One of the key challenges facing manufacturers is access to a skilled workforce. The number of open jobs in the manufacturing sector has roughly doubled since before the pandemic, and companies everywhere are struggling to find qualified candidates. This challenge may even increase into the future. One recent study by Deloitte and The Manufacturing Institute, the workforce development and education partner of the NAM, found that more than 2.1 million U.S. manufacturing jobs could go unfilled by 2030 due to the skills gap and retirements.4

Workforce policy should prioritize employer leadership and participation in postsecondary education and training programs. The skills required for even entry-level workers across sectors, especially manufacturing, continue to grow more technical and complex. Employers need to regularly define for their workforce and educators what skills are needed and participate in the development of those skills through co-educational models, such as apprenticeship programs. Policies and funding models should be designed to support and promote employment participation.

Workforce policy should also enable more individuals to develop the skills needed to begin or advance in their career. That requires modernizing the federal student aid system to recognize that most students today are nontraditional, and their goals may be different from traditional students. It also requires updating federal tax policy to encourage and reward companies that make greater investments in the skills of their employees. Together, these changes will make workforce policy more effective for both employers and individuals and ensure manufacturing in the U.S. can compete in the 21st century.

A Workforce and Education Agenda for the Future Must:

- Ensure every student graduates from high school and is prepared for the next step.
- Reduce barriers to postsecondary education and skills development for all.
- Create high-quality pathways to a good job and encourage lifelong learning.
- Encourage effective and efficient partnerships between post-secondary institutions and employers that focus on in-demand jobs and skills.
- Recognize and support a diverse set of education and training models.

“Across America, manufacturers are working to recruit and retain people of all backgrounds to join the growing manufacturing workforce. With the right federal policies backing us up, we can connect even more people starting their careers and changing their careers with incredible jobs in modern manufacturing.”

—Karl Hutter, President and CEO, Click Bond, Inc.

**Actions for Leaders to Take:**

- Support the expansion of the Pell Grant program to include short-term or accelerated education models that lead to in-demand skills and credentials.
- Invest in high-quality apprenticeship and earn-and-learn programs and allow those investments to cover the full range of costs of the programs.
- Redefine student completion at community and technical colleges to include the attainment of a high-quality, industry-based credential.
- Increase the amount of tax-exempt educational assistance that employers can provide to employees from the current $5,250 to at least $11,000 annually.
- Prioritize employer leadership in federal discretionary grant competitions.
- Reform federal work study programs to ensure that more students are in roles where they are learning skills valuable for their intended careers.