PRESENTED TO THE BOARD OF GOVERNORS
DATE: January 7-8, 2013

ISSUE: This item is amongst 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: 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.

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 panel series highlights a variety of workforce development models, practices and issues.

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

RECOMMENDATION: This item is presented to the Board for information and discussion.
ANALYSIS: 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.

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 21st-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.”