



WEST REGION

INDUSTRIAL LABOR REPORT

Q4 2024

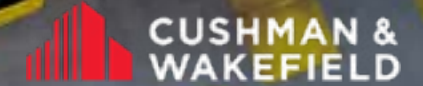
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WEST REGION

OVERVIEW



In 2024, the industrial real estate market on the West Coast of the U.S. has shown signs of stabilization. Despite a slowdown in new construction due to higher interest rates and moderated demand, the market remains resilient. Vacancy rates have normalized, and rental rates have continued to grow in some key markets, albeit at a slower pace compared to the previous years. The West Coast, with its strategic ports, sizable workforce, and robust logistics infrastructure, continues to attract significant interest from investors and tenants alike.

The report highlights the key 15 metropolitan areas near major industrial markets in the West across California, Oregon, Washington, Idaho, Colorado, Nevada and Arizona. It looks at the interplay between the supply and demand for industrial labor in the warehouse and manufacturing sectors as well as supply and demand for industrial space in the region.

This report is intended to provide macro-level labor market indicators and is not meant for site selection decision-making purposes. Please contact our Location & Labor Analytics team for a customized, location-specific labor analysis.

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KEY TAKEAWAYS



The West Region has experienced significant growth in recent years, fueled by robust population increases and strong economic performance. Over the past decade, the region's population reached 47.8 million, with an additional 2.8% growth projected over the next five years, driven primarily by expansion in Southwest metros. The median household income in the region stands at \$97,806, significantly higher than the U.S. average of \$76,141, creating a strong foundation for consumer spending and economic activity.



Rapid population growth, a healthy economy and surging e-commerce sales have driven record demand for industrial space to satisfy the region's consumer base, particularly in major metros. Logistics, 3PL (third-party logistics), e-commerce and consumer goods companies expanded aggressively to meet the needs of a growing consumer base. While logistics has dominated historically, manufacturing demand has recently gained momentum, driven by investments from major companies seeking to scale operations in the region.



Elevated inflation, shifts in consumer patterns, and occupier consolidations pushed demand totals lower since 2023. However, overall growth across occupier types has reshaped supply and demand fundamentals for the region's workforce. Large-scale manufacturing investments are expected to catalyze further growth, with suppliers and secondary businesses entering the market to support these operations.

DEMOGRAPHICS

47.8M	Population
2.8%	Projected Population Growth (5-Year)
30.2M	Working Age Population (Ages 18-64)
24.1M	Labor Force
\$97,806	Median Household Income
42.0%	Educational Attainment: (% of Total Pop. Age 25+ with High School to Associates Degree)
\$25.28	4-Position Warehouse Average Hourly Wage
\$25.45	4-Position Production Average Hourly Wage



*Demographic and labor statistics reflect 15 key metros included within the report, not the entire West region.

INDUSTRIAL WAGES

WAREHOUSE WAGES	U.S. AVERAGE	WEST AVERAGE	San Diego	Los Angeles	Orange County	Inland Empire	East Bay / Oakland	Central Valley	Seattle	Portland	Sacramento	Boise	Las Vegas	Reno	Phoenix	Denver	Salt Lake City
INDEX	100	111	116	118	114	111	127	113	121	112	115	95	107	106	102	112	99
4-Position Average	\$22.71	\$25.28	\$26.40	\$26.80	\$25.94	\$25.27	\$28.83	\$25.61	\$27.39	\$25.54	\$26.13	\$21.53	\$24.32	\$24.17	\$23.19	\$25.50	\$22.53
Materials Handler	\$21.12	\$23.68	\$25.00	\$25.33	\$23.91	\$23.68	\$26.54	\$24.03	\$25.97	\$23.93	\$24.25	\$20.29	\$22.75	\$22.79	\$21.88	\$23.83	\$21.09
Warehouse Selector	\$21.40	\$23.61	\$24.41	\$24.76	\$24.60	\$23.62	\$27.19	\$23.87	\$25.41	\$24.02	\$24.69	\$20.24	\$22.28	\$22.29	\$21.89	\$24.12	\$20.79
Forklift Operator	\$22.14	\$24.83	\$26.20	\$26.64	\$25.11	\$24.84	\$27.90	\$25.20	\$27.17	\$25.03	\$25.45	\$21.26	\$23.81	\$23.84	\$22.84	\$25.00	\$22.17
Maintenance Associate	\$26.18	\$28.97	\$29.98	\$30.45	\$30.12	\$28.94	\$33.69	\$29.35	\$31.01	\$29.16	\$30.13	\$24.32	\$28.44	\$27.75	\$26.15	\$29.05	\$26.08

PRODUCTION WAGES	U.S. AVERAGE	WEST AVERAGE	San Diego	Los Angeles	Orange County	Inland Empire	East Bay / Oakland	Central Valley	Seattle	Portland	Sacramento	Boise	Las Vegas	Reno	Phoenix	Denver	Salt Lake City
INDEX	100	110	115	115	112	109	126	111	121	112	114	94	106	105	101	111	99
4-Position Average	\$23.13	\$25.46	\$26.51	\$26.49	\$25.99	\$25.20	\$29.10	\$25.79	\$27.93	\$25.89	\$26.31	\$21.69	\$24.58	\$24.32	\$23.47	\$25.60	\$23.00
Production Laborer	\$19.44	\$21.88	\$23.12	\$23.34	\$22.06	\$21.85	\$24.44	\$22.20	\$24.13	\$22.22	\$22.38	\$18.71	\$21.01	\$21.08	\$20.34	\$22.00	\$19.29
Assembler Team	\$23.41	\$25.45	\$26.42	\$26.04	\$25.85	\$24.96	\$29.09	\$25.76	\$28.25	\$26.04	\$26.32	\$21.82	\$24.39	\$24.19	\$23.65	\$25.63	\$23.27
Machine Operator	\$23.48	\$25.52	\$26.50	\$26.12	\$25.93	\$25.03	\$29.18	\$25.83	\$28.33	\$26.12	\$26.40	\$21.89	\$24.46	\$24.26	\$23.72	\$25.71	\$23.34
Maintenance Associate	\$26.18	\$28.97	\$29.98	\$30.45	\$30.12	\$28.94	\$33.69	\$29.35	\$31.01	\$29.16	\$30.13	\$24.32	\$28.44	\$27.75	\$26.15	\$29.05	\$26.08

WAREHOUSE JOB DESCRIPTIONS

PRODUCTION JOB DESCRIPTIONS

MATERIALS HANDLER
Loads, unloads, and moves materials around work site.

WAREHOUSE SELECTOR
Picks merchandise for shipment according to current orders, verifying product and quantity accurately.

FORKLIFT OPERATOR
Operates forklift and similar equipment to move materials in warehouse, storage yard, or factory.

MAINTENANCE ASSOCIATE
Repairs, installs, and maintains machinery, equipment, physical structures, and systems.

PRODUCTION LABORER
Performs tasks that require mainly physical abilities and effort involving little or no specialized skill or prior work experience.

