

## Sample Speech on 40-40-20

Here in Oregon we need to have a pretty frank conversation about post-secondary education and what we think the state needs in terms of a citizenry and workforce that is schooled beyond high school. There are some data from which we can understand our current situation and some educated guesses about what the future might hold. But as with any complex problem there are options. Different scenarios that might play out depending on what we decide to do and, of course, on what the rest of the world imposes upon us. There have also been some looming challenges identified and some lofty goals set out. Since there are no easy answers, I think the most honest thing we can do is to speak frankly with each other about the issue and listen – not with just our ears – but with our understanding of what constitutes a public good.

A little more than two years ago, the Oregon Business Council released a series of white papers in which they made a clear statement that Oregon’s economic competitiveness depends directly on the highest education attainment of its citizens. They projected that raising educational attainment to the levels they envisioned would raise the income of Oregonians by \$5 billion a year and increase the revenues the State has available to fund its services by \$350 million a year. Oregon, they said, is on the cusp of a major change in labor markets. The baby boom is retiring, newly created jobs demand higher skills while low-skill jobs that pay relatively well have steeply declined. And, they pointed out, the global marketplace is challenging all our assumptions about where and by whom work is to be done. “Competitive and demographic imperatives,” the Business Council said, “suggest Oregon has reached a watershed moment in public education, a time to raise educational attainment on a scale similar to the 1950s and 1960s, when the nation and its states made huge investments in higher education, increasing the capacity of four-year institutions more than five-fold, and creating a new kind of institution, the community college, to help citizens prepare for technically challenging careers.”

A little farther down in their paper, the OBC laid out their goal. To prepare for evolving economic challenges, no adult should fail to complete high school. Forty percent of Oregonians should complete an associate's degree or some amount of college. Another forty percent should have earned a four-year degree with half of those going on to complete a graduate degree. They went on to state their case for why these milestones were necessary to the economy but in 2005 most Oregonians, if they were thinking about education at all, were concentrating on our K-12 system and what the new unfunded federal mandates of the "No Child Left Behind" Act would mean for already cash-strapped elementary, middle and high schools.

During the 2007 legislative session, concerns about dwindling levels of post-secondary education began to garner more attention. In 2002 and 2003, state aid to colleges and universities was sharply reduced due to the State's budget woes, and subsequent sessions had done little to repair the damage. Tuitions had skyrocketed; new fees had been imposed; course sections, classes and, in some cases, entire programs had been eliminated. Outreach centers serving rural communities were closed or sharply curtailed. The support services students needed to be successful – the guidance, counseling and assistance services – took huge hits as well and many students found themselves floundering while at the same time incurring ever greater amounts of debt.

In the 2007 session, post-secondary education got some relief, a foot-hold in the long climb back to where they had been in 2001, but the nature of the conversation also changed. Some legislators started talking about linking funding to program completion and degrees. And the Governor and State Board of Education began referencing the Oregon Business Council goal of 40-40-20. Forty percent of adult Oregonians with associates degrees or a professional technical certification, forty percent of adult Oregonians with a bachelors degree or higher, and the remaining twenty percent, encompassing all the rest of the adult population, earning a high school diploma.

Leaders of educational institutions, Kindergarten through graduate schools, began asking themselves if such a goal was achievable. Some even questioned whether or not it was a

good idea. Community colleges – because that’s the way we do things – said “let’s see what our constituents say.” That’s why I’m here today. I hope to give you an overview of where we currently are and ask you to think about increased educational attainment at a level that is unprecedented in our state. Even though 40-40-20 might be a lofty goal, we believe heading toward it is the right direction. We need to prepare thousands more Oregonians to participate in the workforce but we also need to keep track of the soft things, the civic things, the quality of life things. And, of course, everyone wants to know, “What will it all cost?”

