Neighborhood-Based Strategies

Mapping and Analysis of the Labor Market and Workforce Dynamics in Pittsburgh’s East End

May 2015
Project Background

Project Goals:

• Build understanding of the strengths and needs of local workforce.

• Identify potential areas of industry and occupational growth in the East End in the next decade.

• Contextualize the East End labor market in the broader labor market of Allegheny County.

• Identify opportunities for short-term and long-term workforce development in the East End.
Data Sources:

• **Census Data**: U.S. Census Bureau, American Community Survey (2008-2012) 5-Year Estimates

• **Business Data**: Center for Workforce Information and Analysis; Pennsylvania Department of Labor and Industry; (2013)

• **Job Seeker Data**: Commonwealth Workforce Development System (CWDS), 2014

• **Job Projections Data**: Quarterly Census of Employment and Wages, 2013
Pittsburgh’s East End

A mixed use community with a large residential base and a high degree of population density.
708 employers provide job opportunities to over 21,000 people. This represents 3.3% of Allegheny County’s labor market.
Labor Market Demand: How does the East End compare to Allegheny County overall?

- East End businesses are smaller
- Higher concentration of jobs in sectors like Healthcare and Social Assistance and Information
- Lower concentration of jobs in sectors like Finance and Insurance and Management of Companies and Enterprises
- Lower average wage than the County, higher than the MSA
Labor Market Supply: How does the East End compare to the City of Pittsburgh overall?

<table>
<thead>
<tr>
<th></th>
<th>East End</th>
<th>City of Pittsburgh</th>
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<tbody>
<tr>
<td><strong>Labor Market Participation</strong></td>
<td>53.2%</td>
<td>61.6%</td>
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<tr>
<td><strong>Unemployment Rate</strong></td>
<td>13.4%</td>
<td>9.3%</td>
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<tr>
<td><strong>Median Income</strong></td>
<td>$24,350</td>
<td>$38,029</td>
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<td><strong>Households Receiving Public Assistance</strong></td>
<td>7.1%</td>
<td>5.3%</td>
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<td><strong>Share of Population with only a High School Diploma</strong></td>
<td>38%</td>
<td>10%</td>
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<tr>
<td><strong>Share of Population with a Bachelor’s Degree or More</strong></td>
<td>26%</td>
<td>35%</td>
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Labor Force Participation: ranges from **43.8%** (Lincoln-Lemington-Belmar) to **69.5%** (Bloomfield).
Labor Market Supply: Unemployment

Unemployment Rate: ranges from 5.6% (Bloomfield) to 25.6% (Larimer).
Employed Below the Poverty Level: range from 4.4% (Homewood South) to 18.8% (Homewood North) of the population.
Labor Market Supply: Educational Attainment

- **Individuals (25+) without a High school Diploma/GED:** Ranges from 8.6% in Bloomfield to 21.7% in Homewood West.

- **Individuals (25+) with a Bachelor’s degree or above:** Ranges from 5.4% in Homewood West to 44.4% in Bloomfield.
Individuals with some college education and those without a high school diploma are among the most disadvantaged in the local labor market.

A greater number of jobs than interested job seekers exists in Healthcare, Administrative Support, and Food Preparation/Serving occupations.
Location of Jobs and Workers: Only 10.5% of the area’s residents actually work in the East End, and only 6.1% of the area’s jobs are held by East End residents.
Major Challenges and Opportunities: Education/Training

**Short-Term**
- High unemployment calls for work readiness and soft skills development to reattach individuals to the workforce.

**Medium-Term**
- A mix of specific training opportunities (pre-employment, apprenticeship, on-the-job, etc.) driven by genuine employer demand should be identified and implemented.

**Long-Term**
- A more holistic approach to workforce development, beginning with a K-12 focus and family oriented programming, is warranted.
Major Challenges and Opportunities—Sector Driven

• A **disconnect exists** between East End job seekers interested in and annual openings in healthcare occupations (11.1% of job seekers and 34% of annual openings).
• The Healthcare industry is projected to **grow substantially** in the next 10 years in the East End, adding nearly 1,500 jobs (14.1% industry growth).
Major Challenges and Opportunities—Neighborhood Driven, Larimer

- **Largest Sectors:** Healthcare, Wholesale Trade, and Other Services
- **A small, but important business district**
- **Lower income; Higher proportion receiving public assistance**
- **Just 1% of jobs are held by Larimer residents**
- **Low population density, older residents**
- **Less formal education than East End annual openings require**
- **Labor Market Demand**
  - Low population density, older residents
  - Just 1% of jobs are held by Larimer residents
- **Supply/Demand (Mis)match**
  - Low population density, older residents
  - Just 1% of jobs are held by Larimer residents