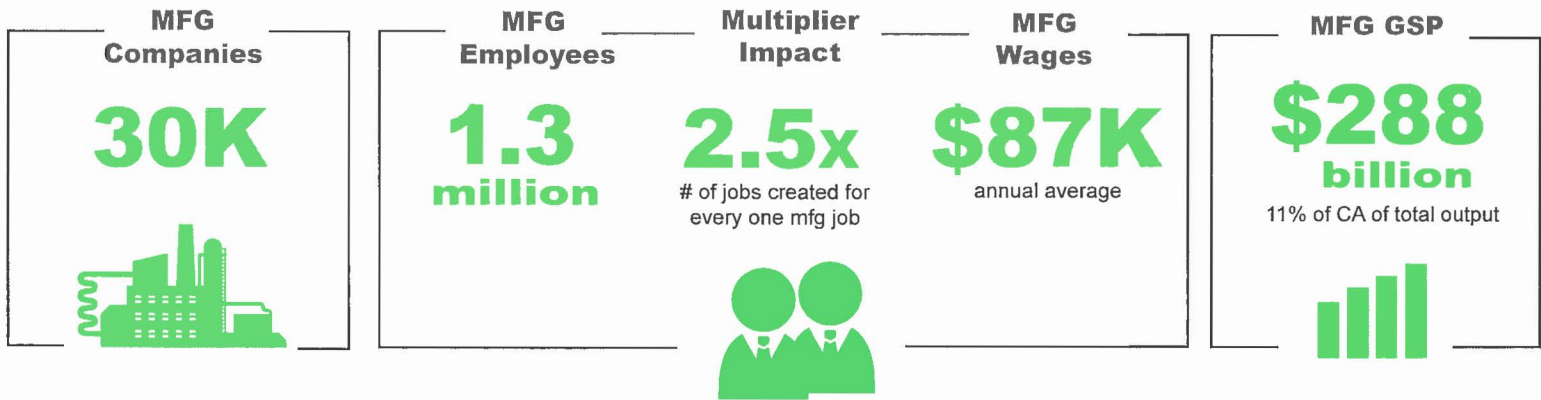


STATE OF MANUFACTURING IN CALIFORNIA



California Manufacturing Is... by sub-sector *(partial list)*

Aerospace
Automotive
Biotech
Brewing
Cement / Ready Mix

Computers & Electronics
Food Production
Glass
Heavy Equipment
Medical Devices

Packaging
Petroleum
Paper
Plastics
Pharmaceuticals

Shipbuilders
Steel
Telecommunication
Transportation
Wine

Small Manufacturing is BIG

64%
of manufacturers
have less than 25 employees

Manufacturing Equals Opportunity

By 2025, **1.9 million**
jobs will require some type of
middle skill training

Manufacturing is Diverse

34%
of workers are minority



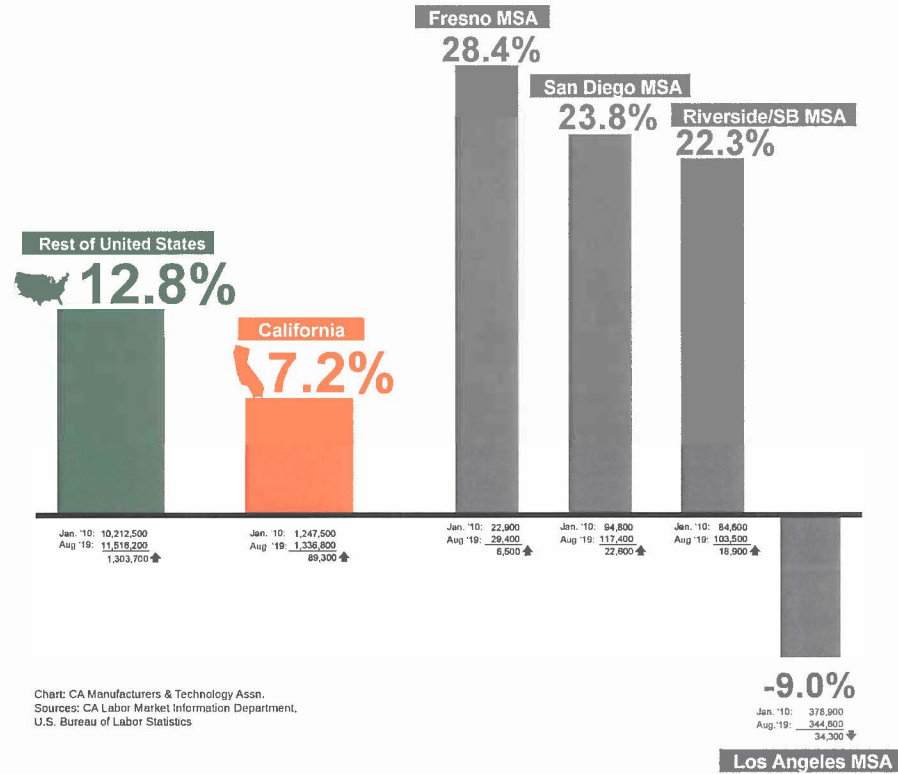
31%
of workers are women

Created January 29, 2020

CALIFORNIA MANUFACTURING VERSUS THE COUNTRY

CA MFG job growth compared to rest of U.S.

