

Capital Area Council of Governments

Expanding Access to Education: Workforce Trends in the U.S. and Texas

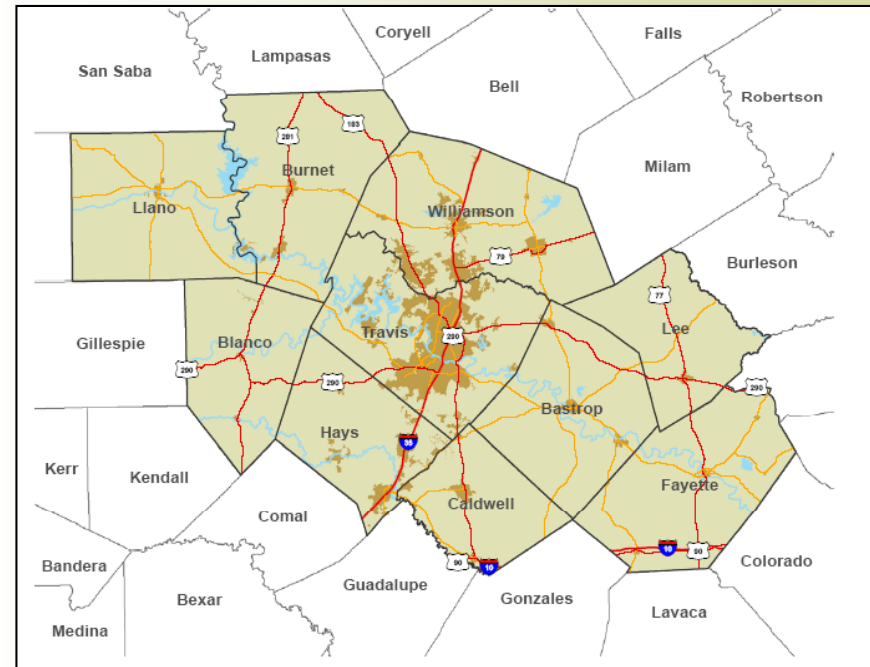
2009 RAISE Texas Action Summit

Federal Reserve Bank of Dallas

November 16, 2009

Brian Kelsey, Director

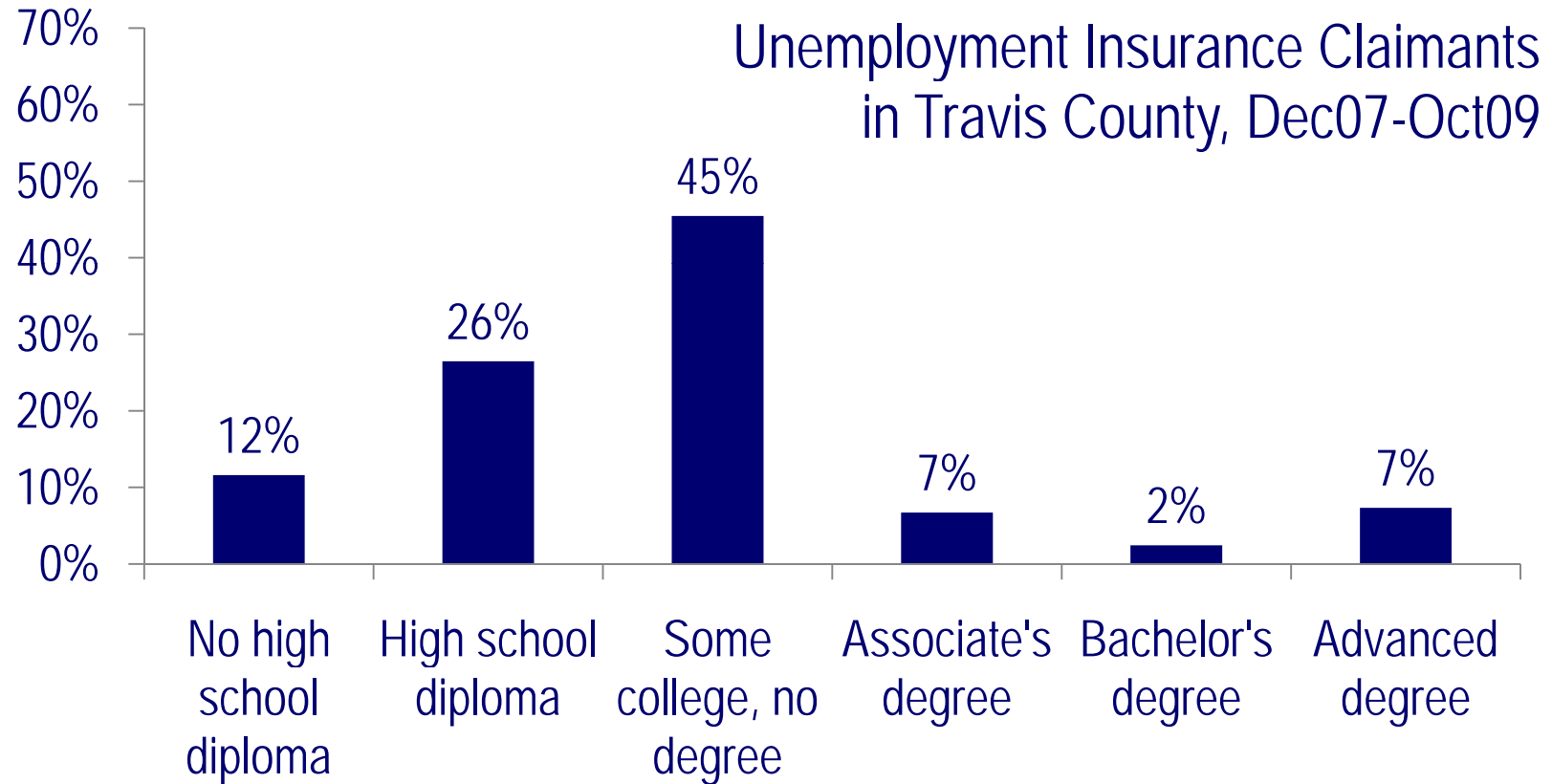
