Northwest Indiana Workforce Profile

Prepared by:

Corporation for a Skilled Workforce

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Profile of Northwest Indiana's Workforce

Introduction

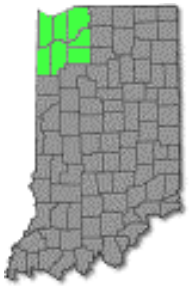
The Center of Workforce Innovations (CWI) is a nonprofit board comprised of community leaders who are dedicated to addressing workforce development issues in Northwest Indiana. Although Northwest Indiana has enjoyed a low unemployment rate over the past few years, not everyone has benefited from the general economic prosperity and there are many developing challenges facing employers and workers. A variety of studies and forums over time have suggested that the region is experiencing:

- Increased immigration, with an influx of new languages and cultures;
- Lower education and skill attainment than is needed for the current and future workplace;
- Declining high-wage manufacturing jobs;
- Insufficient intermediary systems to connect qualified workers to jobs, and to connect students to careers.

CWI commissioned this Profile of Northwest Indiana's Workforce Report to replace anecdotes with data, consolidate information collected through other projects, and document the status of Northwest Indiana's workforce supply, workforce demand, emerging workforce, and workforce preparation system. Although CWI's purview covers Jasper, Newton, Starke, Pulaski, LaPorte, and Porter Counties, Lake County data is also included due to the significant impact Lake County employment and employees have for workers and employers in six surrounding counties. The Indiana Department of Workforce Development considers the seven counties together to represent a single labor market area due to commuting patterns and other relationships.

The report serves two purposes. First, it suggests conditions we may expect in the future if current trends continue. Secondly, it allows the public to review the data, contribute to analysis of the information, and provide input for priorities and strategies to change undesirable trends.

This profile of Northwest Indiana's Workforce Report is the first phase of a strategic planning process that will engage the region's residents in charting a path to workforce excellence. CWI will act as a convener and facilitator to develop an overall regional strategic plan that recognizes unique local needs while also recognizing how education, workforce, and economic issues in one community impact all others in the region.



Summary Northwest Indiana

Workforce Supply

Is the population of Northwest Indiana changing?

- The population is growing at widely different rates among the counties.
- Demographics (race/ethnicity) are changing gradually.
- The regional population is aging faster than the rest of the state.

What kind of labor supply do we have?

- Every county in the region has lower labor force participation than the state average.
- The region suffered a 3.8% loss in the size of the labor force since 1995.
- Job seekers who use the public one-stop system are primarily unemployed (68-80%), and primarily only high school graduates (69-78%), but are consistent with the overall adult educational attainment rate.
- More workers commute *out* of every county in the region than commute *in.* The region overall is an exporter of workers. Eleven percent of the workforce works in Illinois.
- The average literacy level of the region is lower than for the rest of the state.
- The percentage of adults over age 25 with high school and college degrees are below the state and national averages.
- Per capita income is lower than the state average for all but one county. The difference in educational attainment mirrors income levels.
- Four of the seven counties in the region have a larger percent of the population in poverty than the state average.

Workforce Demand

What Skills Do Employers Need?

- Top skills in demand include working as a team member, applying good listening skills, managing time effectively, following detailed instructions, meeting deadlines, and prioritizing tasks. These demands demonstrate that skill requirements have gone beyond a "strong back and good work ethic."

What kind of jobs do we have and how are they changing?

- High wages in the region are due mostly to high paying manufacturing jobs, but manufacturing jobs are declining.
- The Indiana Department of Workforce Development lists retail salespersons as the region's fastest growing occupation, and service occupations as the area with the largest number of projected job openings between 1996-2006.
- 57% of the region's jobs pay median wages under $10.50 per hour.
- 34% of the region's jobs pay between $10.50 – 20.50 (mid-range). 81% of these mid-wage jobs require less than a 4 year degree. 62% require only on-the-job skills beyond high school.
- The steel industry has the most economic impact on the region and it is in trouble. The Indiana Department of Workforce Development projects a decline of nearly 10,000 jobs in primary metals by 2006.
- Most firms in the region provide little structured workforce training.

In summary – Northwest Indiana's jobs tend to be growing in the service sector, declining in manufacturing, are primarily blue collar and middle-paying, and tend to provide workers with little structured training.

The Emerging Workforce

What does the future labor pool look like?

- The percentage of youth in the region aspiring to any kind of higher education is lower than the state average.
- Of the 129 occupations projected to have an under-supply of labor in Indiana in the year 2005, only 29 require a bachelor's degree, but 82 require the specialized training taught at two-year career colleges. The region's youth who *are* aspiring to higher education are more likely to aspire to a bachelor's degree than are students in the rest of the state. That is, their aspirations are inconsistent with employment projections.

- Youth from the region who attend Indiana colleges drop out at a higher rate than the state average.
- Enrollment in vocational education at the secondary level is generally lower than the state average despite the lower than average number of students aspiring to any education beyond high school.
- Postsecondary enrollment/graduation ratios are low. There are fewer graduates than would be anticipated from the number of enrollments. Enrollment patterns are not consistent with the projected needs of the labor force.
- Postsecondary enrollments are dominated by business and education. These areas of study also have the lowest graduation rates of any programs.
- Associate degrees and certificates are dominated by technical fields.
- Enrollments may not be consistent with occupational/industry projections.

The Workforce Preparation System

What resources are available to develop workforce educational attainment and skills?

- The One-Stop system serves a narrow part of the market. The one-stop system fills less than half its job openings; primarily handles manufacturing and service openings; primarily takes job orders and makes placements *below* the level of mid-range jobs (mid-range defined as $10.50-20.50 per hour).
- There are very few programs on the "eligible training provider list" for WIA-funded training. Participants have few choices.

What assets do we have to develop a better prepared workforce?

- Federal resources have limitations.
- Assets are difficult to fully identify. More work is needed to fully document the assets available in the community.
- There are gaps in our ability to meet workforce development requirements for the kind of future we want to see.
- There are several groups working on these issues. Their focus and attention are assets to building Northwest Indiana's workforce and economy.

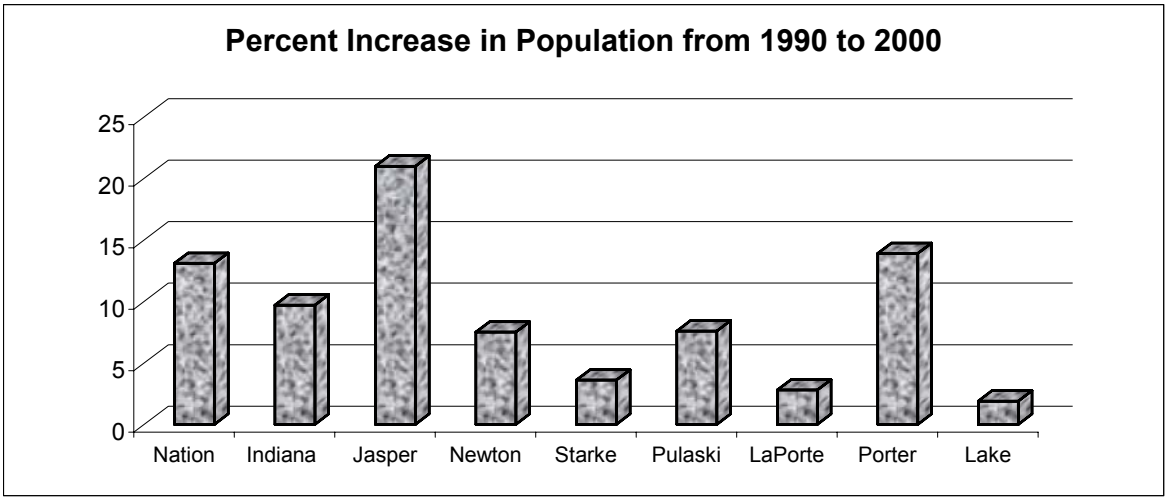
Workforce Supply

Is the Population of Northwest Indiana Changing?

Information regarding workforce supply in the region is critical as a focus for the efforts of the Northwest Indiana communities. The Workforce Investment Board has attempted to portray the labor force in terms of education, wage level, and demographics based on existing data. We are also interested in understanding how workers think about skills, jobs, and their economic future. While this section characterizes workforce supply in the region, the boards will continue to gather information about characteristics of the labor market area that affect the ability to develop a skilled workforce.

The Population is Growing at Widely Different Rates Among the Counties

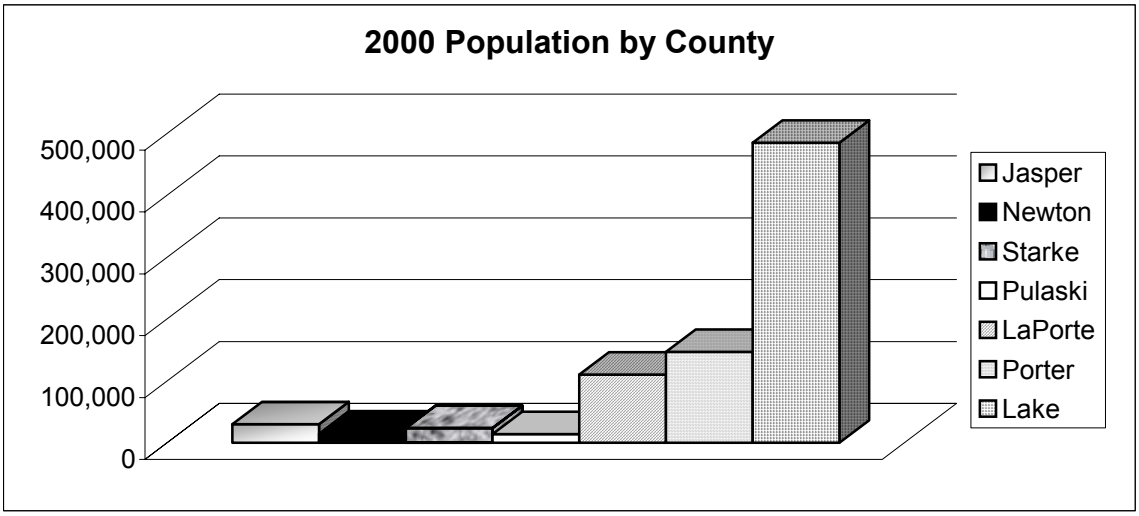
The characteristics of a region's population figure greatly into companies' location and expansion decisions.



Source: US Census/Indiana Business Research Center

Between 1990 and 2000, the nation grew at a rate of 13.1%. Indiana grew more slowly, at 9.7%. The counties in Northwest Indiana varied greatly in comparison. Porter surpasses both state and national rates of growth. Jasper greatly exceeded both national and state growth. The remaining counties, however, reflect sluggish growth, at only 7.5% for Newton, 7.6% for Pulaski, 3.6% for Starke, 2.8% for LaPorte, and 1.9% for Lake.

Although Lake County's growth is the slowest in the region, it continues to have the largest population and largest source of workers. Because of Lake's dominance in population and workforce numbers in this labor market, its fortunes will necessarily affect the fortunes of the surrounding counties.



Source: U.S. Census

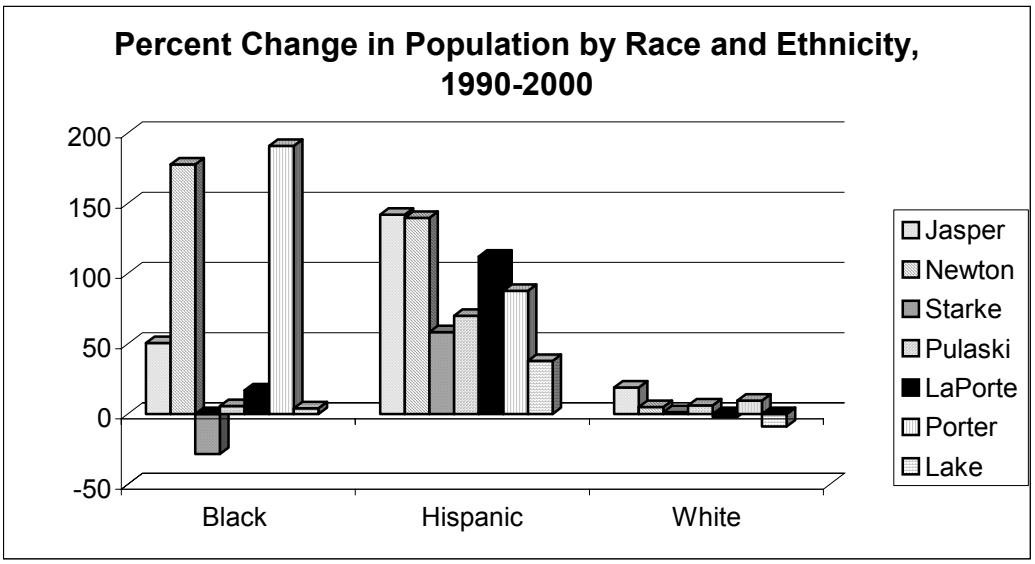
Demographics are Changing Gradually, but Hispanic Population is Growing Fast

Statistics from the Indiana Business Research Center reveal that the composition of the population is changing very gradually. The vast majority of the population in the region continues to be white. Lake County has traditionally had the largest percentage of minorities, and its percentage of minorities is growing at a faster rate than the rest of the region. However, the percentage of black population in Lake has risen only slightly. The rise in the percentage of minorities is due substantially to an increase of over 20,000 Hispanic individuals since 1990. This is consistent with national projections that by the year 2010, Hispanics are likely to become the largest minority group. Note: percentages are shown only for the largest population segments. The figures do not add up to 100% because of other, smaller population groups.

County	% Population 1990	% Population, 2000
Jasper		
White	98.0	98.0
Black	0.3	0.3
Hispanic	1.2	2.4
Newton		
White	98.0	97.3
Black	0.1	0.2
Hispanic	1.3	2.9
Starke		
White	98.0	97.5
Black	0.3	0.2
Hispanic	1.6	2.2
Pulaski		
White	98.0	97.5
Black	0.9	0.9
Hispanic	0.9	1.4
LaPorte		
White	89.0	86.3
Black	8.8	10.1
Hispanic	1.5	3.1
Porter		
White	96.0	95.3
Black	0.3	0.9
Hispanic	2.9	4.8
Lake		
White	68.0	66.7
Black	23.0	25.3
Hispanic	9.0	12.2

The percentage changes may seem slight, but the numbers may reveal an important workforce issue. The small increases in the Hispanic population in the rural counties surrounding Lake reflect a numerical increase of 6,314 individuals. With Lake included, the region as a whole has had an influx of 22,304 individuals since 1990 who may have significant language and cultural barriers that must be overcome before they can reach their workforce potential. What we don't know is how many languages are spoken

besides Spanish, what percent of those persons are bilingual in English, and whether their proficiency is sufficient to hold a good job.



Source: U.S. Census/Stats Indiana

The chart above shows the percentage by which various racial/ethnic groups have grown from 1990-2000. The graph for individuals who classify themselves as black may be somewhat misleading because the numbers outside Lake County are so small to begin with. For example, the 177.8% increase in the black population of Newton County reflects an increase from 9 individuals in 1990 to 25 in 2000. What the chart does reveal is that relatively speaking, minorities are increasing at a much faster rate than the white population. At a public forum, one individual commented that racism is an issue in the region that has economic impacts. The region needs to be sensitive to ethnic and cultural issues as its population continues to change.

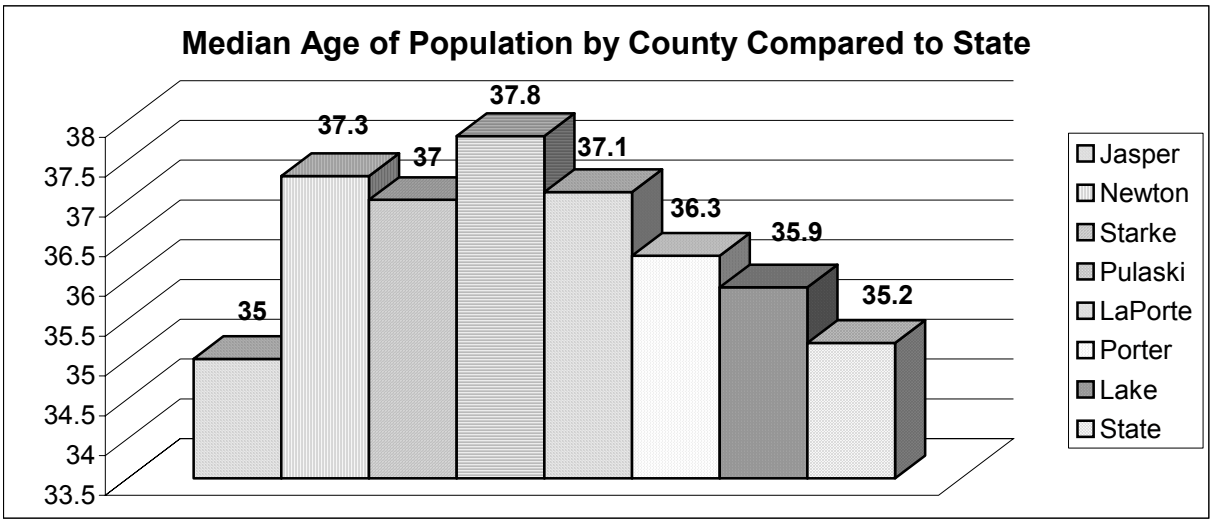
> Northwest Indiana's population is aging, growing slowly, and becoming more ethnically diverse. Employers will need to accommodate different values and cultures in the workplace to be successful.

