Job training programs for new Americans are proven to reduce labor shortages and restore communities’ economic vitality.

May 2019
The year 2019 has brought America one of its tightest labor markets in recent history, an economic trend coalescing with changing workforce demographics and ongoing uncertainty around the nation’s immigration policies and practices. This brief aims to look at these issues together and highlight the growing need, and critical value, of welcoming refugees and other New Americans into the labor market.

By exploring two examples of the International Rescue Committee’s efforts to prepare New Americans for careers in two of the fastest growing industries in the U.S.—health care and transportation and logistics—this brief offers learnings on how to create solutions through thoughtful program design and strong partnerships with the private sector.

**Key Takeaways:**

- There are 7.3 million unfilled jobs in the United States—a record number—and the growing diversity of the U.S. workforce (17.1 percent foreign born) makes New Americans, including refugees, critical to filling these positions.

- Health care and transportation and logistics, among the fastest growing industries in the U.S., are generating demand for well-trained, qualified candidates. The health care section will need more than 1 million new home health aides and personal-care assistants by 2026. Between 2016 and 2026, the transportation and logistics sector will add nearly 700,000 new jobs. Indeed, the average age of truck drivers in the U.S. is 55, placing them among America’s oldest workforce.

- Last year, the IRC worked with 1,000 employers in 26 cities to find and advance jobs for 9,000 New Americans. Job training programs that support refugees and other New Americans reduce labor shortages in key industries and restore economic vitality to communities.

Without a steady supply of new workers to meet the needs of a changing labor market, the U.S. risks a slowdown of critical services and a contraction of the economy. Investing in workforce development programs that build an inclusive economy will strengthen local, regional and national economies. With strong partnership and investment from both the public and private sectors, America can ensure that the next generation of workers is ready to contribute to a thriving economy.
America’s workforce is changing in four major ways.¹

- **It is growing.** Between 2016 and 2026, 11.5 million new jobs will be created and job growth will come significantly faster than the previous decade.

- **It is graying.** In 1996, 11.9 percent of workers were over 55; by 2026, the percentage will increase to nearly a quarter of all workers (24.8 percent).

- **It is diversifying.** In 2018, 17.1 percent of workers were foreign born, the highest percentage since 1910.

- **It is becoming more skilled.** Of the 30 fastest growing occupations between 2016 and 2026, 18 require post-secondary education.

The demographic reality means that meeting the demands of the 21st century workforce requires innovative strategies that engage new populations of potential workers, helping these individuals earn the skills they need to fill the record-high 7.3 million unfilled American jobs.² Employers are invested in training a skilled labor force, but the economic system is complex and highly decentralized, including a mix of private and public programs, post-secondary education, and nonprofit initiatives.³ It can be challenging to draw conclusions that apply broadly across the entire sector. However, in recent years, there are promising signs of innovative approaches to job preparation.⁴

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¹ As of March 2019, the national unemployment rate is 3.8 percent.
² All data drawn from https://www.bls.gov/
³ As of February 2019, as reported by https://www.bls.gov
⁴ For a good introduction to how workforce development works, especially at the local level, see https://www.urban.org/research/publication/understanding-local-workforce-systems
⁵ The re-authorization of the Workforce Innovation and Opportunity Act (WIOA) contains several key provisions, including efforts to better integrate federally-funded basic skills and English language instruction into federally-funded occupational skills training programs.
The landscape of American efforts at preparing new workers is teeming with strategies to identify and prepare a new generation of workers—workers whose backgrounds, skills and experiences may be different than past generations but who are increasingly vital to the nation’s economic health.

Job-training programs in Dubuque, Iowa, to Baltimore, Md., from Seattle, Wash., to Boise, Idaho, are adopting strategies that range from integrating ESL into apprenticeship programs to creating special programs geared specifically for bilingual health care workers. Indeed, one in four community college students is an immigrant and ESL classes are the fastest-growing segment of adult education in the U.S. (40 percent of enrollment), clear evidence of how key partners are responding to an increasingly diverse population preparing to enter the workforce.6

Industry sectors that historically had little engagement with apprenticeship programs are turning to this strategy to train new workers. Just two years ago, the National Restaurant Association Educational Foundation launched an initiative with key public and private partners to create new apprenticeship pathways in an industry that employs an exceptionally diverse group of workers, many of whom have little opportunity to advance to higher skill jobs.7

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6 https://www.cccie.org/resources/fast-facts/
7 https://www.restaurant.org/Articles/News/Batch2/Apprenticeship-program-open-for-business
Industry partners such as the retail and health care company CVS are expanding apprenticeship programming for pharmacy technicians and partnering with local and regional organizations serving diverse, low-income job seekers with the goal of building a new pipeline of workers.\(^8\)

