

Something to Talk About

Major Changes Ahead for New York State Labor Market

Career Builders

By Mary-Alane Wiltse

On April 16th members of the Workforce Investment Board and the Columbia-Greene Community College's Board of Trustees heard a disquieting presentation on some of the major issues facing New York State's workforce. The presentation was provided by John Twomey who is the Executive Director of the New York Association of Training & Employment Professionals. Most recently Mr. Twomey served as a member of Governor Spitzer's Labor and Workforce Development Transition Committee, Chairing the sub-committee on the Workforce System.

The issues he discussed are complicated. In order to drive home the point that we are reaching a critical time in developing a workforce with the skills necessary for this global economy, Mr. Twomey provided a lot of statistical information. I am going to do my best to share some of his most important points.

The first change Mr. Twomey discussed has to do with the retirements of the Baby Boom and traditionalist generations. It surprised me to learn that during this current decade our country is replacing more workers than ever before in our history. Of all the people who were working in the year 2000, 20% are projected to be retired by 2010. That means that one-fifth of our knowledge and experience is no longer going to be available to our business community.

Mr. Twomey also pointed out additional demographic shifts that will impact the available labor force. Locally, the most important change is the fact that we are going to have far fewer younger people in our two counties available to replace retiring baby boomers. Between 2003 and 2013 rural areas in New York State will be seeing a 14% drop in the number of new high school graduates. Only the suburbs of New York City will see an increase in this age group.

The jobs that are going to be available are also changing. As everyone already knows, the higher your education level, the more money you are likely to make. It is also true that your likelihood of having a job increases based on your education level. Between 1992 and 2002 this country lost 400,000 jobs that require less than a high school education. On a national level, 75% of all job growth during the same timeframe required some level of post-secondary training. The largest growth occurred in jobs requiring at least a bachelor's degree, gaining 6.4 million jobs over a ten year period.

Many people believe that this country's loss of good paying jobs for high school graduates is due to those jobs being sent overseas, where labor costs are cheaper. Mr. Twomey made the point that many of our job losses are really due to technological innovation. Toll booth attendant jobs have been lost to the ez-pass system. The invention of swipe card machines has impacted front line customer service jobs in all types of industries. By hitting a few buttons customers can now order what they want and pay for it by themselves. Also, many manufacturing jobs have not gone overseas; they have just been replaced by automated systems here at home.

All of this suggests that educationally we are not keeping up with the demand we will be facing. Current projections show that between now and 2020 we will only have a 4% growth in workers with post-high school education. Currently in New York State, only

34% of High School freshman end up entering any U.S. college five years later. Of those who do go to college, only 55% complete their bachelor's degree within six years.

At a national level, we also do not look much better when we compare ourselves to other countries. Between 1970 and 2001 our college completion rate has only increased 9%. Ireland has increased their completion rate 28%, with 48% of their students graduating. Canada has a 45% graduation rate, increasing 17% during the same time frame. In 1999 China had 950,000 students graduate with a four year college degree. By 2005 they increased that number to 2.5 million graduates. The United States remained the same, graduating 1.3 million students.

Everyone knows that education is very expensive. However, we should not let that fact stop us from addressing the problem. We do not appear to be educating the number of workers we need for the jobs that are available. Our economic future could be in jeopardy. Basically, it is public policy that students in this country are expected to pay for their own education past high school. However, one of the most telling statistics Mr. Twomey shared suggests that this policy is not working. By age 26, 75% of young people from high-income families have graduated from college, but only 8% of young people from low-income families can boast of the same accomplishment. If we are going to meet the labor demands we are facing, we will need to find a way to help all students get the education we need them to have. How we go about reaching that goal is something we should all be talking about.

Mary-Alane Wiltse is the Director of the Workforce New York Career Center at Columbia-Greene Community College. Anyone interested in receiving a copy of John Twomey's presentation can call 828-4181 ext. 5510.