

Stimulus Jobs 2009:

A Detailed Analysis of Education and Training Requirements

April 3, 2009



GEORGETOWN UNIVERSITY

Center on Education and the Workforce

Education and unemployment

- **The stimulus targets areas of greatest jobs loss:**
 - The highest concentration of job losses has occurred in construction, manufacturing, and retail.
 - 46% of stimulus jobs will be created in construction, manufacturing, and retail.
- **As unemployment rises to 8.5%, job losses continue to concentrate among the least educated**
 - Unemployment has risen to 13.3% among those with less than a high school diploma.
 - All education groups are being hit: The unemployment rate among those with BA or better has doubled to 4.3% over the last year.



Education and training requirements for stimulus jobs

All stimulus jobs

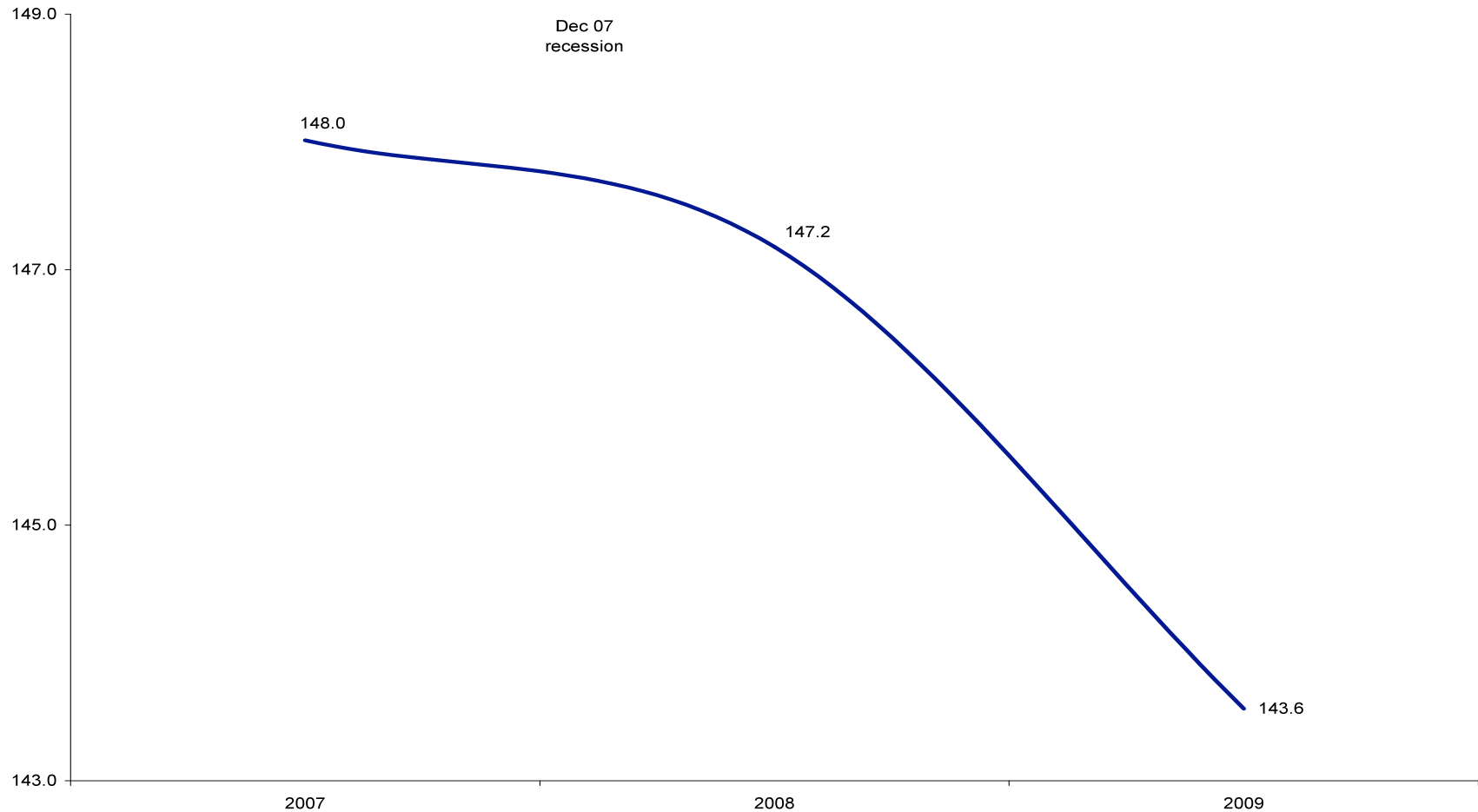
- 46% of stimulus jobs require high school or less
- 27% require BA or more
- 27% require AA, certificate or some college
- Stimulus jobs that don't require a degree still require extensive training

