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**JPMorgan Chase & Co. *New Skills at Work* Report Reveals Growing Opportunity Gap
In Los Angeles County's Healthcare and Global Trade Sectors**

*Well-Paying Job Opportunities Requiring Less than a College Degree Are On the Rise,
But Many Angelenos Lack the Skills Required to Qualify*

*Report identifies critical steps the public and private sectors can take to align education and employee
job training; JPMorgan Chase Contributes More Than \$2.5 Million to the Effort*

Los Angeles, July 17, 2015 – JPMorgan Chase & Co. today released a report outlining a growing labor market challenge in Los Angeles County. The region's healthcare and global trade & logistics sectors are expanding steadily, offering jobs that pay well above the county's living wage.

These sectors are expected to grow over the next five years and many of the available jobs – physical therapy assistant, medical assistant, ship engineer, transportation inspector – are middle-skill. Middle-skill jobs require some postsecondary education, such as an Associate's degree, certificate, or industry-recognized credential, but do not require a Bachelor's degree. The middle-skill jobs profiled in this report pay a median hourly wage of nearly \$30 per hour, which is higher than the region's living wage of \$21.62 per hour.

Many Angelenos, however, lack the skills needed to qualify for the jobs, including both basic work readiness skills as well as more specialized technical skills. Unemployment in the county remains above the national average.

In addition, much of the funding for adult literacy services that could help prospective workers gain the basic work readiness skills they need has been reduced since 2009, the report found. This opportunity gap threatens not only individual economic mobility but also the future of the region's middle-skill employee pipeline.

The JPMorgan Chase *Skills Gap Report* outlines a roadmap for stakeholders to better prepare Angelenos for thousands of middle-skill jobs in growing industries.

Today, JPMorgan Chase also announced more than \$2.5 million in grants to six area nonprofits committed to helping workers gain the skills and training they need to succeed in the workplace.

“Los Angeles County must develop a system of regional career pathways to launch young people and middle-skill adults into good jobs with advancement potential,” said Joni Topper, Managing Director, Government, Healthcare, Higher Education & Nonprofit Banking, for JPMorgan Chase. “Starting with the middle-skill positions in two leading industries—healthcare and global trade & logistics— we believe our targeted recommendations will help meet our market's strong demand for these middle skills, increase talent pools for the jobs and help more Los Angeles residents to access good jobs that enable them to support themselves, their families and the regional economy.”

This new report is a core component of JPMorgan Chase's five-year, \$250 million global *New Skills at Work* initiative. Launched in 2013, it is the largest-ever private-sector effort aimed at addressing the skills gap that exists across many industries, such as healthcare and advanced manufacturing, where not enough trained workers have the specific skills needed to fill the jobs available.

Building upon successful programs like the California Career Pathways Trust Fund, JPMorgan Chase committed \$10 million last year toward workforce readiness and demand-driven training in Los Angeles to organizations such as the LA Chamber Foundation (\$300,000), the YWCA of Greater Los Angeles (\$100,000) and LA Conservation Corps (\$200,000).

Skills Gap Report Key Findings

Los Angeles has a broad range of industries fueling economic growth. But a significant number of Los Angeles residents remain unable to maintain middle-skill jobs with local employers. A key task for Los Angeles's stakeholders is to align the county's powerful education and training assets with employer needs and with one another, so that they can more effectively connect to all Los Angeles residents to good jobs and careers. The report sites that global trade & logistic and healthcare sectors have the greatest potential to provide Los Angeles workers with living wages and career mobility.

Opportunities in Global Trade & Logistics

The global trade & logistics sector in Los Angeles County is very large, with approximately 358,000 jobs, of which 22% are middle-skill jobs. Salaries in the targeted occupations are high, with median annual wages for middle-skill workers above \$52,000. The sector is expected to grow by 7% from 2014 to 2019. Global trade & logistics is also promising due to projected demand to replace retiring workers. Los Angeles is well positioned as a leader for airport, seaport, and goods movement, which makes global trade & logistics a significant opportunity for Angelenos. For example, Los Angeles is a major transportation and distribution hub and is home to some of the busiest ports in the United States. Also, Los Angeles International Airport ranks among the nation's top five busiest airports in terms of passengers and cargo.

