



# EDUCATIONAL ATTAINMENT AND THE PATH TO ECONOMIC RECOVERY



Only months ago, the conversation about the U.S. economy was focused on historically low unemployment rates, the fact that the country had more open positions than workers seeking employment and worries about the growing skills gap. Even with unemployment at historic lows and open positions outnumbering the number of jobseekers in the country, workers still had a hard time finding better job prospects. The most vulnerable workers lacked accessible, useful, and actionable information about employment, education and training and about how to best match their skills, knowledge and aspirations with good jobs.

Today, wracked by economic recession in the wake of the COVID-19 pandemic, these needs are even greater than before.

“Companies coming out of the crisis may also speed up their reliance on technology to replace staff and reduce the amount of office space they need, slowing job gains... These shifts were long anticipated and the subject of much research and high-end panels and seminars on re-skilling the American labor force. But most of the actual work remains undone. And now it's suddenly and desperately needed.”

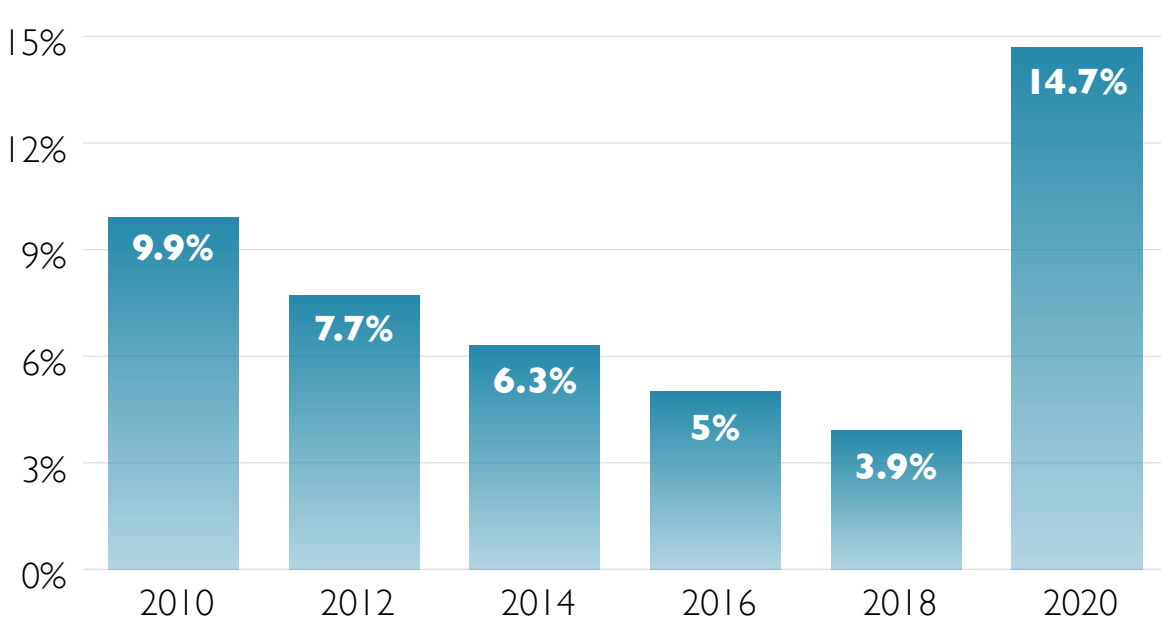
(Politico, "Here comes the gut punch on jobs" May 8, 2020)

Robust workforce and education information systems, with multiple access points will be critical for our states most vulnerable workers as we enter into an uncertain economic future.

Today, we face historic levels of unemployment. According to the U.S. Bureau of Labor Statistics, the number of unemployed persons rose by 15.9 to 23.1 million in April 2020 increasing the unemployment rate by 10.3 percent to 14.7 percent. This represents the largest one month increase in job loss and the highest rate of unemployment since this data has been tracked.

**Just as in the Great Recession of 2008, we know that those with lower levels of educational attainment are experiencing the greatest job loss.**

Unemployment Rate 2010- 2020 (rate for April of each year)



