## Testimony of Morton Bahr for the National Commission on Adult Literacy to the House Subcommittee on Education and Labor February 12, 2009

Mr. Chairman, thank you for this opportunity to tell the Subcommittee on Education and Labor about the findings of the National Commission on Adult Literacy. We appreciate your recognition of the importance of adult education – the third leg of our educational system – in preparing our workforce for jobs.

The National Commission is a distinguished independent panel of leaders. We are former U.S. secretaries of labor and education, prominent business and labor leaders, and workforce development experts. We are adult educators, community college heads, and researchers. We are leaders in ESL, family literacy, correctional education, youth policy, philanthropy, and even the Foreign Service. Our final report, *Reach Higher, America*, was released on June 26, 2008 at a special event on Capitol Hill. You should have a full copy of that report in your folder.

It is no secret that America is at risk of losing its place as a world leader in education. Here is just one alarming indication of that from our report: *Of all 30 OECD free-market countries, we are currently the only nation whose young adults are less educated than the previous generation.*<sup>1</sup>

Here is another alarming fact. Some 88 million adults in America need help with their ESL and basic skills, yet we are currently providing services to only 3 million people. I will elaborate on these numbers shortly. The Commission calls for bold change at the state and federal levels to address this challenge. We have two overarching recommendations:

- We call on Congress to transform the adult education and literacy system as we now know it into an adult education and workforce skills system with the capacity to effectively serve 20 million adults annually by the year 2020.
- We call on Congress and state governments to make readiness for postsecondary education and workforce the primary mission of the adult education and workforce skills system.

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<sup>&</sup>lt;sup>1</sup> Source: Education at a Glance, 2007, OECD, analysis for the Commission by the National Center for Higher Education Management Systems (NCHEMS).

To achieve this essential transformation, we call for several actions, particularly on the part of federal and state government.

- 1) At the core of our federal recommendations is the creation of a comprehensive new <u>Adult</u> <u>Education and Economic Growth Act</u> designed to overhaul and expand adult education and workforce skills training, especially in the Departments of Education and Labor.
- 2) We urge that this new Act focus on the needs of the unemployed; low-skilled incumbent workers; immigrants with limited or no English; parents or caregivers with low basic skills; incarcerated adults; high school dropouts; and high school graduates not ready for college.
- 3) The Act should redefine the fundamentals of adult education, set forth new program goals for adult education, and offer incentives and strategies to increase learner access. For example, because "readiness" is the major new service outcome, it will not be enough in the new System to provide instruction in basic reading, writing, math, and ESL. Programs will also need to offer such basics as how to communicate, acquire information, think critically, solve problems, use technology, and work in teams. This new definition will require traditional adult education and workforce development groups to work together much more closely.
- 4) We call for strong federal leadership to develop and deploy technology-assisted learning on an unprecedented scale, including the creation of a national Web portal for adult learners. We will not be able to expand services dramatically without a far heavier role for technology.
- 5) We believe that Congress must also provide significant support for a national, independent research and development program. We would put this in the hands of the National Institute for Literacy, which should be restored to its original adult focus.

For this bold federal leadership role to pay off, it must be met by strong state leadership. Here, in broad terms, are our recommendations on the state role:

- 6) States should engage in comprehensive planning and establish goals to improve adult educational attainment and workforce skills in light of their economic development goals.
- 7) States should legislate authority for coordination and alignment of systems consistent with their postsecondary education, workforce, and economic development goals. In some cases, a cross-agency planning body already exists; in others it may need to be created. In some states, a cabinet level position might either be established or strengthened. Whatever the approach, most commissioners feel the governor's office must be involved.
- 8) New federal funds under the new Act should be awarded to states following federal approval of a comprehensive adult education plan that each state develops and updates periodically for federal review. These funds should be available for awards within the first year of the Act's passage, and states should be "held harmless" at current federal adult education grant levels.
- 9) States should invest more in the skills of their workers so that increased productivity helps offset the effect of low-cost labor furnished by developing countries. Business must be an active partner in this effort.

