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NEARLY 470,000 “MIDDLE-SKILL” JOB OPENINGS PROJECTED FOR WASHINGTON BY 2017, NEW REPORT FINDS

Washington’s Economic Recovery Tied to Preparing Workers for Jobs Requiring More than High School Diploma, Less than College Degree; State Must Use Economic Downtime to Invest in Training Time To Meet Future Demand

Federal Recovery Dollars to Create Jobs in Middle-Skill Industries; Report Calls for New Vision Guaranteeing Two-Years Training Post High School

SPOKANE— In what will play a major role in Washington’s economic recovery, nearly 470,000 “middle-skill” job openings—those that require more than a high school diploma, but less than a four-year degree—are projected for the state by 2017, concludes a new study released today by The Workforce Alliance (TWA) and the Skills2Compete-Washington campaign, an affiliate of the national Skills2Compete campaign. To unleash the full economic benefits of these openings, Washington will need to invest in proper training and education for its embattled workforce.

While the recession is stifling current employment growth, the report projects that middle-skill jobs (including new jobs and replacement) would account for 42 percent of all openings between 2006 and 2017. Low- and high- skill jobs will account for 25 percent and 33 percent respectively.

The report, which for the first time tracks Washington’s jobs at the middle-skill level, notes that federal funds from the recovery bill are also expected to create millions of new jobs—especially in industries dominated by middle-skill occupations, like environment/energy, construction, manufacturing and transportation.

Washington’s strong record of investments in postsecondary education and workforce training has not kept up with demand for middle-skill workers. Prior to the recession, Washington was already experiencing shortages of middle-skill workers in crucial industries. As of 2007, only 45 percent of Washington workers had qualifications at the middle-skill level.

With severe unemployment in the state, the report notes the recession is precisely the right time to develop a strong middle-skill workforce.

“Economic downtime in Washington must be used to invest in training time,” urges Agnes Balassa of TWA, the convening organization for the national Skills2Compete campaign. “If Washington 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. 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.”

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Brian Read, senior vice president at Sterling Saving Bank comments, “Based on the findings of this report, it only makes sense we, as a state, would allocate our finite resources to where the demand is now and will be in the future – the middle-skill jobs.”

“Continuing education beyond high school is vital to so many careers,” states Beth Thew, the executive secretary-treasurer for the Spokane Regional Labor Council AFL-CIO. “A lot of people don’t realize that there are a lot of pathways to get the skills needed for high-demand, high-wage jobs, besides spending time in a classroom getting a four-year degree. A lot of what the report calls ‘middle-skill’ jobs really require high levels of skills that can be obtained through apprenticeships, the military and community colleges.”

Robert Duron, owner of Coffee Systems, Inc. chairs the Spokane Area Workforce Development Council, an organization focused on identifying and addressing skills shortages in the economy. “There are many great existing programs and services that help prepare people for jobs,” Duron said. “What we need is for leadership in workforce, business, labor and education to sit at the same table and synergize ideas, resources and investments to focus on programs and services that will prepare more people for middle-skill jobs. My small business relies on the health and financial stability of other companies in the community. It is critical to me that they have the workforce they need to compete.”

The analysis for the study was performed by TWA using data from the Bureau of Labor Statistics, Current Population Survey, American Community Survey and state labor market data from the Washington Employment Security 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.

Washington’s Forgotten Middle-Skills Jobs assesses the current and future middle-skill employment and education patterns in the state:

- **Sales and office administrative jobs will burgeon.** More than a quarter of all job openings expected for Washington between 2007 and 2017 will occur in two middle-skill categories: sales-related positions and office and administrative support.
- **The decline in middle-skill preparation is projected to worsen.** The number of Washington’s middle-skill workers increased by seven percent between 1989 and 2004; but the trend is in the throes of a reversal. The number of middle-skill workers in Washington is forecast to decline by 3.8 percent between 2004 and 2020.
- **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 Washington.
- **Immigration trends are likely to do little to offset middle-skill attrition,** as most workforce growth in the state due to in-migration will likely occur at the low-end of the skill spectrum or at the high-end of the skill spectrum (for example, engineers brought in from overseas through H-1B visas).

The report also finds that two-thirds of the people who will be in Washington's workforce in the year 2020 were already working adults in 2005—long past the traditional high school to college pipeline. The Skills2Compete campaign says this finding underscores the crucial importance of investments in training and re-training the current adult workforce to close the skills gap. And while the nation's overall K-12 education system also needs significant repair that alone won't solve this problem.

Echoing a vision put forward by the national Skills2Compete campaign, President Obama first challenged every American to commit to at least one year of post-secondary education or training in February 2009, and has continued to signal that investing in a range of skills for America's workforce—"be it at a community college or a four-year school; vocational training or an apprenticeship"—will be a priority for his administration.

"There is a federal call to action that must not be ignored. The president has called on all Americans to obtain some form of post-secondary education or job training and has backed that up with commitments to invest in community colleges and other middle-skill training opportunities" notes, Lisa Nisenfeld, a lead partner in the Skill2Compete-Washington campaign. Mark Mattke, the other lead partner agrees, "Washington is often cited as a national leader in workforce development. We should continue to take proactive policy actions to train more state residents for better, more plentiful middle-skill jobs and careers."

The Skills2Compete-Washington campaign is calling on state leaders to embrace a new vision to guide its economic and education strategy that would allow residents to meet or exceed the president's challenge: every Washington resident should have access to at least two years of education or training past high school—leading to a vocational credential, industry certification or one's first two years of college—to be pursued at whatever point and pace makes sense for individual workers and industries. An education strategy guided by this vision would give Washington a competitive edge for recovery and long-term growth.

The study notes historical precedents for such an initiative at the federal level, including universal high school for U.S. students in the mid-nineteenth century and the GI Bill, which boosted post-war prosperity in the 1940s. The report also looks at state-level precedents such as Michigan's "No Worker Left Behind" initiative, launched in August 2007, which promises to train up to 100,000 state residents in jobs in high demand occupations and emerging industries.

Members of the Skills2Compete-Washington campaign will meet with the state's congressional leaders in Washington, DC on November 2nd and 3rd to review the study's findings and encourage further federal efforts to ensure all workers can get the skills they need to play a role in economic recovery. The campaign will brief state policymakers on the report's findings and begin to explore ways to make Washington a leading state in addressing the middle-skills gap.

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Skills2Compete is a non-partisan campaign to ensure the U.S. workforce has the skills needed to meet business demand, foster innovation, and grow broadly shared prosperity. The campaign's diverse and growing list of endorsers include national and local leaders from business, labor, education and training, community and civil rights groups, and the public sector. The Skills2Compete Vision: Every U.S. worker should have access to the equivalent of at least two years of education or training past high school—leading to a vocational credential, industry certification, or one's first two years of college—to be pursued at whatever point and pace makes sense for individual workers and industries. Every person must also have the opportunity to obtain the basic skills needed to pursue such education. For more information visit www.Skills2Compete.org and www.Skills2Compete.org/Washington.

The Workforce Alliance's (TWA) mission is to advocate for public policies that invest in the skills of America's workers, so they can better support their families and help American businesses better compete in today's economy. TWA is a national coalition of community-based training organizations, community colleges, unions, business leaders, local officials, and leading technical assistance and research organizations. This alliance of stakeholders, who have not previously come together, ensures that our efforts are not in the self interest of a particular group, but are instead in the broader public interest of the nation. For more information, visit www.workforcealliance.org.