



For Immediate Release

Contact: Craig Orfield  
(202) 224-6770

Thursday, March 6, 2008

***ENZI CALLS FOR RENEWED, STRENGTHENED EDUCATION AND TRAINING PROGRAMS TO HELP AMERICANS REMAIN FINANCIALLY SECURE***

Washington, D.C. - U.S. Senator Mike Enzi (R-WY), Ranking Member of the Senate Health, Education, Labor and Pensions (HELP) Committee, today said that Congress must renew and improve critical education and training programs to ensure that all Americans have opportunities to develop the knowledge and skills they need to be successful and financially secure in the 21<sup>st</sup> century global economy.

“Knowledge, skills, and experience – not federal mandates and entitlement programs – are the keys to lasting financial security in a globally competitive economy,” Enzi said. “Long term solutions, which will ensure our students and workers are ready and able to fill the high skills, high paying jobs of the 21<sup>st</sup> century, are the only source of real and lasting economic security.”

Enzi said he hopes that Congress will act this year on legislation to provide life-long learning opportunities for all Americans, by renewing and strengthening the No Child Left Behind Act, the Higher Education Act, and the Workforce Investment Act.

“The decisions we make about education and workforce development will have a dramatic impact on the economy and our society for generations to come,” Enzi said. “We need to make sure that our students graduate from high school on time, with the knowledge and skills to succeed in college and in the workplace, and that they continue to have opportunities for learning, training, and retraining throughout their lives.

“We know that education and training will lead to the kind of increased wages and better jobs we all want to create for our nation’s workers. These programs will ensure that our businesses have the workers they will need to remain competitive in the global economy.”

####

**Statement of Michael B. Enzi, Ranking Member**

**Senate Committee on Health, Education, Labor and Pensions**

**March 6, 2008**

Hearing On: **“Unemployment in a Volatile Economy: How to Secure Families and Build Opportunity”**

Good morning. I want to thank Senator Kennedy for holding this hearing on economic security. In fact, our committee, the HELP Committee, has jurisdiction over many of the subjects that can bring Americans the greatest likelihood of economic security – a good education, a good job, sufficient retirement savings and good health. Although many of the issues which are being discussed today are not matters that will come before this committee, I am glad we are taking the time today to talk about those that will.

Security and advancement in life are most directly accomplished by security and advancement in employment; and that cannot simply be legislated. We would do a disservice to all concerned - most especially the chronic low-wage worker – if we suggested that federal entitlement programs and mandates are the only answer. In challenging economic times, such as a recession, I believe it may be prudent for federal government to enact some measures to stimulate the economy; and to carefully tailor the degree of those measures to the degree of the downturn. Many of these options are being discussed, right now, both on the floor and, in the committees of jurisdiction. However, amid the discussion of short-term economic stimulus, we should not neglect to discuss, or miss the opportunity to enact, longer-term solutions that are the only source of real and lasting economic security. I do not want to miss this opportunity to advance the best long-term investment we can make in every American’s future.

Americans want good, stable jobs to secure our own futures, but not all of us have access to the right tools to get us there. It is no longer just a matter of finishing high school or going to college. In 1950, 80 percent of the jobs people held were categorized as unskilled. Today, just the opposite is true. Over 80 percent of all jobs are categorized as skilled. The result is that in this decade 40 percent of the job growth will be in jobs requiring some postsecondary education. If current trends continue, we will not have people with the talents and skills we will need to fill the jobs that will be created over the next few years. By 2020 we will need 14 million more skilled workers in this country than we are currently able to provide.

Today’s job markets are seeking those with specialized skills. But the skilled individuals who are desperately needed in one part of the country might be in surplus in another. Training must be in tune with the current and future needs of local markets. Education and training is also no longer an undertaking for the young. Reliable estimates are that 75 percent of today’s workforce needs to be retrained just to keep their current jobs.