The recommended federal and state actions aim to increase dramatically the number of adult Americans with limited basic skills who receive basic skills instruction as defined in the Act. They should result in *seamless pathways of instruction* from the lowest levels of proficiency to attainment of a GED and/or readiness for occupational and/or postsecondary education. They should greatly strengthen the quality, range, and accountability of basic skills instruction and related services. And we should gradually achieve the following desired outcomes from general and workforce basic skills instruction – verifiable learning gains, acquisition of basic and workforce skills, accelerated learning, GED acquisition, and transitions to vocational, postsecondary, or other programs that will benefit individuals, the business community, the economy, and American society.

Let me now explain the reasons for our recommendations. During two years of intensive study,<sup>2</sup> we thoroughly examined our current adult basic education system. We looked at its scope, purposes, funding, enrollments, and outcomes. We also looked carefully at the federal role in this system, at state performance, and at the impact of changing demographics in America on our global competitiveness and human resource development needs. We wanted to determine how well this system, created for the 20<sup>th</sup> century, meets the nation's need to prepare current and future workers in the 21<sup>st</sup> century, from the standpoint of adults with low basic skills – our community leaders, our parents and family units, our young adults, our aspiring new Americans, our neighbors, incumbent workers, the unemployed and underemployed.

The Commission quickly discovered that America's needs cannot be met by simply tweaking the adult education system we have. That's why we call for action at all levels – with a focus on federal and state leadership – to transform the system into an "Adult Education and Workforce Skills System." This system must be highly accountable; have more relevant, measurable, and comparable outcomes; and preserve and create economic opportunities for key underserved segments of our population – especially the burgeoning ESL population, the huge number of high school dropouts and underachievers, and nonviolent offenders in our correctional population, who return daily to our communities lacking the skills to qualify for jobs.

These people, and many millions of other adults at very low literacy and ESL levels, are a big part of our workforce. The vast majority of them are beyond the reach of our secondary schools

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<sup>&</sup>lt;sup>2</sup> The Commission's work was enabled by funding from the Dollar General Corporation (lead funder at \$1 million), the Charles Stewart Mott Foundation, The McGraw-Hill Companies, Harold W. McGraw, Jr., a longtime champion of adult education and literacy, and the Joyce and Ford Foundations.

and of higher education institutions. Right now, the U.S. labor force consists of about 150 million adults aged 16 and older. Unless we rise to the adult education challenge, nearly half of these people, many of prime working age, will fall behind in their struggle to get higher wage jobs, or to qualify for the college courses or job training that will help them join or advance in jobs that pay a family-sustaining wage.

The American economy requires increasingly that most workers have at least some postsecondary education or occupational training to be ready for current and future jobs in the global marketplace. 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 to compete internationally and maintain our standard of living. Every bit of research wisdom over the past two decades supports this proposition. The New Commission on Skills of the American Workforce and the Commission on a Nation of Lifelong Learners, on which I also served, are two of those voices. Yet, we have been moving further from that goal, until now I hope.

As the 2007 State New Economy Index puts it: "Workers who were skilled with their hands and could reliably work in repetitive and sometimes physically demanding jobs were the engine of the old economy. In today's New Economy, knowledge-based jobs are driving prosperity...jobs held by individuals with at least two years of college."

At present, as this Committee knows, our high school dropout rates are staggering. But other compelling facts underlie the Commission's recommendations, too. For example, one in four working families is low-income, and one in five lives in poverty. Parents and caregivers in many of these households lack the education and skills to earn a family-sustaining wage. One in every 100 U.S. adults 16 and older is in prison or jail at any given time (about 2.3 million persons in 2006). About 43 percent of these people don't have a high school diploma or equivalent; some 56 percent have very low basic skills. Yet 95 percent of incarcerated people return to our communities. More than 18 million recent immigrants need ESL and literacy services now. And beyond that, each year another 2 million immigrants come to the U.S. seeking jobs and better lives – the promise of America. The Commission discussed the ESL need as a "tsunami." Fifty percent of these people have low literacy levels and lack high school education and English

<sup>&</sup>lt;sup>3</sup> Source: 2006 American Community Survey, U.S. Census Bureau.

language skills, severely limiting their access to jobs and job training, college, and citizenship. I should note that a collateral benefit of ESL instruction is preparation for citizenship.

