



ISSUE 1

PREPARING FOR 2030: SHIFTING DEMOGRAPHICS AND GEORGIA'S FUTURE

ISSUE OVERVIEW

Georgia faces a serious challenge in meeting its workforce needs by 2030.

"If state and business leaders do not act, 1.5 million workers and their children could be unemployable or stuck in low-wage jobs: an endless cycle of poverty."¹

This is according to research conducted by the Southern Regional Education Board (SREB) on Georgia's economic outlook for 2030. The study concluded that due to the impact of automation and the changing economy, coupled with the current education level of the state's population, Georgia is in danger of creating a multigenerational system of poverty that will result in more workers across the state being unemployed or underemployed, earning incomes below the poverty level, and becoming more reliant on state services.²

These facts have the potential to severely undercut Georgia's economic gains made over the past decade. Economies once built on low-skill industries, like most southern states, must compete globally for jobs requiring training beyond high school.³ To account for this, the state has made deliberate attempts to diversify its economic base and move away from low-skill jobs in areas such as manufacturing and construction that had previously undergirded its development. In its Georgia 2030 report, the Georgia Chamber of Commerce projects that the state's economic base and future growth will be centered on the following industries:⁴

- ▶ Agriculture
- ▶ Defense
- ▶ Film and tourism
- ▶ Advanced manufacturing
- ▶ Logistics and transportation
- ▶ Health care

Growth across these industries is being fueled by increasing automation and technological advancements. SREB estimates that automation in the coming decade will impact most of Georgia's 4.2 million workers.⁵ These technological and economic shifts have already eliminated many of the basic retail and manufacturing jobs that were once available to adults with lower levels of education and has created new jobs that require some level of education beyond high school. These *middle-skill jobs* often require an associate degree, an industry credential or certificate, or significant on-the-job-training.

There is no doubt that the educational attainment of a state's population – its workforce – is critical to supporting its economic development goals. The overall education level of Georgia's population has not kept pace with its economic development plans. In Georgia, approximately 55% of all jobs are categorized as middle-skill jobs, and 51% of job openings over the next decade are expected to

1 Southern Regional Education Board. 2019, June. *Georgia's Economic Outlook*. Retrieved from State Workforce Outlooks: <https://www.sreb.org/publication/georgia-0>.

2 SREB, 2019, June, *Georgia's Economic Outlook*.

3 National Skills Coalition. 2018, June. *Building a Skilled Workforce for a Stronger Southern Economy*. Retrieved from State Policy: Skills in the States: <https://www.nationalskillscoalition.org/resources/publications/file/Building-a-Skilled-Workforce-for-a-Stronger-Southern-Economy.pdf>.

4 Georgia Chamber of Commerce. 2018. *Georgia 2030 2.0: Georgia Outlook*. Atlanta: Georgia Chamber of Commerce.

5 SREB, 2019, June, *Georgia's Economic Outlook*.

be in this middle-skill category.⁶ However, only about 43% of the state's workforce is currently trained at the middle-skill level.⁷ What is more troubling is the overall educational attainment of Georgia's adult population. On average in Georgia, only 40% of adults have at least an associate degree.⁸

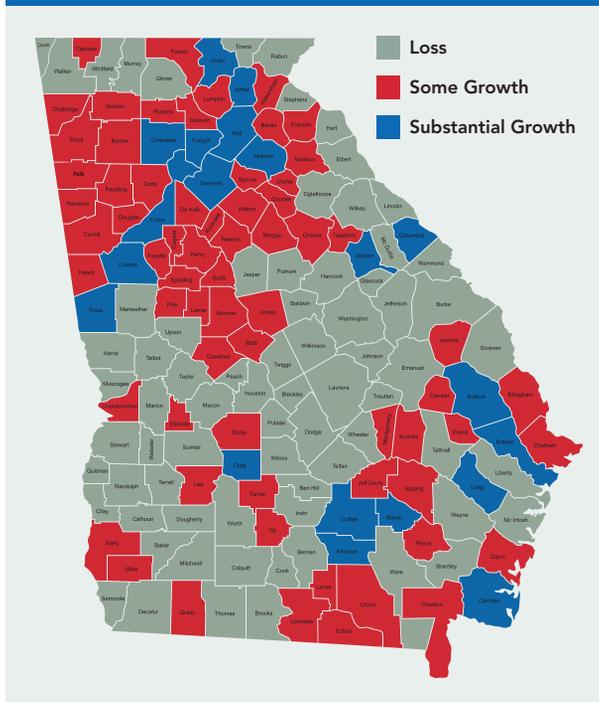
As noted by the National Skills Coalition, "The question for state leaders, then, isn't whether there will be sufficient jobs in the future. The question is whether there will be enough skilled workers to fill those jobs."⁹ To close this gap and meet the challenges of economic globalization and advancing technology, Georgia must tackle issues of increasing poverty, undereducation, and the state's historical dependency on low-skilled jobs.

