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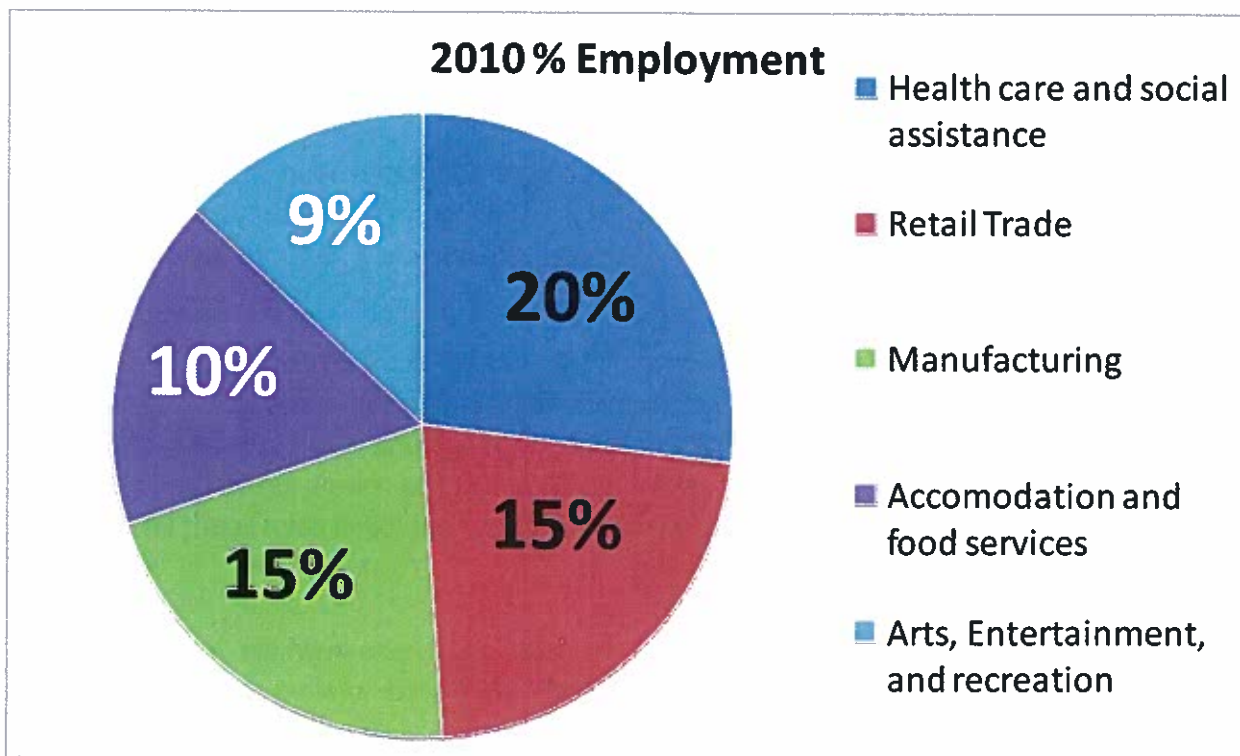
Overview of Challenges to Economic and Business Development in Carbon County

Ladies and Gentleman, on behalf of the residents and businesses of Carbon County, I would like to welcome you. My name is Dawn Ferrante and I am the Economic Development Director for Carbon County.

Thank you for the opportunity to speak with you today about our beautiful county. Carbon County is home to approximately 64,000 residents. We are uniquely situated between the blue mountain to the south and further the Lehigh Valley and to the north the Hazleton/Wilkes Barre region. We share a strong heritage from the coal industry with our neighbors in Schuylkill County to our West and to our east we have a shared economy with Monroe County and the Poconos in tourism.

There are approximately 1100 business in Carbon County. Ninety-Seven percent of those have fewer than 50 employees and half of those have few than five. So ours is a county of very small business.

The following graph represents the top five industries by employment for Carbon County.



The industry breakdown is as follows: Health care and social assistance, 20%, Retail Trade and also Manufacturing come in at 15%, Accommodation and food Services comes in at 10% and Arts, Entertainment and recreation is 9%.

Carbon County is certainly a diverse and unique place; however, we also have our share of challenges. Today we have a number of industry and workforce representatives here to tell you in more detail about some of the specific issues we face. In preparation for our time with you today, we had two meetings with these representatives to see if we could highlight any consistent themes with respect to the challenges we collectively face.

Prior to this process, I have had little visibility into the needs of our business community and to their challenges. It's been more like looking into a crystal ball. However, we are about to take a bold step in changing that by conducting a comprehensive business survey.

For the first time in our county's history, we will be reaching out directly to business and industry to get a clear picture of the challenges they face. This is also a historic partnership between a number of organizations in Carbon County that have a vested interest in the outcome including the Palmerton Area Communities' Endeavor (PACE), The Carbon County Economic Development Corporation, Partners for Progress, the Carbon County Chamber of Commerce and our private sector partner, PPL. The results of the survey will be complete in the Spring of 2013 and I would be happy to share them with you at the time.

For now, let me share with you some of the anecdotal evidence that highlights our business and economic challenge from my perspective as both the head of economic development and also more recently the chair for the chamber of commerce.

From that vantage point, I see two main areas that continue to challenge our ability to prosper at the local level. The first is related to workforce and the second is around local development.

First, workforce. We have a lack of a skilled labor force, high unemployment, and the inability to connect the two. This is a major issue facing our area. And one we must seek to solve if we are ever to come out of an economic downturn.

For the month of August, Carbon County had an unemployment rate of 9.9%. At the same time, I am aware of a number of local manufacturing companies that need machinists, truck drivers, and welders. Again and again, regardless of the rate of unemployment, I hear manufacturers that tell stories of the inability to fill key positions in skilled labor areas. The inability to fill these roles limits the capabilities of these companies and slows our growth economically.

At the same time, we have one of the highest rates of unemployment in the state. What this says is that we have a major skills gap. The jobs that are available are 1. Not the jobs that

people want to do and 2. Not the jobs that people are trained to do. So what is the answer? There has got to be a way to educate our community on the need to fill jobs with skills that are necessary for our economic growth.

I want to mention that Carbon County has a unique asset that is underutilized that I believe can help solve our workforce issue. The Carbon Career and Technical Institute have just undergone a 20 million dollar renovation and can be a training ground for not only the youth of our county but also for our adults and unemployed.

For the unemployed, how do we encourage people to consider training for something that they might not have previously considered? The missing piece is how to get the two together. This is the solution that we need from you.

The second area that greatly affects our ability to improve the economic climate in Carbon County is the challenges around development. The time and expense involved in expanding an operation is many times greater than companies can manage. This leaves them unable to grow and again unable to add jobs once they have gone through an expansion.

The regulatory agencies that oversee this growth are overburdened and also have challenges. However, there again, has got to be a way to solve these issues. Our future is truly dependent upon coming up with new and innovative ways to remove obstacles to development while still maintaining public safety. These should not be mutually exclusive.

Part of the answer to both of these issues is around funding. But that's not the whole story. The answer is also to create regulatory agencies that are efficient. It must be understood that if we do not try to solve these issues our economy will continue to suffer.

Carbon County residents have great pride in our history, heritage and work ethic. We are a community that wants as many other communities do to solve these challenges and move our residents forward. We need your help in doing so and encourage you to think outside the box when it comes to solutions. This is a challenging time and we need bold leadership to move our State forward.

Thank you for visiting Carbon County.