Percent change since 2010, end of last recession

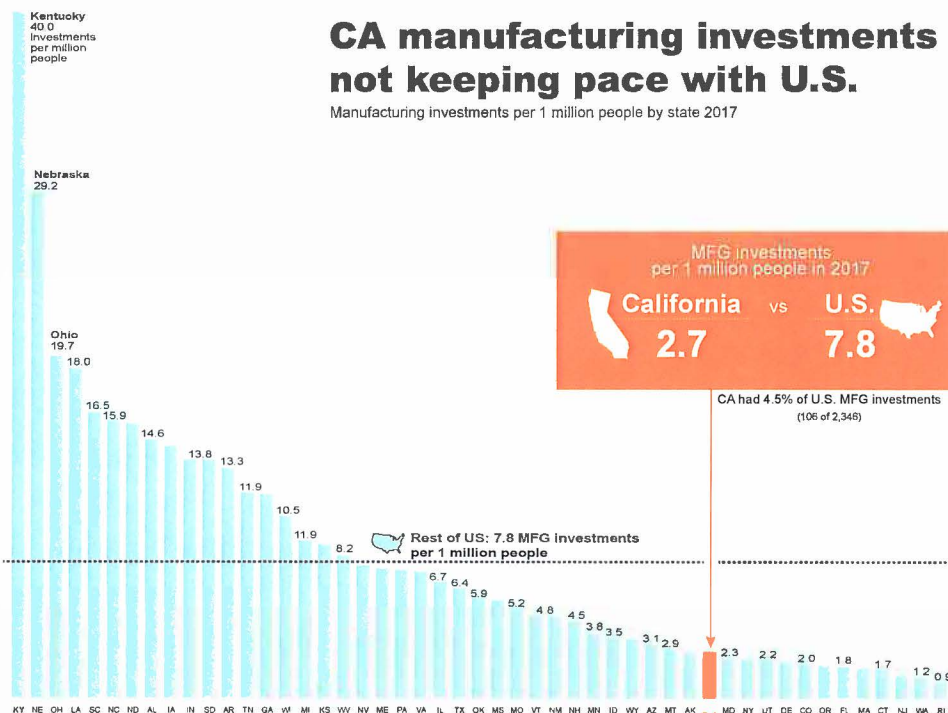


Industrial costs



CA manufacturing investments not keeping pace with U.S.

Manufacturing investments per 1 million people by state 2017



Sources: Center for CA Jobs and the Economy, CA Labor Market Information Dept., Bureau of Economic Analysis, Conway Data/Selection Magazine, and CMTA MFG database.



Building a Workforce to Advance California Manufacturers' Competitiveness

Manufacturing offers a sustainable and profitable career pathway for any Californian, especially those who do not possess a four-year degree or who have barriers to employment. Yet, the industry continues to suffer from a persistent skills shortage that threatens to severely limit our innovation capabilities and marketplace opportunities.