SIGNIFICANCE FOR GEORGIA

Like the nation, the demographics of Georgia's population is shifting, dramatically changing the composition of the state's current and future workforce. Population growth is directly related to job growth and the healthy economic growth of a town, region, and a state. To meet the challenges of post-secondary educational attainment and future workforce needs, issues of Georgia's overall population, demographic shifts, and educational opportunity for all its citizens must be addressed.

Between 2016 and 2030, Georgia is expected to add over 1.3 million people (12% increase). However, that growth is not likely to be uniform statewide. Nearly 70% of that growth will be concentrated in the 10-county metropolitan Atlanta area. In fact, 74 Georgia counties will lose population or have a 0 growth rate.¹⁰ (See Figure 1.1.)

Figure 1.1 POPULATION GROWTH IN GEORGIA, 2016-2030¹¹



6 National Skills Coalition. 2016. *Georgia's Forgotten Middle: Middle-Skill Jobs State by State*. Washington, DC: National Skills Coalition.

7 National Skills Coalition, 2016, *Georgia's Forgotten Middle*.

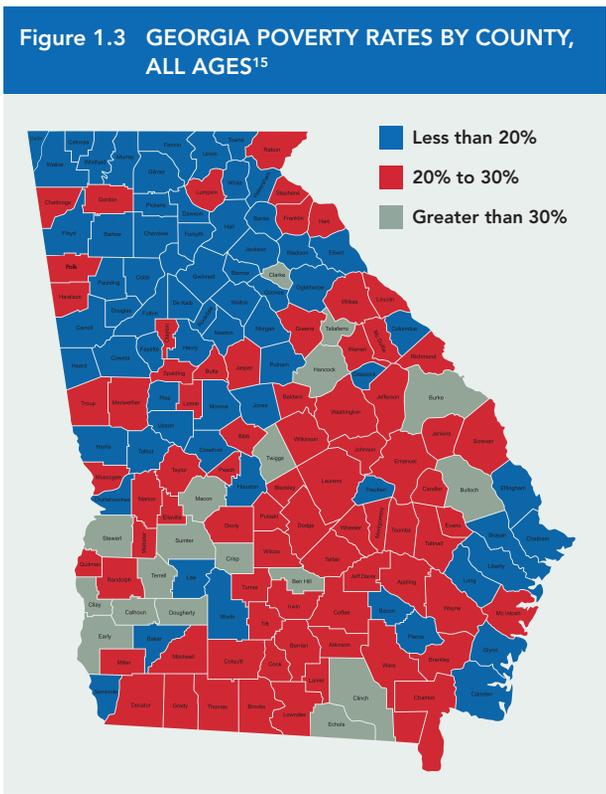
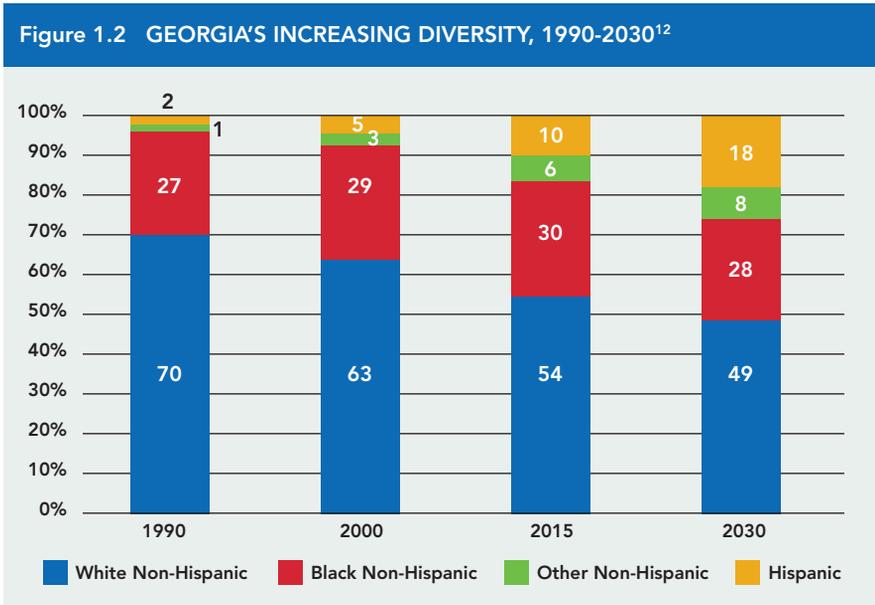
8 Georgia Chamber of Commerce, 2018, *Georgia 2030 2.0*.

