



WASHINGTON STATE FERRIES WORKFORCE PLANNING

PRESENTATION TO JTC - SEPTEMBER 23, 2021



OVERVIEW



Introductions



Project Overview



Labor Market Snapshot



Preliminary Overtime Analysis



INTRODUCTIONS



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Segal

Emsi | burning
glass

Our Team of Experts

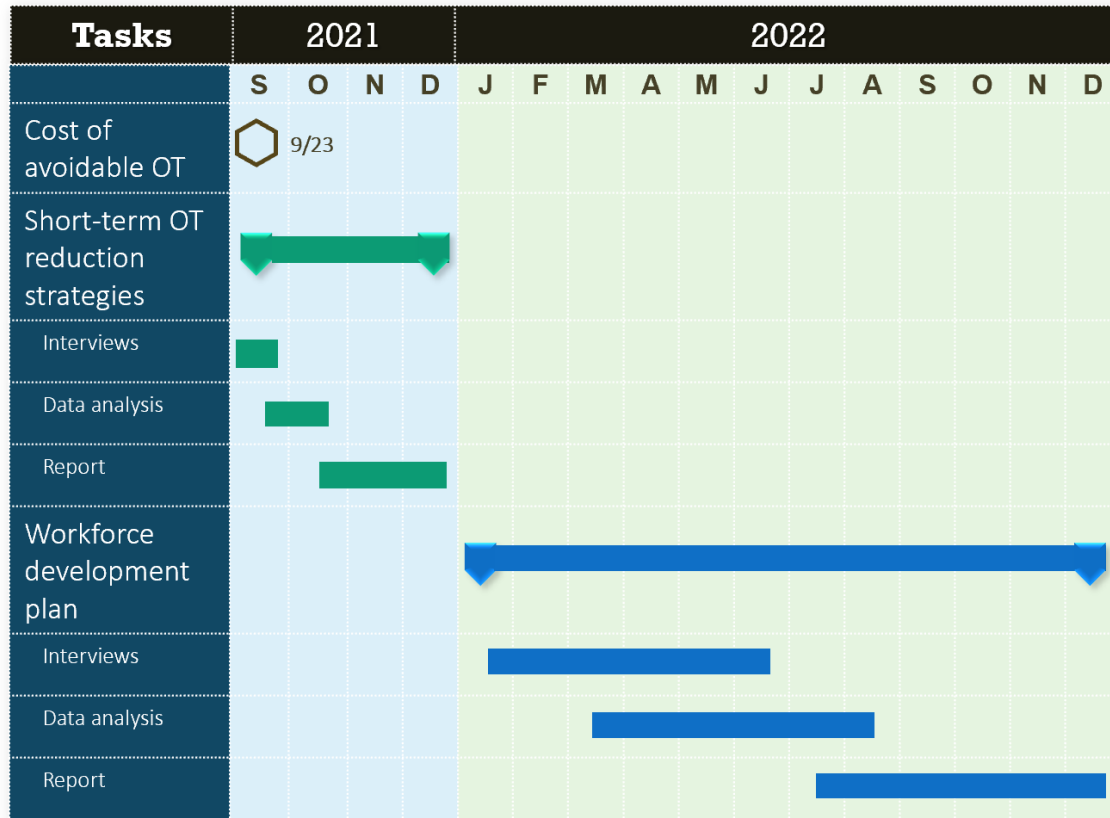
PROJECT OVERVIEW



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 (byJanuary 2022)
 - Long term workforce plan for the Washington State Ferries (December 2022)





