

Transportation, Distribution, and Logistics Sector Data Report

North Central Connecticut, July 2021

Prepared by Capital Workforce Partners

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Introduction

The State of Connecticut is positioned within 500 miles of 30% of the total U.S. population and two-thirds of the total Canadian population.¹ The Hartford region, in particular, is strategically located mid-way between Boston and New York City, and also anchors the New Haven-Hartford-Springfield Knowledge Corridor. These geographic advantages position North Central Connecticut as a potential leader in the Transportation, Distribution, and Logistics (TDL) sector.

This data report details the current state of the TDL sector in North Central Connecticut as of July 2021, with emphasis on key TDL business attributes, the labor market and occupational trends, demographic characteristics of the sector, and the impact of COVID-19 on TDL employment. The report concludes with survey results collected from regional TDL businesses.

Statewide Sector Characteristics

The North American Industrial Classification System (NAICS) primarily categorizes TDL businesses under the NAICS 2-digit code grouping 48-49 *Transportation and Warehousing*. The US Census Bureau defines *Transportation and Warehousing* as:

Industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline.²

In the State of Connecticut, as of 2018 there were 1,359 firms coded under this classification supporting 43,580 jobs.³ Table 1 depicts firms comprising the TDL sector statewide broken out by size of employment, as well as the number of firms, establishments (physical business locations), total employment, and total annual payroll (in thousands) for each size bracket. Only 10% of the TDL businesses in CT have more than 500 employees, yet in total these large firms comprise over 67% of overall employment in the sector.

Table 1. TDL Sector Statewide Business Characteristics

Enterprise Size	Firms	Establishments	Employment	Annual Payroll (\$1,000)
<5 employees	698	699	990	67,053
<20 employees	1,019	1,021	4,181	227,321
<500 employees	1,229	1,257	14,280	739,641
500+ employees	130	436	29,300	1,323,050
Total	1,359	1,693	43,580	2,062,691

¹ For more information see: <https://portal.ct.gov/ChooseCt/Why-CT/Strategic-Location>.

² The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. NAICS codes start at 2-digits and increase in industry specificity up to 6-digits, with additional levels of specificity for each additional digit. Each U.S. firm is assigned a primary 6-digit NAICS code based on its business activities. For more information see: <https://www.census.gov/naics/>.

³ Data in Table 1 is compiled through the US Census Bureau Statistics of US Businesses (SUSB) 2018 Annual Data Tables. For more information see <https://www.census.gov/data/tables/2018/econ/susb/2018-susb-annual.html>.

Of Connecticut’s Gross Domestic Product (GDP) growth from Q4 2020 to Q1 2021, firms identified within the TDL sector contributed to around 2.2% of the total growth.⁴ The percentage for TDL sector GDP contribution nationally is around 3% of total growth. Sectors with the greatest GDP contributions in Connecticut include *Durable Goods Manufacturing* (21.7% of total), *Finance and Insurance* (15.5%), and *Retail Trade* (12.8%).

Regional Sector/Subsector Framework

The TDL sector can be further disaggregated into 11 primary subsectors based on 3-digit NAICS codes, along with a 12th minor 6-digit subsector, *Process, Physical Distribution, and Logistics Consulting Services*, comprising sector-related consulting and management services.⁵ In North Central Connecticut only 8 of the 11 primary subsectors have significant employment and business activity within the available data.⁶ Table 2 shows the TDL subsectors ordered based on total employment in 2021. The subsectors comprising *Water Transportation, Scenic and Sightseeing Transportation, and Postal Service* were not included in this report given their low employment totals and limited data availability in the region.

Table 2. TDL Subsectors⁷

NAICS	Subsector Title	2021 Jobs
493	Warehousing and Storage	8,057
485	Transit and Ground Passenger Transportation	4,741
492	Couriers and Messengers	4,637
484	Truck Transportation	3,251
488	Support Activities for Transportation	1,411
481	Air Transportation	479
541614	Process, Physical Distribution, and Logistics Consulting Services	310
482	Rail Transportation	117
486	Pipeline Transportation	29
Total		23,033

⁴ This GDP data is compiled from the US Bureau of Economic Analysis’ Gross Domestic Product by State, 1st Quarter 2021 data release. For more information see: <https://www.bea.gov/news/2021/gross-domestic-product-state-1st-quarter-2021>.

⁵ In addition to these 11 primary 3-digit NAICS subsectors, there are a number of related subsectors that may also impact the TDL sector, such as 336 Transportation Equipment Manufacturing or 532 Rental and Leasing Services. These related sectors are not included in this report. NAICS definitions for the TDL subsectors identified in this report are provided in Appendix B.

⁶ North Central Connecticut is defined as Hartford County unless otherwise noted. Data in this report is limited to Hartford County unless otherwise noted.

⁷ Data in this report is compiled through Economic Modeling Specialists International (EMSI) unless otherwise noted. EMSI is a labor market data company leveraging proprietary data aggregation tools to supplement publicly available labor market information. For more information on EMSI’s methodology see: <https://kb.emsidata.com/developer/methodology/>

Hartford County businesses identified within the 8 primary subsectors garnered around \$1.4 billion in earnings in 2020 contributing to a Gross Regional Product (GRP) of around \$1.7 billion.⁸ This represents a 21% increase in GRP over the previous 10 years (2010 to 2020).

While there is significant overlap between the occupations comprising these subsectors, the employment outlook, location quotient, and demographic characteristics of each subsector are distinct. Overall, the TDL sector is projected to see total employment growth of 5.46% (1,221 jobs) from 2020 to 2022, yet this ranges from projected growth of 18% in the *Pipeline Transportation* subsector to a projected decrease of -9% in the *Air Transportation* subsector.

The *Warehousing and Storage, Transit and Ground Passenger Transportation, and Couriers and Messengers* subsectors have the highest levels of employment as well as the only location quotients larger than 1 among the subsectors.⁹ These three subsectors, however, also provide the lowest wages compared to the other subsectors, with average earnings per job ranging from \$48,915 to \$52,556. The other two most prominent subsectors, based on employment, are the *Truck Transportation* and *Support Activities for Transportation* subsectors. Table 3 lists each of the TDL subsectors with their projected 2022 employment, the projected employment growth rate from 2020 to 2022, location quotients, and average earnings.

Table 3. TDL Subsectors: Employment, Location Quotients, and Average Earnings

Subsector	2020 Jobs	2021 Jobs	2022 Jobs	20-22% Change	2020 Location Quotient	Avg. Earnings Per Job
Warehousing and Storage	7,816	8,057	8,230	5%	1.69	\$52,556
Transit and Ground Passenger Trans.	4,647	4,741	4,833	4%	2.13	\$50,290
Couriers and Messengers	4,398	4,637	4,828	10%	1.38	\$48,915
Truck Transportation	3,157	3,251	3,330	5%	0.56	\$72,886
Support Activities for Transportation	1,400	1,411	1,420	1%	0.55	\$67,471
Air Transportation	504	479	459	(9%)	0.31	\$90,014
Process, Ph. Dist., and Log. Consulting Services	294	310	325	11%	0.61	\$77,001
Rail Transportation	114	117	120	5%	0.16	\$106,215
Pipeline Transportation	27	29	31	18%	0.16	\$173,254
	22356	23033	23577	5.46%	0.84	\$82,066.76

⁸ GRP is the sum of total industry earnings, taxes on production & imports, and profits, less subsidies. EMSI's GRP calculation is derived from Bureau of Economic Analysis and Bureau of Labor Statistics data.

