INTRODUCTIONS
Our Team of Experts
PROJECT OVERVIEW
NOT YOUR TYPICAL JTC STUDY

- From the Proviso “Include a roadmap for Washington state ferries to comprehensively address persistent staffing challenges and strategically position itself for its future workforce needs.”

- Two Key Components:
  - Short term recommendations on how to reduce overtime expenditures (by January 2022)
  - Long term workforce plan for the Washington State Ferries (December 2022)
KEY TASKS AND DELIVERABLES

- Assess previous studies and update the current situation
- Develop Short term strategies to reduce overtime expenditures
- Develop a long-term ACTIONABLE workforce plan
- Coordinate with the working group
- Present research and findings
CURRENT WORKFORCE ENVIRONMENT
THE LABOR MARKET CONTRADICTION

- 10.9 Million Unfilled Jobs but 8.4 Million Unemployed
- Estimated 4-5 Million workers have left the labor market
- Why the mismatch?
  - Skills Gaps
  - Child Care
  - Covid Health Impacts
  - Retirements/Aging out
- Inequitable impacts from COVID-19
NUMBER OF UNEMPLOYED IN THE STATE OF WASHINGTON

Number of Unemployed in the State of Washington

Is below the post-Great Recession average but at not pre-Covid low
EMPLOYMENT DATA HIGHLIGHTS FOR WASHINGTON STATE

- Headline Unemployment: 5.1%
- Things are getting better for those impacted by COVID:
  - Peak Unemployment Claims: 565,000+
  - Current Unemployment Claims: 180,000+
- 16,000 workers came BACK to the labor market in August 2021...but still about 65,000 fewer workers than pre-COVID
- Active job postings increasing by about 10,000 per month
STATE AND FEDERAL VACCINE MANDATES

- SOME resistance to the vaccine mandate for State Workers
- New Federal mandate limits options for individuals who leave employment
- Impact to efficacy of short-term Overtime recommendations but less impact long-term
INITIAL LOOK AT THE REGIONAL MARITIME LABOR MARKET

- Initial indicators of a very competitive labor market with increased recruitment in the past year in the region
- COVID impacts on the sector still to be determined

Occupations
- Captains/Mates/Pilots
- Able Bodied Seaman
- Sailors and Oilers
- Port Engineers
- Skilled Trades

Competitors
- Federal Government
- Fishing Industry
- Other Ferry Systems
- Foss Maritime
- Crowley Maritime
- Kirby Offshore
- Maritime Towing Companies

Looking Ahead
- Untapped pools of talent
- Complimentary Industries
- Wages and Benefits
- Industry Pathways
INITIAL LOOK AT
OVERTIME
Understanding Overtime

• “Overtime” hides a spectrum of labor issues
• OT expenditures can be broken down by categories:
  • Avoidable OT vs unavoidable OT
  • Not like most workplaces –
    • If vessel worker absent another person must fill that spot.
    • If not, Coast Guard regs say “no sailing”
• Avoidable OT can further be categorized by:
  • Cost: What OT is cheaper than hiring new employees and
  • Labor availability: OT caused by the workforce being too small

\[\text{Overtime due to staffing issues} \]

\[\text{Unavoidable overtime} \]

\[\text{Cost-efficient overtime} \]

- Unexpected trip delays
- Replacing workers on leave or training
- Engine crews must be fully staffed at all times
- OT less costly than FTE for short sporadic needs
- Include costs of trip cancellations in OT costs
- Replacing all OT by FTEs wouldn’t be efficient in low season

Trip schedules + CBA hour regulations

Unscheduled Vessel and Terminal repairs

Replaceable overtime

Unavoidable overtime

Overtime
OT FY 2019 expenditures by reason

- Need more research on
  - “Time greater than max hours” to identify reason
  - “Trainings” position specific vs. general.
Total OT expenditures more than doubled between FY13 and FY19, increasing by $5.8 million.

- Engine was the largest component,
  - 48% of OT in FY19.
  - Down from 57% in 2013.
- Second largest: Licensed Deck (Captains and Mates)
  - 25% in FY 19.
  - 234% cost increase since 2013.
OT FY 2019 expenditures by occupation

Top Positions for OT Expenditures

<table>
<thead>
<tr>
<th>Position</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer</td>
<td>33%</td>
</tr>
<tr>
<td>Master</td>
<td>14%</td>
</tr>
<tr>
<td>Ordinary &amp; Able Seaman</td>
<td>14%</td>
</tr>
<tr>
<td>Mate</td>
<td>11%</td>
</tr>
<tr>
<td>Oiler &amp; Wiper</td>
<td>14%</td>
</tr>
</tbody>
</table>

Limited labor pool for much of WSF Overtime:

- 62% requires high certification and/or training:
  - Engineers
  - Masters & Mates
  - Trades

- 28% requires moderate certification and/or training:
  - Oilers & Wipers
  - Ordinary & AB Seamen

- 6% not subject to Coast Guard requirements: Terminal agents

Source: WSF 2040 Long Range Plan
The reasons for overtime varies substantially by unit.

- Engine’s largest single OT reason is Training.
- Licensed & Unlicensed Deck are working in excess of max hours in a pay cycle.
- Most of Eagle Harbor’s OT comes from “work expansion”.
- Terminal’s OT comes from staffing issues.
THANK YOU!