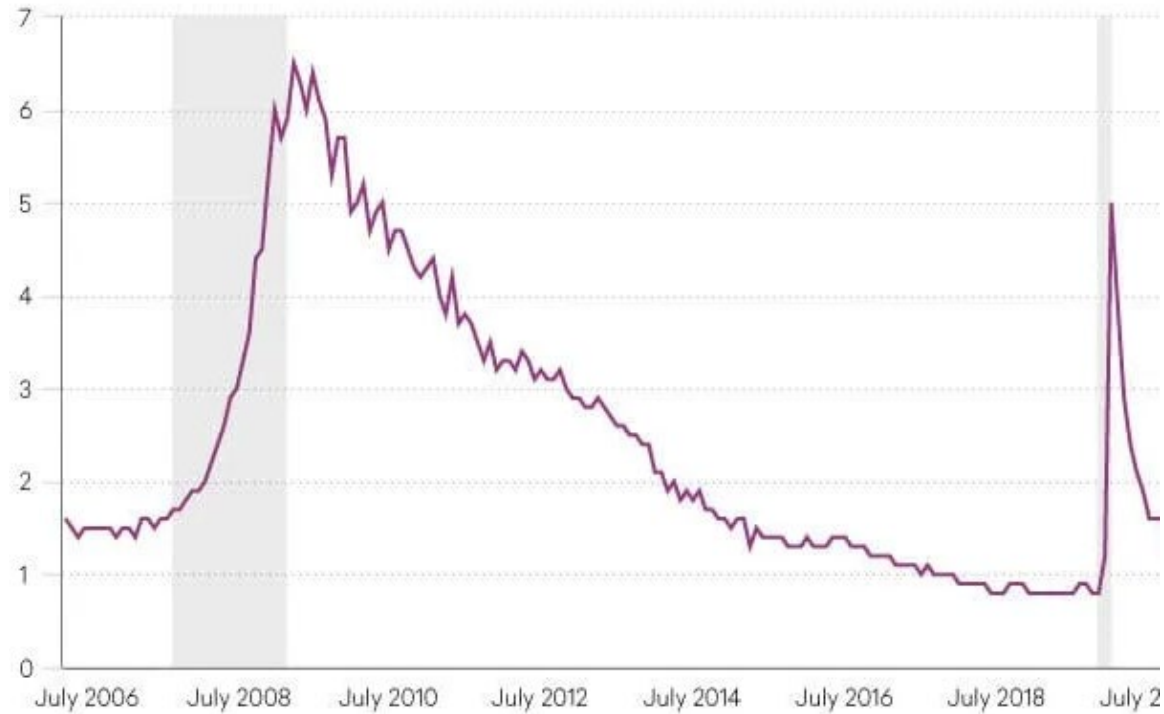
KEY TASKS AND DELIVERABLES

- 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



Number of unemployed persons per job opening, seasonally adjusted



Note: Shaded area represents recession, as determined by the National Bureau of Economic Research.
Source: U.S. Bureau of Labor Statistics.

