The U.S. work force is unready for the new jobs, unready for the new realities, unready for the new challenges of the 1990s. Across the board, jobs are demanding better reading, writing, and reasoning skills and more math and science. Statistics define the scope of the problem: 25 percent of young people drop out of high school; 70 percent of all high school seniors cannot write a basic letter seeking employment, and 60 percent of them cannot correctly add up their own lunch bills. The skills of a large number of experienced workers are now obsolete or soon will be made obsolete by changes in technology. At least 20 million adults experience substantial literacy problems. Proposals for partnerships between business, labor, and education include the following: a Secretary's Commission on Achieving Necessary Skills; a school-to-work national conference; a "portable credentials" program; sharing of "best practices," a school and business relationship called Partners for Tomorrow, and the Secretary's "Lift (Labor Investing for Tomorrow) America" awards for outstanding business and school partnerships, innovative school-to-work programs, outstanding employee training programs, and superior efforts to make a difference in employee worklife through such efforts as child care programs, employee benefits, innovative labor and management initiatives, and recruiting of minorities, at-risk youth, the disabled, and the disadvantaged. (CML)
SECRETARY ELIZABETH DOLE

STATE OF THE WORKFORCE ADDRESS

DELIVERED TO THE STATE TEACHERS AND PRINCIPALS OF THE YEAR

WASHINGTON, D.C.

OCTOBER 26, 1989

Thank you, Nigel, for that gracious introduction. And special thanks to the Council of Chief State School Officers, the National Association of Secondary School Principals, and, of course, the Burger King Corporation for sponsorship of this program, and for all you are doing to bring excellence to education.

It is a privilege, indeed, to be here this morning to meet with this gathering of distinguished Americans. Your selection as Teachers or Principals of the Year is eloquent testimony of the difference—the positive difference—each of you has made.

Behind each of your awards stand countless young people whose minds you've opened and whose horizons you've expanded.

It was once said that "A school is a building that has four walls and tomorrow inside." And, indeed, throughout America's history, the key that has unlocked tomorrow's door of opportunity has been found in our schoolhouses.

Today, however, many of our young people are discovering that the locks have changed...that the key they received in our schools doesn't fit...that they simply don't have the education and the skills needed to survive in today's workforce.

Whether our economy grows or shrinks...Whether Americans enjoy expanded living standards...Whether business succeeds or fails...The answers to these questions hinge on our ability to provide youths and adults with adequate education and training. It is, therefore, appropriate that I deliver my "State of the Workforce Address" to this audience.

The fact is, that as we enter the last decade of this century, America faces a workforce crisis. Simply put, America's workforce is in a state of unreadiness...unready for the new jobs, unready for the new realities, unready for the new challenges of the 90's.

A number of factors have led to our precarious situation:

First, the American workplace has undergone revolutionary changes in the past years. Businesses now succeed on the service and qualities of their human resources, rather than material resources, such as machinery.
Across the board, jobs are demanding better reading, writing, and reasoning skills. More--much more--math and science.

The assembly line jobs that once required only hand-eye coordination are headed the way of the dinosaurs. The same job now requires the ability to read complex manuals, analyze data, organize information, and make judgments.

For example, in 1965, a car mechanic needed to understand 5,000 pages of service manuals to fix any automobile on the road. Today, with the advent of high-tech electronics, that same mechanic must be able to decipher 465,000 pages of technical text--the equivalent of 250 big-city phone books.

And this trend will continue in the years to come. The jobs that will experience the most growth will be in the service, managerial, and skilled technical fields. Most notably, over half the jobs in our economy will soon require education beyond high school.

Those are the needs of our workplace. And they are needs that are not being met by the skills of our workforce.

I know you are familiar with the statistics. But let me briefly share some with you, as they define the size and scope of our problem.

*25% of our young people--perhaps as many as one million students a year--drop out of high school. And of those who do graduate, a very disturbing number can't even read their diplomas.

*70% of all high school seniors can't write a basic letter seeking employment.

*60% of them can't correctly add up their own lunch bills.

*And our problems extend beyond our future workers to include our current labor force. The skills of a large number of experienced workers are now obsolete or soon will be made obsolete by changes in technology. Additionally, at least 20 million, and possibly as many as 40 million adults, experience substantial literacy problems.

