



**ECONOMIC &
WORKFORCE
DEVELOPMENT**
through the
CALIFORNIA
COMMUNITY
COLLEGES

**BUSINESS AND WORKFORCE
PERFORMANCE IMPROVEMENT INITIATIVE**



**Regional Industry Report
for
Riverside Community College**



Bus Transportation

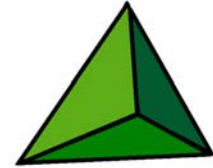


**Center of Excellence
San Bernardino Community College District
June 2007**



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Regional Industry Report for Riverside Community College

Bus Transportation

June 2007

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THE BUSINESS AND WORKFORCE PERFORMANCE IMPROVEMENT INITIATIVE IS FUNDED IN PART BY THE CHANCELLOR'S OFFICE, CALIFORNIA COMMUNITY COLLEGES, ECONOMIC AND WORKFORCE DEVELOPMENT PROGRAM. THE TOTAL GRANT AMOUNT (GRANT NUMBER 06-305-013 FOR \$205,000) REPRESENTS COMPENSATION FOR MULTIPLE DOCUMENTS OR WRITTEN REPORTS THROUGH THE CENTERS OF EXCELLENCE.

OUR MISSION IS TO STRENGTHEN CALIFORNIA'S WORKFORCE AND ADVANCE ECONOMIC GROWTH THROUGH EDUCATION, TRAINING AND JOB DEVELOPMENT.

Scope of Report

Information in this report is only for Riverside County. No data in the enclosed report is for the San Bernardino-Riverside MSA nor the State of California unless otherwise labeled as such. The data and analysis shows a graphical representation of the data followed by the actual hard data.

Data compiled in this report was drawn from external sources, as noted in the Appendix, via Environmental Systems Research Institute's (ESRI) Business Analysts extension, and CCBenefits software supported by Economic Modeling Specialists, Inc. No primary research was conducted nor was industry validation conducted in compiling this report.

This report was produced at the request of Riverside Community College's Director of Corporate and Business Development.

Executive Summary

Within NAICS 485, there are four industries that comprise bus related transit and transportation activities:

| Selected Industries |
|--|
| Urban transit systems (NAICS 4851) |
| Interurban and rural bus transportation (NAICS 4852) |
| School and employee bus transportation (NAICS 4854) |
| Charter bus industry (NAICS 4855) |

For Riverside County, the projections and earnings are:

| Basic Information | |
|------------------------------|----------|
| 2006 Industry Jobs | 965 |
| 2012 Industry Jobs | 1,166 |
| Total Change | 202 |
| Total % Change | 20.91% |
| 2006 Average Earnings/Worker | \$19,528 |

Shift share is a standard regional analysis method that attempts to determine how much of regional job growth (in riverside's case, this is 202) can be attributed to national trends and how much is due to unique regional factors. Shift share analysis splits regional job growth into three components: the national change effect, industrial mix effect, and regional competitiveness effect.

| Economic Indicators | |
|---------------------------------|------|
| 2006 Location Quotient | 0.63 |
| 2012 Location Quotient | 0.63 |
| Regional Competitiveness Effect | 103 |
| Industrial Mix Effect | 16 |
| National Effect | 83 |

The national growth effect (83 of the 202 jobs) explains how much of the regional industry's growth is explained by the overall health of the national economy. This percentage of growth can be expected in most regions in the United States and California mostly in part to population growth.