Non-degreed stimulus jobs

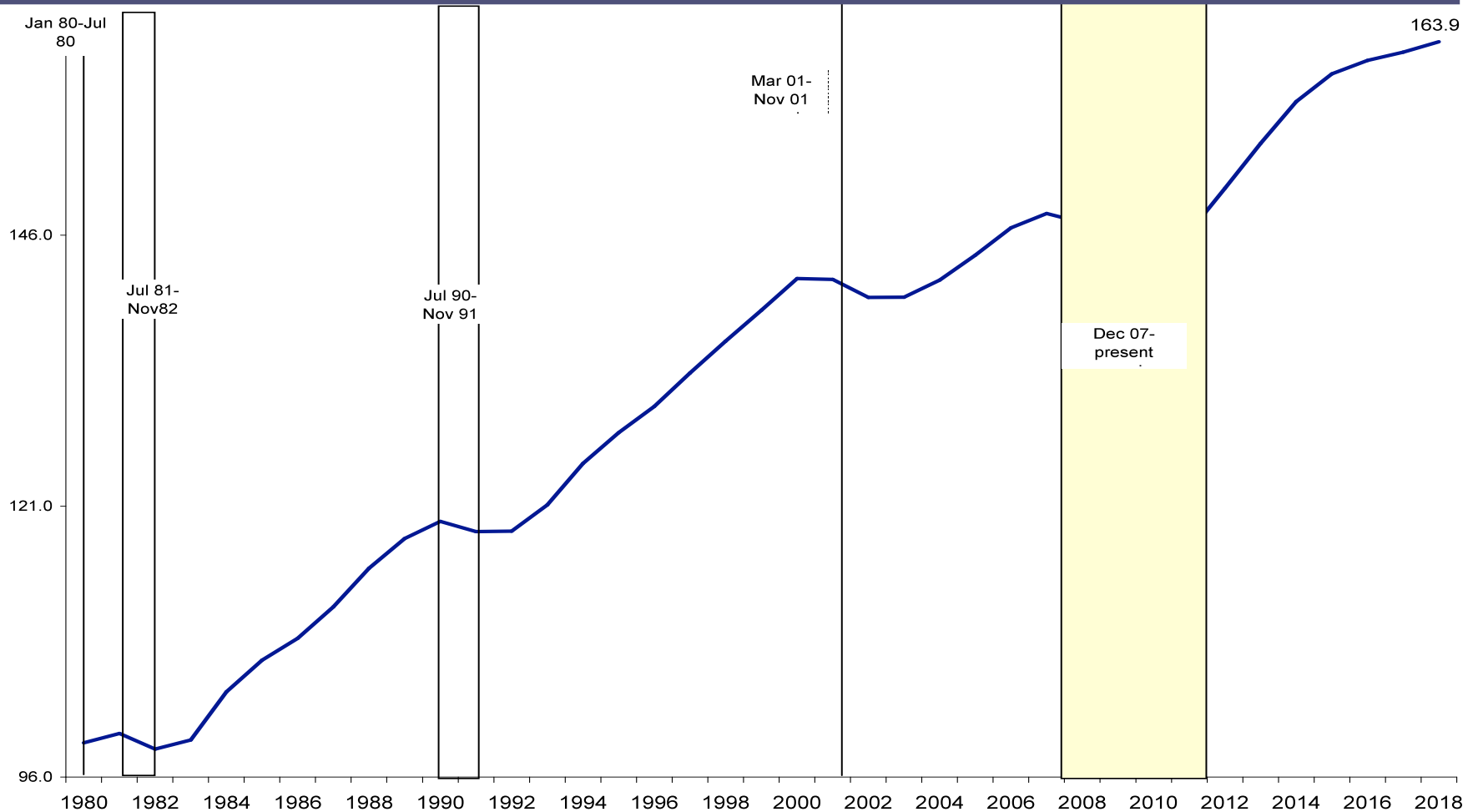
- 45% of non-degreed stimulus jobs require at least 1 month of formal classroom training
- 64% of non-degreed stimulus jobs require at least 1 month of informal on-the-job training
- 73% of non-degreed stimulus jobs require at least 1-3 months of work experience
- 33% of non-degreed stimulus jobs require 1 year or more of apprenticeship training



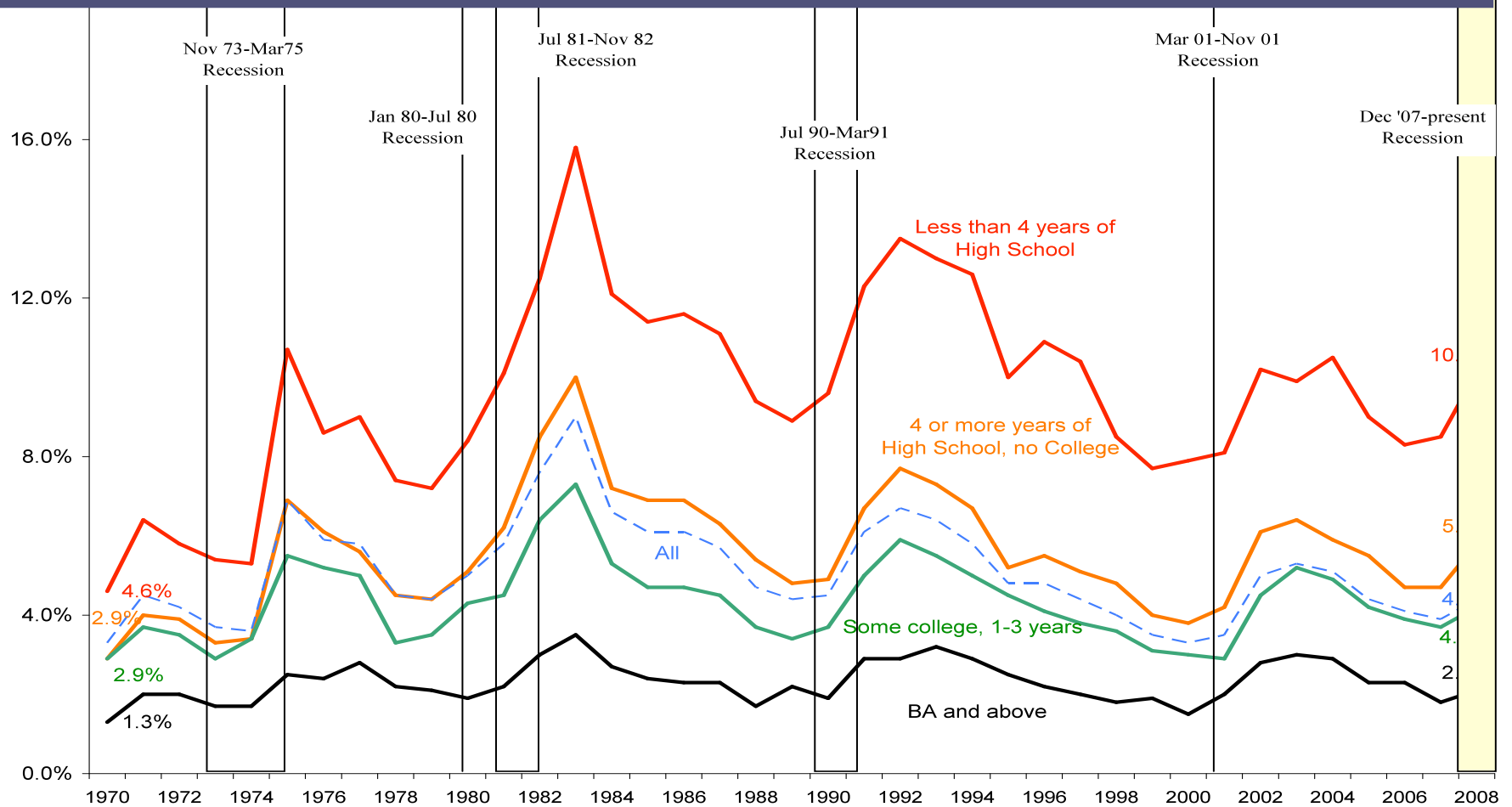
Current recession has led to major job losses that could continue until 2011



