

# North Carolina & The Great Recession: An Overview

Presentation to “Planning for Jobs”  
UNC-CH Department of City & Regional Planning

~ August 31, 2010 ~

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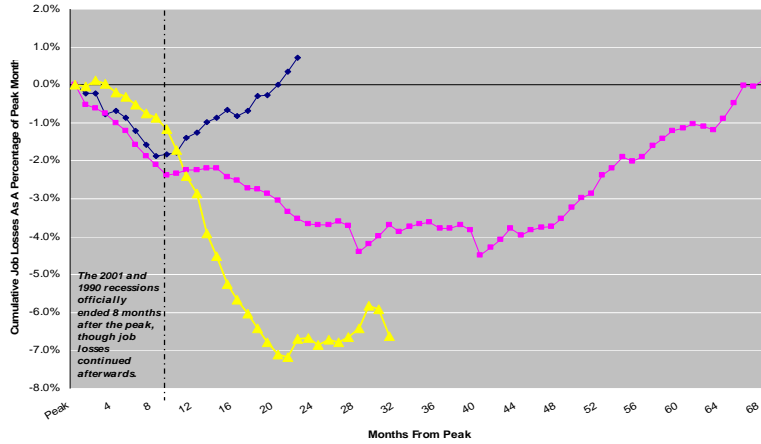
## Summary

- North Carolina and “The Great Recession”
  - December 2007 - present
  
- North Carolina’s Difficult Decade
  - January 2000 – December 2009
    - This period spans two recessions:
      - 2000 was a peak year followed by a 2001-02 recession
      - 2002-2007 was an expansion that ended in current recession
  
- 15 Years of Workforce Development Change
  - Late 1990s passage of federal PRWORA and WIA



# Job Loss During The Great Recession

Cumulative Job Losses, Measured From Labor Market Peak to Recovery, by Month, North Carolina, Last Three Recessions



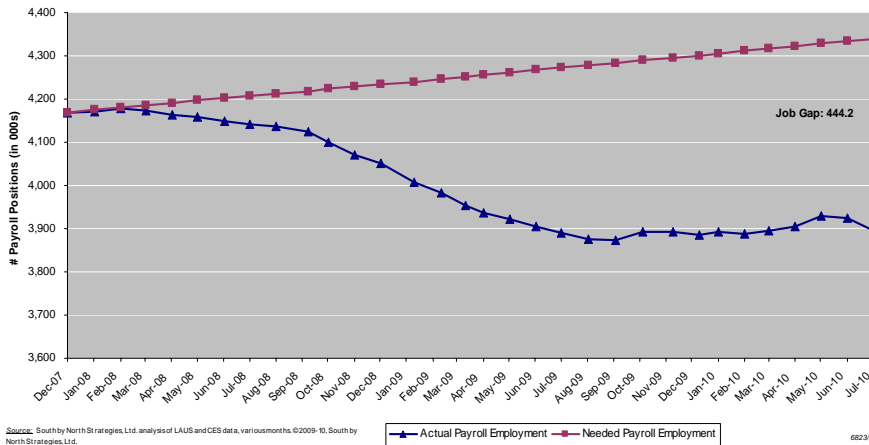
Source: Current Employment Statistics, ESC ©2009-10, South by North Strategies, Ltd.

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# The Job Gap

North Carolina's Job Gap  
Actual Payroll Employment vs. Needed Payroll Employment  
12/07 - 7/10 (Current Recession)

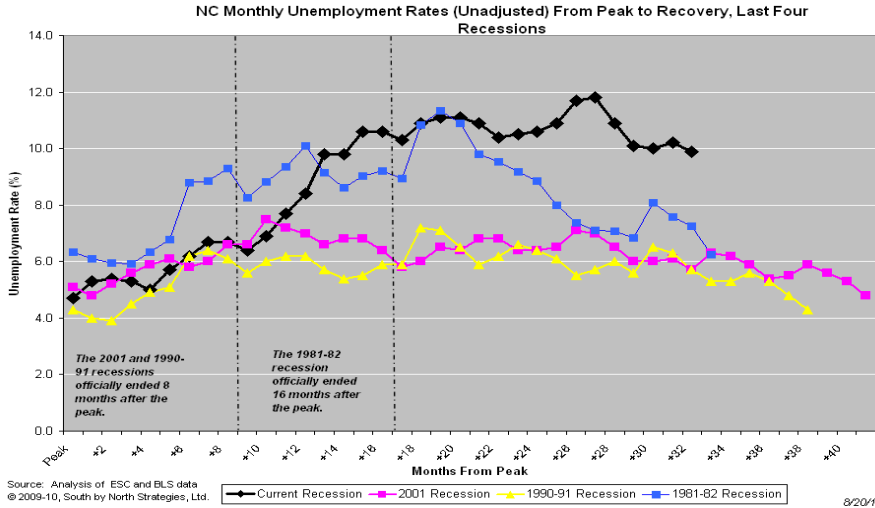


Source: South by North Strategies, Ltd. analysis of LAUS and CES data, various months ©2009-10, South by North Strategies, Ltd.

