Latest EPI report calls for greater state investment in strategies that meet the need of Rhode Island’s diverse workforce

The Institute’s latest report, The State of Working Rhode Island: Paving the Way to Good Jobs explores the changing Rhode Island economy, focusing on the important role that education and training play in ensuring that Rhode Island workers are able to get ahead in an economy that has shifted dramatically in recent years. As the economy changes, we need our education and workforce systems to evolve to meet the dual needs of Rhode Island workers and employers.

The report’s key findings are:

- Disparities in educational attainment drive substantial gaps in economic well-being indicators, including:
  - **Unemployment rates**: Those without a high school diploma have unemployment rates nearly double the rate for high school graduates, and 2.5 times higher than those with some college.
  - **Part-time for economic reasons**: In 2016, one in five part-time workers with a high school diploma wanted to be working full-time, compared with one in eight part-time workers with some college education.
  - **Wages**: Between 2002 and 2016, those with some college but no diploma, and those with a high school diploma had median wages 42 percent and 34 percent higher, respectively, than those without a high school diploma.

- Educational attainment varies considerably by race and ethnicity at the higher and lower ends of the educational spectrum with 35 percent of Latinos, 21 percent of Black and 10 percent of White residents having less than a high school diploma and 13 percent of Latino, 19 percent of Black and 35 percent of White residents holding a Bachelor’s degree or higher.

- A 2012 Georgetown University study showed that by 2020, Rhode Island would need 71 percent of the workforce to have postsecondary education, and that the gap between Rhode Island’s existing higher educational attainment level (60 percent in 2010), and the 71 percent projected need by 2020 was the largest among all states.

- Even with growing demand for higher education, by 2020, nearly a third (29 percent) of Rhode Island jobs will still require a high school diploma or less, and about a third (32 percent) will require postsecondary education, but less than a Bachelor’s degree.
• Nearly half (48 percent) of Rhode Island’s “good jobs” (those paying $35,000 or more for workers under age 45) require less than a Bachelor’s degree, and the share of jobs that are good jobs increases with each increment of educational attainment.

• To meet basic needs, workers in lower-paying jobs will continue to need supports including child care assistance, the earned income tax credit, and Medicaid.

• A lack of English language skills, literacy and other foundational skills impede educational attainment and economic success. State investments and innovative policies to remove those impediments will help workers achieve their full potential and ensure Rhode Island’s economy is firing on all cylinders.

• Ongoing shifts in the Rhode Island economy coincide with substantial diversification of the Rhode Island population and labor force.
  o Between 2015/2016 and 2040, the non-White share of the Ocean State’s labor force is projected to grow from 24 percent to 38 percent.
  o Growth in the Latino population of 66,500 more than offset the 58,400 decline in the non-Hispanic/Latino population between 2000 and 2016

“The changing Rhode Island economy calls for policymakers to invest in a range of strategies that help Rhode Islanders attain education and training beyond the secondary level, including apprenticeships, occupational certificates and college affordability and supports for completion” said Rachel Flum, Executive Director of the Institute. “Policymakers must strengthen the workforce and increase productivity by providing access to English language skills for the 32,000 working aged Rhode Islanders who don’t speak English well. Since the economy will continue to include a large share of low wage jobs, the state must ensure those workers can meet basic needs by providing child care assistance, Medicaid and the earned income tax credit.”


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About the Institute
The Economic Progress Institute is a non-partisan research and policy organization that works for policies that improve economic security and opportunity for Rhode Islanders. For more information visit www.economicprogressri.org.