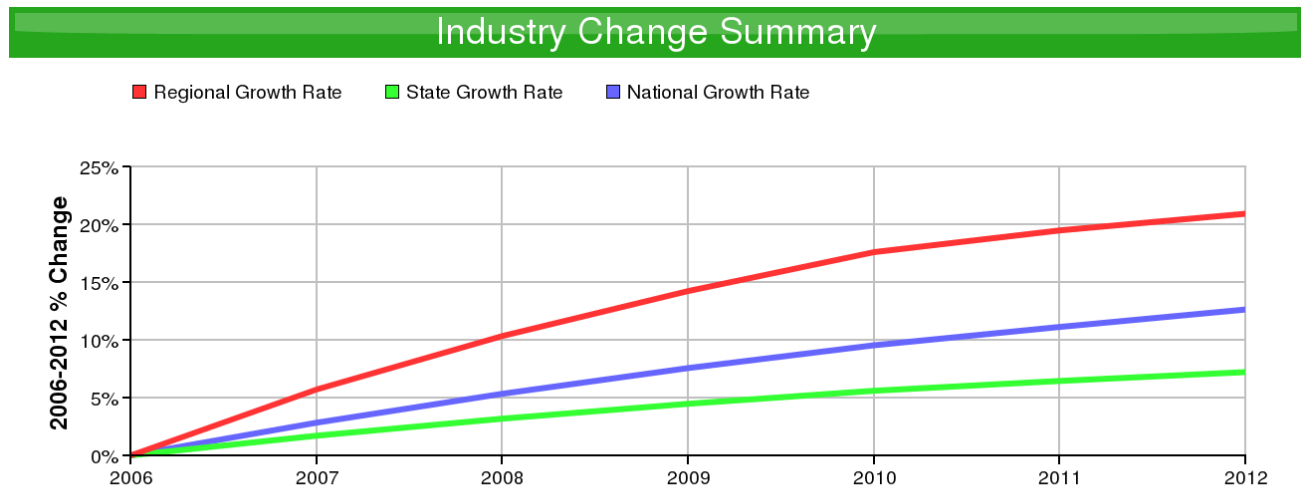
The industrial mix effect represents the share of regional industry growth explained by the growth of the industry/cluster/occupation at the national level. To arrive at this number (16 jobs), the national

growth rate of the total economy is subtracted from the national growth rate of the specific industry, and this growth percentage is applied to the regional jobs in that industry.

The regional competitiveness effect is the most important of the three indicators, as it explains how much of the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole. This effect (103 of the 202 jobs) is calculated by taking the total regional growth and subtracting the national growth and industrial mix effects.

Industry Change Summary

The Data indicates that the regional growth of these four industries outpaces both the state and national averages. Between 2006 and 2012, Riverside County’s bus transportation cluster can expect to experience growth of 202 additional employees at a growth rate of 22%.