Before 1945, fewer than 5% of Americans had college degrees. Only 2/5 of the soldiers who went off to World War II had finished high school. College was an elite bastion. It wasn’t even on the radar screens of most of the guys who went off to war or the middle class in general. In fact, the middle class didn’t really exist as we know it today. The post-World War II GI bill paid full tuition at any school you could get into – Harvard, Yale or a small state college. On top of that it paid for your books and provided a relatively generous living stipend. Former Secretary of State Henry Kissinger, a sergeant at the end of the War, attended Harvard on the GI Bill. He was one of almost 10 million ex-soldiers who received either a college education or job training.

By the way, there were fourteen Nobel Prize winners who went to school on that GI Bill, three Supreme Court Justices, three Presidents, about a dozen senators –several of whom are still in office, two dozen Pulitzer Prize winners, 238 thousand teachers, 91 thousand scientists, 67 thousand doctors, and the list goes on.

By 1947, fully half of the nation’s college students had their living expenses paid by the GI Bill. It cost approximately \$10 billion but the 10 million GIs that went through the GI Bill increased their earning power. It more than paid for the GI Bill in the increased income taxes. According to some estimates, in today’s dollars it cost \$50 billion and returned \$350 billion to the economy – a nearly seven-fold increase. From 1945 till 1955 college enrollments continued at rates almost double what they were at the start of the war, but by 1955 America’s public educational expenditures began being overwhelming

focused on elementary schools as the first wave of baby-boomers overcrowded classrooms.

By the mid-sixties, those same boomers headed off to college. Between 1965 and 1970, enrollments in public colleges increased from 3.9 million to 6.4 million. In 1960, America spent 17 million public dollars for colleges; by 1970, the contribution had swelled to more than \$57 million. According to the National Center for Education Statistics, in 1965, the total average cost of college tuition and required fees at a public institution was \$257. In 2006 dollars that would be \$1614.43. According to US News and World Report, the sticker price for an academic year at a typical public university now is \$5,836 for tuition and fees. Including room and board, its well over \$16,000 a year. By the way, the current GI Bill being offered to our men and women returning from the Gulf Wars will barely pay for community college tuition and doesn't begin to cover living expenses, books, or the higher tuition and fees of 4-year public or private colleges. The promise once held out for a college education has been seriously violated in the last decade.

If we are truly going to consider a goal as ambitious as 40-40-20, we need to look carefully at where we are now. The figures I am about to share with you pertain to Oregonians 25-years-old or older in 2005. Those are the most current figures we have available. Twenty-eight percent of that population has a bachelor's degree or higher so we're about 12% short of the bachelor's or better goal. Thirty-three percent have an associate's degree or some college. The way this data is collected by the US Census Bureau doesn't ask about professional or technical certifications so we're not completely sure how far off we are from the goal of 40% having an AA or certificate. And, as you will recall, the final part of the 40-40-20 goal is that the remaining 20% adult Oregonians will have at least a high school diploma. Currently, 13%, some 400,000 people, do not.

Ideally, in years to come, all high schoolers will complete their course of study and earn their high school diploma. The road ahead for our K-12 partners is steep because they are currently losing about 4% a year statewide. That's 4% a year dropping out so

between the time a student enters high school as a freshman and his or her class graduates four years later, that's at least a 16 percent dropout rate. But realistically, the 13 % of Oregonians who are 25-years-old or older and do not have a high school diploma are not going to go back to high schools to complete. If we can engage them at all, they will head to community colleges for a GED or high school completion program.

Speaking of high school, community colleges are currently serving almost 16,000 high school-age students in programs as varied as tech prep where they earn high school and college credit at the same time to those in programs specifically designed for disaffected young people who have given up on their traditional high schools.

I'm sure you all know what an AA or associate's of arts degree is. Basically, if you have earned an AA you have completed coursework equivalent to the first two years of a four-year degree. Most students who earn AAs have done this work with the intention of continuing on at a university. They start at a community college for a variety of reasons but primarily because it is much less expensive, closer to home and they can work toward their goal while maintaining other work and familial obligations. Community colleges do an extremely good job serving undergraduate transfer students which is evidenced not only by enrollment numbers but by the fact that those students who start at a community college and transfer to a university typically do as well or better academically than those students who started at a four-year-school in the first place.

