

Middle-Skill Credentials and Immigrant Workers: Texas' Untapped Assets

A FACT SHEET

The Texas Economy Has Robust Demand for Middle-Skill Workers. More than half of all jobs in Texas (56 percent) are middle-skill occupations that require more than a high school diploma, but not a four-year degree. Yet only 42 percent of Texas workers have been educated to the middle-skill level.¹

Middle-skill positions include jobs as varied as machinists, building inspectors, laboratory technicians, and computer user support specialists.² 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 anticipated to remain strong in Texas, with 50 percent of job openings through 2024 expected to be at the middle-skill level.³

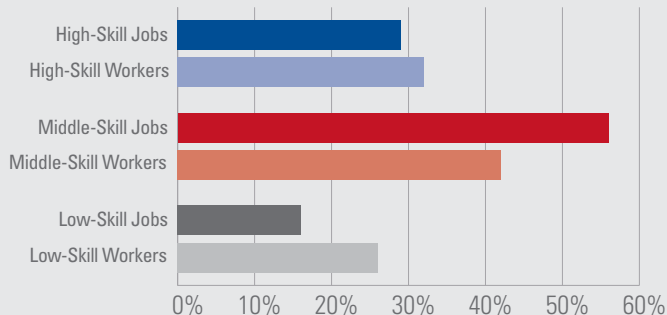
The data is clear that investing in skill building can ensure Texas' ability to meet that demand. Such an investment makes economic sense: A report from the Organization for Economic Cooperation and Development (OECD) calculates that each year of postsecondary education leads to an increased per capita output of between 4 and 7 percent.⁴

The Texas Higher Education Coordinating Board has responded to this opportunity by establishing an ambitious goal for middle-skill credential attainment: By 2030, the state aims to equip at least 60 percent of twenty-five to thirty-four year-olds with a certificate or degree.⁵ The initiative is known as 60x30TX. This clear, rigorous postsecondary attainment goal will help focus state policy and spending decisions on middle-skill opportunities and ensure a strong return on investment.

Immigrants Are Part of Texas' Middle-Skill Solution

Texas is home to approximately 4.7 million immigrants, who comprise 17 percent of the state's population.⁶ Foreign-born Texans are much more likely to be of working age; a full 82 percent are between the ages of eighteen to sixty-four, compared to just 58 percent of native-born state residents. In addition, Texas immigrants have a higher labor force participation rate, at 66.2 percent compared to 63.2 percent of native-born adults.

Texas Jobs and Workers by Skill Level

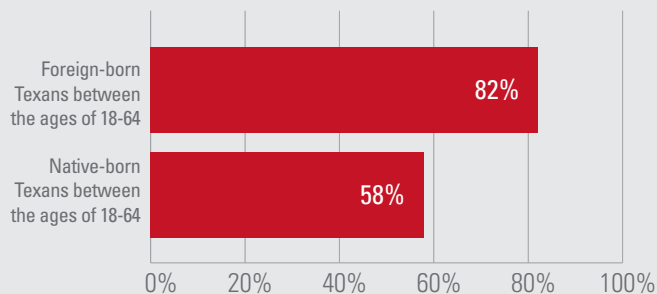


Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015 and American Community Survey data, 2015.

As a result, immigrants play an essential role in the Texas labor market. Their impact is expected to continue growing; already, the share of immigrants in the state's population nearly doubled from 9 percent in 1990 to 17 percent today.

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

Foreign-born Texans are much more likely to be of working age



Immigrants Could Contribute More if Texas Invested in Their Skills

While nearly one in four adult immigrants in Texas hold a bachelor's degree or higher, the majority have lower levels of formal education. In particular, 21 percent of Texas immigrants have a high school diploma or equivalent, and 41 percent have not finished high school.⁷

In addition, while a robust number of Texas immigrants are fluent in English, others are still building their English language skills. Overall, approximately 2.7 million working-age Texas residents have limited English proficiency.⁸

As the OECD analysis demonstrates, investments in Texans' skills can have a catalytic effect on individual and statewide economic strength.

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

There are a number of federal and state policies that can foster effective skill building in Texas. 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 (WIOA)**, reauthorized by Congress in 2014, which represents a powerful federal investment in workforce development and adult education. Texas 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.
- The **Carl D. Perkins Career and Technical Education (CTE) Act**, which provides key support for both secondary and post-secondary CTE programs.

At the state level, there are a range of innovative policies that can help close Texas' 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. To support states in establishing or strengthening such policies, National Skills Coalition has published toolkits that provide examples of existing state policies in these areas, and model language for enacting new policies. Toolkits are available at: www.nationalskillscoalition.org/state-policy

Essential Partners for Closing Texas's Middle-Skills Gap

Texas 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, 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 Texas, contact Amanda Bergson-Shilcock at amandabs@nationalskillscoalition.org.

ENDNOTES

- 1 Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015, and American Community Survey data, 2015.
- 2 See, e.g., Upskill Houston's analysis of middle-skill occupations, viewable at: <http://www.wrksolutions.com/for-individuals/career-exploration/upskill-houston>
- 3 Source: NSC analysis of long-term occupational projections from state labor/employment agency.
- 4 *The Well-Being of Nations: The Role of Human and Social Capital*. (Organization for Economic Co-operation and Development, 2001). Viewable at: www.oecd.org/site/worldforum/33703702.pdf
- 5 *Texas Higher Education Strategic Plan: 2015-2030*. (2015) Viewable at: www.thecb.state.tx.us/reports/PDF/6862.PDF?CFID=32864269
- 6 All data in this paragraph is drawn from the Migration Policy Institute analysis of 2015 US Census/American Community Survey data.
- 7 *Ibid.*
- 8 *Ibid.* While many Texans with limited English skills are likely to be immigrants, the state is also home to residents who hail from the US territory of Puerto Rico. Puerto Ricans are US citizens by birth, and individuals who grew up on the island may speak Spanish as their primary language.