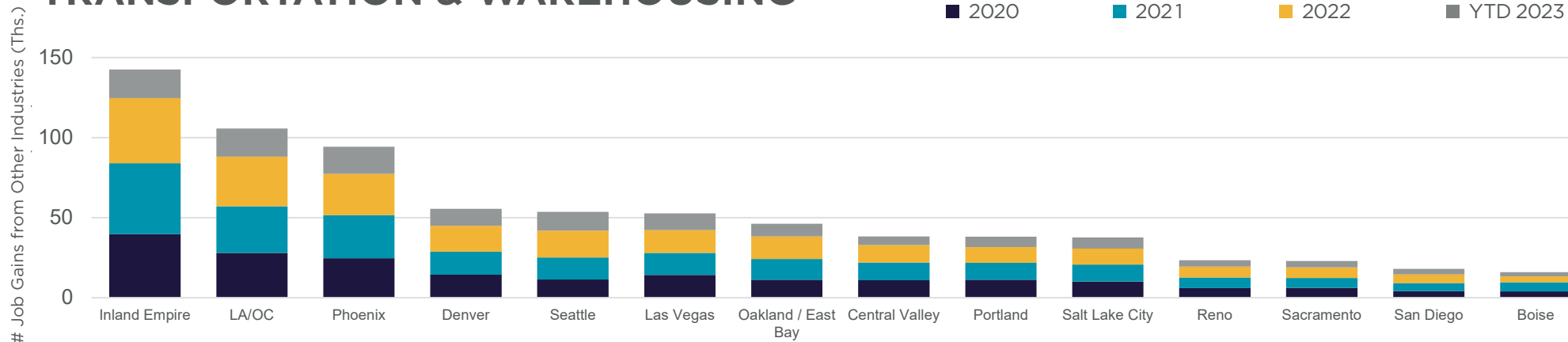
ASSEMBLER TEAM
Assembles and tests products and machines, maintaining skills and knowledge of entire assembly process in order to rotate between various functions as needed.

MACHINE OPERATOR
Operates fabricating machines and determines machine adjustments and material requirements.

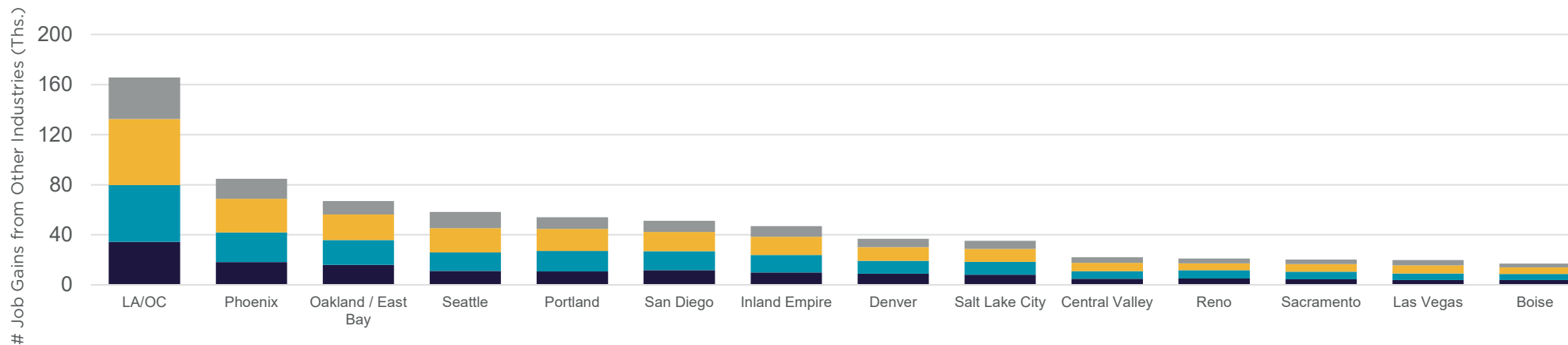
INDUSTRIAL JOB MIGRATION

Workers Switching to Transportation/Warehousing and Manufacturing from Other Industries

TRANSPORTATION & WAREHOUSING

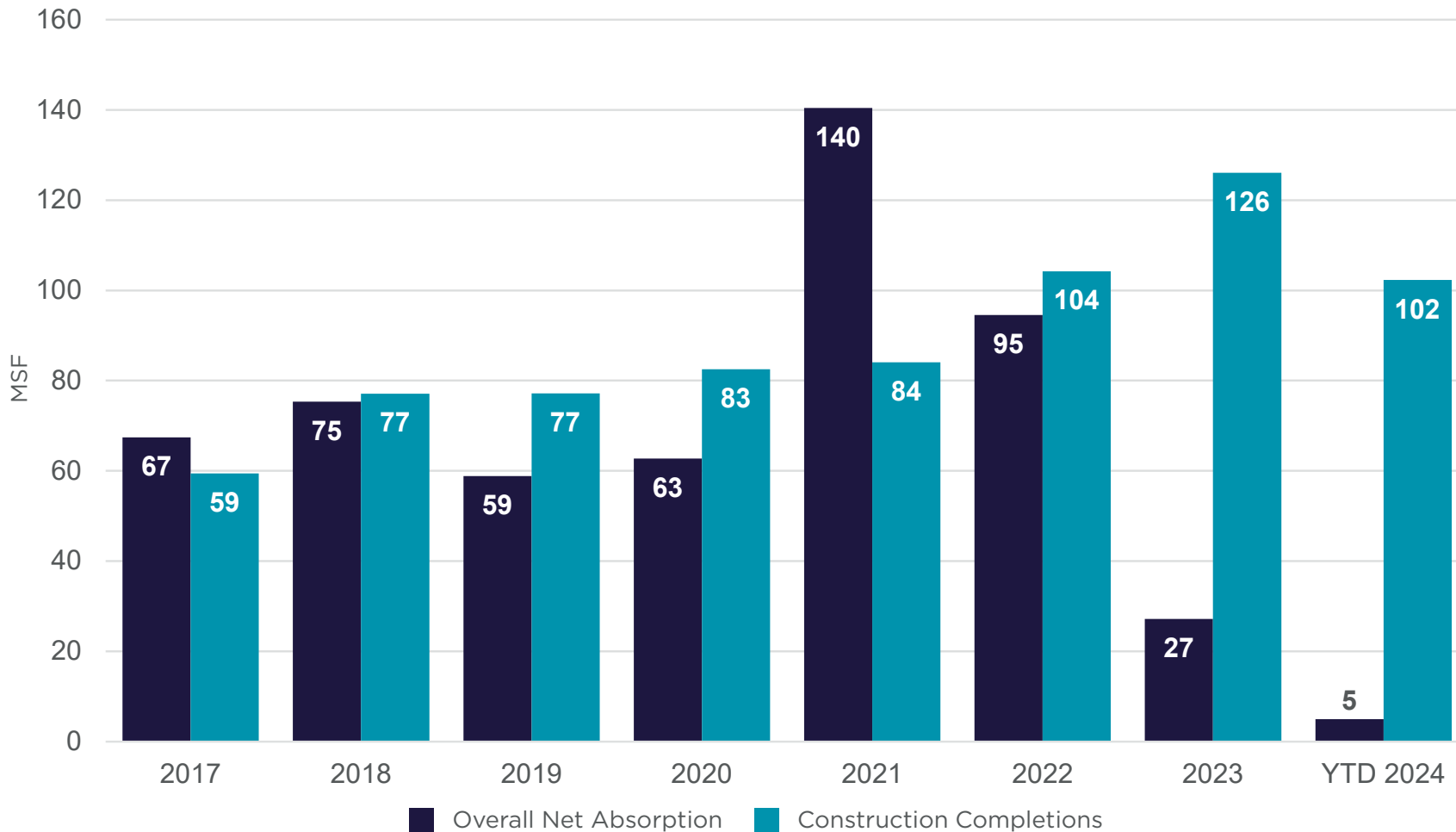


MANUFACTURING



INDUSTRIAL CRE SUPPLY & DEMAND

OVERALL ABSORPTION & NEW SUPPLY



Since 2017, the West region markets have recorded more than 531 million square feet (msf) of overall net absorption, including an impressive 140 msf in 2021 alone. The growth was partially fueled by robust volumes at West Coast ports although volumes have cooled modestly since 2023. Also, healthy population increases in some of the key metros in the West region have propelled industrial expansion.

