

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

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Community & Economic Development



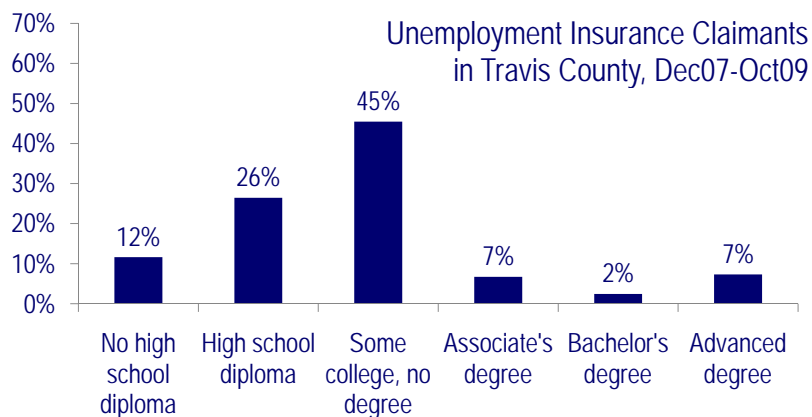
**What we know about recent
economic history**



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Recession: Degrees paying off for workers

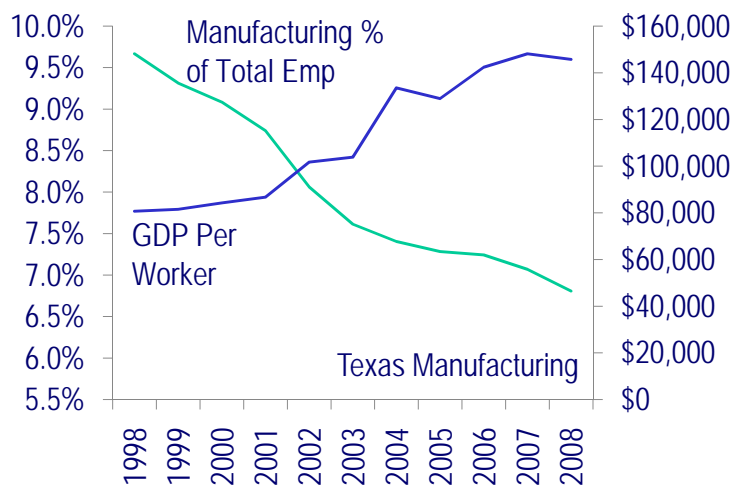


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Source: Workforce Solutions Capital Area, TWC. Author's calculations.