But the second piece of the goal related to 40% of adult Oregonians having an AA or a profession/technical certification has to do with some of the most expensive and hard to maintain programs we offer. Professional/technical programs train adults to fill family-wage jobs but many of the programs are currently bottlenecked at our community colleges.

Let me give you an example. Oregon, like the rest of the country, is facing a dangerous shortfall in trained nurses. The Oregon Center for Nursing estimates that that an additional 15,700 RN job openings are expected statewide over the next 15 years. There

are more qualified nursing school applicants than the state currently has the capacity to educate. In 2006, nursing schools in Oregon reported, on average, 6 applicants for every position.

Nursing programs require expensive equipment, modern lab facilities, faculty with graduate degrees, and, by law, class sizes that do not exceed 9 students per class. Almost every community college that is currently improving their facilities is spending money on health care training facilities but few colleges have been successful passing bonds. We are partnering with hospitals, clinics, doctors offices and laboratories to get access to up-to-date equipment. They've been very generous but they can't meet our demand and serve their current patients at the same time. And, by 2010, an estimated 92 full-time equivalent nursing faculty positions in Oregon will be open. The demand exists, the jobs are there, the students are eager but nurse-training programs can only serve one in 6 that apply. How will we fix that?

Community colleges train technicians for emerging wind and wave energy facilities, manufacturing techs, electricians, welders, computer network administrators, viticulture specialists, emergency managers, firefighters, a host of health professionals ranging from phlebotomists to occupational therapists, and skilled workers for our hospitality and leisure industries. There are currently some 124 approved professional/technical programs offered on our campuses. That's not nearly enough if we hope to reach the Governor's and Oregon Business Council 40% goal for AAs or certificates.

So, that's a quick overview of where we are currently. Let's look now at where we want or need to be. The US Department of Labor warns that the fastest growing jobs require education beyond high school with fully 32% of them calling for an AA degree and another 23% of them setting their lowest acceptable education level at a bachelor's degree. In fact, according to Oregon's Workforce Investment Board, Oregon will need 700,000 skilled workers by 2014 to fill openings created by growth and retirements. That's a very different picture from where we used to be. In 1950, 60% of the jobs

available were for unskilled labor. In 2000, only 15% didn't require high skills and those jobs rarely offered a family wage.

The 2000 U.S. Census also showed that in Oregon almost 37% of folks between 45 and 65 years old held an AA or higher but only 33% of those between 25 and 34 did. Our younger population is not as well educated as those approaching retirement. When you break down the numbers by ethnicity, it is clear that non-white students are even farther behind. In the mid-to-late 1960s, the U.S. population reached 200 million and was 84% white, 11% black, 4% Hispanic and 1% Asian and Pacific Islander. Between 1966 and 2006 the U.S. population grew by 100 million. Of that 100 million, 36% were Hispanic increasing the number of Latinos in the U.S. population from 8.5 million in 1966 to 44.7 million in 2006. The black population increased 22.3 million to 38.7 million and accounted for about 16% of the growth. Asian and Pacific Islanders increased from 1.5 million to 14.3 million, representing about 13% of the increase. That demographic shift accounts, in part, for the lower educational attainment ratios of the 25 to 34 year old population. If we are to meet the economic demands of the next decade, we must find ways to successfully provide education and training to disaffected populations.

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None of us know, of course, what the future will bring but if some catastrophic change created a world in which mostly low-skill jobs were the norm, we would not be penalized for over-training. On the other hand, if business leaders in Oregon and across the nation are right, we must prepare now. The goal of 40-40-20 may not reflect the right percentages, but it is surely a move in the right direction.

Shall we abandon the goal and hope they're wrong about the State's economic future? Shall we take small, piecemeal baby-steps toward increasing access to college and providing the support services necessary to ensure student success? Or shall we work together, cooperatively and compassionately, to identify what we can accomplish? I respectfully ask for your most creative thinking, your considerable experience and

acumen, and your persistence in helping to find the best answers. Our future as Oregonians depends on it.