To meet the elevated demand, developers delivered new industrial facilities at an unprecedented pace. Since 2017, 712 msf of new industrial supply has been brought to market, accounting for 35% of the national total over the same period.



Los Angeles

Inland Empire

Orange County

San Diego

Oakland / East Bay

Central Valley

Seattle



WEST REGION INDUSTRIAL

MARKET SPOTLIGHT

Click on a market name to learn more.

Portland

Sacramento

Boise

Las Vegas

Reno

Phoenix

Denver

Salt Lake City

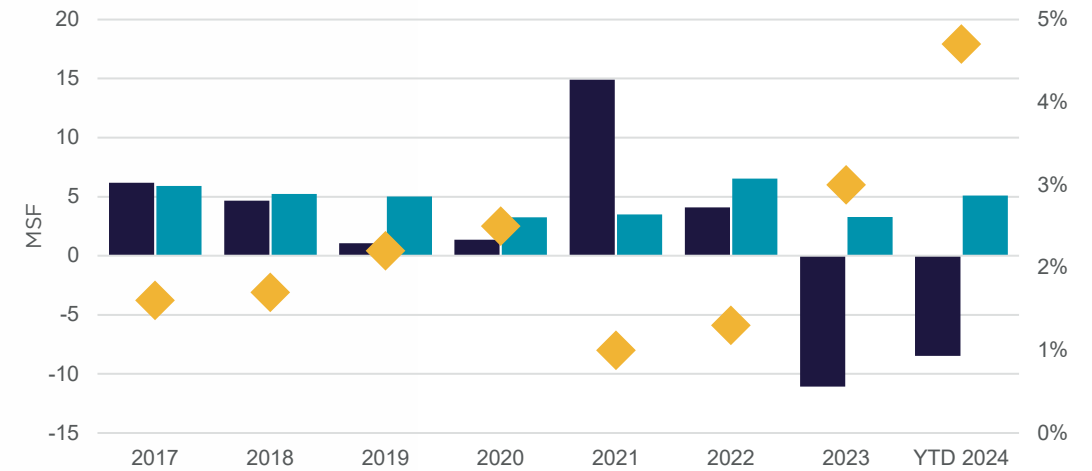


LOS ANGELES



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- As Southern California’s economic powerhouse, Los Angeles (LA) has a population of 9.8 million. Its population growth rate is among the lowest in the West Region but that can be partially attributed to the metro’s already large population base.
- Since 2023, LA has recorded negative 19.5 msf in net absorption losses. Annual new construction averaged 4.7 msf per year since 2017 for a total of 37.8 msf. Vacancy has been rapidly rising from the historic lows in 2021 up to 4.7% as of November 2024.
- LA has one of the highest target blue collar demographic concentration in the West Region, albeit some of the lowest growth rates for material-moving and production occupations in the region over the next five years.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	9.8M
Projected Population Change (5-Year)	0.9%
Working Age Population (Ages 18-64)	6.3M
Labor Force	4.9M
Median Household Income	\$86,183
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	38.4%
Target Blue Collar Demographic Volume	1.7M
Target Blue Collar Demographic Concentration	1.6

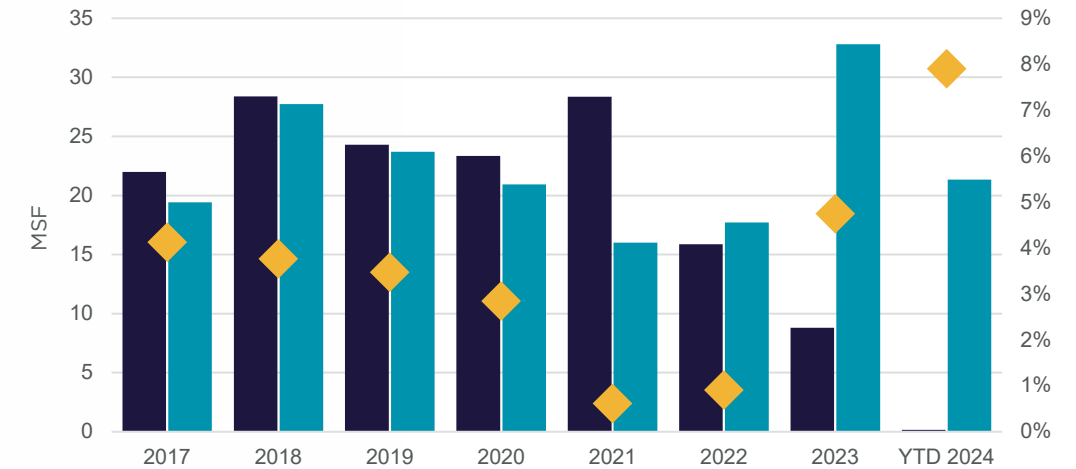
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	182,368	254,547
Worker Concentration	1.0	1.0
Projected 5-Year Employment Growth	-1.0%	-1.3%
Average Wages*	\$26.80	\$26.49
Wage Index	118	115

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Inland Empire (IE) serves as a critical logistics corridor for Southern California and the Western U.S., benefiting from its proximity to the Ports of Los Angeles and Long Beach.
- Since 2019, 132.5 msf of industrial space has been delivered. While demand historically kept pace with supply, the recent construction boom has outpaced absorption, driving vacancy rates up from 2022 lows. Vacancy rates are expected to stabilize over the next three years.
- With housing being the most affordable across Southern California, the IE's population is projected to grow by 2.3% over the next five years.
- The market also has the highest blue-collar demographic concentration in the West-Southwest region of the U.S. along with the highest concentration of material-mover workers and production workers. Both workforce populations are projected to grow 4.6% and 59.0% respectively over the next five years.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	3.8M
Projected Population Change (5-Year)	2.3%
Working Age Population (Ages 18-64)	2.4M
Labor Force	1.7M
Median Household Income	\$93,803
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	50.5%
Target Blue Collar Demographic Volume	711,234
Target Blue Collar Demographic Concentration	2.1

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	123,874	93,642
Worker Concentration	2.4	1.1
Projected 5-Year Employment Growth	4.6%	4.7%
Average Wages*	\$25.27	\$25.20
Wage Index	111	109

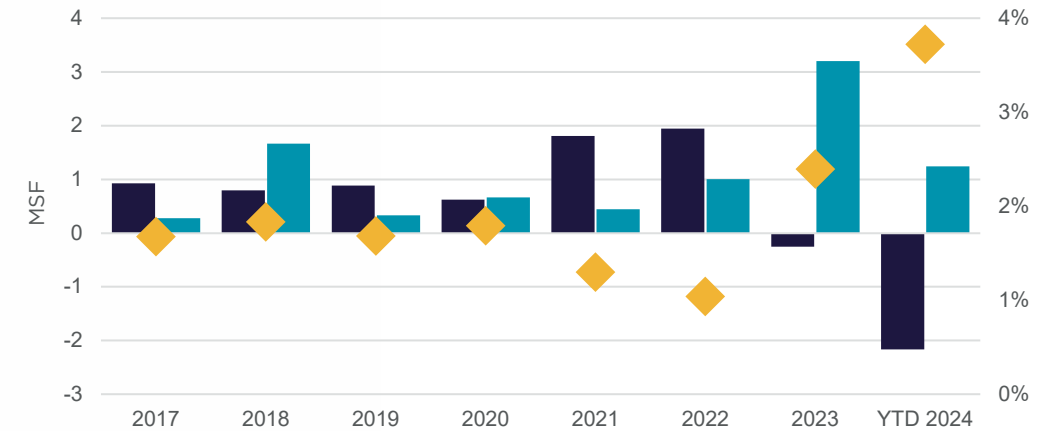
*Occupations included in the average wages are outlined on page 5.