States, too, are taking bold steps. In Maryland, the governor has used discretionary federal job-training dollars to help connect more English-language learners to construction and other skilled trades programs.\(^9\)

In California, the recent passage of Assembly Bill 1111 requires public job-training programs to partner with community-based organizations serving diverse populations with barriers to employment. The goal is to work together more effectively to meet labor needs of the state’s growing economy. To do so, the state in 2019 is investing $15 million of General Fund money in this initiative alone.\(^10\)

90% of IRC career pathway clients enrolled in transportation and logistics training during 2017 and 2018 were pursuing a Commercial Driver’s License, preparing to become one of America’s nearly 2 million commercial truck drivers.

In short, the many sectors of the American economy are embracing strategies to identify and prepare a new generation of workers—workers whose backgrounds, skills and experiences may be different than past generations but who are increasingly vital to the nation’s economic health.

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\(^8\) [https://www.dol.gov/apprenticeship/industry/healthcare.htm](https://www.dol.gov/apprenticeship/industry/healthcare.htm)

\(^9\) [https://dors.maryland.gov/resources/Documents/2016_STATE_PLAN.pdf](https://dors.maryland.gov/resources/Documents/2016_STATE_PLAN.pdf)

\(^10\) [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1111](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1111)
Stakeholders invested in developing the next generation of American workers are deeply immersed in building job skills among new entrants to the labor market. In recent years, this work has by default become entwined in a strained national dialogue about immigration and welcoming newcomers. The shift in immigration policy has been sharp and swift, especially in regard to changes to longstanding U.S. refugee resettlement programs that began with an executive order issued in the first week of the Trump and that continue through limiting and restrictive policy decisions.

For decades, the U.S. immigration program enjoyed bipartisan support. As recently as Fiscal Year 2016, America welcomed 85,000 refugees. In FY 2019, however, the ceiling for refugee admissions was slashed to barely a third of 2016 levels, and administrative barriers may further restrict admissions to fewer than 25,000 refugees.\(^{11}\)

The broader landscape of immigration policy is more complex, but a series of decisions halting the Deferred Action for Childhood Arrivals (DACA) program, initiating a travel ban, institutionalizing family separation, and reconfiguring asylum protocols have created a climate unwelcoming to current and potential New Americans vital to the U.S. labor market. It is clear that the U.S. has entered a pivotal and challenging era with regard to immigration.

If the workforce were to grow more rapidly, the nation’s fiscal outlook would improve. The economy could certainly accommodate more workers. Full employment has arrived, yet 7 million jobs remain unstaffed. If businesses’ demand for labor were fully met, GDP growth would accelerate by approximately half a percentage point.

A larger workforce would contribute more to payroll taxes, placing public safety net programs on firmer footing. It would also boost the economy’s growth potential, and faster growth would reduce the deficit’s share of GDP and create less strain on capital markets from future borrowing.

Finding more workers shouldn’t be difficult. The next generation of workers has already been born, but not all of them have moved to the United States yet.

Jim Glassman  
Head Economist  
JP Morgan Chase  
November 28, 2018


\(^{12}\) For an excellent discussion of this, see [https://www.urban.org/sites/default/files/publication/98766/upskilling_immigrant_workforce_to_meet_employer_demand_for_skilled_workers_2.pdf](https://www.urban.org/sites/default/files/publication/98766/upskilling_immigrant_workforce_to_meet_employer_demand_for_skilled_workers_2.pdf)

Immigration and the American Workforce in the 21st Century

In this context, it is useful to delve more deeply into just how immigrants, refugees and other diverse Americans can prepare for in-demand middle-skills jobs. It is important to note that New Americans are often successful at exiting the ranks of the 7.6 million Americans classified as working poor, and that American industry sees job-training programs as essential to creating a new workforce. So, too, do towns and cities benefiting from expanded economic activity and a growing tax base—which in turn leads to improved infrastructure, strengthened services and resources for all residents, and better quality of life. In short, both the public and private sectors recognize that training New American workers alongside, not instead of, native-born Americans is critical to the health of the economy.

The landscape of workforce development programming across the U.S. is in many ways decentralized, populated by a variety of sometimes overlapping programs specific to local economies and stakeholders as well as to policies and resources tied to federal funding and national private-sector investments. Two examples from the IRC’s programming illustrate how job-training programs for New Americans can help industry fill in-demand jobs.
The International Rescue Committee (IRC) is a mission-driven organization whose work in the U.S. is focused on helping refugees, immigrants and other vulnerable populations build thriving, financially stable lives for themselves and their families.

