

**Berks County Workforce Development Board: Industry Sector Priorities (2022-2027)**  
**APPROVED September 16, 2022**

**I. Priority A (Driver Industry): Manufacturing**

- Largest sector by annual economic output (2021) = \$4.799 Billion (22.3% of Berks GDP)
- Largest sector by employment: 30,800 jobs (PA DOLI/CWIA, July 2022)
- 16.9% of local employment (JobsEQ® 2022Q1 dataset)
- Local pandemic jobs recovery:
  - Since the arrival of the COVID-19 pandemic in March 2020, this sector has returned to 94% of its pre-pandemic employment (PA DOLI/CWIA: 2/2020 vs. 7/2022 data)
  - Continuing alerts from employers bypassing orders due to overextended workforce.
  - Critical current and future skills shortages for technical occupations, especially precision machining, industrial maintenance/mechatronics technicians, welders and quality systems professionals.
  - Entry-level production worker hiring/retention increasingly difficult in current labor market. In some cases, supply-chain interruptions are also delaying hiring for production job openings.
- Average Weekly Wages for local manufacturing workers grew 5.1% in one year (4<sup>th</sup> Quarter 2020 versus 4<sup>th</sup> Quarter 2021) per the US DOL Bureau of Labor Statistics (BLS).
- Industry average annual wage = \$67,819 (JobsEQ® 2022Q1 dataset)
- 507 establishments (including 1<sup>st</sup> and 5<sup>th</sup> largest employers<sup>①</sup> – East Penn Manufacturing and Carpenter Technology Corp.)
- Very Strong Location Quotient (LQ) = **2.09**
- Local Manufacturing Sector is broad-based but with some significant concentration in certain sub-sectors. Top five manufacturing sub-sectors by employment (63% of total sector employment):

Industry Sub-Sector (JobsEQ® 2022Q1 dataset)	LQ	Employment	% Industry
1. Electrical Equipment, Appliance, and Component Manufacturing	18.47	8,311	27%
2. Primary Metal Manufacturing	9.10	3,648	12%
3. Food Manufacturing (does not include Beverage & Tobacco)	1.73	3,272	11%
4. Fabricated Metal Product Manufacturing	1.44	2,327	8%
5. Plastics & Rubber Products Manufacturing	2.31	1,906	6%

- Significant multiplier effect supports many jobs in supply chain and other sectors.
- Continued productivity growth will drive increased economic output with moderate decline expected in manufacturing job growth through 2027 (i.e., Berks will remain successful if we retain ≈30,000 manufacturing industry jobs thru 2027).
- ≈25% of manufacturing production workers are age 55 or older – need 5,200 new entrants by 2027 to maintain current workforce level due to exit forecast.
- Facing extensive direct competition for entry-level talent from Transportation & Warehousing sector expansion in Berks County since 2020.
- Failure to address talent pipeline/skills shortages and incumbent talent upskilling will lead to reduced business investment and lower economic output with a significant negative impact on local economic prosperity.

**II. Priority B (Sustaining Industry): Healthcare (excludes Social Assistance)**

- 2<sup>nd</sup> largest sector by employment: 24,187 jobs - 13.6% of local employment (JobsEQ® 2022Q1 dataset)
- 2<sup>nd</sup> largest employer (Tower Health/Reading Hospital) and 11<sup>th</sup> (Penn State Health - St. Joseph Medical Center) largest employers<sup>①</sup>
- Having been hit especially hard by the COVID-19 pandemic (↓1,400 jobs in the period 2020Q1 –

2022Q1), this sector is projected to have steady job growth & return to 98% of its pre-pandemic employment through 2027Q4

- Industry average annual wages = \$70,829 (*JobsEQ® 2022Q1 dataset*)
- 2022 Location Quotient = **1.18**, slightly above national average
- 10.8% of Berks GDP = \$2.3 Billion (2021)
- Top five Healthcare occupations by employment/5-year growth/annual growth percentage/5-year projected total demand:

Occupation	Current Employed	5 Year Employ Growth	% Annual Growth	5 Year Total Demand
1. Registered Nurses	3,826	71	0.4%	1,081
2. Personal Care Aides	3,762	460	2.3%	3,349
3. Nursing Assistants	1,762	37	0.4%	1,121
4. Medical Assistants	889	54	1.2%	595
5. Licensed Practical & Licensed Vocational Nurses	905	23	0.5%	374

- While the 5-year employment growth projections for these essential occupations are moderate, the 5-year total demand (*exits + transfers + growth*) project an alarming replacement need
- Excellent system of industry-recognized licenses and credentials driving education & career pathways. Good opportunities for middle-skill jobs and career paths
- Service industry with limited jobs multiplier effect