9 National Skills Coalition, 2018, June, *Building a Skilled Workforce*.

10 Georgia Chamber of Commerce, 2018, *Georgia 2030 2.0*.

11 Georgia Chamber of Commerce, 2018, *Georgia 2030 2.0*.

Further, as Georgia grows, it is becoming more ethnically and racially diverse. As shown in Figure 1.2, by 2030, Georgia is expected to be a minority-majority state, with 49% of the population being White and the fastest growing population being Hispanic.



Racial and ethnic diversity is a key driver of economic growth and is one of the most important predictors of business sales revenue and profitability.¹³ However, race and ethnicity are not the only demographic shifts occurring. The growing number of people living in poverty has become a significant challenge for Georgia, especially outside of the metro Atlanta region. In 2017, for example, Georgia's poverty rate was 16.9%.¹⁴ However, certain areas of the state have significantly higher concentrations of poverty; 59 counties have poverty rates above 25%. (See Figure 1.3.)

12 Estimates provided by the Atlanta Regional Commission, *The Regional Plan Forecast*. Series 15.
 13 National Skills Coalition. 2019, September. *The Roadmap for Racial Equity*. Retrieved from https://www.nationalskillscoalition.org/resources/publications/file/Racial-Equity-Report_6x9_web.pdf.
 14 US Census Bureau. n.d.. American Community Survey Table S1701, ACS 5-Year Estimates Subject Table. Retrieved from Poverty Status in the Past 12 Months: <https://data.census.gov/cedsci/table?q=Poverty%20and%20race&lastDisplayedRow=67&table=S1701&tid=ACST5Y2017.S1701&t=Poverty&hidePreview=true&g=0400000US13>.
 15 Georgia Chamber of Commerce, 2018. *Georgia 2030 2.0*.

The interaction between race and poverty is also a growing concern. Non-Whites are over-represented as a proportion of those living in poverty: 13% of White Georgians were living at or below the poverty line in 2017, compared to 24% of Black Georgians and 27% of Hispanic/Latino Georgians.¹⁶

Georgia's public education system mirrors similar demographic shifts as the state; however, it has experienced a greater increase in poverty rates than the national average. Georgia's K-12 public schools have the eighth-largest percentage of low-income students in the nation – 62%.¹⁷ Economically disadvantaged and Hispanic students are among the state's fastest growing demographic groups, while the percentage of White students is shrinking. In 2018, White students comprised only 40% of all students enrolled in public K-12 education in Georgia.¹⁸

As the population changes, our education system needs to adapt to the new economy. Jobs are now requiring more skills and training, including stronger basic proficiency in math and skills such as problem solving, communication, and complex thinking. These are competencies in which historically underserved students struggle the most.

Achievement gaps in Georgia are compounded by issues of race and poverty. The outcomes of achievement gaps are clear and especially pronounced by income level, with a full 10-percentage-point difference in high school graduation rates between economically disadvantaged students and their more affluent peers. (See Table 1.1.).