In 2018, the IRC helped more than 9,000 diverse community members across 26 cities enter and advance in careers with more than one thousand employers, cementing the IRC’s role as a critical community-based solution that helps workers develop skills and boasts local economies. While the IRC’s workforce programs make up only a small part of the broad, bold and plentiful initiatives needed across the nation to reshape the U.S. workforce, the experience and trajectories of program participants showcase how a new generation of workers is being prepared to fill critical jobs. The IRC programs shed light on key strategies and best practices while also capturing—in concrete, community-based examples—how an intentionally inclusive economy can strengthen the financial health of people and communities alike.

The industry-aligned programs described below reflect the IRC’s commitment to evidence-based practices. In the dynamic field of workforce development, the IRC is actively testing, evaluating and learning from a broad array of strategies, interventions and programs being piloted across the U.S. Key principles guiding the IRC’s industry-aligned career programming include:

**Utilizing a career pathway model** that incorporates intentional sequencing of skill development, alignment with

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**IRC and Workforce Development 2018: Partnership in Action**

- **9,000+** individuals served
- **1,000+** employers
- **50+** vocational training providers
- **~20** local public workforce development boards
- IRC’s Center for Economic Opportunity (CEO), offering mission-driven financial products to make upskilling a reality

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16 Department of Labor, Department of Health and Human Services, Department of Commerce, Department of Education. 2014. What Works in Job Training: A Synthesis of Evidence.
During the two-year period 2017-18, nearly 40 percent of IRC career pathway clients were pursuing training for health care careers—the single most popular industry.

industry needs, and individualized navigation services, as these have been shown to be effective in helping adults move into higher-skill, higher-wage jobs.14

Adopting an integrated approach to basic-skill and technical-skill training, as this has been shown to be an effective strategy for helping adults lacking basic job skills become job ready.15

Offering opportunities for hands-on learning that have been shown to increase engagement of adult learners and to support retention of knowledge.16

Incorporating individual employment counseling and case management widely demonstrated to be an effective strategy in supporting low-income adults enter, and retain, employment.17

Targeting sector-specific programs, especially when aligned with specific local labor needs, because these programs have been shown to be effective in aligning needs of both jobseekers and industry.

Among American industries facing labor pressures, few are feeling the challenges of finding and retaining well-trained workers more than the health care and transportation and logistics industry.18

Spotlight on Healthcare: How Diverse Americans are Preparing for Key Jobs in America’s Fastest Area of Job Growth

A rising demand for health care, due to America’s aging population and expanded access to health insurance, has labor-market economists projecting that this industry will account for a significant amount of job growth between 2016 and 2026. This is especially true of allied health care positions, mid-level jobs that support patient care and help health systems operate efficiently. Consider that:19

By 2026, there will be nearly 2 million nursing assistants in the labor force, including 200,000 new positions.

Medical assistant positions are expected to increase at four times the rate of all occupations and will add nearly 200,000 new positions, bringing the medical assistant workforce to nearly 1 million.

More than 1 million new home health aides and personal care assistants will be needed by 2026, a staggering 41 percent growth rate in this already large field of more than 4 million workers.

Nearly a half million Americans will be working as pharmacy technicians in 2026, which will include nearly 50,000 new jobs.

17 Department of Labor, Department of Health and Human Services, Department of Commerce, Department of Education. 2014. What Works in Job Training: A Synthesis of Evidence.
19 All data from https://www.bls.gov/
Over the past two years, the IRC career pathway program participants chose health care training programs more than any other single industry—nearly 40 percent of enrollees in 2017 and 2018 selected health care training programs.

Public-private partnerships are key to the IRC’s approach in preparing the next generation of health care workers. An illustrative example can be found in San Diego, where the IRC team has built an innovative model to respond to a shortage of Certified Nursing Assistants (CNA) trained to work in acute care settings. The IRC’s staff began by reaching out to New Americans working as CNAs to encourage them to participate in a special IRC program designed to upskill them to become acute care CNAs. Community-based employment coaching, a partnership with a local community college that offers low-cost training, and a special collaboration with Sharp Hospital, one of the region’s largest hospital systems, enabled these working adults to have 100 hours of on-the-job training in a hospital setting. All services are delivered by linguistically accessible staff who focus on connecting with and empowering participants in culturally appropriate ways.