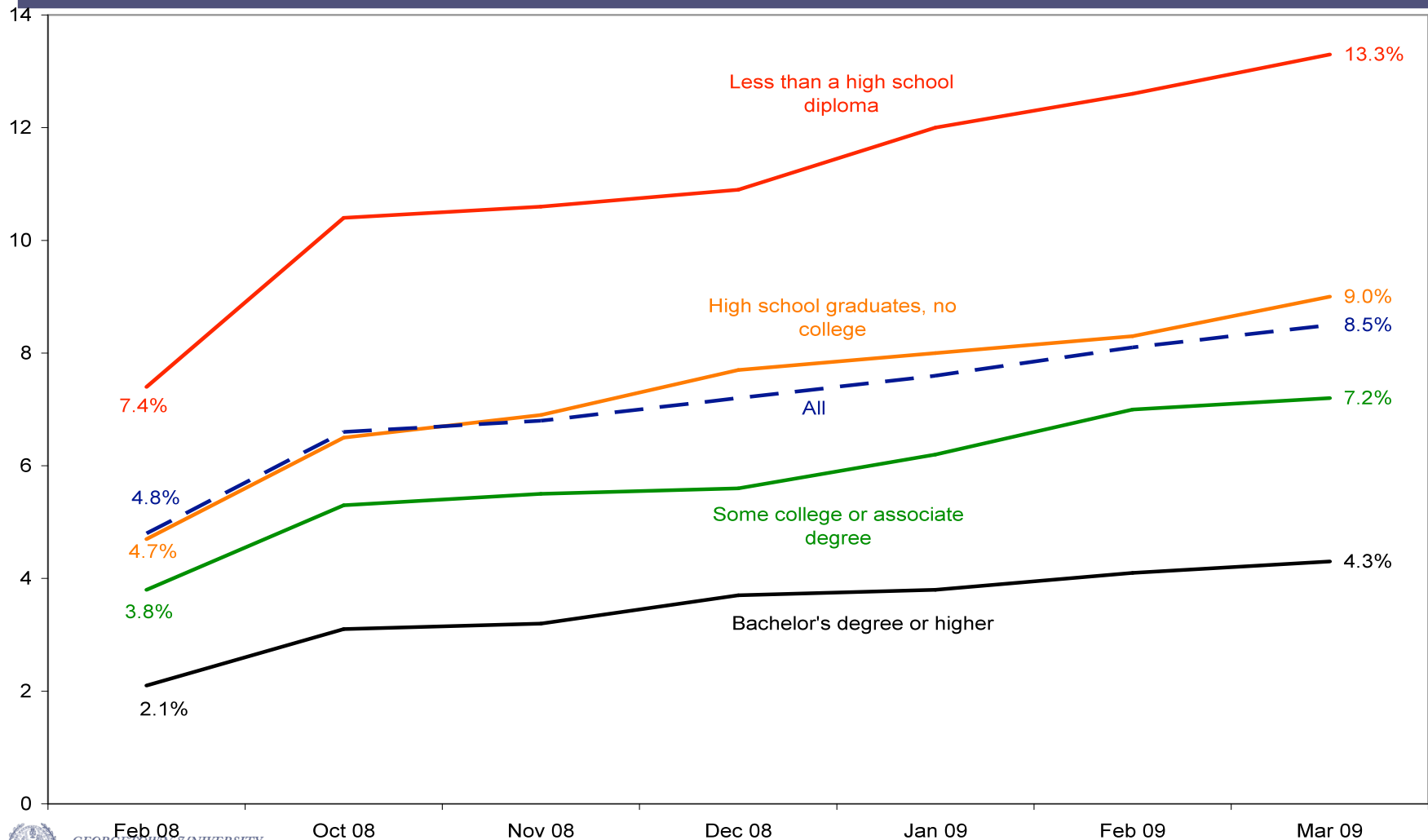
With stimulus package, employment growth set to resume in 2011



Least educated are most vulnerable in economic downturns (unemployment rates by education)



