

Middle-Skill Credentials and Immigrant Workers: Arizona's Untapped Assets

A FACT SHEET

Arizona's Economy Has Robust Demand for Middle-Skill Workers. More than half of all jobs in Arizona (53%) are middle-skill occupations that require more than a high school diploma, but not a four-year degree. Yet only 47% of Arizona workers have been educated to the middle-skill level.¹ A statewide middle-skill attainment goal and a focus on immigrant workers are essential to the state's economic future.

Middle-skill positions include jobs as varied as laboratory technician, stonemason, and respiratory therapist. Individuals prepare for these occupations through a variety of pathways, including career and technical education programs; apprenticeships and other work-based learning opportunities; community colleges; and nonprofit or other private job training providers.

Demand for workers with middle-skill credentials is expected to remain high in Arizona, and the data is clear that investing in skill building can ensure Arizona's ability to meet that demand. Such an investment makes economic sense: As a recent analysis from College Success Arizona demonstrates, the state could reap more than \$7 billion annually by significantly increasing its postsecondary credential attainment rate for both immigrant and native-born Arizonans.²

While the Arizona Board of Regents has set a goal of 30% of the state's adult population attaining a bachelor's degree by 2020, the state has not included economically essential middle-skill credentials in its postsecondary goal.³ Arizona's postsecondary attainment goal will drive policy and spending decisions in the state. Without attention to middle-skill credentials, these policies won't achieve maximum return on investment.

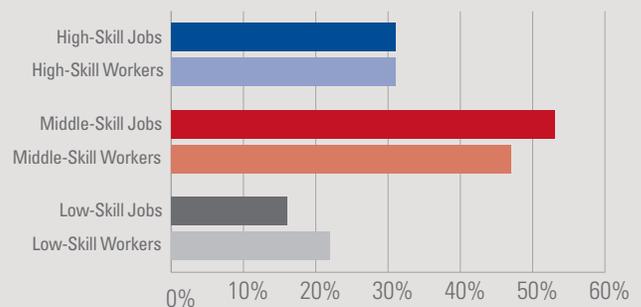
Immigrants Are Part of Arizona's Middle-Skill Solution

Arizona is home to approximately 920,000 immigrants, who comprise nearly 14% of the state's population.⁴ Foreign-born Arizonans are much more likely to be of working age; a full 79% are between the ages of 18-64, compared to just 57% of native-born state residents. In addition, Arizona immigrants have a higher labor-force participation rate, at 60.4% compared to 58.5% of native-born adults.

Immigrants play an essential role in Arizona's labor market.

Their impact is expected to continue growing; already, the state's immigrant population has nearly doubled as a percentage of the total population since 1990.⁵

Arizona Jobs and Workers by Skill Level



Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2012 and American Community Survey data, 2012.

However, immigrant workers also have lower educational attainment, on average, than native-born workers. In order for Arizona to capitalize on the full talents and abilities of immigrant residents, the state will need to facilitate their skill building.

Immigrants Could Contribute More if Arizona Invested Further in Their Skills

While 1 in 5 immigrants in Arizona hold a bachelor's degree or higher, the majority of Arizona immigrants have lower levels of formal education. In particular, 23% have a high school diploma or equivalent, and 38% have not finished high school.⁶

In addition, while a robust number of Arizona immigrants are fluent in English, others are still building their English language skills. Overall, approximately 445,000 working-age Arizona residents have limited English proficiency.⁷

As the College Success Arizona analysis⁸ demonstrates, investments in Arizonans' skills can have a catalytic effect on individual and statewide economic strength.

Key Policy Levers Can Help Arizona Boost Middle-Skill Attainment for Immigrants

There are a range of federal and state policies that can foster effective skill building in Arizona. On the federal side, these policies, if implemented effectively at the state level, can boost middle-skill credential attainment. They include:

- The **Workforce Innovation and Opportunity Act**, reauthorized by Congress in 2014, which represents a powerful federal investment in workforce development and adult education. Arizona is currently in the process of implementing WIOA. WIOA offers important opportunities for states to better align federal skill-building programs to better serve workers and businesses, including those programs outlined below.
- The **Carl D. Perkins Career and Technical Education (CTE) Act**, which provides key support for both secondary and postsecondary CTE programs.
- The **Supplemental Nutrition Assistance Program (SNAP) Employment and Training program**, which helps individuals who are receiving food stamps to find employment and move off of public assistance. Earlier this year, Arizona was one of 10 states selected to receive technical assistance through the federal SNAP to Skills initiative.

At the state level, there are a range of innovative policies that can help close Arizona's middle-skill gap, and achieve the postsecondary outcomes that are needed to foster economic security for the state's workforce and drive economic growth. These policies fall into four major categories:

- **Skills Equity:** Policies that increase the number and diversity of individuals (including immigrants) who are on learning pathways toward skilled careers.

- **Industry Engagement:** Policies that ensure local businesses, including small- and medium-sized companies, are partners in a community's workforce training and education strategies.
- **Accountability:** Policies that ensure everyone has actionable data to assess and improve the effectiveness of education and workforce programs.
- **Job-Driven Investments:** Policies that re-align a state's investment priorities with the career aspirations of its people and the workforce needs of its economy.

These policies can be adopted through legislation, executive orders, or other administrative actions, such as state grant programs or agency directives or guidance.

Essential Partners for Closing Arizona's Middle-Skills Gap

Arizona has a wealth of valuable partners that can be tapped to support middle-skill credential attainment efforts. In addition to the state's robust higher education system (both four-year universities and community colleges), potential partners include businesses, workforce development boards, chambers of commerce, and industry associations; career and technical education programs; nonprofit community-based organizations; private education and training providers; workforce, adult education, and immigrant advocates; and influential civic and political leaders.

To learn more about state policies that can increase middle-skill credential attainment for immigrant and native-born workers in Arizona, contact Amanda Bergson-Shilcock at amandabs@nationalskillscoalition.org.

ENDNOTES

- 1 Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2012, and American Community Survey data, 2012.
- 2 *Doubling Arizona's Economic Growth: The Potential Fiscal and Social Gains from Increasing Postsecondary Attainment*. Viewable at: <http://collegesuccessarizona.org/wp-content/uploads/2016/01/Doubling-Arizona%E2%80%99s-Economic-Growth-No-Large-Photos.pdf>
- 3 *Advancing the Economy through Attainment: What Arizona Can Learn from States with Higher Education Attainment Goals*. (College Success Arizona, 2015.) Viewable at: <http://collegesuccessarizona.org/wp-content/uploads/2015/09/Advancing-the-Economy-Through-Attainment-Web.pdf>
- 4 All data in this paragraph is drawn from the Migration Policy Institute analysis of 2014 US Census/American Community Survey data.

5 *Ibid.*

6 *Ibid.*

7 *Ibid.* Also note: It can be assumed that most of these individuals are immigrants. Nationwide, the most sizeable number of adult, US-born individuals with limited English skills are from the US territory of Puerto Rico, and Arizona's Puerto Rican population is very modest in size.

8 *Doubling Arizona's Economic Growth: The Potential Fiscal and Social Gains from Increasing Postsecondary Attainment*. (College Success Arizona, 2016.) Viewable at: <http://collegesuccessarizona.org/wp-content/uploads/2016/01/Doubling-Arizona%E2%80%99s-Economic-Growth-No-Large-Photos.pdf>