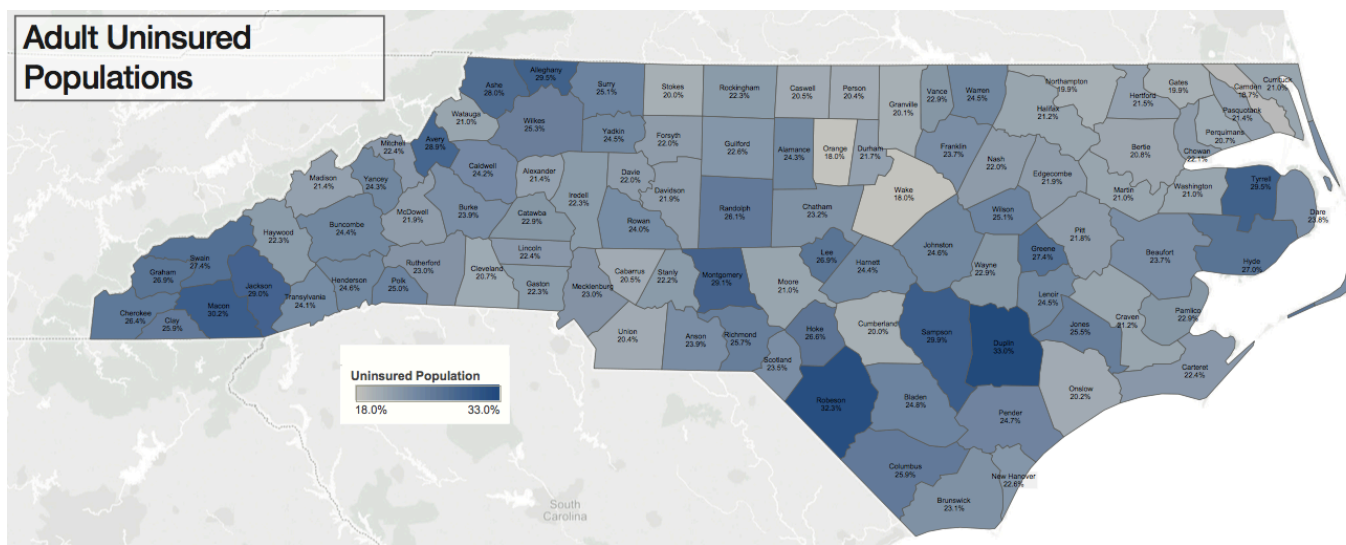
Foreign-Born Non-Citizen Population



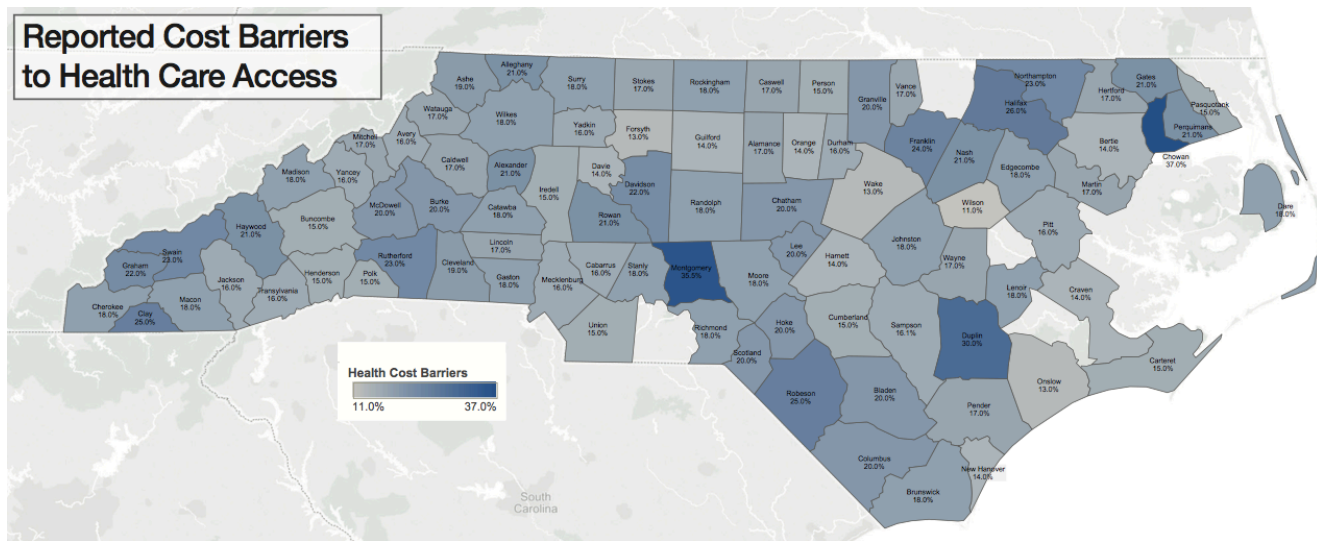