The recent National Assessment of Adult Literacy found that about 30 million adults 16 and older are at the very lowest level of skills proficiency, which they call "below basic." Another 60 million are less than proficient and need various amounts of skills upgrading. Analysis done for the Commission by the National Center for Higher Education Management Systems found that at least one educational barrier keeps up to 88 million adults (aged 18 and older) from entering college and/or job training programs. Of these 88 million:

- 18.2 million are English-speaking adults who lack a high school diploma.
- 18.4 million have limited English skills. Of these 8.2 million have not completed high school and many others have less than adequate basic literacy skills.
- 51.3 million have a high school diploma but no college and many millions of them are not prepared to enter college or jobs.

In light of these statistics, it is truly shocking that the adult education programs of the U.S. Departments of Education and Labor, where the bulk of services are offered, are presently serving only 3 million adults aged 16 and over.

Most states have not been seriously committed to adult education either – although in some cases this attitude is changing. Every state has an ESL service need, and ESL services are receiving the lion's share of adult education funding. For instance, in California, total enrollment was about 570,000 in 2007. Of these, only 18% were in adult basic education programs, 11% were in high school diploma (ASE) programs, and a whopping 71% were in ESL programs. In Rhode Island, of the 6,787 enrolled in 2007, 49% were enrolled in ESL. In Texas, with a total enrollment of 102,365 in 2007, ESL accounted for 58%. The national average for these three program types is 38% for ABE, 16% for ASE/GED, and 46% for ESL, respectively. Clearly, we are addressing the tip of the iceberg in all three areas of service.

States appropriate funds to meet Department of Education matching requirements. By this criterion, our analysis shows that state *commitment* to adult education varies widely. Using the three states mentioned above: California's state appropriation in 2008 was \$700 million. It matched the federal grant of \$62 million by 1133%. Rhode Island ranks somewhere in the middle in terms of match percentage. Its appropriation last year, \$2 million, was 98% of the federal grant

amount. Texas ranks near the bottom on this measure. It got federal grant funds of nearly \$40 million and provided a 15% match of \$6 million.

In *Reach Higher, America*, the Commission looks at national and state comparisons of GED need and attainment. Texas and California top the list in terms of the low percentage of GEDs attained in relation to adults 18-64 without a high school diploma. In Texas, about 2.9 million adults aged 18-64 lacked a high school diploma in 2006. Only about 32,000 attained a GED or equivalent, about 1.1% of the need. This pattern is consistent across the states for a national average of only 1.5%. It is quite evident that we can and need to do much better.

The Commission proposes a new System built up gradually over the next decade or so to address the needs and problems described above. The System we envision will provide nearly seven times the current service capacity. It will emphasize <u>readiness for entering college and job training programs</u> to prepare adults for family-sustaining jobs. It will emphasize <u>workforce certificates and other concrete measures to demonstrate readiness</u>. It will require <u>comprehensive planning</u> at the state level and stronger state funding commitments. It will require <u>new partnerships at all levels</u>, especially across and among federal and state agencies, but also among disparate service provider types, who need to rise above self-interest and turf barriers. It must <u>serve people all along a continuum of need</u> from those at the lowest skill level to those just short of readiness. And, again, it includes both incumbent and future workers. This means that <u>workplace skills education should be much more highly valued</u>, and that employers should devote a larger share of their training budgets to their low-skilled workers.

The Commission's recommendations target federal and state government. But we also call for much stronger partnerships between the states and the business community, and we call on community colleges and other adult education service providers, nonprofit organizations, and philanthropy to play their part. All have an essential role.

