



LITERACY AND ECONOMICS

There are few jobs available for those with poor reading, writing, and math skills. The trend toward more highly skilled jobs is clear – a majority of firms report that the recent introduction of new technologies has increased the skill requirements for non-managerial employees. Whereas 60% of the workforce was unskilled in the 1950's, now less than 20% is unskilled. One study indicates that those with the skill levels of a typical high school dropout qualify for only 10% of all new jobs. Those with the skill levels of the typical high school graduate qualify for only 22% of new jobs.

An American Management Association survey of member and client companies found that 34.1% of job applicants lack the literacy skills they need for the job for which they are applying.

Workers with Level 1 quantitative literacy skills as measured by the National Assessment of Adult Literacy, have an unemployment rate of nearly 20%. Those at Level 2 have 12% unemployment.

High school graduates, on average, earn about 42% more than those with less than a high school education.

The American Society of Training and Development reports that the goal for employers is to have high performance workplaces that integrate technology, work process, organization and to utilize practices that adapt to changing business conditions. To achieve this, employers must upgrade the basic skills of many employees, and in fact, 50% of Fortune 500 companies underwrite employee basic skills training at an annual cost of \$300 million per year. But smaller companies often do not offer basic skills training and the limited literacy skills of employees cost business and taxpayers \$20 billion annually in lost wages, profits, and productivity.

SOURCE: *U.S. Adult Literacy Programs: Making a Difference.* ProLiteracy America.

Adults with higher levels of education were more likely to participate in the labor force in 2000 than those with less education. About 80% of adults, 25 years old and over with a bachelor's or higher degree, participated in the labor force in 2000. This compared with 65% of persons who were high school graduates. In contrast, 43% of those 25 and older, who were not high school graduates, were in the labor force.

The 2000 unemployment rate for adults 25 years old and over who had not completed high school was 6.4% compared with 3.5% for those with four years of high school. About 28% of 1999-2000 dropouts were unemployed.

SOURCE: National Center for Education Statistics.

In Florida, the unemployment rate for 2001 high school graduates was 17.7% compared with 35.9% for high school dropouts.

SOURCE: Florida office of Economic and Demographic Research.

The National Employer Survey on the Educational Quality of the Workforce found that 1/3 of businesses surveyed said less than 75% of their workforce is fully proficient.

The 2002 American Manufacturer's study reported that:

- 📁 Improving workforce skills ranks at # 8 out of 25 in a list of key corporate concerns.
- 📁 American business is estimated to lose over \$60 billion in productivity each year due to employees' lack of basic skills.
- 📁 20% of America's workforce has low basic skills.
- 📁 Workers with low basic skills miss more days of work due to illness and take more time to recover from medical absences than their more literate counterparts.
- 📁 As workers' basic skills improve, so does worker retention.

SOURCE: *Literacy is Good Business.* The Volunteers and Literacy Committee, Practitioners' Task Force on Restructuring and Accountability, Florida DOE, Office of Workforce Education.

U.S. experts on workplace literacy have estimated the direct and indirect costs of illiteracy on the American economy to be \$225 billion a year in lost productivity.

SOURCE: Grimsley, K.D. (1995) *Workplace illiteracy and the bottom line: Deteriorating skill levels are at a cost of \$225 billion a year.* The Washington Post.

Only 5% of adults with less than a high school education participate in professional development training, as compared to 46% of those with a college degree or above.

Among adults who demonstrated skills in the lowest literacy level, 43% live in poverty and 17% receive food stamps. In contrast, among adults with skills in the highest level of literacy, less than 5% live in poverty and less than one percent receive food stamps.

Nationwide, 70% of adults with the lowest literacy skills are unemployed or work in part-time jobs. Unemployment is far more prevalent in the lowest literacy level. Individuals in the lowest literacy level who work, do so an average of 19 weeks a year, as compared to those in the highest level who work an average of 42 weeks a year. More than 40% of adults in the lowest literacy level live in poverty.