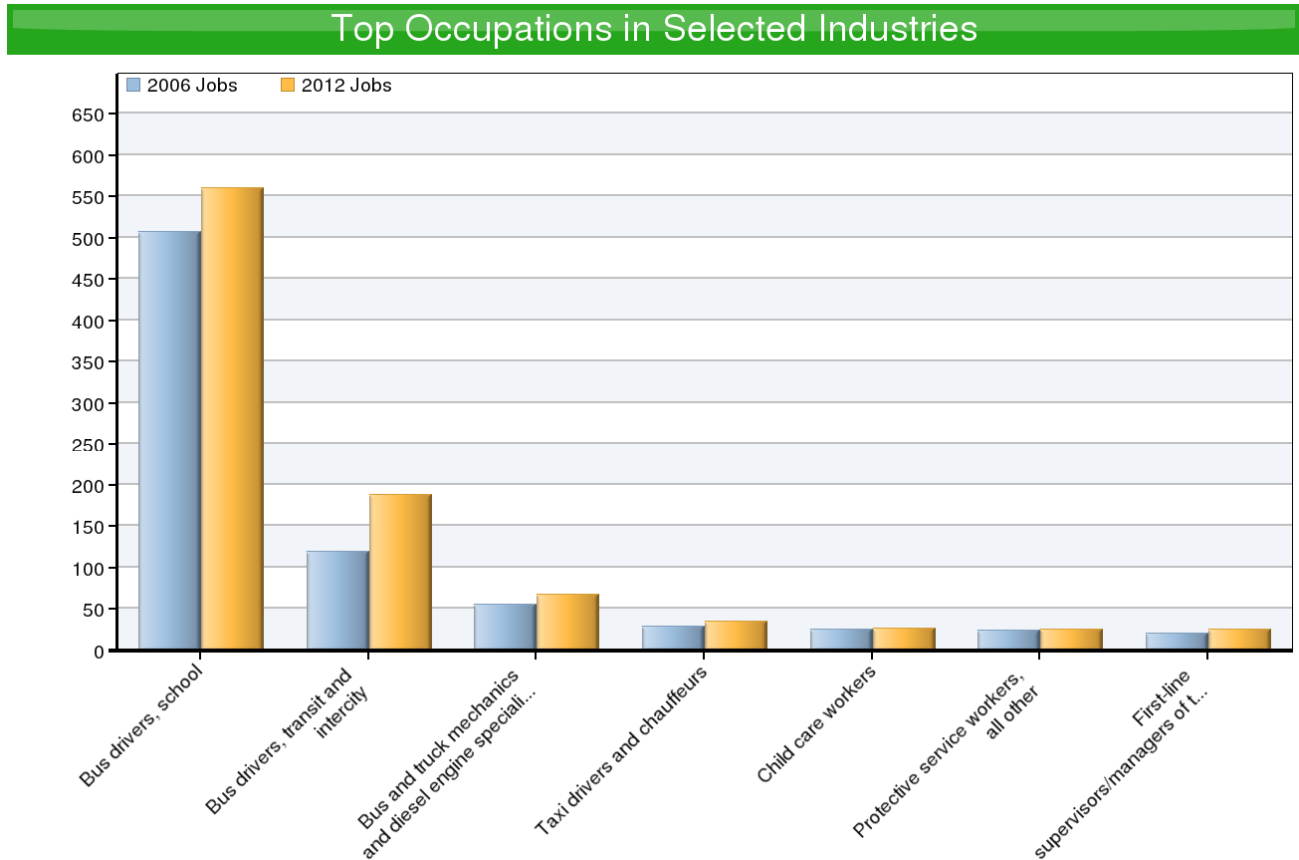
Source: CCbenefits, 2007

| Description | 2006 Jobs | 2012 Jobs | Change | % Change | EPW | 2006 Establishments |
|----------------|-----------|-----------|--------|----------|----------|---------------------|
| Regional Total | 965 | 1,166 | 202 | 21% | \$19,528 | 22 |
| State Total | 22,439 | 24,056 | 1,617 | 7% | \$21,409 | 432 |
| National Total | 311,832 | 351,180 | 39,348 | 13% | \$21,183 | 7,152 |

Source: Economic Modeling Specialists, Inc. - 6/07

Top Occupations In Selected Industries

The graph and table show total jobs and jobs change in the top seven occupations within the 4 selected bus transportation industries. These numbers are generated using regionalized industry staffing patterns.



