

TOPIC: 2014 LEGISLATIVE REPORT ON THE SKILLS FOR JOBS ACT

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I. SUMMARY

In accordance with C.R.S. 23-1-130, the Colorado Department of Higher Education has prepared the 2014 Legislative Report on the Skills for Jobs Act (please see attached report). This report presents data and analysis of trends concerning Colorado's postsecondary completions and anticipated workforce needs. Data in this report primarily come from Economic Modeling Specialists International (EMSI), the Bureau of Labor Statistics (BLS) and Integrated Postsecondary Education Data System (IPEDS). This report examines Colorado's developments and issues regarding education and workforce demands alongside national trends, projected supply and demand for the state's occupations expecting high absolute growth, as well as supply and demand patterns for occupations by credential level.

II. BACKGROUND

In 2012, the "Skills for Jobs Act" was put into state law (C.R.S. 23-1-130), thus mandating the preparation of an annual report on workforce needs and credential production. This is the second year of issuing said report. New features include projected demand by occupational classification, in-depth analysis of highlighted occupations and analysis of occupation groups' supply and demand by postsecondary credential level.

III. STAFF ANALYSIS

We are at an interesting crossroads for our state's economy, as we are returning to pre-recession employment figures and have an opportunity to build upon and exceed previous economic accomplishments. Experts deem that by 2020, Colorado jobs will require 74 percent of the state's workforce have some level of postsecondary training/education. Indeed, program completions from Colorado postsecondary institutions have been increasing over the years. Our state could potentially meet or come close to achieving our completion goals, so long as we continue to exert concentrated efforts towards doing so. Furthermore, beyond just issuing credentials to meet a numerical goal, we must continue to offer high quality educational programs, as well as adequately meet the demand for certain credential levels and areas of postsecondary training.

Highlights from the report include:

- The state unemployment rate is considerably lower for people who have a postsecondary credential than for those who have a high school degree or less. This gap has continued to widen over the past decade, serving as one illustration of the increasing demand for workers with postsecondary training.

- As more jobs require higher levels of education in the years to come, we will likely need to increase our postsecondary credential production by about 1,000 additional credentials annually.
- In 2012, public institutions in Colorado awarded 49,739 certificates and degrees, an impressive 8.7 percent increase from the year prior. Since 2007, postsecondary completions have seen an average annual growth rate of 5.6 percent.
- Continuing to engage with best practices such as developing effective career pathways and build strong industry-institution partnerships and the like, should be a part of our state's toolbox in supporting the participation and success of our citizenry in our state's workforce.

IV. STAFF RECOMMENDATIONS

This report is an information item only; no formal action is required by the Commission.