SOURCE: Kirsch, I.S., Jungblutt, A., Jenkins, L. & Kolstad, A., (1993) *Adult Literacy in America: A first look at the results of the National Adult Literacy Survey.* Department of Education.

Research indicates that illiteracy results in reduced productivity and profitability. Other consequences include:

- ☞ Increased difficulty in assigning workers new responsibilities.
- ☞ Increased difficulty with communication skills, including the ability to listen for the purpose of understanding and accurately relaying information.
- ☞ Barriers to successful participation in job training and the acquisition of job-specific skills.
- ☞ Decreases in safety practices leading to increases in accidents and injuries.
- ☞ Increased absenteeism due to poor work ethics and a lack of personal management skills.

SOURCE: *Blueprint for Change, A Literate Workforce for the 21st Century*

Local Area Ranked Unemployment Statistics by Metropolitan Statistical Area (MSA)

1. Miami MSA	7.4 %
2. Ft. Lauderdale MSA	5.8
3. Lakeland-Winter Haven MSA	5.4
4. Ft. Pierce-Port St. Lucie MSA	5.4
5. Panama City MSA	5.2
6. Melbourne-Titusville-Palm Bay MSA	5.2
7. Daytona Beach MSA	5.2
8. West Palm Beach-Boca Raton MSA	5.2
9. Jacksonville MSA	5.1
10. Orlando MSA	5.1
11. Ocala MSA	4.6
12. Tampa-St. Petersburg-Clearwater MSA	4.4
13. Pensacola MSA	4.2
14. Ft. Myers-Cape Coral MSA	4.1
15. Punta Gorda MSA	3.9
16. Sarasota-Bradenton MSA	3.6
17. Tallahassee MSA	3.5
18. Naples MSA	3.5
19. Ft. Walton Beach MSA	2.9
20. Gainesville MSA	2.3



SOURCE: Florida Agency for Workforce Innovation, Labor Market Statistics, LAUS Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics April 2003 (revised).

STATE OF FLORIDA UNEMPLOYMENT STATISTICS BY COUNTY
Not Seasonally Adjusted

County	MAY 2002				APRIL 2003			
	Labor Force	Employment	Unemployment		Labor Force	Employment	Unemployment	
			Number	Rate %			Number	Rate %
Alachua	114529	111613	2916	2.5	110501	107935	2566	2.3
Baker	10433	9958	475	4.6	10686	10223	463	4.3
Bay	69912	66403	3509	5.0	69090	65474	3616	5.2
Bradford	10020	9722	298	3.0	9843	9514	329	3.3
Brevard	221873	210262	11611	5.2	217436	206078	11358	5.2
Broward	858378	808475	49903	5.8	858942	809330	49612	5.8
Calhoun	5204	4988	216	4.2	4800	4568	232	4.8
Charlotte	56542	54420	2122	3.8	58752	56461	2291	3.9
Citrus	40564	38329	2235	5.5	41599	39407	2192	5.3
Clay	75898	72134	3764	5.0	74404	71131	3273	4.4
Collier	115302	111643	3659	3.2	122604	118288	4316	3.5
Columbia	25615	24290	1325	5.2	25050	23915	1135	4.5
Desoto	9803	9311	492	5.0	9649	9160	489	5.1
Dixie	4247	3984	263	6.2	4342	4094	248	5.7
Duval	418443	394748	23695	5.7	411899	389262	22637	5.5
Escambia	124303	118536	5767	4.6	121704	116432	5272	4.3
Flagler	20471	19510	961	4.7	20329	19352	977	4.8
Franklin	5352	5204	148	2.8	5476	5295	181	3.3
Gadsden	19460	18569	891	4.6	19084	18132	952	5.0
Gilchrist	5245	5021	224	4.3	5189	4979	210	4.0
Glades	4346	4063	283	6.5	4258	4030	228	5.4
Gulf	5094	4860	234	4.6	5055	4854	201	4.0
Hamilton	2952	2750	202	6.8	2757	2556	201	7.3
Hardee	10117	9505	612	6.0	9762	9112	650	6.7
Hendry	17260	15819	1441	8.3	16917	15690	1227	7.3
Hernando	52242	49297	2945	5.6	51293	48798	2495	4.9
Highlands	30263	29088	1175	3.9	31736	30326	1410	4.4
Hillsborough	616936	590838	26098	4.2	610583	584863	25720	4.2
Holmes	6570	6194	376	5.7	6247	5986	261	4.2
Indian River	48714	45217	3497	7.2	49479	46285	3194	6.5
Jackson	18807	18165	642	3.4	18788	18178	610	3.2
Jefferson	5137	4921	216	4.2	5037	4751	286	5.7
Lafayette	2993	2887	106	3.5	2829	2746	83	2.9
Lake	96835	92390	4445	4.6	96185	91864	4321	4.5
Lee	210689	202481	8208	3.9	211783	203076	8707	4.1
Leon	138362	133194	5168	3.7	134529	130064	4465	3.3
Levy	14204	13520	684	4.8	14065	13426	639	4.5
Liberty	2750	2652	98	3.6	2880	2800	80	2.8
Madison	7560	7270	290	3.8	7173	6851	322	4.5
Manatee	134435	129677	4758	3.5	134246	129340	4906	3.7
Marion	103916	98937	4979	4.8	103342	98602	4740	4.6
Martin	54815	52266	2549	4.7	54576	51985	2591	4.7
Miami-Dade	1116544	1032068	84476	7.6	1101654	1019956	81698	7.4
Monroe	48016	46720	1296	2.7	47833	46722	1111	2.3
Nassau	30602	29233	1369	4.5	30286	28827	1459	4.8
Okaloosa	88803	86093	2710	3.1	88410	85862	2548	2.9
Okeechobee	17111	16241	870	5.1	17292	16458	834	4.8
Orange	537912	509475	28437	5.3	533890	506574	27316	5.1