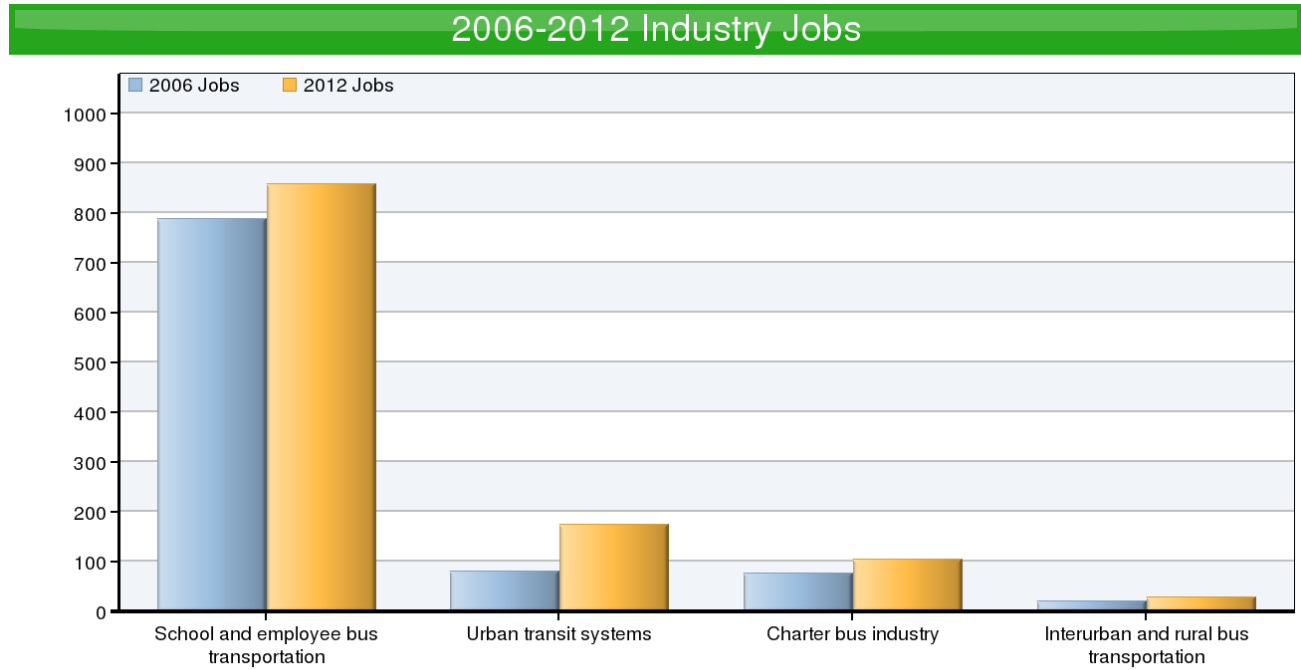
Source: CCbenefits, 2007

| SOC Code | Name | 2006 Jobs | 2012 Jobs | Change | % Change |
|----------|---|-----------|-----------|--------|----------|
| 53-3022 | Bus drivers, school | 506 | 560 | 53 | 11% |
| 53-3021 | Bus drivers, transit and intercity | 119 | 187 | 69 | 58% |
| 49-3031 | Bus and truck mechanics and diesel engine specialists | 56 | 68 | 12 | 22% |
| 53-3041 | Taxi drivers and chauffeurs | 29 | 35 | 6 | 20% |
| 39-9011 | Child care workers | 26 | 27 | 2 | 6% |
| 33-9099 | Protective service workers, all other | 24 | 25 | 2 | 7% |
| 53-1031 | First-line supervisors/managers of transportation and material-moving machine and vehicle operators | 21 | 25 | 5 | 22% |

Source: Economic Modeling Specialists, Inc. - 6/07

Industry Breakdown

The graph and table show the projected job growth for each selected industry from 2006 - 2012. The table also shows average earnings per worker and total establishments.



Source: CCbenefits, 2007

| NAICS Code | Description | 2006 Jobs | 2012 Jobs | EPW | 2006 Establishments |
|------------|---|------------|--------------|-----------------|---------------------|
| 4854 | School and employee bus transportation | 789 | 858 | \$19,259 | 13 |
| 4851 | Urban transit systems | 80 | 175 | \$10,355 | 4 |
| 4855 | Charter bus industry | 77 | 105 | \$30,606 | 3 |
| 4852 | Interurban and rural bus transportation | 19 | 29 | \$24,417 | 2 |
| | Total | 965 | 1,166 | \$19,528 | 22 |

