



STATE OF THE SECTOR

TRANSPORTATION & LOGISTICS
2018



GREATER NEW ORLEANS
 INC
 REGIONAL ECONOMIC DEVELOPMENT

Greater New Orleans has long been a world leader in the transportation and logistics sector. In fact, New Orleans was founded, at the mouth of the most important river in North America, precisely for this purpose.

With a world-class port system, integrated multimodal transportation infrastructure, an international airport, and a skilled workforce, thousands of transportation and logistics companies now call Greater New Orleans home. The sector is a vital driver of our economy, and provides jobs to more than 25,000 people across our region.

Many of our region’s logistical assets have had record recent years, including the Louis Armstrong New Orleans International Airport setting passenger records, the Port

of New Orleans topping a record 1.1 million cruise passengers, and a record 208 million short tons of cargo passing through the Port of South Louisiana – all in 2017.

To guarantee that the sector continues to grow and set records, we must ensure that investment continues across our region. We must be able to also ensure that employers across the region are able to fill the demand with well qualified workers, ranging from skilled labor to administrative and professional services personnel.

Furthermore, well over half of all jobs in the sector are middle-skill jobs. We must be deliberate in highlighting these high-wage, high-growth opportunities, which do not require four-year college degrees,



as opportunities to build a strong middle class.

This report is the sixth in a series of State of the Sector workforce reports highlighting the scope and context of labor demand from our region’s key industries. I would like to give a special thanks to Bank of America Merrill Lynch for providing the support that made it possible to create this State of the Sector.

Michael Hecht
 President and CEO



EXECUTIVE SUMMARY

- WELL-PAYING, MIDDLE-SKILL JOBS** → The average salary across all middle-skill jobs in the sector is \$24.53/hr, \$5.76 higher than middle-skill jobs across all industries.
- 64% MIDDLE-SKILL JOBS** → 64% of all transportation and logistics jobs are middle-skill, offering a significant opportunity for wealth creation in the region.
- MULTIPLE CAREER PATHWAYS** → Multiple career pathways catering to a wide-range of skills, competencies, and certifications are available throughout the industry.
- GROWING OPPORTUNITIES** → Since 2007, the transportation and logistics sector has grown by more than 6%. Growth in the industry is projected to continue at 4% over the next decade.

Source: EMSI

TABLE OF CONTENTS



TRANSPORTATION & LOGISTICS AT A GLANCE

PAGE 5

INDUSTRY CHARACTERISTICS

PAGE 6

DISTRIBUTION OF SKILLS

PAGE 9

KEY ASSETS

PAGE 12

CAREER LADDER

PAGE 13

PATH FORWARD

PAGE 15

TRANSPORTATION & LOGISTICS AT A GLANCE

JOBS: 25,279 IN THE GREATER NEW ORLEANS REGION

3.7%
2017-2027
NEW JOB
GROWTH



**JOBS REQUIRE
MIDDLE-SKILLS***

\$22.76/HR
AVERAGE WAGES*

1,124 PAYROLLED
BUSINESS LOCATIONS

**Note: Due to data limitations, occupational groups with less than 10 jobs are not included in these figures.*

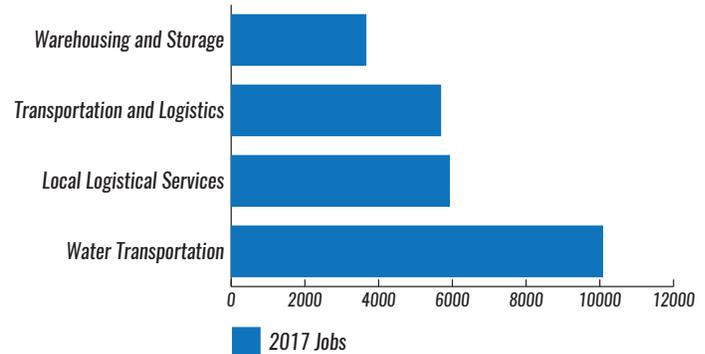
Source: GNO, Inc. analysis of Emsi 2018.2 data

INDUSTRY CHARACTERISTICS

We define transportation and logistics as the process of transporting goods and people by land, air, and sea, and the storage-related activities necessary to support the flow of goods.

