



From the office of Texas Workforce Commission

Chairman Tom Pauken

Opinion/Editorial

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By Tom Pauken

It is a great pleasure for me to be here today with a group of educators who, I believe, play such an important role in putting Texans to work. Not only do you provide a vital service to the individual students who leave your institutions with the skills needed to start a career, but you help employers in our state meet the demand for skilled workers. Without the technical and career programs at community colleges, we simply would not be able to meet the workforce needs of those businesses.

I want to speak to you today about how important it is that here in Texas we start placing more emphasis on training in the skilled trades—not just at institutions like yours—but at the high school level as well. I believe that doing so would not undercut the technical education already provided at your colleges. To the contrary, community colleges should be playing a bigger role in providing training to high school students. And if more young Texans received vocational and technical formation at the secondary level, they would be better prepared to take advantage of more advanced training at the institutions you represent.

In the past, manufacturing provided Americans with good-paying jobs that made it possible for our workers to provide for their families and enjoy long-term economic stability. Sadly, national tax policy and worldwide macroeconomic trends, have hollowed out our country's manufacturing base over the last decade. Leaders in Austin don't have the power to address those issues and yet there is something that we can do at the state level to help restore manufacturing in Texas. That's because even though the U.S. shed five-and-a-half-million manufacturing jobs from 2001 to 2010 (250,000 of which were in Texas), manufacturing firms across the nation are complaining of a shortage of skilled workers. And doing more to provide a workforce to meet this demand is precisely the area where Texas' policymakers can make a real difference.

The skills shortage has received increased attention with the Associated Press, *The New York Times*, *The Wall Street Journal* and *The Washington Post* all publishing major stories in the last several months on the challenges faced by many companies looking to hire skilled workers.

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The annual survey of Manpower Group for 2011 found that the hardest jobs to fill in the United States were for the skilled trades. *The Wall Street Journal* recently reported a survey by the consulting firm, Deloitte, which found that “83 percent of manufacturers reported a moderate or severe shortage of *skilled* production workers for hire.” I hear these same concerns echoed by employers in Texas with whom I visit.

These skilled jobs pay a good wage. In Texas, employees in the manufacturing sector earned, on average, \$1,200 a week. In Austin, it’s nearly \$1,700. And those working to produce computer and electronic products make almost \$2,300 a week on average.

In light of the demand for skilled workers and the earning potential such jobs provide, you would think we would be doing more to train students at the secondary and post-secondary levels for a career in the skilled trades. Instead, we have steadily deemphasized vocational and technical training, preferring to pursue a one-size-fits-all approach which says that everyone should attend a four-year university.

Why not recognize the reality that for many students, a four-year university is not the best path? Less than a third of the students who start out at our state’s public four-year institutions actually graduate in four years. About half do so in six years. Consider this disturbing statistic from career counselor Marty Nemko: “Among high school students who graduated at the bottom 40 percent of their classes and whose first institutions (they attended after high school) were four-year colleges, two-thirds had not earned diplomas eight and a half years later.” Plus, I suspect these students—and/or their parents—have amassed a significant sum of college debt.

We all learn differently. Some students don’t enjoy or do well in a classroom environment, but would excel by working with their hands in a skilled trade. Perhaps they are eager to enter the workforce. It could be that earning income as soon as possible is a much more attractive option than taking on the crushing debt that often goes along with four-plus years of attending college.

For lawmakers committed to addressing that demand for skilled workers, one of the most important things we could do here in Texas is to reform our educational system so that we place greater emphasis on technical and vocational training at the secondary and post-secondary school levels.

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A number of school administrators tell me they are supportive of doing this, but face major impediments which make that objective more difficult to accomplish. If state performance measurements are driven by how students do on the TAKS test and the new STAAR exams, then schools are pressured to place extraordinary emphasis on “teaching to the test.” With this latest approach to testing, students will spend even more days of their school year preparing for, and taking, these state-mandated tests.

So much of our public education system in Texas is driven these days by this “teaching to the test” mentality from the third grade through high school. Not to mention the money involved in this obsession with testing. One private company has a state testing contract that reportedly pays it \$450 million over a five-year period. Meanwhile, vocational and technical education gets neglected as time for taking career training electives is replaced by “prep classes” for the state-mandated tests.