Source: Economic Modeling Specialists, Inc. - 6/07

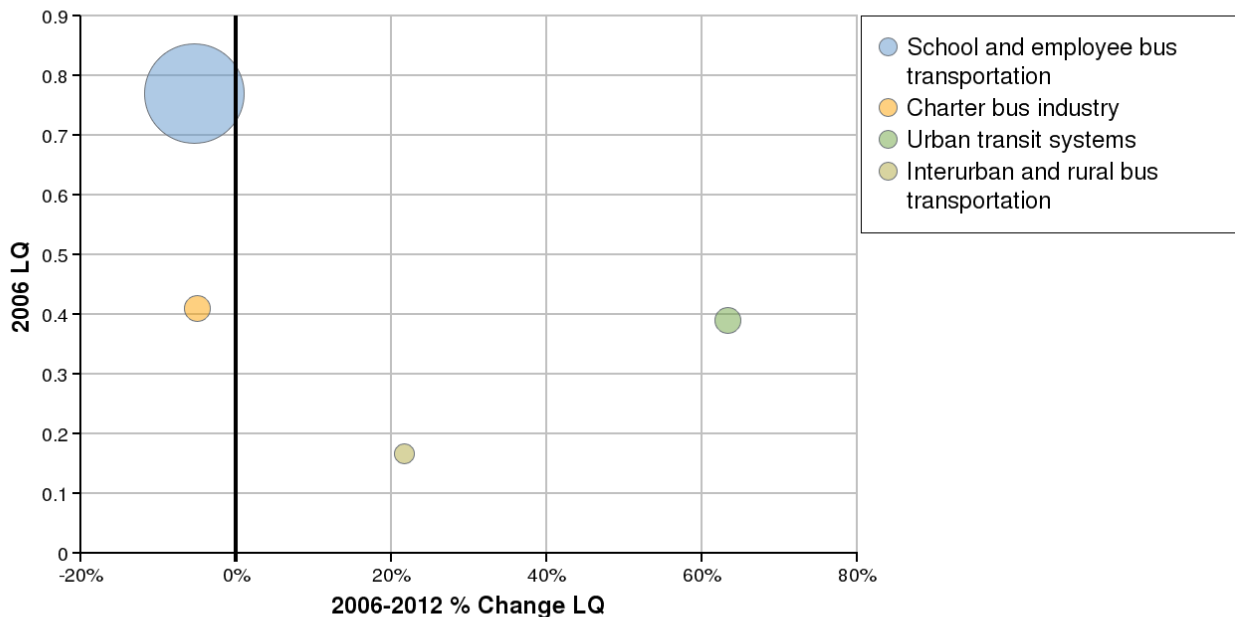
Location Quotient Breakdown

Industry Location Quotient (LQ) is a way of quantifying how “concentrated” an industry is in a region compared to a larger geographic area, such as the state or nation. The basic uses of industry LQs (and, by extension, for clusters and occupations as well) include these:

- To determine which industries make the regional economy unique.
- To identify the “export orientation” of an industry and identify the most export-oriented industries in the region.
- To identify emerging export industries beginning to bring money into the region.
- To identify endangered export industries that could erode the region’s economic base.

The Location Quotient can reveal what makes a particular region “unique” in comparison to the national average. Industry LQs are calculated by comparing the industry’s share of regional employment with its share of national employment. Suppose that Breweries (NAICS 31212) account for 0.16% of all regional jobs but only 0.015% of all national jobs. A given region’s LQ for Breweries would then be $(.16 / .015) = 10.67$, meaning that Breweries are nearly 11 times more concentrated in the region than average.

2006-2012 Location Quotient & LQ Change



*Bubble size represents 2006 jobs in each industry.

Source: CCBenefits, 2007

| NAICS Code | Description | 2006 Jobs | 2006 LQ | 2012 LQ |
|------------|---|------------|-------------|-------------|
| 4854 | School and employee bus transportation | 789 | 0.77 | 0.73 |
| 4855 | Charter bus industry | 77 | 0.41 | 0.39 |
| 4851 | Urban transit systems | 80 | 0.39 | 0.64 |
| 4852 | Interurban and rural bus transportation | 19 | 0.17 | 0.20 |
| | Total | 965 | 0.63 | 0.63 |

The bubble graph and table on the previous page show total jobs and regional location quotients for each selected industry from 2006-2012. The vertical axis has the basic LQ measurement, while the horizontal axis shows the percent change in LQ over time. The four bus transportation industries are plotted as circles (or “bubbles”), with the circle size corresponding to their relative size (in jobs).

An industry in the upper right quadrant (such as Riverside’s Urban Transit System as well as their Interurban and Rural Bus Transportation industry) is more concentrated in the region than average, and also is becoming more concentrated over time. These industries are “standouts” that distinguish Riverside’s regional economy and are doing so more every year—and they are especially important if they are also large in terms of jobs. Large industries in this quadrant are both important and high-performing, which means they will have increasing workforce demand. Small industries in this quadrant are emerging, high-potential regional export industries that should be developed further.

The upper left quadrant contains industries that are more concentrated in your region than average, but whose concentration is declining. If a mid-size or large industry or cluster is in this quadrant like “School and Employee Bus Transportation,” it is an important warning that the region is losing a major part of its export base and should form planning and investment priorities accordingly. Generally, if the region does not bolster these industries, it will likely enter a general recession. A large occupation in this quadrant usually indicates that the major industry employing people in that occupation is in decline or not growing at a significant pace beyond state and national figures.