The Regional Population is Aging Faster than the Rest of the State

Indiana Business Research Center data shows varying rates of an aging population among the counties. The state as a whole has been relatively steady between 1990 and 2000, with only a slight decrease from 12.5% to 12.4% of the population aged 65 or older. Children age 0-17 (the future workforce) has the same percent of the total population at 25.9% of the population, but the figure represents a combination of a slight *increase* in the percentage of 5-17 year olds (from 18.7% in 1990 to 18.9% in 2000) and a two-tenths of percent *decrease* in 0-4 year olds, from 7.2 percent of the population in 1990 to 7.0% in 2000. In other words, our population growth rate is slowing. Around the Northwest region, there are variations in these rates:

County		0-4 Year Olds as a % of the Total Population	65+ Year Olds as % of the Total Population
Jasper	1990	7.2%	12.3%
	2000	6.9%	12.4%
Newton	1990	7.1%	13.4%
	2000	6.2%	12.8%
Starke	1990	7.4%	14.4%
	2000	6.5%	13.9%
Pulaski	1990	7.6%	15.3%
	2000	6.1%	15.4%
LaPorte	1990	6.7%	13.1%
	2000	6.5%	13.5%
Porter	1990	6.8%	9.9%
	2000	6.5%	10.9%
Lake	1990	7.2%	12.3%
	2000	7.1%	13.0%
Regional Average	1990	7.0%	11.9%
	2000	6.9%	12.8%
State Average	1990	7.2%	12.5%
	2000	7.0%	12.4%

A picture of the *median* age of each county's population shows that all the counties except Jasper have a higher median age than the state as a whole. The median age means half the population is above that age, and half are below. Pulaski has the highest percentage of individuals aged 65 and older, and the lowest percentage of young children 0-4. This pushes its median age to the highest in the region. Its tendency will be to age faster than the other counties.



Source: US Census Bureau; Indiana Business Research Center

In summary, the population of the Northwest region has been growing at a slower rate over the past decade just like the state as whole, but at an even slower rate than the state average. And, although the regional percentage of the population age 65 and older was less than the state average in 1990, it is now greater than the state average. There are variations among the counties, but the picture is generally one of a slowly growing and aging population. For an area that already has low unemployment, it is clear that the options for growth in the labor force will need to include:

- Increased migration into the area;
- Ensuring that all youth are prepared to reach their greatest potential;
- Tapping into traditionally underutilized populations (e.g., the disabled); and
- Encouraging greater workforce participation. As shown in the next section, the entire region falls below the state in workforce participation.

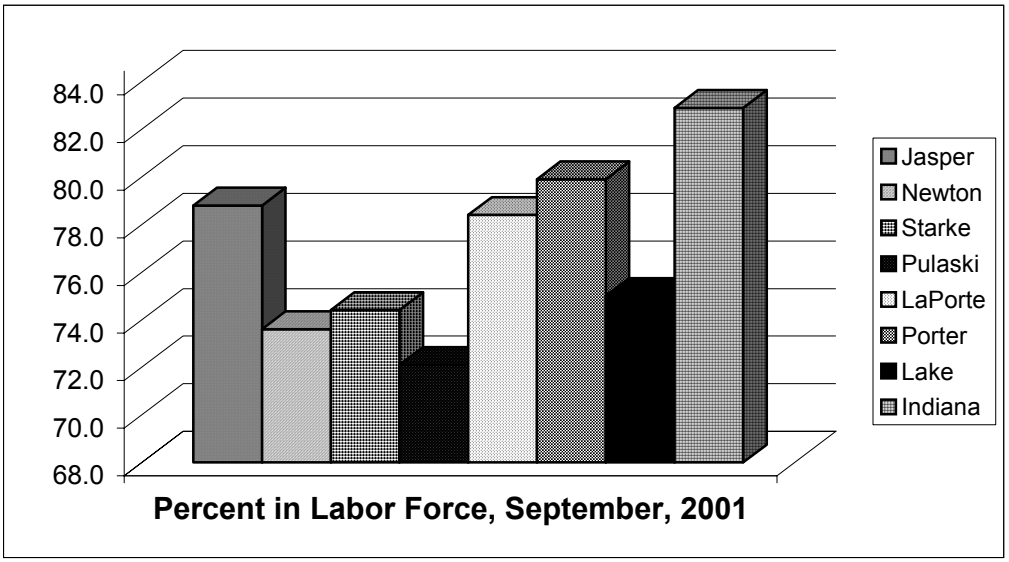
The most recent data concerning work-disabled individuals is from the 1990 census. We anticipate that when the 2000 census data becomes available at this level of detail, the numbers will be larger. Recent federal initiatives such as the Ticket to Work program may help to encourage some of these individuals to attempt returning to the work place. Incorporating immigrants and individuals with disabilities into our workplaces has implications for cultural and physical accommodations, training, and personnel policies.

County	Number of Work-Disabled Age 18-64, 1990 Census
Jasper	963
Newton	734
Starke	1,504
Pulaski	686
LaPorte	5,020
Porter	5,810
Lake	26,532

What Kind of Labor Supply Do We Have?

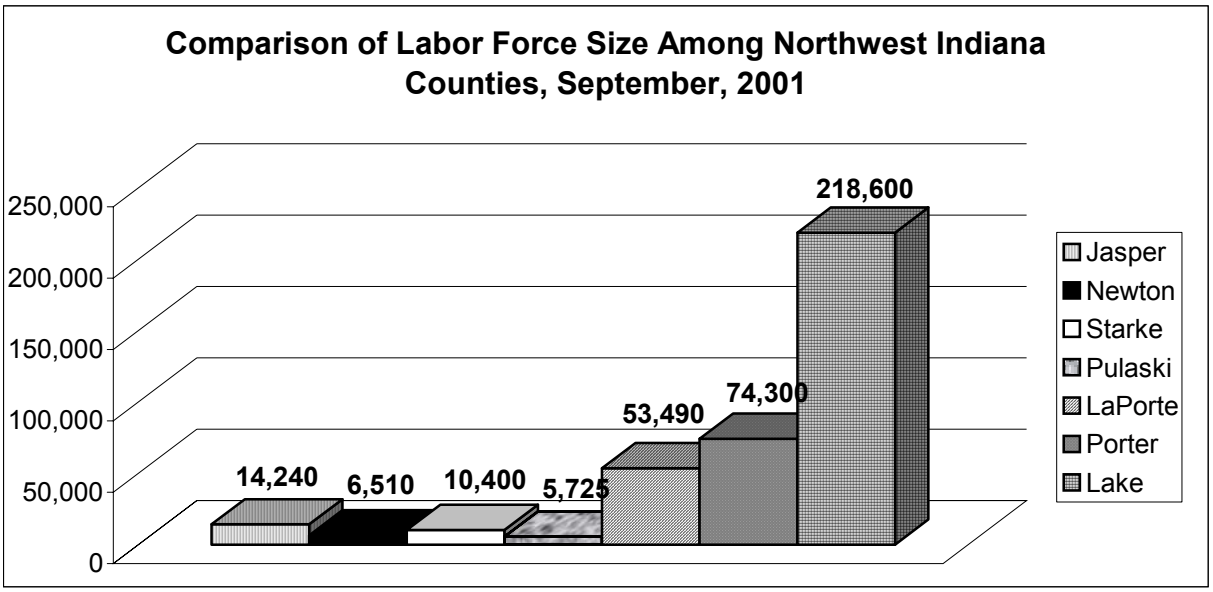
Labor Force Participation is Lower than the State Average

The labor force is defined as all persons 16 years of age or over within a specific geographic area who are either employed or unemployed. Total Labor Force includes the civilian labor force and members of the Armed Forces stationed either in the United States or abroad, counted by their place of residence. Civilian Labor Force comprises the total of all civilians in the labor force. For statistical purposes, the labor force is the sum of persons employed and persons unemployed and looking for work. Numerically speaking, Lake has the largest potential source of additional workers. Only 75% of its very large population aged 18-64 is in the labor force as of September, 2001. Pulaski at 72.1% has a greater percentage of labor force *potential* than Porter, in which 79.9% of the population is in the workforce. Pulaski also has the largest percentage of population over age 65.



Source: US Census; Indiana Department of Workforce Development

Every single county in the region has lower labor force participation than the state average. Labor force sizes show that encouraging a larger percentage of Pulaski County's population into the labor force will not produce very many more workers. But raising Lake County by even a small percentage would represent a significant number of people. Different rates of labor force participation can be attributable to economic/cyclical, population mix, or cultural reasons. On the economic side, high wages tend to draw people into the labor market and low wages have the opposite effect. From a population perspective, areas with an older population and/or with a large number of women of child-bearing age may have lower labor force participation. Cultural issues are mostly about the attitudes and traditions regarding the participation of women. Extremely low rates reflect potential capacity.



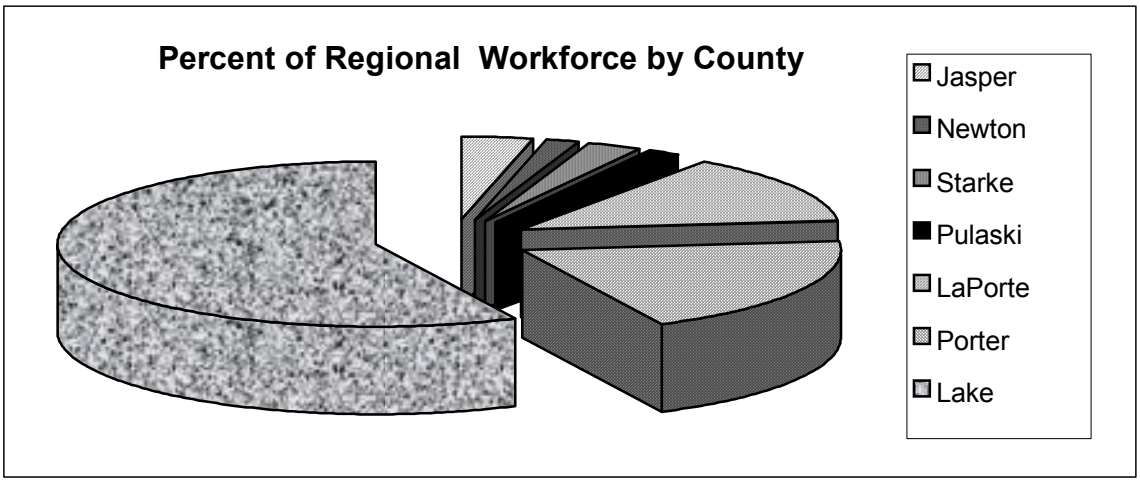
The table below provides the 2000 population census numbers, September, 2001labor force size, and percentage in the labor force for each county.

County	Population, 2000	Labor Force, Sept. 2001	Percent
Jasper	30,043	14,240	47.4%
Newton	14,566	6,510	44.7%
Starke	23,556	10,400	44.1%
Pulaski	13,755	5,725	41.6%
LaPorte	110,106	53,490	48.6%
Porter	146,798	74,300	50.6%
Lake	484,564	218,600	45.1%
Indiana	6,080,485	3,111,500	51.2%

The table and pie chart below show the percent to which each county contributes to the overall size of the regional labor force. It is obvious that Lake drives the regional standard of living to no small degree, since it provides over half of the workforce. Lake, Porter, and LaPorte together provide a full 90.4% of the region's labor!

County	Labor Force	Percentage of Regional Labor Force, September, 2001
Jasper	14,240	3.7%
Newton	6,510	1.7%
Starke	10,400	2.7%
Pulaski	5,725	1.5%
LaPorte	53,490	14.0%
Porter	74,300	19.4%
Lake	218,600	57.3%

Source: Indiana Department of Workforce Development



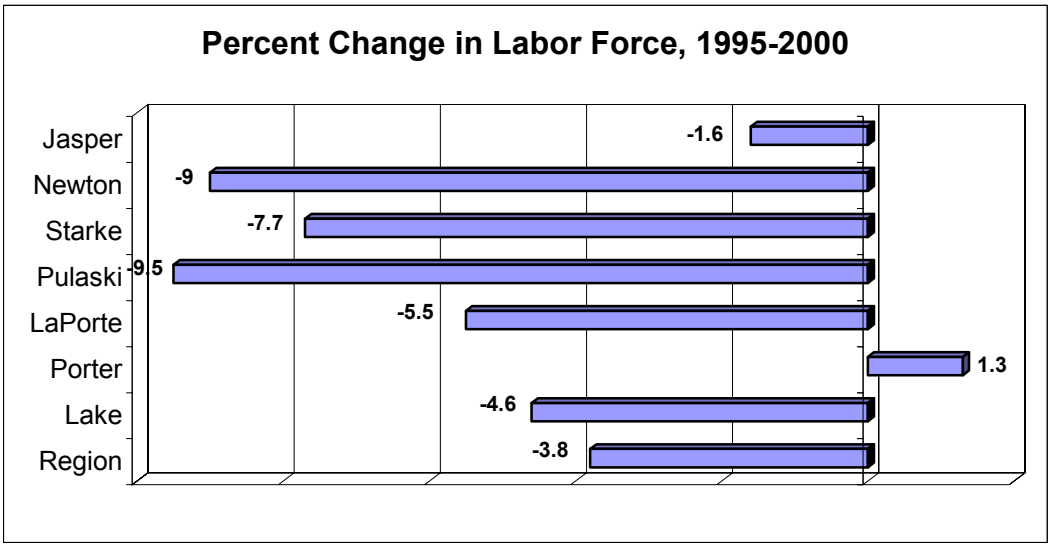
Source: Indiana Department of Workforce Development

The Region Had a Reduction in Size of Labor Force, 1995-2000

The region as a whole suffered a 3.8% loss in the size of the labor force between 1995 and 2000, declining from an average of 398,300 for the year 1995, to an average of 383,150 for the year 2000. In September of 2001 the number in the labor force was actually slightly above the 2000 average, at 383,265. Pulaski County experienced the largest percentage change in labor force size, declining by 9.5% over that period. The only real gainer was Porter County, which increased its labor force by 1.3%.

County		Average Annual Labor Force	Percent Change, 1995-00	Employed (Annual Average, 2000)	Unemployed (Annual Average 2000)	Unemployment Rate (Annual Ave, 2000)
Jasper	1995	14,530	-1.6%	13,640	890	6.1%
	2000	14,300		13,710	590	4.1%
Newton	1995	6,920	-9%	6,545	375	5.4%
	2000	6,300		6,070	230	3.7%
Starke	1995	11,490	-7.7%	10,760	730	6.3%
	2000	10,600		9,930	670	6.3%
Pulaski	1995	6,340	-9.5%	6,015	325	5.1%
	2000	5,740		5,345	395	6.8%
LaPorte	1995	56,000	-5.5%	52,890	3,110	5.6%
	2000	52,910		50,900	2,010	3.8%
Porter	1995	73,250	+1.3%	69,780	3,470	4.7%
	2000	74,210		71,800	2,410	3.2%
Lake	1995	229,760	-4.6%	213,820	15,940	6.9%
	2000	219,090		208,910	10,180	4.6%
Region	1995	398,300	-3.8%	373,470	24,830	6.2%
	2000	383,150		366,665	16,485	4.3%

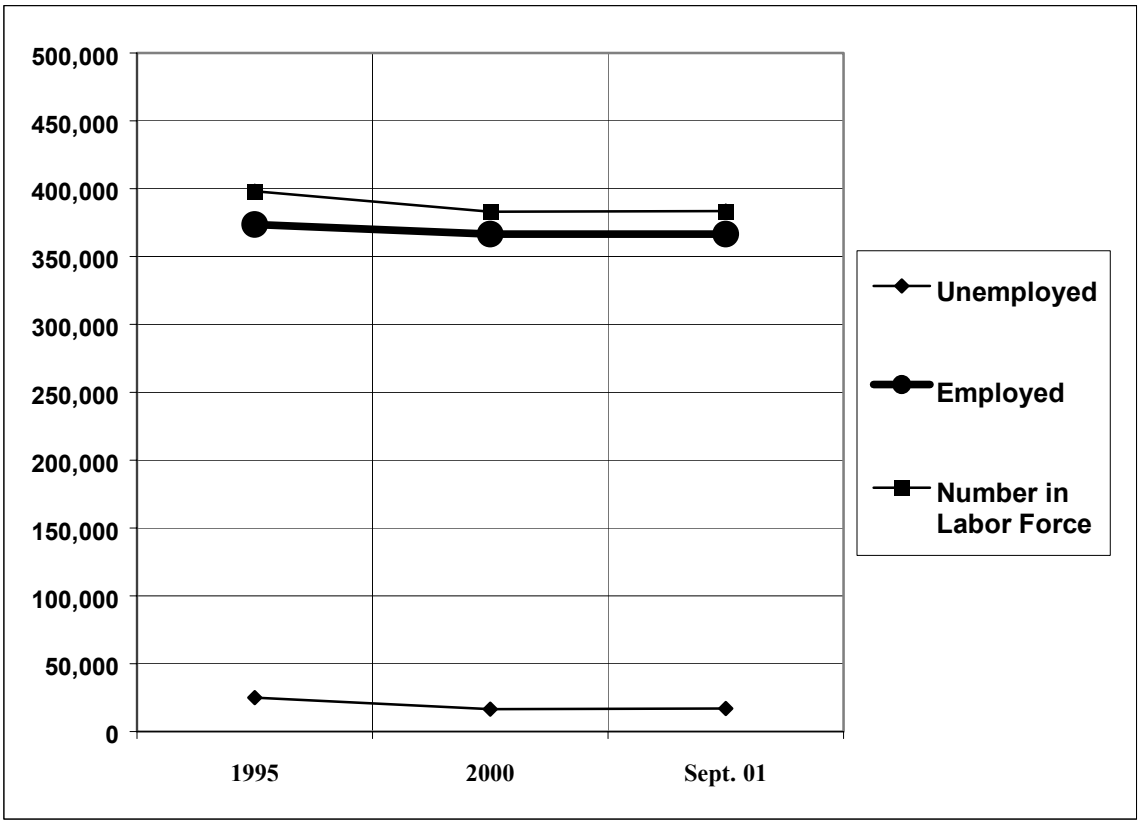
Source: Indiana Department of Workforce Development



As indicated above, the labor force is a combination of employed and unemployed who are looking for work. If we look at just the number of employed individuals, there was a decrease between 1995 and 2000. The number of employed in the 7 counties dropped from 373,430 in 1995 to 366,665 for the annual average in 2000. The number of unemployed dropped from an average of 24,830 in 1995 to 16,485 in 2000 (but rose to 17,045 in September, 2001). Corresponding regional unemployment rates are 6.2% in 1995, 4.3% in 2000, and 4.4% for September, 2001.