Table 1.1 GEORGIA GRADUATION RATES BY SUBGROUP, 2018-2019¹⁹

All Students		82%
Income	Economically Disadvantaged	77%
	Not-Economically Disadvantaged	87%
Race	White	86%
	Black	80%
	Hispanic	76%

Commonly, student outcome gaps are examined by race or poverty. Tables typically highlight achievement differences between White students and non-White students or low-income students versus their more affluent counterparts. When taken together, the data show that not only do students of color, no matter their economic strata, face achievement gaps compared to their White counterparts with similar income levels, but gaps exist within the same racial category by income level. Figures 1.4 and 1.5 illustrate these trends. For example, 69% of White third-graders who were not economically disadvantaged scored at least proficient on the Georgia Milestones test for third-grade English/language arts, compared to 52% of Black students in the same income category. Conversely, 44% of low-income White students scored proficient on the same assessment, compared to only 23% of low-income Black students. These gaps hold true for eighth-grade math as well.²⁰

16 US Census Bureau. n.d. American Community Survey Table S1701.

17 National Center for Education Statistics. 2019. Table 204.10: Number and Percentage of Public School Students Eligible for Free or Reduced-Price Lunch, by State: Selected Years, 2000-01 through 2016-17. Retrieved from Digest of Education Statistics: https://nces.ed.gov/programs/digest/d18/tables/dt18_204.10.asp?current=yes.

18 Governor's Office of Student Achievement. 2019. Report Card. Retrieved from <https://gaawards.gosa.ga.gov/analytics/saw.dll?dashboard>.

19 Georgia Department of Education. 2019, September 18. Georgia's Graduation Rates Continue to Rise [Press release]. Retrieved from <https://www.gadoe.org/External-Affairs-and-Policy/communications/Pages/PressReleaseDetails.aspx?PressView=default&pid=709>.

20 Data provided by the Georgia Department of Education.

These differences persist through post-secondary education. Historical wealth and income inequality creates barriers to post-secondary completion for low-income and minority students. Figures 1.6 and 1.7 illustrate the six-year graduation rate for University System of Georgia (USG) institutions by income and race. There is a full 24-percentage-point gap in six-year graduation rates between Georgia's wealthiest students and its poorest. As Georgia strives to meet the 2030 workforce needs, low-income students are at a considerable disadvantage in completing a degree USG institution. A majority of students graduating from high school and entering post-secondary institutions are low-income, and less than half (46%) are graduating within six years, compared to 70% of their most affluent counterparts.

One in three students who starts a technical certificate, diploma, or degree at a Technical College System Georgia (TCSG) institution will finish that credential within 150% of normal time (e.g., three years for a two-year degree program) to completion. It is important to note that many students choose to work full-time or transfer to four-year institution before completing their credential. The completion gaps within the TCSG are not as dramatic. The completion rate for White students is 38%, compared to 30% for Black students and 34% for Hispanic students.²³