Regionally, the water transportation cluster, also known as the maritime industry, is the largest sub-sector in terms of jobs. This sub-sector not only includes pilots of water vessels, sailors, and laborers, but also includes hundreds of administrative and professional jobs that are essential to the vitality of the industry. The second largest cluster, local logistical services, includes local freight trucking and commuter transit. The transportation and logistics sub-sector includes a number of different industries, including air and rail transportation, in addition to the more than 900 jobs in freight forwarding and transportation arrangements. Although Warehousing and Storage is the smallest sub-sector of the industry, the jobs in this sector are vital in managing the goods that are shipped in and out of our region daily.

TRANSPORTATION AND LOGISTICS INDUSTRY CLUSTERS



Note: While the base for the transportation and logistics sector is made up of the water transportation, local logistical services, transportation and logistics Harvard Clusters, and warehousing and storage sub-cluster, the sector does not include ship and boat building and repairing, used household and office goods moving, lessors of self-storage units, passenger car rental, utility trailer and RV rental, solid waste collection, and ambulance services. These industries were removed from the final definition because they are either included in another GNO, Inc. sector, or they are not seen to fit the definition of transportation and logistics.

Source: GNO, Inc. analysis of Emsi 2018.2 data

REGIONAL GROWTH

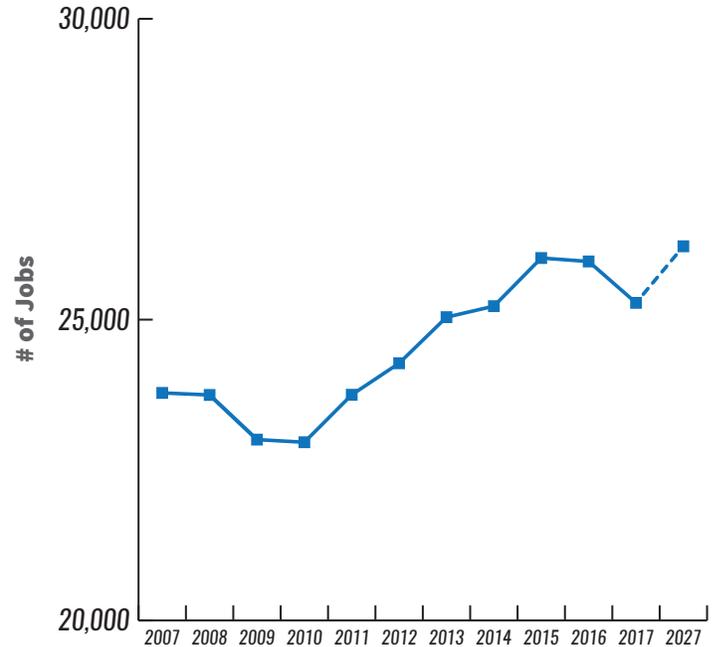
After experiencing a decline in the sector across the region, largely due to the national recession, the transportation and logistics industry has grown by over 6% since 2007.

Expansion in the industry has largely been driven by record numbers of air passengers, along with significant growth in both cruise and cargo traffic across the ports in the region. Furthermore, the region has seen significant growth in the exporting of goods by businesses in the region, driving further growth across the industry.

These, along with dozens of other key regional assets, will be key in driving a nearly 4% job growth rate in the industry over the next decade.



