



HOUSTON OUTLOOK

Peter Beard, SVP, Regional Workforce Development



GREATER HOUSTON PARTNERSHIP



About the Greater Houston Partnership

The mission of the **Greater Houston Partnership** is to make Houston one of the world's best places to live, work, and build a business.

The Partnership accomplishes its mission by:

- promoting economic development, foreign trade and investment; and
- by advocating for efficient and effective government that supports, rather than impedes, business growth.

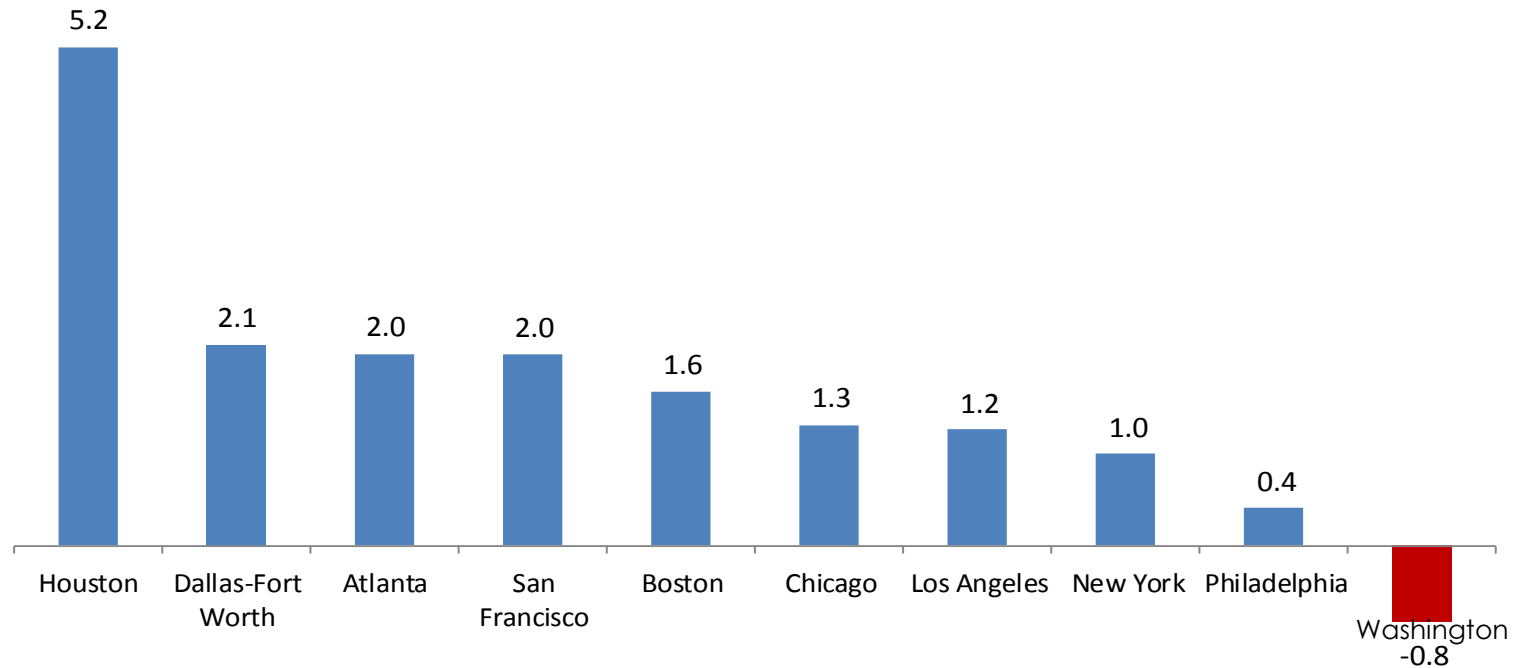
GHP also convenes key stakeholders to collaborate to solve the region's most pressing issues.