The figure below depicts these statistics graphically, showing the drop in the size of the labor force, decrease in the number of employed, and decrease in unemployed. Recent economic impacts have yet to be reflected in the numbers.

> The region has a declining labor force while the number of employed individuals is growing. The implication is an ever tightening labor market.



Source: Indiana Department of Workforce Development

The Job Seeker Applicant Pool is Consistent with the Overall Workforce

Individuals in the Applicant Pool of the Indiana Department of Workforce Development labor exchange system looked like this for the seven county Northwest Region as of April 23, 2001:

Job Title	Applicants in Region 1	Percent of Total Applicants	Statewide Percentages
Production Laborers	4,560	16.9%	17.8%
Assemblers (Factory Work)	3,270	12.1%	12.9%
Forklift/Industrial Truck Operators	2,494	9.2%	7.5%
Hand Packers and Packagers	1,559	5.8%	7.5%
Stock Clerks: Stockroom/Warehouse	1,439	5.3%	5.0%
General Office Clerks	1,419	5.2%	4.7%
Cashiers, General	1,290	4.8%	4.5%
All other Machine Operators	1,212	4.5%	4.0%
Production Helpers	1,125	4.2%	3.8%
Receptionists/ Information Clerks	1,012	3.8%	3.5%
Shipping and Receiving Clerks	1,006	3.7%	3.4%
File Clerks	899	3.3%	3.4%
All Other Hand Workers	825	3.1%	3.0%
Janitors and Cleaners	800	3.0%	3.0%
Welders and Cutters	730	2.7%	2.9%
Production Inspectors, Testers, Graders	690	2.6%	2.8%
Machine Feeders and Offbearers	684	2.5%	2.7%
Data Entry Keyers/ Except Composing	679	2.5%	2.7%
Administrative Assistants	651	2.4%	2.5%
Other Hand Material Movers	641	2.4%	2.5%
TOTAL	**26,985**		

Job seekers in Northwest Indiana are looking for much the same kind of work as in the rest of the state. These numbers are updated weekly so absolute numbers and percentages may change slightly, but the above are highly representative of the job seekers pool in the Customer Self Service System (CS3). It should be kept in mind that many job seekers do not utilize the state's labor exchange system, so the numbers may not be representative of job seekers as a whole.

The table below outlines the average and median wages being sought by job seekers registered in CS3 as of April 23, 2001:

County	Average Annual Wage Demand	Median Annual Wage Demand
Jasper	$23,493	$19,760
Newton	$24,369	$18,720
Starke	$21,429	$20,800
Pulaski	$35,846	$20,800
LaPorte	$21,589	$18,720
Porter	$24,984	$20,800
Lake	$24,964	$18,720

The chart below summarizes the total number of applications by office for the first three quarters of Program Year 2000 (July 1, 2000 – March 31, 2001):

	LaPorte	Portage	Renns.	Knox	Winimac	Hammond	Gary
Total	11,540	9,837	729	905	208	14,247	18,905
% Emp.	23%	31%	26%	23%	32%	23%	20%
% Unemp.	77%	69%	74%	77%	68%	77%	80%
% In School	7%	8%	4%	5%	9%	8%	10%
% Less than HS	11%	6%	15%	9%	13%	10%	9%
% HS	72%	77%	75%	78%	69%	75%	76%
% Post Sec Deg/Cert	16%	15%	9%	13%	16%	14%	13%

The chart suggests that individuals who use the public one-stop system:

- Are primarily unemployed (68-80%)
- Are primarily only high school graduates (69-78%)
- Are consistent with the educational levels of the workforce overall. E.g., in LaPorte County, about 74% of adults over age 25 have a high school diploma, and about 12% have a bachelor's degree or higher. About 72% of the applicants at the LaPorte office have high school diplomas, and about 16% have postsecondary degrees.

The Northwest Indiana region, like the rest of Indiana, has a labor force that is less concentrated in higher-paying white collar occupations where national job growth has been strongest since 1989. Indiana's labor force is more concentrated in middle-paying, skilled and semi-skilled occupations that have ranked last nationwide in job growth in the 1990's (Indiana Fiscal Policy Institute).

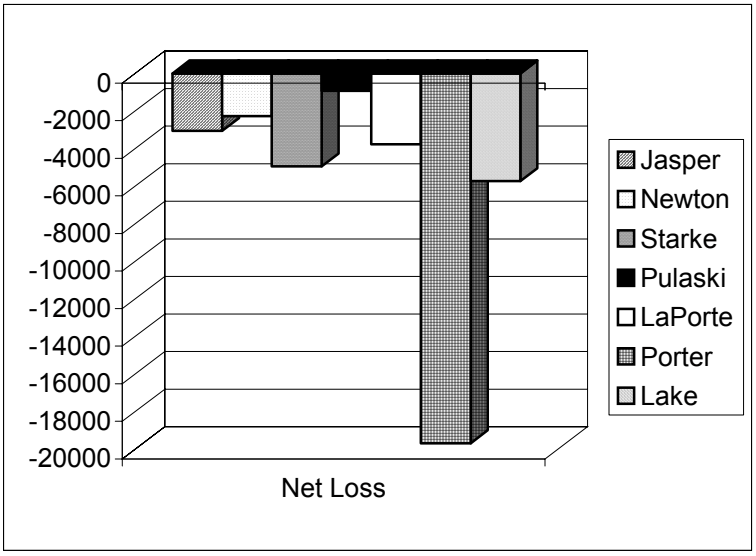
The Region is an Exporter of Workers

The Northwest region is an exporter of workers. Although there is considerable commuting among the counties themselves, a large number of workers leave the region everyday to go to work.

County	Number and Percent Commuting OUT	Largest County Commuted TO	Number and Percent Commuting IN	Largest County Commuted FROM
Jasper Net loss: 3,057	5,634 (28.3%)	Lake 2,701 (13.6%)	2,577 (15.3%)	Newton 693 (4.1%)
Newton Net loss: 1,264	3,617 (37.9%)	Lake 1,686 (17.6%)	1,353 (18.6%)	Illinois 523 (7.2%)
Starke Net loss: 4,948	5,722 (38.5%)	Marshall 1,737 (11.7%)	774 (7.8%)	Pulaski 222 (2.2%)
Pulaski Net Loss: 986	1,933 (21.3%)	White 297 (3.3%)	1,007 (12.4%)	Starke 272 (3.3%)
LaPorte Net loss: 3,865	11,412 (16.4%)	Porter 4,602 (6.6%)	7,547 (11.5%)	Porter 3,249 (4.9%)
Porter Net Loss: 12,676	32,480 (33.4%)	Lake 21,453 (22.1%)	12,804 (16.5%)	Lake 5,045 (6.5%)
Lake Net loss: 5,730	47,299 (16.3%)	Illinois 33,674 (11.6%)	41,569 (14.6%)	Porter 21,453 (7.6%)

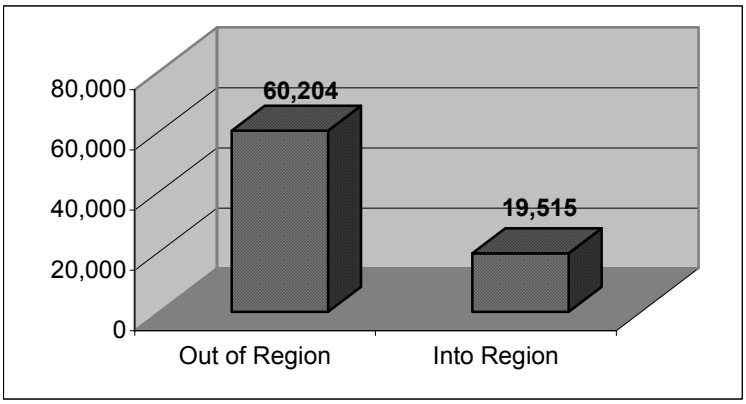
Source: Indiana Department of Revenue

The chart below dramatically depicts the net loss (1999 data). Every county is below the zero line, with Porter sending almost a quarter of its workforce to Lake County everyday. Interestingly, the largest number of workers commuting into Porter are also from Lake, although far below the number that commute out.



The above chart shows the net loss from each county regardless of where the workers are commuting to. We need to look at whether the counties to which workers are going

are within the region, or outside of it. Data from the Indiana Department of Revenue provides number of workers commuting to each county and to other states. A total of 60,204 workers work outside the *region*. Department of Workforce Development figures for September, 2001 showed that a total of 366,220 individuals living in the seven counties were employed. If 60,204 of them were working outside the region, that computes to about 16% of the entire workforce employed other than in Northwest Indiana. By comparison, only 19,515 workers who live outside of the region report their county of work to be in Northwest Indiana.



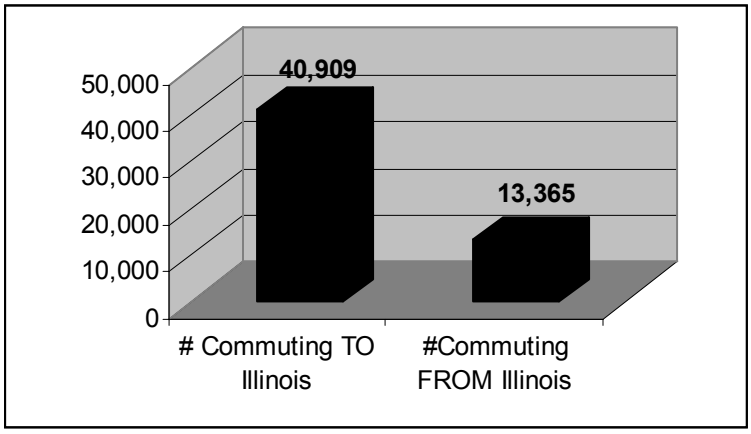
Comments from public forums:

- "Can we determine what *knowledge* is leaving the region, not just how many workers?"
- "After graduation, are there jobs located in this area that they [students] want to go to? What are the jobs available that the graduates either commute to or move away to acquire? This is very important to know for the economic development of the area."
- "Should there be abatements for students to keep them in the area? What is the 'quality of life' in Northwest Indiana?

Commuting to and from Illinois

Most of the commuting both out of and into the region involves the state of Illinois. Of those who work outside the region, 68% of them report Illinois as their place of work. Of those who commute into the region, 68% report Illinois as their state of residence. Eleven percent (11%) of the entire workforce in Northwest Indiana works in Illinois.

County	# Commuting TO Illinois	# Commuting FROM Illinois
Jasper	655	132
Starke	190	16
Newton	641	523
Pulaski	23	8
LaPorte	638	236
Porter	5,088	632
Lake	33,674	11,818
Total	40,909	13,365



Educational Attainment of the Labor Force is Lower than the State Average

Literacy levels for American adults were measure for the 1992 National Adult Literacy Survey (NALS). NALS classified the results into five levels that are now commonly used to describe adults' literacy skills. Almost all adults in Level 1 can read a little but not well enough to fill out an application, read a food label, or read a simple story to a child. Adults in Level 2 usually can perform more complex tasks such as comparing, contrasting, or integrating pieces of information but usually not higher-level reading and problem-solving skills. Adults in levels 3-5 usually can perform the same types of complex tasks on increasingly lengthy and dense texts and documents. Mean literacy levels, as synthesized from the 1992 National Adult Literacy Survey (NALS) and census data are shown below. Compared to the state as a whole, two counties in the region score above the state average, one scores the same, and four counties score below the state average. All the averages fall below 3.0, indicating there may be a workforce issue associated with the ability to perform complex tasks required for higher-level jobs.

County	Literacy Level
Jasper	2.80
Newton	2.77
Starke	2.64
Pulaski	2.74
LaPorte	2.74
Porter	2.92
Lake	2.65
Indiana	2.77

Prose literacy tasks at Level 3 require the reader to match literal or synonymous information in the text with that requested by the task; integrate multiple pieces of information or generate a response based on information that can be easily identified in the text, when the text is dense or lengthy or contains no headings or other organizational aids; when distracting information is present, but is not located near the correct information; or when low-level inferences are needed.

Document literacy tasks at Level 3 require the reader to cycle through the information, integrate multiple pieces of information from one or more documents, or generate new information by entering requested information in the proper place, when complex tables or graphs contain irrelevant information; or when the match requires inferences.

Quantitative literacy tasks at Level 3 require the reader to locate numbers by matching the needed information with that given, infer the necessary arithmetic operation, or perform arithmetic operations on two or more numbers or solve a problem, when the numbers must be located in the text or document; or when the operation(s) needed can be determined from the arithmetic-relation terms used in the question.

The National Governor's Association established Level 3 as the standard for being considered fully literate in today's world. Examples of Level 3 tasks include planning

travel arrangements for a meeting using a flight schedule, writing a brief letter explaining an error made on a credit card bill, and identifying information on a bar graph that depicts sources of energy and years of production (*Massachusetts Institute for a New Commonwealth*).

Our society is growing more technologically advanced. There is a greater need for all individuals to become more literate and for a larger proportion to develop advanced skills. Growing numbers of individuals are expected to be able to attend to multiple features of information in lengthy and sometimes complex displays, to compare and contrast information, to integrate information from various parts of a text or document, to generate ideas and information based on what they read, and to apply arithmetic operations sequentially to solve a problem.

The chart below compares the educational attainment of adults over age 25 in the region to the state and nation in terms of the percentage possessing a high school diploma or higher, and a bachelor's degree or higher. Indiana falls far short of the nation in educational attainment – and all the counties in the region with the exception of Porter fall below the state percentages. Despite the fact that Porter surpasses the state averages, it is still below the national averages.

County	High School or higher	BA or higher
Jasper	75.5	10.8
Newton	72.4	8.1
Starke	59.9	6.0
Pulaski	71.9	8.9
LaPorte	73.9	11.7
Porter	82.4	18.5
Lake	73.5	12.8
State	75.6	15.6
USA	84.0	26.0

Source: 1990 US Census

The US Census Bureau conducted a survey of 3,000 managers and owners of businesses with more than 20 employees for the National Center on the Educational Quality of the Workforce at the University of Pennsylvania. The researchers found that a 10 percent increase in the average educational attainment of the workers, equivalent to about one grade level, is associated with an 8.6 percent rise in productivity.

> Low levels of educational attainment and literacy among the region's population signify a need to both improve attainment levels as well as to invest in the current workforce to keep the region competitive.

Currently, only 16.8% of Indiana's jobs require a bachelor's degree or higher, compared with 20.7% of all US jobs. The state's educational achievement rate is fairly consistent with the nature of its jobs.

Comments from employers:

- "Employees don't have basic skills."
- "We had 600 applicants come in, and took 40-50 applications to result in one hire."
- "Applicants are unable to pass math and reading at the 9th grade level."

Per Capita Income is Generally Lower than the State Average

The difference in educational attainment mirrors income levels. Porter, with the highest rates of educational attainment, also enjoys the highest per capita and median household income. Starke, with the lowest educational attainment, shows the lowest per capita and median household income. In a December, 1998 report entitled "Working Hard, Earning Less: The Story of Job Growth in Indiana," the National Priorities Project calculated that a living wage for a family of four in Indiana was $30,958 per year. Clearly half the households in Starke County would fall below that living wage.

County	Per Capita Income, 1998	Median Household Income, 1997
Jasper	$19,896	$40,978
Newton	$18,408	$36,875
Starke	$16,222	$29,349
Pulaski	$21,566	$35,837
LaPorte	$23,084	$38,753
Porter	$27,758	$50,493
Lake	$24,749	$38,205
Indiana	**$25,163**	**$37,909**

Source: Stats Indiana/US Census

Poverty in Good Times

A telling picture is told by the percent of students in each school district who are eligible for free school lunch and/or textbooks despite the extremely low unemployment rate in the region. The chart below compares 1998 and 2000 by school district, and indicates if the rate as increased or decreased and whether it is above the state average. Despite an excellent economy, the percent of eligible students is as high as 79% (East Chicago) and increased in many school districts over the last two years.