U.S. Bureau of Labor Statistics

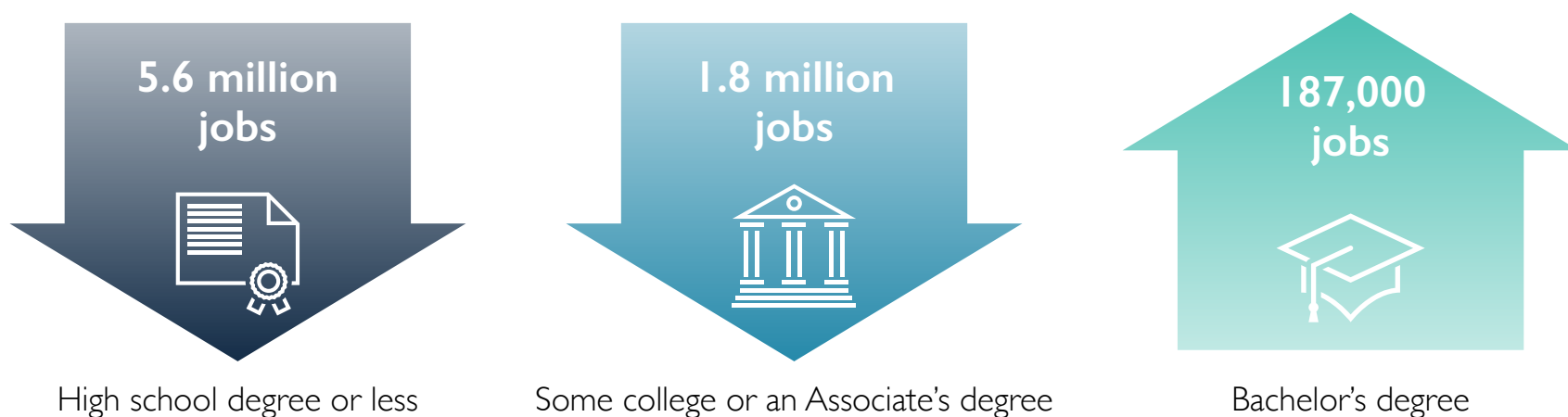
Peak Unemployment Rate During Great Recession vs. Current Unemployment by Educational Attainment



U.S. Bureau of Labor Statistics

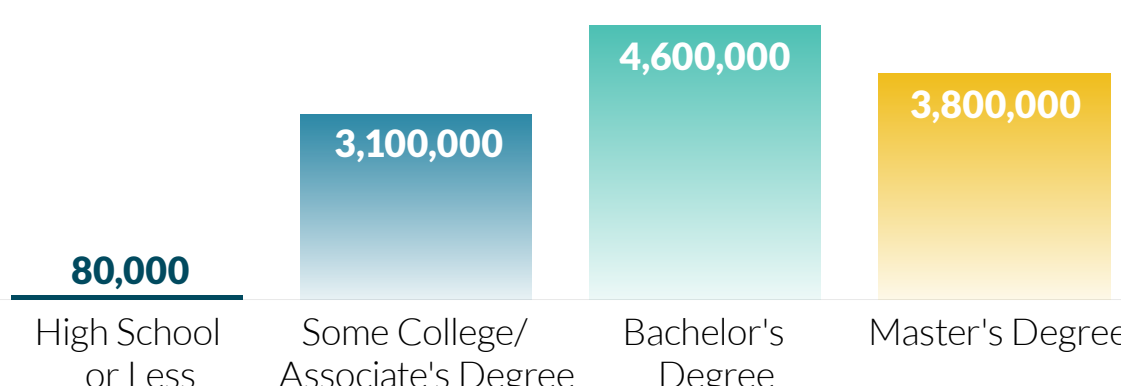
As the recession ended in 2010 and the recovery began, the job loss for those with less education was staggering.

Where Were Jobs Lost and Gained



More telling, as the country recovered workers with at least some college education or a degree had captured 11.5 million of the 11.6 million net new jobs created during the recovery.

U.S. Jobs Gained by Educational Level January 2010 - January 2016



Georgetown Center on Education and the Workforce

Today, many Americans recognize the increasing demands for additional education and training needed to get on and stay on a stable career path. In a recent COVID 19 Work and Education Survey, Strada Education found that **“one-third of Americans believe they would need more education to find a comparable job if they were to lose theirs.”**

## DATA FOR THE AMERICAN DREAM: Improving Job Prospects for America's Most Vulnerable Workers

Low-income, lower-skilled, unemployed and underemployed workers—those most affected by recessions and unequal recoveries—seeking to find good jobs in a fragile economy need information about available jobs and a full understanding of all potential career pathways to find better opportunities and what education and training opportunities exist for them to secure more stable long-term employment.

The Data for the American Dream (D4AD) initiative is working to expand access to education and career data to help low-income, lower-skilled, unemployed and underemployed job seekers land on their feet. It provides easy-to-access, just-in-time information to find pathways to good jobs and upgrade skills and credentials. D4AD helps public and private agencies work together to:

- centralize the most powerful career, education and human services programs and tools;
- align and streamline services to be more cost-efficient;
- provide clearer options and pathways for students and job seekers;
- support continuous learning and skill development; and
- serve business and industry by better matching job seekers with the skills and knowledge employers need.

Developed before the rapid expansion and impact of COVID-19 to address existing structural changes in the economy that have led to widening wage and skill gaps since the last recession D4AD's vision is to effectively match workers' skills and aspirations to prospective employers and fields with jobs that fit their aspirations and skill set and lead to family-sustaining careers. This goal—helping low-income, lower-skilled, unemployed, and underemployed workers find stable, long-term employment—is more important now than ever.