

## DEVELOPING A STRONGER NEW YORK THROUGH OPEN ACCESS TO EDUCATION AND TRAINING

### Empire State Economic Security Campaign

#### The Challenge

New York currently faces a substantial skills gap. In our state's changing economy, we have lost many traditionally high-wage jobs that were available to New Yorkers without higher levels of education and training, such as those in manufacturing. Today, the New York State Department of Labor (NYSDOL) identifies managers, teachers, nurses and electronic data processors among the top 25 occupations for job openings through 2014.<sup>1</sup> Half of the most favorable NYS job prospects for the next six years require a college degree, most of those require a bachelors degree or higher.<sup>2</sup> NYSDOL statistics make it clear that the number of jobs requiring at least an Associate's degree is expected to grow 31% while the number of low skilled, low wage jobs will decline. Furthermore, the federal Department of Labor estimates that the majority of new jobs required post-secondary education; in NYC, they estimate that 75% of the major employers require at least two years of college for entry level positions. To remain competitive, New York must ensure its residents have a solid education to provide the skills and credentials needed.

Access to education and training allows individuals to participate in shaping the future for themselves, their family, and their community. Yet, a recent study finds that New York ranks 43<sup>rd</sup> in the nation in the number of adults with high school who attained college. Less than 4% of NYS adults with high school diplomas are in college. In the ten years between 1995 and 2005 enrollment dropped by 20%.<sup>3</sup> Workforce development is critical in keeping New York competitive in the marketplace and that includes education along the continuum for children and teenagers to adults. Countless studies have demonstrated that "quality of the workforce" is a leading factor for employers when determining where to locate their businesses. Employers are looking for workers that have the education and skills training to make their businesses efficient and productive.<sup>4</sup>

As individuals achieve higher education credentials, there is a corresponding increase in earnings and lower rates of unemployment.

According to the United States Department of Labor, **workers earn increasingly more with higher levels of education.** Approximate median weekly earnings by education level for full-time workers age 25 and over in 2008 are as follows:

Less than high school graduate: \$453  
High school graduate (includes GED recipients): \$618  
Some college, no degree: \$699  
Associate degree: \$757  
Bachelor's degree: \$1,012  
Master's degree: \$1,233

Moreover, during this Great Recession **workers with lower education have much higher unemployment rates.** Below is the unemployment rate for January 2010:

Less than high school: 15.2%  
High school: 10.1%  
Some college: 8.5%  
Bachelor's degree or higher: 4.9%

Yet, higher education is becoming unattainable for many families. Soaring tuition costs and constant threats to financial aid put college out of reach for many, despite the fact that with college degrees individuals earn nearly twice as much as high school graduates over the course of their lifetime. Unfortunately tuition is rising; for example, SUNY tuition rose 28% for in-state students during the 2003-04 year alone.

<sup>1</sup> NYS Department of Labor, <http://www.labor.state.ny.us/workforceindustrydata/apps.asp?reg=nys&app=projections>

<sup>2</sup> <http://www.labor.state.ny.us/stats/descriptor.asp?reg=nys>

<sup>3</sup> "Working to Learn, Learning to Work," the Schuyler Center for Analysis and Advocacy and the Center for an Urban Future 2007

<sup>4</sup> [http://www.scaany.org/initiatives/documents/working\\_to\\_learn\\_000.pdf](http://www.scaany.org/initiatives/documents/working_to_learn_000.pdf)

People receiving welfare in New York face particularly harsh barriers to the education and training that would help them prepare for a good job. According to the NYS Education Department, an estimated 40 percent read at less than an eighth grade level. According to the Office of Temporary and Disability Assistance (OTDA), nearly 70% of adults receiving welfare do not have a high school diploma or General Educational Development (GED) degree. Yet enrollment in adult literacy, English for Speakers of Other Languages (ESOL), high school equivalency classes, college, and vocational training has been drastically reduced due to welfare policies that limit access to education and training. For example, since 1995, the City University of New York (CUNY) has lost over 20,000 students who were receiving public assistance.