County	1998 %	2000 %	Increase	Decrease	Above State Ave.
Indiana	28	28			
Jasper					
Rensselaer	25	28	X		
Kankakee Valley	18	19	X		
Newton					
South Newton	29	28		X	
North Newton	23	25	X		
Starke					
Oregon-Davis	31	31			X
Knox Community	38	37		X	X
North Judson-San Pierre	36	33		X	X
Pulaski					
West Central	28	31	X		X
Eastern Pulaski	27	21		X	
LaPorte					
LaPorte Community	24	25	X		
Cass Township	16	16			
Dewey	10	16	X		
Michigan City Area	33	37	X		X
New Prairie	14	12		X	
South Central	15	11		X	
New Durham	19	24	X		
Porter					
Duneland	11	12	X		
Boone	8	7		X	
East Porter	7	7			
Portage	22	22			
Valparaiso	13	12	X		
Porter	8	8			
Union Township	7	7			
Lake					
Hanover	16	16			
Crown Point	10	10			
East Chicago	77	79	X		X
Gary Community	61	59	X		X
Lake Ridge	55	60	X		X
Griffith	11	12	X		
Hammond	50	53	X		X
Highland	8	8			
Hobart	19	18		X	
River Forest	52	54	X		X
Lake Station	47	51	X		X

Tri Creek	11	13	X		
Merrillville	14	13		X	
Munster	4	5	X		
Lake Central	6	6			
Whiting	37	41	X		X

Source: Indiana Department of Education

As the chart below shows, there are pockets of significant poverty in the region. To some extent, it is fueled by the large percent of single parent households. Children from single parent families are more likely to be in poverty, more likely to get into trouble (see expulsion/suspension rate) and more likely to dropout than children from two-parent households.

School Corporation	% Enrolled in Special Ed., '00	% of Families with Children Below Poverty, '90	Expulsion-Suspension rate per 100 Students, 99-00	% of Households with Children, Not Married Couple, '90
Indiana	15.7		13.4	
Jasper				
Rensselaer	17.4	10.6	5.3	19.5
Kankakee Valley	16.1	7.9	7.7	12.6
Newton				
South Newton	16.2	9.6	16.4	17.1
North Newton	15.8	9.8	9.3	12.3
Starke				
Oregon-Davis	13.6	10.3	15.4	18.2
Knox	13.6	17.8	14.4	26.4
North Judson	13.7	16.9	9.0	22.1
Pulaski				
West Central	16.3	10.2	5.1	15.6
Eastern Pulaski	12.6	8.4	7.6	14.9
LaPorte				
Prairie Township	10.0	Unavailable	Unavailable	Unavailable
LaPorte	13.9	10.4	5.2	23.1
Cass Township	15.5	5.0	3.5	9.5
Dewey Township	9.7	6.4	0.5	6.9
Michigan City	16.3	15.8	46.3	30.4
New Prairie	14.9	7.3	11.0	11.0
South Central.	14.7	6.6	0.6	15.0
MSD of New Durham	17.0	6.2	4.8	22.2
Porter				
Duneland	15.3	5.0	9.8	17.0
Boone	8.9	5.1	2.2	13.1
East Porter	16.3	4.7	0.7	13.0
Portage	12.2	8.8	19.2	20.6
Valparaiso	11.7	5.7	4.0	18.5
Porter	10.6	3.9	6.0	12.4
Union	15.8	0.7	6.9	7.0
Lake				
Hanover	12.6	9.8	14.1	12.6
Crown Point	8.1	5.5	8.3	15.8
East Chicago	13.0	34.4	34.6	50.5
Gary	14.1	36.7	17.0	55.5
Lake Ridge	14.6	20.3	26.5	28.8

Griffith	10.1	5.2	6.1	19.2
Hammond	14.2	19.4	41.8	32.2
Highland	10.6	3.8	6.8	17.7
Hobart	10.3	6.3	14.0	20.7
River Forest	16.4	15.1	38.0	24.3
Lake Station	14.2	7.7	26.2	21.0
Tri Creek	12.7	4.9	17.4	13.3
Merrillville	9.6	4.0	20.7	14.4
Munster	15.7	1.5	11.6	12.8
Lake Central	15.2	2.4	7.8	14.3
Whiting	11.9	19.3	28.0	32.7

Source: Indiana Department of Education

The U.S. Census Bureau estimated the percent of people in poverty for Indiana as 9.9%. The counties in Northwest Indiana reveal that four of them are above this rate:

County	Percent of Population in Poverty
Indiana	9.9%
Jasper	7.6%
Newton	9.8%
Starke	**13.9%**
Pulaski	**10.5%**
LaPorte	**10.4%**
Porter	6.2%
Lake	**13.0%**

Per capita income is related to education levels. To improve the standard of living and quality of life in Northwest Indiana, higher educational attainment is critical.

Workforce Demand

What Skills Do Employers Need?

Basic reading, writing, and math are no longer sufficient in today's economy. New jobs and new skills have added to the list of what is considered "essential." In *Teaching the New Basic Skills*, Richard Murnane of Harvard and Frank Levy of MIT proposed a list of the minimum skills needed to secure a middle-class job today based on their research into highly productive businesses:

- The ability to read at the ninth grade level.
- The ability to use math at the ninth grade level or higher.
- The ability to solve semi-structured problems where hypotheses must be formed and tested.
- The ability to work in groups with coworkers from different backgrounds
- The ability to communicate effectively, both orally and in writing.
- The ability to use personal computers to carry out simple tasks such as word-processing.

According to job orders placed with the Customer Self Service System (CS3), the top skills in demand by employers in Northwest Indiana as of November 18, 2001 are:

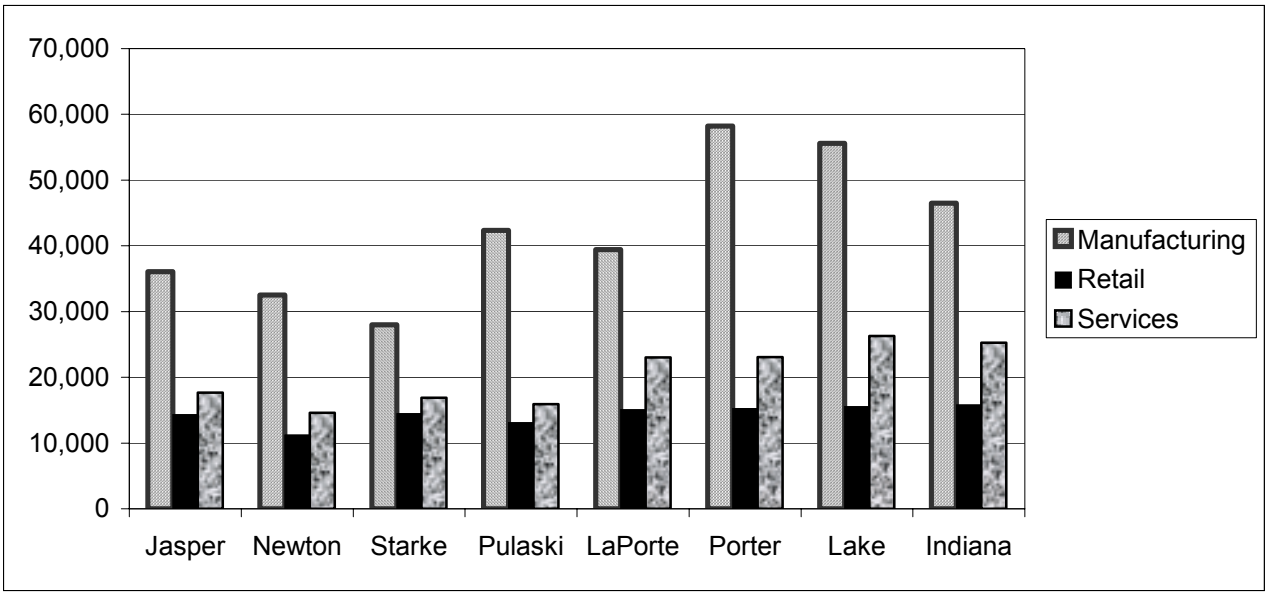
1. Work as a team member.
2. Maintain a safe work environment.
3. Apply good listening skills.
4. Manage time effectively.
5. Adhere to safety procedures.
6. Receive payments and make change.
7. Perform more than one task at a time.
8. Follow detailed instructions.
9. Apply health and sanitation standards.
10. Load and unload.
11. Follow and give instructions.
12. Prioritize tasks.
13. Use cash registers.
14. Apply food handling rules.
15. Use computer.

Despite the fact that CS3 generally lists blue-collar and lower paying jobs and represents only a small part of all job openings in the region, many of these skill requirements nevertheless demonstrate that skill requirements have gone beyond a "strong back and good work ethic." The degree to which Northwest Indiana residents demonstrate these skills will determine the degree to which the requirements of the economy can be met.

What Kind of Jobs Do We Have and How Are They Changing?

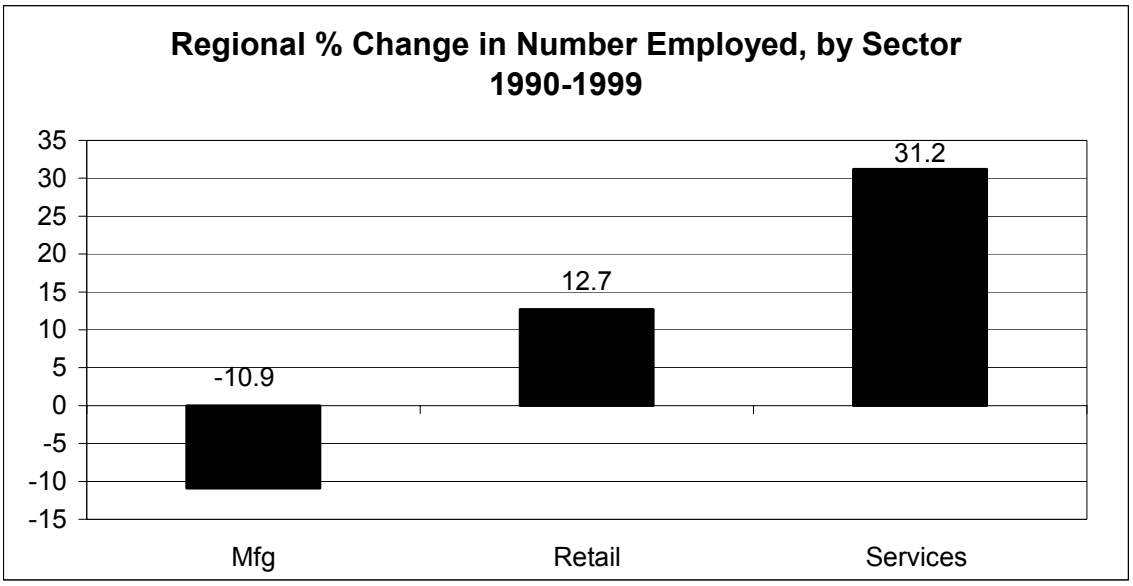
High Wage Manufacturing Jobs are Declining

High wages in the region are due mostly to the high paying – but declining-manufacturing jobs. The following compares average earnings per job for manufacturing, retail, and services by county in 1999 (source: Stats.Indiana).



Generally speaking, wages went up from 1998 to 1999, although manufacturing wages dropped in Porter and Lake County during that year.

The graphic below compares change in employment by sector for the region between 1990 and 1998. The high paying manufacturing jobs declined from 1990-98, while the retail and services jobs are on the rise. Maintaining the standard of living that has been enjoyed in the Northwest region will become increasingly difficult if this trend continues. A briefing report on the Indiana economy prepared by the state Department of Commerce in March, 1999 said that long run expansion in Indiana's manufacturing sector will be limited by the consistent decline in manufacturing employment nationally. In 1998, net US manufacturing accounted for an increase of just 159,100 jobs while service sector employment had an increase of 1,731,000. With a larger share of employment in manufacturing than any other state (23.6%) this sector is and will continue to be highly important to the state and to the Northwest Region, but to an increasingly lesser extent.


Regional % Change in Number Employed, by Sector
1990-1999
35
30
25
20
15
10
5
0
-5
-10
-15
-10.9
12.7
31.2
Mfg
Retail
Services

The Fastest Growth is in Service Jobs

The region's current "Ten Fastest Growing Occupations" according to the Indiana Department of Workforce Development, bear witness to the growth of lower wage jobs.

Occupation	Employment		Change	Projected Annual Openings
	1996	2006		
Salespersons, Retail	9,730	11,723	1,993	508
Truck Drivers, Heavy	7,571	9,314	1,743	280
Cashiers	9,780	11,326	1,546	581
General Mgrs & Top Execs	8,341	9,569	1,228	300
Helpers & Laborers, NEC	7,407	8,385	978	347
Nursing Aides & Orderlies	4,141	5,058	917	148
Amusement & Recreation Attends	949	1,783	834	101
Teachers, Secondary School	3,805	4,623	818	195
Home Health Aides	841	1,647	806	92
Instructors & Coaches, Sports	895	1,691	796	88

The Occupation and Wage Report for Northwest Indiana for the period April 1, 2000 – March 31, 2001 shows the following average wages for these growing occupations:

Occupation	Average Wage
Salespersons, retail	$7.86
Truck Drivers, Heavy	$12.66
Cashiers	$6.88
General Mgrs and Top Execs	$10 – 28.00
Helpers and Laborers	$8 – 10.00
Nursing Aides and Orderlies	$7.47
Amusement Attendants	$7 – 10.00
Teachers, Secondary	$13.39
Home Health Aides	$7.69
Instructors and Coaches, Sports	$9.00

These fast growing jobs could be sorted into those that are relatively higher wage, and those that are relatively lower wage. Higher wage would include truck drivers, general managers and top executives, and teachers. All together, these occupations are projected to increase by 16% from 1996 – 2006. The lower paying jobs are retail salespersons, cashiers, helpers and laborers, nursing aides and orderlies, amusement and recreation attendants, home health aides, and instructors and coaches. These occupations when totaled are projected to increase by 19%. The projected annual openings for the higher wage jobs is 775; the projected annual openings for the lower wage jobs is 1,865 per year.

The Department's long-term job projections (1996-2006) tell a mixed story for the projected annual average total openings (the sum of new jobs and replacement jobs):

Occupation	Projected Annual Openings
Service Occupations	2,795
Prof. Spec. Occs (Accountants, Purchasers, personnel, management support)	2,281
Operators, Fabricators, Laborers	1,819
Marketing and Sales	1,715
Sales, Total, NEC	1,475
Food/Beverage	1,475
Admin. Support/Clerical	1,304
Prec. Prod./Crafts/Repair	1,244
Exec. Admin/Mngrl	864

If these are grouped into service occupations, operators and laborers, food/beverage, and administrative support, the projected annual openings total 7,393. The other grouping, professional and specialty occupations, marketing and sales, general sales, precision production/crafts, and executive/managerial projects total openings of 7,579. Since this latter list reflects annual openings that include replacements, this could indicate that relatively larger numbers of people in the higher wage jobs are either retiring or experience more movement between jobs than at the lower levels. It is difficult to draw conclusions since the exact nature of the jobs is unknown. Service jobs, for example, can be either low paying or high paying depending on the type of service.

The Bureau of Labor Statistics predicts the most growth nationally for 1998-2008:

- Computer Engineers
- Computer Support Specialists
- Systems Analysts
- Database Administrators
- Desktop Publishing Specialists
- Paralegals and Legal Assistants
- Personal Care and Home Health Aides
- Medical Assistants

The computer-related jobs that dominate this list are not prominent in the Northwest Indiana data. High tech employment is often used to indicate a state's success in the new economy. Nationally, computer, mathematical, operations research and related occupations comprise 38% of all high tech employment, while the same grouping comprises only 30% of Indiana's high tech employment. Indiana's high tech occupations are dominated by engineering and related occupations (53%) compared to a national level of 42%. Overall, high technology employment in Indiana constitutes 3% of all employment compared to 4% of all US employment. In a comparison of wages:

	Indiana Annual Average Wages	United States Annual Average Wages
Engineering and Related	$48,960	$52,320
Computer and Related	$44,070	$49,444

Source: *In*Context/US Bureau of Labor Statistics

(Note: Wages have been weighted to take into account the size of each occupation)While engineering and related occupations enjoy a higher average wage than computer related both in the state and nationally, there is a larger gap between state and national average wages for engineering than computer-related employment.

Manufacturing jobs have contributed most to the good standard of living we have enjoyed, and those jobs are declining. Increased incomes will have to come not only from increased education and skill attainment, but also from having the kinds of jobs where those skills can be used. Overall, goods production has been declining.

- Average weekly hours in manufacturing declined from 42.4 in 1996 to 41.4 in 1998.
- Shifts in structure of employment drove hourly earnings down from $18.56 to $18.43 resulting in 3% decline in average weekly earnings.
- Combined with lower employment numbers in manufacturing, there was decline in local income of nearly 10% over two years.

Public comments:

- "Bring more high tech service jobs to our region."
- "Bring in higher paying jobs."
- "The list of fastest growing occupations changes constantly, which is hard for the schools to adapt to."
- "How do you go from old manufacturing to new manufacturing producing?"
- "People will locate around a cluster of jobs such as Boston for the financial markets or Silicon Valley for the information technology. Northwest Indiana's closest example of this is the riverboat and steel mills. We need other clusters! Health care could be another."

The Steel Industry is in Trouble

The steel industry has the most economic impact on the region:

- Approximately 12-14% of Northwest Indiana workers are employed in the steel industry.
- Another 15-18% are involved in support industries and secondary companies
- Nearly 30,000 workers are employed in steel
- The average wage in the steel industry is $55,492 per year.

Looming impacts on this critical industry include:

- 8000 jobs will be vacated over the next 5 years due to retirements
- Average age of steel workers: 53
- Downturn in industry affecting:
  - 4410 steel workers
  - 300 in secondary firms
  - 1120 in steel and transportation-related firms
  - 760 Indiana workers affected by Illinois plants

Public Comments:

- " The steel industry and other companies in the Big Ten require their employees to have high skills and a more advanced education. The community does not understand that."
- "There is a very real economic crisis affecting this area with the state the steel mills are in. School corporations as well as libraries are in trouble because Bethlehem Steel cannot pay their November property taxes. Duneland Schools rely on 60% of that tax money and the town of Burns Harbor depends on 80% of the same funds."
- "Most of the layoffs that are occurring at this time at the mills are for workers in the 48-55 age bracket. They probably will not be willing to invest the time to get a degree. They will be looking for jobs they can get now. Some will leave the region and some will be willing to work for less money to stay in Northwest Indiana."