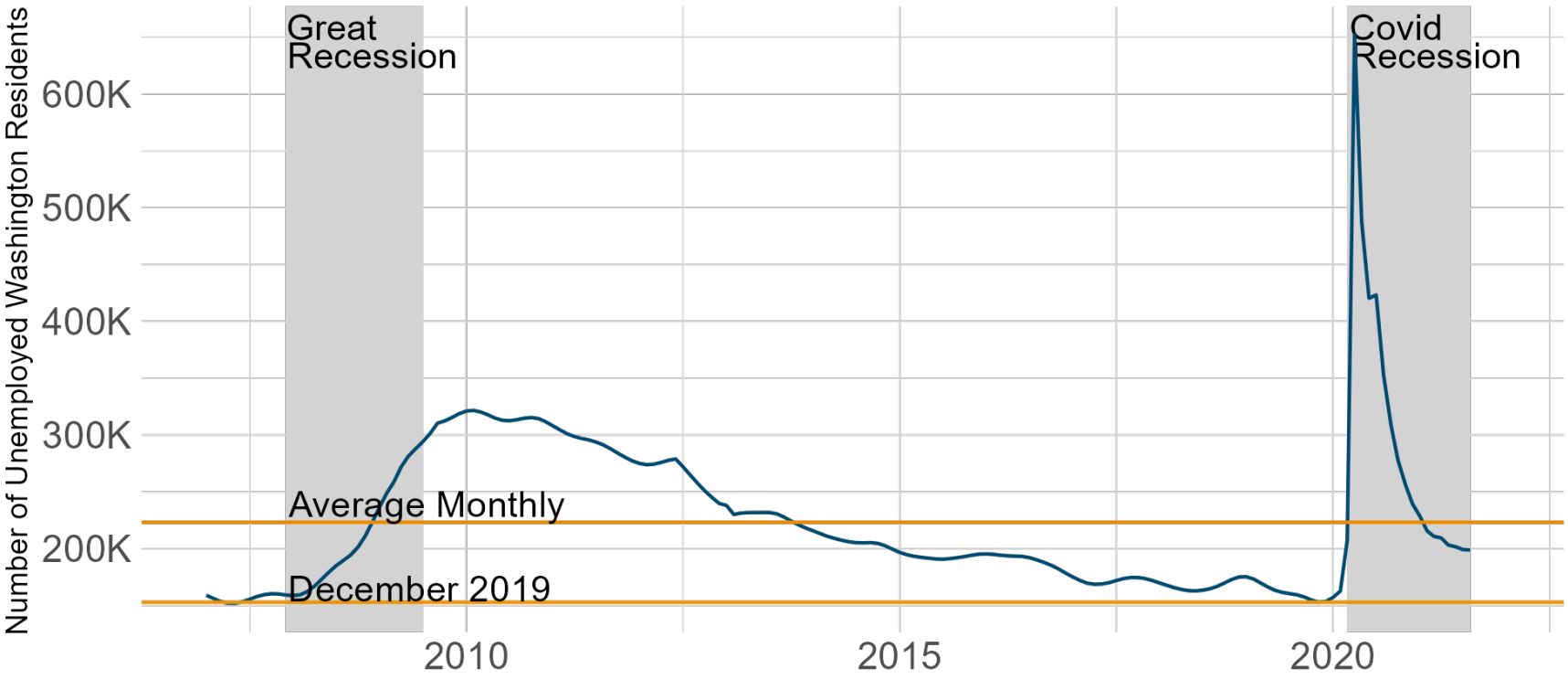
THE LABOR MARKET CONTRADICTION

- 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



**Employment
Security
Department**
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



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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

Occupations	Competitors	Looking Ahead
<ul style="list-style-type: none">• Captains/Mates/Pilots• Able Bodied Seaman• Sailors and Oilers• Port Engineers• Skilled Trades	<ul style="list-style-type: none">• Federal Government• Fishing Industry• Other Ferry Systems• Foss Maritime• Crowley Maritime• Kirby Offshore• Maritime Towing Companies	<ul style="list-style-type: none">• Untapped pools of talent• Complimentary Industries• Wages and Benefits• Industry Pathways