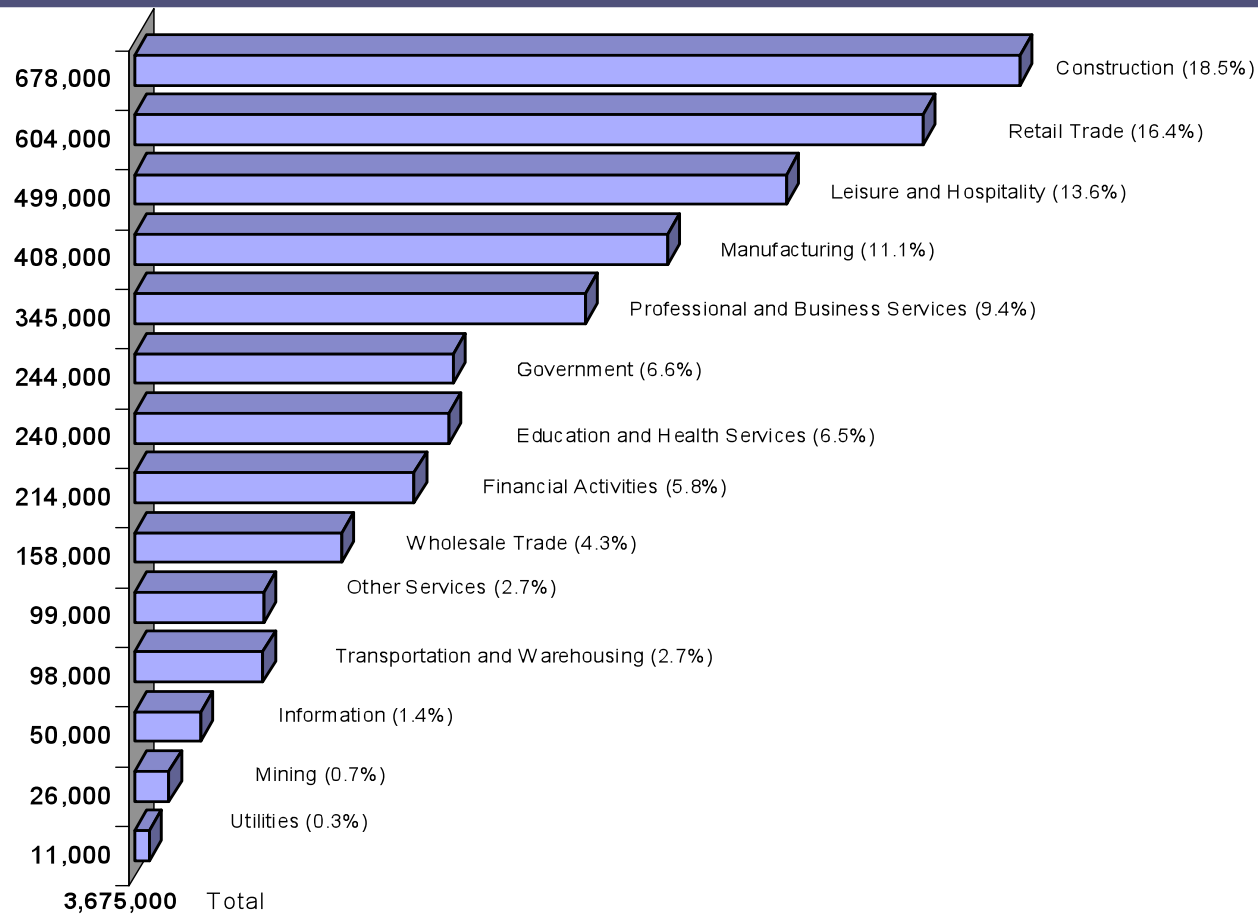
As unemployment rates rise, the most educated still retain their relative advantage



- The American Recovery and Reinvestment Act, 2009 will help the least educated the most.
- The jobs created will require a broad spectrum of training and education levels.

The following slides show the industries and occupations where the stimulus jobs will be created as well as their education and training requirements.

