

# Heading in the Wrong Direction

## Cuts in Workforce Preparation Programs

### Derail Workers' Chances for Joining the Middle Class



To rebound from the current recession with a strong economic foundation, California must develop a workforce that has the skills required for employment in today's labor market. The most sought-after workers will have skills that can only come from post-secondary education and training.

California can help provide those skills – and give its working population a chance to join or remain in the middle class – through its workforce preparation programs.

By 2018, 64 percent of all jobs will require workers with education or training beyond a high school degree.<sup>1</sup> In fact, thirty-seven of the fifty fastest-growing occupations in California – particularly those in a wide array of health care and computer technology fields – will require post-

secondary education or training (see Appendix A).<sup>2</sup> Yet, even as the demand for higher levels of education and training rise, California is experiencing a dismaying set of state and federal budget cuts, redirections, and policy changes that make it more difficult for the state to provide access for students and workers to the training programs and education services they most need.

Unless there is a change in direction, California workers will find it difficult to earn sufficient wages to participate in the middle class, and California businesses will be unable to obtain the skilled workforce they need to provide crucial services and to stay competitive.



## Cuts in Workforce Preparation Programs

It is sometimes difficult to see the cumulative impact of the recent budget-tightening on public investments in worker training and readiness. We calculate that, in addition to the decline in community college apportionment funding, California has suffered cutbacks of more than \$500 million to programs and services that prepare individuals for employment, get them back to work, and re-energize local economies. The following programs have been seriously affected.

- Community College Career Technical Education (CTE) programs.** Significant reductions in state apportionment funding have resulted in fewer CTE courses and, as a result, fewer students being prepared for the labor market. Support from the state General Fund for community colleges has decreased by about 10 percent since 2007-08,<sup>3</sup> with even greater cuts in store for 2012. These cutbacks are exacerbated by de facto cuts resulting from local property tax shortfalls that have not been backfilled. At the same time, cuts at four-year institutions have brought increased demand for coursework at the community colleges.

Career technical education programs have received a disproportionate share of these cutbacks. From the fall of 2008 to the fall of 2010 the number of CTE course sections offered decreased by 12 percent overall, while non-CTE course

sections decreased by 10 percent. The following are examples of some of the greatest course section reductions during this time period.<sup>4</sup>

Career Technical Education Program	Course Section Reductions
Civil and Construction Management Technology	29.7%
Automotive Collision Repair	27.2%
Sheet Metal and Structural Metal	24.1%
Office Technology/Office Computer Applications	22.3%
Nursing	20.6%
Machinery and Machine Tools	19%

These reductions have led to decreased course offerings in occupational areas of high demand, which means fewer students obtaining career education for these occupations and a resulting shortage of needed workers.

- Perkins Funding.** The federal Carl Perkins Vocational and Technical Education Act provides states with funding for secondary and post-secondary education to improve career technical education programs, integrate academic and career technical instruction, serve special populations, and meet gender equity needs. In California, Perkins funds have decreased from \$140.8 million in 2007-08 to \$117.7 million in 2011-12. Further cuts are on the horizon, as the administration

has proposed a 20 percent reduction in career technical education funding in the 2012-13 budget.

- **Community College Categorical Programs.** Categorical programs that prepare students for the workforce have also seen sizeable reductions in recent years. The following categorical programs have been cut between 2007-08 and 2011-12:

Program	2007-08 Funding	2011-12 Funding
Economic and Workforce Development Program	\$46.8 million	\$22.9 million
Apprenticeship instruction	\$15.2 million	\$7.2 million
Nursing education	\$22.1 million	\$13.4 million
Instructional equipment funds	\$13.7 million	\$0

In the 2012-13 budget, the Governor is proposing consolidation of categoricals into a “flex” item, giving districts the decision-making authority on how to invest these funds. If enacted, California may see even further reductions in career technical programs.

- **Community College Basic Skills Programs.** Basic skills are a necessary component for success in CTE and workforce training programs. Yet roughly 80 percent of entering community college students who are assessed are found to need instruction in remedial math, remedial English, or

English as a Second (ESL) language to make them “college ready.”<sup>5</sup> However, from the fall of 2009 to the fall of 2010 the number of basic skills course sections offered decreased by 4.6 percent.<sup>6</sup>

- **California Department of Education Adult Education Program (AEP).** An even more serious cutback has occurred in the Adult Education programs, which also provide Californians with the basic English, math, and ESL foundations they need to enter post-secondary education and training. In some areas, AEP programs also provide career technical education. In recent years, however, since the funding stream has been in “flex” – meaning that K-12 school districts can use these funds for other educational programs – state education resources dedicated to AEP have declined. A voluntary statewide survey of adult education providers found that as a result of this new flexibility, the level of funding invested in AEP declined from \$754 million in 2007-08 to less than \$400 million in 2009-10.<sup>7</sup> Under current budgetary conditions it is likely that AEP funding will continue to erode annually. Only a small percentage of this loss has been offset by increases in California’s portion of federal Workforce Investment Act (WIA) Title II funds. The WIA Title II funds, which are largely based on the size of the state’s population lacking a high school diploma, increased from \$66.2 million in 2007-08 to \$79.0 million in 2011-12.

