Labor Market Estimating Conference
Executive Summary
August 21, 2024
---Revised October 1, 2024---

The Labor Market Estimating Conference (LMEC) met on August 21, 2024, to discuss and adopt official information pursuant to s. 216.136, F.S. as amended by Chapter 2023-81, Laws of Florida. The cumulative impact of the law changes made during the 2023 Session charge the LMEC with providing long-term strategic direction regarding at-risk areas of Florida's labor market. The objective of the meeting was to focus on these areas of concern. The LMEC used the results from an in-depth analysis of 832 distinct occupations to identify the occupations most at-risk.

1. **Occupational Areas of Concern (by educational requirement)**
   Occupations with gaps were identified by comparing occupational supply and demand in the 10th year of the forecast to determine where projected demand exceeds expected supply by more than 5%. This percentage was reduced from the 10% adopted at the Conference held on July 14, 2023, primarily due to the increased value of the underlying data. Relative to last year, additional panels have been added to the data series that reflect partial information from 2023, thereby reducing the number of assumptions that were previously needed to transition to a functional labor market.

   Overall, labor supply is more rigid than demand—at the statewide level, between workforce regions, and among occupations. All else being equal, demand can shift quickly, while supply may lag. Essentially, a gap between the two means that: (1) demand exceeds supply currently and will continue to do so in the future, or (2) the growth in future demand will outpace the likely labor supply for that occupation. These findings were produced by model runs that simulated each occupation's employment supply and demand trajectories over the forecast period. The overall methodology:
   - Used current occupational shares of the labor supply against the latest forecast adopted by the Florida Economic Estimating Conference for all future years. Relative to the prior conference, the overall labor supply has increased in size across the forecast period.
   - Selected a base year of potential demand from the following sources: (1) the maximum of 2022 or 2023 reported occupational employment data from the U.S. Bureau of Labor Statistics (BLS); (2) 2022 IMPLAN data for Florida; or (3) national per capita ratios that were derived from 2023 BLS data for each occupation which were then applied to Florida's population. The governing assumption is that demand must equal or exceed filled jobs. The base year was grown by various rates (predominately population-driven) using the latest forecasts from the Economic and Demographic Estimating Conferences. In some cases, multiple demand sources were used to develop the appropriate starting point and forecast target.

   Several significant refinements to the prior methodology were introduced as part of this year's analysis. Most importantly, a detailed examination was conducted of the

employment estimates adopted by the Florida Economic Estimating Conference (FEEC) to incorporate a particular element from that forecast. The FEEC uses the North American Industry Classification System (NAICS) for which BLS publishes staffing patterns by Standard Occupational Classification (SOC) system codes. The purpose of this examination was to isolate occupations in industries that are likely flat or in decline over the forecast period. Thirty-two occupations were identified. These occupations were then held constant to their current employment levels. A separate analysis added eight occupations related to gambling to this grouping, bringing the total to 40 occupations receiving this treatment. Although, some occupations have both limited supply and demand, the analysis found that there is reason to believe that a significant gap in supply will exist for 85 out of 832 discrete occupations (10.2%). The prior analysis had shown 101 occupations. Note that evolving or emerging trends have yet to be addressed. As such, this analysis does not alter the existing economic structure, meaning the results represent foundational imbalances that would be expected to persist into the future, absent intervention.

CONFERENCE ACTION (revised 10/1/2024): The Conference officially adopted 85 discrete occupations as "Statewide Occupational Areas of Concern." Results were also presented and discussed regarding the 24 Workforce Regions; however, the Conference adopted the methodology to be applied rather than the specific lists. This allowed the lists to be revised to reflect an announcement that an adjusted regional structure had recently been put in place. Results specific to the revised configuration for the workforce regions have now been posted. In general, area-specific calculations cause the individual regional lists to differ from the statewide list. See Conference Products for the adopted lists.

2. Critical Occupational Groups of Concern

The 85 occupational areas of concern were further organized by occupational group. By group, the demand for those occupations in the 10th year of the forecast was then compared to the total statewide demand for all occupations. By percentage of demand represented by the occupational areas of concern, two groups stand out: (1) Healthcare Practitioners and Technical Occupations with occupational areas of concern that represent 3.4% of statewide demand in that year; and (2) Healthcare Support Occupations with occupational areas of concern that represent 2.2% of statewide demand in that year.

CONFERENCE ACTION: The Live Healthy package of 2024, comprised of CS/SB 7016, SB 7018, and CS/SB 330, made significant changes affecting the labor market for health care. The LMEC has delayed further action on the related occupational groups until implementation has progressed.

The Conference also had a separate discussion regarding the latest data available for public school teachers. The principals agreed to continue monitoring this data; however, the Conference saw no reason to provide a methodological adjustment at this time.

The next conference will be held during the winter conference season to address evolving and emerging trends.