Opportunities in Healthcare

Promising middle-skill opportunities in patient care, technical and administrative positions exist. Nursing is the largest middle-skill healthcare profession. While employers increasingly seek registered nurses with Bachelor's Degrees, 61% of all RN postings in LA County in 2013-14 requested only an associate degree. One of the major factors impacting the growth in the healthcare sector is the Affordable Care Act. According to the report, by one estimate, Los Angeles County would account for half of the reduction in California's uninsured population. In addition, an increase in the insured population could lead to increased demand for healthcare services, thus driving additional growth. Healthcare employers project strong growth across middle-skill positions, with the largest number being projected in the medical assistant occupation.

A Living Wage in Los Angeles County

The report used \$21.62 per hour as a wage threshold for middle-skill jobs in healthcare and global trade & logistics in Los Angeles County. Jobs in these sectors are growing steadily, are massive in scale and offer significant employment opportunities.

Skills Gap Report Recommendations

Los Angeles stakeholders have started to make progress towards greater regional collaboration and alignment. Middle-skill job candidates are in high demand in order to fill the thousands of jobs industries need to fill. The report provides the following strategic recommendations to support existing training and community-based workforce efforts:

1. Commit to a regional approach to career pathway development by clearly delineating roles and responsibilities across regional stakeholders.
2. Companies can develop pathways that integrate adult literacy with industry aligned skills and training by helping to support the needs of the county's least prepared residents. It's also important to ensure that students have adequate career navigation services.
3. System leaders and policy makers can make work readiness a regional priority by creating a common framework for work readiness that can be used across systems to guide program development and employer collaboration.
4. By accessing current and expected regional demand for middle-skill workers – and adjusting education and training accordingly -- education and training providers can work together to ensure a balance of programmatic offerings and reduce duplication of services.
5. System leaders and policy makers can expand work-based learning across the pipeline by creating policies for awarding college credit for work-based learning, including assessment of prior learning and competency-based models.

JPMorgan Chase Grants

The skills gap report identifies critical steps the public and private sectors can take to align education and employee job training. JPMorgan Chase announces grants totaling over \$2.5 million to assist in the effort. A sample of grant recipients includes the following:

LA HI-TECH: The Los Angeles City College Foundation was recently granted \$750,000 over three years to support the LA HI-TECH Consortium's efforts to close the skills gap and train the next generation of Information and Communication Technology (ICT) workers. The three-year grant will enable the Consortium to hire a Regional Hub Employer Engagement Coordinators (EEC) and student support specialists, provide the requisite equipment for work-based learning opportunities, and purchase software for the Pathways 2 Career (P2C).

LA Chamber: A grant of \$200,000 supports the Los Angeles Area Chamber of Commerce Foundation's initiatives to advance the L.A. region's economy through the development of business education partnerships and the coordination of workforce planning, and cultivation of start-up technology companies.

LAEDC: The Economic Development Corporation of Los Angeles (LAEDC) was recently granted \$300,000 to support a one-year study to develop the second five-year Strategic Plan for Economic Development (2016-2020) for LA County; develop the first regional workforce plan as mandated by the recently enacted Workforce Innovation and Opportunity Act (WIOA); and produce two detailed skills gap analyses of the construction and transportation/trade industry clusters.

YWCA of Greater LA: The YWCA of Greater Los Angeles was recently granted \$100,000 to support their Digital Learning Academy to help address the digital skills gap facing today's workforce. JPMC provided support to develop a business plan based on the YWCA GLA leveraging resources to address the 21st

Century Digital Skills Gaps. The DLA through an (on-site) Printing Business will establish a social enterprise to support the Academy, provide the technical education and the hands-on training.

About the Skills Gap Report

JPMorgan Chase is releasing a series of skills gap reports in nine metropolitan areas in the United States and four European countries. The reports draw from an array of data, including traditional and real-time labor market information and analysis from Economic Modeling Specialists International (EMSI) and Burning Glass Technologies, Inc. The reports focus on middle-skills occupation as defined by EMSI based on aggregated data from over 90 federal, state and private sources and a multi-variable technique that includes three criteria: family-sustaining wages, recent employment growth, and employment size. Burning Glass provided real-time labor market demand information from online job postings by aggregating and analyzing code data from multiple classification and occupation databases. Jobs for the Future integrated EMSI and Burning Glass data with other data sources like the analysis of longitudinal Quarterly Workforce Indicators from the U.S. Census Bureau, to write the report.

About JPMorgan Chase

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