ORANGE COUNTY



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- Orange County (OC) had record-breaking construction completions of 3.2 msf in 2023, with 1.2 msf delivered YTD in 2024. The vacancy rate has adjusted to 3.7%, reflecting a growing supply of modern industrial space.
- Leasing activity reached 1.7 msf in Q3 2024, reflecting a 1.5% quarter-over-quarter (QOQ) and 6.4% year-over-year (YOY) increase. However, challenges in preleasing remain, with only 149,335 square feet (sf) of the new inventory delivered in Q3 preleased.
- OC boasts a population of 3.1 million, with a projected population growth of 1.2% over the next five years, indicating steady growth in the region. The working-age population (18-64 years) is 2.0 million, contributing to a labor force of 1.7 million people, which underscores its economic vitality.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	3.1M
Projected Population Change (5-Year)	1.2%
Working Age Population (Ages 18-64)	2.0M
Labor Force	1.7M
Median Household Income	\$116,258
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	36.1%
Target Blue Collar Demographic Volume	339,967
Target Blue Collar Demographic Concentration	1.0

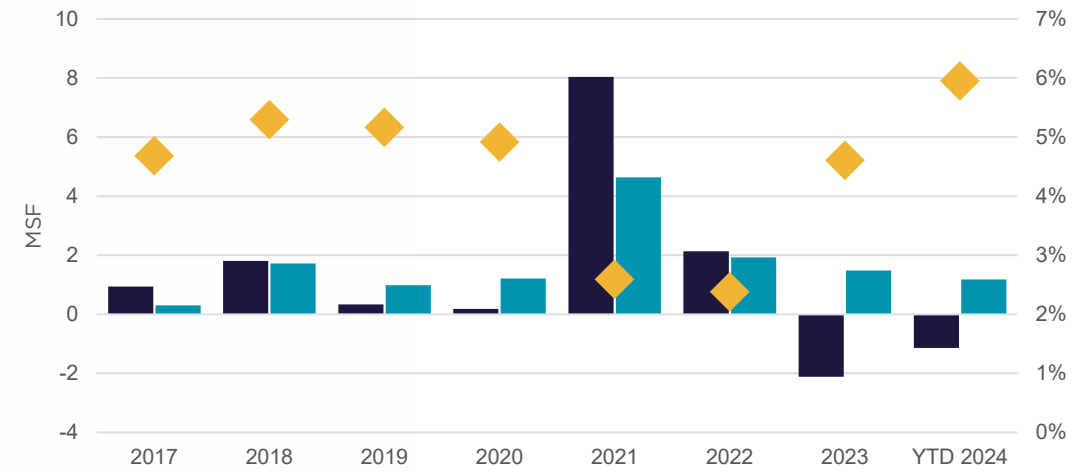
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	43,055	81,469
Worker Concentration	0.7	0.9
Projected 5-Year Employment Growth	1.6%	0.7%
Average Wages*	\$25.94	\$25.99
Wage Index	114	112

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- San Diego is a key metro market located on the U.S.-Mexico Border, with a population of 3.3 million and a labor force of 1.6 million. Notably, 25.9% of the labor force falls within the prime working age population of 18 to 34 years old, which is higher than the U.S. average of 23.1%.
- Over the next five years, the population is expected to grow by 1.2%, slightly slower than the national growth rate of 2.2%. In terms of labor force projections over the next five years: production workers are expected to grow by 0.8% (compared to 0.4% nationally and 5.1% in the Western U.S.), while the material-moving workforce is forecasted to grow by 1.3% (matching the national rate but lower than the 2.7% growth rate in the West).
- The industrial real estate market remains tight due to a lack of large blocks except within the southern border submarket of Otay Mesa, where new development strives to meet potential demand for warehouse and distribution space.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	3.3M
Projected Population Change (5-Year)	1.2%
Working Age Population (Ages 18-64)	2.1M
Labor Force	1.6M
Median Household Income	\$109,535
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	39.1%
Target Blue Collar Demographic Volume	371,182
Target Blue Collar Demographic Concentration	1.0

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	42,173	66,084
Worker Concentration	0.7	0.8
Projected 5-Year Employment Growth	1.3%	0.8%
Average Wages*	\$26.40	\$26.51
Wage Index	116	115

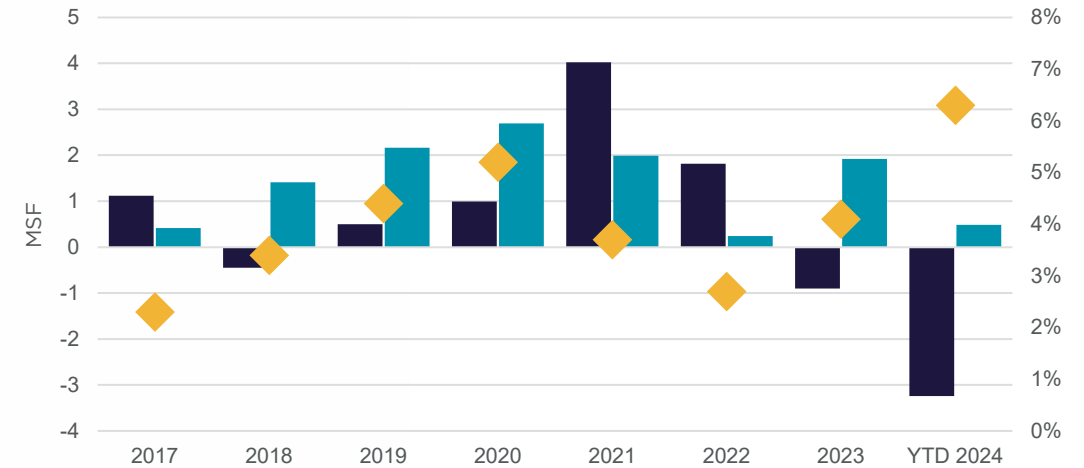
*Occupations included in the average wages are outlined on page 5.

