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## Working Adults in Rural America Are Almost as Likely (50%) as Working Adults in Urban America (54%) to Have a Job That Pays at Least Middle-Class Wages, Georgetown University Report Says

Rural America has a strong blue-collar economy, but it needs more investment in postsecondary education, training, and career counseling.

(Washington, DC, Feb. 29, 2024) A new report from the Georgetown University Center on Education and the Workforce (CEW) counters the public perception that rural localities have been "left behind": the rural workforce comprises 13% of the total 25-to-64-year-old working population in the US and holds 12%, or a roughly proportionate share, of the good jobs. CEW's latest report uses a good jobs framework to highlight rural America's assets and challenges. It also provides recommendations to mitigate the region's high labor-force non-participation rate (26%), low bachelor's degree attainment rate (25%), and overall population decline.

*Small Towns, Big Opportunities: Many Workers in Rural Areas Have Good Jobs, but These Areas Need Greater Investment in Education, Training, and Career Counseling* finds that 7.4 million workers ages 25–64 in rural America have good jobs paying at least middle-class wages. CEW defines a good job as one that pays, nationally, a minimum of approximately \$43,000 to workers ages 25–44, a minimum of approximately \$55,000 to workers ages 45–64 (in 2022 dollars), and a median of approximately \$82,000 for all good jobs. The report accounts for differences in cost of living between rural and urban areas when assessing whether workers have good jobs.

"Rural Americans are only slightly less likely to have a good job than their urban counterparts, and for workers without a bachelor's degree, rural America actually offers a better likelihood of having a good job," CEW Director and lead author Anthony P. Carnevale said. "That being said, white workers are currently the only demographic group in rural America in which the majority hold a good job."

White workers are the majority of the rural workforce (81%) and hold a disproportionate share of the good jobs (86%). Hispanic/Latino and Native Hawaiian/Pacific Islander workers are slightly more likely to have good jobs in rural areas than in urban areas. Nevertheless, the likelihood of holding a good job among Hispanic/Latino and Native Hawaiian/Pacific Islander workers is low in rural areas, at 37% and 42%, respectively.

Good jobs skew toward men over women in both rural and urban areas, but this disparity is even more pronounced in rural areas. In rural areas, men make up 52% of the 25-to-64-year-old workforce but hold 63% of the good jobs. In contrast, women make up 48% of the rural 25-to-64-year-old workforce but hold only 37% of the rural good jobs. In urban areas, the differences are slightly smaller: men are 52% of the 25-to-64-year-old workforce and hold 60% of good jobs, while women are 48% of the workforce and hold 40% of good jobs.

"Women suffer even greater economic inequality in rural areas than in urban areas due to wage discrimination, occupational segregation, and labor-force nonparticipation," said Martin Van Der Werf, report co-author and CEW's director of editorial and education policy. "The highest-paying jobs in rural areas are in white-collar, blue-collar, and protective services occupations, and blue-collar and protective services occupations are more likely to employ men."

Workers with lower levels of educational attainment fare better in the rural workforce than in urban areas, in part due to rural America's blue-collar economy. For example, workers with a high school education hold 26% of good jobs in rural areas, compared to 15% of good jobs in urban areas. The blue-collar economy is particularly strong in rural America: blue-collar occupations employ 31% of rural workers but only 21% of urban workers.

However, rural America has been going through some tough times: 2010–20 was the first decade in American history in which the population of rural areas declined. The population decline has coincided with a rapidly decreasing labor-force participation rate. From 2007–19, the labor-force participation rate in rural areas fell by 2.6 percentage points among adults ages 25–64, while it fell by just 0.7 percentage points for the same group in urban areas.

"Rural Americans often feel deeply connected to their communities, but they are increasingly faced with the hard choice of moving to urban areas or staying in rural areas where they have fewer professional and educational opportunities," Carnevale said. "Rural America needs more strategies and investment to hold onto its good jobs and create more economic opportunity."

The report has a number of recommendations for stimulating new growth, including the following:

- Rural America needs more comprehensive counseling services in schools, colleges, and communities to help individuals interpret and apply data on projected job openings and expected earnings when making decisions about their career pathways.
- Training programs should be created that are geared toward the specific needs of women and members of underserved racial/ethnic groups to help them attain the credentials that will prepare them for good jobs in the rural economy.
- States with large rural populations should join the 24 states that allow community colleges to award bachelor's degrees and consider offering free programs to help combat rural education deserts.
- Educators and employers in rural America need to develop high school-to-career pipelines that train the local workforce to fill local jobs that do not require 4-year degrees.
- Leaders in rural America need to capitalize on emerging sectors of the renewable energy industry to bring new jobs and additional federal funds to rural communities, help stimulate economic growth, and retain the local population.

To view the full report, including state-level analysis of good jobs in rural and urban areas, visit: <u>https://cew.georgetown.edu/ruralgoodjobs</u>.

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