



Reach Higher, AMERICA

OVERCOMING CRISIS IN THE U.S. WORKFORCE

America's 21st Century Challenge

America's workforce is facing an education and skills crisis. Among the 30 member countries of the Organisation for Economic Cooperation and Development, the United States is *the only one in which younger adults are less educated than the previous generation. Unless we invest now to educate and train our workforce, America risks its economic viability and its ability to compete in a global marketplace where knowledge is the key to success.*

The Commission calls for fundamental transformation of the nation's adult education and workforce skills services into a comprehensive system that will produce work-ready adults in the high volume numbers necessary to satisfy the needs of American business and the realities of global competitiveness.

The Adult Education and Economic Growth Act

The National Commission on Adult Literacy proposes creating a new Adult Education and Workforce Skills System with the capacity to effectively *serve 20 million adults annually by the year 2020. The primary mission of this new System will be to move out-of-school adults to readiness for postsecondary education and job training and enable their success in the 21st Century workplace.*

- ~ The System would be funded by public expenditures growing to \$20 billion by 2020—a fourfold increase over the current public expenditures on adult education and workforce skills programs of Titles I and II of the Workforce Investment Act. Additional private sector funding is also needed.
- ~ Educational outcomes will more than pay for the new System in fiscal and social terms.

The Commission calls on Congress to pass the **Adult Education and Economic Growth Act**. The Act will overhaul, connect, and expand federal adult education and workforce skills training. It will usher in a new era of workforce preparation that will:

- ~ Connect all federal programs for adult education and workforce skills preparation, including Titles I and II of the Workforce Investment Act—creating a more highly skilled workforce, better use of existing financial resources, and more accountability.

- ~ The U.S. is falling behind in educational attainment and workforce readiness in international comparisons.
- ~ 80 to 90 million U.S. adults today, about half of the adult workforce, do not have the basic education and communication skills required to get or advance in jobs that pay a family-sustaining wage.
- ~ Adult education and workforce skills programs currently enroll about 3 million adults annually, leaving out the millions of Americans needed to fill the higher paying jobs that will drive our nation's economy.
- ~ The Bureau of Labor Statistics forecasts that between 2004 and 2014, 24 of the 30 fastest-growing occupations will require workers with postsecondary education or training. About 40 percent of job openings over the next decade will be "middle skill" jobs—requiring more than a high school diploma, but less than a four-year degree.
- ~ Investing in our adult workforce will yield huge returns. If even 4 million dropouts earn a high school diploma by 2020, the net fiscal benefit to federal, state, and local governments will exceed \$25 billion annually.

- ~ Set new requirements for planning and funding state programs.
- ~ Increase opportunities for employment and advancement on the job.
- ~ Bolster the educational attainment, literacy, and language skills of adults.
- ~ Encourage civic involvement and citizenship.

Key aspects of the new System:

- ~ **Wider range of educational services** to achieve the postsecondary and job training readiness needed in today's marketplace—with more accountability and efficiency.
- ~ **Workplace and workforce education** programs appropriate to evolving business needs.
- ~ **Ease of business access** to federal and state funds.
- ~ **A larger community college role.**
- ~ **Deployment of technology** on an unprecedented scale.
- ~ **Focus on priority needs:** the unemployed, low-skilled incumbent workers, immigrants with limited or no English, parents with low basic skills, incarcerated adults, high school dropouts, and high school graduates not ready for college.
- ~ **Support for national R&D** focused on best practices and approaches.

Business Leadership

Business—and labor—must be much more actively involved in advocacy at national, state, and local levels. The new generation of adult education and workforce skills programs must be driven by the current and evolving needs of employers and workers, especially through business and labor participation in state and local planning boards.

Businesses and employers have the responsibility to:

- ~ Work with state legislatures on adult education issues.
- ~ Call for leadership by state chambers of commerce, workforce investment boards, trade associations, and business membership organizations.
- ~ Join with states to co-invest in job training for low-skilled workers and take advantage of state matching grants to help support incumbent worker training.

- ~ Give high priority in employee training programs to incumbent workers at low skill levels, dedicating a larger portion of training budgets to spur and support participation by those workers.
- ~ Call for states to provide workforce assessments and employability certificates to validate worker skill levels.
- ~ Provide release time for employees to participate in adult education and workforce training on the job, as well as tuition reimbursement and other financial support.
- ~ Reward employees who earn postsecondary certificates and degrees, whether they do so in-house or in external programs.
- ~ Support states in creating and using technology and information to connect people, skills, and jobs.
- ~ Demand efficiency, accountability, and ongoing improvement in adult education and workforce skills training.
- ~ Encourage corporate philanthropic funding for adult education and workforce skills readiness programs.

Other Key Players

Government, private philanthropy, and nonprofit organizations are also key players in this national effort: **States** must establish measurable goals and implement policies to increase adult educational attainment and workforce skills in ways that complement the new federal Act and meet state economic goals. **Private** foundations must provide significant new funding for technology and other key elements of the proposed new System. **Nonprofits** must deliver high quality education and workforce readiness services, and raise awareness about programs and service opportunities to enhance adult workforce skills. The **general public** also needs to understand and support this effort.

Benefits for All

With millions of adults achieving higher levels of education and skills, the nation and the business community will benefit in many ways:

- ~ Better educated workers to fill more highly skilled jobs.
- ~ Better health and less stress on healthcare infrastructure, which benefits both individuals and employers.
- ~ Greatly increased tax revenues for local, state, and federal government.