⁹ Location quotient is calculated by comparing an industry or an occupation's share of regional employment with its share of national employment, where a value of 1 indicates parity between a region and the national share of employment in a given industry or occupation. The higher (or lower) the value, the greater (or lesser) the share of regional employment compared to the share of national employment.

Labor Market

For the 8 primary TDL subsectors, 83.4% of total employment is concentrated among just 20 occupations, 70.4% of employment occurs within the top 10 occupations, and 56.9% occurs in the top 5.¹⁰ 18 of the 20 top occupations show projected growth from 2020 to 2022, with the truck driving occupational cluster (*Heavy and Tractor-Trailer, Light, and Industrial Truck and Tractor*) and the *Couriers and Messengers* occupation showing some of the most significant growth rates. Overall, the median hourly earnings for the TDL sector are around \$21.30 per hour.

Table 4 depicts the top 20 occupations, ordered based on projected 2022 employment, as well as the median hourly earnings, projected occupational growth rate from 2020 to 2022, and the percentage of total jobs in the industry represented by each occupation.

Table 4. Top 20 Occupations in TDL Sector¹¹

Occupation	Median Hourly Earnings	Employed in Sector (2022)	% Change (2020 - 2022)	% of Total Jobs in Sector (2020)
Laborers and Freight, Stock, and Material Movers, Hand	\$15.05	3,747	5%	16.1%
Heavy and Tractor-Trailer Truck Drivers	\$23.40	2,814	6%	12.0%
Passenger Vehicle Drivers, Except Bus Drivers, Transit and Intercity	\$17.90	2,813	7%	12.0%
Light Truck Drivers	\$17.35	2,424	12%	9.8%
Stockers and Order Fillers	\$14.19	1,607	4%	7.0%
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	\$28.31	762	5%	3.3%
Bus Drivers, Transit and Intercity	\$27.12	724	1%	3.3%
Industrial Truck and Tractor Operators	\$17.77	753	9%	3.1%
Shipping, Receiving, and Inventory Clerks	\$17.99	472	5%	2.0%
Packers and Packers, Hand	\$13.14	406	2%	1.8%
First-Line Supervisors of Office and Administrative Support Workers	\$30.19	382	1%	1.7%
Customer Service Representatives	\$17.84	337	2%	1.5%
General and Operations Managers	\$64.52	311	5%	1.3%
Bus and Truck Mechanics and Diesel Engine Specialists	\$28.49	310	5%	1.3%
Dispatchers, Except Police, Fire, and Ambulance	\$21.43	297	2%	1.3%
Aircraft Mechanics and Service Technicians	\$37.63	264	(1%)	1.2%
Order Clerks	\$17.32	255	(0%)	1.2%
Office Clerks, General	\$18.35	265	3%	1.2%
Couriers and Messengers	\$19.20	276	11%	1.1%

¹⁰ Similar to NAICS, the Standard Occupational Classification (SOC) system, updated in 2018, is used by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data. The occupations detailed in this report are based on 6-digit SOC code definitions. For more information see: <https://www.bls.gov/soc/2018/home.htm>. SOC definitions for the top occupations are included in Appendix C.

¹¹ The top 5 occupations, based on employment totals, are noted with **bold** font. References for the top 5 occupations elsewhere in this report refer back to this group of 5 occupations.

School Bus Monitors and Protective Service Workers, All Other	\$15.51	269	8%	1.1%
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16 of the top 20 jobs are classified within the broader SOC occupational clusters of *Transportation and Material Moving Occupations (53-0000)* and *Office and Administrative Support Occupations (43-0000)*. Collectively, these occupational clusters comprise 85.6% of total jobs in the TDL sector.

Of the top 10 occupations (based on sector employment), only *First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors* requires previous work experience (less than 5 years). This occupation, however, does not require any formal on-the-job training. Each of the other top 10 occupations does require short-to-moderate-term on-the-job training. These occupations are also generally accessible to individuals with a high school diploma or equivalent and there is no formal educational credential requirement typically for *Laborers and Freight, Stock, and Material Movers, Hand; Industrial Truck and Tractor Operators; and Packers and Packers, Hand*.

For the top 5 occupations, there was a monthly average of 4,147 unique job postings from businesses in the TDL sector during the period of June 2020 to June 2021.¹² These postings translated to an average of 2,086 new hires monthly. Of the total unique job postings, 92% did not list an educational requirement and 71% did not list an experience requirement. The most prevalent hard and common skills from this set of job postings are identified in Table 5.

Table 5. Top Skills by Job Posting Frequency for Top 5 Occupations

Hard Skill	Posting Frequency	Common Skill	Posting Frequency
Flatbed Truck Operation	12%	Valid Driver's License	11%
Warehousing	9%	Customer Service	6%
Reefer Truck Operation	5%	Good Driving Record	5%
Dry Van Truck Operation	5%	Loading And Unloading	4%
Over-the-Road Driving	4%	Sales	4%
Food Delivery	4%	Communications	4%
Food Services	4%	Operations	2%
Merchandising	3%	Smartphone Operation	2%
Palletizing	2%	Management	1%
Truckload Shipping	2%	Sorting	1%
Forklift Truck	1%	Teamwork	1%

In addition to this set of skills, a number of qualifications were frequently present in the job postings. The Commercial Driver's License (CDL) was most prevalent (~49% of postings), followed by Hazmat Endorsement, Transportation Worker Identification Credential (TWIC) Card, Tanker Endorsement, Doubles Endorsement, and the CDL Class B License.

¹² EMSI's job postings data is gathered by scraping over 100,000 websites, including company career sites, national and local job boards, and job posting aggregators. Postings for over 1.5 million companies are scraped. Postings undergo an algorithmic de-duplication process to ensure that copies of the same posting gathered from multiple sources are not duplicated in the final dataset. For more information see: <https://kb.emsidata.com/methodology/job-posting-analytics-documentation/>.

More broadly, for jobs in the *Transportation and Material Moving* occupational cluster, around 81% of postings did not list an educational requirement and around 72% did not list an experience requirement. The Commercial Driver’s License was the most requested certification, included in over 6,100 job postings. Businesses with the largest numbers of postings for this occupational cluster over the prior year are detailed in Table 6.