It is time we challenge the assumption implicit in the “no child left behind” mindset that everyone should be “college ready.” Too many of our high school students are becoming dropouts or throwaways because they are not given the opportunity for vocational and technical education at the secondary school level. We are setting young people up for failure with this insistence that everyone should go to a university.

Moreover, statistical data shows that students involved in career training in high school do better academically as well. We have the highest college dropout rate in the industrialized world, according to a recent Harvard study. The College Board, which produces the SAT exam, estimates that only about 40 percent of all college students complete their four-year degrees. What about the remaining 60 percent of people who might have thrived had they been given opportunities for vocational and technical education in high school? Or encouraged to pursue an industry-certified skills training program at a community college?

We should stop promoting the errant notion that a four-year university degree is a guaranteed ticket to the good life. To preach that message is to set well over half of our workforce up for failure. Rather, college should provide an opportunity to get ahead for those who have the desire or need the skills. College should not be a place where area high schools farm out the tasks they are unable to accomplish.

As a first step toward preparing our students for real-world expectations and the jobs that are out there, let’s replace the one-size-fits-all TAKS and STAAR tests that we use to evaluate all our students, with two different tests. One test should continue to measure *college* readiness for those who plan to pursue that route, such as the ACT or SAT. A separate test should measure *career* readiness.

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In fact, in many instances, a career readiness test could take the form of an industry-recognized exam that would not only demonstrate that students have mastered essential concepts in their field, but would also provide those students with a tangible certificate that could be presented to employers as proof of their employability.

As one example, the non-profit curriculum developer, NCCER (formerly the National Center for Construction Education and Research), provides training programs in fields like welding and pipefitting in which graduates obtain portable, industry-recognized credentials along with a wallet card that an employer can use to verify the level of training a student has received.

Secondly, let's give our high school students the facts about the job market. Young people who have successfully completed a skills training program at the secondary or post-secondary school level have a better opportunity to get a good-paying job than a college graduate with a general degree who, by the way, has on average accumulated more than \$25,000 in student debt after graduation.

If we are going to move in this direction of rebuilding our pipeline of skilled workers with increased opportunities for vocational education, we have to be creative in how we go about implementing these changes given our finite resources. Equipment is expensive for certain technical training programs, and we have to be resourceful in providing these opportunities to our young people.

We need to avoid expensive duplication of services wherever possible. We should do more to empower you and your institutions to partner with school districts in your region. Your schools already have trained instructors and equipment for skills training. Some of you may have underutilized capacity that could be made available to local high school students who want to take technical courses. And we should do more to make sure these courses qualify for dual credit and make it more attractive for school districts to utilize them in that way. As always, the devil is in the details; and there needs to be an appropriate financing mechanism that is acceptable to both sets of educational institutions.

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I also want to issue a challenge to you. As we learned last session, many four-year universities do not want to be held accountable. They like the current funding model, which allows them to receive state dollars based on their enrollment without regard to what their students are learning or how well they do after graduation. I believe that community colleges—especially programs providing career and technical education—can lead by example in this area and help bring about reform by advocating an alternative model in which schools are measured by how many of their graduates obtain employment. Schools that do well could take in more than they currently receive while underperforming schools would receive less.

In a bold move, the Chancellor of the Texas State Technical College system has already proposed such an approach. Chancellor Mike Reeser has developed a model that bases the state funding received on “on the job placements and projected earnings of graduates.” As reported by *The Texas Tribune*, Chancellor Reeser noted, “You won’t find a better example of total accountability because we won’t get paid for a student until we put him in a job.”

The time has come to return to an educational model which recognizes the value of career education and encourages the young people of Texas to have such learning opportunities at the high school and post-secondary school levels. It really is just a matter of common sense. We have accepted for too long this misguided notion that everyone should go to a university. That flies in the face of reality and human nature. We have different talents and different abilities. Let’s design a school finance and accountability system which recognizes that and re-establishes local control over education. We have too many state and federal mandates as it is. The current system isn’t working. Let’s return the power and control over education to our local communities and schools.

Tom Pauken is Chairman of the Texas Workforce Commission and author of Bringing America Home.

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The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the programs it offers in coordination with its network of local workforce development boards, call (512) 463-8556 or visit www.texasworkforce.org.