OAKLAND / EAST BAY



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The East Bay/Oakland market benefits from its central location within the greater Bay Area, providing easy access to the major metros of San Francisco and San Jose, while offering relative affordability and a lower cost of living.
- The Port of Oakland, one of the West Coast’s largest ports, is a significant economic engine for the region, handling 2.1 million Twenty-Foot Equivalent Units (TEUs) in 2023, making the region ideal for distribution facilities.
- Industrial vacancy has risen steadily since early 2023, driven by speculative construction and softened tenant demand. Year-to-date (YTD) occupancy has declined by 3.2 msf through Q3 2024.
- Employers in the East Bay have access to both blue and white-collar workers, accommodating a wide range of industrial users, from warehousing to advanced manufacturing and life sciences.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	2.8M
Projected Population Change (5-Year)	1.6%
Working Age Population (Ages 18-64)	1.8M
Labor Force	1.4M
Median Household Income	\$127,427
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	33.8%
Target Blue Collar Demographic Volume	237,428
Target Blue Collar Demographic Concentration	0.8

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	40,037	49,463
Worker Concentration	0.8	0.6
Projected 5-Year Employment Growth	1.2%	0.4%
Average Wages*	\$28.83	\$29.10
Wage Index	127	126

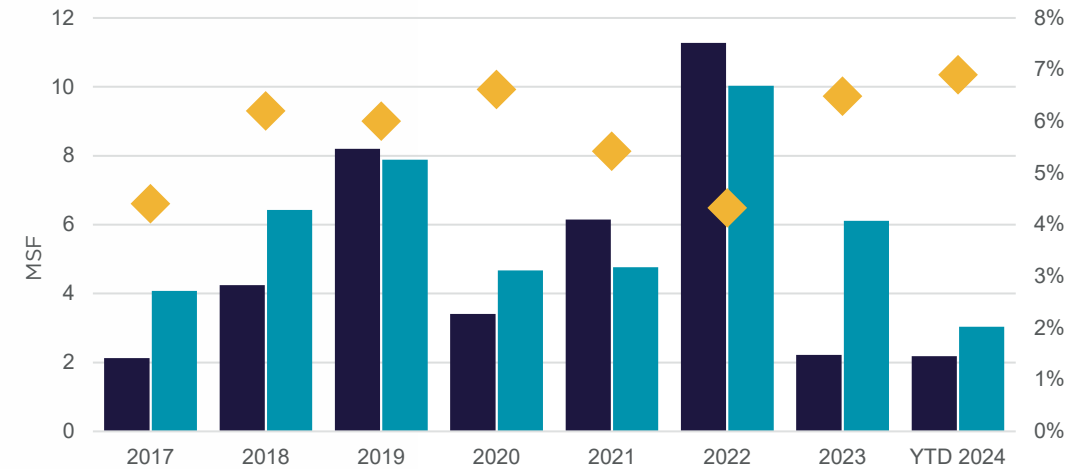
*Occupations included in the average wages are outlined on page 5.

CENTRAL VALLEY



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Central Valley has become Northern California’s premier destination for large occupiers due to its proximity to major population centers, ample developable land and strong blue-collar labor demographics.
- Since the pandemic began, 28.6 msf of new construction has been delivered, most of which has been absorbed, resulting in only a slight vacancy increase.
- Large tenants dominated leasing activity in 2024, with two leases exceeding 1.0 msf. However, leasing activity for small to mid-size spaces has declined due to global economic headwinds.
- Groundbreakings have slowed significantly in 2024, reducing the pipeline for 2025. High capital costs and the pace of recent deliveries have prompted developers to pause on new projects.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	1.3M
Projected Population Change (5-Year)	2.2%
Working Age Population (Ages 18-64)	804k
Labor Force	575k
Median Household Income	\$80,405
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	51.8%
Target Blue Collar Demographic Volume	230,727
Target Blue Collar Demographic Concentration	1.6

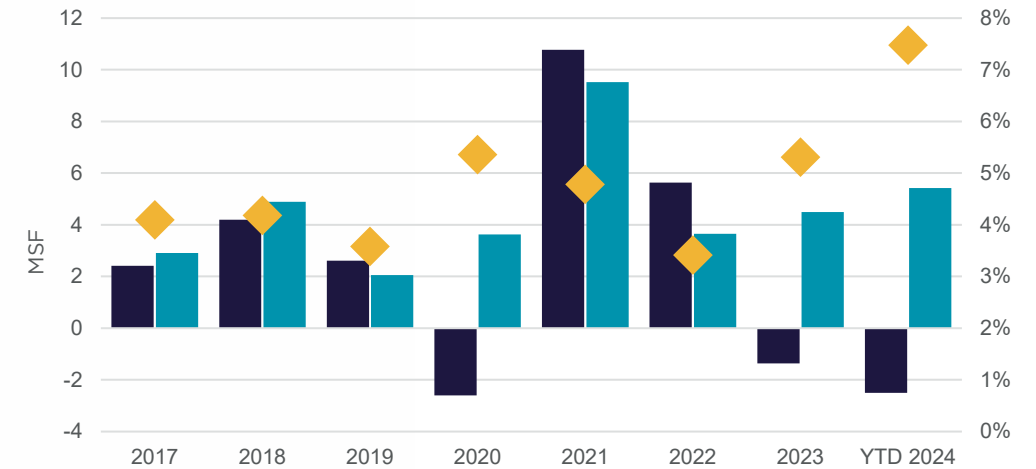
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	39,350	37,241
Worker Concentration	1.8	1.2
Projected 5-Year Employment Growth	2.5%	2.4%
Average Wages*	\$25.61	\$25.79
Wage Index	113	111

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Northwest Seaport Alliance, comprising the ports of Seattle and Tacoma, has served as one of the Pacific Northwest’s leading economic drivers since its creation in 2015. The alliance is the sixth-busiest cargo gateway in the U.S., with over 27.4 million TEUs handled since 2017.
- The region has largely recovered from the pandemic, with rents and vacancies nearing pre-pandemic levels. This recovery is expected to continue throughout 2024, despite broader economic uncertainties. 3PL and e-commerce occupiers remain key drivers of leasing activity across the industrial market.
- The Puget Sound region employs 2.2 million workers, with Seattle boasting the highest concentration of material-moving and production occupations in the Pacific Northwest. Nearly 7.0% of all jobs in the metro area are tied to the industrial sector.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	4.4M
Projected Population Change (5-Year)	3.6%
Working Age Population (Ages 18-64)	2.8M
Labor Force	2.4M
Median Household Income	\$116,182
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	39.3%
Target Blue Collar Demographic Volume	235,901
Target Blue Collar Demographic Concentration	0.5

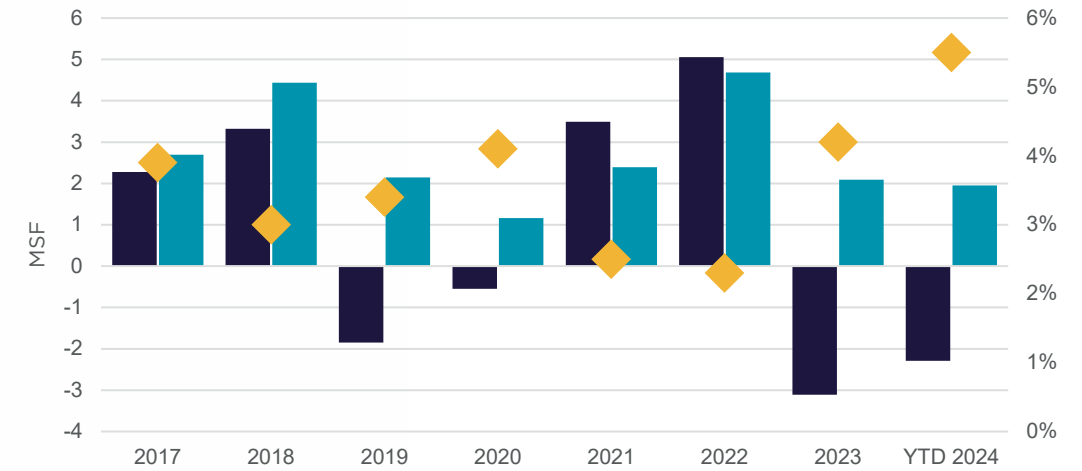
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	74,769	93,791
Worker Concentration	0.9	0.8
Projected 5-Year Employment Growth	3.0%	2.1%
Average Wages*	\$27.39	\$27.93
Wage Index	121	121