GROSS DOMESTIC PRODUCT

Fastest growing major economy

% Change, Real GDP, '12 – '13



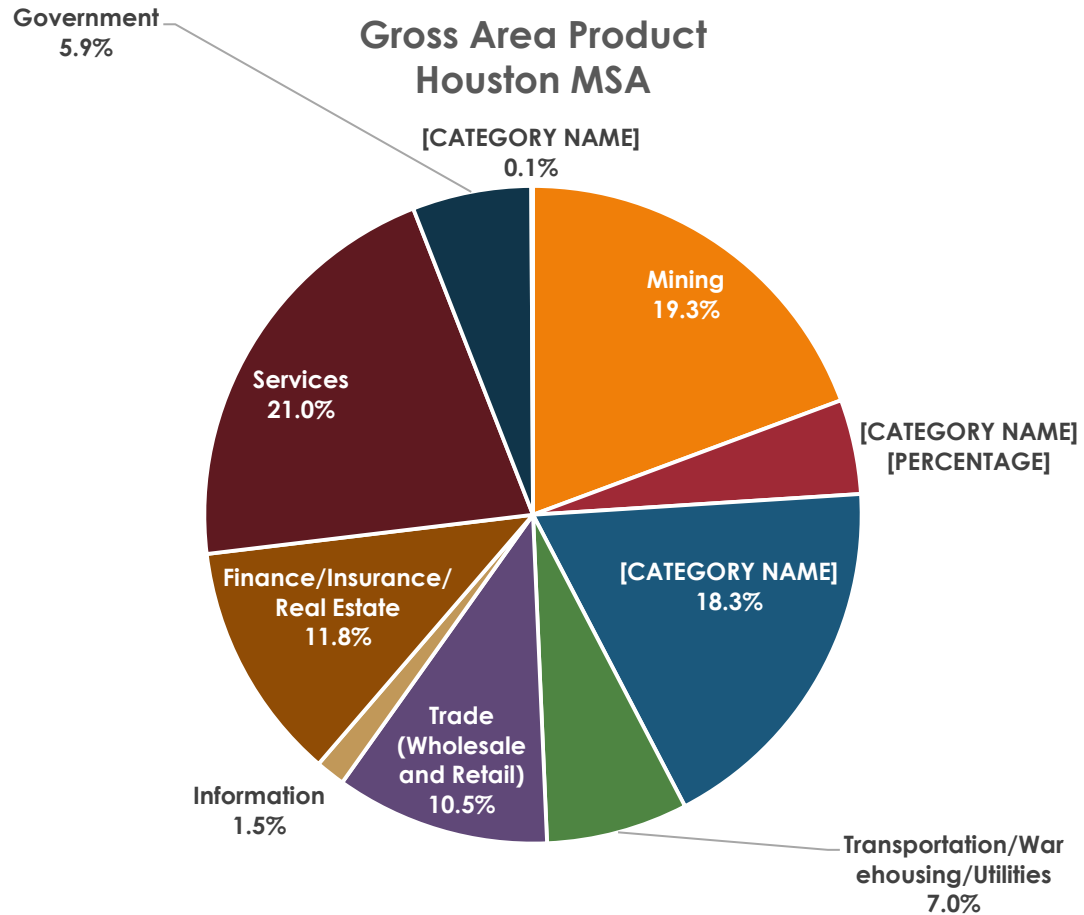
Source: U.S. Bureau of Economic Analysis

4th Largest U.S. Metro Economy

2013 Gross Domestic Product		
Rank	Metro Area	\$ Billions
1	New York	1,471.2
2	Los Angeles	826.8
3	Chicago	590.2
4	Houston	517.4
5	Washington	463.9
6	Dallas-Fort Worth	447.6
7	San Francisco	388.3
8	Philadelphia	383.4
9	Boston	370.8
10	Atlanta	307.2