And the implications of those numbers to our workforce can be seen in the fact that four out of every five applicants at Motorola Corporation recently flunked an entry level employment exam. And do you know what that exam required? Seventh grade English and fifth grade math skills.

Ladies and gentlemen, there is no doubting that our workforce crisis is a challenge to education, labor, business and
government. But it challenges something much more fundamental. It challenges the very foundation on which America is based.

A dream has pervaded this country for over two-hundred years. A dream that is etched in our culture and in our national conscience. A dream that any American could, through hard work and dedication, rise to the top and succeed in building a better life for himself or herself and their family.

And for millions of Americans over the life of our country, this dream has come true.

But we are now in danger of losing the dream. For if you do not possess the basic skills required to survive in today's world, then you can not get into the system, you can not get a job, you can not succeed, and you will spend a lifetime on the outside looking in.

That, ladies and gentlemen, is the American dream turned nightmare.

Frankly, there are those who are willing to accept this nightmare...Willing to sound a call of retreat...Willing to concede that America's days in the sun are over, that the workforces and schools of other countries have an insurmountable advantage over ours.

I don't buy that for a moment. I believe that American workers, businesses, and schools are ready to take the road to increased competitiveness, higher standards of living, and a strong presence in the international community, rather than a road leading to economic decline.

Of course, taking this high road—building a truly quality workforce—involves some innovative, what some might call revolutionary, changes in the way we think about business and education.

Today, I am releasing an agenda which I believe will help set America on the road to readiness.

My proposals are about partnership, not partisanship. About policy not politics. About setting goals, not placing blame. And this morning, I would like to briefly highlight some aspects of this plan.

The recent Education Summit in Charlottesvile marked an important milestone on the road to building a quality workforce through a national education strategy. In every session there was a palpable sense of commitment and conviction that our education system must be put back on track.

If we are to build on the momentum of the Summit, then we first need to understand that the connection between educational
excellence—that you so personify—and business success is fundamental. Closer ties between business and education must be formed.

Businessmen and women need to know much more than simply comparative statistics that tell how a student performs compared to others—an 8th grade reading level or a 90% score on a test, for example. What we must know is how our students are performing compared to the actual needs of the workplace.

**SECRETARY'S COMMISSION ON ACHIEVING NECESSARY SKILLS:**

I will soon appoint a "Secretary's Commission on Achieving Necessary Skills." This blue-ribbon panel will include top leaders from business, labor, and education. I will charge them with the mission of hammering out national competency guidelines that reflect work readiness.

These guidelines will serve as working definitions of what skills employers require and workers need on the job—what's necessary in critical thinking, problem-solving, communicating, listening, and adapting through math, science, and other disciplines to today's new complexities.

Businessmen and women tell me constantly that the skills of new workers are simply not meeting the needs of the workplace.

Local schools and educators, as well as training programs, can use these guidelines to help develop relevant curriculum for promotion and graduation. And businesses and parents will be better able to judge if students are receiving the skills required for the jobs not just of tomorrow, but of today.

**SCHOOL TO WORK NATIONAL CONFERENCE**

I am also vitally concerned with what happens to students after they leave school—especially the 40% of our high school graduates who go directly to work. The United States is one of the few western nations without a formalized school-to-work transition. Too many of these young people "kick around" for several years trying to find themselves. With our workforce growing at its slowest rate in 40 years, we can't afford this any longer.

The Department of Labor will be funding a series of demonstration projects to build innovative models which assist the school-to-work population. One example might be a work-based "2 + 2" Program, where students spend their last two years in high school, and two years in a community college, pursuing an integrated curriculum both in the classroom and the workplace. Employers would participate in such a program through a partnership with education, and by hiring and training the
students during the learning process.

And in the spring of next year, I will convene a national conference of employers, unions, educators, and training professionals to review and discuss the school-to-work issue and to share effective programs. I will also seek recommendations for fundamental reform in how we assist non-college youth in their transition to work.

"PORTABLE CREDENTIALS" PROGRAM

Since over two-thirds of America's workforce in the year 2000 are currently working today, we will also move beyond programs for future workers, and devote needed attention to upgrading the skills of our current workers. Currently, America's employers only spend 1.3% of payroll expenses on formal training programs. This must be increased dramatically.

There are a number of industries—the construction industry, for example, that have outstanding training programs based on apprenticeship. Workers receive training and instruction which are widely accepted, and which serve as "portable credentials." Employers throughout the industry know precisely what skills are possessed by those who complete the program, and the process of matching employees with employers is greatly expedited.