### III. Priority B (*Infrastructure Industry*): Construction

- Sector employment = 7,600 jobs (*PA DOLI/CWIA, July 2022*) plus ≈1,800 self-employed contractors
- ↑400 jobs from pre-pandemic level (*PA DOLI/CWIA: 2/2020 vs. 7/2022 data*)
- 4.4% of Berks total employment (*JobsEQ® 2022Q1 dataset*)
- Annual economic output (2021) = \$948 Million (*4.5% of Berks GDP*)
- Location Quotient (LQ) = **0.88**, below national and PA (0.90) concentrations
- Industry average annual wage = \$64,396. Significant upward pressure on wages expected to continue through 2025.
- Top five Construction Trades occupations by employment - 5-year mean wage progression/regression percentage (*BLS 2016 versus 2021 Occupational Employment Statistics Data*):

Occupation	Current Employed	5 Yr. Wage % Δ
1. Construction Laborers	1,278	31%
2. Carpenters	873	22%
3. Electricians	581	29%
4. Plumbers, Pipefitters, and Steamfitters	481	7%
5. HVAC/R Mechanics & Installers	408	11.5%

- ≈21% currently employed in construction trades occupations at or above 55 years of age
- Employment forecast – modest increase to ≈9,000 by 2027Q4. Lagging talent pipeline will continue to pose a threat. *However, the Berks construction industry currently has 49 distinct employer-sponsored apprenticeship “earn and learn” training models with well-defined career and wage progression to recruit, train, and retain workers.*

### IV. Priority C (*Watch Industries*):

#### A. Transportation and Warehousing:

- Sector employment = 10,200 jobs (*PA DOLI/CWIA, July 2022*)
- Since July 2017 employment has grown by 2,300 new jobs = 29% growth

① Source: PA DOL&I Center for Workforce Information & Analysis - Top 50 Berks County Employers, 2021Q4

- 3<sup>rd</sup> and 8<sup>th</sup> largest employers<sup>①</sup> – Amazon.com Services & Penske Truck Leasing Co., respectively
- Industry average annual wage = \$51,859 (*JobsEQ<sup>®</sup> 2022Q1 dataset*)
- 2022 Location Quotient = **1.18**, slightly above the national average
- Dramatic development of new facilities along I-78 and across the larger region continues to generate greatly increased competition for available workers with transportation.
- Provides many entry-level positions that do not require significant education, skills or experience. Sector lacks strong career pathways.
- Continued upward pressure on wages expected to continue through 2025.
- Ongoing demand in 2022-2027 of well-paying jobs for CDL Drivers (288 on-line job ads in July 2022).

## B. Agriculture

- Legacy industry – 116 establishments, (*including 50<sup>th</sup> largest employer<sup>Ⓣ</sup> – Giorgio Mushroom Co.*)
- Employment = ≈3,500 jobs or 2% Berks employment (*JobsEQ<sup>®</sup> 2022Q1 dataset*)
- Relatively stable employment – less than ±1% average annual change in the last 5 years
- Industry average annual wage = \$46,890 (*JobsEQ<sup>®</sup> 2022Q1 dataset*)
- \$300 Million annual output (2021) – 1.5% of total Berks GDP (above National GDP of 0.8%)
- 2020 Location Quotient = **1.46**, above the national average
- Tied closely to food production (manufacturing sub-sector) with “locally-sourced” advantage
- Related regional demand for mechanics/technicians to service increasingly sophisticated farm and production equipment – including electronic, hydraulic and diesel technicians.

## C. Educational Services

- Sector Employment = 12,612 (*JobsEQ<sup>®</sup> 2022Q1 dataset*)
- 7% of Berks total employment (*JobsEQ<sup>®</sup> 2022Q1 dataset*)
- ↓≈660 jobs from pre-pandemic level (*JobsEQ<sup>®</sup> 2020Q1 vs. 2022Q1*). *Employment in this sector has been negatively impacted by transforming learning environments resulting in higher than average exits and transfers.*
- Industry average annual wage = \$58,940 (BLS OEWS; May 2021)
- Annual economic output (2021) = \$1.23 Billion (6.2% of Berks GDP)
- Location Quotient (LQ) = **0.87**, below national and PA (0.97) concentrations
- Top five Educational Services occupations (excluding school administration, maintenance, & services) by employment/5-year growth/annual growth percentage/5-year projected total demand:

Occupation	Current Employed	5 Year Employ Growth	% Annual Growth	5 Year Total Demand
1. Elementary School Teachers (exc. Special Ed.)	1,768	39	0.04%	678
2. Secondary School Teachers (exc. Special & CTE)	1,469	35	0.5%	544
3. Teaching Assistants (exc. Postsecondary)	1,542	44	0.6%	771
4. Middle School Teachers (exc. Special & CTE)	766	17	0.4%	294
5. Substitute Teachers, Short Term	432	20	0.9%	276

- ≈30% currently employed in Educational Services occupations at or above 55 years of age
- Employment forecast – modest increase to ≈12,900 by 2027Q4. This sector is projected to have steady job growth & return to 97% of its pre-pandemic employment through 2027Q4
- Excellent system of credential attainment and requisite certifications driving education & career pathways including local 2+2+2 CTC/RACC/Kutztown University articulations.

<sup>①</sup> Source: PA DOL&I Center for Workforce Information & Analysis - Top 50 Berks County Employers, 2021Q4