Table 6. Top Companies by Job Posting for Transportation and Material Moving Occupations

Company	Median Posting Duration
Amazon.com, Inc.	15 days
U.S. Xpress, Inc.	36 days
C.R. England, Inc.	32 days
Doordash	27 days
Uber Eats	33 days
United Parcel Service, Inc.	25 days
Dattco, Inc.	58 days
Werner Enterprises, Inc	44 days
Uber Technologies, Inc.	11 days
Roehl Transport, Inc.	59 days
Western Express, Inc.	9 days
Com	10 days
CRST International, Inc.	10 days
Postmates Inc.	21 days
Wal-Mart, Inc.	42 days
FedEx Corporation	14 days
Shipt, Inc.	18 days
Schneider National, Inc.	43 days
Hirschbach Motor Lines, Inc.	23 days
Transam Trucking, Inc.	72 days

A separately sourced, sector-wide job postings search (i.e., not limited to the top 5 occupations) showed that 51% of recent postings did not include a formal certification.¹³ Table 7 shows the certifications that were requested in at least 20 recent postings. Driver’s License and the CDL Class A License were the most requested certifications overall by a significant margin.

Table 7. Top Requested Certifications

Certifications	Job Postings
Driver's License	718
CDL Class A	317
CDL Class B	53
Good Conduct	43
OSHA Forklift Certification	37
Automotive Service Excellence (ASE) Certification	20

¹³ Burning Glass Technologies’ Labor Insight platform provided the job postings and certifications data in Table 7. Job postings search occurred on July 12, 2021. For more information on the platform see: <https://www.burning-glass.com/products/labor-insight/>. Please also note that while the EMSI job postings data supporting Table 5 did not list Driver’s License in its Certification data, Burning Glass does identify Driver’s License as a Certification.

The top 5 occupations in the TDL sector are also significant components of other industries. For example, the *Merchant Wholesalers* (both *Durable* and *Nondurable Goods*) sectors are projected to employ over 2,600 individuals from the top 5 occupations in 2022. Table 8 provides a disaggregation of the largest employment sectors for each of the top 5 TDL occupations, listing the number of jobs in each sector by occupation, the projected change in sector employment for each occupation from 2020 to 2022, the percentage of total individuals in an occupation that are employed in each sector, and the percentage of total jobs within each sector comprised by the occupation.

Table 8. Top 5 Occupations Disaggregated by Sector Employment¹⁴

NAICS	Sector	Occupation Jobs in Sector (2022)	% Change (2020 - 2022)	% of Occupation in Sector (2020)	% of Total Jobs in Sector (2020)
Laborers and Freight, Stock, and Material Movers, Hand					
493	Warehousing and Storage	2,027	6%	21.4%	24.4%
561	Administrative and Support Services	1,581	(2%)	18.2%	6.4%
492	Couriers and Messengers	1,268	4%	13.7%	27.7%
423	Merchant Wholesalers, Durable Goods	639	(3%)	7.4%	6.4%
424	Merchant Wholesalers, Nondurable Goods	451	(5%)	5.3%	8.7%
		5,966	1.6%	65.9%	
Heavy and Tractor-Trailer Truck Drivers					
484	Truck Transportation	1,961	5%	40.6%	58.9%
493	Warehousing and Storage	439	6%	9.0%	5.3%
424	Merchant Wholesalers, Nondurable Goods	369	(5%)	8.5%	7.2%
562	Waste Management and Remediation Services	311	4%	6.5%	16.9%
423	Merchant Wholesalers, Durable Goods	199	(3%)	4.5%	2.0%
		3,279	3.5%	69.2%	
Passenger Vehicle Drivers, Except Bus Drivers, Transit and Intercity					
485	Transit and Ground Passenger Transportation	2,803	7%	72.6%	56.6%
903	Local Government	472	(0%)	13.1%	1.5%
624	Social Assistance	172	10%	4.3%	0.8%
623	Nursing and Residential Care Facilities	78	4%	2.1%	0.4%
812	Personal and Laundry Services	50	8%	1.3%	0.6%
		3,575	5.8%	93.3%	
Light Truck Drivers					
492	Couriers and Messengers	2,045	13%	40.0%	41.0%
423	Merchant Wholesalers, Durable Goods	375	(1%)	8.4%	3.7%
441	Motor Vehicle and Parts Dealers	328	1%	7.2%	6.0%
424	Merchant Wholesalers, Nondurable Goods	266	(6%)	6.3%	5.2%
484	Truck Transportation	173	5%	3.6%	5.2%
		3,187	8.0%	65.5%	
Stockers and Order Fillers					
445	Food and Beverage Stores	1,694	(1%)	24.9%	15.7%
493	Warehousing and Storage	1,571	4%	21.9%	19.3%

¹⁴ Industries defined as TDL subsectors are noted in **bold** font.

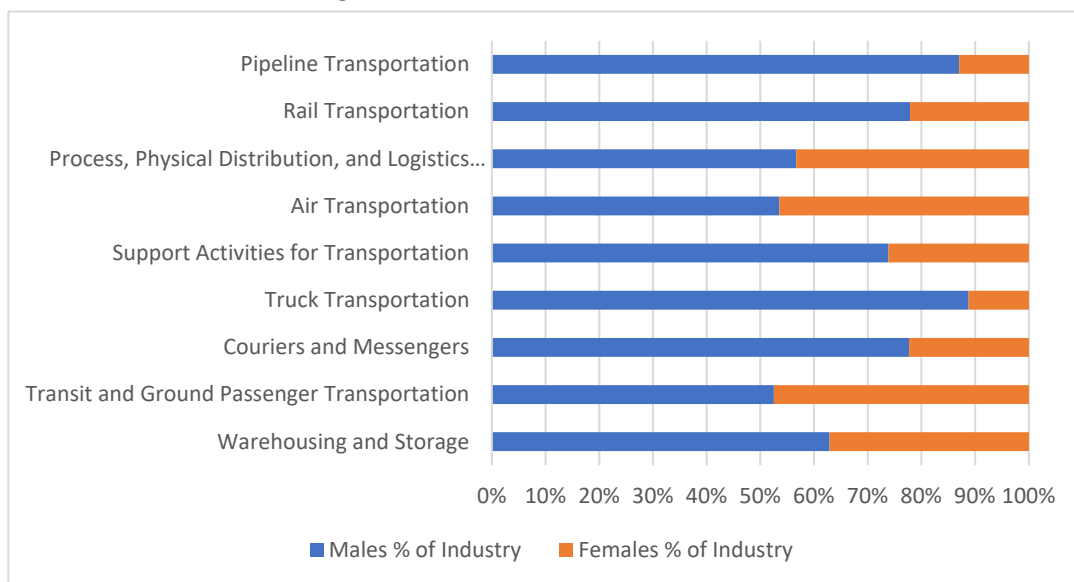
452	General Merchandise Stores	1,359	0%	19.6%	17.3%
424	Merchant Wholesalers, Nondurable Goods	311	(7%)	4.8%	6.1%
444	Building Material and Garden Eq. and Supp. Dealers	297	(0%)	4.3%	7.5%
		5,231	0.5%	75.5%	

Across all industries the top 5 TDL occupations collectively have a median annual wage of \$34,502, which is slightly higher than the national median wage. Compensation is correlated to experience, with new workers (0-1 years) earning a median compensation of around \$28,300-\$29,600 and experienced workers (8-10 years) earning a median compensation of around \$35,300-\$37,000.