CURRENT AND PROJECTED JOB GROWTH



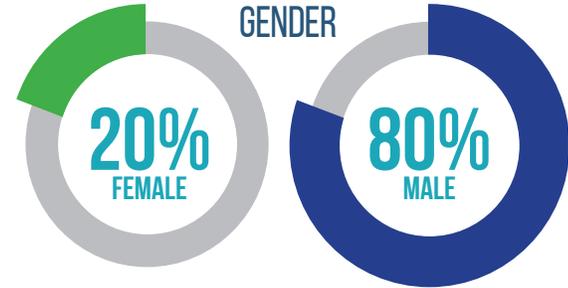
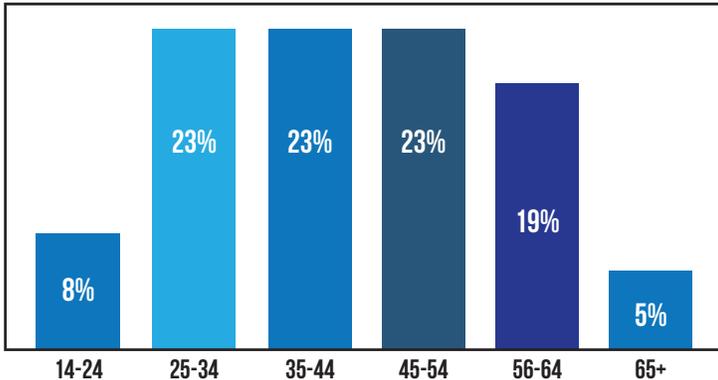
Source: GNO, Inc. analysis of Emsi 2018.2 data

WORKFORCE DEMOGRAPHICS

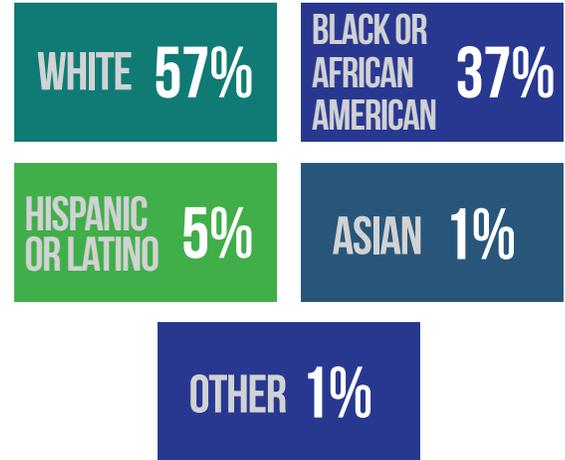
The transportation and logistics sector in the region is unique in that it benefits from being more racially diverse than the industry at the national level. The industry in the region is made up of 43% minorities, while the industry at the national level is comprised of 39% minorities. Although the industry in the region benefits from a racially diverse workforce, Greater New Orleans has a lower percentage of females occupying jobs in the industry when compared nationally. The low level of gender diversity offers an opportunity in our region to increase greater awareness of the industry among women throughout our region.

As of 2017, nearly a quarter of the transportation and logistics sector jobs are occupied by those 55 years or older, meaning that over the next decade these workers will be prime for retirement. Ensuring that the workforce entering the industry has the proper skills and training to fill the retirement gaps is essential in ensuring the sector is able to continue its upward growth.

OCCUPATIONAL AGE



OCCUPATIONAL RACE/ETHNICITY



Source: GNO, Inc. analysis of Emsi 2018.2 data

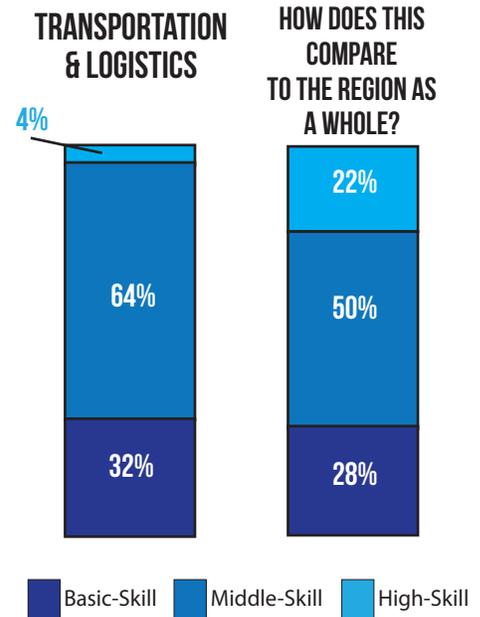
DISTRIBUTION OF SKILLS

Although the transportation and logistics sector in the region trends more towards basic- and middle-skilled jobs than the region as a whole, the industry follows the national trend in which a majority of the jobs in the industry are made up of basic- and middle-skill jobs. These low barriers to entry, coupled with annual wages over \$6,500 above the regional average, offer a significant opportunity for wealth creation in our region.