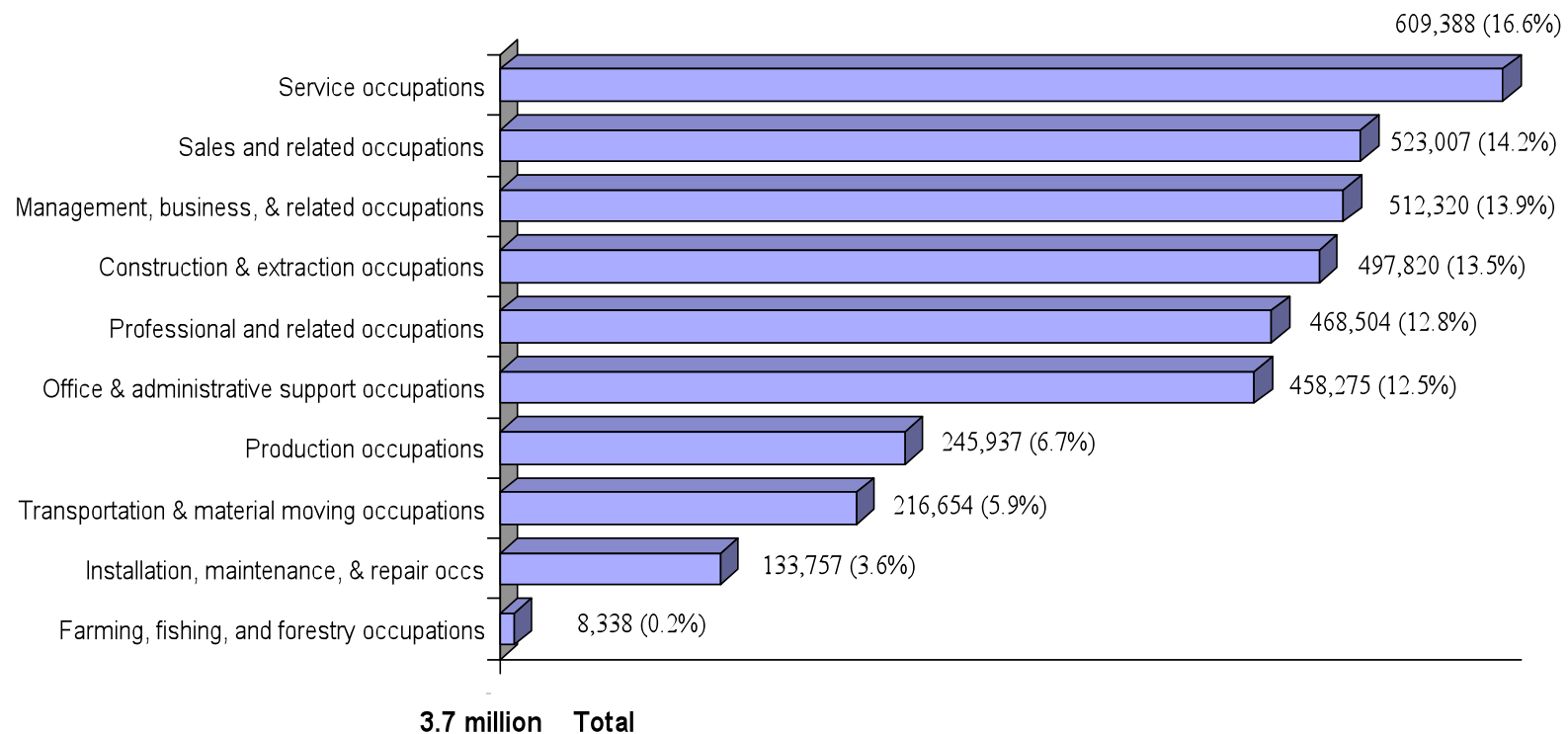
Stimulus jobs created by industry (2010 Q4)



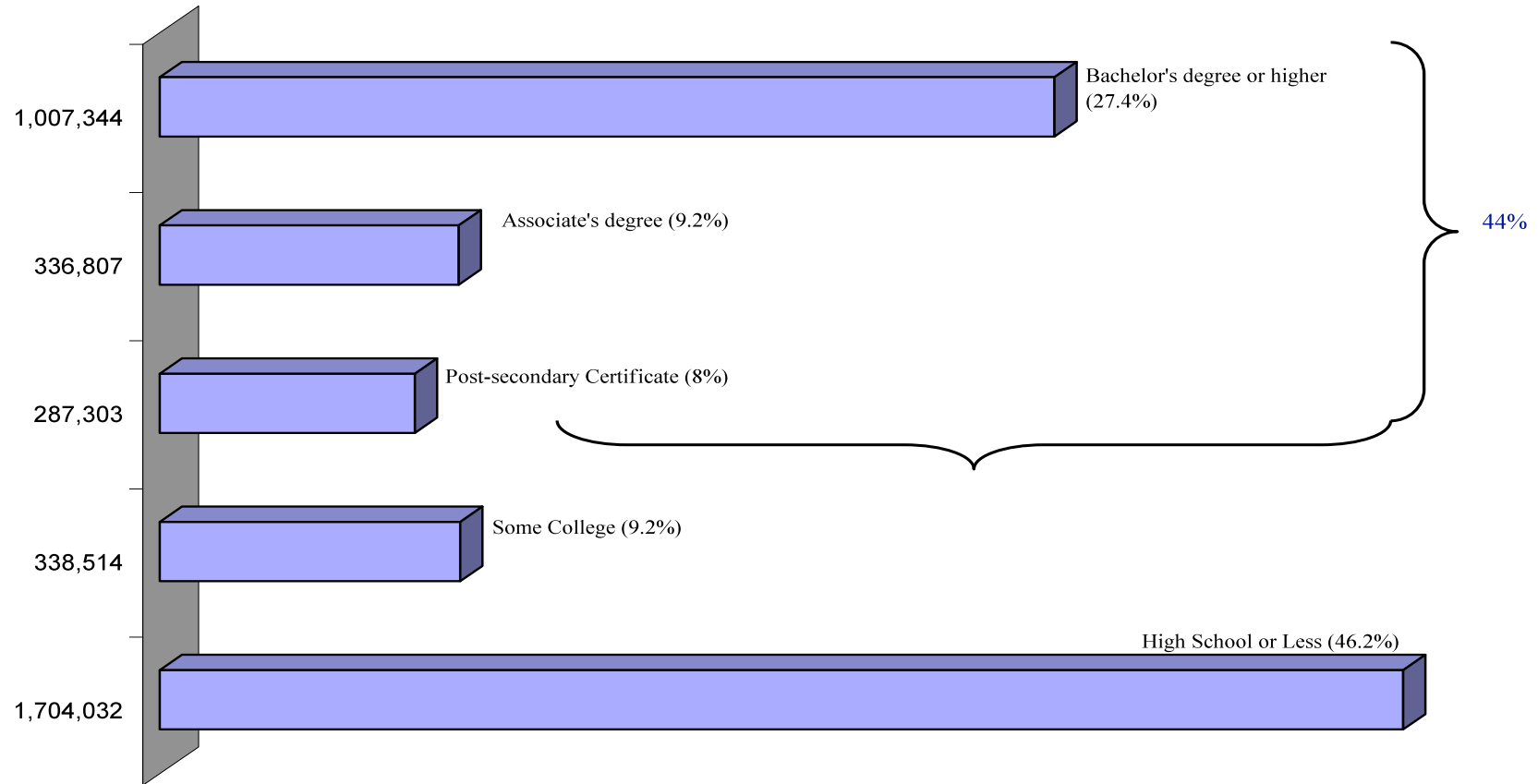
Source: Romer and Bernstein (2009) based on their estimates of the effects by Industry from Mark Zandi's "The Economic Impact of a \$600 Billion Fiscal Stimulus Package": Moody's Economy.com, November 28th, 2008