Sector Demographics

The TDL sector overall is largely male dominated with some variation among the subsectors. The *Truck Transportation* and *Pipeline Transportation* subsectors show the highest male representation at 89% and 87%, respectively. Conversely, *Transit and Ground Passenger Transportation* and *Air Transportation* show the lowest male representation at 53% and 54%, respectively. Figure 1 shows the gender breakout for each subsector.

Figure 1. Subsector Gender Breakout



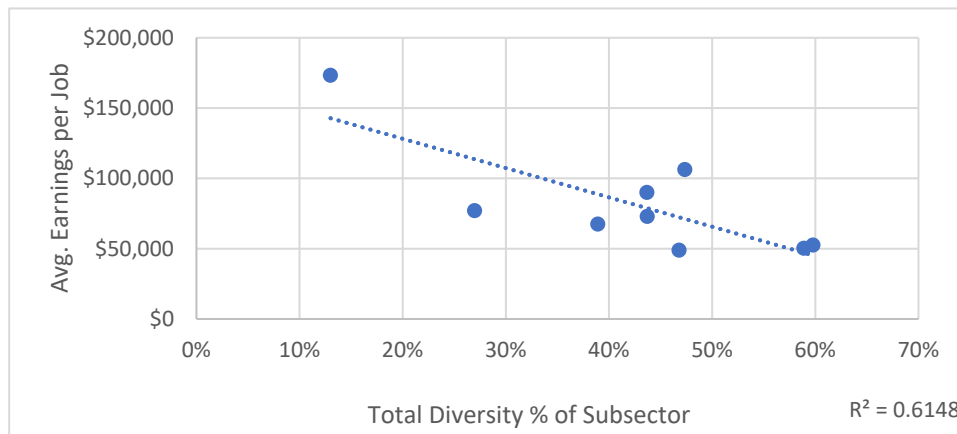
Race/ethnic demographic characteristics also show significant variation among the subsectors. White individuals are the outright majority in 7 of the subsectors. Table 9 shows the race/ethnic breakout for each of the subsectors, given the available data.

Table 9. Race/Ethnicity Subsector Breakout

Subsector	Hispanic or Latino % of Industry	White % of Industry	Black or African American % of Industry	Asian % of Industry	Two or More Races % of Industry
Warehousing and Storage	28%	40%	25%	4%	2%
Transit and Ground Passenger Transportation	34%	41%	22%	2%	1%
Couriers and Messengers	19%	53%	24%	2%	1%
Truck Transportation	21%	56%	20%	1%	1%
Support Activities for Transportation	21%	61%	14%	3%	1%
Air Transportation	19%	56%	22%	Insf. Data	Insf. Data
Process, Ph. Dist., and Log. Consulting Services	6%	73%	7%	14%	Insf. Data
Rail Transportation	13%	53%	31%	Insf. Data	Insf. Data
Pipeline Transportation	Insf. Data	87%	Insf. Data	0%	0%

While several of the subsectors are comprised by a majority of diverse individuals, it is important to highlight how earnings are also correlated in context of diversity among the subsectors.¹⁵ The 3 subsectors with the highest diversity percentages show among the lowest average earnings per job. As noted, these 3 subsectors – *Warehousing and Storage*, *Transit and Ground Passenger Transportation*, and *Couriers and Messengers* – are also the largest subsectors regionally based on employment. Figure 2 shows the average earnings per job in each subsector compared to the percentage of diverse individuals in each subsector. The trendline evident in Figure 2 is significantly influenced by the *Pipeline Transportation* subsector, which has both the highest average earnings and the lowest diversity yet is also the smallest subsector.

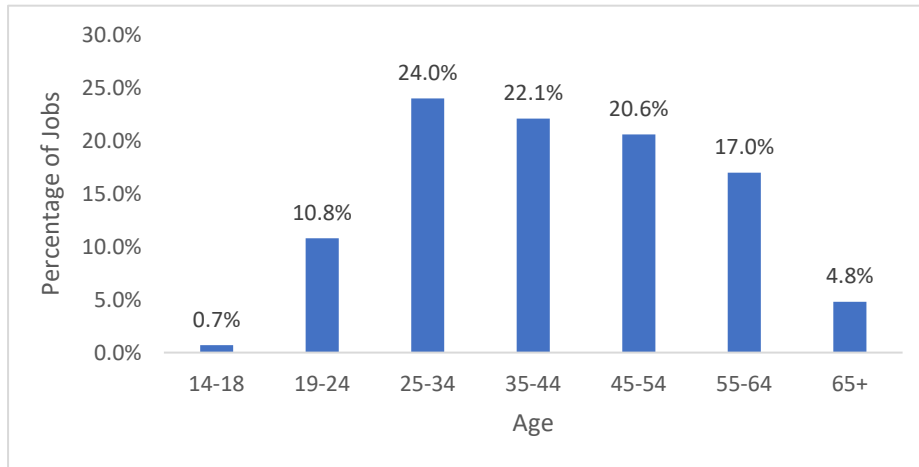
Figure 2. Average Earnings per Job by Subsector Diversity Percentage



The sector’s overall age distribution is fairly normal, with around two-thirds of workers aged 25-54. 21.8% of workers are aged 55 or older, indicating some potential for increased replacement jobs over the next 5-10 years. Figure 3 presents the age breakdown for the TDL sector.

¹⁵ The diversity statistic is calculated based on the percentage of non-white individuals in each subsector.

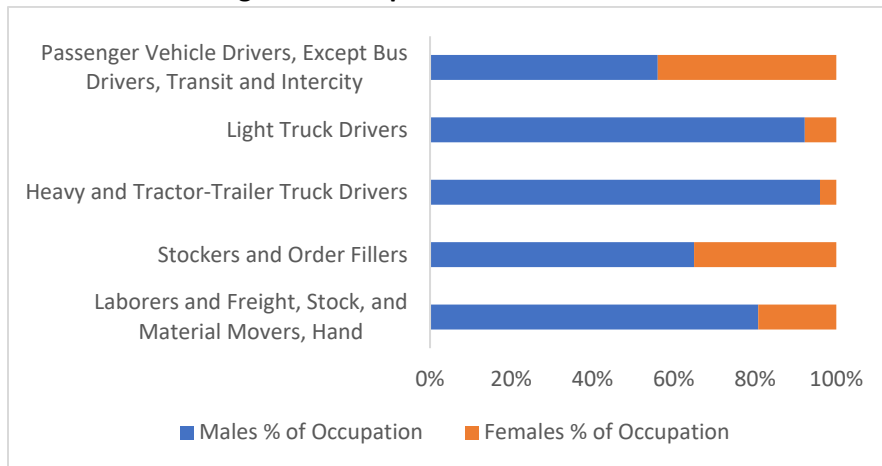
Figure 3. TDL Sector Jobs by Age



Occupational Demographics

Unsurprisingly, the demographic characteristics of the top 5 occupations in the TDL sector are similar to the trends of the sector overall. These occupations are all male dominated with males comprising up to 96% and 92% of the *Heavy and Tractor-Trailer Truck Drivers* and *Light Truck Drivers* occupations, respectively.¹⁶ Figure 4 shows the occupational gender breakout.

