

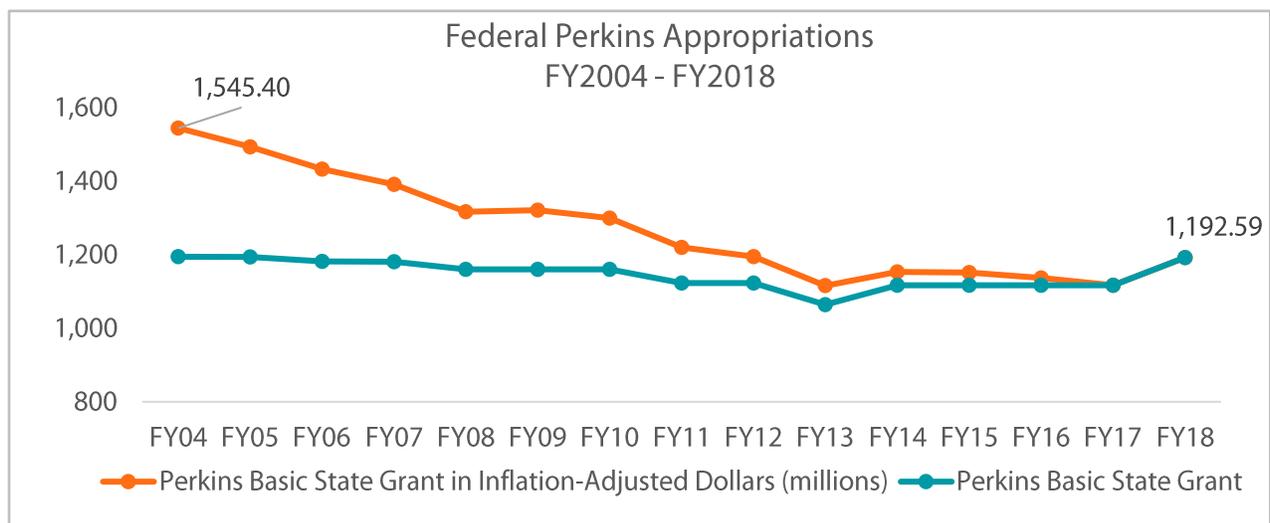
Investing in Career Technical Education: An American Imperative

Career Technical Education (CTE) is a proven strategy to strengthen the U.S. economy. CTE engages learners, strengthens the workforce and closes critical skills gaps. While CTE programs are supported by local, state and federal dollars, nearly every community in the U.S. receives funds through the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins), directly impacting more than 11.8 million learners nationwide.¹

CTE programs of study supported by the federal investment in Perkins provide learners with real-world skills, hands-on opportunities and real options for college and rewarding careers. Despite its value and impact, Perkins remains a program in desperate need of additional investment. In fact, a 2017 survey of school districts offering CTE found that the top barrier to offering CTE was “funding or high cost of programs.”² Now is the time to support the nation’s CTE system and the 8.1 million secondary learners and nearly 3.7 million postsecondary learners it serves and increase this critical investment.³

Now is the Right Time to Invest in CTE

- The Perkins Act is the federal government’s largest investment in CTE, but it has not kept pace with increasing demand in a growing economy.
- Between FY2004 and FY2017, the federal investment in Perkins declined by over \$77 million dollars, the equivalent of \$427 million inflation-adjusted dollars (i.e., 28 percent in inflation-adjusted dollars).
- Taking a longer view, the federal investment in Perkins was relatively flat between 1991 and 2017, the program’s **buying power had fallen by approximately \$933 million** in inflation-adjusted dollars between 1991 and 2017 — a 45 percent reduction over a quarter century.⁴
- Nevertheless, demand for CTE remains high — over 600,000 additional secondary learners were enrolled in CTE in 2015-2016 compared to 2011-2012.⁵



The Investment in CTE is Worth It

CTE strengthens the American economy by reducing high school dropout rates, equipping learners with workforce-relevant skills and expanding a talent pool that is responsive to the needs of employers. High-quality CTE programs have a direct and measurable impact on the economy.

- The graduation rate for learners who take a concentration of CTE courses is about 93 percent, approximately 10 percent higher than the national average.⁶
- The estimated impact of achieving a 90 percent graduation rate nationwide (calculated for the Class of 2015) is a \$5.7 billion increase in economic growth and \$664 million in additional federal, state and local taxes.⁷
- A recent study in **Arkansas** found that, "Students with greater exposure to CTE are more likely to graduate from high school, enroll in a two-year college, be employed, and earn higher wages."⁸

High-quality CTE programs can strengthen the talent pipeline by supporting a workforce that is ready to meet the demands of tomorrow's jobs.

An Investment in CTE is an Investment in America's Economy

- According to a report from Georgetown University's Center on Education and the Workforce, about 65 percent of jobs will require education and training beyond high school by 2020.
- Of the job openings in the economy by that time,
 - 35 percent will require at least a bachelor's degree and
 - 30 percent will require some college or an associate's degree.⁹
- These jobs – sometimes called "middle skill" even though they often require highly-advanced technical skills – are often those waiting for individuals at the end of a CTE program of study.

46%

Percent of employers with difficulty finding skilled talent¹⁰

\$14,000

Estimated cost to business per job that goes unfilled¹¹

¹ Refers to Program Year 2015-16. Source: <https://perkins.ed.gov/pims/DataExplorer/CTEParticipant>

² <https://nces.ed.gov/pubs2018/2018028.pdf>

³ Refers to Program Year 2015-16. Source: <https://perkins.ed.gov/pims/DataExplorer/CTEParticipant>

⁴ Calculated using the Bureau of Labor Statistics' CPI Inflation Calculator <https://data.bls.gov/cgi-bin/cpicalc.pl>

⁵ Refers to Program Years 2011-2012 and 2015-16. Source: <https://perkins.ed.gov/pims/DataExplorer/CTEParticipant>

⁶ Refers to Program Year 2015-16. Source: <https://perkins.ed.gov/pims/DataExplorer/Performance>

⁷ Refers to the Graduating Class of 2015: <http://graduationeffect.org/US-GradEffect-Infographic.pdf>

⁸ <https://edexcellence.net/publications/career-and-technical-education-in-high-school-does-it-improve-student-outcomes>

⁹ https://cew.georgetown.edu/wp-content/uploads/2014/11/Recovery2020.ES_Web_.pdf

¹⁰ <http://www.manpowergroup.com/talent-shortage-2016>

¹¹ <http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?id=pr807&sd=3/6/2014&ed=03/06/2014>