Source: U.S. Bureau of Economic Analysis

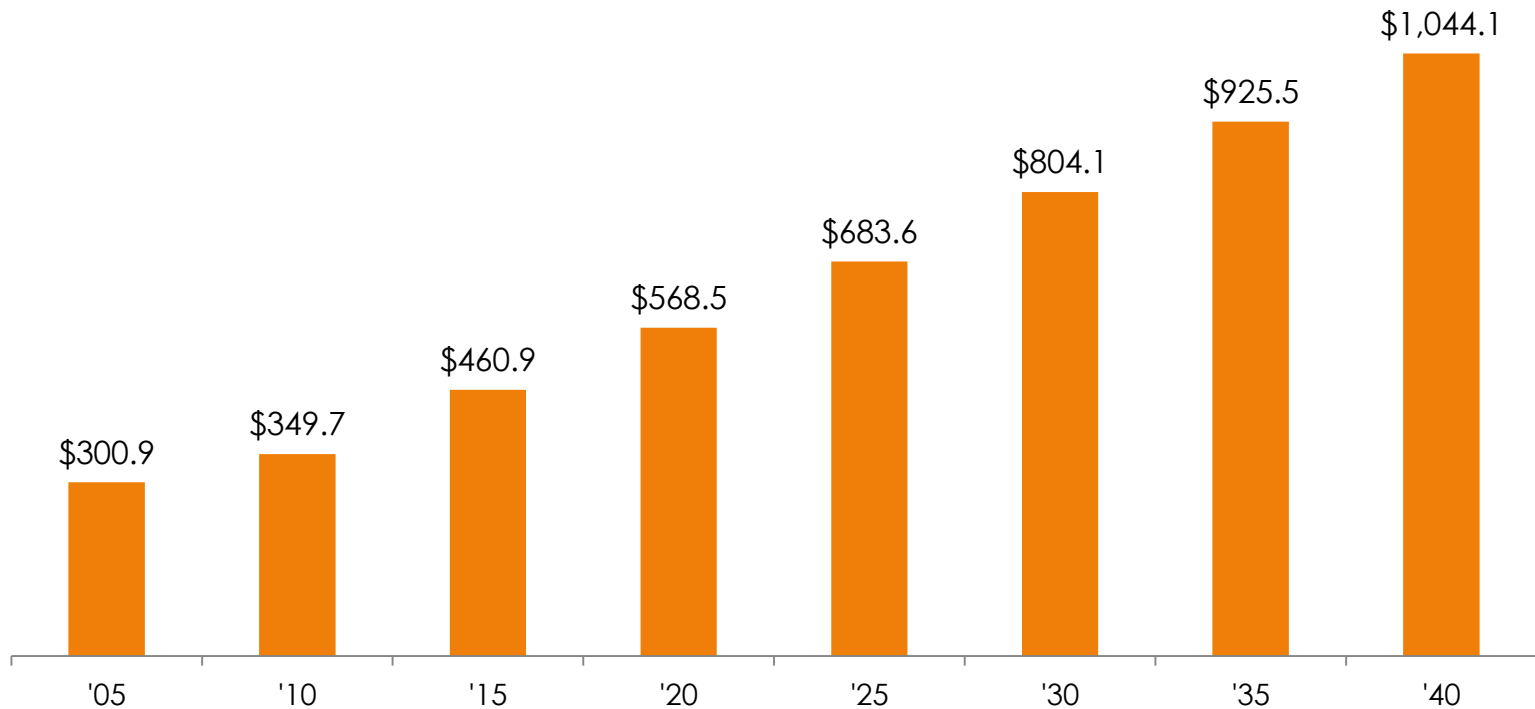
GDP by Industry



Source: The Perryman Group, Summer 2013

GDP Forecast

Real Gross Area Product Forecast \$ Billions*



