

Program Endorsement Brief: 0510.00 – Logistics and Materials Transportation
Logistics and Materials Transportation – AS Degree and Certificate of Achievement
 Los Angeles/Orange County Center of Excellence, October 2021

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met <input type="checkbox"/>	Endorsed: Some Criteria Met <input checked="" type="checkbox"/>	Not Endorsed <input type="checkbox"/>
Program Endorsement Criteria			
Supply Gap:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Living Wage: (Entry-Level, 25 th)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Education:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Emerging Occupation(s)			
	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	

The Los Angeles/Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to five middle-skill occupations:

- *Transportation, storage, and distribution managers (11-3071),*
- *Logisticians (13-1081),*
- *Cargo and freight agents (43-5011),*
- *Production planning, and expediting clerks (43-5061), and*
- *Shipping, receiving, and inventory clerks (43-5071).*

Middle-skill occupations typically require some postsecondary education, but less than a bachelor’s degree.¹ Although *logisticians (13-1081)* typically requires a bachelor’s degree, it is considered a middle-skill occupation because more than one-third of workers in the field have completed some college or an associate degree. This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with the relevant occupations.

Based on the available data, there appears to be a supply gap in the region for these five middle-skill logistics and materials transportation-related occupations. Although more than one-third of incumbent workers have completed some college or an associate degree, in Los Angeles County, 46% of annual job openings for the occupations of interest have entry-level wages above the county’s self-sufficiency standard wage (living wage). **Therefore, due to some of the criteria being met, the COE endorses this proposed program.** Detailed reasons include:

¹ The COE classifies middle-skill jobs as the following:

- All occupations that require an educational requirement of some college, associate degree or apprenticeship;
- All occupations that require a bachelor’s degree, but also have more than one-third of their existing labor force with an educational attainment of some college or associate degree; or
- All occupations that require a high school diploma or equivalent or no formal education, but also require short- to long-term on-the-job training where multiple community colleges have existing programs.

Demand:

- **Supply Gap Criteria** – Over the next five years, there is projected to be **7,055 jobs available annually** in the region due to retirements and workers leaving the field, **which is more than the 354 awards conferred annually** by educational institutions in the region.
- **Living Wage Criteria** – In Los Angeles County, **46% of annual job openings** for the occupations of interest have **entry-level wages above the county's self-sufficiency standard wage** (\$18.10 in Los Angeles County).²
- **Educational Criteria** – Within the LA/OC region, **90% of the annual job openings** for occupations related to logistics and materials transportation **typically require a high school diploma or equivalent**.
 - National-level educational attainment data indicates **between 34% and 43% of workers in the field have completed some college or an associate degree**.

Supply:

- Between 2017 and 2020, **5 community colleges** in the LA/OC region issued awards in logistics and materials transportation programs, conferring an average of **208 awards**.
- Between 2016 and 2019, non-community college institutions in the region conferred an average of **146 awards** in relevant programs.

² Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 9/14/2021. For more information, visit: <http://selfsufficiencystandard.org/california>.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for the five middle-skill logistics and materials transportation-related occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to decrease by 4% through 2025. However, there will be more than 7,050 job openings per year through 2025 due to retirements and workers leaving the field.

This report includes employment projection data by Emsi which uses EDD information. Emsi's projections are modeled on recorded (historical) employment figures and incorporate several underlying assumptions, including the assumption that the economy, during the projection period, will be at approximately full employment. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, it may impact the projections. At this time, it is not possible to quantify the full impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the full impacts of COVID-19 into account.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2020 Jobs	2025 Jobs	2020-2025 Change	2020-2025 % Change	Annual Openings
Los Angeles	61,397	59,108	(2,289)	(4%)	5,346
Orange	19,847	19,026	(821)	(4%)	1,710
Total	81,244	78,134	(3,110)	(4%)	7,055

Wages

The labor market endorsement in this report considers the hourly wages for the five middle-skill logistics and materials transportation-related occupations in Los Angeles County, as they relate to the county's self-sufficiency standard wage. Orange County wages are included below in order to provide a complete analysis of the LA/OC region. Detailed wage information, by county, is included in Appendix A.

Los Angeles County — Nearly half (46%) of the projected annual job openings for the occupations of interest have entry-level wages **above** the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$14.13 and \$33.22. The two occupations in this report with entry-level wages below the self-sufficiency standard wage are *cargo and freight agents* (\$17.90) and *shipping, receiving, and inventory clerks* (\$14.13); the other three occupations have entry-level wages above \$18.10/hour. Experienced workers can expect to earn wages between \$20.54 and \$64.03, which are higher than the self-sufficiency standard wage estimate.

³ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

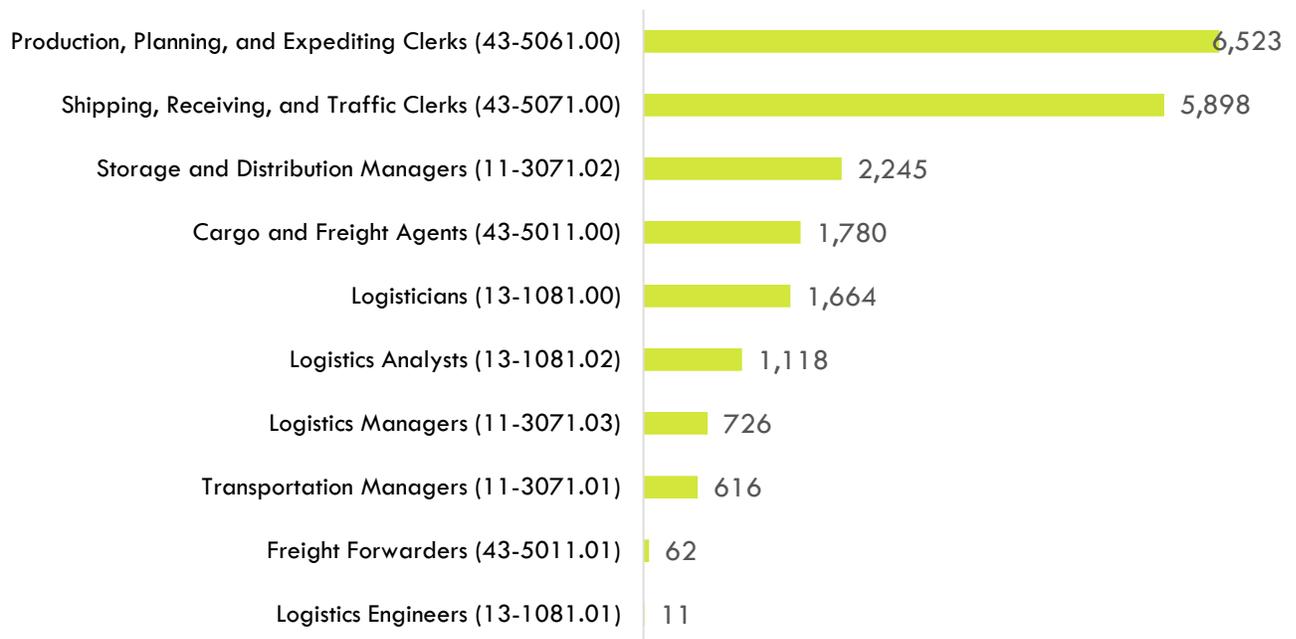
Orange County — Approximately 83% of the projected annual job openings for the occupations of interest have entry-level wages **below** the self-sufficiency standard wage for one adult (\$20.63 in Orange County). Typical entry-level hourly wages are in a range between \$14.52 and \$34.46. The two occupations in this report with entry-level wages above the self-sufficiency standard wage are *transportation, storage, and distribution managers* and *logisticians*; the other three occupations have entry-level wages below \$20.63/hour. Experienced workers can expect to earn wages between \$21.10 and \$66.37, which are higher than the self-sufficiency standard.

Job Postings

Over the past 12 months, there have been 20,643 online job postings for the five middle-skill logistics and materials transportation-related occupations. Exhibit 2 displays the job postings by occupation. The majority of job postings (60%) were for the two clerk occupations in this report: *production, planning, and expediting clerks* (6,523 job postings) and *shipping, receiving, and traffic clerks* (5,898). The highest number of job postings were for shipping and receiving clerks, warehouse supervisors, shipping clerks, logistics coordinators, and warehouse managers. The top skills were scheduling, logistics, shipping and receiving, customer service, and forklift operation. The top employers, by number of job postings, in the region were The Home Depot, Macy’s and Burlington Coat Factory.

It is important to note that the job postings data included in this section reflects online job postings listed in the past 12 months and does not yet demonstrate the full impact of COVID-19. While employers have generally posted fewer online job postings since the beginning of the pandemic, the long-term effects are currently unknown.

Exhibit 2: Job postings by occupation (last 12 months)



Educational Attainment

The Bureau of Labor Statistics (BLS) lists the following typical entry-level education levels for the occupations in this report:

- **Bachelor's degree:** *Logisticians (13-1081)*
- **High school diploma:** *Transportation, Storage, and Distribution Managers (11-3071); Cargo and Freight Agents (43-5011); Production, Planning, and Expediting Clerks (43-5061); and Shipping, Receiving, and Inventory Clerks (43-5071).*

In the LA/OC region, the majority of annual job openings (90%) typically require a high school diploma or equivalent. National-level educational attainment data indicates between 34% and 43% of workers in the field have completed some college or an associate degree. Of the 57% of job postings listing a minimum education requirement in Los Angeles/Orange County, 55% (6,465) requested a high school or vocational training, 5% (626) requested an associate degree, and 39% (4,611) requested a bachelor's degree.

