

Middle-Skill Credentials and Immigrant Workers: Michigan's Untapped Assets

A FACT SHEET

The Michigan Economy Has Robust Demand for Middle-Skill Workers. More than half of all jobs in Michigan (54 percent) are middle-skill occupations that require more than a high school diploma, but not a four-year degree. Yet only 48 percent of Michigan workers have been educated to the middle-skill level.¹

Middle-skill positions include jobs as varied as insurance sales agent, computer user support specialist, dental hygienist, and HVAC mechanic and installer.² Individuals prepare for these occupations through a variety of pathways, including career and technical education programs; apprenticeships and other work-based learning opportunities; community colleges; and nonprofit or other private job training providers.

Demand for workers with middle-skill credentials is anticipated to remain strong in Michigan, with 50 percent of new job openings between 2014-2024 expected to be at the middle-skill level.³

The data is clear that investing in skill building can ensure Michigan's ability to meet that demand. Such an investment makes economic sense: A report from the Organization for Economic Cooperation and Development (OECD) calculates that each year of postsecondary education leads to an increased per capita output of between 4 and 7 percent.⁴

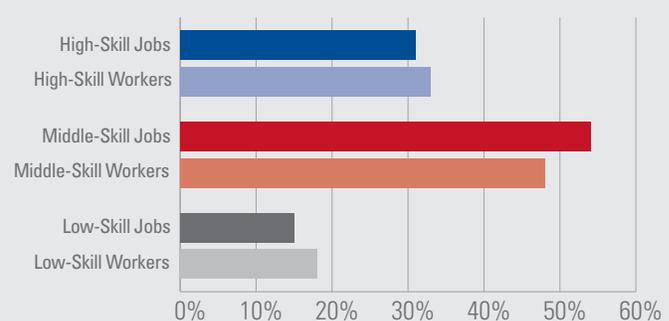
Many states have responded to these findings by setting postsecondary attainment goals for state residents. In 2014, a group of Michigan higher education stakeholders known as the Postsecondary Credential Attainment Workgroup recommended that the state set a goal for 60 percent of adult Michiganders to have a postsecondary credential by 2025.⁵ However, thus far Michigan has not established such a goal.

Without a goal to focus state workforce and education investments on in-demand middle-skill credentials, the state may not achieve the maximum return on its investments.

Immigrants Are Part of Michigan's Middle-Skill Solution

Michigan is home to approximately 652,000 immigrants, who comprise approximately 7 percent of the state's population.⁶ As a result, immigrants play an essential role in the Michigan labor market. Their impact is expected to continue growing; already, the share of immigrants in the state's population has increased by 74 percent from 3.8 percent in 1990 to 6.6 percent today.⁷ Foreign-born Michiganders are much more likely to be of working age; 76 percent are between the ages of eighteen and sixty-four, compared to 61 percent of native-born state residents. In order for Michigan to capitalize on the

Michigan Jobs and Workers by Skill Level

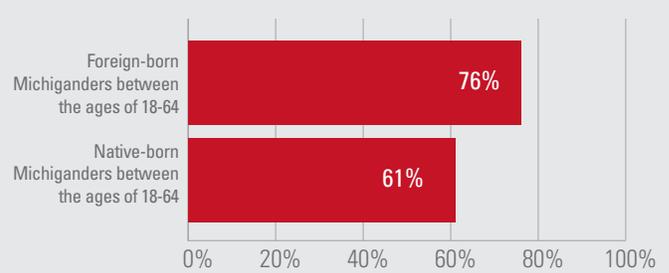


Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015 and American Community Survey data, 2015.

full talents and abilities of immigrant residents, the state will need to facilitate and invest in their skill building.

Michigan has taken an important step in this direction through the establishment of the Michigan Office for New Americans (MONA). This office is working to strengthen connections between immigrant workers and the state's public workforce system. MONA also oversees the small-scale but effective Michigan International Talent Solutions program for qualified immigrant jobseekers, and has provided some additional funding for adult English language classes that help to prepare people for employment. Michigan can further build on MONA's momentum by ensuring that future broad-based state investments in Michiganders' skills are inclusive of newcomers and targeted at in-demand occupations and industries.

