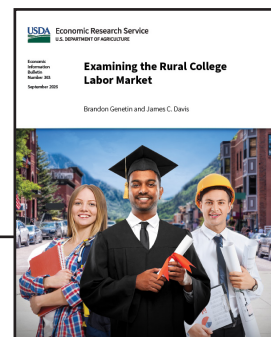




A report summary from the Economic Research Service

Examining the Rural College Labor Market

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Key Points

- College graduates represent a growing share of the United States' nonmetropolitan (nonmetro) workforce. In 2019–23 (5-year average statistics), 32 percent of the nonmetro population 25 years and older had either an associate or bachelor's degree. Since 2009–13, the share of the population with associate degrees grew 24 percent, bachelor's degrees 22 percent, and graduate or professional degrees by 28 percent.
- Nonmetro areas have seen a significant reallocation of jobs from goods-producing sectors to service industries, making the rural economy increasingly reliant on college-educated workers. Between 2001 and 2022, industries with the highest proportion of workers holding bachelor's degrees expanded by 17 percent (an addition of 1.5 million jobs). In contrast, industries with lower shares of bachelor's degree holders grew by just 1 percent during the same period. Overall, total employment in rural counties grew 7 percent during the same period.
- Nonmetro postsecondary institutions function as a vital source of college-educated workers for the rural economy, despite declining enrollment. From 2011 to 2023, enrollment at nonmetro institutions (excluding land-grant institutions) declined 23 percent, similar to metropolitan (metro) postsecondary institutions (excluding land-grant institutions). However, due to a decrease in drop-out rates and faster degree completion, the number of bachelor's degrees and associate degrees awarded remained relatively constant.
- Enrollment and degree completion at land-grant institutions grew from 2011 to 2023, contrasting the trends at metro and nonmetro institutions. Undergraduate enrollment at land-grant institutions increased 11 percent while the number of bachelor's degrees awarded at land-grant institutions grew 23 percent and agricultural degrees awarded grew 19 percent.
- Three out of every 10 bachelor's degrees awarded from nonmetro postsecondary institutions in 2023 were in either business and management or health professions. However, the fastest growth for bachelor's degrees was in Science, Technology, Engineering, and Math (STEM) majors such as computer and information science, health professions, and engineering. For associate degrees, the fastest growth was for agriculture and liberal arts and sciences.

Why Does This Matter?