One of the biggest barriers in upskilling immigrant workers is finding ways to provide learning opportunities to people already juggling full-time work with variable schedules, family demands, transportation challenges, and more. The end result: Graduates advance in their health care careers, realizing average salary increases of more than 25 percent as well as more stable work hours (the majority of program graduates are consistently working

During the two year period of 2017 and 2018, nearly 40% of IRC career pathway clients were pursuing training for healthcare careers – the single most popular industry.
more than 35 hours a week), opportunities for additional paid training, and excellent benefits. And Sharp Hospital has well-qualified candidates to fill open positions on a staff of 18,000 workings in seven hospitals and three medical groups in southern California.

**Spotlight on Transportation and Logistics: Building a Pipeline for an Industry in Transition**

The changing ways in which Americans purchase consumer goods is significantly impacting the U.S. transportation and logistics sector. Consider, for example, that more than 100 million Americans now have Amazon Prime memberships and, in 2017, nearly one in five Americans had meal kits delivered. That number is growing. From truck drivers to logistics technicians to warehouse workers, the transportation and logistics sector is thriving. Consider that:

At Sharp HealthCare, I oversee a staff of acute care nursing assistants who are critical to providing our patients with top quality care. The International Rescue Committee has partnered with Southwestern College and I have hired several graduates of this program. Our partnership with the IRC has been extremely beneficial and impactful. Students the IRC has sent are valuable additions to our team as they are qualified and extremely dedicated individuals.

_Patty Argente, SRN Supervisor for the Central Staffing Office, Sharp HealthCare_

The transportation and logistics sector will add nearly **700,000 new jobs** between 2016 and 2026.

**There will be nearly 2 million heavy tractor/trailer truck drivers in America by 2026 and one in five employees in the transportation and logistics sectors will be working as a truck driver.**

The average age of truck drivers in the U.S. is 55, putting it among America’s oldest workforces.

Ensuring that these critical jobs have well-trained, qualified candidates is a priority not just for the transportation and logistics sector, but for the entire American economy that depends on moving goods globally.

In recent years, the IRC has invested in programming to help prepare the next generation of transportation and logistics workers with a special emphasis on commercial driving and warehouse work with OSHA and forklift certification.

Atlanta, Ga., is often referred to as the transportation “superhub” of the Southeast, boasting the world’s

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21 All data from https://www.bls.gov/
busiest airport and easy access to major highways. The city serves as headquarters for major corporations and distribution sites such as UPS, Walmart, Kellogg’s, and others. Because Atlanta has such strong demand for transportation and logistics workers, the IRC in Atlanta has robust workforce development programming and has invested in transportation and logistics career pathway programming as one of three target industries.

The IRC team has designed its program around local, specific needs. Georgia historically has been among the top five states in terms of refugee arrivals. In recent years, the majority of those arrivals have come from places such as the Democratic Republic of Congo and Burma where they had little opportunity to participate in education or vocational training to learn marketable skills. While these New Americans typically start working almost immediately upon arrival, it is often in minimum wage jobs that offered no opportunity for advancement.

Using evidence-based practices as a guide, the IRC worked to localize the implementation of a career pathway program to prepare new truck drivers. First, they reach out to potential truck driver trainees, leveraging deep ties the IRC has with the New American community in the Atlanta metro region. The program incorporates career exploration and education, helping new Americans understand the opportunities that exist in this dynamic sector (notably, many clients had little knowledge of truck driving or the training process; nearly all were working in low-wage, low-skill jobs in other industries).

The IRC team designed a curriculum tailored to address the work culture and specific skills needed in this sector. They help clients navigate the best training option for them, including options such as federal training scholarships at a local driving school, loans from the IRC’s Center for Economic Opportunity for training costs, and subsidies from a local transportation company in exchange for a commitment to work with that employer upon graduation. Once training is underway, the IRC helps prepare clients to take the test for a commercial driver’s license (a prerequisite for commercial trucking jobs) and offers employment coaching and job-placement assistance, including interview and interpersonal skills development.

Most CDL graduates get hired immediately and are soon on America’s highways, delivering goods to individual households and American manufacturers in all 50 states. These jobs, with a median wage of $44,500 in 2018 and up to $70,000 in private fleets, allow new arrivals to support their families and pursue their own version of the American dream.