Stimulus jobs created by occupation (2010 Q4)



Stimulus jobs help least educated the most, but 44% still require postsecondary certificates or degrees



3,675,000 Total



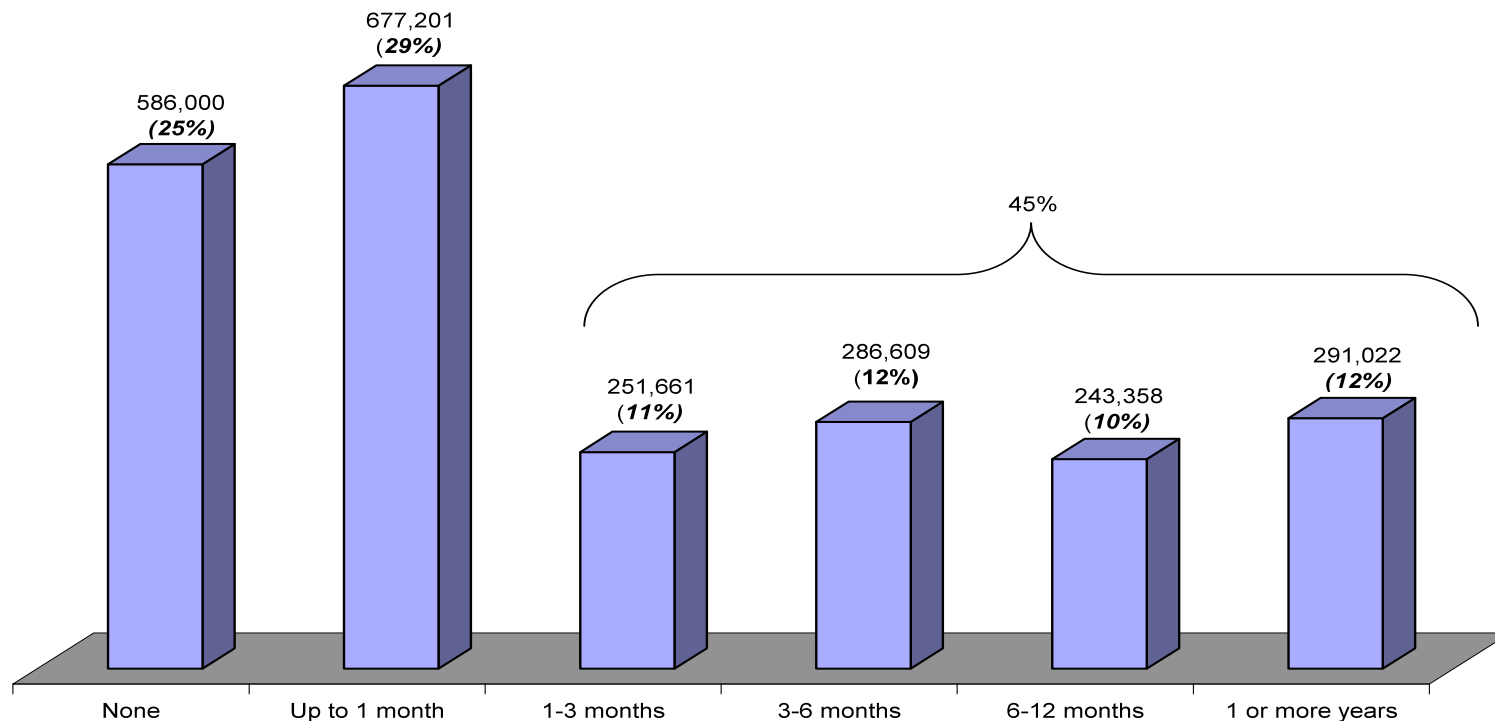
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Source: O*NET Education and Training by Occupation

45% of non-degreed stimulus jobs require at least 1 month of formal classroom training