Figure 4. Occupation-Gender Breakout



White individuals are the outright majority in 3 of the 5 occupations, with *Laborers and Freight, Stock, and Material Movers, Hand* and *Passenger Vehicle Drivers* showing diversity statistics of 51% and 56%, respectively. Table 10 displays the diversity breakout for the occupations.

¹⁶ Occupational demographic data in this section is inclusive of all sectors where each occupation is present and is not limited to the TDL sectors.

Table 10. Occupational Diversity

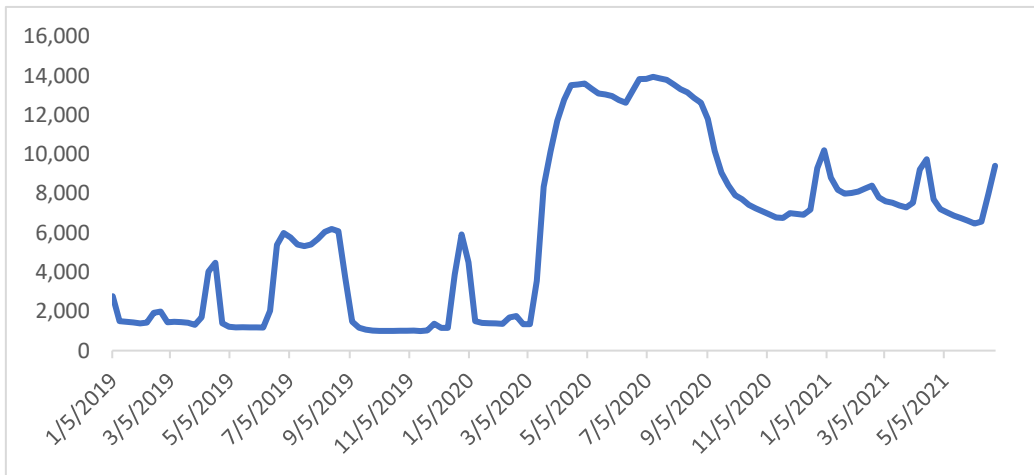
Description	Total Diversity % of Occupation	White % of Occupation
Laborers and Freight, Stock, and Material Movers, Hand	51%	49%
Stockers and Order Fillers	46%	54%
Heavy and Tractor-Trailer Truck Drivers	41%	59%
Light Truck Drivers	42%	58%
Passenger Vehicle Drivers, Except Bus Drivers, Transit and Intercity	56%	44%

Dislocated Workers

The COVID-19 pandemic has impacted overall employment and worker dislocation in the TDL sector, with almost 14,000 former TDL workers receiving unemployment benefits statewide in July 2020 at peak dislocation.¹⁷ The sector displays volatility in worker dislocation pre-COVID-19, likely due to seasonal business trends. Dating back to at least 2017, unemployment in the TDL sector in Hartford County has spiked in July and August each year, with a smaller spike also occurring in April annually.

The number of TDL workers claiming UI benefits statewide spiked by around 9,000 individuals over the course of March 2020 and continued to increase until mid-August 2020. Since then, the number of UI claimants has oscillated between 6,000 and 9,000 without a clear downward trend toward the pre-COVID-19 numbers of claimants. Figure 5 shows the total number of individuals identifying as TDL workers that received unemployment benefits from January 1, 2019 to June 26, 2021. Claimants from the TDL sector, as of June 26, 2021, represent 6.8% of all workers receiving benefits in Connecticut.

Figure 5. Statewide UI Continued Claims for TDL Workers: 1/5/19-6/26/21



¹⁷ Unemployment Benefits Claims data is compiled by the Connecticut Department of Labor – Office of Research. Continued Claims figures are the total number of individuals being paid benefits in any particular week. For more information see: <https://www1.ctdol.state.ct.us/lmi/claimsdata.asp>.

Discussion

This section highlights some key trends arising from the data.

- **Several of the most in-demand TDL occupations show job quality concerns, especially around wages.** Occupations such as for *Laborers and Freight, Stock, and Material Movers* and *Stockers and Order Fillers* have median hourly earnings of around \$15 or less yet are the #1 and #5 occupations based on total employment.
- **TDL Sector occupations appear largely accessible to individuals with limited education and work experiences.** Many recent job postings in the sector do not list specific educational or experience requirements, indicating that these occupations may be good entry-level positions for individuals that have been out of the labor force or otherwise lack educational credentials.
- **A small number of credentials can prepare jobseekers for many of the current entry-level openings.** Training programs targeting Driver's License, CDL Class A and B Licenses, OSHA 10+, and/or Forklift certifications can address many of the credential requirements in common TDL job postings.
- **The TDL Sector overall shows several areas of concern relating to demographic composition, where the lowest paying occupations are among the most diverse.** Many of the top occupations show significant levels of diversity (from 41% to 56% for the top 5), however, these occupations (with the exception of *Heavy and Tractor-Trailer Truck Drivers*) pay less than the sector average of \$21.30/hour.
- **The TDL Sector overall is heavily male-dominated.** Each occupation detailed in this report showed males as the majority of employees, with the trucking cluster showing particularly high levels of male participation.

Appendix A: Transportation, Distribution, and Logistics Employer Survey

Results – August 2021

Introduction

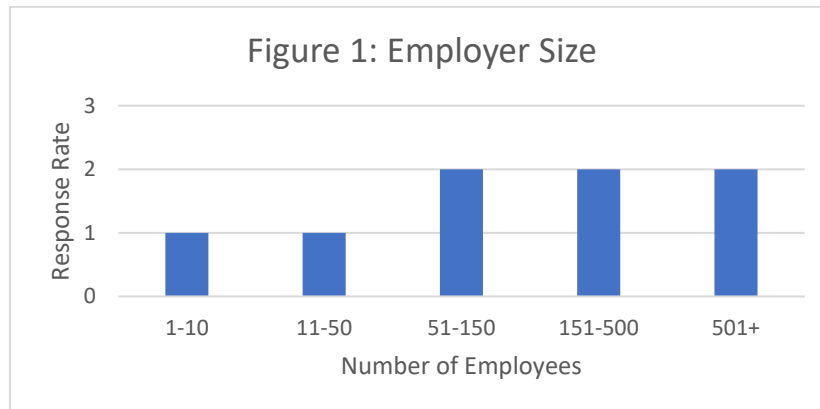
In July and August 2021, CWP surveyed a small group of employers in Transportation, Distribution, and Logistics (TDL) industries. This survey had several goals including assessing broad hiring/training priorities of TDL employers, understanding barriers to hiring and recruitment, exploring employer attitudes toward aspects of job quality and diversity, equity, and inclusion (DEI), validating the results of a broad TDL Sector Data Report, and identifying business leaders to assume leadership roles in the formation of a regional employer partnership. Employers were also given an opportunity to request more information on workforce development programs and partnership opportunities. Follow-up engagement with these contacts is being conducted by the CWP business services team.