Community & Economic Development



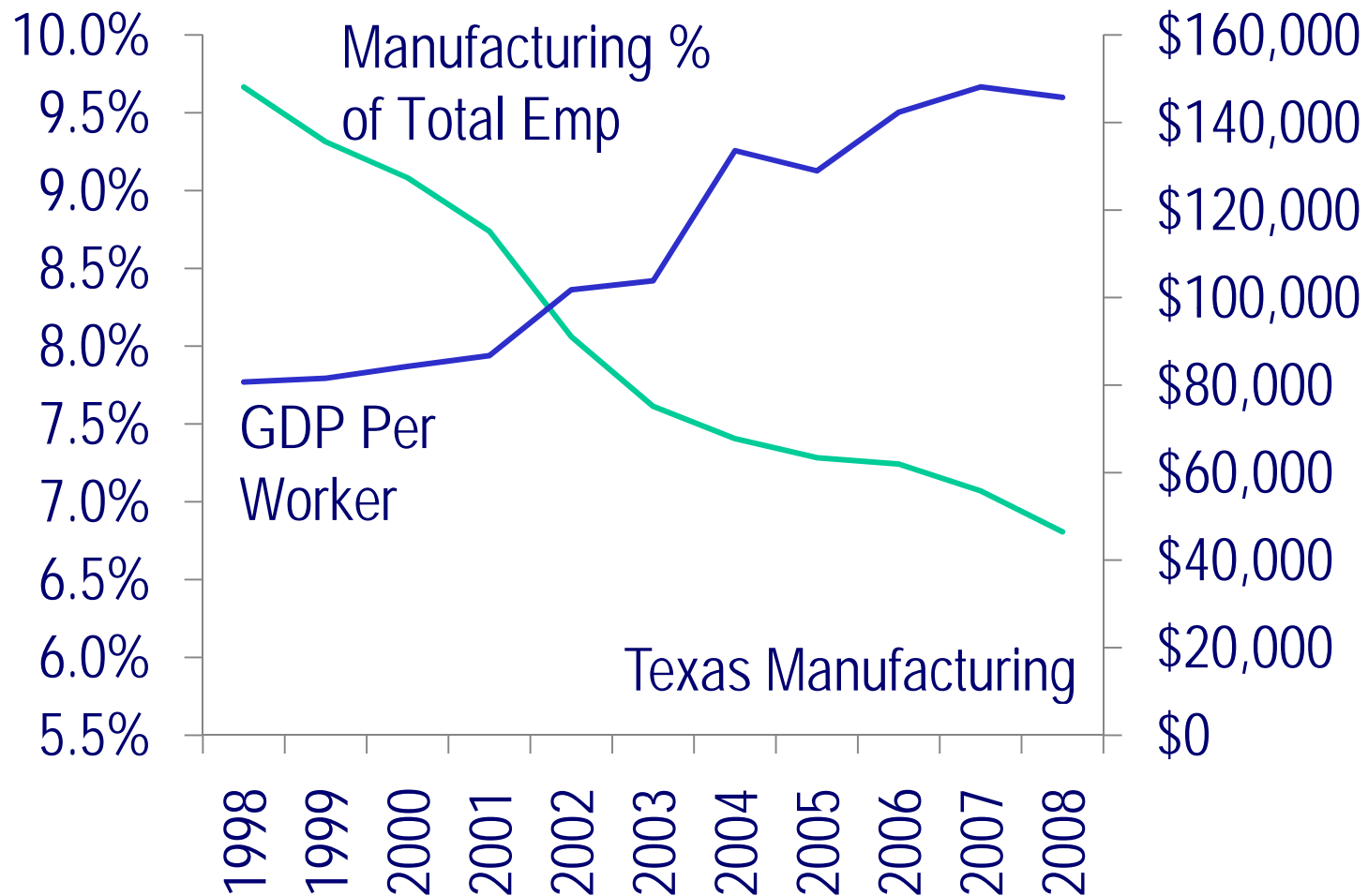


What we know about recent economic history

Recession: Degrees paying off for workers



Manufacturing: Productivity gains \neq jobs



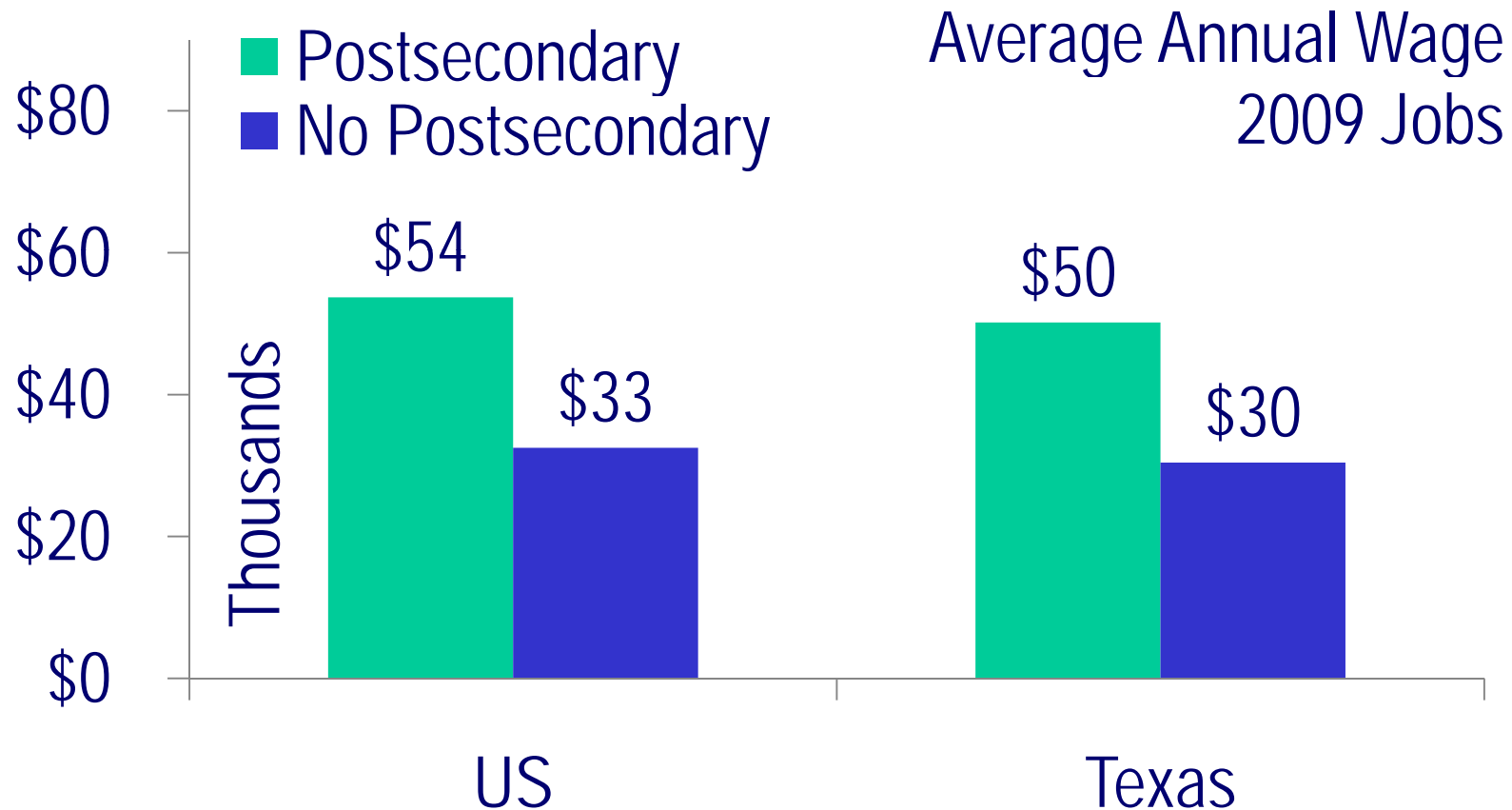
TX Economy: Growth driving growth 2002-07



Jobs Growth 2002-07

Administrative/waste services	222,453
Health care/social assistance	196,736
Real estate	192,843
Construction	189,066
Accommodation/food services	143,528
Government	115,652
Retail trade	88,948
Manufacturing	-5,581

Degree holders earn 60% higher wages



Why this matters



- We have no idea what the next big thing is, but we know it will be driven by innovation
- Human capital is the smartest investment we can make to stimulate innovation
- Transitioning to innovation-based growth in services will be critical for raising wages



