EXECUTIVE COMMITTEE

ACTION ITEM 1.3   **January 16, 2013**

SUBJECT: Adoption of the Logistics Industry

RECOMMENDATION:

That the Workforce Investment Board (WIB) Executive Committee approves Logistics as a recommended targeted industry for training, planning, and other workforce related projects.
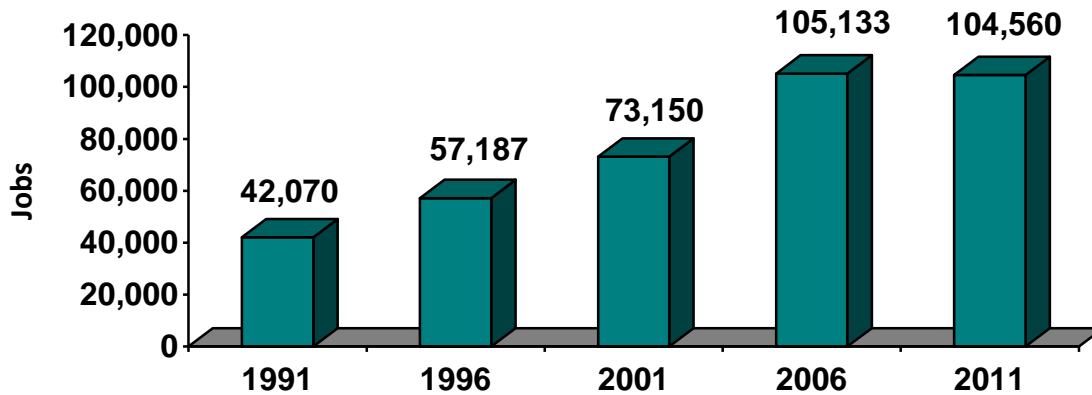
BACKGROUND:

The Riverside County WIB currently has five adopted industry sectors; healthcare, renewable energy, utilities, infrastructure, and professional & business services which have historically proven to be high demand and recession resistant. The objective of the Riverside County WIB has been to establish industry sectors that will provide the region with stable, reliable, and high paying jobs. Through research and analysis of labor market information, logistics meets the criteria of being one of the top industries with the greatest potential for economic growth and resiliency during our current economic conditions. Workforce development strategies will be implemented to meet the workforce needs of targeted industries, thus promoting economic recovery, diversity, and growth.

Logistics industry is the process that ensures that goods or services are available where and when they are needed in good condition and at competitive prices. This enables efficient management of the supply chain. The supply chain process then plans, implements and controls the efficient flow and storage of goods, services and related information from the point of origin to the point of consumption, in order to meet the customers' requirements. Industries in the Logistics subsector include transportation, manufacturing and production, machine & forming technology, retailers, consulting firms, third party logistic firms, and warehouse/distribution centers. Supply chain management subsector is a cross-functional industry that includes international trade, transportation, and logistics. It comprises all of the activities that take place to get a product in a consumer's hands, from the time raw materials are extracted to the minute a consumer takes the final product home.

Employment:

Logistics Industry grew by 149%, between 1991- 2011, adding 62,490 jobs.

Employment in Logistics Industry
1991-2011 Inland Empire

Occupations:

- Accountant & Auditors
- Buyer & Purchasing Agents
- Courier
- Import & Export Agent
- Inventory Manager
- Machine Operator

- Maintenance Mechanic
- Purchasing & Procurement Clerk
- Rail Transportation Operator
- Shipping & Receiving Clerk
- Supply Chain Technician
- Truck Driver

Wages:

Total wages paid in the Inland Empire for this industry totaled $4.8 billion in 2011, representing an annual average salary of $45,565.

Industry information sheet and industry report outlining the labor market data and types of occupations associated with logistics are included as attachments.

EXECUTIVE COMMITTEE Date: Approval: Yes/No	BOARD OF SUPERVISORS CONCURRENCE Required: Yes/No