- **Workforce Investment Act Title I.** Federal Workforce Investment Act (WIA) Title I funds provide a range of employment and training services to adults, low-income youth, and dislocated workers. California has received sharp reductions in WIA Title I funding in recent years, from \$497 million in 2009-10 to \$462 million in 2010-11 and \$400 million in 2011-12.
- The **Cal Grant** program provides students who meet specific financial and other eligibility requirements with money to attend college in California. Proposed changes to the Cal Grant program would cut the amount of funding for the program by \$302 million and increase the minimum grade-point average required to receive these funds. If enacted, these changes would eliminate about 30 percent of Cal Grant recipients,<sup>8</sup> most of whom are community college students, with disproportionate representation of African-American and Latino students.<sup>9</sup>

### Stopping the Slide

The pressure to downsize career technical education programs will continue as funding for higher education in California faces significant new “trigger” cuts in 2012. Decreases in community college funding put disproportionate pressure on career technical education programs, with the greatest effect on lower-income students, immigrants, and students of color. These

are the very communities that represent the majority of the state’s population. California must build upon, not diminish, investments in education and training in order to create a vibrant and diverse workforce, meet the skill needs of employers, and maintain the state’s leadership in the global economy.

The relatively high cost of offering CTE instruction – because of smaller class sizes, instructional equipment needs, and the cost of maintaining partnerships with business and industry – often puts these programs on the chopping block. Yet they are designed to reflect the needs of industry and move the unemployed and underemployed into the wage-earning middle class.

The California EDGE Campaign believes it is essential to maintain strong career technical education programs that meet the needs of students, job seekers, incumbent workers, and businesses alike. Career technical education and training programs promote regional and state economic growth that benefits individuals and communities. As California faces further budget cuts, it must stop the downward slide of CTE investments and instead scale up resources for programs that help meet state and regional labor market needs and support jobs that provide family-sustaining wages. Doing so will ensure higher levels of employment and earnings for Californians and help to fuel and sustain California’s economic recovery.

## CALIFORNIA'S 37 FASTEST-GROWING OCCUPATIONS: 2008-2018<sup>10</sup>

- Network Systems and Data Communications Analyst
- Medical Scientist
- Physician Assistants
- Veterinary Technologists and Technicians
- Veterinarians
- Computer Software Engineers, Applications
- Emergency Medical Technicians and Paramedics
- Surgical Technicians
- Physical Therapists
- Fitness Trainers and Aerobics Instructors
- Respiratory Therapists
- Dental Hygienists
- Occupational Therapists
- Computer Software Engineers, Systems Software
- Registered Nurses
- Market Research Analysts
- Medical Secretaries
- Biological Technicians
- Medical and Public Health Social Workers
- Instructional Coordinators
- Pediatricians, General
- Medical Records and Health Information Technicians
- Personal Financial Advisors
- Public Relations Specialists
- Diagnostic Medical Sonographers
- Gaming Dealers
- Licensed Practical and Vocational Nurses
- Employment, Recruitment, and Placement Specialists
- Environmental Engineers
- Environmental Scientists and Specialists
- Family and General Practitioners
- Radiologic Technologists and Technicians
- Training and Development Specialists
- Graduate Teaching Assistants
- Special Education Teachers
- Database Administrators
- Natural Sciences Managers

## NOTES

---

<sup>1</sup> Carnevale, A., Smith, N., and Strohl, J. (2010). *Help Wanted – Projections of Jobs and Education Requirements Through 2018*. Georgetown University, Center on Education and the Workforce.

<sup>2</sup> California Employment Development Department, Labor Market Information Division. *California: Fastest Growing Occupations 2008-2018*.

<http://www.labormarketinfo.edd.ca.gov/Content.asp?pageid=146>.

<sup>3</sup> California Legislative Analyst. *The 2010-11 Budget: Higher Education*.

[http://www.lao.ca.gov/analysis/2010/highered/Highered\\_an110.aspx#zzee\\_link\\_10\\_1266972412](http://www.lao.ca.gov/analysis/2010/highered/Highered_an110.aspx#zzee_link_10_1266972412).

<sup>4</sup> Analysis of community college data by the California Legislative Analyst's Office.

<sup>5</sup> California Community College Chancellor's Office (2011). *Basic Skills Accountability*.

<sup>6</sup> California Community College Chancellor's Office (2011). *Analysis of Recent Changes in CCC System: Students, Courses, and FTES*.

<sup>7</sup> The statewide survey was conducted by Montebello School District.

<sup>8</sup> California Student Aid Commission. *2010-11 Cal Grant Program Recipients*.

<sup>9</sup> California Legislative Analyst's Office, *Data Mart*.

<https://misweb.cccco.edu/mis/onlinestat/sfawards.cfm>

<sup>10</sup> Employment Development Department, Labor Market Information Division. *California: Fastest Growing Occupations 2008-2018*.

<http://www.labormarketinfo.edd.ca.gov/Content.asp?pageid=146>.