WHAT ARE MIDDLE- AND HIGH-SKILL JOBS?

We define middle-skill jobs as those that generally require some education or training beyond a high school diploma but less than a bachelor's degree. These postsecondary education and training requirements can include an associate's degree, industry recognized credentials, on-the-job training, previous work experiences, or generally "some college" but less than a bachelor's degree. High-skill jobs require a bachelor's degree or higher. Basic jobs require no formal education, or a high school diploma with no training requirements.

Although the educational barrier to entry for basic-skill jobs is low, this is not to say these occupations do not require skills to enter the workforce.



*Note: Due to data limitations, occupational groups with less than 10 jobs are not included in these figures.

Source: GNO, Inc. analysis of Emsi 2018.2 data

TOP MIDDLE SKILL JOBS

Description	Employed in Industry Group (2017)	Change (2017-2027)	% of Total Jobs in Industry Group (2017)	Median Hourly Earnings	Typical Entry Level Education
Captains, Mates & Pilots of Water Vessels	2,570	333	10.2%	\$38.80	Postsecondary nondegree award
Bus Drivers, School or Special Client	573	157	2.3%	\$10.88	High school diploma or equivalent
Ship Engineers	469	52	1.9%	\$35.95	Postsecondary nondegree award
Reservation and Transportation Ticket Agents and Travel Clerks	382	32	1.5%	\$17.91	High school diploma or equivalent
Aircraft Mechanics & Service Technicians	222	21	0.9%	\$28.85	High school diploma or equivalent
Flight Attendants	130	19	0.5%	\$25.54	Postsecondary nondegree award
Protective Service Workers, All Other	73	17	0.3%	\$13.08	High school diploma or equivalent
Transportation Workers, All Other	216	15	0.9%	\$9.83	High school diploma or equivalent
Light Truck or Delivery Services Drivers	909	14	3.6%	\$14.41	High school diploma or equivalent
Transportation Attendants, Except Flight Attendants	55	14	0.2%	\$9.25	High school diploma or equivalent

OVER THE NEXT DECADE, MIDDLE-SKILL JOBS IN THE TRANSPORTATION AND LOGISTICS SECTOR WILL GROW BY MORE THAN

4.2%



Source: GNO, Inc. analysis of Emsi 2018.2 data

TOP HIGH SKILL JOBS

The average salary for a high-skill job in the industry is \$28.67/hr.

Description	Employed in Industry Group (2017)	Change (2017-2027)	% of Total Jobs in Industry Group (2017)	Median Hourly Earnings	Typical Entry Level Education
Airline Pilots, Copilots, and Flight Engineers	67	8	0.3%	\$61.89	Bachelor's degree
General and Operations Managers	324	7	1.3%	\$42.91	Bachelor's degree
Accountants and Auditors	69	6	0.3%	\$29.03	Bachelor's degree
Marine Engineers and Naval Architects	31	5	0.1%	\$51.36	Bachelor's degree
Managers, All Other	56	4	0.2%	\$37.20	Bachelor's degree