Source: The Perryman Group, Summer 2013

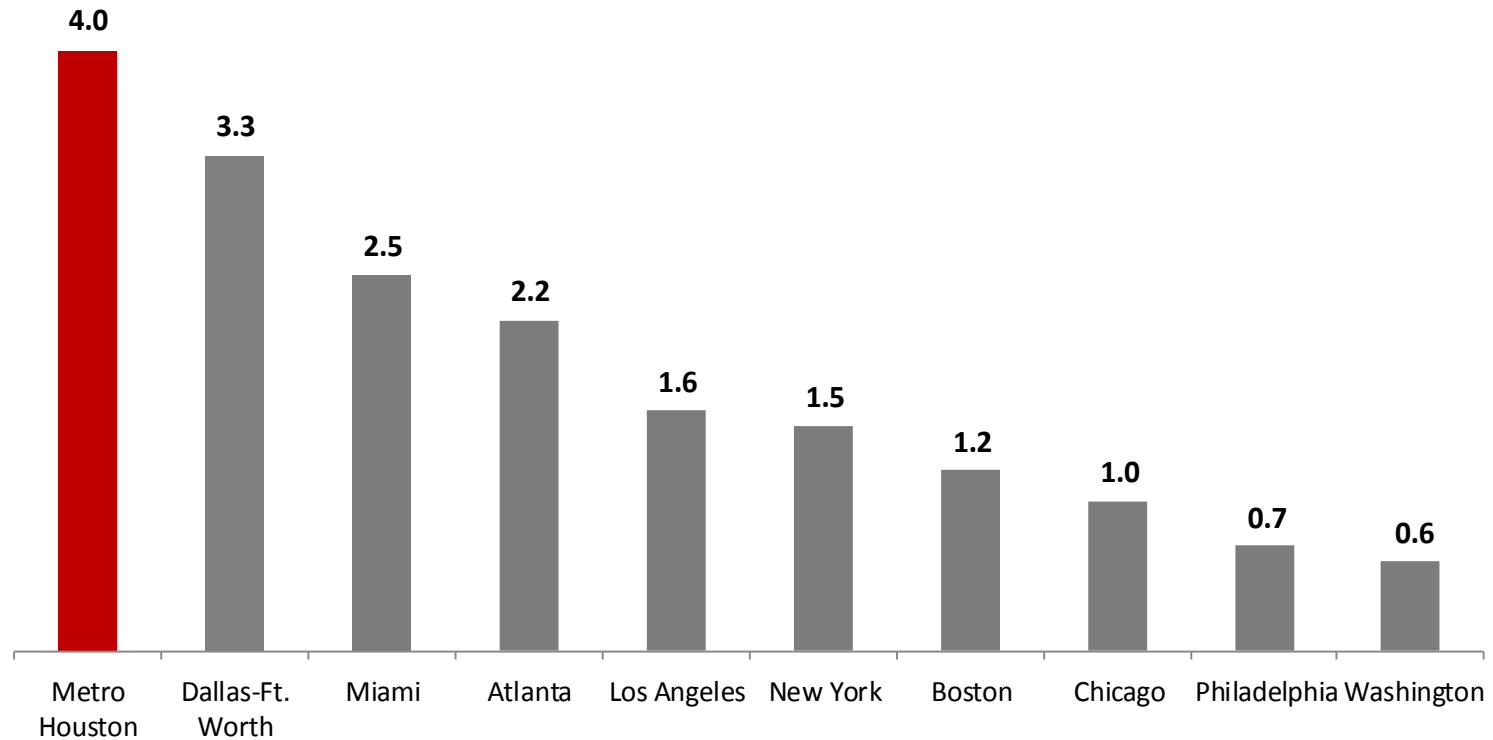
* '05 constant dollars



EMPLOYMENT

Employment

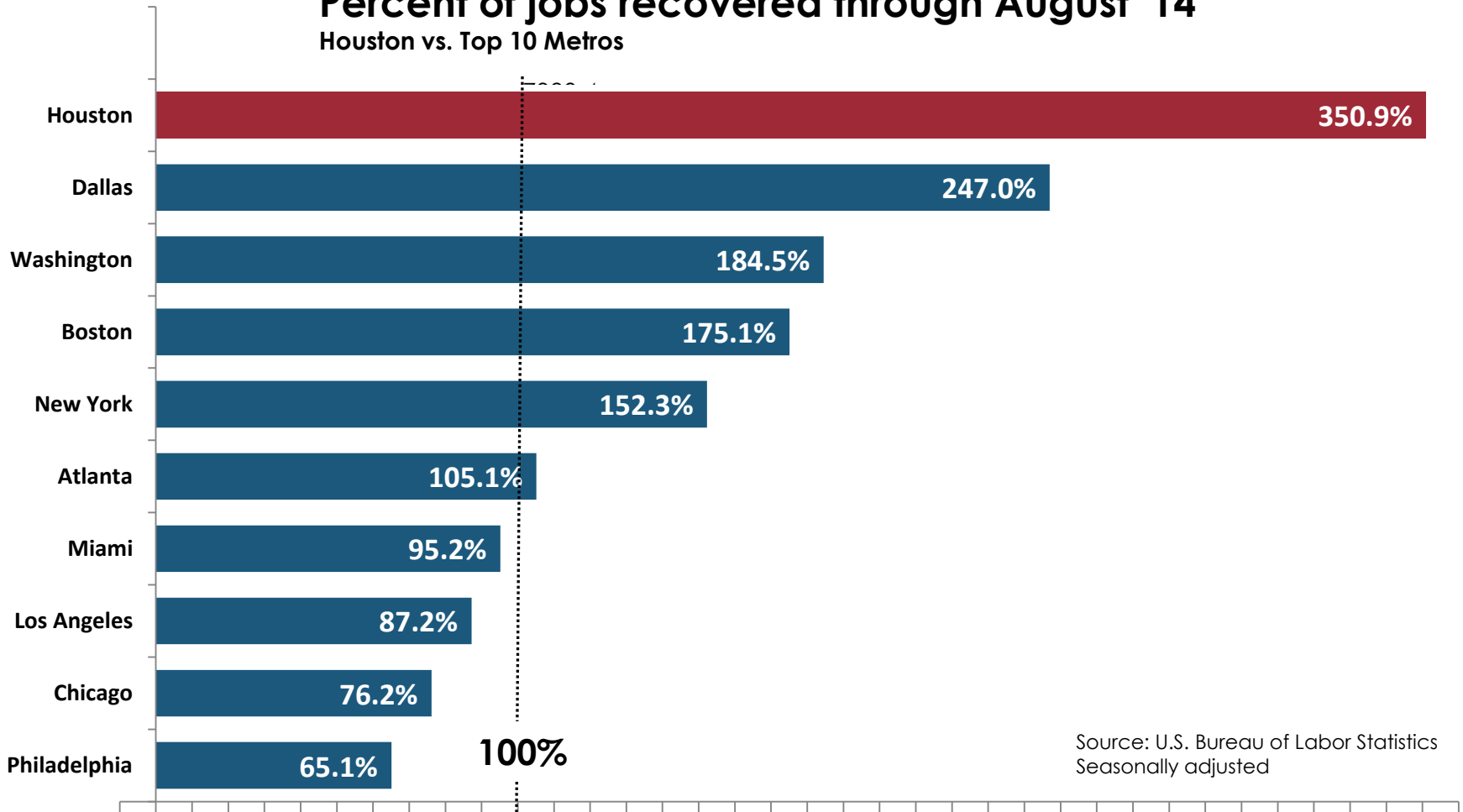
% Change, Nonfarm Payroll Employment, August '13 – '14