More than Half the Region's Jobs have a Median Wage Below $10.50/Hour

Fifty-four percent of Indiana's jobs are in occupations with a median wage below $10 per hour, or $20,000 per year. The fastest job growth nationally has occurred in occupations at the top and bottom of the earnings distribution, while occupations in the mid-range have declined in importance. ("The Evolution of Indiana's Labor Force 1968-1997: A Comparative Analysis"; Indiana's Human Capital Retention Project, December, 1998). The Local Planning Councils, Lake County Integrated Services Board, and CWI's Workforce Investment Board commissioned a study of mid-wage job opportunities last year. Mid-wage jobs were identified as those paying $10.50-$20.00 per hour. The study found that for 1997:

- 57% of the region's jobs pay median wages under $10.50 per hour
- 34% of the region's jobs pay between $10.50 – 20.50 (mid-range)
- 9% pay median wages greater than $20.50 per hour
- 81% of the regions' mid-wage jobs require less than a 4 year degree. 62% require only on-the-job skills beyond high school.
- Occupations in the region with the highest percentage of mid-wage jobs include:
  - Construction (67%)
  - Transportation/Communications/Utilities (60%)
  - Wholesale (49%)
  - Manufacturing (48%)

An understanding of mid-wage jobs is important to moving people from poverty to self-sufficient work. With 57% of the region's jobs falling below mid-range levels and mid-range jobs declining nationally, there is a substantial challenge involved in maintaining and increasing the standard of living for the region. As a state, Indiana's labor force is more concentrated in middle-paying skilled and semi-skilled occupations that have ranked last, nationwide, in job growth in the 1990's (*The Evolution of Indiana's Labor Force 1968-1997*).

Indiana and the region have lower educational attainment levels than the nation because its jobs tend to require less attainment. There is a higher share of production and assembly jobs within each industry, while the executive and technical jobs are located elsewhere. Indiana's jobs are heavily positioned toward middle-paying blue collar jobs, but these kinds of jobs have poor long-term growth prospects, ranking last among all major categories for net job creation nationwide since 1989. According to the Indiana Fiscal Policy Institute, the two job categories responsible for three out of every four jobs created nationally since 1989 – Professional/Specialty and Executive/ Management occupations – have a dramatically lower presence in Indiana. "Indeed, since almost 56 percent of college graduates end up working in these two categories, it can be seen that Indiana's relatively poor standing in education attainment, and the shortage of these types of jobs, are directly related."

A sampling of occupational areas from the Indiana Department of Workforce Development compares total employment in 1996 to projected employment in 2006 for Northwest Indiana:

Occupational Area	1996 Actual Employment	2006 Projected Employment
Primary Metals	33,080	23,849
Fabricated Metals	4,368	4,638
Industrial Machinery and Equipment	5,792	5,950
Engineering and Management Services	3,000	4,067
Business Services	11,941	19,968
Wholesale Trade, Durable Goods	9,041	9,808
Wholesale Trade, Non durable Goods	4,008	4,215
Eating and Drinking Places	23,618	27,323
Misc. Retail Stores	7,565	8,207
Utilities and Sanitary Services	4,180	3,592
Trucking and Warehousing	9,400	12,356
Special Trades Contractors	11,618	14,971
Educational Services	26,253	30,374
Health Services	33,681	40,086
Agricultural Services	1,857	2,244
Agricultural Production, Livestock	1,197	1,224

Primary metals is projected to suffer a 39% decline in employment, while business services is projected to experience a 60% increase, health services 19%, educational services 16%, and eating and drinking places a 16% increase. At the same time, looking within those occupational areas, Computer and Math jobs within primary metals are only expected to decline by 1% while the overall industry declines 39%. Computer and Math jobs within business services are anticipated to rise by a staggering 368% (from 423 jobs in 1996 to a projected 1,147 jobs by 2006). Computer and Math jobs within educational services are expected to rise by 64% (from 152 to 238), and also by 64% within health services (from 105 to 162 jobs).

Most Firms Provide Little Structured Training

In 1997, what was then the Kankakee Valley Private Industry Council and the Northwest Indiana Forum (NIF) worked with the Council on Adult and Experiential Learning (CAEL) to increase private investment in raising the skills of the workforce. Many business owners had found that "an ill-prepared, unmotivated workforce can cost their company a great deal." A competitive business climate requires employees to learn new skills, but the small and mid-size businesses that constitute the fastest growing sector of the economy often employ workers who have the greatest education needs but the fewest opportunities to upgrade their skills. The study found that the firms faced several barriers to investing in the education and training of their workforce, including a lack of time and money to investigate options, lack of staff expertise to design and implement workforce education programs, reluctance to involve workers in training on company time due to workload pressure, concern that workers would leave for other jobs, and lack of reliable information about education and training providers. It appears that not only is the workforce under-prepared for higher paying, high skill jobs, but they are unlikely to increase their skills once they enter the labor force. Many workers have been in the same positions for several years, possess minimal education and have received little formal training while they were employed.

CAEL interviewed a diverse group of businesses in the region and found that:

- Most firms provide little structured workforce training.
- Most firms run a traditional top-down management style.
- Many managers stated that they raised the requirements for incoming employees (high school diploma or GED) and also spoke of difficulty in finding skilled employees to hire.

More recently, at a February 24, 2001 meeting of local economic developers, a steel representative said "basic skills are necessary for the steel industry to stay afloat. We have to use existing workers to become more productive, and currently there is difficulty because workers do not have basic skills."

To advance their earning potential, it appears that people need to either graduate from high school with **marketable** skills, *complete* a degree in a **marketable** occupation (information later in this report shows a substantial failure to complete rate), or pursue additional education and training on their own initiative while they are working adults – which is often difficult to do from a time, family, and financial perspective.

In summary – Northwest Indiana's jobs tend to be growing in the service sector, declining in manufacturing, are primarily blue collar and middle-paying, and tend to provide workers with little structured training.

Employer comments:

- "There is no desire for postsecondary education even with tuition reimbursement."
- "Workers need a change in attitude."
- "It's a motivational issue. Zero interest in learning."
- "Root cause of the issue is lack of motivation."

Public comment:

- "Businesses in the area do not concentrate on training and individuals very rarely acquire on-the-job skills. We also need to look at how much the employees are willing to learn once they have the job. Investments need to be made in training and job advancement. We must be concerned with the retention of skilled workers."

Changes that will Impact the Business Environment

In October, 2001, the O'Bannon administration proposed tax changes that will impact business in Northwest Indiana. The potential affects are not yet known. Key components of the administration's "21st Century Tax Plan" include:

- A permanent increase to 15 percent in the homestead credit, which is scheduled to drop from its current 10 percent to 4 percent in 2004
- A 50 percent cut in the local school general fund property tax levy
- Elimination of local welfare levies
- Elimination of the inventory tax
- Elimination of the corporate gross income tax
- An increase to 20 percent of the research and development tax credit (now 5 percent)
- Elimination of local trial court levies.

To hold down property tax bills, the state proposes to assume what are now local expenses. Additional revenue would be raised by:

- Increasing the state sales tax rate from 5 cents on the dollar to 6 cents
- Making the income tax more progressive by establishing rates of 3.9 percent for the first $90,000 of state taxable income and 4.4 percent for income above $90,000
- Imposing a business franchise tax
- Establishing a single corporate net income tax at a rate of 8.5 percent.

Steel Issues

A key challenge to Northwest Indiana is the impact which "dumping" has had in the steel industry. Known as the capitol of the steel industry in the USA, Northwest Indiana may see a significant change in the landscape of employment if the steel industry does not rebound. Bethlehem Steel recently filed Chapter 11 Bankruptcy on the heels of the LTV crisis. Thousands of jobs could be lost, hurling the community into an economic downturn.

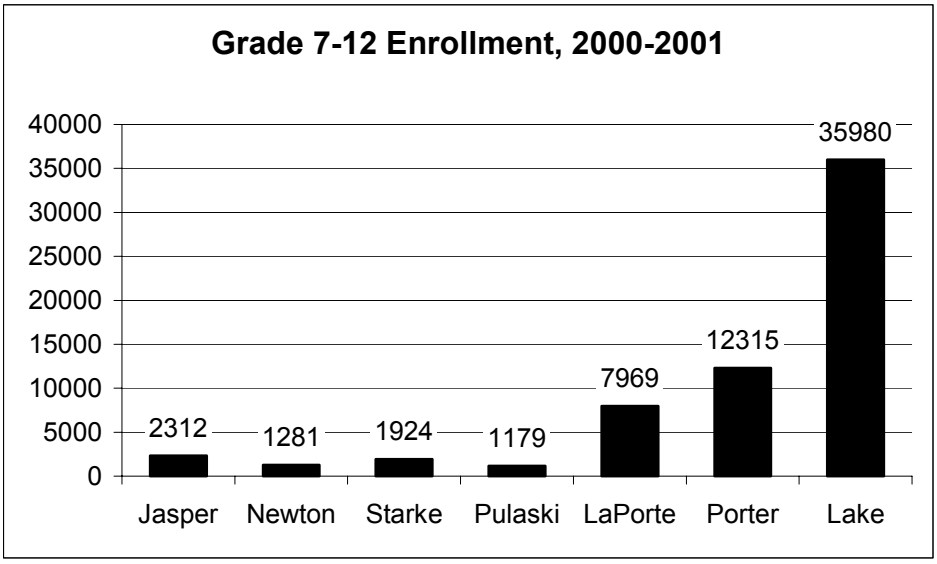
Public comments:

- "An increase in the sales tax impacts low earners more significantly."
- "The state is looking at different ways to assist low-income earners. One suggestion is to raise the local Earned Income Tax Credit to the federal level. Another is to change the levels of taxation."

The Emerging Workforce

What Does the Future Workforce Look Like?

The vast majority of the region's emerging workforce will come from Lake, Porter, and LaPorte Counties. The chart below shows the number of students enrolled in grades 7-12 for school year 2000-01:



Youth Have Lower Aspirations than State Average

Youth and young adults are an important component of the labor force, particularly in the minimum-wage and low-wage work of restaurants, retail, and fast food. More importantly, they hold the key to the future productivity of the region. The chart below reflects their stated aspirations for pursuing education after high school, whether it is in 4 year, 2 year, or vocational technical education.

County	Number of High School Graduates, 1998-99	Number Going on to Higher Ed. (% of those graduating)	4 year (of those going on to higher ed)	2 Year (of those going on to higher ed)	Voc. Tech (of those going on to higher ed)
Jasper	355	262 (73.8%)	195 (74.4%)	35 (13.4%)	32 (12.2%)
Newton	180	116 (64.4%)	57 (49.1%)	24 (20.7%)	35 (30.1%)
Starke	242	123 (50.8%)	84 (68.3%)	22 (17.9%)	17 (13.8%)
Pulaski	186	113 (60.8%)	84 (74.3%)	20 (17.7%)	9 (8.0%)
LaPorte	1,128	732 (64.9%)	561 (76.6%)	107 (14.6%)	64 (8.7%)
Porter	1,858	1,448 (77.9%)	1,197 (82.7%)	151 (10.4%)	100 (6.9%)
Lake	5,165	3,655 (70.8%)	2,979 (81.5%)	263 (7.2%)	413 (11.3%)
Region Total	9,114	6,449 (70.8%)	5,157 (80.0%)	622 (9.6%)	670 (10.4%)
Indiana	59,404	42,813 (72.1%)	32,689 (76.4%)	5,565 (13%)	4,559 (10.6%)

Source: Indiana Department of Education

Aspirations Don't Match Job Projections

The percentage of youth aspiring to higher education for the region as a whole is lower than for the state. Not only is that a concern, but of equal concern is the fact that most of the region's higher education aspirants are planning to go to a four-year institution rather than 2-year or vocational-technical. First, the data in the previous section shows that on the whole, the youth are not preparing themselves for the kind of employment available in the region. Of the 121 occupations projected to have an under-supply of labor in Indiana in the year 2005, only 29 of those require a bachelor's degree. On the other hand, 82 of the 121 occupations, representing 1,514,690 individual jobs, require the type of specialized training or skills taught at career or two-year colleges. By 2005, 68% of the new jobs will demand training beyond high school, but below the baccalaureate level (*Educating Indiana for a 21st Century Economy*). Secondly, data from the Indiana Commission on Higher Education (CHE) indicates that a large percentage of them will either never actually enroll, or if they do enroll, won't complete their degree.

Public comments:

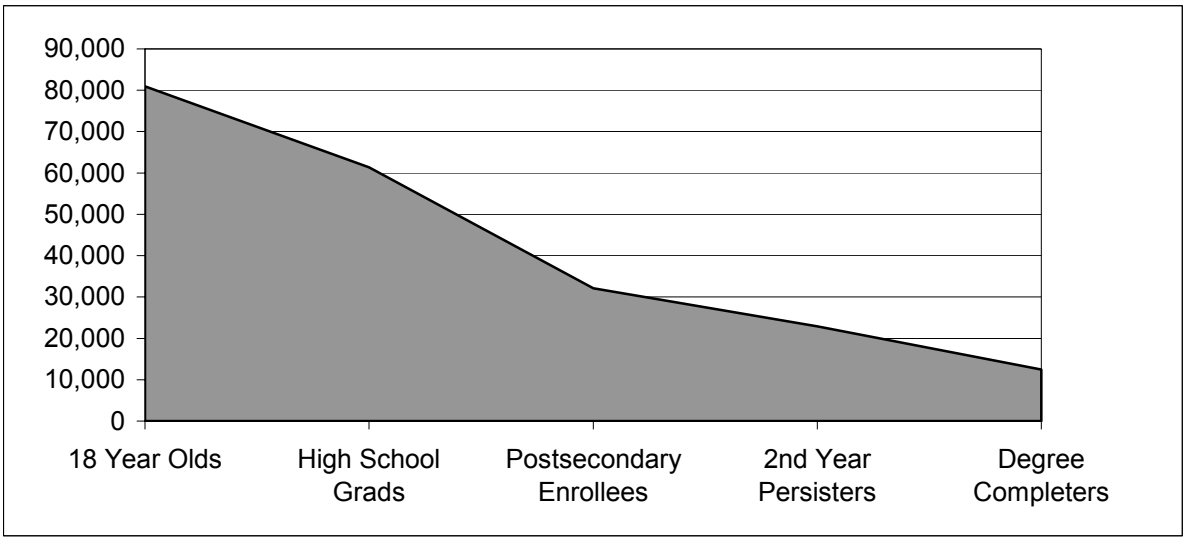
- "What are we telling kids and parents about what it takes to be successful? How do you define 'success?' Too many parents and students choose not to be successful and are not prepared to make good choices."
- "Parents need to be educated!"
- "Kids are not connected."
- "Unions – apprenticeships programs should do more. They are more aware of all jobs so are in an excellent position to present information and provide opportunities and good training. Their education and training programs should be open to a broader audience."
- "Fifty percent of graduating seniors in Pulaski County do not seek higher education. A lot of them take apprenticeship welding classes because they know they can make a decent wage and stay in the area."

Youth Drop Out of College at Higher Rate than State Average

The following table shows actual percentages of youth who dropped out of Indiana colleges within 4 years from each school system.

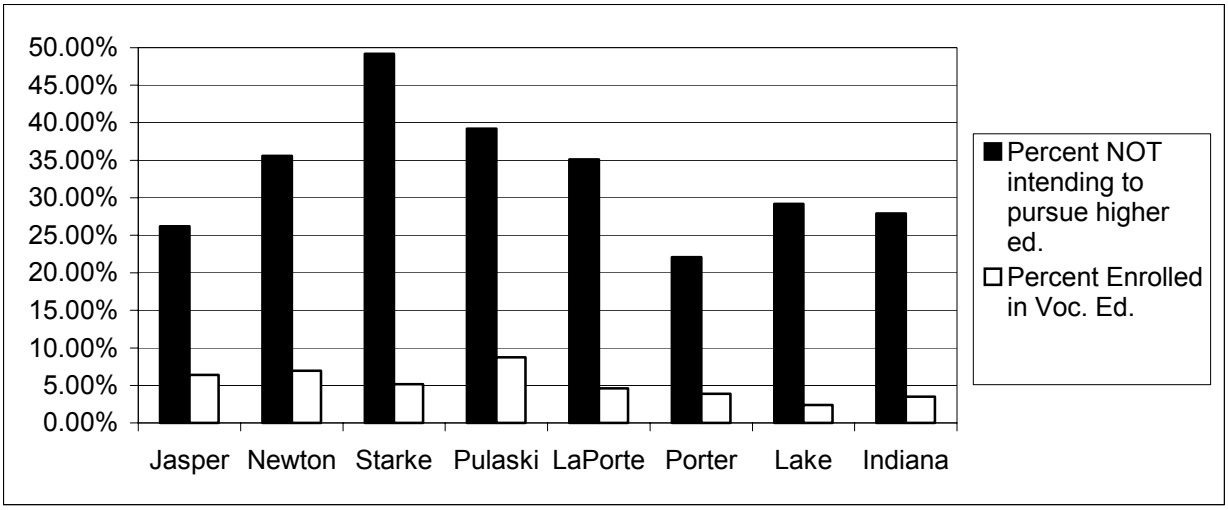
County	Percent of Indiana College Dropouts
Indiana	36%
Region	38.5%
Jasper	
Rensselaer	32%
Kankakee Valley	26%
Newton	
South Newton	39%
North Newton	19%
Starke	
Oregon-Davis	54%
Knox Community	37%
North Judson-San Pierre	36%
Pulaski	
West Central	30%
Eastern Pulaski	27%
LaPorte	
LaPorte Community	42%
Cass Township	N/A
Dewey	N/A
Michigan City Area	42%
New Prairie	N/A
South Central	36%
New Durham	N/A
Porter	
Duneland	41%
Boone	39%
East Porter	Kouts:23%; Morgan:27%; Washington:57%
Portage	42%
Valparaiso	30%
Porter	49%
Union Township	45%
Lake	
Hanover	50%
Crown Point	27%
East Chicago	40%
Gary Community	Lew Wallace:58%; T. Roosevelt:53%; Westside:37%; Wirt:55%; Horace Mann:54%; Emerson:24%
Lake Ridge	55%
Griffith	30%
Hammond	Gavit: 42%; Clark: 45%; Hammond:36%; Morton: 35%;
Highland	33%
Hobart	36%
River Forest	43%
Lake Station	29%
Tri Creek	40%
Merrillville	33%
Munster	26%
Lake Central	29%
Whiting	42%

CHE found that of Indiana's high school graduates, only 52.3% *actually enroll* the following year in a public or independent Indiana college of University. Of those freshmen entering Indiana's colleges or universities, only 71.5% are expected to return for their second year of study. Of those same freshmen, only 39% are expected to complete an associate or baccalaureate degree within 6 years.