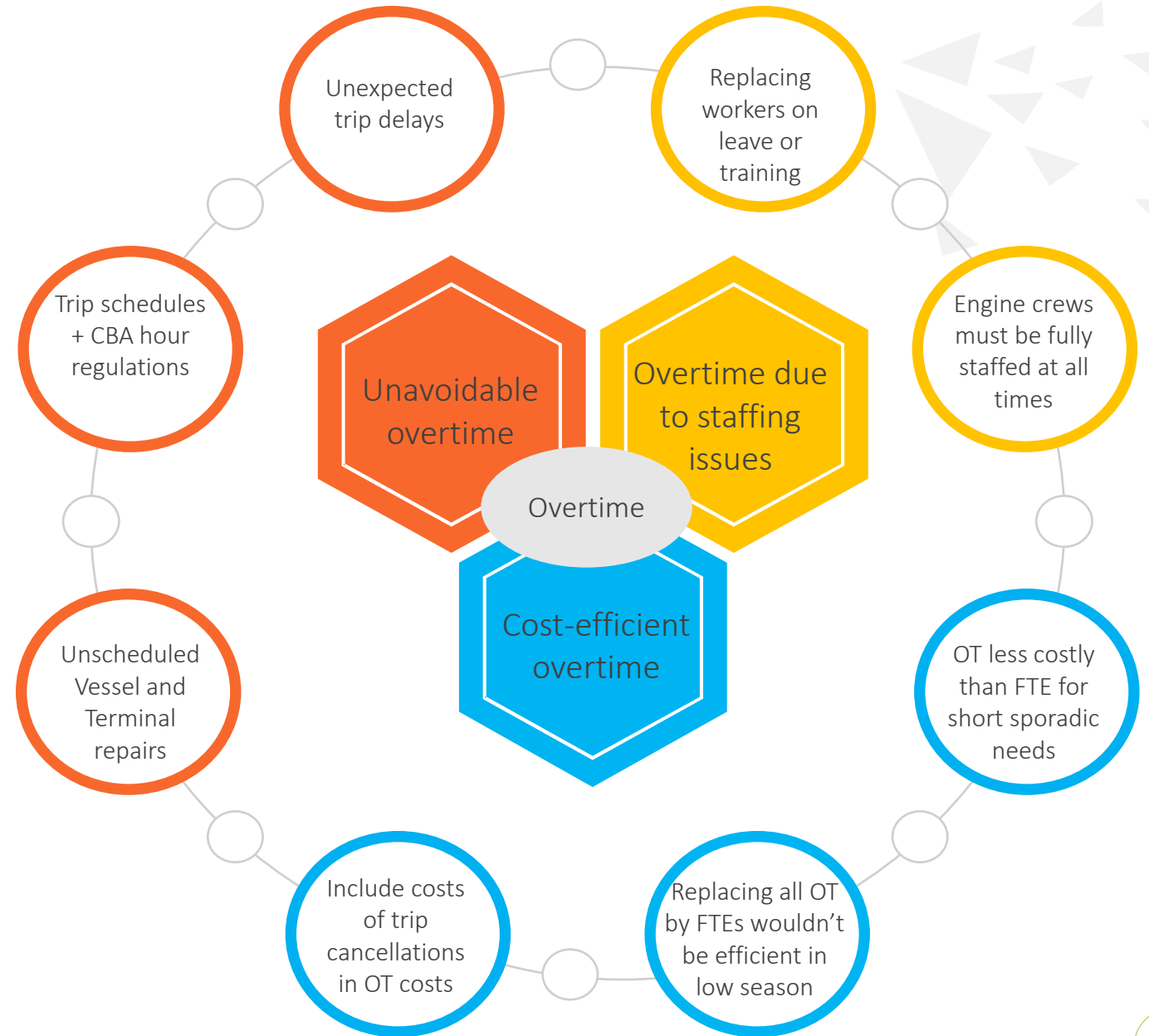
- Initial indicators of a very competitive labor market with increased recruitment in the past year in the region
- COVID impacts on the sector still to be determined