Ninety percent (90%) of adults receiving welfare were and still are women with children. Research showed that eighty-eight percent (88%) of women who attain a bachelor's degree move to jobs with a living wage and permanently out of poverty. A report from the Institute for Women's Policy Research (IWPR) confirms, more than a dozen years later, that despite the challenging circumstances for low-income students to undertake a college education, higher education "provides the best opportunity--especially for women--to acquire good jobs, with good wages and good benefits." The most striking finding is the ripple effect that higher education creates "beyond the individual sitting in the classroom..." The report goes on to argue that children of college-educated parents show improved grades and study habits, and 80 percent of degree holders indicate increased involvement in their communities.<sup>5</sup>

When employers have an educated workforce, new employees are hired, retained, trained and promoted. In fact, production and investments increase; through workers' salaries and taxes, government revenues increase across the state.

### **What the Public Thinks**

Public opinion supports access to education and training as a way to greater economic security. When asked what government benefit would most help poor families get ahead, a majority (89 percent) of moderate and high income New Yorkers and low income New Yorkers (68 percent) identified skills acquisition (training and higher education) as a first or second response. Basic education, including pursuit of a GED and English for Speakers of Other Languages also received significant support from both moderate and high income New Yorkers and low-income New Yorkers.<sup>6</sup>

Moreover, 84 percent of adult Americans say that the federal government should play a significant role in higher education. 66 percent of those surveyed are willing to pay more taxes to increase financial support for college students and to colleges and universities (61 percent) and to increase tax credits for families sending their children to college (72 percent.)<sup>7</sup>

### **ES2 Policy**

All New Yorkers should have ongoing access to a wide range of education and training programs so that they are prepared to compete in the job market. An educated workforce is good for New York and its residents. Therefore ES2 believes New York State should provide free public college tuition to all New Yorkers.

### **The 2010-11 Session**

- Change NYS law to reflect the new federal regulations counting four year college and advance degrees at the start of the new legislative session in Albany (A1827A / S5846A).
- NYS should let people engage in education and training to the full extent that the federal law allows. Right now, New York can count 30% (out of 50%) of the welfare caseload meeting work requirements, when they are engaged in education and training activities, but is only at 11%. New York should commit to meeting this full 30 percent.
- Under federal TANF regulations, New York needs to have 50 percent of the welfare caseload engaged in meeting the federal work requirement. To the extent that NYS exceeds the requirement, the "other 50 percent" should be allowed to satisfy their entire requirement with the wide range of education activities listed above.
- New York State should make the Work-Study, Internship and Externship Law permanent. This law counts the hours students spend in work-study, internship and externship programs towards the welfare work requirements.

<sup>5</sup> <http://www.iwpr.org/pdf/D466.pdf>

<sup>6</sup> Telephone poll conducted by Lake, Snell, Perry, and Associates for Community Service Society of New York, July 20-28 and August 11-14, 2005.

<sup>7</sup> Quality, Affordability, and Access: Americans speak on Higher Education, survey conducted for Educational Testing Service, June 2003.

- New York State should increase funding for education and training programs, CUNY, SUNY and the Tuition Assistance Program (TAP) for full-time and part-time students.
- Create a state-funded higher education scholarship program for foster youth attending college or an in-state vocational training or higher education program (A.6002 - Scarborough).
- Enact A.1683 (Wright) which would ensure comprehensive assessments and development of career plans for participants, and sets forth a definition of sustainable living wage.
- New York should conduct statewide and regional job vacancy surveys to more accurately project job growth and labor market trends in New York. A job vacancy survey will help better identify where jobs are available and what skills are needed to perform those jobs.
- State policy directives on education and training options should be displayed at local social services offices so people receiving welfare can know the regulations.
- NYS should implement the current minimum work hours allowed under state and federal regulations, where parents with children less than 6 years old receiving welfare and doing 20 hours of activities fully meet participation rates.
- NYS should halt plans to deregulate tuition: CUNY and SUNY trustees seek to overturn the current system, which requires the state legislature to approve tuition increases.
- Instruct districts and HRA caseworkers that the provisions of the Work Study and Internship Law in tandem with the new unsupervised homework must be made accessible and available to all participants at call-in.
- NYS must pursue education and welfare policies that do not place caps on the level or degree of education that individuals can attain as such policies would be deemed illegal and contrary to the goal of economic security.