Source: U.S. Bureau of Labor Statistics

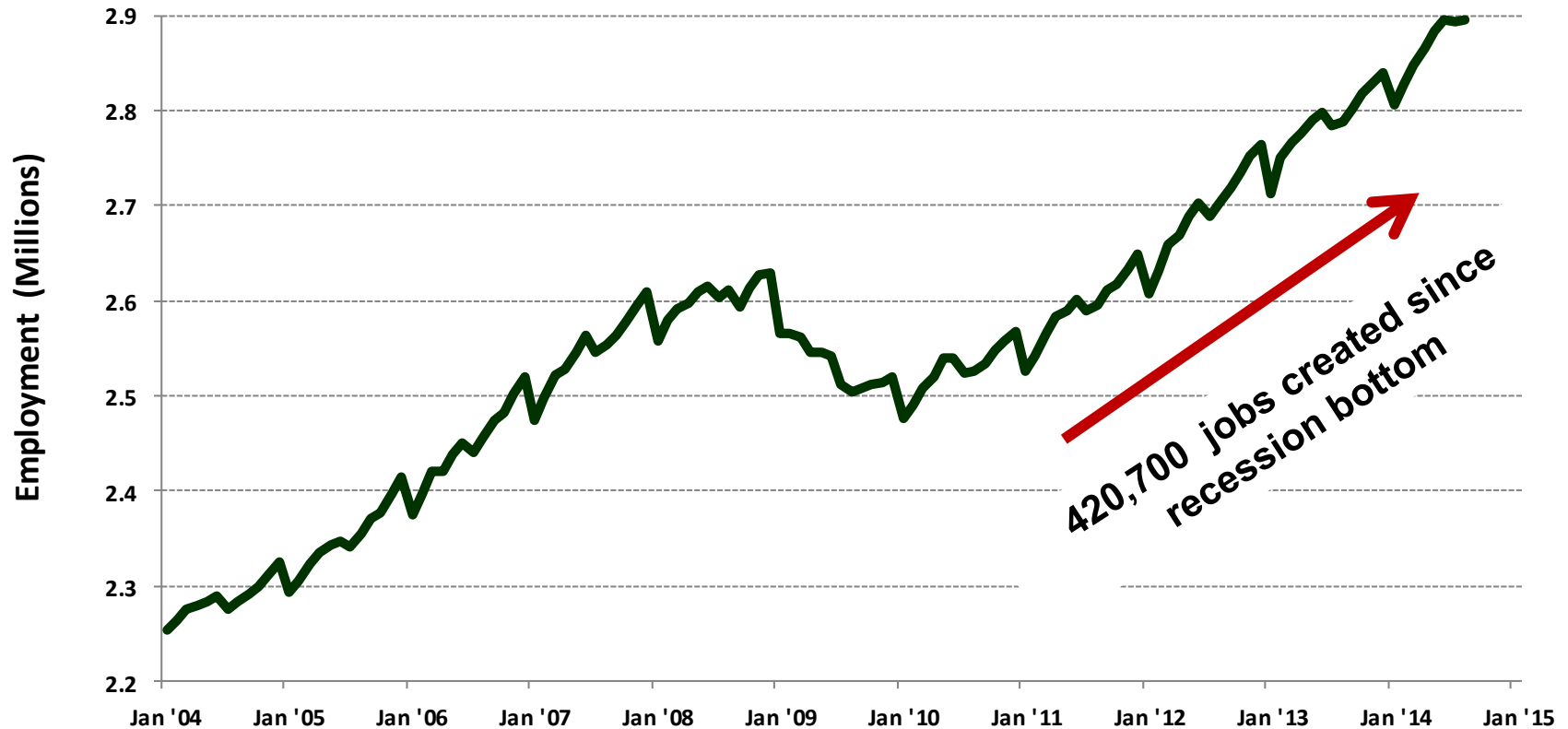
Employment

Percent of jobs recovered through August '14 Houston vs. Top 10 Metros



Employment

Total Nonfarm Payroll, Houston Metro Area, '04 - '15



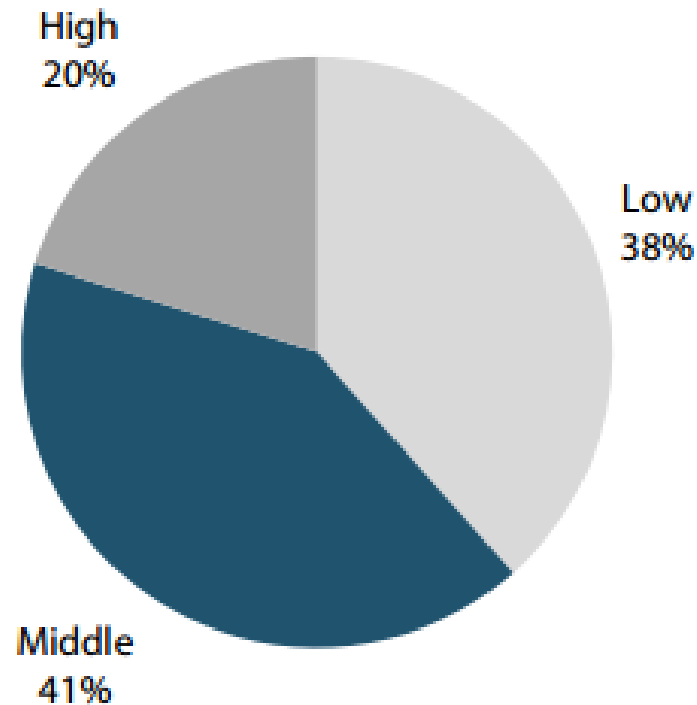
Source: Texas Workforce Commission



MIDDLE SKILL CHALLENGES

2 in 5 jobs in Houston are middle-skilled

