



Policy Resolution 2018-13

Workforce Development in the Western United States

A. **BACKGROUND**

1. Workforce development efforts contribute to the economic well-being of western states by enabling people to find fulfilling, well-paying jobs, fostering economic mobility, and ensuring that businesses have access to the skilled employees they need to thrive.
2. Western states had an average unemployment rate of just under 4.0 percent in March 2018.¹ Many businesses report that they cannot find qualified candidates for open positions. At the same time, many jobseekers are unable to find good jobs for which they are qualified.
3. Workforce development challenges are particularly acute in rural communities, which are commonly characterized by higher rates of unemployment, a lack of economic diversity, geographic isolation, and limited infrastructure, including access to broadband.
4. Economic equity continues to be a problem across states, with people of color and people with disabilities, regardless of career preparation and credential levels, seeing poorer rates of employment and earnings than majority populations.
5. There are 6.6 million unfilled jobs in the United States due in part to a shortage of workers with the skills and qualifications to fill those positions.² The largest gap is in middle skills jobs, which require more than a high school diploma but less than a four-year degree.
6. Postsecondary education and training is critical in today's economy. Almost 80 percent of jobs in the United States require a postsecondary credential, including certificates, associate degrees, four-year degrees, and licenses.³
7. On average, those holding a bachelor's degree earn more than those who have not attained that degree, but those who do not reach that level of education can still find good employment. There are 30 million jobs that don't require a four-year degree and pay at least \$35,000 per year with a median salary of \$55,000.⁴
8. Education systems have not kept pace with economic realities. Student success is traditionally perceived, and measured, as moving directly from high school to a four-year degree program. Today, only 20 percent of students successfully complete that traditional

¹ Bureau of Labor Statistics, Local Area Unemployment Statistics, May 18, 2018.

² Bureau of Labor Statistics, Job Openings and Labor Turnover Summary, May 8, 2018.

³ National Skills Coalition, [United States Middle-Skill Fact Sheet](#), February 2017.

⁴ Carnevale, A.P., Strohl, J., and Ridley, N., [Good Jobs that Pay Without a BA: A State-by-State Analysis](#). Georgetown University Center of Education and the Workforce, 2017.

pathway to their career.⁵ The rest are finding their own pathways to success, which may include entering the world of work or pursuing other types of credentials. Many, however, encounter obstacles.

9. On average, only about one-third of high schoolers are engaged in school, meaning that two-thirds are not actively involved in or enthusiastic about school.⁶ Three million young adults ages 16-24 are not participating in either work or education.⁷
10. Additionally, many Americans start a college degree but do not complete it, leaving them with the burdensome costs of higher education but no wage benefit – 35 million people over 25 have some college credits but no degree.⁸
11. As students increasingly pursue indirect routes to higher education, over 70 percent of students enrolled in postsecondary education are now “nontraditional students” who may be older, working full or part time, or caring for children.
12. Technology will continue to be a disruptive force in the labor market, driving potentially drastic changes in the labor demands of certain industries. It is expected that many jobs that will be in demand in 2030 do not yet exist. Workers will need to be able to acquire new skills over their careers to adapt to change. Up to one-third of U.S. workers in 2030 may need to learn new skills or move into a new occupation due to the impacts of automation.⁹
13. To address these issues, Western Governors have prioritized a variety of workforce development efforts, from better aligning education with labor market demands to expanding workforce services and training opportunities for the unemployed and underemployed to attracting more skilled workers.
14. Western states are also leading the way on expanding work-based learning opportunities for both students and adults. Work-based learning programs, including registered apprenticeships, allow people to acquire in-demand skills while earning a salary.
15. Employer leadership is critical to ensure that workforce development efforts are satisfying the needs of an ever-changing economy. Businesses in the West have taken an active role in working with educational institutions and workforce agencies but increasing industry participation will remain critical.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors recognize that there are many pathways students can take to a successful career, including short-term education and skills training or work-based learning

⁵ U.S. Department of Education, National Center for Education Statistics, [The Condition of Education 2017](#), May 2018.

⁶ [2016 Gallup Student Poll Snapshot Report](#)

⁷ Brookings, [Employment and disconnection among teens and young adults: The role of place, race, and education](#), May 2016.

⁸ U.S. Census Bureau, Educational Attainment in the United States: 2017, December 14, 2017.

⁹ McKinsey Global Institute, [Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation](#), December 2017.

programs such as registered apprenticeships. Students and jobseekers should have access to understand their options and the potential outcomes of these programs.

2. Facilitating lifelong learning is essential to prepare for the impacts of technology on the labor market. Western Governors encourage Congress to increase student access to short-term education and skills training programs in reauthorization of the Higher Education Act, including through expanding the Pell Grant program to include high-quality short-term training programs leading to industry-recognized credentials. These flexible work-force oriented funds should be coupled with plans to adopt and report outcomes metrics tied to employment and earnings to maximize the success of this policy in equipping workers for high-opportunity jobs and careers.
3. Western Governors also support the expansion of work-based learning programs, including registered apprenticeships. Western Governors encourage Congress and federal agencies to support and incentivize state-, local-, and industry-led partnerships to create and scale work-based learning and apprenticeship programs. New federal investments in apprenticeships should align with existing efforts to foster a coherent system with minimal duplication at the federal, state, and local level.
4. Career and technical education (CTE) helps expose students to their career options and develop skills they will need in the workforce. Western Governors call on Congress to reauthorize and fully fund the Carl D. Perkins Career and Technical Education Act. Reauthorization of the act should take into consideration the following principles:
 - Governors and states are in the best position to determine how to use federal CTE funding to meet the unique needs of their economies.
 - High-quality CTE programs should lead to in-demand, high wage careers; include career and academic advising; include pathways to four-year degrees, for example through articulation agreements or stackable credentials; and develop employability skills through integrated education and training, work-based learning or leadership opportunities.
5. Western Governors note that federal funding for workforce development through the Workforce Innovation and Opportunity Act supports economic growth and job creation in the states. Western Governors request that the 15 percent reserve for statewide activities be maintained. This funding allows Governors to be flexible in addressing state needs and supports innovation.
6. Western Governors encourage the federal agencies, including the U.S. Department of Labor and U.S. Department of Education, to coordinate their efforts to better align federal workforce development, career and technical education, and higher education programs.
7. Western Governors recognize the benefits of measuring and reporting outcomes by institution and program. Reporting completion rates, employment and earnings will provide useful information for students and their families and help promote the success of these programs to prepare students for in-demand jobs and careers in their regions. Western Governors encourage Congress to include the College Transparency Act in reauthorization of the Higher Education Act, to adopt and report on earnings, employment,

and credential attainment metrics by education provider and individual program in a manner that protects student privacy and ensures data security.

8. Employers play an important role in state workforce development efforts. Western Governors support efforts to incentivize employers to play a more active role in talent development, through partnership with state workforce development agencies and educational institutions or investments in the skills and training of their employees.
9. Rural communities are at risk of falling further behind in skills necessary for the economy of the future due to a lack of broadband access. Western Governors encourage federal agencies and Congress to continue to deploy resources to solve this urgent need.
10. Professional licensing requirements vary by state and can create a barrier to mobility for professionals in western states. Where possible, Western Governors should work together to minimize this barrier.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

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