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NEW REPORT: MIDDLE SKILL JOBS, THE BACKBONE OF RHODE ISLAND'S ECONOMY, WILL ACCOUNT FOR 42 PERCENT OF STATE'S JOB OPENINGS IN 2016; STATE WORKFORCE NOT READY TO MEET DEMAND

Rhode Island's Economic Recovery Tied to Preparing Workers for Jobs Requiring More than High School Diploma, Less than College Degree; Rhode Island Must Use Economic Downtime to Boost Skills of Workforce.

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

PROVIDENCE— In what will play a major role in Rhode Island's economic recovery, 42 percent of all job openings projected for the state by 2016 are "middle-skill"—jobs that require more than a high school diploma, but less than a four-year degree — concludes a new study released today by The Workforce Alliance and the Skills2Compete-Rhode Island campaign, an affiliate of the national Skills2Compete campaign. But to unleash the full economic benefits of these openings, Rhode Island will need to invest in proper training and education for its embattled workforce.

While the recession is stifling current employment growth, more than 68,000 "middle-skill" job openings (including new jobs and replacement) would account for 42 percent of all Rhode Island job openings between 2006 and 2016. Low- and high- skill jobs will account for 26 percent and 32 percent respectively.

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

Rhode Island's investments in postsecondary education and workforce training have not kept up with employer demand for middle-skill workers. Prior to the recession Rhode Island was already experiencing shortages of middle-skill workers in crucial industries. At that point about 48 percent of all jobs were classified as middle-skill but only 37 percent of Rhode Island workers had the credentials to fill them. That gap will return and widen as the economy rebounds, jobs are created and more workers retire. The effect will be multiplied if Rhode Island's middle-skill educational attainment rate continues to decline.

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

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“Economic downtime in Rhode Island should be used to invest in training,” urges Linda Katz, Policy Director of the Poverty Institute and facilitator of the RI Workforce Alliance, the lead partner in the Skills2Compete-Rhode Island campaign. “If Rhode Island 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.”

Brandon Melton, Senior Vice President of Human Resources for Lifespan expressed his concerns, “While the recession has created a temporary hiatus in our immediate demand for nurses, we are very concerned about the even steeper gap that will occur once the recession ends—causing demand to increase and allowing nurses that have been delaying retirement to finally do so. At that point we foresee not just renewed, but heightened demand for nurses and other middle-skill jobs, like radiology technicians, at our hospitals.” Melton continues, “To stay ahead of this curve, our Stepping Up program is currently addressing the impending skills gap in two ways: working with Labor to help our lower-skilled employees move up the job ladder and partnering with community-based organizations to train residents to enter employment at our hospitals.”

Andrew Cortés, Director of Building Futures, states, “We’re working to ensure that the construction industry will have workers to meet current and future labor needs and in doing so are providing low-income Rhode Islanders with pathways to better-paying jobs.” Looking to ramp up their skill training, Building Futures is the key partner in a recently submitted application for a Recovery Act competitive grant and Cortés states, “Basic skills are the foundation on which our training program builds, so Rhode Island’s investment in adult education as part of its workforce development strategy is critical to ensuring that we can build the workforce our industry needs.”

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

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

- **Shortages in healthcare are ongoing and will worsen.** Prior to the recession, Rhode Island health care employers reported having troubling filling positions from the local labor pool. More than half of all vacancies in this industry were open for more than 60 days. More than half of all openings were for registered nurse and nursing aides or orderlies and attendants,
- Middle-skill jobs expected to grow by 2016 in Rhode Island include **carpenters with a median earning of \$42,280; radiology technicians with a median earning of \$61,000 and licensed practical nurses with a median earning of \$48,540.** The report includes a list of 30 high-demand middle-skill jobs in Rhode Island.
- Like the nation as a whole, Rhode Island faces substantial challenges when it comes to basic skills. **Almost 149,000 Rhode Islanders are in need of adult basic education or English as a second language.** Annual waiting list surveys show that 1,700 people are waiting for these services at any point in time with many waiting a year or more.

The report also finds that two-thirds of the people who will be in Rhode Island’s workforce in the year 2020 were already working adults in 2005—long past the traditional high school to college pipeline.

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The Skills2Compete campaign says this finding underscores the crucial importance of investments in training and re-training the current adult workforce to closing the skill 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 postsecondary 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 postsecondary education or job training and has backed that up with commitments to invest in community colleges and other middle-skill training opportunities" notes Jessie Hogg Leslie, of The Workforce Alliance, the convening organization for the national Skills2Compete campaign, "Even with a heightened focus on these issues at the national level, Rhode Island should not wait for federal policy to play catch-up with state demand, but rather take proactive policy actions to train more state residents for better, more plentiful middle-skill jobs and careers."

The Skills2Compete-Rhode Island campaign is calling on state leaders to embrace this bold vision to guide its economic and education strategy that would allow residents to meet or exceed the President's challenge: Every Rhode Islander 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 Rhode Island 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-Rhode Island campaign will meet in Washington, DC November 2nd and 3rd with legislative leaders 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. Over those two days, the campaign will brief federal policymakers on the report's findings and begin to explore ways federal and state policy can complement one another to make Rhode Island 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/RhodeIsland.

TWA's 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. The Workforce Alliance 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.