Foreign-born Michiganders are much more likely to be of working age



Immigrants Could Contribute More if Michigan Invested in Their Skills

While two in five adult immigrants in Michigan hold a bachelor's degree or higher, many Michigan immigrants have lower levels of formal education. In particular, approximately 20 percent have a high school diploma or equivalent, and 21 percent have not finished high school.⁸

In addition, while a robust number of Michigan immigrants are fluent in English, others are still building their English language skills. Overall, approximately 234,000 working age Michigan residents have limited English proficiency.⁹

As the OECD analysis demonstrates, investments in Michiganders' skills can have a catalytic effect on individual and statewide economic strength.

Key Policy Levers Can Help Michigan Boost Middle-Skill Attainment for Immigrants

There are a number of federal and state policies that can foster effective skill building in Michigan. On the federal side, these policies, if implemented effectively at the state level, can boost middle-skill credential attainment. They include:

- The **Workforce Innovation and Opportunity Act (WIOA)**, reauthorized by Congress in 2014, which represents a powerful federal investment in workforce development and adult education. Michigan is currently in the process of implementing WIOA. WIOA offers important opportunities for states to better align federal skill-building programs to better serve workers and businesses, including those programs outlined below.
- The **Carl D. Perkins Career and Technical Education (CTE) Act**, which provides key support for both secondary and postsecondary CTE programs.
- The **Supplemental Nutrition Assistance Program (SNAP) Employment and Training** program, which helps individuals who are receiving food stamps to find employment and move off of public assistance. In 2016, Michigan was one of 10 states selected to receive technical assistance via the federal SNAP to Skills program.¹⁰

At the state level, there are a range of innovative policies that can help close Michigan's middle-skill gap, and achieve the

postsecondary outcomes that are needed to foster economic security for the state's workforce and drive economic growth. These policies fall into four major categories:

- **Skills Equity:** Policies that increase the number and diversity of individuals (including immigrants) who are on learning pathways toward skilled careers.
- **Industry Engagement:** Policies that ensure local businesses, including small and medium-sized companies, are partners in a community's workforce training and education strategies.
- **Accountability:** Policies that ensure everyone has actionable data to assess and improve the effectiveness of education and workforce programs.
- **Job-Driven Investments:** Policies that re-align a state's investment priorities with the career aspirations of its people and the workforce needs of its economy.

These policies can be adopted through legislation, executive orders, or other administrative actions, such as state grant programs or agency directives or guidance. To support states in establishing or strengthening such policies, National Skills Coalition has published toolkits that provide examples of existing state policies in these areas, and model language for enacting new policies. Toolkits are available at: www.nationalskillscoalition.org/state-policy

Essential Partners for Closing Michigan's Middle-Skills Gap

Michigan has a wealth of valuable partners that can be tapped to support middle-skill credential attainment efforts. In addition to the state's higher education system (both four-year universities and community colleges), potential partners include businesses, chambers of commerce, and industry associations; career and technical education programs; nonprofit community-based organizations; labor-management partnerships; private education and training providers; workforce, adult education, and immigrant advocates; and influential civic and political leaders. In addition, the state's Office for New Americans is an important resource for immigrant workers.

To learn more about state policies that can increase middle-skill credential attainment for immigrant and native-born workers in Michigan, contact Amanda Bergson-Shilcock at amandabs@nationalskillscoalition.org.

ENDNOTES

1 Source: NSC analysis of Bureau of Labor Statistics Occupational Employment Statistics by State, May 2015, and American Community Survey data, 2015.

2 State of Michigan Workforce Innovation and Opportunity Act (WIOA) Unified State Plan Modification #2, 2016-2020. Viewable at: http://www.michigan.gov/documents/wda/WIOA_Unified_State_Plan_Modification2_578479_7.pdf

3 Source: NSC analysis of long-term labor projections from state labor/employment agency.

4 *The Well-Being of Nations: The Role of Human and Social Capital*. (Organization for Economic Co-operation and Development, 2001). Viewable at: www.oecd.org/site/worldforum/33703702.pdf

5 For more information, visit <http://mitalentgoal2025.org>

6 All data in this paragraph is drawn from the Migration Policy Institute analysis of 2015 US Census/American Community Survey data.

7 *Ibid.*

8 *Ibid.*

9 *Ibid.* Also note: It can be assumed that most of these individuals are immigrants. Nationwide, many adult, US-born individuals with limited English skills are from the US territory of Puerto Rico, and the Puerto Rican population in Michigan is extremely small.

10 Learn more: www.nationalskillscoalition.org/news/blog/10-states-to-participate-in-snap-to-skills-technical-assistance-project