There is a popular and bipartisan plan to address these needs. For several years now, one of my priorities has been improving and reauthorizing the Nation's job training system that was created by the Workforce Investment Act. This program helps American workers get the skills they need to better compete in the global economy and obtain secure futures. It will start an estimated 900,000 people a year on a better career path. The bipartisan bill that I negotiated along with many of my colleagues here has the input of all the stakeholders. It will focus on training for high growth, high wage, and high demand jobs; and will better connect local training to local jobs. It will also allow communities to target resources to those populations that have the highest need for services and training. The needs of incumbent workers are also considered. Workforce development is not only hiring the right worker, but knowing how to help them keep current with escalating skill requirements and advances in their occupations. By helping low-wage workers advance in their jobs, entry level jobs will open up and more opportunities will be created.

Although it has twice passed the Senate and been unanimously approved by this Committee, the bill is *still* waiting to go to the floor in this Congress, and WIA is now five years overdue for reauthorization. I believe we all share the same goals – to help American workers find and keep secure, high-paying jobs. We know that education and training will lead to the kind of increased wages and better jobs we all want to create for our Nation's workers. Let's work together to get the Workforce Investment Act reauthorization bill that was so carefully negotiated and overwhelmingly passed in the 109<sup>th</sup> Congress done.

We must ensure that students and workers of all ages will have the opportunity to gain the knowledge and the skills they will need to be successful throughout their lives and to make sure that our businesses have the workers they will need to remain competitive. WIA reauthorization is integral to meeting this goal. But it is not the only ingredient. We must also upgrade our primary and secondary education systems.

Every day in the United States, 7,000 students drop out of school. If the high school students who had dropped out of the class of 2006 had graduated instead, the nation's economy would have benefited from an additional \$309 billion in income they would have earned over their lifetimes. It's an incredible statistic. Because we couldn't reach those 7,000 students, it will cost us and them \$309 billion in income we will both lose. We simply cannot afford to lose those resources. We must deal with the situation head on – we cannot allow students to “waste” their senior year, and graduate unprepared to enter postsecondary education and a workforce focused on skills and knowledge.

At present the future outlook is not good. Unless high schools are able to graduate their students at higher rates than the 68 to 70 percent they currently do, more than 12 million students will drop out during the course of the next decade. The result long term will be a loss to the nation of \$3 trillion, and as you can imagine, even more in terms of the quality of life for those dropouts.

In addition, it's important to remember the fact that a high school diploma does not guarantee that a student has learned the basics. Nearly half of all college students are required to take remedial courses, after graduating from high school, before they can take college level coursework.

Each year, more than one million first-time, full-time, degree-seeking students begin their undergraduate careers at four-year colleges and universities with every hope and expectation of earning a bachelor's degree. Of those students, fewer than four in 10 will actually meet that goal within four years; barely six in 10 will make it out in six years. Among minority students, remediation rates are even higher and completion rates are even lower.

To remain competitive in a global economy and allow Americans to build the secure futures we all desire, we cannot afford to lose people because they do not have the education and training they need to be successful. Thirty years ago the United States was proud to claim 30 percent of the world's population of college students. Today that proportion has fallen to 14 percent and is continuing to fall.

Demographics are responsible for some of this shift – keep in mind that if India alone educates just one-third of its population, it will have more educated people than the total population of the United States. But we do have control over whether we continue to let so many students fall through the cracks and out of the education and training pipeline.

We need to focus on the acquisition and improvement of job and job-related skills. In this context we should recognize that only 68% of the students entering the ninth grade four years ago are expected to graduate this year; and, that for minority students this number hovers around 50%. In addition, we continue to experience a drop out rate of 11% per year. These non-completion and drop out rates – and the poor earnings' capacity that comes with them – cannot be fixed by increased federal spending.

As a former small business owner, I have seen many employees start in an entry-level job and work their way up to management, and even ownership of their own small business. To get there, these individuals acquired training and skills along the way which allowed them to secure their own, and their family's future. No one got there because of a few more weeks of unemployment compensation benefits eligibility or a few more food stamps, although I am sure both would have been appreciated.

If we want to address this issue seriously and with long term success, we must equip our workers with the skills they need to compete in a technology-driven, global economy. We need a system in place that can support a lifetime of education, training and retraining for our workers. The end result will be the attainment of skills that provide meaningful employment opportunities and secure economic futures. Skills and experience will lead to lasting wage security for American workers.

#####