The implications are that many youth will be back in the workplace, unprepared with either a vocational skill or a degree. Another chilling picture is to compare the percent of students who stated they did NOT intend to pursue higher education, with the percent enrolled in vocational education at the secondary level.

> Many youth are unprepared with either a vocational skill or a degree. We are losing a great deal of the potential skill base when youth don't receive appropriate direction or motivation.



Participation in Secondary Vocational Education is Low

There are obviously a substantial number of students who graduate from high school with no vocational skills and no intent of furthering their education. The degree to which students are engaged in vocational education varies widely among the school districts. The chart below compares the percent of students enrolled in each district in 1998 and 2000, whether it increased or decreased, and whether it is above or below the state average.

County	1998	2000	Increase	Decrease	Below State Ave.
Indiana	3.4	3.5	X		
Jasper					
Rensselaer	5.1	9.4	X		
Kankakee Valley	3.4	3.4			X
Newton					
South Newton	5.6	6.4	X		
North Newton	7.0	7.5	X		
Starke					
Oregon-Davis	6.5	4.9		X	
Knox Community	4.0	4.6	X		
North Judson-San Pierre	5.9	6.0	X		
Pulaski					
West Central	9.6	10.3	X		
Eastern Pulaski	5.8	7.2	X		
LaPorte					
LaPorte Community	1.3	1.4	X		X
Cass Township	2.2	1.3		X	X
Dewey	1.8	2.9	X		X
Michigan City Area	4.6	3.2		X	X
New Prairie	2.2	2.7	X		X
South Central	2.5	2.1		X	X
New Durham	1.7	1.5		X	X
Porter					
Duneland	2.9	3.5	X		
Boone	4.3	6.0	X		
East Porter	3.9	5.5	X		
Portage	3.0	4.1	X		
Valparaiso	1.9	2.2	X		X
Porter	2.8	2.4		X	X
Union Township	4.1	3.4		X	X
Lake					
Hanover	0.3	2.6	X		X
Crown Point	1.9	2.3	X		X
East Chicago	3.3	3.5	X		
Gary Community	3.5	2.5		X	X
Lake Ridge	0.9	0.7		X	X
Griffith	3.2	3.5	X		
Hammond	1.8	1.9	X		X
Highland	2.4	2.1		X	X
Hobart	1.5	2.5	X		X
River Forest	1.6	1.4		X	X
Lake Station	2.6	2.6			X
Tri Creek	1.5	2.5	X		X

Merrillville	1.7	1.6		X	X
Munster	2.0	3.2	X		X
Lake Central	3.7	4.9	X		
Whiting	N/A	0.3			X

Information reported to the Indiana Department of Workforce Development Vocational and Technical Education Division on 1999-2000 enrollments in vocational education classes shows the following distribution of activity. For ease of use, the vocational areas were clustered into broader categories. For example, "agriculture related" includes Fundamentals of Agriculture, Agricultural Business and Management, Agricultural Mechanization, Horticulture Science, Landscape Management, Horticultural Services, Animal Science, Plant and Soil Science. Information technology-related vocational classes such as computer installation and repair and business computer programming are identified separately from other trades and other office services to highlight those fields.

Total for the seven county region

- Agriculture-related: 1,246
- Marketing: 227
- Child/home/food: 3,232
- Interpersonal Relations, Etc.: 1,066
- Trades: 1,217
- Health: 268
- Office: 126

Public comment:

- "There is a bad perspective concerning vocational programs. Programs change names because parents want their kids to go to 'college', not a vocational school. Sports recruiters are very successful in getting kids to go to college. There should be some type of similar way to recruit for vocational schools."
- "Vocational education is more expensive to deliver unless it is long term."
- "Some people don't understand what a lot of the vocational education titles mean."

Although these numbers reflect only what was reported to the state for purposes of vocational education tracking, the relative distribution of enrollments among the occupational groupings seems ill-matched to the labor force needs of the area. Of

particular concern are the low enrollments in health-care courses when the demand for health care workers is anticipated to increase by 19%. Only small increases are projected for agricultural-related occupations, yet those vocational courses are heavily populated at the secondary level.

The Incumbent Worker Councils of the Workforce Investment Boards in the region noted that "the lack of interest in industrial jobs apparently stems from a variety of core problems. Many kids are without former traditional work values or concepts. The educational system has been slow to respond to industrial education needs."

A resource mapping project conducted last year in 6 of the 7 counties in the region surveyed business, schools, and community-based organizations with the question: "What would you consider the most pressing issue(s) in your county regarding career development for youth?" In Jasper, Newton, Starke, and Porter counties, the number one issue cited by business was work ethics. Work ethics did not appear at all in the issue lists of the schools. Other issues cited by business included the need to continue to improve on basic skills; basic life skills; more partnering with business; directing youth to more education beyond the 12th grade; and focus on more practical education that provides the best training for the local job market.

Schools most often cited the need for more career awareness and reality experiences for youth. Their additional issues included access to programs and transportation, understanding the connection between school work and career success; finding time in the schedule to address career development; getting parents involved; and the importance of service learning.

Community-based organizations echoed the lack of opportunity and information about careers in the area; lack of motivation of parents and students; the need to have all resource information in one area rather than scattered throughout various agencies; the lack of professional opportunities in the area; and the lack of interest by business.

School-to-work efforts have been building for the last 7 years. However, funding targeted to that cultural change is ending this year and sustainability may be questionable in some school districts. A regional school-to-work coordinator assessed the degree to which schools have embraced the concept as anywhere from "two thumbs up" to "two thumbs down." The latter schools have little likelihood of continuing any activity when targeted funding goes away. In the "thumbs up" schools, however, work-based learning opportunities are recognized as important to a youth's education. Last year, there were 897 Internships (679 Paid, 218 Unpaid), 133 Apprenticeships, and 5495 Job Shadowing Opportunities in the 6 county region for a total of 6,525 work-based learning opportunities. However, there are total of 26,908 students in grades 7-12 in the 6 counties so many students are not getting the experiences they need to either learn about the world of work and its relationship to their education.

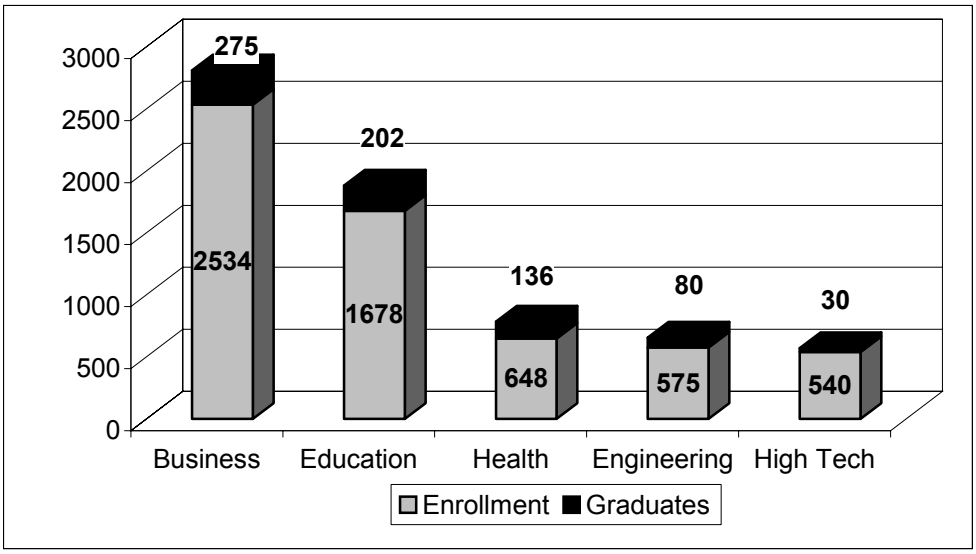
An Indiana School-to-Work evaluation study performed in 2000 indicated, when compared to students not involved in work-based learning, that seniors who were involved showed:

- higher transition rates for postsecondary education or training;
- increased grade point averages;
- better attendance;
- decreased suspensions;
- decreased dropout rates;
- improved graduation rates

Postsecondary Enrollment/Graduate Ratios are Low

At the postsecondary level, business and education majors are the two highest academic fields for enrollments – and have the two lowest rates of graduates compared to the number of students enrolled in the programs. Information compiled for the Center of Workforce Innovations by Thomas P. Miller and Associates revealed the following aggregated information about bachelors degree programs in Northwest Indiana postsecondary institutions for the year 2000:

Bachelor Degrees, 2000			
Cluster	**Enrollments**	**Graduates**	**Largest Concentration**
Business	2534	275	General Business
Education	1678	202	Elementary Ed.
Health	648	136	Nursing
Engineering	575	80	General Eng.
High Tech	540	30	Computer Science

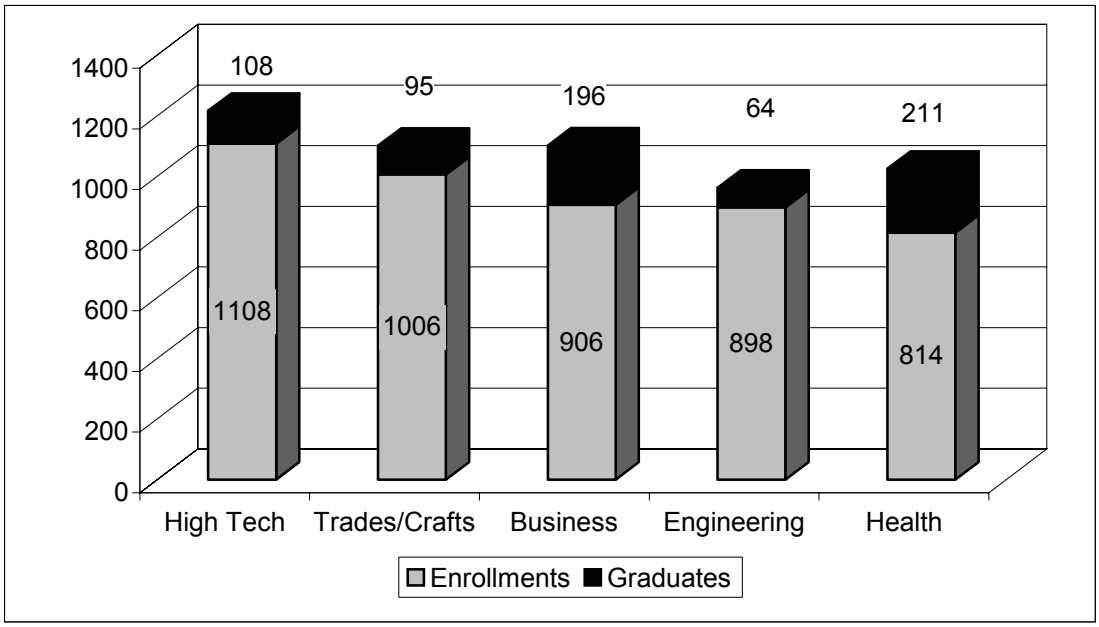


At the associate degree level, high technology and trades and crafts predominate, perhaps due to employment in these areas being more easily obtainable with an associate degree (e.g., Education requires at least a bachelors). Business and health, which have the lowest graduation to enrollment ratios at the bachelor level, have the highest graduation to enrollment levels at the associate degree level.

The ratio of graduates to enrollments for associate programs is very low for the two top areas of enrollment (high tech and trades and crafts). It may be that students only require a few classes to develop new skills, that they are more readily employable before they complete program, or that employers in these fields value skills more than degrees. For example, Ivy Tech had 495 enrollments in computer information systems, but only 31 graduates in 2000.

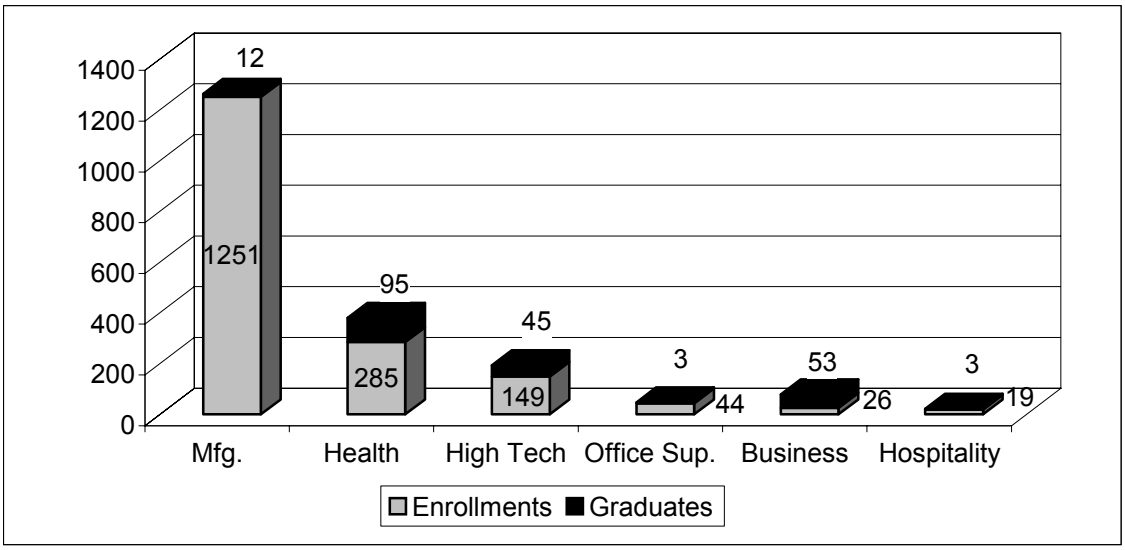
According to the Indiana Commissioner on Higher Education, "particularly in technical courses, the student's objective may only be the course and not a degree. Looking at the Grade Point Averages (GPA) for those students who did not return after the first year, these students exhibited an average GPA of 2.23. Among certificate-level students who did not return after the first year, the GPA was 2.58. This is an important observation relating to students' educational objectives. In general, a student must enter an academic program even if he or she only wants a course or two. And while the GPAs of students who leave after only one year are not as high as those of the students who remain, "dropping out" does not necessarily imply "failing out" of higher education. This data confirms the notion that many students depart higher education while still in good academic standing" (*State-Level Reporting Of Degree Completion Rates: National Comparisons And The Implementation Of Student Right-To-Know Guidelines, May, 1998*). On the other hand, Purdue-North Central had 294 enrollments in elementary education, but only 28 graduates and it is highly unlikely that students obtained jobs in elementary education prior to completing a degree. It is difficult to make any hard and fast conclusions about the low enrollment to graduate ratios. The reasons need to be more fully explored.

Associate Degrees, 2000			
Cluster	**Enrollments**	**Graduates**	**Largest Concentration**
High Tech	1108	108	Computer Tech.
Trades & Crafts	1006	95	Plumbers/Pipefitters
Business	906	196	Bus. Administration
Engineering	898	64	Electrical Eng. Tech
Health	814	211	Nursing



At the certificate level, manufacturing heavily predominates although it also has by far the lowest graduation to enrollment ratio. The next two highest areas are health and high tech, which have the highest graduate to enrollment rates of any of the fields at any level.

Certificates			
Cluster	**Enrollments**	**Graduates**	**Largest Concentration**
Manufacturing	1251	12	Gen. Tech. Studies
Health	285	95	Practical Nursing
High Tech	149	45	Computer Info Sys
Office Support	44	3	Admin. Office Tech
Business	26	53	Supervision
Hospitality	19	3	Hospitality



The high level of enrollments and low number of graduates in manufacturing may be a result of state Advance Indiana grant activity, which emphasizes certification, especially in manufacturing technology. The grants are fairly recent in origin which may cause a large number of people to be in the pipeline. In the steel industry, some individuals who may have been in training may have been layed-off, thus ending their training.

The Indiana Commission on Higher Education determined there were several factors associated with retention/completion in degree and certificate programs.