I believe this principle can be adopted by other occupations—including many in the rapidly expanding service industry. I will appoint a high-level national advisory board on workplace training with representation from industry, labor, education, and government to work with me in developing a voluntary system for accrediting workplace training programs. These programs will be based on standards developed jointly with industry. The Department of Labor will act as the ultimate accrediting agent, with the ability to delegate this authority to appropriate business and professional organizations.

SHARING OF "BEST PRACTICES"

It is also imperative to understand that all the training and re-training employers provide won't make for productive employees if those employees are forced to leave the labor market because of conflicts between work and family.

For the foreseeable future, women will account for three out of every five new entrants into the workforce. The importance of addressing flexible benefit packages, flexible work schedules, child care, parental leave, and other needs of working parents is obvious.

Under my direction, the Department of Labor will operate a clearinghouse, gathering and sharing information with employers
and employees on programs that succeed in breaking down barriers to employment. We envision a team of employees aggressively seeking programs that work, and a "1-800" number available for employers to receive information and suggestions.

**SCHOOL-BUSINESS RELATIONSHIP: PARTNERS FOR TOMORROW**

In the past decade, many businesses and community organizations have become involved in education. Since 1983, the number of education partnerships has soared from about 42,000 to over 140,000.

But the hard reality of the matter is that even after this concerted effort to improve the quality of education, many public schools remain in need of help.

Part of the problem is that many of these business partnerships are superficial or transitory. For example, they may not involve any direct aid to students--like individual tutoring--and many schools are wary of allowing those not trained in education to participate in policy decisions.

I believe that public education means public responsibility—not just for educators, but for everybody--business, labor, and government.

I want to mobilize the business community and the public generally, to become involved in local volunteer networks--networks uniting key business and labor leaders and educators.

And what will be their focus? Working hand-in-hand with parents and school personnel, tutoring students, and helping us train disadvantaged and at-risk youth. I call this effort "Partners for Tomorrow."

Many students simply don't understand the connection between staying in school and jobs—between good school work and good jobs. Volunteers will try to ensure that students make that connection.

**SECRETARY'S "LIFT AMERICA" AWARDS**

In the final analysis, efforts by the Secretary of Labor or legislation passed by Congress can not, on its own, improve the state of our workforce. Rather, our success depends upon you—concerned citizens dedicated to our communities and our nation. Much of my initiative will depend upon our success in mobilizing Americans to discover innovative new solutions.

And to provide encouragement and incentive, we will soon initiate a program to honor those who are making a difference. This program will be called the "LIFT AMERICA AWARDS" (Labor Investing for Tomorrow). They will honor:
1. Outstanding Business-School Partnerships

2. Innovative School-to-work Programs

3. Outstanding Employee Training Programs

4. Superior Efforts to Make a Difference in Employee Worklife; such as child care programs, employee benefits, innovative labor-management initiatives, and recruiting of minorities, at-risk youth, the disabled, the disadvantaged.

That, ladies and gentlemen is just part of my agenda. It is an agenda that strongly emphasizes the importance of education, and the role that America's teachers will play in our country's future. I am very hopeful that the new national emphasis on education will elevate the stature of a career in education. This is not only morally right, it is absolutely necessary if we are to succeed. Because not only do we face a shortage of skilled workers, we face a shortage of teachers as well.

Over the next five years, the United States will need more than one million new teachers. At current rates, we will graduate only 625,000 people trained to teach. And many of those will choose other fields. We need to mobilize America's best and brightest students for a career in teaching.

The author, H.G. Wells, always possessed an uncanny ability to look into the future. And he correctly foresaw the challenge that faces America when he wrote that "Human history becomes more and more a race between education and catastrophe."

Ladies and gentlemen, the crisis is now. The race is on. And as we prepare to meet our challenges, let us take heart from the words of a great President. Almost 100 years ago, Teddy Roosevelt confronted the 20th century and said: "We are face to face with our destiny, and we must meet it with a high and resolute courage. For ours is the life of action, of strenuous performance of duty. Let us live in the harness, striving mightily; Let us run the risk of wearing out, rather than rusting out."

We will run that risk. We will win our race. And in doing so, we will see that the American dream endures.

Thank you and God bless you.