EDUCATION: A Key Service in WIOA

March 1, 2016
Snowzilla!
Panelists

- Portia Wu, Assistant Secretary of DOL’s Employment and Training Administration
- Michael Yudin, Assistant Secretary for the Office of Special Education and Rehabilitative Services
- Janet LaBreck, Commissioner of Rehabilitation Services Administration
- Johan Uvin, Acting Assistant Secretary for the Office of Career, Technical, and Adult Education

Moderator

- Mark Mitsui, Deputy Assistant Secretary for the Office of Career, Technical, and Adult Education
The skills gap is widening

Over the next decade nearly 3½ million manufacturing jobs will likely be needed and

2 Million
are expected to go unfilled due to the skills gap

The implications are significant
Every job in manufacturing creates another 2.5 new jobs in local goods and services

2.7 Million
baby boomer retirements

700K manufacturing jobs expected from economic expansion

Only 1.4 Million jobs are likely to be filled
leading to an expected
2 Million manufacturing jobs unfilled due to the skills gap

3.4 Million
manufacturing jobs are likely to be needed over the next decade

By 2025 the skills gap is expected to grow to 2 million

In 2011, 600K jobs were unfilled due to the skills gap

The retirement of baby boomers, strength of the economy and attractiveness of the industry are ranked among leading factors impacting the talent shortage.
Developing talent is essential

Adding to the complexity is finding workers with the skills required to meet today’s advanced manufacturing requirements.

The most effective skilled production workforce development strategies cited by executives:

- **94%** Internal employee training and development
- **72%** Involvement with local schools and community colleges
- **64%** External training and certification programs
- **49%** Creation of new veteran hiring programs

Percentage of executives that indicate current employees are not sufficient in key skills:

- **70%** Technology/computer skills
- **67%** Basic technical training
- **69%** Problem solving skills
- **60%** Math skills

Talent shortage impact to the business:

82% of executives believe the skills gap will impact their ability to meet customer demand.
How did employment change in the recent recession?

Workers with a high school degree or less bear the brunt of recession job losses.

FIGURE 2: CHANGES IN EMPLOYMENT, BY EDUCATIONAL ATTAINMENT: 2008–2012

<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>High school or less</td>
<td>-5.6</td>
<td>3.4</td>
</tr>
<tr>
<td>Some college / Associate’s</td>
<td>-1.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Bachelor’s degree or higher</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>-7.2</td>
<td></td>
</tr>
</tbody>
</table>

Skills to Pay the Bills Infographic @ www.piaacgateway.com
Earnings and Unemployment Rates by Educational Attainment

<table>
<thead>
<tr>
<th>Unemployment Rate in 2014 (%)</th>
<th>Median Weekly Earnings In 2014 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1%</td>
<td>$1,591</td>
</tr>
<tr>
<td>1.9%</td>
<td>$1,639</td>
</tr>
<tr>
<td>2.8%</td>
<td>$1,326</td>
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<tr>
<td>3.5%</td>
<td>$1,101</td>
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<tr>
<td>4.5%</td>
<td>$792</td>
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<tr>
<td>6.0%</td>
<td>$741</td>
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<tr>
<td>6.0%</td>
<td>$668</td>
</tr>
<tr>
<td>9.0%</td>
<td>$488</td>
</tr>
</tbody>
</table>

All Workers: 5% | All Workers: $839


Choosing Our Future (ETS, 2016)
http://opportunityproject.ets.org/assets/content/choosing-our-future.pdf
Average literacy scores of older adults (ages 55–65) and younger adults (ages 16–24), by selected country: 2012

- England & N. Ireland: (265, 266)
- United States: (263, 272)
- Norway: (262, 275)
- Germany: (254, 279)
- France: (242, 275)
- Finland: (260, 297)
- Spain: (227, 264)
- Korea: (244, 293)
- Japan: (273, 299)

Legend:
- Ages 55-65
- Ages 16-24

Older Average: 240 - 250
Younger Average: 260 - 300

Infographic @ www.piaacgateway.com
Individuals with Barriers to Employment

- Displaced homemakers
- Low-income individuals
- Indians, Alaska Natives, and Native Hawaiians
- Individuals with disabilities, including youth
- Older individuals
- Ex-offenders
- Homeless individuals, including children and youth
- Youth who are in foster care or who have aged out of foster care
- Individuals who are ELLs, have low levels of literacy, and individuals facing substantial cultural barriers
- Eligible migrant and seasonal farmworkers
- Individuals within two years of exhausting lifetime eligibility under Part A of Title IV of Social Security
- Single parents, including pregnant women
- Long-term unemployed populations
- Such other groups as the governor [of each state] involved determines to have barriers to employment