**CHAIRMAN KEVIN BRADY**

**JOINT ECONOMIC COMMITTEE**

**MAY 15, 2013**

***Women in Manufacturing***

I would like to thank Vice Chair Klobuchar for choosing the topic of today’s hearing, “Women in Manufacturing.”

As we have discussed with particular focus in this Congress, the United States suffers from an economic growth gap, and manufacturing is no exception. This recovery remains the weakest since World War II. We still have $1.2 trillion less in real GDP and 4.1 million fewer private sector jobs than in an average post-war recovery.

Every Member of Congress agrees on the importance of manufacturing. In 2012, manufacturing contributed $1.87 trillion to the economy. In April 2013, 12 million Americans were directly employed in the manufacturing industry. According to the National Association of Manufacturers, taken alone U.S. manufacturing would be the 10th largest economy in the world.

After rising for several decades, the percent of women employed in manufacturing peaked at 32.3 percent in the early 1990s. The percentage of women employed in manufacturing has subsequently declined to 27.3 percent. Notably, this decline has been seen for both genders: manufacturing jobs for women have declined to just 5 percent of total nonfarm payrolls for women, and to a mere 6 percent of total nonfarm payrolls for men.

In context of the economy at large, manufacturing has been shrinking as a portion of the economy both in terms of GDP and employment, and yet labor productivity in this industry has outpaced the rest of the economy. American manufacturers are the most productive in the world, far surpassing the worker productivity of any other major manufacturing economy, leading to higher wages and living standards. Manufacturers in the United States perform two-thirds of all private-sector R&D in the nation, driving more innovation than any other sector.

So why has the percentage of women employed in manufacturing declined? Is this a function of the changing composition of goods manufactured in the United States or a mismatch in skills versus available jobs, or other factors? And what role should the federal government play in addressing these answers?

Going forward, most of manufacturing jobs require advanced skills and higher education. Between 2000 and 2011, manufacturing employment has increased by more than 10 percent among workers with more than a bachelor’s degree. This compares to the approximate 25 percent decline in employment among manufacturing workers overall.

Women are indeed surpassing men in attaining additional skills and post-secondary education and beyond. The gender gap in education has closed since 2000 in the manufacturing workforce, and as of 2012, 28 percent of women in manufacturing hold a four-year college degree or higher, compared to 29 percent of men.

However, women currently remain underrepresented in science, technology, engineering, and mathematics, representing 46.5 percent of total employed in those fields. A study by the American Association of University Women found that most women in STEM fields are biological scientists, chemists, and environmental scientists rather than in other STEM fields that directly relate to most forms of manufacturing.

Over time, increasing the number of women receiving degrees in STEM fields that directly relate to manufacturing will increase the number of women employed in manufacturing. We should remove any obstacles that discourage women from majoring in as undergraduates and seeking advance degrees in these fields.

Furthermore, many high schools, universities, and manufacturing firms are proactively encouraging women to pursue education and training in manufacturing with high school partnerships and internships, reaching out to women on campus, and focusing on career training for women.

Critical to employing more women in manufacturing is ensuring that the United States remains an attractive place for manufacturers to do business.

The keys to a strong manufacturing sector include pro-growth tax reform; balanced regulation; a sound dollar; abundant, affordable energy distributed across the country, with the help of the Keystone XL and other pipelines; and a reduction of health care costs that impede employers from hiring.

I hope the witnesses can shed light on the trends of women in manufacturing going forward, what’s been working best to attract women to high-skill manufacturing and other STEM fields, as well as broadly identifying best practices for the continued success of the manufacturing industry in America.

Ms. Jennifer M. McNelly, President of the Manufacturing Institute, will tell us about the initiatives that her organization is undertaking to help women pursue careers in manufacturing.

Ms. Darlene M. Miller, the President and CEO of Permac Industries, will discuss “Right Skills Now,” a cooperative program with community colleges to credential women with skills needed by manufacturers.

Finally, Mrs. Amy Jolley, Vice President of Tax for Noble Energy, who is from my home state of Texas, will inform us of the opportunities for women in the booming energy production sector.

I look forward to hearing the testimony of the witnesses.