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Portland industrial market is a tight, growing market with a substantial semi-conductor manufacturing presence in western suburban markets and a strong demand for retail and logistics warehousing.
- Portland’s trade, transportation and utilities sector has grown by 11.1% since 2014, making it the area’s fastest-expanding industrial segment. Manufacturing wages have surged by 53.2% over the past decade.
- High demand and limited inventory have driven up asking rents. Securing industrial construction permits within Portland remains challenging, pushing developments to suburban markets such as Vancouver and Tualatin/ Sherwood.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	2.4M
Projected Population Change (5-Year)	3.1%
Working Age Population (Ages 18-64)	1.5M
Labor Force	1.2M
Median Household Income	\$97,916
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	41.9%
Target Blue Collar Demographic Volume	154,139
Target Blue Collar Demographic Concentration	0.6

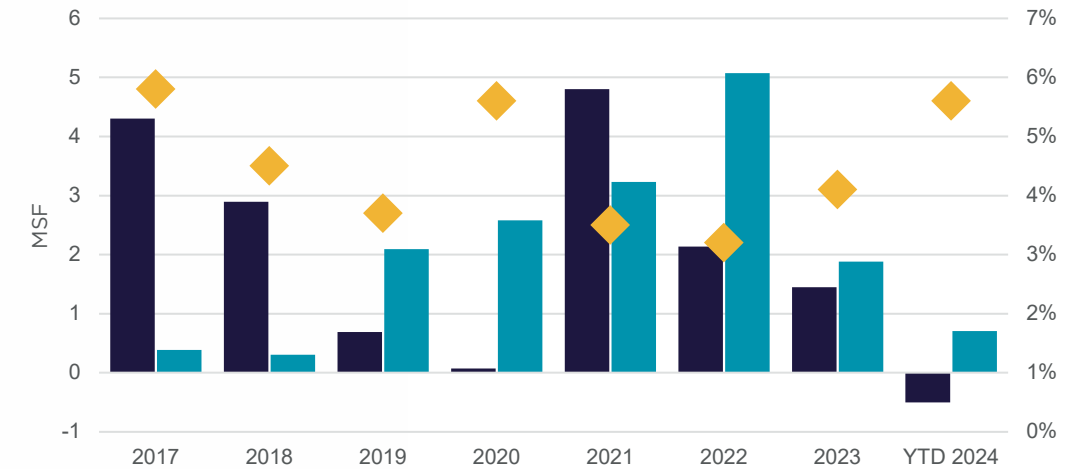
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	42,596	61,200
Worker Concentration	0.9	0.9
Projected 5-Year Employment Growth	2.7%	1.7%
Average Wages*	\$25.54	\$25.89
Wage Index	112	112

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- Sacramento’s labor participation rate stands at 80.0%, with the working-age demographic (16–84 years old) making up 62.5% of the population. Both figures exceed West Regional and U.S. averages.
- Despite strong population growth over the past decade, the concentration of blue-collar workers in Sacramento remains slightly above the national average at 1.1. However, this group accounts for only 23.7% of the total labor force.
- Since 2017, Sacramento has delivered 16.3 msf of industrial space while maintaining historically low vacancy rates, highlighting strong demand in the region.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	2.4M
Projected Population Change (5-Year)	2.7%
Working Age Population (Ages 18-64)	1.5M
Labor Force	1.2M
Median Household Income	\$95,044
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	44.5%
Target Blue Collar Demographic Volume	284,386
Target Blue Collar Demographic Concentration	1.1

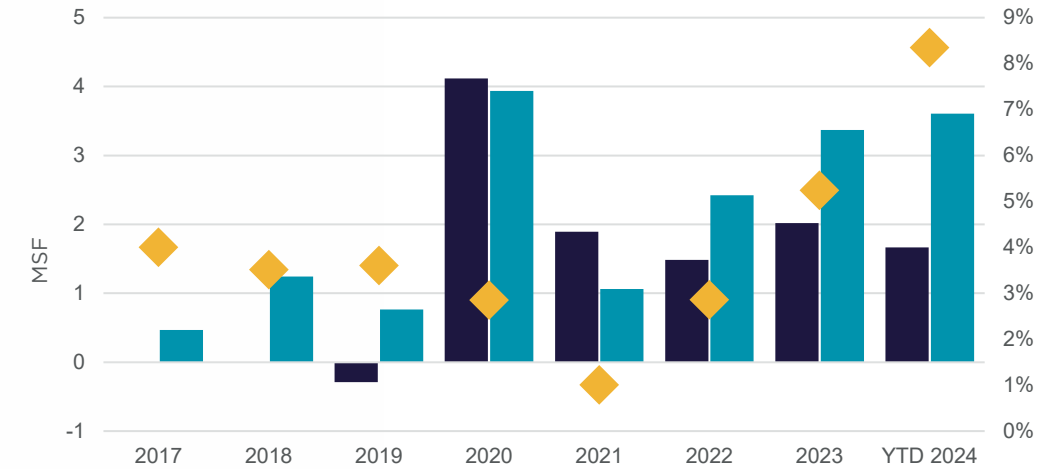
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	38,354	37,724
Worker Concentration	0.9	0.6
Projected 5-Year Employment Growth	3.0%	3.2%
Average Wages*	\$26.13	\$26.31
Wage Index	115	114

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Boise metro population is projected to grow by 8.1% over the next five years, significantly outpacing the U.S. average of 2.2%. The working-age population (18-64 years) makes up 60.9% of Boise's total population. Boise's labor force participation rate of 89.6% surpasses the Western U.S. (84.0%) and the national average (83.5%).
- Employment growth in the Boise metro is expected to slow when compared to recent years, however, growth will still exceed the national average. Five-year employment growth projections for production occupations (5.1%) and material-moving workers (5.3%) also exceed national averages of 0.4% and 1.3%, respectively.
- Since 2020, the market recorded 14.4 msf of industrial completions, with 6.9 msf delivered since 2023. Since 2021, the vacancy rate has increased from 1.0% to 8.3% creating opportunities for tenant expansion.
- Additionally, the market's average household income of \$86,134 surpasses the national average of \$76,141, further supporting market demand.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	800k
Projected Population Change (5-Year)	8.1%
Working Age Population (Ages 18-64)	487k
Labor Force	423k
Median Household Income	\$86,134
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	47.8%
Target Blue Collar Demographic Volume	60,587
Target Blue Collar Demographic Concentration	0.9