Full-time versus part-time enrollments correlates to higher completion:

Six Year Degree Completion Rates, by Degree Level and Attendance Status			
Degree	**Full-Time**	**Part-Time**	**Total**
Certificate	38%	16%	28%
Associate	32%	12%	23%
Baccalaureate	51%	7%	45%

Immediate Enrollment After High school (Age at Entry) Correlates to Higher Completion

Age at Initial Enrollment	Completion within 6 years
Under 19	52%
19-25	40%
Over 25	9%

Out of State Students have Higher Completion Rates

Six Year Degree BA Completion Rates, By Residency and Attendance Status			
Residence	Full-Time	Part-Time	Total
In-State	48%	7%	41%
Out of State	66%	18%	65%

Ethnicity is Associated with Completion Rates

Six Year Degree Completion Rates, by Ethnic Origin and Degree Level			
	Certificate	Associate	Baccalaureate
Black	9%	11%	24%
American Native	na	17%	41%
Asian/Pacific Islander	na	35%	56%
Hispanic	na	14%	36%
White	30%	25%	46%
Non-Resident Alien	na	na	54%
All Students	28%	23%	45%

Financial Aid Correlates Positively at the Certificate and Associate Degree Level

Six Year Degree Completion Rates, by Financial Aid Receipt and Degree Level			
	Certificate	Associate	Baccalaureate
Any Financial Aid	44%	33%	43%
No Financial Aid	21%	20%	45%
All Students	28%	23%	45%

Based on the above data, the low rates of enrollment to graduates at the associate and certificate levels may be a result of the students being part time, older, and lacking in financial aid. However, enrollment growth at Ivy Tech Northwest over the last decade has greatly out-paced the traditional four-year institutions:

Institution	1989-90 Enrollment	1994-95 Enrollment	1999-00 Enrollment	5 Year Change	10 Year Change
Ancilla	543	703	532	-24.3%	-2.0%
IU Northwest	4,891	5,639	4,748	-15.8%	-2.9%
Purdue Calumet	7,790	9,246	9,351	1.1%	20.0%
Purdue N. Central	3,351	3,400	3,355	-1.3%	0.1%
Ivy Tech NW	2,519	2,335	4,186	79.3%	66.2%
St. Joseph's	994	979	934	-4.6%	-6.0%
Valparaiso	3,858	3,482	3,650	4.8%	-5.4%

An initial look at the data suggests that enrollment graduation decisions made by students may be inconsistent with the needs of the current and future labor market. However, the data may also suggest the need for more research. We do not know the exact nature of jobs within some industries, the replacement rates in addition to growth rates for some specific occupations, nor what kinds of decisions students are making about career paths and why.

The Workforce Preparation SystemWhat Resources Are Available to Develop Workforce Educational Attainment and Skills?

The One-Stop System Serves a Narrow Part of the Market

The table below shows the job opening and job placement activity for offices in the region for the first three quarters of Program Year 2000 (July 1, 2000 - March 31, 2001).

	LaPorte	Portage	Renns.	Knox	Winimac	Hammond	Gary
Total Job Openings Received	1328	849	129	9	15	1,637	3,209
Largest Occupation Areas in Openings	31% Mfg. 36% Serv.	37% Serv. 25% Mfg.	81% Mfg. 7% Serv.	56% Serv. 22% Mfg.	40% Mfg. 33% Transp and Util.	39% Mfg. 38% Serv.	49% Transp. And Util. 24% Serv.
% Openings Filled	27%	31%	36%	44%	0%	26%	55%
Largest Occupation Areas filled	42% Mfg. 31% Serv.	40% Mfg. 30% Serv.	96% Mfg. 11% Serv.	50% Whlsale trade	NA	44% Serv. 31% Mfg.	61% Transp. And Util. 19% Serv.
Ave. wage on orders	$9.05	$9.27	$9.90	$12.22	$9.48	$11.38	$9.06
Ave. wage on placements.	$8.30	$9.58	$10.92	$9.75	NA	$10.44	$8.44
Highest wages on placements.	Motor Freight: $11.51	Sales: $11.15	Structural: $11.67	Machine Trades: $15.00	NA	Processing: $14.40	Other: $14.60

It must be remembered that small numbers can skew the data. For example, the average wage for "other" jobs in Gary represented one job opening filled (the vast majority of the job placements in Gary were clerical jobs averaging $8.56 per hour). The $15.00/hr placement in machine trades in Knox represented one job opening filled. Generally, the data shows that the one-stop system in the region:

- Fills less than half its job openings;
- Primarily handles manufacturing and service openings;
- Primarily takes job orders and makes placements *below* the level of mid-range jobs (mid-range defined as $10.50-20.50 per hour).

However, the system met all its state and federal required performance standards for the last program year. Available services for job seekers include:

- Resume Service
- Registration on CS3 with the State of Indiana
- Application, Interview Skills
- Computer training--fee-based
- Job Board - Changed weekly
- Internet Job Leads and Internet Job Connections
- Fax Machine/Copier for Job Search
- Telephone for Job Search
- Testing for Interest, Skills, and Abilities
- Referral to other agencies for supportive services

Each center is equipped with books, videos, newspapers and magazines full of information on career strategies, educational programs and where to find specific training.

Employer services available through the WorkSmart divison include:

- Pre-Screening
- Placement of trainees
- Internships
- OJT's
- Interviewing Space
- Employee Assessments including Basic Reading and Math, Mechanical Aptitude Assessments, Work Behaviors, Other customized assessments
- Seminars and Training in Team Building; Conflict Resolution; Safety; Managing Stress in the Workplace; Other customized training

Each WIB in the state approves programs for an "Eligible Training Provider" list that is posted on the Internet by the Indiana Department of Workforce Development. Schools submit their programs for consideration and the boards approve or reject them based on the quality of the program. The most current data shows:

Jasper County

- The only approved providers are Portage Adult Education and the Professional Driving Center.

Newton County

- The only approved provider is Portage Adult Education.

Starke County

- The only approved provider is Portage Adult Education.

Pulaski County

- No approved training providers.

Porter County

- Ivy Tech Northwest is approved for electronics technology, computer information systems management, welding, design technology, HVAC, auto technology, medical assistant, practical nurse, respiratory care, surgical technology, physical therapy assistant, pharmacy technology, business administration, office administration, hospitality administration programmer analyst, and serve safe.
- 2-Tech Enterprises is approved for a range of computer training programs.
- Indiana Wesleyan is approved for MBA, associate and bachelor degrees in business, masters in education, and bachelors in nursing.
- Professional Resources, Inc. is approved for nurse aide certification.
- Current Technologies is approved for A++ Certification, and CISCO's CCNA certification

LaPorte County

- Michigan City Area Schools is approved for ABE/GED, adult secondary credit, and non-credit vocational training.
- Data Mine Corp is approved for computer training in windows, internet, Access, power point, Word, Excel.
- Ivy Tech Northwest is approved for computer information systems management and PC support, business administration, office administration, medical assistant, occupational therapy, physical therapy, respiratory care, surgical technology, hotel administration baker and pastry, hotel administration culinary, AAS in child development.
- Purdue North Central is approved for an associates in industrial engineering technology, associates in electrical engineering, registered nursing, and associates in general business.
- The Electrical Joint Apprenticeship and Training Committee is approved for electrical JATC.
- The Professional Drivers Institute is approved for accelerated carrier training program.
- LaPorte Hospital is approved for EMT Basics.
- Indiana Wesleyan is approved for masters of education, bachelors in nursing, MBA, bachelors in accounting, business information systems and business administration, and an associates in business.

Outside of Porter and LaPorte, there is very little "approved" training available. That is not to say there aren't many other training programs. The above happen to be the only

ones for which the providers have applied, and the WIB has approved for use of one program's funds (WIA funds).

A Training Resource Directory compiled 10 years ago by the Kankakee Valley Private Industry Council with a "hope to update the information periodically" listed 86 institutions with hundreds of program offerings.

> Enticing the public to participate in lifelong learning and skills upgrading requires current and accurate information, not only about where training can be obtained, but consumer information on the cost, training duration, and outcomes of program graduates in terms of employment, location of employment and wages.

What Assets Do We Have to Develop A Better Prepared Workforce?

There are Many Federal Resources, Although they Have Limitations

The chart below is based on the most recent information and provides estimated annual dollars available to serve various target populations across the 7 county region.

Target Population	Annual Dollars and Programs
Food Stamp and Welfare Recipients	Welfare to Work: $1,416,123 FSSA/IMPACT: $4,000,000 Federal discretionary Welfare to Work: $5,000,000 (one time grant to Lake)
Disabled	Vocational Rehabilitation: $4,000,000
Older Workers	$933,000
Disadvantaged Youth	Temporary Assistance to Needy Families (TANF): $888,000 (one time) Workforce Investment Act (WIA): $2,851,927
Displaced Workers	WIA: $1,032,573 Trade Adjustment Assistance (TAA): Unknown Unemployment Insurance: Unknown
Adults with Low Basic Skills	Adult Basic Education: $2,000,000 (for 6 cty. area only, Lake unknown)
PostSecondary Voc Ed.	Carl Perkins Act: $86,000 (in 6 cty. area, Lake unknown)
Low Income Adults	WIA: $2,270,818 Community Services Block Grants: $269,000 (in 6 cty. area; Lake unknown) Housing and Urban Development: Unknown
Job Seekers	Wagner-Peyser Workforce Investment Act
Veteran Job Seekers	Local Veterans Employment Representative Disabled Veteran Outreach Programs
Students	Pell Grants School-to-Work: $2466,963
Incumbent Workers	WIA State Discretionary
Migrant and Seasonal Farmworkers	Migrant and Seasonal Farmworker Program

In addition to federal funds, there are public state and local resources available to develop the workforce:

Target Population	Annual Dollars and Programs
Food Stamp and Welfare Recipients	Township Trustees
PostSecondary Voc Ed.	State Allocations
Low Income Adults	Township Trustees
Incumbent Workers	Advance Indiana, Training 2000

Private and Foundation Resources:

Target Population	Annual Dollars and Programs
Adults with Low Basic Skills	The Discovery Alliance grant
Students	The Discovery Alliance grant
Incumbent Workers	The Discovery Alliance grant Private Employer Investments:

Observations:

- More research will be needed to identify the amounts of funds available across the 7 county region. The information is not readily available.
- Many resources need further explanation before they can be claimed as developmental assets. For example, resources for job seekers who are veterans comes solely in the form of designated state staff. Resources for job seekers in general comes in the form of staff and facilities, not in training dollars, yet they do provide development in the form of assessment and counseling. Many of the other federal funds support a combination of direct training, plus service staff, supportive services such as child care, and access facilities so the dollar figure can not be assumed to represent training funds.
- Eligibility requirements for similar populations (such as low-income) don't necessarily agree among programs.
- Programs have different goals, allowable services, and administrative mechanisms which keep them from simply being "added-up" for any given population.
- Some resources are only available on a one-time basis, or only on a competitive basis and are not guaranteed from year to year.

There are few public resources available for training incumbent workers. Most public resources are targeted to special populations.

Other Assets

Educational Institutions: Educational institutions at the secondary and postsecondary levels are tremendous assets with a large capacity for developing the workforce. Data for the public postsecondary institutions is shown on the following pages (data not available for Ancilla or St. Joseph).

Cisco Academies: Northwest Indiana currently has 16 CISCO academies, each with a capacity of about 10-15 students. The programs are new and require 4 semesters of work, so success rates are not yet known.

Certificates of Technical Achievement: There are only 2 assessors total in the entire region who can assess for the state-developed Certificates of Technical Achievement, but no CTAs have been awarded through those assessors. State efforts have resulted in 4,114 CTAs in the region, all at Bethlehem Steel and all in Advanced Manufacturing.

Work Keys: One of the most widely used sets of skill standards is ACT's Work Keys. Work Keys bridges the information gap between the level of skills needed in the workplace and the actual skill levels of employees. Work Keys has both a job profiling and an assessment component. Skills quantified by Work Keys are Applied Mathematics, Applied Technology, Listening, Locating Information, Observation, Reading for Information, Teamwork, and Writing. This resource permits identification of skill levels required for specific jobs and assesses transferable skills among workers and job seekers applicable to those jobs. Work Keys profiling and assessment is available through the WorkOne system.

SHL Work Profiling System (WPS) is another job profiling and assessment tool to identify key competencies and determine appropriate fit. From verbal and numerical skills; to mechanical, spatial, dexterity and perceptual skills; to specific traits and capabilities needed in complex technology-driven business environments, SHL ability tests and interactive exercises assist in selecting the best candidate for the job. SHL is available through Ivy Tech.

Community Groups are collaborating on regional issues. These groups include the Quality of Life Council, United Way, Northwest Indiana Forum, community foundations, and the workforce investment boards (including CWI).

Indiana University Northwest *January, 1998*

Mission: Regional institution with a primary responsibility for undergraduate education. Provides associate, baccalaureate, and selected master's programs.

Enrollment (1996-97)
7,344 Students (3,606 FTE)
87% Undergraduate
13% Graduate/Professional
28% Full-Time
95% From Indiana
67% Women, 33% Men
24% African American
719 Degrees Conferred
- 42% Certificate and Associate
- 46% Baccalaureate
- 12% Graduate and Professional

Quality Indicators (1994-96)

Accredited Programs: Dental Assisting, Dental Hygiene, Medical Laboratory Technician, Medical Record Technician, Nursing, Radiation Therapy Hygiene, Medical Laboratory Technician, Medical Record Technician, Nursing, Radiation Therapy Technology, Radiography, Respiratory Therapy Teacher Education

Licensure pass rates (1994)
90.5% Nursing

Cost/Financial Aid (1997-98/1995-96)
$2,883 Resident UG Tuition/Fees
56% FT undergraduates receiving grants
$2,992 Average grant (all sources)
30% FT undergraduates receiving loans
$2,720 Average loan (all sources)

Freshman Profile (Fall 1996 and 1996-97)
28% from top quarter of HS class
47% from top half of HS class
16% over 25 years old
31% receiving Pell grants
1,204 applied, 1,000 accepted, 775 entered
Mean SAT: Not reported

Retention/Graduation Rates (Fall 90 freshmen)
57% of freshmen (61% if full-time, 48% if part-time) return to IU Northwest for 2nd year
11% of freshmen transfer to other campuses
Assoc Bacc
FT freshmen who graduate in 2/4 yrs n/a 5%
FT freshmen who graduate in 3/6 yrs n/a 24%
PT freshmen who graduate in 6/6 yrs n/a 5%

Largest Program Areas (96-97 Enrollments)
1,471 Health & Related Sciences (20%)
1,216 Business/Administration (17%)
776 Education (11%)
411 Liberal Arts/General Studies (6%)
357 Protective Services (5%)
236 Public Affairs (3%)
191 Psychology (3%)
152 Life Sciences (2%)
141 Social Sciences (2%)
89 Visual/Performing Arts (1%)

Purdue University Calumet *January, 1998*

Mission: Regional institution with a primary responsibility for undergraduate education. Provides associate, baccalaureate, and selected master's programs.

Enrollment (1996-97)
12,108 Students (5,932 FTE)
87% Undergraduate
13% Graduate/Professional
28% Full-Time
93% From Indiana
57% Women, 43% Men
12.0% African American
1,170 Degrees Conferred
- 31% Certificate and Associate
- 55% Baccalaureate
- 13% Graduate and Professional

Cost/Financial Aid (1997-98/1995-96)
$2,970 Resident UG Tuition/Fees
41% FT undergraduates receiving grants
$2,781 Average grant (all sources)
39% FT undergraduates receiving loans
$3,116 Average loan (all sources)

Freshman Profile (Fall 1996 and 1996-97)
23% from top quarter of HS class
54% from top half of HS class
8% over 25 years old
30% receiving Pell grants
1,857 applied, 1,128 accepted, 847 entered
Mean SAT: 450 Verbal, 440 Math

Retention/Graduation Rates (Fall 90 freshmen)
67% of freshmen (70% if full-time, 61% if part-time) return to Purdue Calumet for 2nd year
6% of freshmen transfer to other campuses

	Assoc	Bacc
FT freshmen who graduate in 2/4 yrs	3%	4%
FT freshmen who graduate in 3/6 yrs	21%	24%
PT freshmen who graduate in 6/6 yrs	25%	5%

Largest Program Areas (96-97 Enrollments)
2,433 Business/Administration (20%)
1,448 Education (12%)
828 Engineering-Rel Technologies (7%)
657 Engineering (5%)
596 Health-Related Sciences (5%)
414 Social Sciences (3%)
390 Psychology (3%)
319 Communications (3%)
270 Life Sciences (2%)
228 Letters (2%)

Quality Indicators (1994-96)

Accredited Programs: Nursing, Engineering, Engineering Technology, Marriage and Family Therapy, Teacher Education

Licensure pass rates (1994):
87.0% Nursing
90.6% Teacher Ed: General
97.8% Teacher Ed: Professional
90.4% Teacher Ed: Communication

Purdue University North Central *January, 1998*

Mission: Regional institution with a primary responsibility for undergraduate education. Provides associate, baccalaureate, and selected master's programs.