The preliminary results of the TDL employer survey are outlined below.

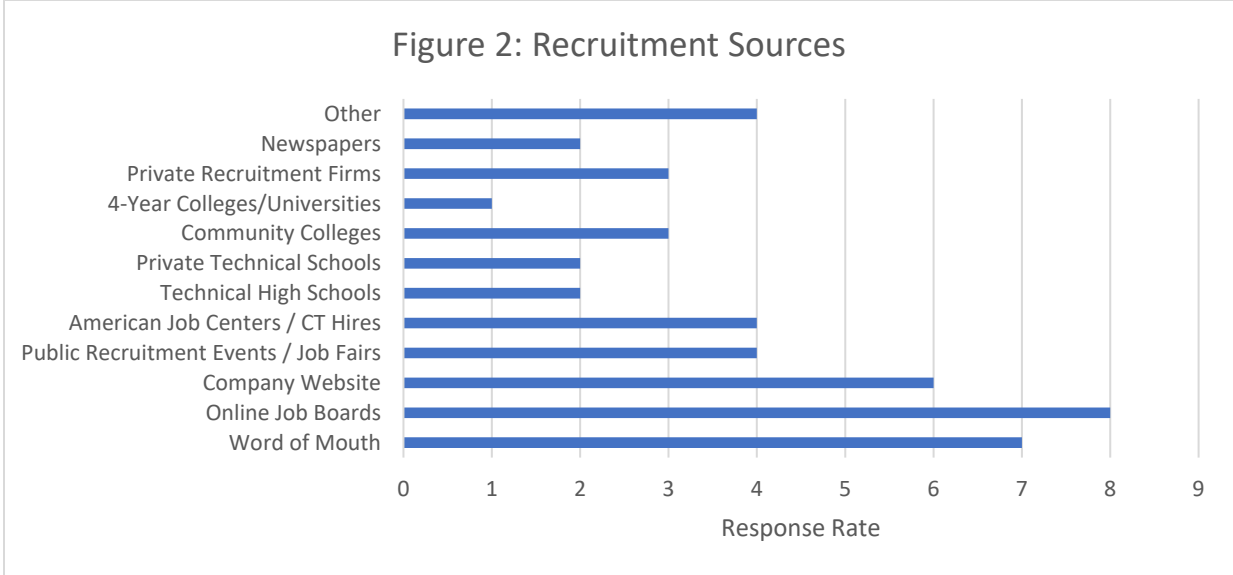
Employer Profile

From a group of approximately 30 TDL industry employers, a total of 8 survey responses were obtained. Respondents included employers classified in the subsectors of Warehousing and Storage, Truck Transportation, Wholesale Trade, and Transit and Ground Passenger Transportation.

Employers of varying sizes were represented. Half of respondents represented larger employers with 151 or more employees, and the rest represented small to medium-sized employers with 150 or fewer employees.

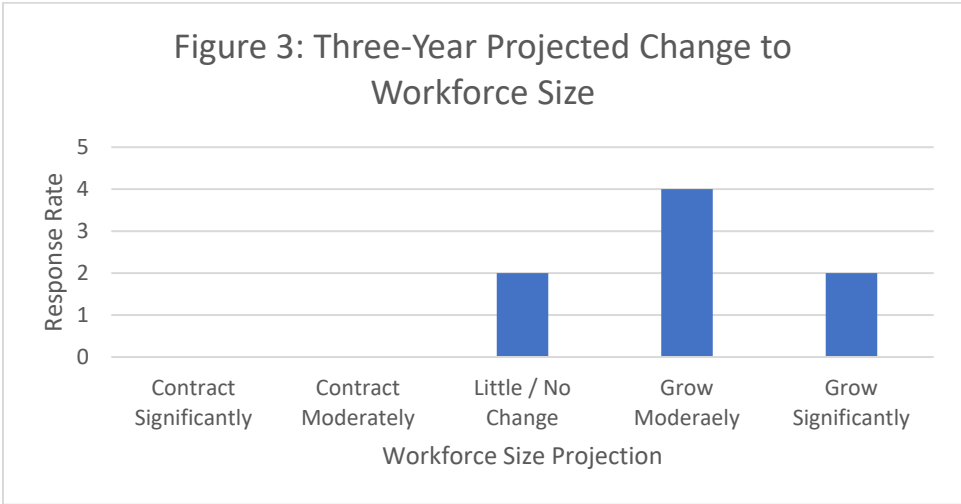


Most respondents reported recruiting through traditional channels including online job boards (100%), word of mouth (87.5%), and their company website (75%). By comparison, a minority of employers reported recruiting talent directly from training providers such as 4-year colleges and universities, community colleges, private technical schools, and technical high schools.



Workforce Demands and Challenges

A majority (75%) of employers projected that their workforce will grow either moderately or significantly over the next three years, with none projecting a contraction of their workforce.



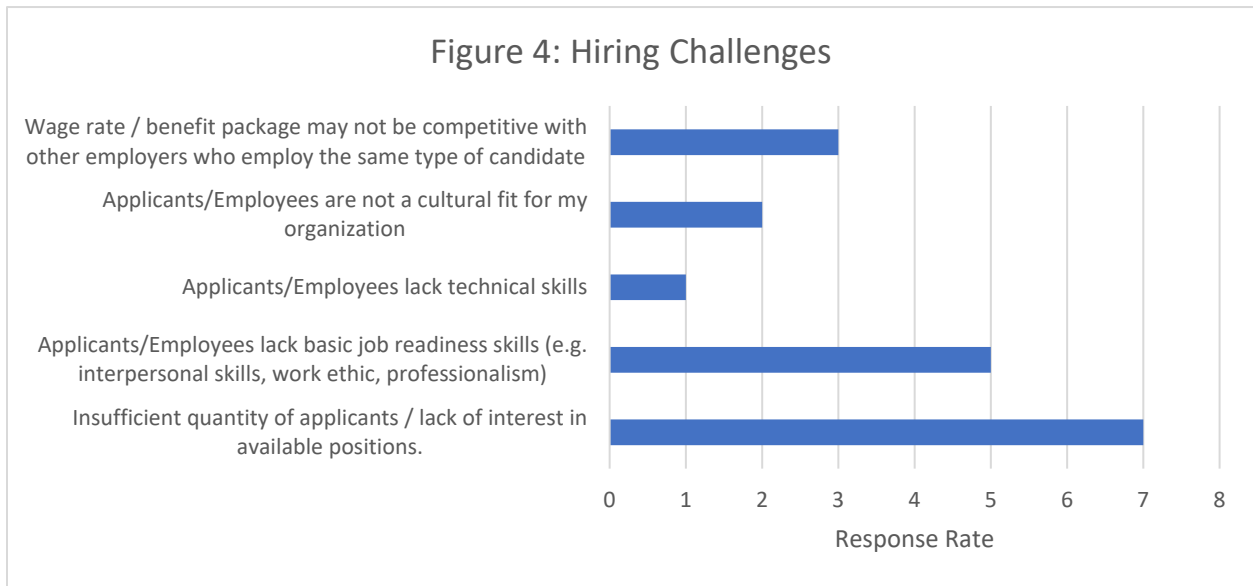
When asked to project the occupations for which they project to hire most frequently in the next three years, the most common positions cited by employers were Laborers (Selectors, Receivers, Unloaders, Forklift Operators), followed by CDL Drivers, and other non-CDL driving roles. Other positions included mechanics and sales representatives. These results aligned closely with expectations based on the results of the TDL industries labor market analysis.