Just as consumer demand for greater innovation and technology is at its zenith, the manufacturing workforce is retiring at an accelerated rate. Too often companies struggle to fill positions for machinists, electrical and mechanical technicians and other jobs that require a rigorous level of technical training.

“California manufacturers need a reliable pipeline of highly trained individuals to solve today’s skill shortage and prepare for the future.”

California manufacturers need a reliable pipeline of highly trained individuals to solve today’s skill shortage and prepare for the future. We stand ready to partner with policymakers to develop a long-term strategy to address this pervasive middle skills shortage. Students cannot compete for 21st century jobs with mid-century skills and California manufacturers cannot

remain competitive without a highly trained workforce.

Manufacturers support the following policy principles for building a skilled workforce:

■ **A Responsive Education System.** An education system that is responsive to the dynamic nature of the modern global marketplace. It must be flexible, relevant, evolving and innovative. It must also be forward-thinking and reflective of current and future workforce needs.

■ **Relevant Instruction and State Leadership.** High-quality program instruction must be reflective of workforce needs, informed by industry and promote meaningful engagement of industry partners. There must be strong accountability from the State that is regionally delivered to support effective implementation of CTE standards that result in successful programs.

■ **Dedicated Funding.** A permanent source of dedicated funding is essential to incentivize the creation and expansion of career training programs in the K-14 system with applied learning programs in middle and high schools and career exploration in grades Pre-K to six.

■ **Collaborative Partnerships.** Removing barriers to strategic partnerships with educators and workforce stakeholders that lead to meaningful engagement and produce relevant and responsive training programs.

MFG Supports the Middle Class

- Companies in California: 30,000
- Average Annual Wage: \$87,000
- Economic Output: \$288 billion
- Number of Employees: 1.3 million
- Average Age of CA Worker: 57

FACT: Over the next decade, nearly 3.5 million manufacturing jobs will likely be needed but due to the persistent middle-skills gap, **2 million** are expected to go unfilled.

2018 Deloitte, Manufacturing Institute Skills Gap and Future of Work Study.

Skills Needed for Success

- Technical and mechanical aptitudes
- Digital competency
- Schematic analysis and computation
- Machining, welding and design
- Problem solving, critical thinking, professional communication and collaboration and perseverance

High Demand Jobs in MFG

- CNC operators & machinists
- Electricians
- Electrical and Mechanical Maintenance Technicians
- Quality Control Managers
- Project Managers
- Welders
- Instrumentation Technicians
- Machine Programming Engineers

For more information, contact:

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The Profile of the 21st Century Manufacturing Workforce

The 21st Century manufacturing employee is highly skilled, highly trained, fulfilled and committed – oftentimes choosing to stay with one company for years. They desire flexibility and are often responsible for many different roles inside the company. They are adaptable, always learning and may even spin off to start their own venture, becoming part of the very supply chain they once commanded. Opportunities for entrepreneurs and small manufacturers in the supply chain stimulate growth and create an economic ripple effect throughout all sectors of the local economy.

The 21st Century manufacturing worker is also enterprising and industrious. They combine their technological knowledge, industrial expertise and ingenuity to bring the world customized and connected products and solutions while functioning in a highly efficient and dynamic industrial environment. They are part of small

nimble teams, or working solo, making decisions quickly to create products that satisfy ever-changing markets.

Minimum qualifications manufacturers seek in job candidate:

- Individuals with technical and mechanical aptitudes, who are experienced in working with their hands and possess strong math and reasoning skills.
- Students who are trained in digital competencies that involve understanding what occurs behind the technology and not just the consumption aspect of technology utilization.
- Candidates who are prepared to enter into the “world of work” and possess the “essential” or “soft” skills necessary to transition into a professional environment. This preparation includes the development of interpersonal skills that are exercised through leadership and on-the-job educational activities to demonstrate a level of professional maturity and readiness for a work environment.



“

Every time a manufacturer cannot find a qualified candidate, they lose their competitive edge.

”

About CMTA

For 100 years, the California Manufacturers & Technology Association (CMTA) has advocated for policies that strengthen the state's more than 30,000 manufacturers and support the 1.3 million Californians they employ. The manufacturing industry is the foundation of our economy, the driver of innovation, and the pathway to the middle class.

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