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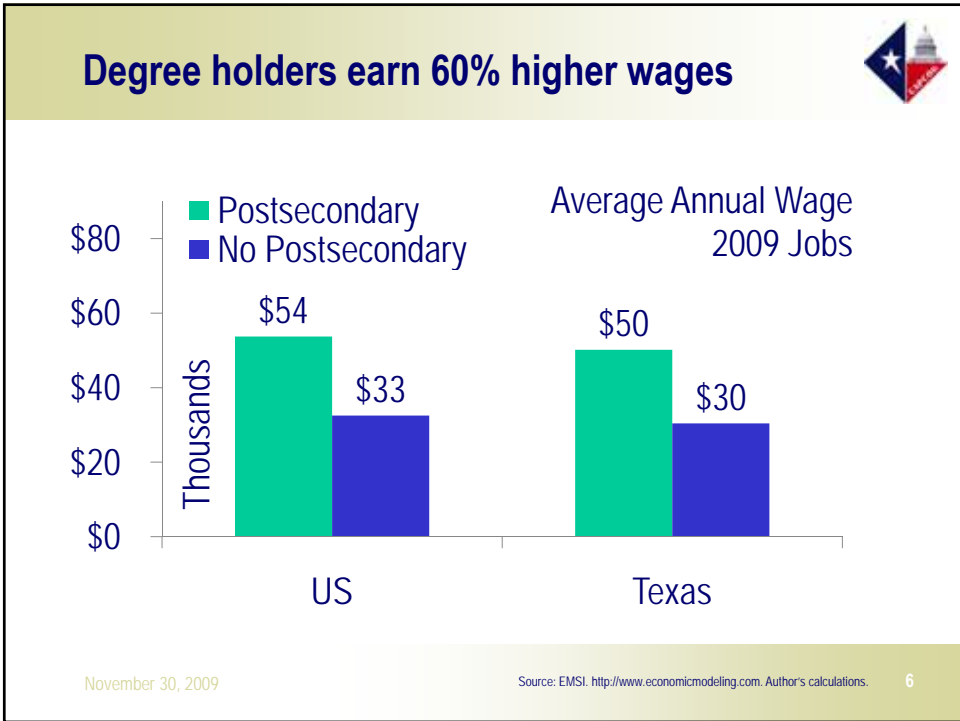
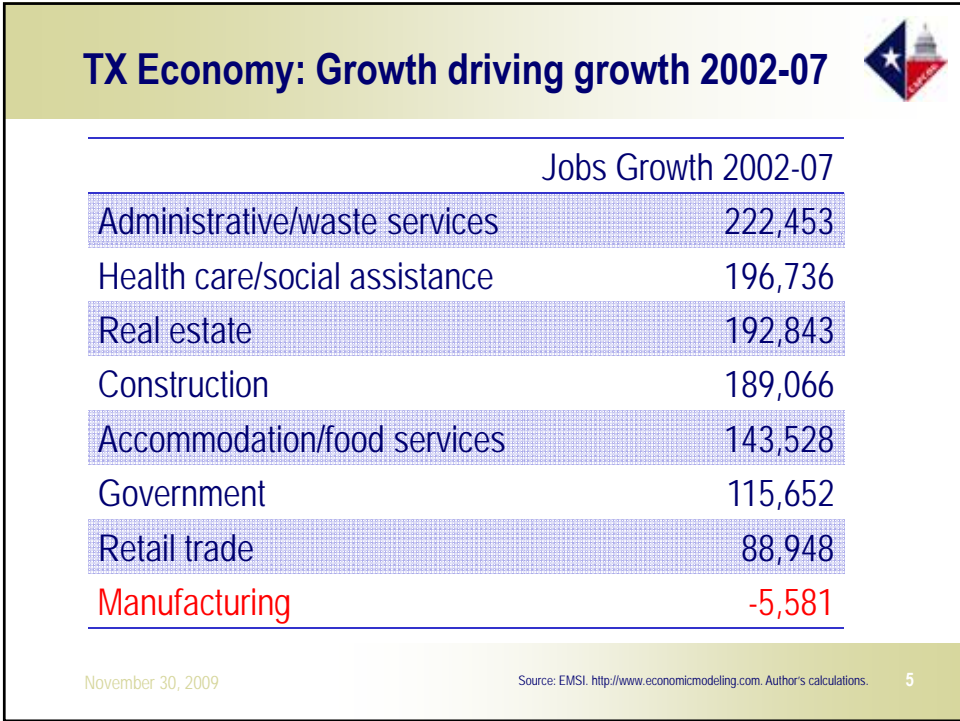
Manufacturing: Productivity gains ≠ jobs



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Source: U.S. Bureau of Economic Analysis. Author's calculations.

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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

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What we think we know about the future economy



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True or False?



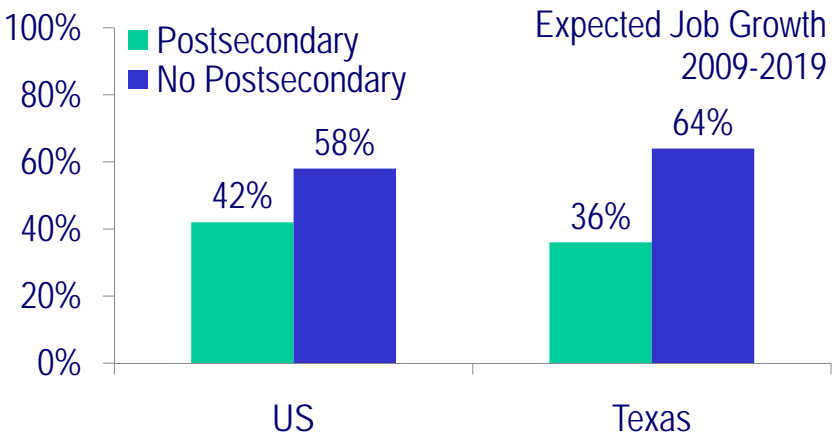
Most new jobs require some form of postsecondary education

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False...for now



Expected Job Growth 2009-2019



| Region | Postsecondary | No Postsecondary |
|--------|---------------|------------------|
| US | 42% | 58% |
| Texas | 36% | 64% |

November 30, 2009 Source: EMSI. <http://www.economicmodeling.com>. Author's calculations. 10

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% |

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Source: EMSI. <http://www.economicmodeling.com>. Author's calculations.

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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 |

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Source: EMSI. <http://www.economicmodeling.com>. Author's calculations.

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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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