Formal Classroom Training



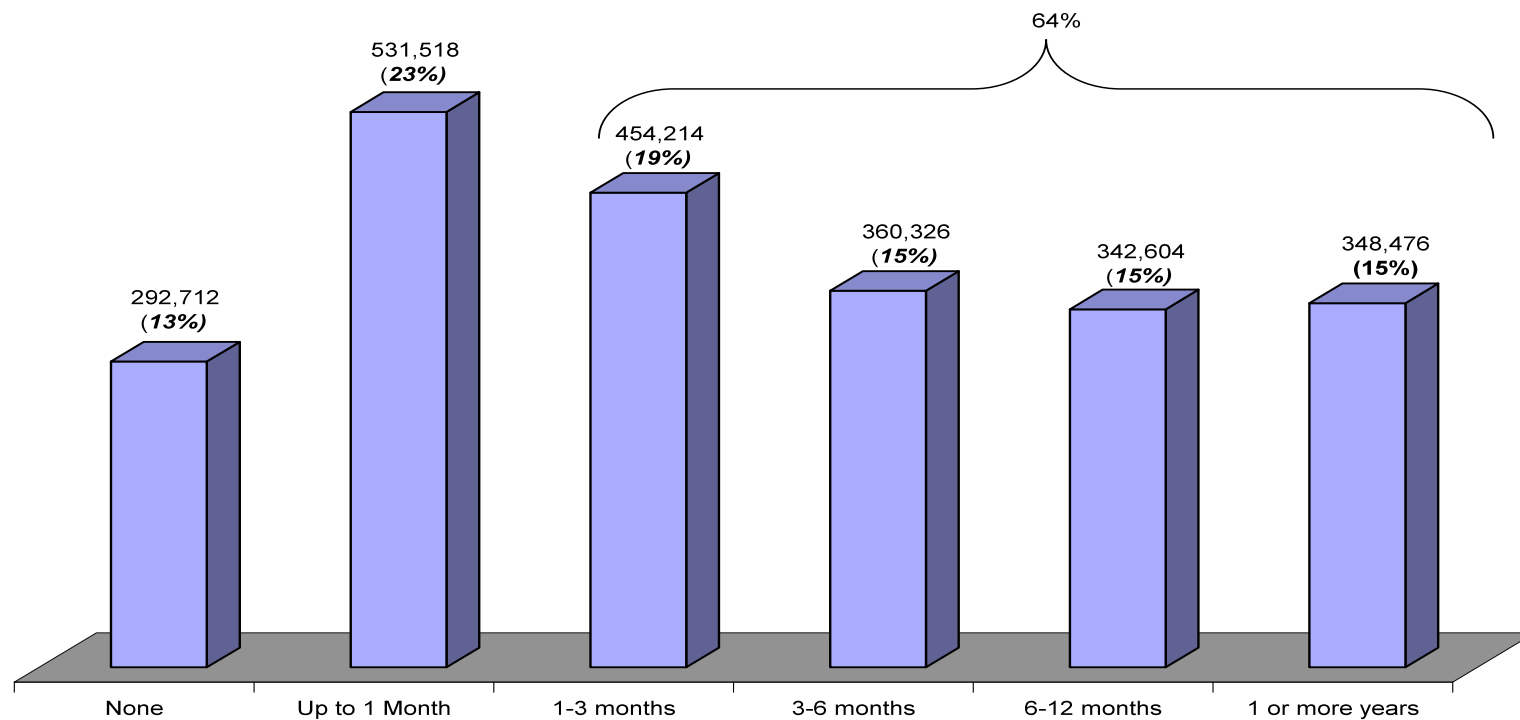
*Non-degreed jobs include high school dropouts, high school graduates, post-secondary certificates and some college but no degree.

Source: O*NET Education and Training by Occupation



64% of non-degreed stimulus jobs require at least 1 month of informal on-the-job training