Access to a sufficient volume of candidates, and to lesser extent access to candidates with sufficient professional or “soft” skills were cited as the most common barriers to hiring. Specific professional skills

that were challenging to find among prospective employees included reliability, respect, work ethic, accountability, and customer orientation.

Notably, only one employer cited technical skills as a barrier to hiring, supporting the idea that many roles can be filled by job seekers with relatively little experience and formal training beyond a high school diploma. Additional responses noted difficulty finding candidates who were willing to put in required overtime, and who held specific job-related knowledge and certifications such as a HAZMAT endorsement, foodservice sales, and geographic knowledge of the region.

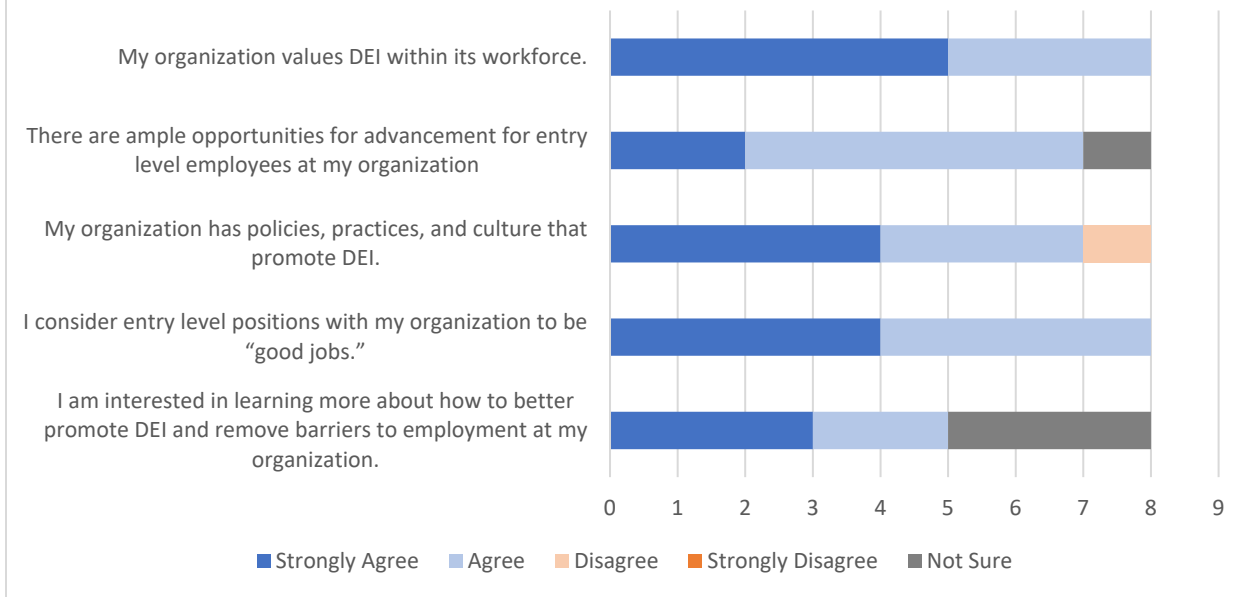
Figure 4 below outlines the rate at which respondents identified typical barriers to hiring as relevant to their organization. The topic of employee retention, specifically the factors that contribute or counteract employee turnover, was not addressed in this survey but represents a potential topic for future exploration.



Job Quality & DEI

Survey respondents were asked to share their attitudes toward diversity, equity, and inclusion (DEI) in their organization as well as measures of job quality. The results, shown in Figure 5 below, indicate a strong level of agreement that their organizations valued and promoted internal policies related to DEI. Furthermore, employers indicated that entry level workers have ample opportunities for advancement.

Figure 5: Attitudes Toward Job Quality, Diversity, Equity and Inclusion



Although a fully anonymous survey, or one that explored facets of job quality and DEI in greater detail may allow for more nuanced conclusions, these results suggest a willingness of employers to engage in further conversations about DEI and job quality, either one-to-one or in the context of a sector partnership. Further discussion and examination of the extent to which internal policies and practices have contributed to employee retention, and follow-up on available advancement opportunities for entry-level employees is warranted.

Conclusion

A small sample size (n=8) and the fact that the employers who participated in this TDL survey were selected from a population with history of engaging in workforce development programs and initiatives, make it difficult to generalize findings across the TDL industries in which these employers operate. However, the data related to workforce growth and hiring trends largely aligned with expectations from CWP’s TDL Sector Data Report that indicate an insufficient supply of willing and available job seekers to fill the current quantity of open positions, especially entry level roles with relatively few training and experience prerequisites.

Respondents, who represented human resources, recruitment, and employer leadership, expressed positive attitudes toward the DEI practices and policies of their companies. These data may serve as a baseline for future discussions with a dedicated employer sector partnership on practices that may improve job quality for employees while making employers in these industries more competitive and sustainable.

Appendix B: NAICS Definitions

Definitions in this section are replicated directly from the US Census Bureau.¹⁸

481 Air Transportation. Industries in the Air Transportation subsector provide air transportation of passengers and/or cargo using aircraft, such as airplanes and helicopters. The subsector distinguishes scheduled from nonscheduled air transportation. Scheduled air carriers fly regular routes on regular schedules and operate even if flights are only partially loaded. Nonscheduled carriers often operate during nonpeak time slots at busy airports. These establishments have more flexibility with respect to choice of airport, hours of operation, load factors, and similar operational characteristics. Nonscheduled carriers provide chartered air transportation of passengers, cargo, or specialty flying services. Specialty flying services establishments use general purpose aircraft to provide a variety of specialized flying services.

482 Rail Transportation. Industries in the Rail Transportation subsector provide rail transportation of passengers and/or cargo using railroad rolling stock. The railroads in this subsector primarily either operate on networks, with physical facilities, labor force, and equipment spread over an extensive geographic area, or operate over a short distance on a local rail line.

483 Water Transportation. Industries in the Water Transportation subsector provide water transportation of passengers and cargo using watercraft, such as ships, barges, and boats. The subsector is composed of two industry groups: (1) one for deep sea, coastal, and Great Lakes; and (2) one for inland water transportation. This split typically reflects the difference in equipment used.