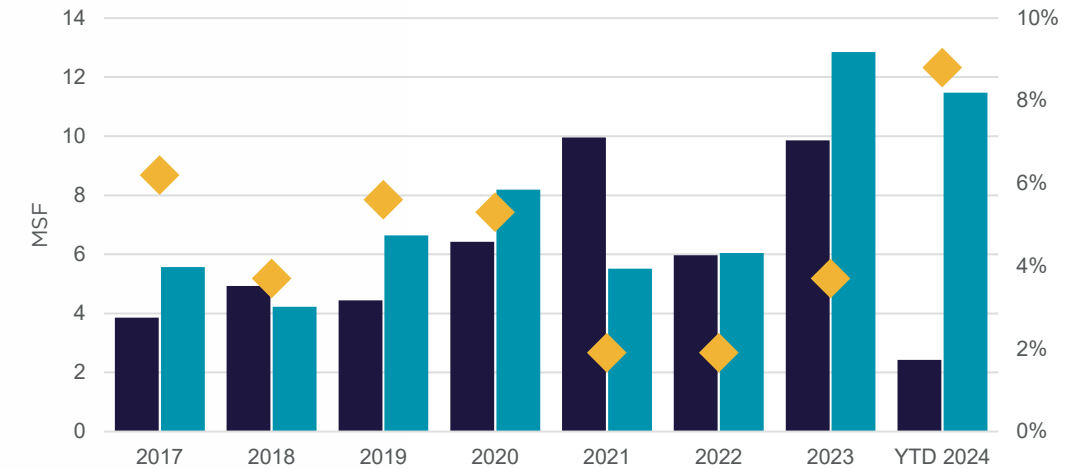
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	13,478	18,419
Worker Concentration	1.0	0.9
Projected 5-Year Employment Growth	5.3%	5.1%
Average Wages*	\$21.53	\$21.69
Wage Index	95	94

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- The Las Vegas industrial market is supported by a population of 2.3 million, with a projected 3.5% growth over the next five years.
- The city has an 83.9% labor force participation rate, nominally above the national average (83.5%). Its material-movers concentration matches the U.S. average of 1.0, with a projected five-year growth rate of 4.5%, well above the regional average of 2.7% and the U.S. average of 1.3%). The city highlights a strong, growing labor pool capable of supporting expanded industrial activity.
- In 2024, Las Vegas added 11.5 msf of new industrial inventory, with 4.8 msf slated for completion by year-end. This surge in supply is expected to raise vacancy rates from the current 8.8% to over 10%, potentially leading to a slowdown in new development in 2025 as the market absorbs existing inventory.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	2.3M
Projected Population Change (5-Year)	3.5%
Working Age Population (Ages 18-64)	1.5M
Labor Force	1.2M
Median Household Income	\$71,791
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	51.8%
Target Blue Collar Demographic Volume	328,503
Target Blue Collar Demographic Concentration	1.3

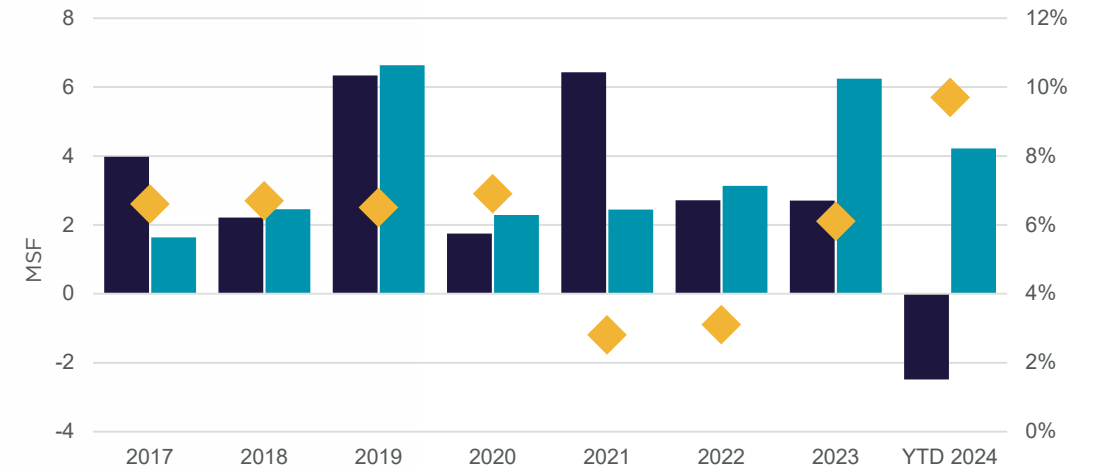
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	42,069	34,323
Worker Concentration	1.0	0.6
Projected 5-Year Employment Growth	4.5%	3.1%
Average Wages*	\$24.32	\$24.58
Wage Index	107	106

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- Reno’s population has grown consistently at 1.1% annually over the past seven years, with a projected 5.5% increase in the next five years.
- The region boasts above-average worker concentrations in material moving (1.4 vs. 1.2) and production occupations (1.0 vs. 0.9) compared to West region averages, with expected growth rates of 3.1% and 2.5%, respectively, highlighting a robust industrial labor force to meet Northern Nevada’s rising demand.
- Reno’s labor participation rate of 87.2% exceeds the West region (84.0%) and the national average (83.5%). The area’s strategic location, providing one-day access to major markets, attracts logistics and supply chain companies.
- With 6.1 msf of industrial space under construction, Reno ranks among the top 15 U.S. industrial markets and fifth in the West region. Year-to-date deliveries total 4.2 msf, with 400,000 sf expected by year-end, reinforcing Reno’s position as a key hub for industrial growth.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	517k
Projected Population Change (5-Year)	5.5%
Working Age Population (Ages 18-64)	321k
Labor Force	267k
Median Household Income	\$87,881
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	47.9%
Target Blue Collar Demographic Volume	45,145
Target Blue Collar Demographic Concentration	0.8

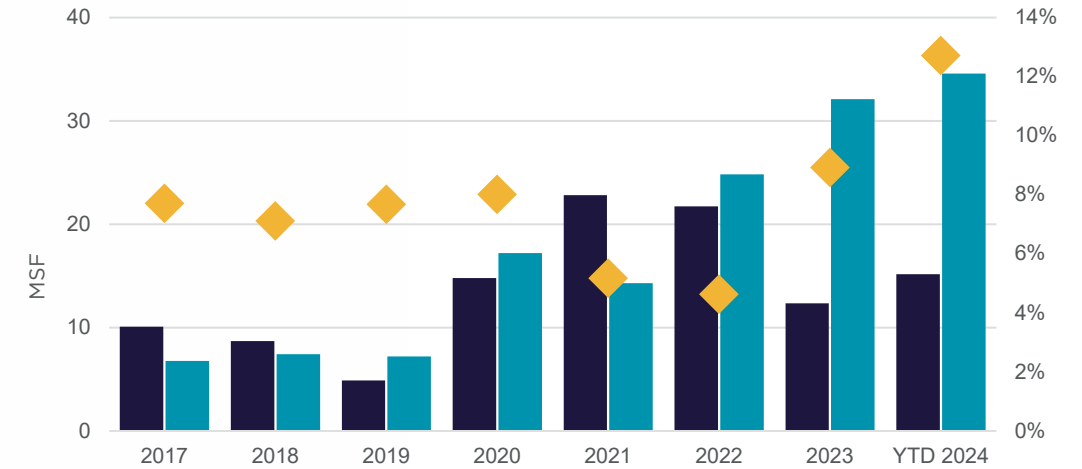
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	13,965	14,854
Worker Concentration	1.4	1.0
Projected 5-Year Employment Growth	3.1%	2.5%
Average Wages*	\$24.17	\$24.32
Wage Index	106	105