THE AVERAGE SALARY FOR A HIGH-SKILL JOB
IN THE INDUSTRY IS

\$28.67/HOUR

Source: GNO, Inc. analysis of Emsi 2018.2 data

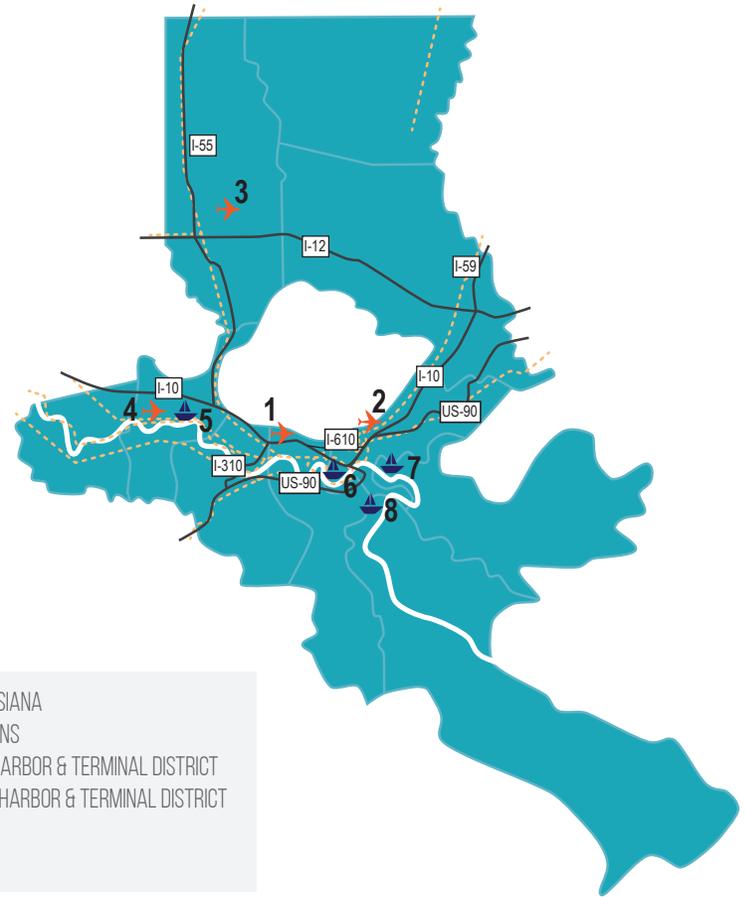
KEY ASSETS

The Greater New Orleans region benefits from one of the most integrated multimodal transit systems in the country. Home to three of the top 25 largest ports in the country when measured by tonnage, the region lays claim to one of the largest port systems in the world.

Greater New Orleans also benefits from a highly interconnected rail and interstate system. In fact, the Port of New Orleans is the only U.S. deep water port that is serviced by all six Class I railroads.

Furthermore, the Louis Armstrong New Orleans International Airport was the second fastest growing airport in the country between 2006 and 2016. Slated to open in 2019, the new billion-dollar terminal will provide greater passenger convenience and position the airport for increased traffic and cargo.

Together, these assets are essential in propelling growth in the industry across Greater New Orleans and ensuring thousands of jobs.



..... RAIL

— ROADWAY

- 1 LOUIS ARMSTRONG NEW ORLEANS INTERNATIONAL AIRPORT
- 2 LAKEFRONT AIRPORT
- 3 HAMMOND-NORTHSHORE REGIONAL AIRPORT
- 4 PORT OF SOUTH LOUISIANA EXECUTIVE AIRPORT