INITIAL LOOK AT OVERTIME



Understanding Overtime

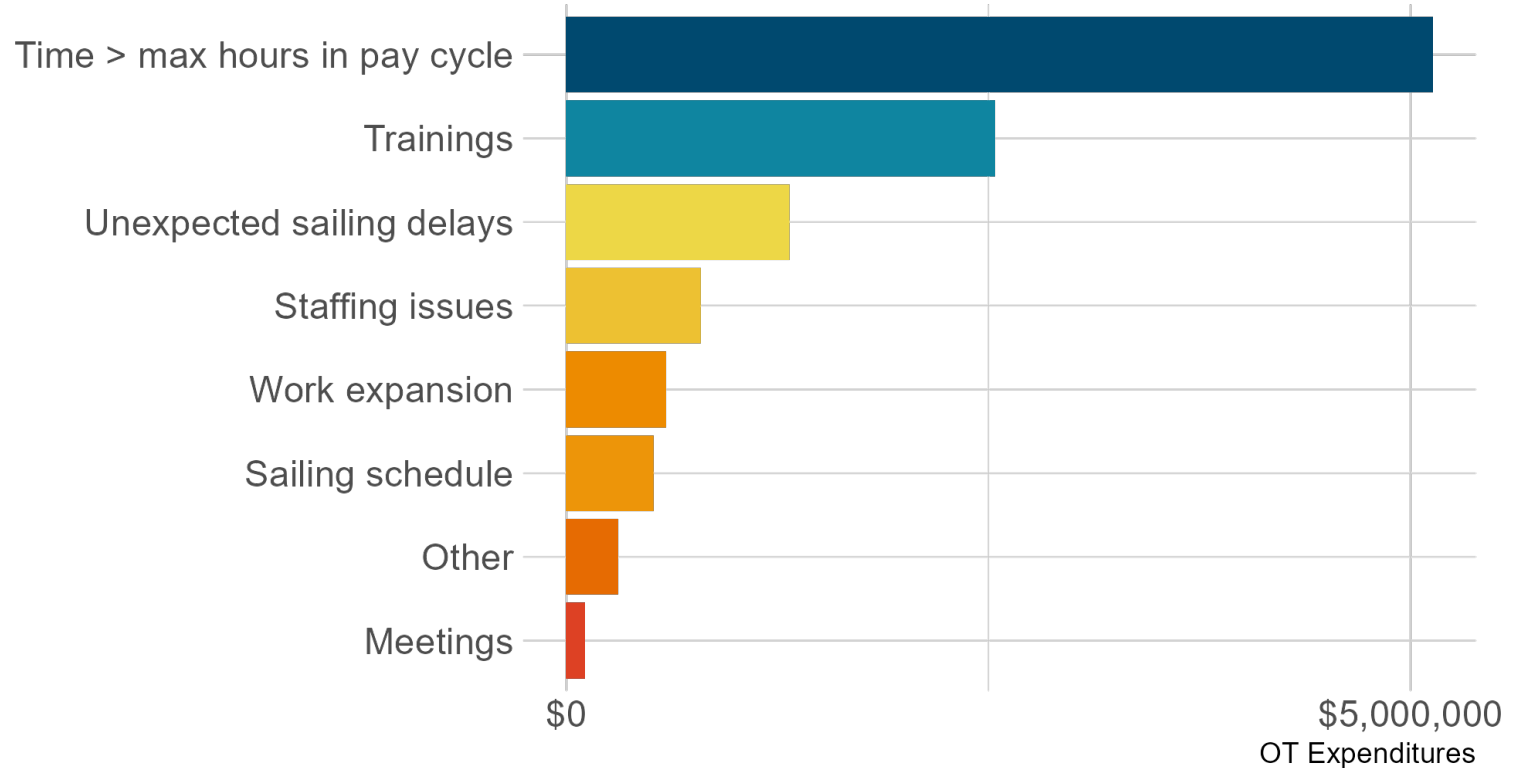
- “Overtime” hides a spectrum of labor issues
- OT expenditures can be broken down by categories:
 - Avoidable OT vs unavoidable OT
 - Not like most workplaces –
 - If vessel worker absent another person must fill that spot.
 - If not, Coast Guard regs say “no sailing”
- Avoidable OT can further be categorized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



OT FY 2019 expenditures by reason

- Need more research on
 - “Time greater than max hours” to identify reason
 - “Trainings” position specific vs. general.