Figure 1.4 2019 THIRD-GRADE ENGLISH/LANGUAGE ARTS GEORGIA MILESTONES, PERCENT PROFICIENT AND DISTINGUISHED

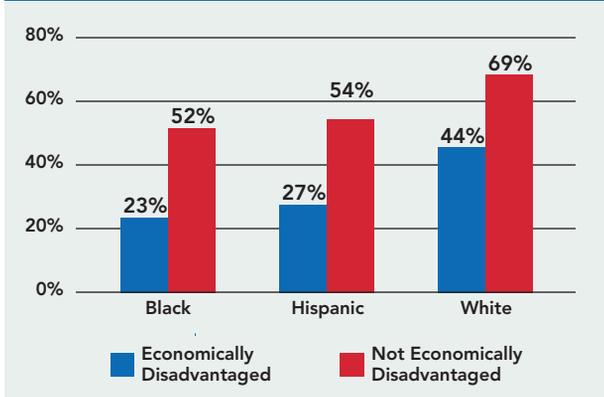


Figure 1.5 2019 EIGHTH-GRADE MATHEMATICS GEORGIA MILESTONES, PERCENT PROFICIENT AND DISTINGUISHED

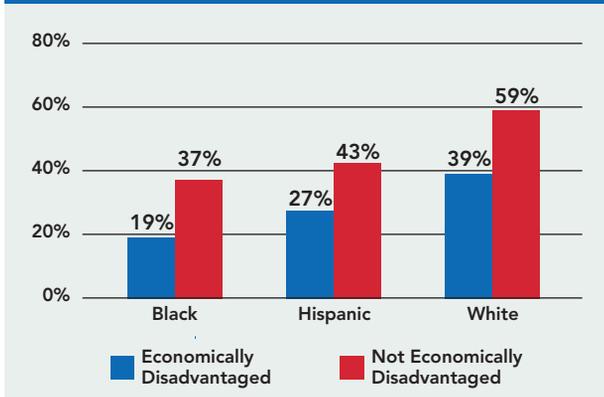


Figure 1.6 USG SIX-YEAR BACHELOR'S DEGREE RATES BY INCOME, 2012 COHORT²¹

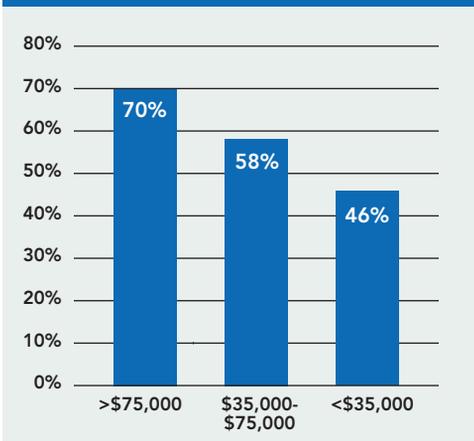
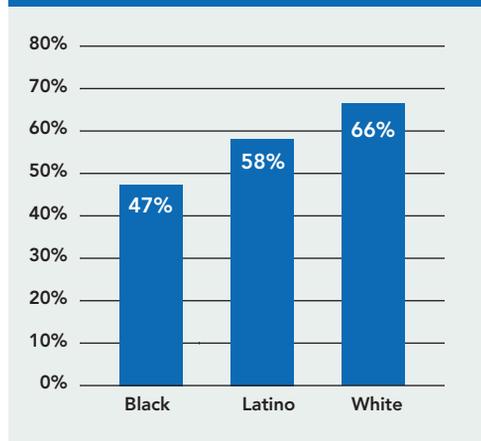


Figure 1.7 USG SIX-YEAR BACHELOR'S DEGREE RATES BY RACE, 2012 COHORT²²



21 Lee, J. 2019. 2019 Georgia Higher Education Data Book. Atlanta: Georgia Budget & Policy Institute.

22 Lee, 2019.

23 Lee, 2019.

ACTION STEPS FOR GEORGIA

The Georgia Partnership for Excellence in Education researched the policies that high-performing states, countries, and school systems share, and created a framework to ensure that those same policies that enable and accelerate strong public education are in place in Georgia. This framework, EdQuest Georgia, has seven core policy priorities:

1. **Foundations for learning**, which include supports from birth for families, schools, and communities as well as access to high-quality early learning
2. **Quality teaching** for all students, ensured by providing supports for teachers across recruitment, retention, and professional development and learning
3. **Quality leadership** within schools – such as teacher-leaders, counselors, and principals – and those outside the school building, such as district and state leaders
4. **Supportive learning environments** that promote positive conditions for learning within schools through fostering a positive school climate and social and emotional learning for students, and outside of school in the home and throughout the community
5. **Advanced instructional systems** that support high standards, personalized learning, innovation, a strong accountability system, and aligned curricula
6. **Clear pathways to post-secondary success** that support the transition from high school into post-secondary education, and ensure post-secondary education access and success
7. **Adequate and equitable funding** for all students

The seven core policy areas addressed by EdQuest each challenge education policy makers and stakeholders in different ways, and each has an impact that reaches far beyond the students in Georgia's schools. The state's workforce, crime rate, and health care system are just a few examples of areas outside of education that are deeply connected and affected by the condition of the public education system in Georgia.

