

Solve Iowa's Skills Gap: MATCH WORKFORCE TO JOBS

As Iowa and the nation recover from recession, employment opportunities seem scarce to many jobseekers – but it doesn't have to be that way. Opportunities are plentiful for those with the skills to match current demand. **Iowa has open jobs that employers cannot fill because of a pervasive skills gap.**

What are these open jobs? They're "middle-skill jobs" – jobs that require more than a high school diploma but less than a four-year college degree. Specifically, they call for an associate's degree, certificate, or apprenticeship. These are the jobs most widely available right now, they are diverse, and they will continue to grow.ⁱ

Iowa Workforce Development reports that half of the non-farm jobs in Iowa's labor market are middle-skill. They are found in all of Iowa's industries, ranging from construction and manufacturing to finance, health care, and business services. Examples of middle-skill jobs include construction supervisors, machinists, dental hygienists, nurse aides, paralegals, welders, truck drivers, and computer technology professionals.

The problem? Not enough Iowans have adequate education to fill these available jobs. While half of Iowa's jobs are middle-skill, only one-third of workers have the skills needed to do them.ⁱ **That's the skills gap**, and that's why many Iowa employers have been unable to fill their open positions even during a time of high unemployment. And the gap will only grow: By 2018, three out of five jobs in Iowa (62%, up from 50%) are expected to require some training beyond high school.ⁱⁱ

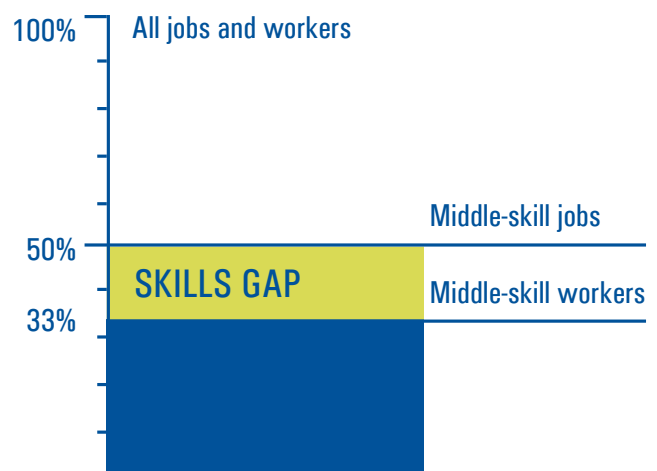
If Iowa employers are frustrated about the lack of qualified applicants for their middle-skill positions, imagine the frustration of jobseekers. A high number of unskilled workers

(those with a high school diploma or less) are competing for a small number of low-skill jobs. Only 18% of Iowa's jobs are low-skill, but 38% of the Iowa workforce is competing for them.ⁱ

This mismatch between the workforce and employers' needs is preventing Iowa's economy from getting stronger. **The solution: Match our workforce to our job market. Iowa must invest in helping workers get the training they need to qualify for the open jobs.**

Training for middle-skill occupations is usually in the form of short-term, non-credit programs (as opposed to traditional course programs where students earn credit toward a college degree). Traditional sources of student financial aid, like Pell Grants, cannot be used for non-credit programs, and many workers cannot afford to pay for training on their own, so for many jobseekers, training remains inaccessible. **Funding sources are needed to help these workers get trained for available, high-demand jobs.**

THE SKILLS GAP





RECOMMENDATIONS

- The Iowa Legislature took positive steps in 2012 by funding the Skilled Workforce Shortage Tuition Grant program and the Gap Tuition Assistance program, which help workers access training in high-demand occupations and industries. Now, the Legislature should **expand eligibility for Gap Tuition Assistance and make training programs in more skills-shortage industries eligible for the Skilled Workforce Shortage Tuition program.** Regional Workforce Investment Boards have identified additional local high-demand industries with skills shortages that are not currently included.
- Iowa should **fund the Pathways for Academic Career and Employment (PACE) program,** which also provides businesses with skilled workers. PACE lets low-income adults who lack a high school diploma complete basic education along with an in-demand certificate (such as CNA, Welding or Office Professional), and then choose from several diploma and two-year degree options. Wrap-around services support participants in overcoming barriers affecting low-income families. The combination of **contextualized basic skills training, a career pathway, and support** is key to addressing the skills gap.
- Iowa policymakers should **urge Congress to reauthorize the Workforce Investment Act (WIA) and restore federal investments in putting Americans back to work.** WIA helps unemployed individuals access training in high-demand occupations. **Iowa's regional WIA service providers, based at community colleges and other local organizations, are key partners in strengthening Iowa's workforce. WIA creates return on investment by turning unemployed Iowans into taxpayers.**
- Links between workforce agencies and community colleges for training are critical to serving jobseekers and employers. Iowa should keep strengthening those partnerships at the regional level.

ⁱ Iowa Workforce Development. Labor Force and Occupational Analysis Bureau. Middle-Skill Jobs in Iowa. May 2012. Web. 5 Dec. 2012. < <http://www.iowaworkforce.org/imsj2012.pdf> > .

ⁱⁱ Carnevale, Anthony P., Nicole Smith, and Jeff Strohl. *Help Wanted: Projections of Jobs and Education Requirements Through 2018.* Georgetown University Center on Education and the Workforce, June 2010. Web. Nov. 2011. < <http://cew.georgetown.edu/jobs2018/> > .

United Way of Central Iowa. Education Works: Achieving the Best-Educated and Most Skilled Workforce. Rep. 2011. Print.

ABOUT AIWP

The Association of Iowa Workforce Partners (AIWP) is a statewide organization of regional Workforce Investment Act partners that provide specialized workforce services to Iowans, including hard-to-place, at-risk, low-income adults, low-income youth, and dislocated and unemployed individuals. The mission of AIWP is to advance the quality and availability of workforce services in Iowa through education, advocacy, and professional development. AIWP members efficiently serve both jobseekers and employers through a regional system, matching Iowans with training and skills to meet the unique needs of local employers.