Educational Supply

Community College Supply — Exhibit 3 shows the annual and three-year average number of awards conferred by community colleges in Logistics and Materials Transportation (0510.00). The college with the most completions in the region is Coastline. Over the past 12 months, there were four other related program recommendation requests from regional community colleges.

Exhibit 3: Regional community college awards (certificates and degrees), 2017-2020

TOP	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
0510.00	Logistics and Materials Transportation	East LA	85	85	46	72
		LA Harbor	-	-	3	1
		Rio Hondo	24	10	1	12
		Santa Monica	12	10	6	9
		LA Subtotal	121	105	56	94
		Coastline	105	121	116	114
		OC Subtotal	105	121	116	114
Supply Total/Average			226	226	172	208

Non-Community College Supply — For a comprehensive regional supply analysis, it is important to consider the supply from other institutions in the region that may provide training for the occupations of interest. Exhibit 4 shows the annual and three-year average number of awards conferred by these institutions in Logistics, Materials, and Supply Chain Management (CIP 52.0203), and Traffic, Customs, and Transportation Clerk/Technician (52.0410). Due to different data collection periods, the most recent three-year period of available data is from 2016 to 2019. Between 2016 and 2019, non-community college institutions in the region conferred an average of 146 awards annually in related training programs.

Exhibit 4: Regional non-community college awards, 2016-2019

CIP	Program	Institution	2016-17 Awards	2017-18 Awards	2018-19 Awards	3-Year Average
52.0203	Logistics, Materials, and Supply Chain Management	CSU-Dominguez Hills	8	17	8	11
		CSU-Los Angeles	-	-	23	8
52.0410	Traffic, Customs, and Transportation Clerk/Technician	Diversified Vocational College	116	199	67	127
Supply Total/Average			124	216	98	146

Appendix A: Occupational demand and wage data by county

Exhibit 5. Los Angeles County

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Transportation, Storage, and Distribution Managers (11-3071)	5,484	5,463	(21)	0%	371	\$33.22	\$46.08	\$64.03
Logisticians (13-1081)	6,326	6,325	(1)	0%	529	\$32.19	\$40.67	\$51.80
Cargo and Freight Agents (43-5011)	7,279	7,632	353	5%	713	\$17.90	\$22.77	\$29.21
Production, Planning, and Expediting Clerks (43-5061)	16,907	16,449	(458)	(3%)	1,555	\$18.74	\$24.34	\$30.75
Shipping, Receiving, and Inventory Clerks (43-5071)	25,400	23,238	(2,162)	(9%)	2,178	\$14.13	\$16.52	\$20.54
Total	61,397	59,108	(2,289)	(4%)	5,346	-	-	-

Exhibit 6. Orange County

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Transportation, Storage, and Distribution Managers (11-3071)	1,566	1,547	(19)	(1%)	105	\$34.46	\$47.76	\$66.37
Logisticians (13-1081)	2,272	2,276	4	0%	190	\$32.45	\$41.01	\$52.21
Cargo and Freight Agents (43-5011)	670	552	(118)	(18%)	53	\$18.55	\$23.60	\$30.28
Production, Planning, and Expediting Clerks (43-5061)	5,830	5,740	(90)	(2%)	538	\$19.15	\$24.82	\$31.33
Shipping, Receiving, and Inventory Clerks (43-5071)	9,510	8,912	(598)	(6%)	824	\$14.52	\$16.97	\$21.10
Total	19,847	19,026	(821)	(4%)	1,710	-	-	-

Exhibit 7. Los Angeles and Orange Counties

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-Level Education
Transportation, Storage, and Distribution Managers (11-3071)	7,050	7,010	(40)	(1%)	476	HS diploma or equivalent
Logisticians (13-1081)	8,598	8,601	3	0%	719	Bachelor's degree
Cargo and Freight Agents (43-5011)	7,949	8,184	235	3%	766	HS diploma or equivalent
Production, Planning, and Expediting Clerks (43-5061)	22,736	22,188	(548)	(2%)	2,093	HS diploma or equivalent
Shipping, Receiving, and Inventory Clerks (43-5071)	34,909	32,150	(2,759)	(8%)	3,001	HS diploma or equivalent
Total	81,244	78,134	(3,110)	(4%)	7,055	-

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (Emsi)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- California Family Needs Calculator, Insight Center for Community Economic Development
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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