If Georgia is to address the challenges of the 2030 workforce, state and local leaders must provide opportunities to increase educational attainment and skills training for all students and adults. The achievement gaps seen in Georgia are not unique to the state. In fact, these gaps exist across the country. However, the history of systematic barriers, especially in the South, that have prevented people of color from accessing quality education and employment have created and perpetuated higher poverty rates related to lower educational attainment levels and job opportunities.²⁴

Currently, factors such as class, race, and ethnicity are stronger predictors of educational success than aptitude or inherent talent. Research shows that advantaged students have safety nets to keep them on track that less advantaged students do not. Among children who start kindergarten with similar academic potential, the achievement levels of low-income students are more likely to decline and stay low throughout elementary, middle, and high school compared to their more affluent peers.²⁵

Consider the following outcomes based on income rather than aptitude:²⁶

- ▶ A child from a family in the highest quartile of socioeconomic status (SES) who has *low* test scores in kindergarten has a 71% chance of being above-median SES by age 25.
- ▶ A child from a low-SES family with *high* test scores has only a 31% chance of reaching above-median SES by age 25.

The disparity is more severe by race. Among 10th-graders who score within the top half of their 10th grade math scores, 62% of White students will earn a college degree within 10 years. This compares to only 51% of Black students and 46% of Hispanic students in the top half at the 10th grade. And, regardless of SES, Black kindergartens with math scores in the top half of their grade are more likely than other kindergartners to have bottom-half math scores as eighth-graders.²⁷

24 National Skills Coalition. 2019, September. *The Roadmap for Racial Equity*. Retrieved from https://www.nationalskillscoalition.org/resources/publications/file/Racial-Equity-Report_6x9_web.pdf.

25 Carnevale, A., M. Fasules, M. Quinn, and K.P. Campbell. 2019. *Born to Win, Schooled to Lose: Why Equally Talented Students Don't Get Equal Chances to Be All They Can Be*. Washington DC: Georgetown University Center on Education and the Workforce.

26 Carnevale et al., 2019.

27 Carnevale et al., 2019.

As previously stated, minorities comprised 46% of Georgia's population in 2015 and will make up a majority of the population by 2030.²⁸ Currently, more than 60% of students enrolled in the K-12 system live in low-income families.²⁹ With a system where success is based disproportionately on race and class, Georgia will not be able to meet its economic and workforce needs if it does not begin to address some of the structural barriers encountered by low-income and minority students.

Moreover, focusing on grade-school students alone will not be enough to close the skills gap and meet the 2030 challenge. If every graduating high school senior stayed in Georgia and trained for the open jobs, there would still be unfilled positions.³⁰ Georgia needs to invest in initiatives designed to help low-skill adult workers earn diplomas and aid all adults in staying current with technological advancements in the job market.

Considering Georgia's changing demographics, shifting workforce demands, and the current educational attainment of the population, the question remains for state leaders: Will there be enough skilled workers to fill those jobs?³¹ Without a coordinated plan across all education agencies (early learning through post-secondary) and workforce development entities, decades of poverty, undereducation, and a long dependence on low-skilled jobs will hinder the state's ability to meet the challenges of economic globalization and advancing technology.

The EdQuest Georgia research found that top-performing school systems make explicit decisions to ensure all students are educated to the high standards set by the state and all schools have the resources to do so across the entire birth-to-work pipeline from early learning through post-secondary access and completion.³² Georgia needs to focus on the same equitable access across the birth-to-work pipeline to close the skills gap and meet the workforce goals for 2030.

28 Estimates provided by the Atlanta Regional Commission, *The Regional Plan Forecast*. Series 15.

29 GOSA, 2019, Report Card.

30 National Skills Coalition, 2018, June, *Building a Skilled Workforce*.

31 National Skills Coalition, 2016, *Georgia's Forgotten Middle*.

32 Georgia Partnership for Excellence in Education. 2017, November. *EdQuest Georgia: Charting Educational Reform*, 2017 Baseline Report. Retrieved from EdQuest Georgia: www.EdQuestGa.org