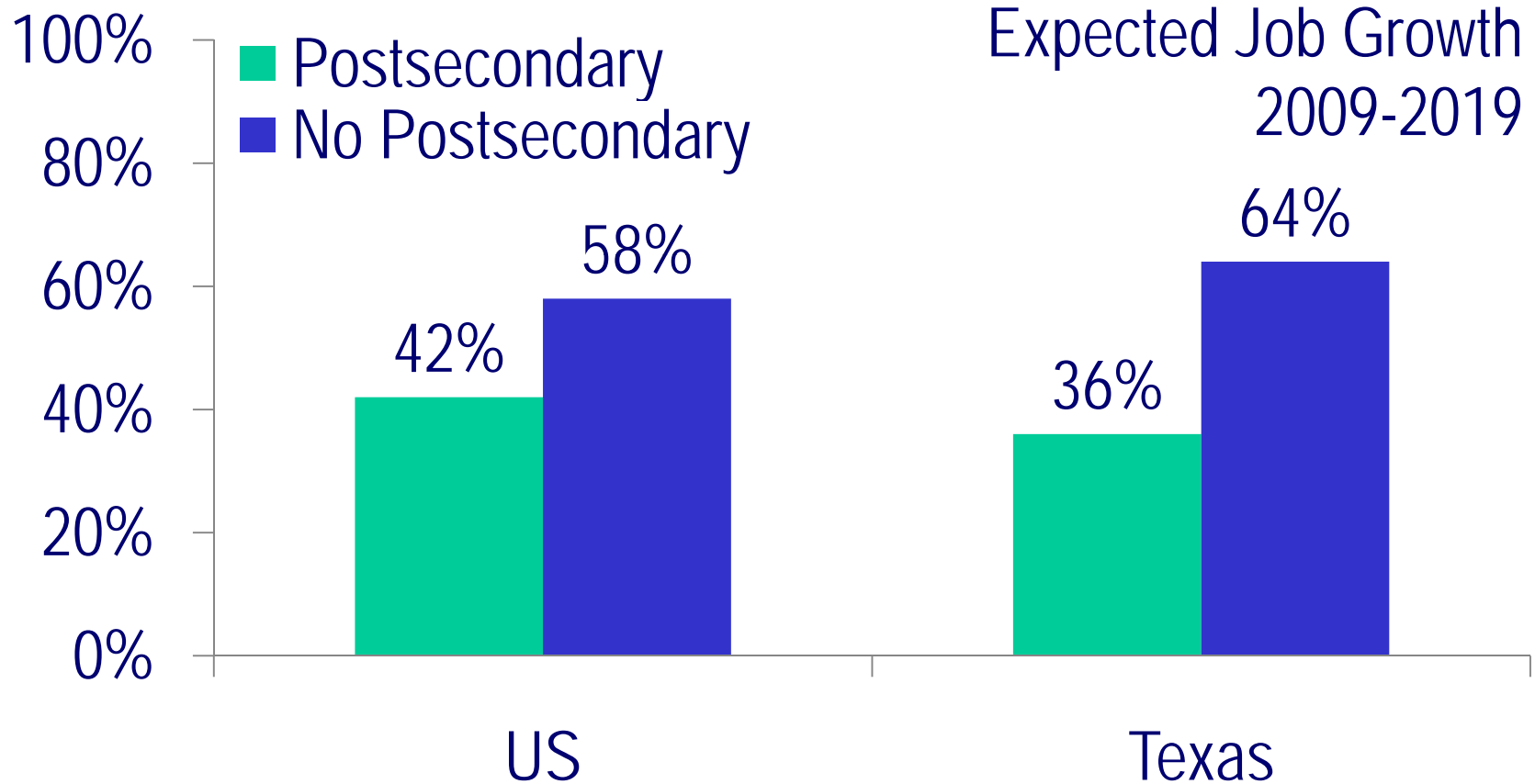
What we think we know about the future economy

True or False?



**Most new jobs require some form of
postsecondary education**

False...for now



But big difference in wages



	Average Wage	2009-19
Associate's degree	\$21.31	28%
Bachelor's degree	\$25.46	26%
Master's degree	\$23.39	25%
Doctoral degree	\$29.21	36%
First professional degree	\$41.62	22%
Long-term on-the-job training	\$16.32	17%
Moderate-term on-the-job training	\$15.25	20%
Short-term on-the-job training	\$11.15	20%

TX Fastest Growing Occupations 2009-19



	Med Wage	Education Requirement
Retail salespersons	\$9.33	Short-term OTJ training
Food prep and serving	\$7.51	Short-term OTJ training
Personal/home care aides	\$7.63	Short-term OTJ training
Customer service reps	\$13.12	Moderate-term OTJ training
Real estate sales agents	\$8.76	Postsecondary vocation award
Registered nurses	\$28.64	Associate's degree
Real estate brokers	\$8.31	Work exp in a related field
Waiters and waitresses	\$7.47	Short-term on-the-job training
Postsecondary teachers	\$37.18	Doctoral degree
Elementary school teachers	\$27.96	Bachelor's degree

Summary



- Job growth is not the whole story
- We need to make it easier for people to enter and complete postsecondary education
- We need a more holistic approach to economic development, workforce and education



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