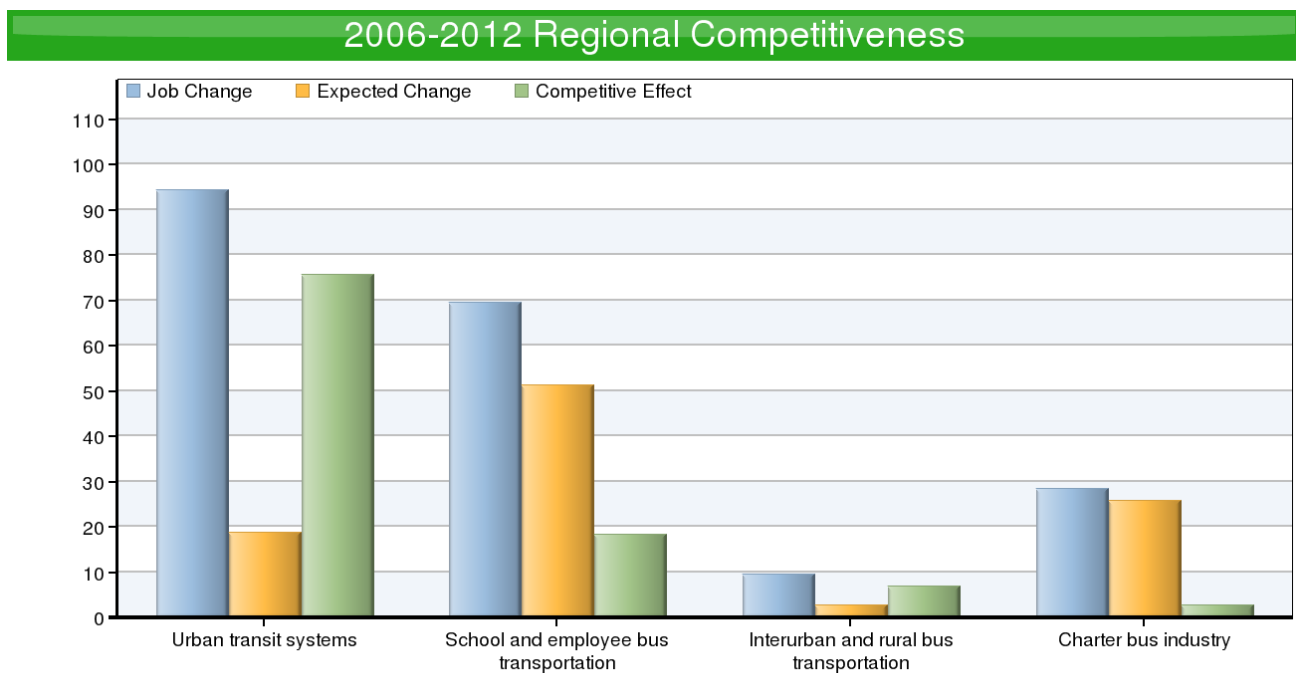
Shift Share Breakdown

Traditional shift share analysis involves three basic components, all defined in the basic unit of “jobs”:

- *Job Change:* This the actual and/or projected job change in the *regional* industry over the specified timeframe. The change is “actual” for historical data and “projected” for future years’ data.
- *Expected Change:* The sum of the national growth effect and industrial mix effect. It is basically the job growth one would expect in the regional industry if it followed national trends exactly.
- *Competitive Effect:* Exactly the same as the regional competitive effect described above (job change minus expected change).

The competitiveness effect is the most important and equals job change minus expected change. A positive competitiveness effect for an industry indicates the regional industry is outperforming national trends (both overall national trends and national trends in that specific industry). A negative effect (not shown) means that the industry is underperforming compared to national trends.

The bar graph and table show regional shift share numbers for each bus transit industry.



