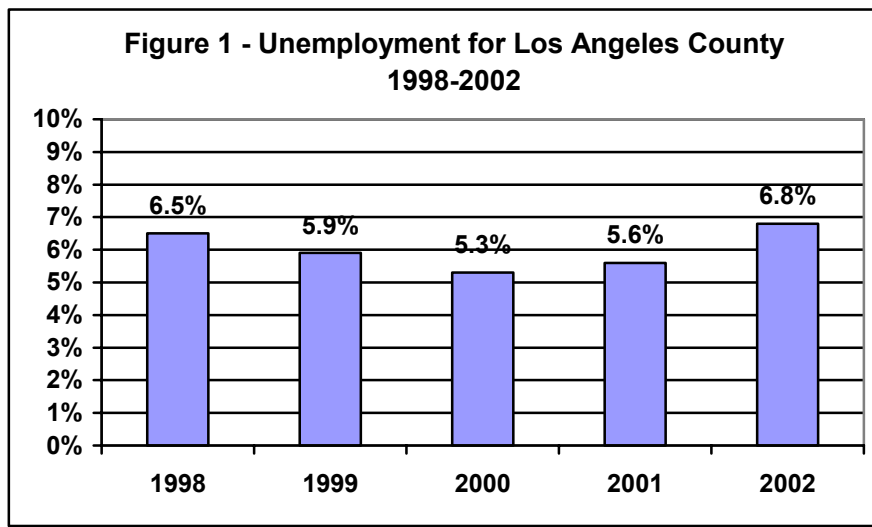


Education and the Labor Market

For the past two years, the nation and the state have been suffering from a recession, which has had a significant impact on the labor market. While the state and the federal governments are slowly recovering from this, the growth of jobs has been virtually non-existent. The loss of jobs through layoffs and company shutdowns is still occurring and not enough new jobs are being created to demonstrate any visible gains, creating what is sometimes referred to as a "jobless recovery". In Los Angeles County, the situation is not much different. Los Angeles County alone is expecting to have 2,158 fewer positions compared to last year¹.

Figure 1 demonstrates that unemployment for Los Angeles County in 2002 rose to its highest level in 5 years².



With job growth at a standstill, the connection between industry and education becomes more salient. In the San Gabriel Valley, there is a great desire to see an increase in job skills and career training³. Specifically, employers have indicated that excellent language, critical thinking, and computer skills are what is needed in today's job market. Thus, in addition to "traditional age" students attending college for the first time, many workers are going back to school to obtain better job skills and increase their marketability. Community colleges have shown to be an excellent resource for these workers.

Sources:

1. Los Angeles County Press Release, April 14, 2003 (http://lacounty.info/Press_Release_2003_04.pdf)
2. Bureau of Labor Statistics (<http://www.bls.gov>)
3. San Gabriel Valley Strategic Plan – January 2003
4. INSIGHTS, Vol. 13, No. 3
5. California Community Colleges Chancellor's Office (<http://www.cccco.edu>)

Figure 2 below models the impact that community colleges have on the labor market. The more that colleges like Mt. SAC educate the students, the more qualified the workforce becomes. A more qualified workforce, in turn, increases the likelihood of filling positions and increasing the employment rate.

Figure 2 – Impact of Mt. SAC on the Labor Market



The fastest growing occupational areas in the San Gabriel Valley are in healthcare, education and research, and science and technology. These are all job areas in which Mt. SAC can help. Mt. SAC's programs in teaching, nursing, and computers provide new workers with the skills that they need in the increasingly competitive job market. In fact, a 2002 survey of Mt. SAC alumni found that the most frequent job area that Mt. SAC graduates work in is education⁴. In all areas, it was also found that a full 58% of those employed indicated that they are employed in an area that is related to their certificate/degree.

Despite the positive effect that Mt. SAC and other community colleges have on the labor market, funding for community colleges will decrease by approximately \$86.6 million, even with an increase in enrollment fees⁵. In response to this, many community colleges are being forced to cut back on classes and services offered. The impact of these changes remains unclear. However, it is anticipated that many students will be less able to enroll in classes.