



Prediction: More than 2.7 million 'middle-skill' jobs by 2016

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- **New jobs will demand more than high school diploma but less than bachelor's degree**
- **But report says state falls short in training**

A report Monday claims California will need 2.7 million new workers by 2016 with what it terms "middle skills" education – more than high school, but less than a four-year degree.

While the recession is stifling current employment growth, the report projects that middle-skill jobs (including new and replacement jobs) would account for 43 percent of all California job openings between 2006 and 2016. Jobs that do not require any post secondary education and jobs that require a Bachelor's degree account for 25 percent and 35 percent respectively, it says.

Those without a four-year degree will have ample opportunity for stable, rewarding employment, if given adequate training, the report claims.

California's spending for postsecondary education and workforce training has not kept up with demand for middle-skill workers, the report says. Prior to the recession California businesses were struggling with shortages of middle skill workers in crucial industries - a plight that is likely to recur once the economy rebounds, it predicts.

As of 2007, 49 percent of all California jobs are classified as middle-skill but only 39 percent of the state's workers had the credentials to fill them, it says. "That gap will return as jobs are created, inhibiting recovery efforts," it says.

The report argues that with California staggered by severe unemployment, the recession is the right time to develop a strong middle-skill workforce.

"Economic downtime in California must be used to invest in training time," says Agnes Balassa of the Workforce Alliance, which compiled the report.

"If California seeks real economic recovery and long-term prosperity, we must ensure our workforce has the necessary education and training to meet the labor demands of the future," she says. "The recession provides a time frame for businesses and the state to be opportunistic: evaluate labor and skill needs and train and prepare for the jobs that are expected to grow."

Highlights from the report include:

- Computer technicians, installation and repair workers, health care professionals, and emergency first responders are among the middle-skill positions that will experience the largest number of job openings between 2006 and 2016.
- Dental hygienists, respiratory therapists, emergency medical technicians and industrial machinery mechanics are four occupations where openings are expected to surge by 20 percent or more.
- Policymakers say that a workforce with strong credentials in science, technology, engineering and math (STEM) is instrumental to U.S. global competitiveness, but among California's STEM occupations, 44 percent of all jobs expected to encounter shortages are expected to reside in the middle-skill tier.
- The state's shortage of adequately trained middle skill workers is likely to be exacerbated by federal economic stimulus spending. Much of the job growth associated with the federal Recovery Act is expected to occur in the middle-skill sector, but training for these positions remains under-funded in California.
- Immigration trends are likely to do little to offset middle-skill attrition. Most workforce growth resulting from in-migration is projected to occur at the low and high ends of the skill spectrum (for example, engineers brought in from overseas through H-1B visas).

The study is from the Workforce Alliance, which describes itself as "a national coalition of community-based organizations, community colleges, unions, business leaders and local officials;" Skills2Compete, a foundation funded group that describes itself as "a non-partisan campaign to ensure our workforce has skills needed to meet business demand, foster innovation, and grow broadly shared prosperity;" and California EDGE Campaign, which self-describes as "a nonprofit coalition of major employers, educators, regional workforce development leaders, labor, and industry associations." EDGE is an acronym for "Education, Diversity, and Growth in the Economy."

Methodology

The report is funded by the Ford Foundation, the Joyce Foundation, Charles Stewart Mott Foundation and the Annie E. Casey Foundation.

The analysis for the study was performed by the Workforce Alliance using data from the Bureau of Labor Statistics, Current Population Survey, American Community Survey and state labor market data supplied by the California Employment Development Department. The analysis is based on the methodology developed for the national Skills2Compete report - America's Forgotten Middle-Skill Jobs - by labor economists Harry Holzer and Robert Lerman.

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