484 Truck Transportation. Industries in the Truck Transportation subsector provide over-the-road transportation of cargo using motor vehicles, such as trucks and tractor trailers. The subsector is subdivided into general freight trucking and specialized freight trucking. This distinction reflects differences in equipment used, type of load carried, scheduling, terminal, and other networking services. General freight transportation establishments handle a wide variety of general commodities, generally palletized, and transported in a container or van trailer. Specialized freight transportation is the transportation of cargo that, because of size, weight, shape, or other inherent characteristics, requires specialized equipment for transportation.

485 Transit and Ground Passenger Transportation. Industries in the Transit and Ground Passenger Transportation subsector include a variety of passenger transportation activities, such as urban transit systems; chartered bus, school bus, and interurban bus transportation; and taxis. These activities are distinguished based primarily on such production process factors as vehicle types, routes, and schedules. In this subsector, the principal splits identify scheduled transportation as separate from nonscheduled transportation. The scheduled transportation industry groups are Urban Transit Systems, Interurban and Rural Bus Transportation, and School and Employee Bus Transportation. The nonscheduled industry groups are the Charter Bus Industry and Taxi and Limousine Service. The Other Transit and Ground Passenger Transportation industry group includes both scheduled and nonscheduled transportation.

486 Pipeline Transportation. Industries in the Pipeline Transportation subsector use transmission pipelines to transport products, such as crude oil, natural gas, refined petroleum products, and slurry. Industries are identified based on the products transported (i.e., pipeline transportation of crude oil,

¹⁸ For more information see: <https://www.census.gov/naics/?99967>.

natural gas, refined petroleum products, and other products). The Pipeline Transportation of Natural Gas industry includes the storage of natural gas because the storage is usually done by the pipeline establishment and because a pipeline is inherently a network in which all the nodes are interdependent.

487 Scenic and Sightseeing Transportation. Industries in the Scenic and Sightseeing Transportation subsector utilize transportation equipment to provide recreation and entertainment. These activities have a production process distinct from passenger transportation carried out for the purpose of other types of for-hire transportation. This process does not emphasize efficient transportation; in fact, such activities often use obsolete vehicles, such as steam trains, to provide some extra ambience. The activity is local in nature, usually involving a same-day return to the point of departure. The Scenic and Sightseeing Transportation subsector is separated into three industries based on the mode: land, water, and other.

488 Support Activities for Transportation. Industries in the Support Activities for Transportation subsector provide services which support transportation. These services may be provided to transportation carrier establishments or to the general public. This subsector includes a wide array of establishments, including air traffic control services, marine cargo handling, and motor vehicle towing. The Support Activities for Transportation subsector includes services to transportation but is separated by type of mode serviced. The Support Activities for Rail Transportation industry includes services to the rail industry (e.g., railroad switching and terminal establishments). Ship repair and maintenance not done in a shipyard are included in the Other Support Activities for Water Transportation industry. An example would be floating drydock services in a harbor.

491 Postal Service. The Postal Service subsector includes the activities of the National Post Office and its subcontractors operating under a universal service obligation to provide mail services, and using the infrastructure required to fulfill that obligation. These services include delivering letters and small parcels. These articles can be described as those that can be handled by one person without using special equipment. This allows the collection, pick-up, and delivery operations to be done with limited labor costs and minimal equipment. Sorting and transportation activities, where necessary, are generally mechanized. The restriction to small parcels distinguishes these establishments from those in the transportation industries. These establishments may also provide express delivery services using the infrastructure established for provision of basic mail services.

492 Couriers and Messengers. Industries in the Couriers and Messengers subsector provide intercity, local, and/or international delivery of parcels and documents (including express delivery services) without operating under a universal service obligation. These articles may originate in the U.S. but be delivered to another country and can be described as those that may be handled by one person without using special equipment. This allows the collection, pick-up, and delivery operations to be done with limited labor costs and minimal equipment. Sorting and transportation activities, where necessary, are generally mechanized. The restriction to small parcels partly distinguishes these establishments from those in the transportation industries. The complete network of courier services establishments also distinguishes these transportation services from local messenger and delivery establishments in this subsector. This includes the establishments that perform intercity transportation as well as establishments that, under contract to them, perform local pick-up and delivery. Messengers, which usually deliver within a metropolitan or single urban area, may use bicycle, foot, small truck, or van.

493 Warehousing and Storage. Industries in the Warehousing and Storage subsector are primarily engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods, and

other warehouse products. These establishments provide facilities to store goods. They do not sell the goods they handle. These establishments take responsibility for storing the goods and keeping them secure. They may also provide a range of services, often referred to as logistics services, related to the distribution of goods. Logistics services can include labeling, breaking bulk, inventory control and management, light assembly, order entry and fulfillment, packaging, pick and pack, price marking and ticketing, and transportation arrangement. However, establishments in this industry group always provide warehousing or storage services in addition to any logistic services. Furthermore, the warehousing or storage of goods must be more than incidental to the performance of services, such as price marking.

541614 Process, Physical Distribution, and Logistics Consulting Services. This U.S. industry comprises establishments primarily engaged in providing operating advice and assistance to businesses and other organizations in: (1) manufacturing operations improvement; (2) productivity improvement; (3) production planning and control; (4) quality assurance and quality control; (5) inventory management; (6) distribution networks; (7) warehouse use, operations, and utilization; (8) transportation and shipment of goods and materials; and (9) materials management and handling.

Appendix C: SOC Definitions

Definitions in this section are replicated directly from the US Bureau of Labor Statistics.¹⁹

53-7062 Laborers and Freight, Stock, and Material Movers, Hand. Manually move freight, stock, luggage, or other materials, or perform other general labor. Includes all manual laborers not elsewhere classified. Excludes “Construction Laborers” (47-2061) and “Helpers, Construction Trades” (47-3011 through 47-3019). Excludes “Material Moving Workers” (53-7011 through 53-7199) who use power equipment.

53-3032 Heavy and Tractor-Trailer Truck Drivers. Drive a tractor-trailer combination or a truck with a capacity of at least 26,001 pounds Gross Vehicle Weight (GVW). May be required to unload truck. Requires commercial drivers’ license. Includes tow truck drivers. Excludes “Refuse and Recyclable Material Collectors” (53-7081).

53-3033 Light Truck Drivers. Drive a light vehicle, such as a truck or van, with a capacity of less than 26,001 pounds Gross Vehicle Weight (GVW), primarily to pick up merchandise or packages from a distribution center and deliver. May load and unload vehicle. Excludes “Couriers and Messengers” (43-5021) and “Driver/Sales Workers” (53-3031).

53-7065 Stockers and Order Fillers. Receive, store, and issue merchandise, materials, equipment, and other items from stockroom, warehouse, or storage yard to fill shelves, racks, tables, or customers’ orders. May operate power equipment to fill orders. May mark prices on merchandise and set up sales displays. Excludes “Shipping, Receiving, and Inventory Clerks” (43- 5071), “Laborers and Freight, Stock, and Material Movers, Hand” (53-7062), and “Packers and Packagers, Hand” (53-7064).

¹⁹ For more information see: https://www.bls.gov/soc/2018/soc_2018_manual.pdf.