OT Expenditures by OT Reason Type



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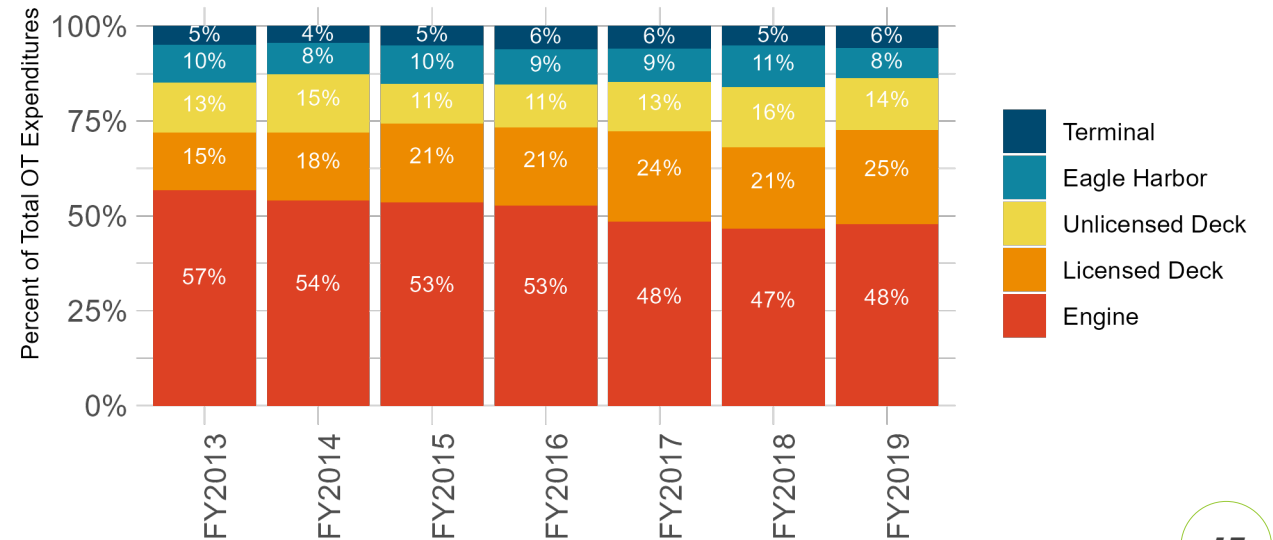
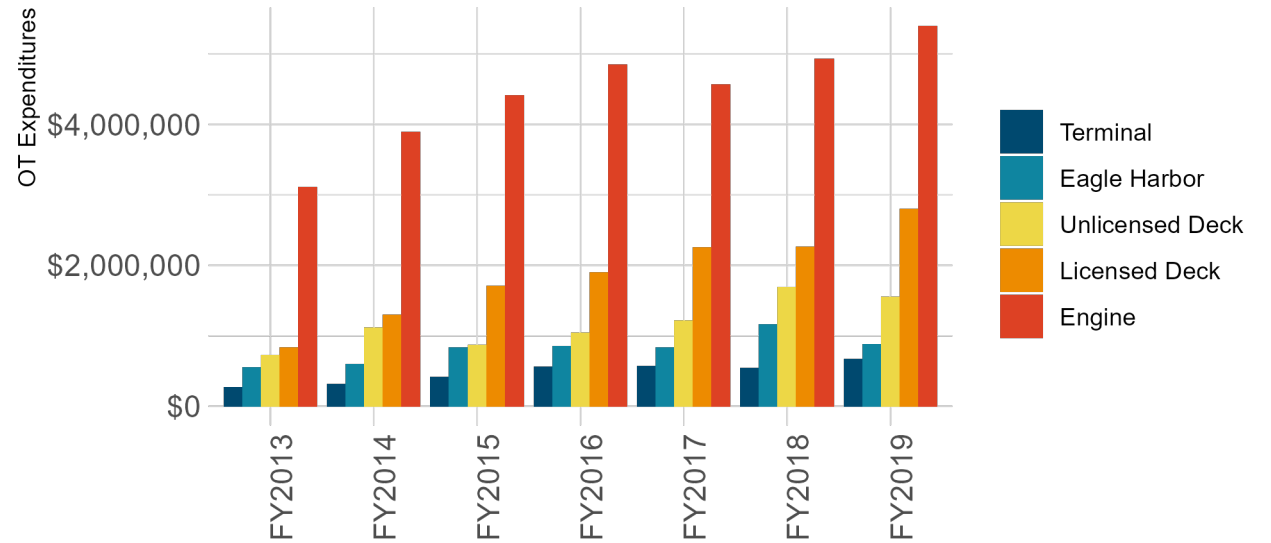
a. Total OT expenditures