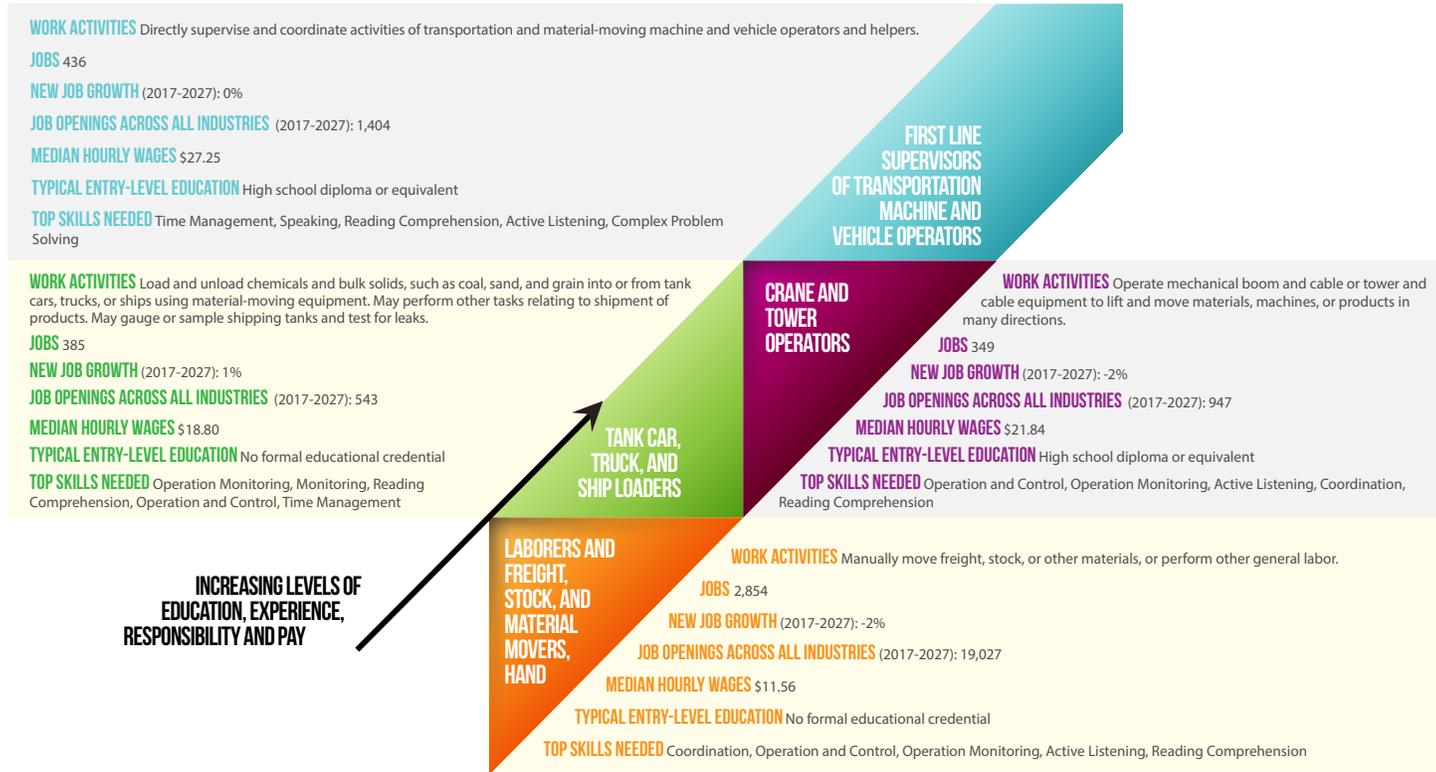
5 PORT OF SOUTH LOUISIANA

6 PORT OF NEW ORLEANS

7 ST. BERNARD PORT, HARBOR & TERMINAL DISTRICT

8 PLAQUEMINES PORT, HARBOR & TERMINAL DISTRICT

CAREER LADDER



CAREER LADDER

WORK ACTIVITIES Plan, direct, or coordinate the operations of public or private sector organizations. Duties and responsibilities include formulating policies, managing daily operations, and planning the use of materials and human resources.

JOBS 327

NEW JOB GROWTH (2017-2027): 2%

JOB OPENINGS ACROSS ALL INDUSTRIES (2017-2027): 882

MEDIAN HOURLY WAGES \$42.72

TYPICAL ENTRY-LEVEL EDUCATION Bachelor's degree

TOP SKILLS NEEDED Monitoring, Critical Thinking, Active Listening, Social Perceptiveness, Speaking

GENERAL AND OPERATIONS MANAGERS

WORK ACTIVITIES Expedite and route movement of incoming and outgoing cargo and freight shipments in airline, train, and trucking terminals, and shipping docks. Take orders from customers and arrange pickup of freight and cargo for delivery to loading platform. Prepare and examine bills of lading to determine shipping charges and tariffs.