One of the curses of current federal and state educational policy and practice is the ultra-territorial division of many of our important reform efforts, resulting in disconnected and insular silos that work against creative communication, meaningful evaluation, and positive change. I can't emphasize enough the importance of <u>breaking down entrenched silos of interest</u> in the campaign we are recommending.

The new Adult Education and Economic Growth Act should call for connections between the adult education and workforce skills programs of all federal agencies, especially the WIA Title I and II programs. Fragmentation, disconnect, and lack of communication characterize these interactions now. And it should require states to develop integrated statewide plans as a condition of receiving new federal funds. In these plans, adult education and workforce skills development are to be linked more closely in the context of clearly articulated state economic goals. It also would mobilize public and private resources in a way that allows the states to pursue their *own* choices depending on differences in state demographics and local need – such as family and parent literacy, crime prevention and recovery, the needs of non-English language minorities, the needs of working-age nonviolent offenders, preparation for success in and entry into college and job training, and excellence in the 21<sup>st</sup> century workforce. And it would actively engage governors and their policy staff, and provide federal incentives to encourage that.

The kind of responsible change I am speaking about today should resonate in the Obama Administration. The Commission believes this change is crucial if we are to provide family-sustaining jobs, compete in the global economy, and protect our nation's security, core democratic values, and opportunity for all Americans.

Mr. Chairman, adult education and workforce skills services for a majority of the 88 million adults defined by the Commission are absolutely key to economic recovery and growth. The goals of providing job training for displaced workers and creating a competitive workforce in "green jobs" and other aspects of the new economy cannot be achieved unless the adult education system is reinforced and redirected to help tens of millions of adults enter the system to acquire the basic skills they need to participate in postsecondary and job training programs.

Education drives the economy! That refrain was heard again and again in the deliberations of our National Commission. We understand the urgency of strengthening our K-12 and higher education institutions, but adult education is equally important. It is the third vital part of our educational system. It is now a marginalized enterprise and must be strengthened and transformed right along with them.

America faces a choice. We can invest in the basic education and skills of our workforce and remain competitive in today's global economy. Or we can continue to overlook the glaring evidence of a national crisis as documented in the Commission's report and move further down the path to decline. We *must* rise to the challenge.

The plan set forth in *Reach Higher, America* constitutes a kind of domestic Marshall Plan – because that is how serious we consider the challenge. Action to meet the challenge will cost a great deal more than we are spending now. But the Commission doesn't just call for a heavier infusion of new funds. Our report devotes an entire chapter to spelling out the substantial fiscal gains that will result from those expenditures. It's a national investment that will pay for itself many times over. For example, according to the Center for Labor Market Studies at Northeastern University, if 4 million dropouts earn a high school diploma by 2020, the net fiscal contributions to federal, state, and local governments in 2008 dollars would exceed \$25 billion annually. To give another example, if the 2.9 million adults (18-64) in Texas who do not have a high school diploma or GED got one, their annual net fiscal contribution to national, state, and local governments would increase by \$13.5 billion. If they attended college, the annual net fiscal contribution would increase by another \$10.6 billion.

## In closing, I want to make two final points:

Much of the national conversation today is necessarily about jobs. Transforming the adult education system into the Adult Education and Workforce Skills System we call for will create many new jobs in that sector of our economy. There is an acute need for many thousands of additional teachers, trainers, counselors, and other staff in the network of programs out there already; many thousands more will be needed as the new System is developed.

I also realize that some may think our goals are unrealistic. But many initiatives are already in the works in some of the states, trying to tackle local adult education and skills training needs along the lines recommended by the Commission, and they are starting to get successful results. Some of these leading lights are profiled in the Commission's report. They include an array of workplace education programs; the statewide programs of the Indiana State Chamber of Commerce; a model public-private venture in Patrick County, Virginia; a cooperative college transition program in Louisville, Kentucky; and the much-touted I-Best program in Washington. These forward-thinking activities are proof that what we're calling for can be done.

Thank you.