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 Expenditures by Unit

Fiscal Year 2013 - Fiscal Year 2019

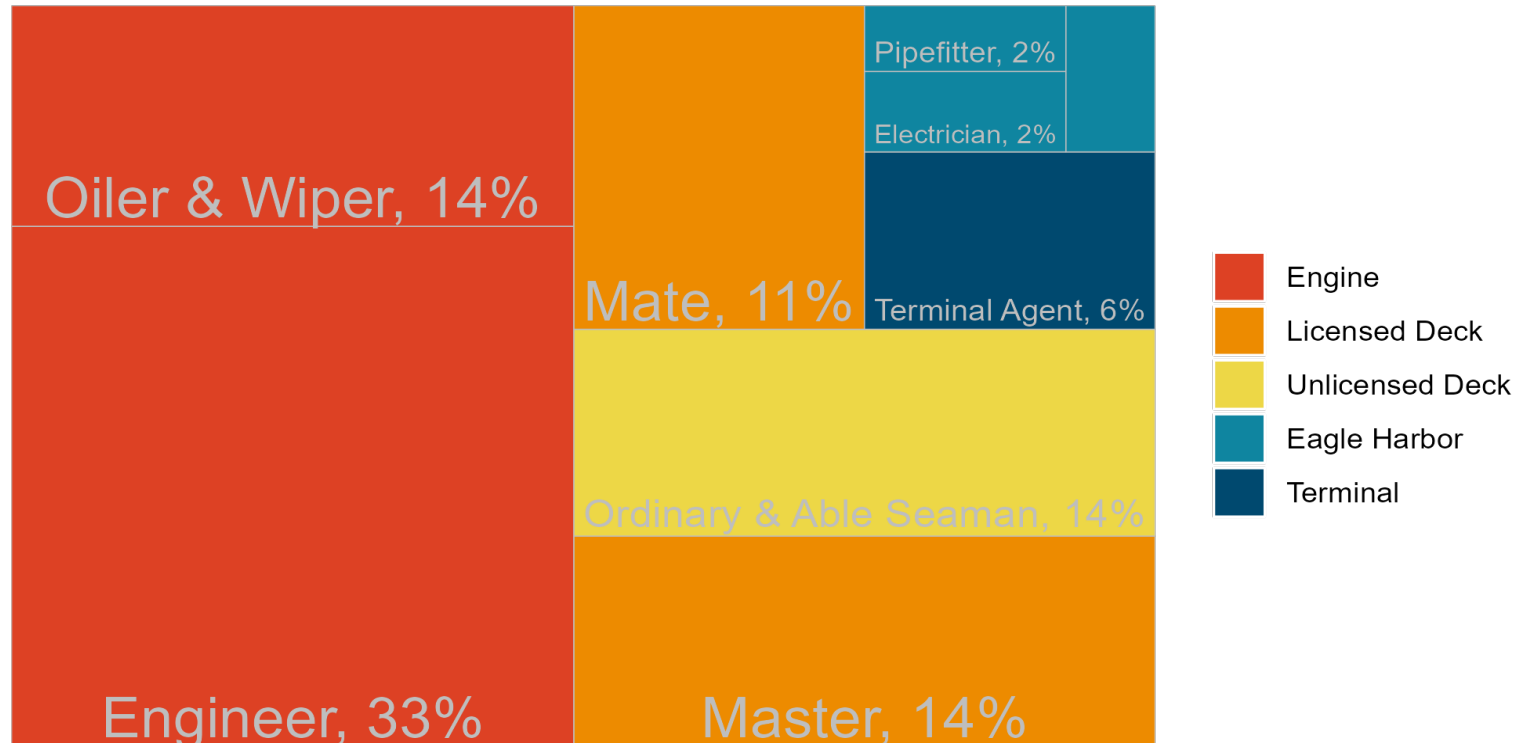


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OT FY 2019 expenditures by occupation