Enrollment (1996-97)
4,479 Students (2,039 FTE)
98% Undergraduate
2% Graduate/Professional
26% Full-Time
99% From Indiana
61% Women, 39% Men
3.8% African American
397 Degrees Conferred
74% Certificate and Associate
26% Baccalaureate

Quality Indicators (1994-96)

Accredited Programs: Engineering Technology, Management, Nursing, Radiography

Licensure pass rates (1994):
95.7% Teacher Ed: General
100% Teacher Ed: Professional
91.7% Teacher Ed: Communication
100% Teacher Ed: Specialty Area

Cost/Financial Aid (1997-98/1995-96)
$2,979 Resident UG Tuition/Fees
49% FT undergraduates receiving grants
$2,593 Average grant (all sources)
38% FT undergraduates receiving loans
$2,884 Average loan (all sources)

Freshman Profile (Fall 1996 and 1996-97)
32% from top quarter of HS class
63% from top half of HS class
20% over 25 years old
26% receiving Pell grants
1,468 applied, 1,335 accepted, 901 entered
Mean SAT: 479 Verbal, 490 Math

Retention/Graduation Rates (Fall 90 freshmen)
52% of freshmen (54% if full-time, 50% if part-time) return to Purdue North Central for 2nd year
10% of freshmen transfer to other campuses

	Assoc	Bacc
FT freshmen who graduate in 2/4 yrs	8%	3%
FT freshmen who graduate in 3/6 yrs	22%	17%
PT freshmen who graduate in 6/6 yrs	15%	0%

Largest Program Areas (96-97 Enrollments)
820 Business/Administration (18%)
315 Liberal Arts/General Studies (7%)
276 Engineering-Rel Technologies (6%)
257 Education (6%)
252 Health & Related Sciences (6%)
51 Life Sciences (1%)
39 Precision Production (1%)
29 Letters (1%)

Ivy Tech State College - Region 1 (Gary) *January, 1998*

Including centers at East Chicago and Valparaiso
Mission: Statewide, open-access, community-based technical college. Offers degree and certificate programs of two years or less in professional, occupational, and academic transfer fields.

Enrollment (1996-97)

Total	Gary	E Chic	Valpo	
4,894	2,277	1,046	1,561	Students
2,033	985	376	671	FTE
100%	Undergrad			
24%	22%	38%	18%	Non-Degree
16%	16%	14%	18%	Full-Time
99%	98%	99%	99%	From Indiana
55%	58%	43%	59%	Women
33.4%	54.7%	32.1%	3.3%	Afr American

292 Degrees Conferred
49% Certificate
51% Associate

Cost/Financial Aid (1997-98/1995-96)
$1,937 Resident UG Tuition/Fees*
82% FT undergraduates receiving grants
$2,746 Average grant (all sources)
0% FT undergraduates receiving loans
$0 Average loan (all sources)
* Collegewide

Freshman Profile (Fall 1996 and 1996-97)
Open Admission
36% over 25 years old
49% receiving Pell grants

Retention/Graduation Rates (Fall 90 freshmen)
36% of freshmen (44% if full-time, 29% if part-time) return to Region 1 for 2nd year
7% of freshmen transfer to other campuses
Assoc
FT freshmen who graduate in 2 years 4%
FT freshmen who graduate in 3 years 18%
PT freshmen who graduate in 6 years 8%

Largest Program Areas (96-97 Enrollments)
929 General/Technical Studies (19%)
586 Business/Administration (12%)
514 Health & Related Sciences (11%)
428 Mechanics & Repairers (9%)
380 Computer/Information Sci (8%)
225 Engineering-Rel Technologies (6%)
56 Precision Production (3%)

Quality Indicators (1996)
Accredited Programs: Hospitality Administration, Medical Assisting, Nursing, Practical Nursing, Respiratory Care, Surgical Technology

Licensure pass rates:
70% Nursing, ASN (Gary)
92% Practical Nursing (Gary)
96% Practical Nursing (Valparaiso)
88% Respiratory Therapy (Valparaiso)
95% Surgical Technology (Valparaiso)

There are Gaps In Our Resources

- There are inadequate intermediary systems for connecting *all* workers with jobs and employers with qualified applicants. Current systems primarily work with "lower end" applicants and jobs. These resources are stretched by serving this small segment of the job market. Serving a broader market in an exemplary fashion may require more funds.
- Data and information that would help students, counselors, and parents make career decisions and schools make curriculum decisions are inadequate or poorly communicated.
- Federal resources have been declining, yet adult development is heavily dependent on federal funds.
- Resources to help incumbent workers develop new skills needed in the increasingly technological work environment are inadequate to keep up with need.
- There are too few work-based learning opportunities for youth to develop experience and skills required by employers.

Resource Needs

- Funds to sustain one-time or short term grant initiatives
- Resources to research and generate timely and accurate data on an on-going basis about work, skills, and wages.
- Training dollars that are not tied to narrow federal eligibility programs.
- Resources to provide employers and workers more detailed information about skill requirements (through job task analysis and profiling).
- Increased capacity to assess and credential existing skills.

The Voice of the Community

Development of this Northwest Indiana Profile involved discussions with a wide variety of citizens of the region. CWI shared data, asked advice, and sought input for the goals that will drive our future strategies as a community. The first series of meetings occurred in December2000/January 2001. The comments from the second round of meetings from forum participants are outlined below:

Local Elected Officials: April 4, 2001

- Top supply-side issues are ensuring that all youth are prepared to reach their greatest potential, and skill upgrades for incumbent workers.
- Top demand side issue is developing a clear picture of the quality and quantity of jobs needed in the future for the desired economy.
- Top education and training system issues are establishing WorkOne locations as high performance community resources and building public, parent, and student understanding of career preparation opportunities and options.
- Top system effectiveness issue is communicating, producing, and maintaining regional workforce data that reflects current and projected job demand and labor supply information.

Regional Economic Developers: August 22, 2001.

- Align time zones west to east to get more direct flights to business destinations
- Establish a regional economic commission
- Target political organizations for economic development funding
- Identify benchmarks for the workforce industry
- Identify skill levels and knowledge bases.
- We need a continuum of services, a continuum of learning to meet the future labor market demands.
- Kids don't know what the jobs are.
- People will locate around a cluster of jobs such as Boston for the financial markets or Silicon Valley for the information technology. Northwest Indiana's closest example of this is the riverboats and the steel mills. Need other clusters! Health care could be another.
- This region is a single economy.

Community-Based Organizations: September 19, 2001

- Vocational education is more expensive to deliver unless it is long term
- Some people don't understand what a lot of the Vocational Education titles mean.
- Bring more high tech service jobs to our region.
- Bring in higher paying jobs.
- Give children the opportunity to get mandates.
- A literacy coalition needs to be brought into the region.
- Reprioritize the void of local support jobs.
- Emphasize employer training.
- The county and all regions will need fireman, security workers, police officers, and military support. All jobs which are security driven. How are we supposed to fill this void and renew interest?
- Businesses should do more training for their workers and students in the pipeline since they have the best grasp of needs.
- We need to ensure a "new vision" of what the regional strategy could be for building the workforce.

Starke County Employers: October 12, 2001

- Absenteeism is a problem.
- Employees don't have basic skills.
- Inability to pass math and reading at 9th grade level.
- In my company, applicants must pass 12th grade basic skills tests
- We had more male recruits last year than female (about 60/40).
- Skill Center will be offering basic shop math, journal writing.
- We had 600 applicants come in, took 40-50 applications, hired one individual.
- We had 50 applications for 5 positions, but hired only one individual.
- There is no desire for post-secondary education even with tuition reimbursement.
- Need change in attitude.
- Motivational issues: zero interest in learning.
- Root cause of the issue is lack of motivation.

Superintendents and Principals: October 17, 2001

- Businesses could hire some of the upper level students (those with good grades) to show them what working is all about. Internship programs are important. Most of

the kids do not work during the school year and have no concept about real life situations.

- There is a negative perspective concerning vocational programs. Programs change names because parents want their kids to go to "college", not a vocational school. Sports recruiters are very successful in getting kids to go to college. There should be some type of similar way to recruit for vocational schools.
- Where do graduates get their information when deciding on a position? Career centers at colleges post jobs and recruit. IU tries to get medical students to stay in Indiana to work. This group should be studied to try and replicate their actions.
- What is the relationship between businesses and schools? When businesses look at whom they are hiring, they are happy they have a college graduate but they don't check to see what kind of student they were. All businesses should ask for school transcripts. Even though a lot of businesses are "downsizing", they want quality individuals to work for them.
- What are we telling kids and parents about what it takes to be successful? How do you define "success?" Too many parents and students choose not to be successful and are not prepared to make good choices.
- After graduation, are the jobs located in this area that they want to go to? What are the jobs available that the graduates either commute to or move away to acquire? This is very important to know for the economic development of the area.
- Should there be abatements for students to keep them in the area? What is the "quality of life" in Northwest Indiana? There are some businesses that have people moving in and out frequently because of the number of positions available in their field of expertise; i.e., computers, CPA's, etc.

Youth Council, CWI, October 19, 2001

- Concern regarding the way that some information is gathered regarding vocational counts for high schools which directly affected the numbers presented within the report.
- It appears that the lowest paying jobs were in the highest demand in our area within the state.
- Individuals that did complete a four-year degree or higher were leaving our area to work elsewhere. This created a cycle of lack of demand which in turn affected what training individuals in the area sought, which in turn affected the type of industries which were attracted to our area since it would seem that not enough individuals in the area has that type of training.
- Take a proactive approach to recruiting future companies to our area with schools sitting at the table and stating what they have to offer.

Northwest Indiana Forum, Education Committee: October 24, 2001

- Parents need to be educated!
- Kids are not connected.
- Employers/businesses have been positive about taking kids into their workplaces for job shadowing, field trips, internships, and even employment. Just not enough time in the school year to provide multiple experiences for each student. Need more school days, staff, or volunteers to assist.
- Unions – apprenticeship programs should do more. They are more aware of all jobs so are in an excellent position to present information and provide opportunities and good training. Their education and training programs should be open to a broader audience.
- Can we determine what *knowledge* is leaving the region, not just how many workers?
- Kids don't know what the jobs are. Youth need to better understand "jobs".
- People will locate around a cluster of jobs such as Boston for the financial markets or Silicon Valley for the information technology. Northwest Indiana's closest example of this is the riverboats and the steel mills. Need other clusters! Health care could be another.
- This region is a single economy.

Chancellors and Deans, November 7, 2001. Comments from the educators included:

- The list of fastest growing occupations changes constantly, which is hard for the schools to adapt to.
- If we are going to look at Northwest Indiana as a "bedroom" community the students need to be prepared to live and work here. The role of higher education needs to be better defined. Some type of government incentive might be a possibility, but the process usually takes too long.
- How do you go from "old manufacturing" to "new manufacturing" practices? The state is trying to attract businesses that have the jobs available in their field for the students who are currently graduating.
- We need to help business conduct research and development to lead us to a "new economy". What role do educators play in "driving" the economy? It would be a plus to look at other data sources (i.e., Lilly, governor's office, etc.) to see how it compares with what the Center has.
- It would be beneficial to have one institution that could be the stimulus for research and development. Regional institutions are funded a lot less than the big schools.
- Schools are listening to people, businesses, hospitals, etc. to determine the curriculum and other needs for the region.

- Limit our focus to what needs to be built into the curriculum which might include phasing out the associate degree programs.
- We need to contribute to student development to help them become productive citizens.
- Purdue Calumet has made it a priority to increase the number of students who complete their courses and graduate. Cleveland and Pittsburgh were used as examples of places that have turned around their educational institutions to benefit both the urban and suburban areas.

Ladders for Success Meeting: November 14, 2001

- Childcare and transportation seem to be the 2 biggest issues for low-income earners.
- Everyone needs to concentrate on moving people "up the ladder" to better paying jobs instead of staying stagnant in a position.
- An increase in the sales tax impacts the low earners more significantly.
- Childcare and transportation are important regional issues. The challenge that exists in Northwest Indiana is the fact that there are a lot of small communities that can't support the infrastructure for these items by themselves. The Gary/Hammond/East Chicago area has been able to do this.
- There is a very real economic crisis affecting this area with the state the steel mills are in. School corporations as well as libraries, etc. are in trouble because Bethlehem Steel cannot pay their November property taxes. Duneland Schools rely on 60% of that tax money and the town of Burns Harbor depends on 80% of the same funds.
- Flat Income – The gap is much bigger regionally than shown on a statewide basis because there is a lot more manufacturing in this area that is either going under or is in a crisis mode.
- The state is trying to build jobs that require a college degree. Purdue and IU are trying to keep graduates in the area. Where is our mission? Where are we going with the $20,000/year jobs?
- Businesses in the area do not concentrate on training and individuals very rarely acquire on-the-job skills. We also need to look at how much the employees are willing to learn once they have the job. Investments need to be made in training and job advancement. We must be concerned with the retention of skilled workers.
- What impact does the "gaming" industry have on our region?
- Most of the layoffs that are occurring at this time at the mills are for workers in the 48 to 55-age bracket. They probably will not be willing to invest the time to get a degree. They will be looking for jobs they can get now. Some will leave the region and some will be willing to work for less money to stay in Northwest Indiana.
- The colleges in the region are enrolling the younger students rather than the older learner.

- There is a definite lack of affordable housing, at least in the Valparaiso area, and this is a major issue.
- Racism is an issue. It is hard to work on major issues because of this problem.
- Many older people are afraid to take jobs in this area because of their lack of training and general apprehension for learning a technology-based job.
- Pulaski County is in a whole different realm. Indianapolis as well as Northwest Indiana ignores the county. The programs do not match up and that is understandable since the entire county is comprised of 13,000 people and the workforce is approximately 6,000. They have a large agricultural base with few manufacturing companies. They haven't lost the manufacturing jobs that the Northwest region has. The steel mill's loss of jobs won't affect the area very much if at all. Childcare and transportation are not very relevant to that area either.
- Fifty percent of the graduating seniors in Pulaski County do not seek higher education. A lot of them take apprenticeship welding classes because they know they can make a decent wage and stay in the area. The West Central school system highly promotes the "trades".
- Newton County has a childcare issue that they are currently working on. A lot of the problem stems from the fact that the regulatory issues are too stringent and discourages people from starting this type of business. Liability insurance is also cost prohibitive.
- Newton County does have a business that is holding slots at a childcare facility for their workers who need that service.
- Healthcare is another formidable issue. Small companies of 25 or less have a problem paying for insurance for the employees. It might start out being affordable but in subsequent years it becomes cost prohibitive.
- Life Long Learning needs to be emphasized.
- The workforce must have the skills that are in demand.

Northwest Indiana Forum Managing Board: November 16, 2001

- The steel industry and other companies in the Big Ten require their employees to have high skills and a more advanced education. The community does not understand that.
- We need to change the mindset of citizens to understand that higher education and advanced training is critical for employment opportunities.
- There are clusters of training and education for which people must travel to Illinois. If we can bring the training to Northwest Indiana, we could lower the cost and improve access.
- A question was posed regarding the ability of post-secondary education to add a change of curriculum rapidly to respond to the labor market or customer interest.

- The K-12 system might be able to improve performance if consolidation would occur freeing-up resources for students.

Business and Labor Group: November 20, 2001

- It might be beneficial to compare jobs in this area with their respective hourly wages as opposed to the same jobs in Chicago.
- Commuting Patterns – A reserve of talent may be available for employment in Northwest Indiana. It would be beneficial to assess who is commuting and for what jobs. If people could be retained in the community, we could increase tax revenue and quality of life.
- One individual stated that maybe it isn't such a bad thing if people are making higher wages in the city but are spending them in Northwest Indiana and aiding the local economies.
- What wage level is needed for it to be beneficial to remain employed in the area?
- Lack of workforce training may be a marketing issue i.e. lack of understanding of the employers part dealing with return on investment.
- Training is not being handled adequately. Businesses do not have the personnel or the resources to train. Can Human Resource Departments handle this along with all of their other responsibilities? Are Human Resources departments ill equipped to develop or secure training? Do most companies have human resource/training?
- It was mentioned by one of the attendees that businesses that want to hire want individuals who are already trained. They want high school graduates with computer skills. If they are to work in a factory, they want them familiar with the skills needed for the job.
- One remark that has been heard from steel mill representatives is they are not in the business of education.
- Northwest Indiana is not adequately preparing students to get the type of jobs that are available. It was mentioned that there are not building trade classes in the Gary school system.
- Schools are not equipped or not responding to labor market needs.
- What is or should be the relationship between business and education?
- Apprenticeship programs have been reduced or eliminated.
- Ten years ago internships were a way to grow your business. Internships used to be a very lucrative tool for businesses wanting to hire however, all businesses are now vying for the same people. It was reiterated that the businesses do not have the resources or the time to train.
- Training is becoming very limited in business due to competitive pressures. Internships need to be redone and available to all businesses.

- Contractors are having a difficult time meeting EEO requirements in the area. Often times highly skilled workers need to leave the community in order to find employment.

Conclusion

Northwest Indiana is facing a number of challenges with regards to its future workforce and workplaces. In order to sustain and enhance the quality of life enjoyed by the region, four priorities have been identified:

1. Increase the skills of the current workforce.

The current workforce is below the state and national averages in education and credential attainment. There is insufficient skill upgrade training for incumbent workers and insufficient information available to help them make career decisions. There is no uniform means of assessing their current education and skills against the education and skills needed for now and in the future. There is insufficient information for employers to analyze what kind of training they need to invest in to help their workers become more productive.

2. Prepare youth for success

There is not enough emphasis placed on credentials, too few quality work-based learning opportunities, and not enough information provided to help youth prepare for high skilled, high pay work within this labor market.

3. Diversify the Economy

The highest average annual wages are found in the steel industry, which employs a significant percentage of the population. Downturns in the primary industry have repercussions for the overall economic health of the region. Other high demand jobs tend to be much lower paying. The economic base must include more high skill, high pay job opportunities.

4. Develop a more efficient and effective intermediary system of information and services for workers and employers.

Schools either do not have or do not communicate clear information about career options, skill requirements, job opportunities, and wages. Employers may not see themselves and their commitment to training as part of the workforce development system for the region. Workforce intermediaries such as the WorkOne Centers are not viewed as a primary resource for all workers and future workers.

CWI is eager to hear from the employers, workers, students, schools, and intermediaries who live with these issues everyday about how to identify and optimize opportunities to improve. Implementing change will require the commitment of everyone in the region, but we believe it can be done!

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