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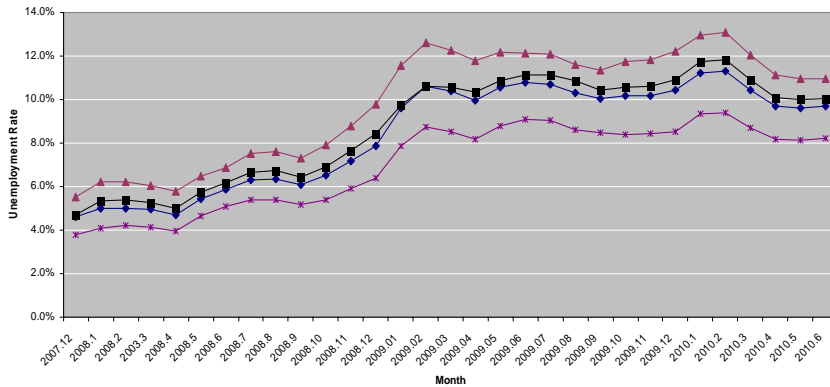


# Rising Unemployment



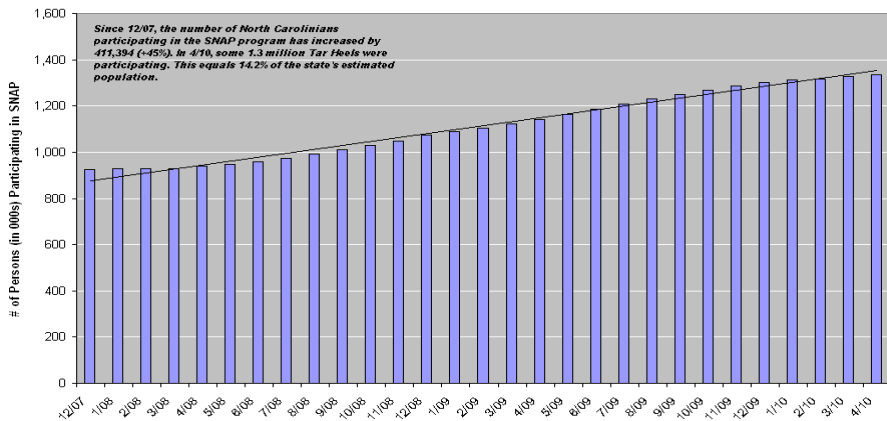
# Geographic Differences

Monthly Unemployment Rates (Not Seasonally Adjusted), North Carolina + Selected Areas, December 2007 - June 2010 (Current Recession)



## Growing Economic Hardships

Changes in # Persons Participating in SNAP Program, North Carolina  
December 2007 - April 2010 (Current Recession)



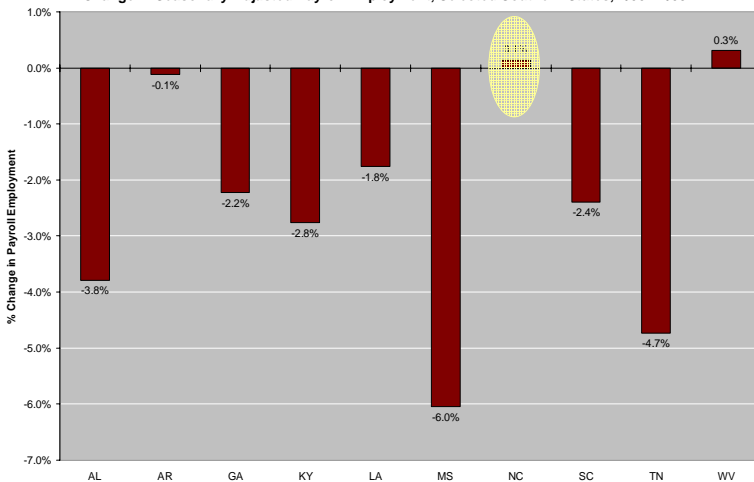
Source: South by North Strategies, Ltd. analysis of USDA data compiled by Food Research and Action Center  
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## NC's Difficult Decade

Change in Seasonally-Adjusted Payroll Employment, Selected Southern States, 1/00-12/09