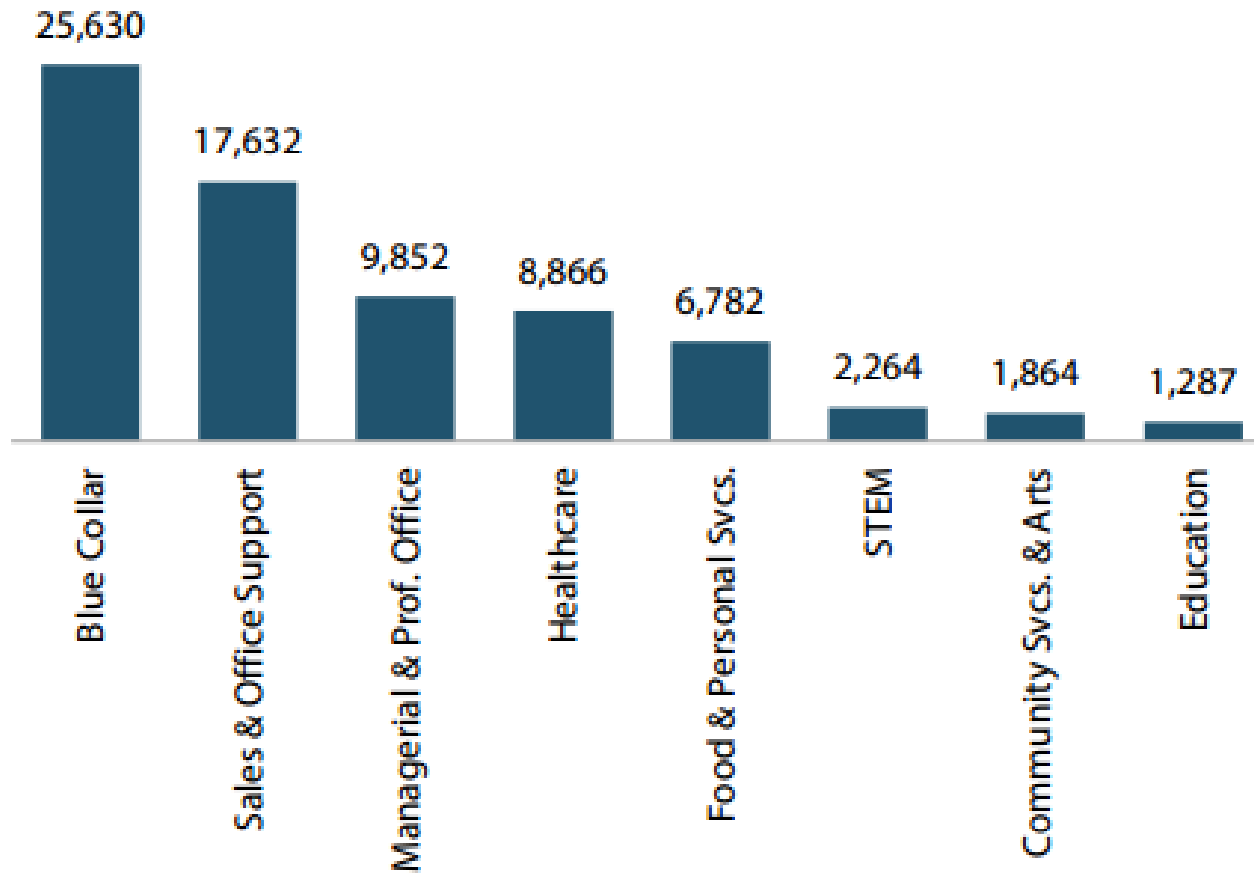
DISTRIBUTION OF EMPLOYMENT, 2012



Sources: EMSI Complete Employment – 2013.2, US Bureau of Labor Statistics, TIP Strategies, Inc.

Openings in Middle Skills Jobs

PROJECTED AVERAGE ANNUAL OPENINGS FOR **MIDDLE SKILLS** JOBS, 2012-2017



Sources: EMSI Complete Employment – 2013.2, US Bureau of Labor Statistics, TIP Strategies, Inc.

