Investing in America’s Workforce in the 21st Century

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Source: BLS CPS, Local Area Unemployment Statistics
Unemployment duration in Pennsylvania--similar to national average

Unemployed by Duration of Unemployment (2017 preliminary figures)

<table>
<thead>
<tr>
<th>State</th>
<th>LT 5 wks</th>
<th>5-14 wks</th>
<th>15-26 wks</th>
<th>27 wks+</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>14.5%</td>
<td>18.5%</td>
<td>26.6%</td>
<td>32.5%</td>
</tr>
<tr>
<td>PA</td>
<td>24.4%</td>
<td>24.4%</td>
<td>26.9%</td>
<td>28.7%</td>
</tr>
<tr>
<td>NJ</td>
<td>24.2%</td>
<td>31.9%</td>
<td>26.6%</td>
<td>26.9%</td>
</tr>
<tr>
<td>NY</td>
<td>28.9%</td>
<td>14.0%</td>
<td>29.6%</td>
<td>30.1%</td>
</tr>
<tr>
<td>CT</td>
<td>26.9%</td>
<td>16.1%</td>
<td>30.1%</td>
<td>26.9%</td>
</tr>
<tr>
<td>MA</td>
<td>26.1%</td>
<td>17.6%</td>
<td>29.6%</td>
<td>27.5%</td>
</tr>
</tbody>
</table>

Source: BLS CPS, Local Area Unemployment Statistics
Mean duration of unemployment in Pennsylvania—25 weeks


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Source: BLS CPS, Local Area Unemployment Statistics
Official unemployment rate does not include everyone looking for full-time jobs


**U-3**: total unemployed, as a percent of the civilian labor force (definition for the official unemployment rate)

**U-4**: U-3 + discouraged workers

**U-5**: U-3 + marginally attached workers

**U-6**: U-5 + Persons employed part-time for economic reasons

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Source: BLS CPS, Local Area Unemployment Statistics
The unemployment rate for black Pennsylvanians-- more than double the rate of white residents aged 25 to 34, and triple the rate of white residents aged 45 to 54.

Unemployment Rate by Age and Race, PA 2016

Sample size for other age/race groups were too small for reliable estimate.

Source: BLS CPS
Inflation outpaces median wage increases

Annual Inflation and Wage Change, 2009-2017, US

*Inflation change estimate for 2017 is based on the change in the CPI from Q3 2016 to Q3 2017

Source: BLS Median Weekly Earnings, Consumer Price Index data
The percentage of people working or looking for work—at the lowest level in three decades


Source: BLS CPS
41% of all non-Hispanic white Pennsylvanians attain Associate’s degree or higher, compared to 27% of black residents, and less than 22% of Hispanic residents.

Educational Attainment by Race, Pennsylvania 2016

<table>
<thead>
<tr>
<th>Race</th>
<th>Graduate or professional degree</th>
<th>Bachelor’s degree</th>
<th>Associate’s degree</th>
<th>Some college, no degree</th>
<th>GED or alternative credential</th>
<th>Regular high school diploma</th>
<th>9th to 12th grade, no diploma</th>
<th>Less than 9th grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non Hispanic White</td>
<td>889,369</td>
<td>1,426,027</td>
<td>608,789</td>
<td>259,970</td>
<td>2,340,673</td>
<td>398,865</td>
<td>71,147</td>
<td>99,548</td>
</tr>
<tr>
<td>Hispanic</td>
<td>25,641</td>
<td>47,584</td>
<td>78,217</td>
<td>124,026</td>
<td>266,223</td>
<td>69,223</td>
<td>71,147</td>
<td>99,548</td>
</tr>
<tr>
<td>Black*</td>
<td>65,211</td>
<td>107,656</td>
<td>202,948</td>
<td>49,126</td>
<td>25,660</td>
<td>47,584</td>
<td>124,026</td>
<td>99,548</td>
</tr>
</tbody>
</table>

* Black includes some Hispanics

Source: ACS 2016 1-year estimates
## The Changing Realities of Work

<table>
<thead>
<tr>
<th>Mid to Late 20th Century</th>
<th>Early 21st Century</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent</td>
<td>Temporary/Contingent</td>
</tr>
<tr>
<td>Stable</td>
<td>Volatile</td>
</tr>
<tr>
<td>Advancement</td>
<td>Stagnation</td>
</tr>
<tr>
<td>Loyalty</td>
<td>Disaffection</td>
</tr>
<tr>
<td>One and Done Education</td>
<td>Lifelong Learning</td>
</tr>
<tr>
<td>Health Care from Employer</td>
<td>Shared Health Care Responsibility</td>
</tr>
<tr>
<td>Defined Benefit Pension</td>
<td>Defined Contribution</td>
</tr>
<tr>
<td>“Early” Retirement</td>
<td>“Never” Retire</td>
</tr>
</tbody>
</table>
**Labor Market Disruptions**

- Machine Learning and Robots—replacing workers
- Globalization—reduces cost of labor
- Mergers/Acquisitions—hollowing out middle managers
- The Digital Economy—alters service/employment patterns
- Digital Divide 2.0—people and communities left behind
How are employers responding?

- Report that high school and college graduates are not adequately prepared for jobs.
- Require more educational credentials.
- Seek alternative strategies for preparing and recruiting talent
- Increase pressure on policy makers to improve education and workforce programs
Reform Agenda (1)

- High School and Postsecondary Education Reforms
  - Increase degree and credential attainment
  - Integrate academic, financial, and career information and advice
  - Prepare all high school and college students in core competencies for jobs and careers
  - Expand high-quality internships and cooperative education programs
  - Better align education and training with employers' needs
Reform Agenda (2)

- Focus workforce and education programs on economic opportunity, jobs, and careers
- Increase transparency and accountability in workforce and education programs
- Enhance web-based services access and delivery
- Concentrate services on chronically unemployed youth and adults
Reform Agenda (3)

- Reemployment Insurance and Lifelong Learning
  - Expand Unemployment Insurance to cover part-time and contingent workers
  - Combine Unemployment Insurance assistance with job search and career training
  - Increase On-the Job Training and Apprenticeships
  - Provide individual employability plans and career coaching in-person and online
  - Support career transition/retraining models
Contact Information

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