Informal On-The-Job Training

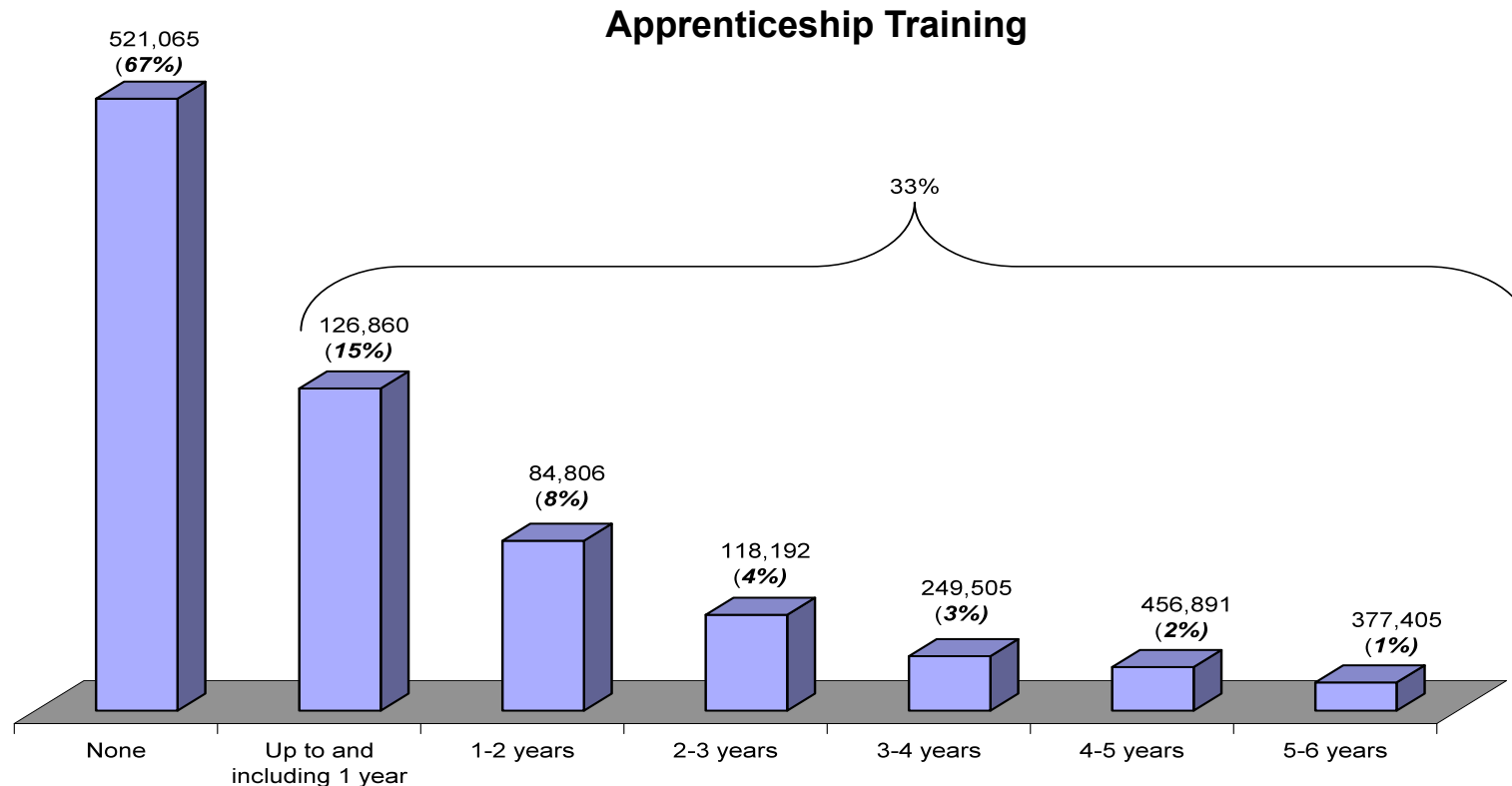


*Non-degreed jobs include high school dropouts, high school graduates, post-secondary certificates and some college but no degree.

Source: O*NET Education and Training by Occupation



33% of non-degreed stimulus jobs require 1 year or more of apprenticeship training



*Non-degreed jobs include high school dropouts, high school graduates, post-secondary certificates and some college but no degree.

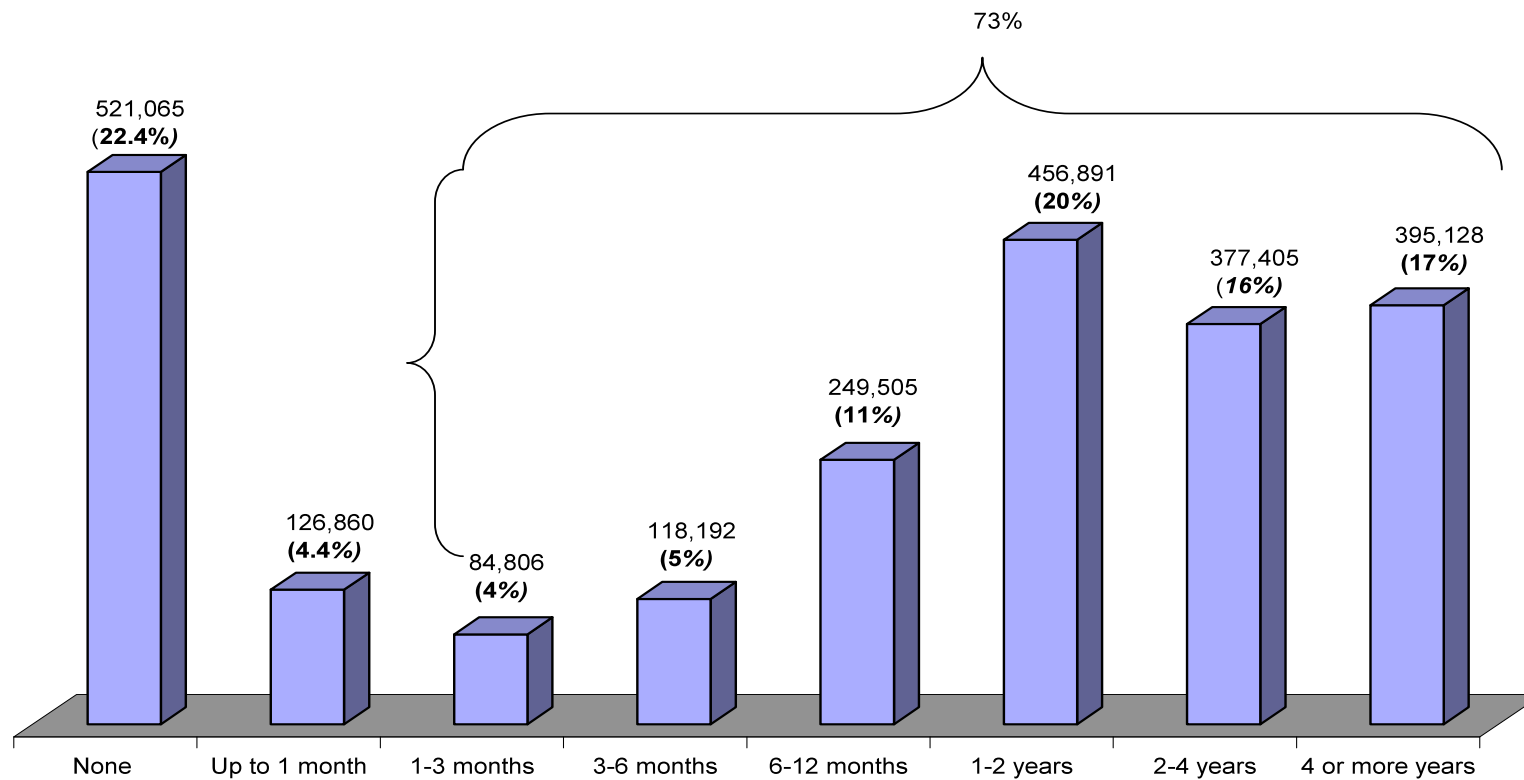
Apprenticeships presented in this chart are those with a registered US Department of Labor program that provide a certificate of completion. They represent approximately 25-50% of all Apprenticeship programs in the United States. (This number is a rough estimate provided by industry experts. Estimates of unregistered apprenticeship programs are difficult to obtain).

Source: O*NET Education and Training by Occupation



73% of non-degreed stimulus jobs require at least 1-3 months of work experience

Work Experience



*Non-degreed jobs include high school dropouts, high school graduates, post-secondary certificates and some college but no degree.

Source: O*NET Education and Training by Occupation