Children in Single-Parent Households



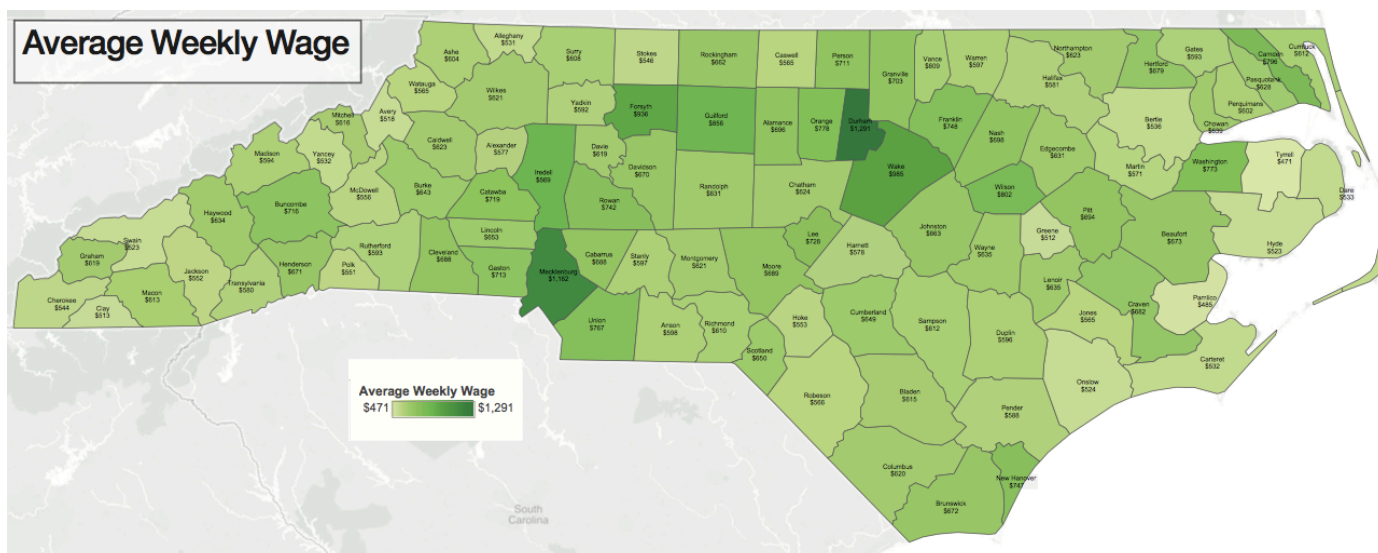
Adult Uninsured Populations



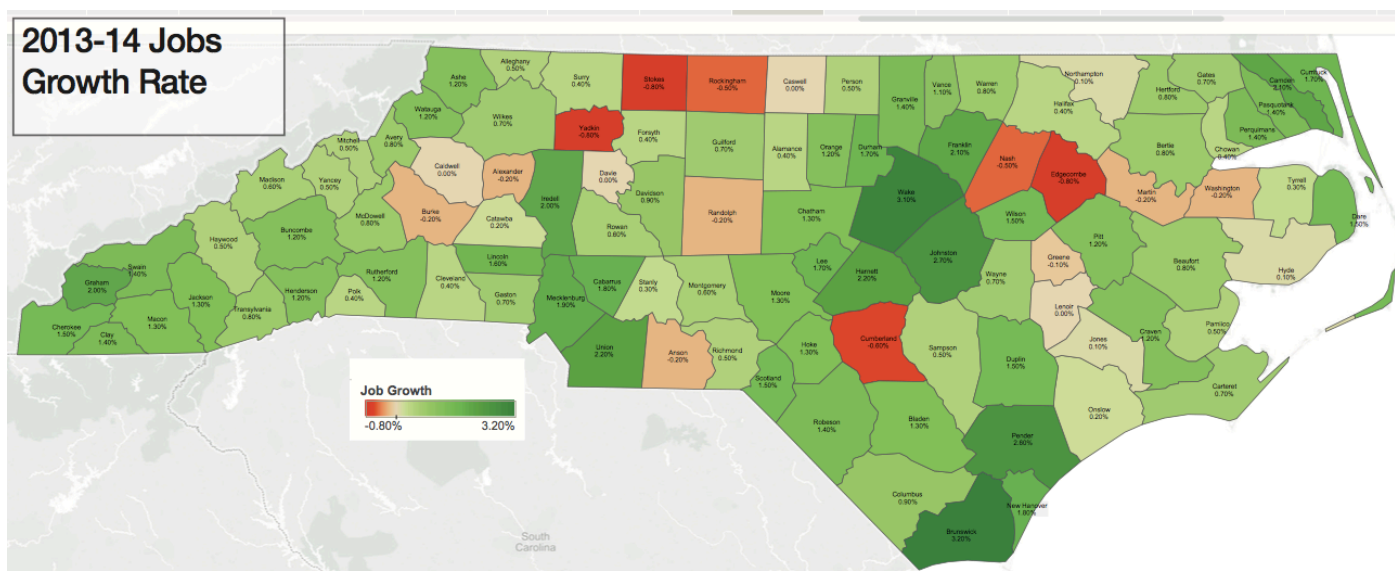
Reported Cost Barriers to Health Care Access



Average Weekly Wage



2013-14 Jobs Growth Rate



[illegible]

Where Residents Work (Ratio)

