



From the office of Texas Workforce Commission

Commissioner Tom Pauken

Opinion/Editorial

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Skills training: An Alternative to Massive College Debt By Tom Pauken

Local and national media outlets are giving increased attention to the massive levels of college loan debt. *The New York Times* recently featured a [story about a young woman graduating](#) from Ohio Northern University who is obligated to pay back \$120,000 in college debt for her marketing degree. The typical college graduate now carries approximately \$25,000 in loan debt.

And it's harder to pay back those loans than ever before. More than half of recent college graduates who are 25 years old or younger were jobless or underemployed in 2011, according to the Associated Press. An increasing number of recent graduates find themselves in dead-end, entry-level positions in fields unrelated to what they prepared for in college. Biding their time for a job suited for their degree, many consider graduate school in order to become more competitive in the job marketplace – and can wind up taking on even more debt.

With student loan obligations now exceeding credit card debt, the Presidential candidates have made this an issue. President Barack Obama and prospective Republican nominee Mitt Romney each are calling for the preservation of a law which caps the interest rate of federal student loan programs at 3.4 percent – a rate that will double in July if nothing is done.

But, a cap on interest rates on student debt would only serve as a short-term fix to a larger problem: Is a four-year university the right fit for the great majority of young Americans who take that career route after high school?

That question is particularly relevant considering that the U.S. has the highest college dropout rate in the industrialized world. More importantly, while those who manage to get a college degree are finding the job market difficult for them, there is a huge demand – and a significant shortfall in qualified applicants – for those with skills training such as welders, electricians, pipefitters, nurses, machinists, etc.

There are good paying jobs available in these and other skills that are in high demand. And, with the proper training in vocational and technical education classes at the secondary and post-secondary school levels,

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these young people can get hired at entry level positions with starting pay that is higher than that garnered by many university graduates. Plus, those skilled workers aren't saddled with the massive levels of student debt facing so many of our college graduates.

Let me cite some specific examples here in Texas. A high school student at the Craft Training Center in Corpus Christi got his industry-certified credential in welding. After graduating from high school, he is now making \$1,700 a week as a welder. A Texas State Technical College graduate with an associate's degree in instrumentation in the engineering-technology field has been hired in the petrochemical industry at a starting salary of \$68,000. A board member of the Associated Plumbing-Heating-Cooling-Contractors of Texas informs me that a licensed Master Plumber can make \$75,000 annually after three years.

The time has come to get away from this obsession that every high school graduate should be "college ready." If anything, this approach to education has led to many young people dropping out of high school who otherwise might have thrived had vocational and technical classes been offered to them in our high schools. That once was the case before certain political elites decided everyone should be prepared for college. One size doesn't fit all. We have neglected the importance of the skilled trades in recent decades. We are paying a heavy price for that neglect as we have failed to build a steady pipeline of skilled workers to replace an aging workforce. For example, the average age of a master plumber in Texas is 56 years of age, and that of a stone or brick mason is 69 years of age.

One good thing that may come out of this college debt crisis – with student debt so high and the job market so tight for college graduates with general education degrees – is that young people and their parents may wake up to the reality that a four-year degree is no longer a guarantee to financial success in the future. Opportunities in the skilled trades await those young Texans with the aptitude, work ethic, and motivation to seize them.

Tom Pauken is the Commissioner Representing Employers of the Texas Workforce Commission and author of "Bringing America Home."

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The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the programs it offers in coordination with its network of local workforce development boards, call (512) 463-8556 or visit www.texasworkforce.org.