Northwest Workforce Council

POLICY AND PROCEDURE DIRECTIVE

EFFECTIVE DATE: **July 1, 2001**

SUBJECT: **Qualifying Demand/Decline Determinations**

REFERENCE#: **WIA 01-07**

Background: Northwest Workforce Council (NWC), in cooperation with ESD and its Labor Market Information Division, identifies occupations and skill sets that are declining and occupations and skills sets that are in high demand. For this purpose, high demand means demand for employment that exceeds the supply of qualified workers for occupations or skill sets in a labor market area. The WDC use State and locally developed labor market information to compile a list of occupations for its workforce development area that are in demand, decline or with balanced/neutral demand/decline. This list of qualifying demand and decline occupations is recompiled each year or more frequently due to major shifts or changes in the local labor market. **The NWC's Deputy Director, Alex Kosmides, or his designee, is charged by the Council with compiling the demand/decline list, revising the local demand/decline policy and making exceptions to the demand/decline designations.**

This list will be used as the foundation for approving or disapproving training request and payments for:

- Unemployment Insurance Training Benefits
- Unemployment Insurance Commissioner Approval for Training
- Office of Administrative Hearings

Revisions to List: The qualifying list of (high) demand and decline occupations can be revised by the NWC's Deputy Director when he or she determines that there is a major shift or change in the local labor market that would result in an occupational cluster being redesigned between the three categories of demand, decline or neutral. Major shifts would usually occur with plant closures, an influx of a new industry, or supply changes due to training capacity.

Factors Used to Create Demand/Decline List: The NWC's Deputy Director or his/her designee will compile and maintain a list of qualifying demand and decline occupations based on all available information. This information includes an annually supplied list by LMEA of qualifying demand and decline occupations. The NWC's operating presumption is that these LMEA designations are accurate prognostications of present and future local labor market demand. **This presumption can be refuted, as**

determined by the NWC's Deputy Director or designee, with additional information made available through information sources including:

1. Labor market information including: www.wa.gov/esd/lmea/labrmrkt/byarea; www.wa.gov/esd/lmea/pubs/occ/outlook; http://www.workforceexplorer.com/ http://www.workforceexplorer.com/article.asp?ARTICLEID=2658&PAGEID=3&SUBID = http://www.workforceexplorer.com/cgi/dataanalysis/?PAGEID=94&SUBID=153 http://www.careervoyages.gov/ www.worksourcenorthwest.com/index.cfm

2. Sector analysis/skills gap analysis such as the NWC's recently completely analysis on health care occupations.

3. Demand occupation information on occupational training programs from training providers such as community and technical colleges. Such information could include input from advisory committees and placement rates for program completers.

4. Input from Employment Security Department staff that is experienced in unemployment insurance, extended benefits, Commissioner Approved Training and claimant placement.

5. Input from NWC staff who is experienced in placing registrants and training completers into the local labor market.

Exceptions to the Demand/Decline List: Exceptions apply to individual situations and must be approved by the NWC's Deputy Director or designee. For example, if the demand/decline list specifies that particular occupation as a growing occupation, an exception may be made to approve the requested training for that person when an exception criterion is met. **The NWC's Deputy Director may modify this exception criterion as necessary.** Exception criteria include:

1. Occupational clusters can include numerous specific occupations. While each cluster is wholly designated as demand, decline or neutral, specific occupations within the cluster may not follow the cluster's designation. For example, the 1410 cluster of Vehicle Assemblers is designated as "neutral" for demand, but the occupation of Automotive Mechanics (85305) within the Vehicle Assembler cluster is designated as "in demand."

2. While demand for an occupation may be in "decline" in the local area, it may be "in demand" in another geographic area. If the registrant is willing to move to the area where the occupation is "in demand" and meets the other criteria of the program such as WIA, training may be provided for the occupation.

3. The submission of supporting documentation to the NWC's Deputy Director or designee supports the requested demand/decline designation. This documentation could include the training plan, labor market information, employer contacts and/or

hiring commitments, training provider information and placements rates for training completers.

4. Occupations that are not listed by LMEA.

5. Occupations that have differing demand or decline geographic pockets in the workforce area. While auto mechanics may be in demand for the workforce area as a whole, it may be in decline/surplus in a smaller labor market area such as Oak Harbor.

6. Any occupation that would qualify for a Revision to the List, but the small number involved does not merit a mid-year revision.