JOBS 299

NEW JOB GROWTH (2017-2027): -1%

JOB OPENINGS ACROSS ALL INDUSTRIES (2017-2027): 284

MEDIAN HOURLY WAGES \$16.27

TYPICAL ENTRY-LEVEL EDUCATION High school diploma or equivalent

TOP SKILLS NEEDED Critical Thinking, Speaking, Reading Comprehension, Negotiating, Monitoring

CARGO AND FREIGHT AGENTS

STORAGE AND DISTRIBUTION MANAGERS

WORK ACTIVITIES Plan, direct, or coordinate transportation, storage, or distribution activities in accordance with organizational policies and applicable government laws or regulations. Includes logistics managers.

JOBS 424

NEW JOB GROWTH (2017-2027): 1%

JOB OPENINGS ACROSS ALL INDUSTRIES (2017-2027): 1%

MEDIAN HOURLY WAGES \$37.33

TYPICAL ENTRY-LEVEL EDUCATION High school diploma or equivalent

TOP SKILLS NEEDED Critical Thinking, Active Listening, Reading Comprehension, Monitoring, Management of Personnel Resources

WORK ACTIVITIES Verify and maintain records on incoming and outgoing shipments. Prepare items for shipment. Duties include assembling, addressing, stamping, and shipping merchandise or material; receiving, unpacking, verifying and recording incoming merchandise or material; and arranging for the transportation of products.

JOBS 114

NEW JOB GROWTH (2017-2027): -4%

JOB OPENINGS ACROSS ALL INDUSTRIES (2017-2027): 2,205

MEDIAN HOURLY WAGES \$14.23

TYPICAL ENTRY-LEVEL EDUCATION High school diploma or equivalent

TOP SKILLS NEEDED Critical Thinking, Reading Comprehension, Monitoring, Coordination, Active Listening

SHIPPING, RECEIVING AND TRAFFIC CLERKS

INCREASING LEVELS OF EDUCATION, EXPERIENCE, RESPONSIBILITY AND PAY



PATH FORWARD

WORKFORCE

The transportation and logistics sector is highly dependent upon a workforce that is well-trained and properly certified. Licenses and certifications in the industry encompass a wide range of competencies, ranging from technical certifications that vary depending on the occupation to safety certifications such as OSHA Certification. GNO, Inc. is working with workforce leaders and educational institutions across the region to ensure that Louisiana Jumpstart pathways are properly aligned with industry recognized credentials, and highlighting the well-paying, middle-skill jobs that are available throughout the industry.

SITE CERTIFICATION AND BUSINESS RECRUITMENT

Shovel-ready, certified sites are critical to the growth of the transportation and logistics in Southeast Louisiana. GNO, Inc. remains committed to working towards certifying sites around the region to ensure that existing assets along with potential new business are able to readily expand and locate in our region. Recognizing the importance of our region's transportation and logistics assets, we are dedicated to working with our region's ports and airport to identify potential sites for further development. Furthermore, GNO, Inc. will continue to work with our regional partners to attract logistics companies that will further drive employment growth in our region.



POLICY

In order to ensure that the transportation and logistics sector continues its ascent in job creation, GNO, Inc. will work to ensure that federal, state, and local policies foster a positive environment, for example supporting increased funding to ensure the Mississippi River is fully dredged to its authorized depths. Additionally, GNO, Inc. will work to support the free flow of goods throughout our region, for example, through the opposition of tariffs on imported steel and aluminum, which will result in a decline in imports to our ports, job loss, and potential widespread economic damage. The efficient and timely flow of goods throughout our region is a vital factor in the growth of the industry.

Publication of this State of the Sector report was made possible by a generous contribution by Bank of America Merrill Lynch.



Digital copy available at www.gnoinc.org/stateofthesector



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