Working Divide

-0.62x 13.05x

South Carolina

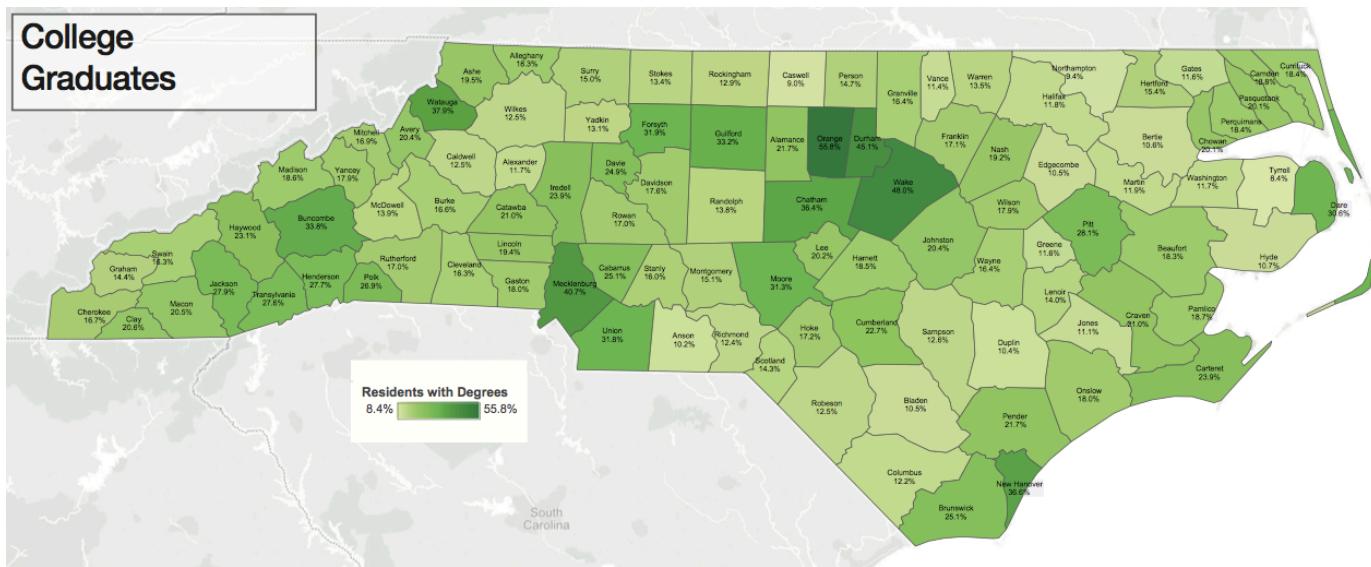
High School Graduates

Residents with Diplomas

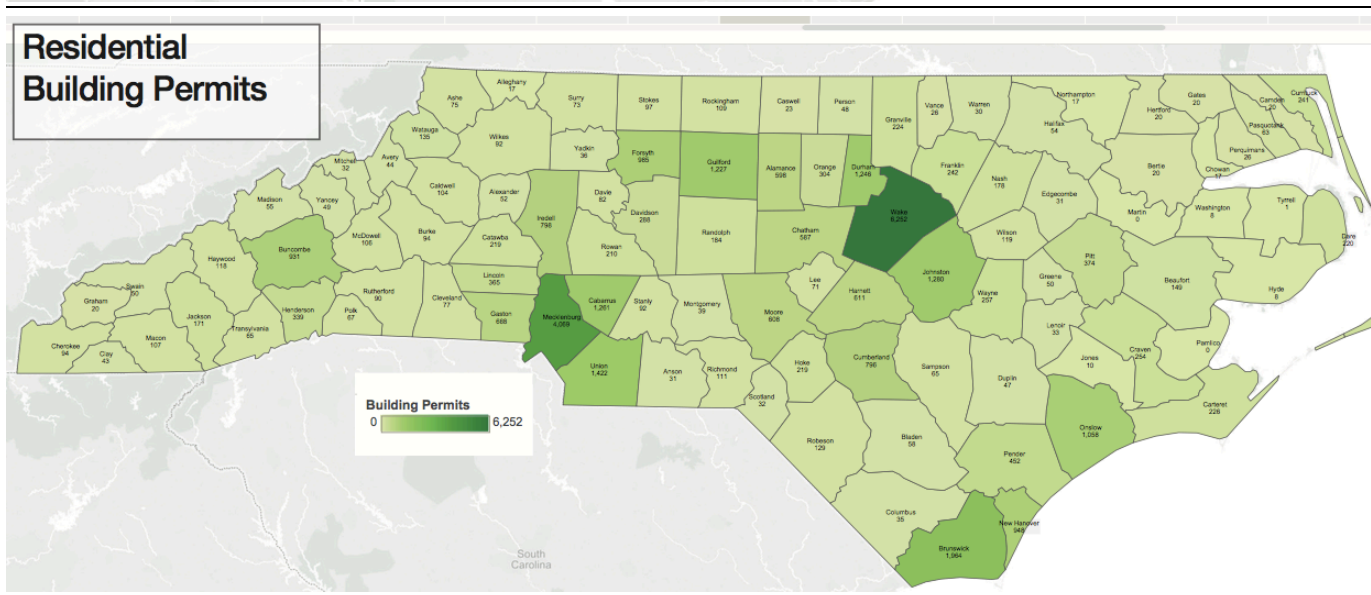
71.4% 91.6%

South Carolina

College Graduates



Residential Building Permits



Subsidized Housing