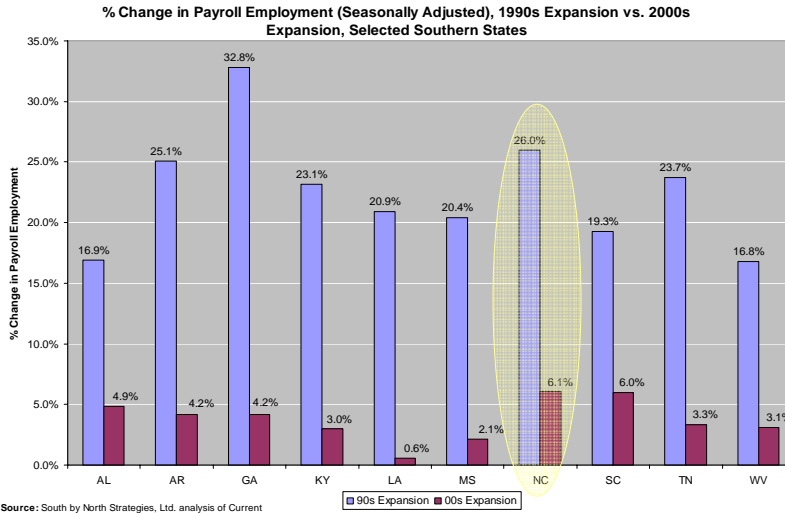


Source: South by North Strategies, Ltd. analysis of Current Employment Statistics, U.S. Bureau of Labor Statistics

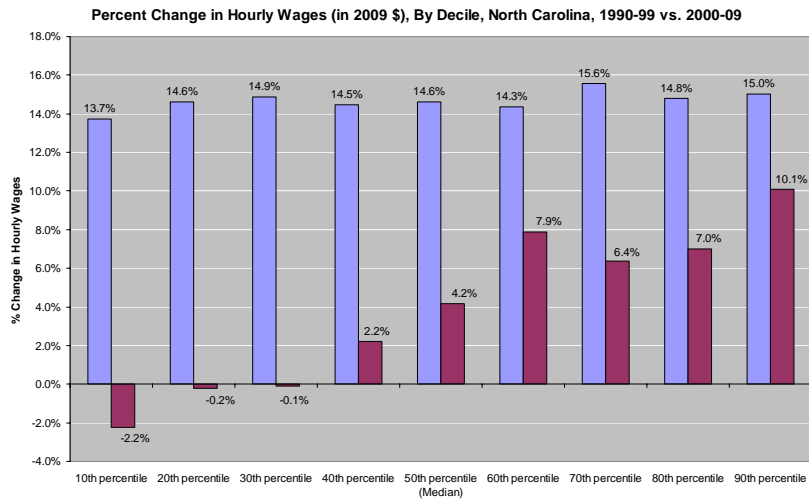
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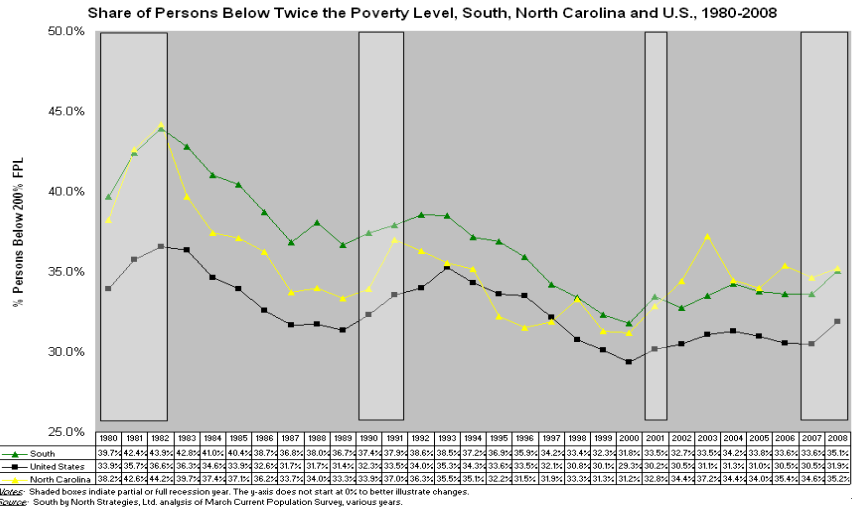
## Two Different Expansions



## Two Different Wage Paths



## Changes In Working Poverty



## 15 Years of Workforce Development Reform

- Workforce development system pursues three ends:
  - Educate, train, and retrain workers (*WIA, community colleges*)
  - Facilitate matches between workers and employers (*ES, WIA*)
  - Enhance worker security & safety (*UI*)
  
- North Carolina relies upon three major, public systems:
  - North Carolina Community College System
  - Employment Security Commission of North Carolina
  - Division of Workforce Services/ local workforce boards
  
- Prior to the late 1990s, “workforce development” was an extension of anti-poverty policy, not labor market policy.



## Workforce Development Reform

- Two major federal reforms from the late 1990s changed the landscape.
  - PRWORA (*Welfare Reform*) established “Work First” approach.
  - WIA replaced JTPA and was designed to provide integrated services on a universal basis while serving “dual customers.”
    - Training as a “last resort” under a sequence of service approach.
- Changed landscape led to a flurry of third-sector activity.
  - Surge in sectoral partnership and similar initiatives.
    - Key concern is bringing employers to the table.
  - State-level interest in tying economic and workforce development.
- Today’s challenge is adapting systems/models predicted on a late 1990s model of full employment to an era of high joblessness.



## Contact Information

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