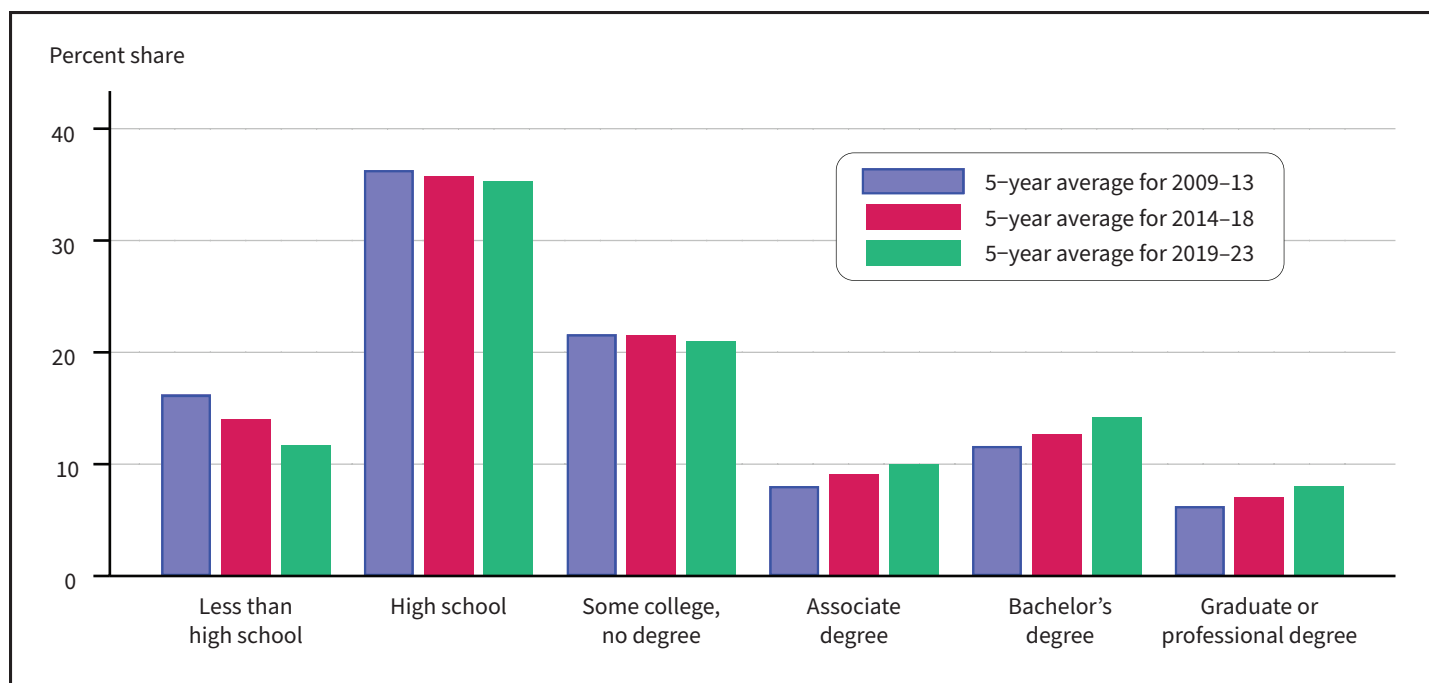
Rural workers have traditionally lagged their urban counterparts in college attendance and graduation rates, with persistent gaps in postsecondary enrollment and degree completion (Wells et al., 2023). Furthermore, postsecondary institutions are sometimes viewed by rural communities as a mechanism for rural brain drain, where rural youth leave to attend college in urban areas

and do not return to rural places (Carr & Kefalas, 2009; Gibbs & Cromartie, 1994; Mills & Hazarika, 2001). Yet the rural economy is changing in ways that make college-educated labor increasingly important: Rural areas are seeing economic growth from rapidly growing industries that increasingly rely on more educated workers. As such, this report provides information on the role of college-educated workers in rural production. For example, rural healthcare employment, an industry with

a high share of college-educated workers, increased 19 percent from 2001 to 2022, whereas manufacturing employment declined 20 percent. Understanding these shifts can help policymakers, educators, and communities align rural education and workforce systems within the changing economic landscape.

A Few More Details

The U.S. nonmetropolitan population age 25 years and older is increasingly more educated



Note: The category “Less than high school” includes “No schooling completed,” “Nursery school,” “Grades 1 through 11,” and “Grade 12–no diploma.” The category “High school” includes both “Regular high school diploma” and “GED or alternative credential.” The category “Some college, no degree” includes both “Some college credit, but less than 1 year of college” and “1 or more years of college credit, no degree.” The category “Graduate or professional degree” includes “Master’s degree,” “Professional degree beyond bachelor’s degree,” and “Doctorate degree.”

Source: USDA, Economic Research Service using U.S. Department of Commerce, Bureau of the Census, 2013 and 2023 5-year American Community Survey (ACS) data.

The figure shows a shift in the distribution of the rural population 25 years and older into higher levels of educational attainment over the 10-year period from 2009–13 to 2019–23. Specifically, the share that did not complete high school declined 4.5 percentage points, that completed high school is down 1 percentage point, and that completed high school and had some college training declined 0.7 percent. On the other hand, the share of the rural population with associates degrees increased 2 percentage points, with bachelor’s degrees 2.5 percentage points, and those that continued their postsecondary education to receive a graduate or professional degree increased a little over 1.5 percentage points.

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