



Proportionate Investment?

Why America Needs a Better Plan for Investing in People

K-12 Investments

We spend \$33 billion in federal funds to prepare 53 million youth to enter postsecondary education or training, or to enter about 25 million jobs (17%) which do not require education past high-school.



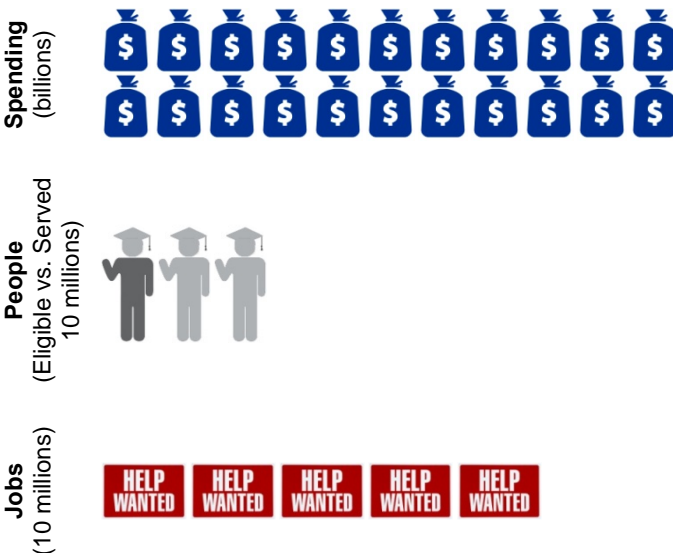
Smart Spending

Investing in the skills of America's people is an economic necessity. But to yield the greatest return, these investments must align with the demands of our labor market and the needs of our workforce. Investments in K-12 and higher education access are crucial, but workforce training investments are equally critical. It's widely recognized that most jobs require education past high school. But for every job that requires a four-year degree, nearly twice as many require a middle-skill credential. And the largest portion of Americans stand to benefit from middle-skill training. Unfortunately, America's education spending plan leaves out the majority of workers and too many jobs. We must change our investment strategy to see our way to recovery and long-term prosperity.

Sources for this analysis on reverse.

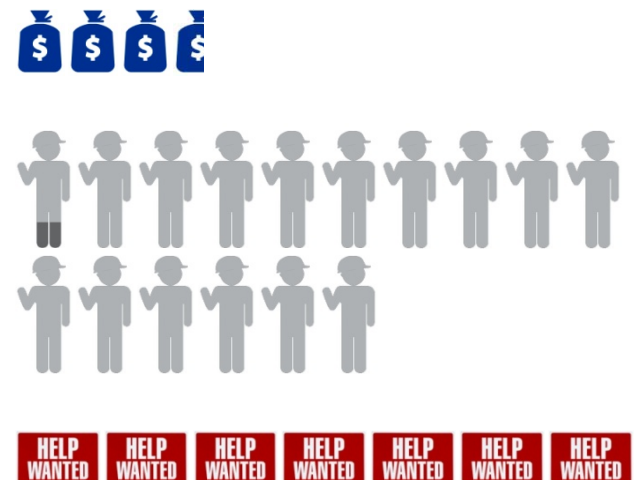
Higher-Education Investments

We spend \$22 billion in federal funds to prepare people for 50 million jobs (35%) that require a four-year degree. That's enough to serve 6 million of the 30 million people who could benefit from investments in traditional access to college.



Workforce Training Investments

We spend \$3.5 billion in federal funds to prepare people for 70 million jobs (48%) that require middle-skill training. That's enough to train 500,000 people, a small fraction of the 160 million who could benefit from investments in access to training.



Sources



Funding. K-12 funding includes Fiscal Year 2009 federal appropriations for selected programs under the Elementary and Secondary Education Act and Individuals with Disabilities Education Act, as well as funding for secondary education under the Carl D. Perkins Career and Technical Education Act. Higher education funding includes Fiscal Year 2009 federal appropriations for selected grant programs under the Higher Education Act. Workforce funding includes Fiscal Year 2009 federal appropriations for adult and dislocated workers in the Workforce Investment Act, for Trade Adjustment Assistance training, and for postsecondary education under the Carl D. Perkins Career and Technical Education Act.



Eligible individuals. K-12 includes individuals age 5-17, traditional higher education population includes individuals age 18-24, current workforce population includes individuals age 25-64. Figures obtained from selected Population Profile in the United States, 2006-2008 Three-Year Estimates, American Community Survey, U.S. Bureau of the Census.



Individuals who could be served with current funding. K-12 assumes all eligible 5-17 year-olds are guaranteed access to primary and secondary education. Higher education includes all Pell recipients in 2008. Workforce training assumes that 40 percent of all workforce funding is available for training. This total is divided by \$3000 (estimated per person training cost).



Jobs. Data from Bureau of Labor Statistics, 2006. Based on methodology in Holzer and Lerman for National Skills Coalition (formerly The Workforce Alliance), *America's Forgotten Middle-Skill Jobs*, 2007.