County	May 2002				April 2003			
	Labor Force	Employment	Unemployment		Labor Force	Employment	Unemployment	
			Number	Rate			Number	Rate
Osceola	99299	94362	4937	5.0	98853	93824	5029	5.1
Palm Beach	579467	547729	31738	5.5	584631	554389	30242	5.2
Pasco	154310	146644	7666	5.0	152495	145161	7334	4.8
Pinellas	505671	482925	22746	4.5	500820	478041	22779	4.5
Polk	220090	208533	11557	5.3	217303	205543	11760	5.4
Putnam	29467	27372	2095	7.1	28015	26299	1716	6.1
St. Johns	68353	65738	2615	3.8	67358	64824	2534	3.8
St. Lucie	85679	80123	5556	6.5	84603	79692	4911	5.8
Santa Rosa	53735	51520	2215	4.1	52725	50606	2119	4.0
Sarasota	162612	157438	5174	3.2	162704	157028	5676	3.5
Seminole	222311	209932	12379	5.6	220452	208737	11715	5.3
Sumter	16898	16273	625	3.7	17360	16779	581	3.3
Suwannee	14421	13828	593	4.1	14115	13552	563	4.0
Taylor	7655	7013	642	8.4	7512	6893	619	8.2
Union	3921	3788	133	3.4	3949	3813	136	3.4
Volusia	194307	184291	10016	5.2	192876	182793	10083	5.2
Wakulla	12919	12439	480	3.7	13054	12562	492	3.8
Walton	20444	19829	615	3.0	21074	20495	579	2.7
Washington	9754	9304	450	4.6	9406	9046	360	3.8
FLORIDA								
Not seasonally Adjusted	8097000	7672000	425000	5.2	8044000	7630000	414000	5.1
Seasonally Adjusted	8086000	7642000	444000	5.5	8093000	7660000	433000	5.3

NOTE: The primary use of these data is for federal fund allocations. Caution is urged when using these data for short-term economic analysis. Sum of detail may not equal totals due to rounding. Material in this report is in the public domain and may, with appropriate credit, be reproduced without permission. All data are subject to revision due to late reporting from participants and the annual benchmarking process.

SOURCE: Florida Agency for Workforce Innovation, Labor Market Statistics, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.