

Growing California's Economy by Investing in the Forgotten Middle

Middle-skill jobs, which require more than high-school, but less than a four-year degree, make up the largest part of America's and California's labor market. All too often, key industries in California are unable to find enough sufficiently trained workers to fill these jobs. As a result, job creation and economic growth are stifled. We can't afford that—particularly now—in California.

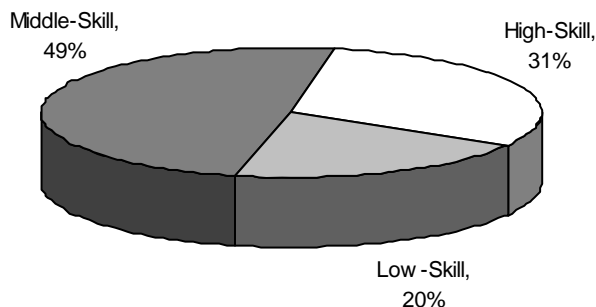
Years ago, our nation established a number of workforce development programs to meet this demand by preparing California's workers for middle-skill jobs. But since then, our federal education and training policies have largely forgotten about these jobs, and investments in the programs that prepare middle-skill workers have plummeted. As a result, in California too many workers struggle to find decent jobs and too many employers struggle to find skilled employees.

Our federal policymakers—including California's congressional delegation—must address the investment shortfall in the forgotten middle of the labor market. California simply can't afford the lost jobs and productivity that complacency brings.

Demand for Middle-Skill Jobs is Strong, Will Remain Strong in California

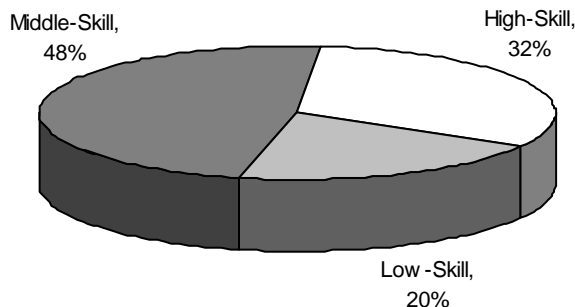
Middle-skill jobs make up nearly half of America's labor market and 49% of California's jobs.

California Jobs by Skill Level, 2004



Source: California Employment Development Department

California Jobs by Skill Level, 2014



Source: California Employment Development Department

Middle-Skill Jobs Are the Backbone of California's Economy

Middle-skill jobs are key to our nation's health, its infrastructure and its economic growth. Many of these jobs cannot be outsourced: from the care of our sick and elderly, to the repair of our computerized cars, to the running and maintenance of our factories' advanced machinery, to the construction of our nation's bridges and buildings. Middle-skill jobs can provide good wages and career paths for America's and California's workers.

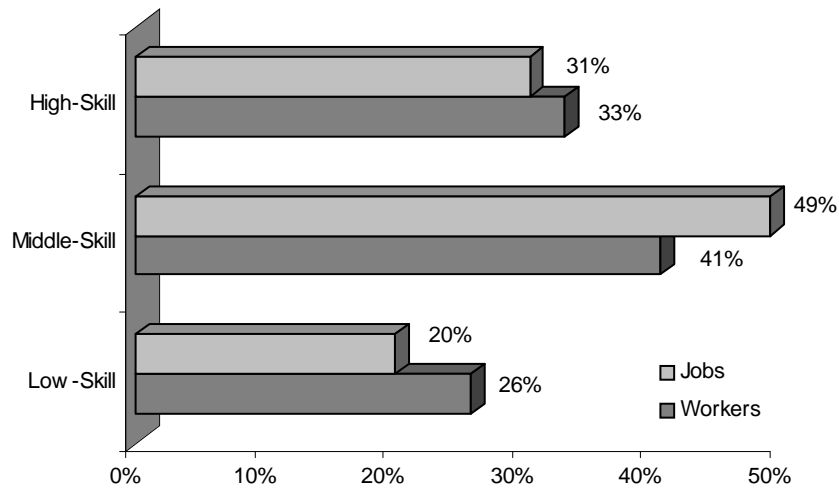
Examples of High-Demand Middle-Skill Jobs in California	Industry	2006 Median Annual Earnings*
Registered Nurses	Healthcare	\$73,300
Carpenters	Construction	\$48,900
Truck Drivers, Heavy and Tractor-Trailer	Trucking	\$37,500
Automotive Mechanics	Installation, Maintenance and Repair	\$37,600
Police and Sheriff's Patrol Officers	Local Government	\$68,900

* 2006 median annual earnings for all occupations in California = \$34,050

California's Skills Mismatch: A Middle-Skills Gap

About 49% of California's jobs are in middle-skill occupations. But only 41% of the state's workers likely have the appropriate training for these jobs.

California Jobs and Workers by Skill Level, 2004

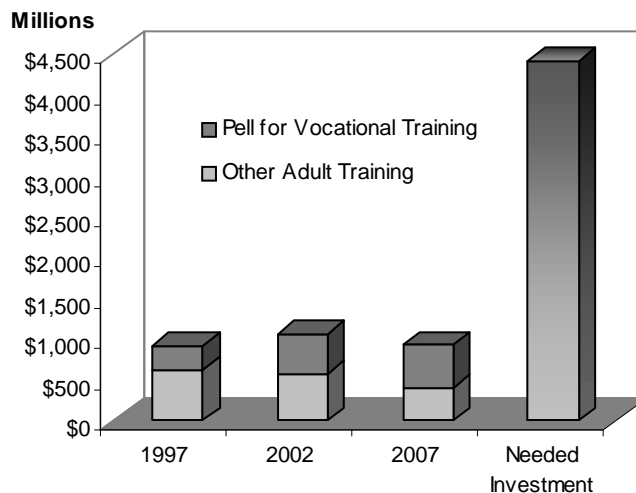


Sources: California Employment Development Dep. & US Bureau of the Census

California's Competitiveness Requires Federal Investments in Training for Middle-Skill Jobs

To maintain a strong economy, California must address its middle-skills gap by investing in a skilled workforce. Training just another 5% of California's workforce for middle-skill jobs would require a new investment, beyond existing state and federal programs, of at least \$3.5 billion or 3.8 times California's current federal funding for all job training, adult education, vocational education, and financial aid for community college students.

California's Middle-Skills Investment Gap



Sources: US Department of Labor and US Department of Education