Reasons for the Middle Skills Gap

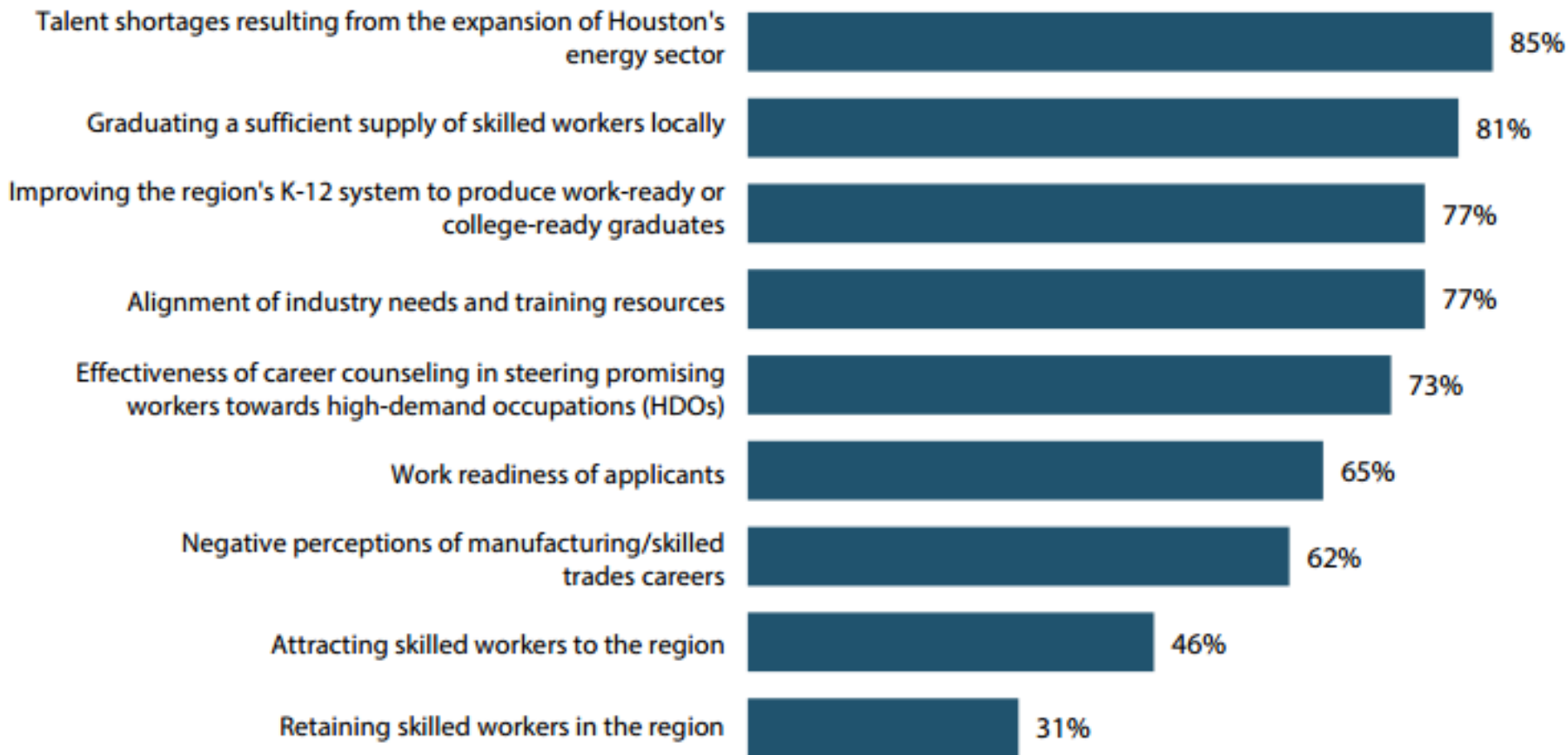
Nationwide reasons

- Changing Technology, Changing Skills
- Demographics
 - Baby boomers retiring; talent pipeline not robust enough to fill their openings
- Policies and Priorities
 - Not enough focus on bolstering vocational and technical training
- Culture
