



NEW REPORT FINDS 610,000 MANUFACTURING JOBS HAVE BEEN LOST IN THE MIDWEST BUT NEW JOBS IN HEALTHCARE AND EDUCATION OFFER OPPORTUNITIES

WASHINGTON, D.C., September 13, 2011 –A new report by the Georgetown University Center on Education and the Workforce confirms that the Midwest was hardest hit region during the recession, primarily due to the region’s industrial composition. Since the recession begun in 2007, the Midwest has lost 610,000 jobs in manufacturing—nearly a third (31 percent) of all manufacturing jobs lost during the recession nationally. In spite of these job losses, manufacturing will still add roughly 2 million job openings nationally through 2018, mostly due to baby boomer retirement.

While the economy continues to transition from a production-based economy to a services-based economy, manufacturing and agricultural employment in the Midwest will continue to decline 4 and 1 percent, respectively, through 2018. Although declining in employment terms, manufacturing is still growing tremendously in output—in fact, is more productive than ever. Manufacturing productivity per worker was \$300,000 in 2010, more than three times what it was in 1970. In other words, fewer workers are needed to produce more and more goods.

But it’s not all bad news: according to the report, 20 percent of America’s job openings— or 10.2 million job openings - will be in the Midwest through 2018. By volume, Ohio and Michigan will have the largest proportion of job openings, though Minnesota and North Dakota will lead in terms of the proportion of its jobs requiring postsecondary education.

Despite the Midwest’s heavy reliance on manufacturing, the report finds that Midwestern states are no longer solely dependent on that industry alone. New jobs in the region will be in high-skill service industries such as education and healthcare. “As long as we remain focused on the economic wreckage in our rearview mirror, that is the low-skill, middle-wage jobs that have been lost,” said Anthony P. Carnevale, the Center’s director, “the Midwest will be hurtling unprepared into our economic future. The focus must be redirected towards connecting education, training, and careers to create, attain and maintain middle class jobs.”

These new jobs will require at least some postsecondary education and training beyond high school. Five Midwestern states (Minnesota, North Dakota, Nebraska, Illinois, and Kansas) will require between 64 and 70 percent postsecondary education by 2018. Those averages exceed the national postsecondary education requirement average of 63 percent.

“To fill job openings, the fastest-growing occupations and industries seek individuals with postsecondary credentials,” said Dr. Nicole Smith co-author of the report. “This is also good news for women, who are graduating from college at higher rates than men, although they remain largely detached from the best-paying occupations.”

The report also describes the economic and labor trends that are part of a nationwide shift toward a service economy and provides an economic performance assessment of each state in the Midwest.

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The Georgetown University Center on Education and the Workforce is an independent, nonprofit research and policy institute that studies the link between individual goals, education and training curricula and career paths. A full copy of the report can be found at (<https://cew.georgetown.edu/report/the-midwest-challenge/>). For more information, visit: <http://cew.georgetown.edu>