Source: CCbenefits, 2007

| NAICS Code | Description | Job Change | Ind Mix Effect | Nat Growth Effect | Expected Change | Competitive Effect |
|------------|---|------------|----------------|-------------------|-----------------|--------------------|
| 4851 | Urban transit systems | 94 | 12 | 7 | 19 | 76 |
| 4854 | School and employee bus transportation | 69 | -16 | 68 | 51 | 18 |
| 4852 | Interurban and rural bus transportation | 10 | 1 | 2 | 3 | 7 |
| 4855 | Charter bus industry | 28 | 19 | 7 | 26 | 3 |
| | Total | 202 | 16 | 83 | 99 | 103 |

APPENDIX A: How to Utilize this Report

About Us - Description of BWPI

The Business and Workforce Performance Improvement (BWPI) initiative is focused on building the capacity of the colleges in the area of economic and workforce development to enhance their ability to deliver education and training services to businesses and workers in high growth industries, new technologies, and other clusters of opportunities.

The Centers of Excellence (COE) within BWPI provide information regarding workforce trends, increasing awareness and visibility about the colleges economic and workforce development programs and services, and building partnerships with business and industry.

The difference this will make to the colleges is that it will position them as THE workforce partners of choice to business and industry and ensure that college programs are current and responsive. This will contribute to the overall economic vitality of the communities in which they serve.

How to Use This Local Analysis

The Centers of Excellence within the Business and Workforce Performance Improvement Initiative of the California Community College Economic and Workforce Development Network have undertaken Regional and College-Specific analyses to provide targeted and valuable information to community colleges on high growth industries and occupations.

This report is intended to assist the decision-making process of California Community College administrators and planners in addressing local and regional workforce needs and emerging job opportunities in the workplace as they relate to college programs. The information contained in this report can be used to guide program offerings, strengthen grant applications, and support other economic and workforce development efforts.

This report is designed to provide current industry data that will:

- Define potential strategic opportunities relative to an industry's emerging trends and workforce needs;
- Influence and inform local college program planning and resource development; and
- Promote a future-oriented and market responsive way of thinking among stakeholders.

Important Disclaimer:

All representations included in this regional product/study have been produced from a secondary review of publicly and/or privately available data and/or research reports. Efforts have been made to qualify and validate the accuracy of the data and the reported findings. The purpose of this Report is to assist the California Community Colleges to respond to emerging market needs for workforce performance improvement. However, neither the Business and Workforce Performance Improvement Centers of Excellence, COE host college/district nor the California Community Colleges Chancellor's Office are responsible for applications or decisions made by recipient community colleges or their representatives based upon this study including components or recommendations.

APPENDIX B: References

Federal Data Sources Summary

U.S. Department of Commerce

Bureau of Economic Analysis

1. Local Area Annual Estimates (REIS)
2. State Annual Estimates (REIS)
3. State Quarterly Income Estimates

U.S. Census Bureau

1. American Community Surveys
2. County Business Patterns
3. Population Division, County Population Estimates
4. Population Division, State Interim Population Projections
5. Census 2000 Summary File 1 (SF 1)
6. Census 2000 Summary File 3 (SF 3)
7. Nonemployer Statistics
8. Zip Code Business Patterns

U.S. Department of Education

National Center for Education Statistics

1. Common Core of Data Public Elementary/Secondary School Universe Survey
2. Integrated Postsecondary Education Data System
3. Office of Educational Research and Improvement for the CIP, 2000 Standard Occupational Classification Crosswalk to 2000 Classification of Instructional Programs
4. Private School Universe Survey

U.S. Department of Labor

Bureau of Labor Statistics

1. Quarterly Census of Employment and Wages (QCEW)
2. Division of Labor Force Statistics
 - Currency Population Survey (CPS)*
3. Division of Occupational Employment Statistics
 - Occupational Employment Statistics (OES)*
4. Local Area Unemployment Statistics (LAUS)
5. Office of Compensation and Working Conditions
 - National Compensation Survey (NCS)*
6. Office of Occupational Statistics and Employment Projections
 - 2004 - 2014 National Employment Matrix*
 - Employment by Occupation, 2004 and projected 2014*
 - Occupational Employment, Training and Earnings*

Employment and Training Administration (ETA)

1. Characteristics of the Insured Unemployed
2. National O*NET Consortium
 - O*NET Production Database*

Employment Standards Administration (ESA)

1. Wages and Hour Division
 - State and National Minimum Wage Laws*

U.S. Postal Service

Address Information System (AIS) Products

1. Delivery Statistics