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- Phoenix ranks as the second most populated and the fourth fastest growing city in the West region. By 2029, the Phoenix population is anticipated to grow by 4.5%. The Phoenix metro unemployment rate hit a 20-year low at 2.9%. This reflected a 70 and 20-basis-point (-bp) decline YOY and QOQ, respectively. As the Phoenix population grows from increased migration rates, Phoenix continues to outperform the national unemployment rate, currently siting at 4.1%.
- The working-age population (18-64 years) comprises 60.9% of the total population. Within this demographic, Phoenix boasts a labor force participation rate of 84.0%.
- Following high construction activity from 2022, the Phoenix industrial inventory has grown by 91.5 msf through Q3 2024. As vacancy rates rise, developer's have cutback on project starts; which should help to alleviate concerns of hyper supply. Despite rising vacancy, asking rents remain stable as the cost of construction increases throughout the nation.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	5.0M
Projected Population Change (5-Year)	4.5%
Working Age Population (Ages 18-64)	3.1M
Labor Force	2.5M
Median Household Income	\$86,059
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	46.2%
Target Blue Collar Demographic Volume	522,322
Target Blue Collar Demographic Concentration	0.9

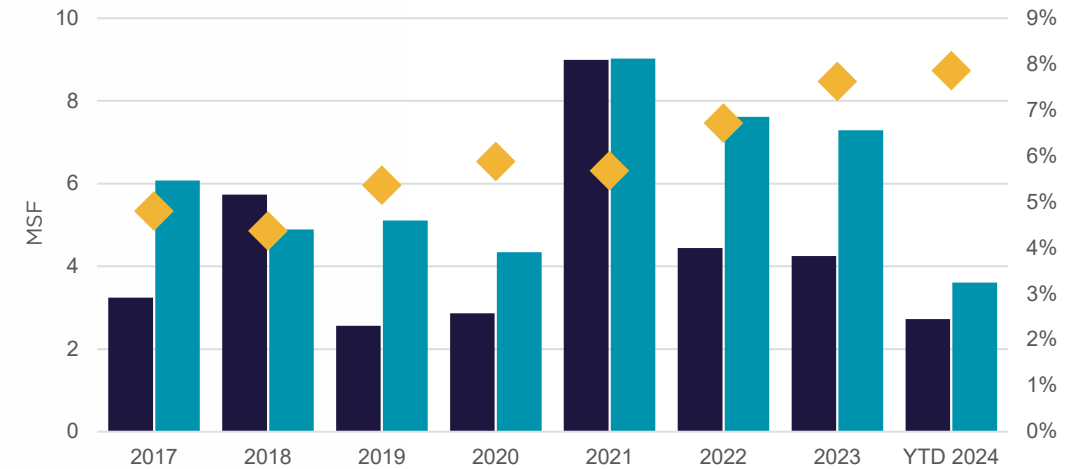
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	89,353	98,142
Worker Concentration	1.0	0.7
Projected 5-Year Employment Growth	6.5%	6.3%
Average Wages*	\$23.19	\$23.47
Wage Index	102	101

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- After peaking in 2021, construction activity in Denver has continued to taper off through the balance of 2024 as the rate of deliveries continues to outpace new starts. As of Q3 2024, just over 4.1 msf remains under construction in Denver, the lowest the market has experienced since 2017.
- Denver’s population is forecasted to grow by 4.2% over the next five years, on track to outperform both the U.S. projected growth of 2.2% and the West region’s expected growth of 2.8%.
- However, the concentration of both production workers (0.6) and material movers (0.8) in Denver remain below the national and regional averages, given Denver’s lower overall concentration of blue-collar laborers.
- Denver’s industrial labor workforce is principally composed of production occupations, which currently account for just over 52.8% of the industrial workforce. However, employment growth for material moving occupations is projected to be 3.7% in the next five years.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	3.0M
Projected Population Change (5-Year)	4.2%
Working Age Population (Ages 18-64)	2.0M
Labor Force	1.7M
Median Household Income	\$103,319
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	37.0%
Target Blue Collar Demographic Volume	191,669
Target Blue Collar Demographic Concentration	0.6

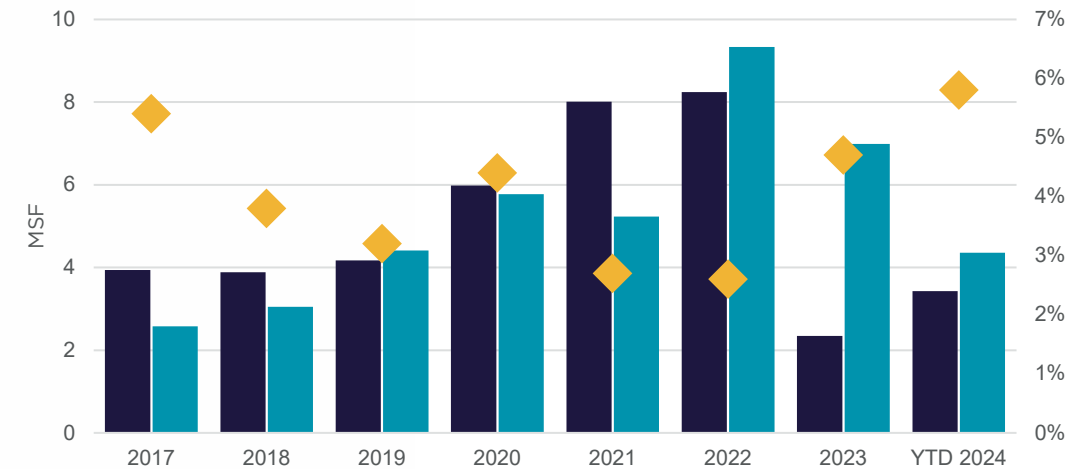
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	48,836	54,156
Worker Concentration	0.8	0.6
Projected 5-Year Employment Growth	3.7%	2.7%
Average Wages*	\$25.50	\$25.60
Wage Index	112	111

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY, & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



- Salt Lake City’s vacancy rate closed Q3 2024 at 5.8%, significantly below the U.S. long-term average of 7.0%.
- Demand for warehouse and distribution properties continues to rise, driven by the rapid expansion of e-commerce and the growing need for same-day delivery. This trend has increased the demand for industrial facilities near major metropolitan areas.
- Vacancy is expected to decline by the end of 2025, with only 2.1 msf slated for delivery next year. However, new construction activity may be delayed due to uncertainties in capital markets, inflationary pressures, and lending conditions. Meanwhile, demand for outdoor storage and trailer yards remains robust.
- Salt Lake City’s population is anticipated to rise by 6.3% over the next five years while employment growth in key industrial sectors (material moving and production) are expected to increase by 5% and 4.1%, respectively.

Source: Cushman & Wakefield Research

DEMOGRAPHICS	
Population	2.7M
Projected Population Change (5-Year)	6.3%
Working Age Population (Ages 18-64)	1.7M
Labor Force	1.5M
Median Household Income	\$100,681
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	45.5%
Target Blue Collar Demographic Volume	171,422
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2023 Employment Volume	51,982	81,764
Worker Concentration	1.0	1.1
Projected 5-Year Employment Growth	5.0%	4.1%
Average Wages*	\$22.53	\$23.00
Wage Index	99	99

*Occupations included in the average wages are outlined on page 5.



WEST REGION

INDUSTRIAL LABOR REPORT

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