Top Positions for OT Expenditures



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



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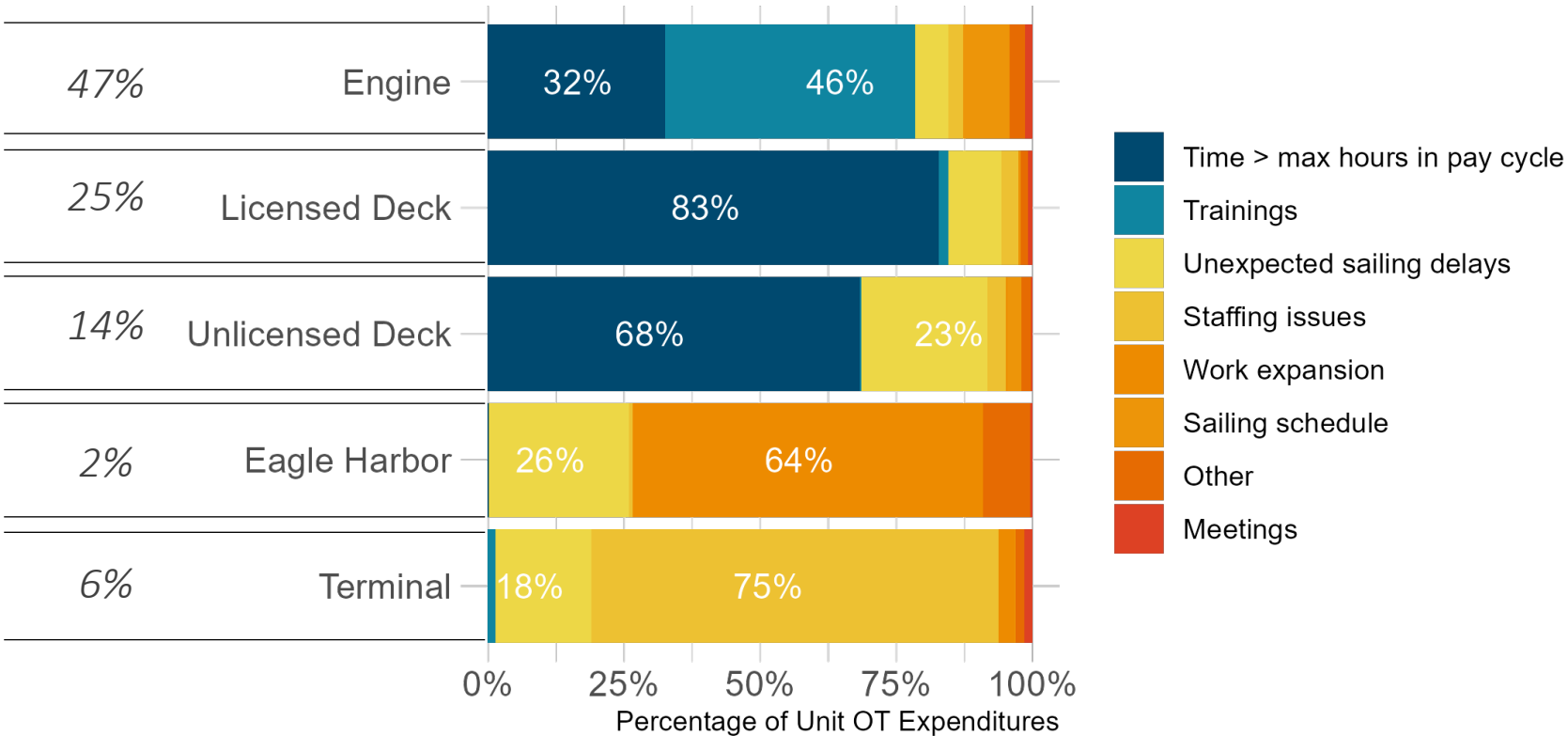
Source: WSF 2040 Long Range Plan

OT FY 2019 expenditures by unit and reason



% of total OT

OT Expenditures by OT Reason Type



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!

