

# COMMUNITY COLLEGE CONTRIBUTION TO JOBS AND ECONOMY

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## INFORMATION AND REPORTS

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## Item 6.3

### Issue

This item is third among a series of informational panels to explore how community colleges can play a catalytic role in the state's economic and job recovery – at the local, regional, and state levels.

### Background

#### The Mismatch between Jobs and Skills

As the United States climbs out of one of the worst economic downturns since the Great Depression, **an overwhelming majority of Californians believe the most important issues facing the Golden State today are jobs and the economy.**

With more than 2,000,000 unemployed today in California alone, job seekers and workers must be able to navigate the rapidly changing demands of a global economy, quickly adapting to gain the skills required for competitive jobs. But **many job seekers do not have the skills required by companies looking to hire.** As stated in a report by Corporate Voices for Working Families, a “great divide” has emerged between the education and skills of the American workforce and the needs of the nation's employers—a structural mismatch between the skills employers want and the skills workers have.

A Georgetown University report echoes the same concern. It states that while the share of jobs requiring some post-secondary education has increased substantially over the last four decades, the skills of workers have not kept pace. In fact, from 1973 to 2007, the total number of jobs available in America increased by 63,000,000 (from 91M)—but there were 2,000,000 *less* jobs for those with only a high school diploma.

**67%**

*A record-high number of Californians say jobs and the economy are the most important issues facing the state today*

*Jobs requiring higher education have increased substantially—but workers' skills have not kept pace.*

This structural skills-jobs mismatch has already had significant consequences. According to the Brookings Institution, metro areas with larger “education gaps”—where demand for educated workers outpaces supply—had consistently higher unemployment rates than other metro areas from 2005 to 2011.

The Obama Administration supports community colleges as critical partners to preparing the 21<sup>st</sup> Century workforce and meeting the goal of making America the most educated country in the world by 2020. On June 8, 2011, President Barack Obama stated, after viewing an advanced manufacturing training program at a community college in Virginia, “The irony is, even though a lot of folks are looking for work, there are a lot of companies that are actually looking for skilled workers. There’s a mismatch that we can close.”

It is critical to our state’s and our country’s economic recovery that we bridge this gap.

California’s community colleges are uniquely positioned to bridge the mismatch between skills and jobs. By equipping employers, students and workers with the right skills at the right time, our community colleges can grow post-secondary educational attainment and catalyze California’s economic recovery and growth.

The *Contribution to Jobs and Economy* Board panel series highlights a variety of workforce development models and practices.

- November 2011’s panel: Small Business and Export Sector
- January 2012’s panel: Health Sector (which includes allied health)
- March 2012’s panel: Expectations of Community Colleges as Critical Partners within the Workforce System
- April 2012’s panel: Voice of the Regional Economies.