 - 52% of teenagers have little to no interest in manufacturing

Houston-specific reason

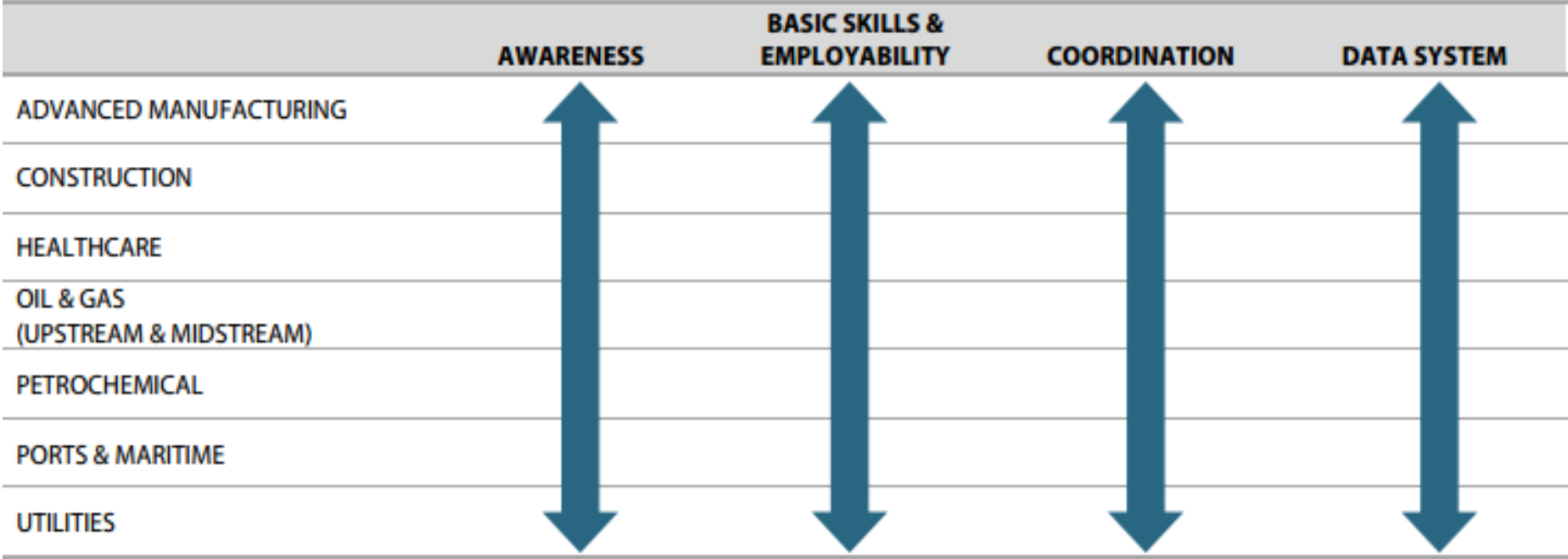
- Energy boom
 - Estimated \$57B in 45 chemical plant expansion

Houston's Greatest Workforce Challenges



Source: Survey of RWDTF members conducted by TIP Strategies in July 2013

UpSkills Action Plan





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