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22 http://www.wrapsnet.org/admissions-and-arrivals
23 For more on education and training loan products through IRC’s CEO, see www.irc-ceo.org.
Lessons Learned and Promising Practices

Building and sustaining effective job training programs that support diverse Americans in preparing to enter into unfilled middle skill jobs and help reduce labor shortages in their local communities, requires stakeholders to come together. The IRC’s work has identified the following lessons learned and promising practices:

Many of the people who can fill critical middle-skill jobs are already working. This is particularly true of immigrants who have higher-than-average work participation rates. Job-training programs must be sensitive to this reality in regard to outreach, recruitment and scheduling, and in incorporating industry partners and financing options. In the two examples provided in this brief, the majority of participants were already working when entering training programs; indeed, the acute care CNA program was designed specifically for working CNAs.

Partnerships are of paramount importance. It is simply not possible for one stakeholder alone—whether community-based job-training programs, private industry, the public sector, or post-secondary education—to do this work effectively. Reaching potential workers and providing them with the skills they need requires sustained collaboration. In the two examples provided in this brief, many of the key partnerships needed a significant amount of time, often more than a year, to coalesce. Stakeholders must have patience and a commitment to the long game.

Potential middle-skill workers from refugee and immigrant backgrounds may not know about the specific jobs that are in demand in their communities, and furthermore, may not be able to identify accessible on-ramps for these careers. Community-based, grassroots education about specific in-demand jobs at the local level is key. It is insufficient to rely on traditional methods such as the publication of labor market data, or on students in community colleges or other training institutions to “self-direct.”

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24 For more on this, see https://www.rescue.org/sites/default/files/document/3375/skillcareerandwagemobilityamongrefugeesircfinaldocx2.pdf
Skills training is important but it isn’t enough.
Success requires community-based partners to find and support emerging workers and to develop systems flexible enough to resource other services and costs to enable such success. Every participant who progress through the programs showcased in this brief accessed—and needed—case management support throughout the process. In addition to traditional case management, IRC staff help participants navigate various local and state licensing requirements, figure out financing, and troubleshoot transportation and child care issues as the training placed new demands on participants’ time. IRC staff also provide direct job placement assistance.25

Financing job training is complex, especially in the context of helping low-wage workers move into middle-skill jobs. Money consistently is a barrier. Traditional models of Department of Education financial aid for post-secondary education (e.g., Pell grants) frequently don’t cover relevant skill training or credentialing, especially for programs shorter than 15 weeks. Other options (e.g., Department of Labor Workforce Innovation and Opportunity Act training funds) are often inaccessible, as workers are ineligible for certain types of training funds precisely because they earn income (but not enough to pay for training). Recent bipartisan proposals (the JOBS Act) are welcome but need to be implemented with attention to the quality of skills training; these funds must be dedicated to prepare graduates for jobs that offer real pathways to living wages and economic mobility.26 Participants in the above profiled programs used a wide variety of strategies to pay for training, including personal savings, employer-based loans, subsidized community college-based programs, WIOA training funds accessed through an American Job Center (AJC), and loans accessed through the IRC’s Center for Economic Opportunity (CEO).27

26 For more on the challenges of paying for training, see https://www.rescue.org/sites/default/files/document/3375/skillcareerandwagemobilityamongrefugeesircfinaldoc2.pdf and to learn more about education and training loans through IRC’s CEO, visit www.irc-ceo.org
Looking Ahead

The American economy needs new workers and many of these workers will need skills training. Without these workers, the U.S. risks economic contraction and compromise of critical services such as health care. Americans currently disconnected from the workforce as well as New Americans both are eager to build better lives and contribute to local communities.

America’s decentralized workforce development system has allowed thousands of innovative programs to emerge in the last decade. This work must not only be sustained but the best of it replicated and scaled from coastal cities to the heartland, from the aging Rust Belt to the revitalized Sun Belt.

Investing in workforce development programming is also a cost-effective way to strengthen personal, regional and national economies. Consider that many of the IRC’s most effective workforce development programs cost $5,000 or less, while a worker earning $16 hr. will have lifetime earnings of more than $1.1 million and contribute more than $250,000 through federal income-tax payments alone.

“Investing in proven policies and strategies that prepare workers -- especially New Americans -- for in-demand middle-skill jobs across a wide range of industries will be critical to the continued health of the U.S. labor market and economy in the next decade.”

Amanda Bergson-Shilcock,
Director of Upskilling,
National Skills Coalition

With strong programming and collaborative partnership and investment from both the public and private sectors, America can ensure that the next generation of workers is ready to contribute to a thriving economy. In this way, these workers and their families will thrive as well.
The International Rescue Committee responds to the world's worst humanitarian crises and helps people whose lives and livelihoods are shattered by conflict and disaster to survive, recover and gain control of their future. In more than 40 countries and in 26 U.S. cities, our dedicated teams provide clean water, shelter, health care, education and empowerment support to refugees and displaced people.

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