

# PRESS RELEASE

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## **COMMISSION'S "TOUGH CHOICES OR TOUGH TIMES" REPORT CALLS FOR BIGGEST CHANGES IN AMERICAN EDUCATION SYSTEM IN A CENTURY**

New Commission on the Skills of the American Workforce Says U.S. Standard of Living Jeopardized by Current System—Offers Framework for Change

(WASHINGTON, D.C.)—Declaring the U.S. is continuing to lose the education race to other nations in this new global economy, The New Commission on the Skills of the American Workforce today laid out in its Tough Choices or Tough Times report a plan for the total overhaul of U.S. education by 2021.

“The first Commission, in 1990, never dreamed that we would end up competing with countries that could offer large numbers of highly educated workers willing to work for low wages. American workers must match their education levels — a big challenge — but our workers’ wages will still fall unless we can offer something else, and that is a capacity for endless creativity and innovation,” noted Chairman Charles Knapp.

To confront this U.S. crisis head-on, the bi-partisan commission, comprised of former Cabinet secretaries, governors, college presidents and business, civic and labor leaders, is calling for a total shakeup in how America educates its people with an innovative system that boosts students to unprecedented levels of learning throughout their lives while creating a structure that gives them the best teachers and schools the country can offer.

The report points out that the United States has one of the most expensive elementary and secondary education systems in the world, one that produces only mediocre results. Because it is the system that is the problem, it is the system that must be rebuilt, the Commissioners noted.

The report lays out a series of steps that are designed as an integrated approach to changing the entire system, and it warns that only selecting ideas that “cost the least and offend the fewest will not solve the problem.” The new system would support students beginning at age three and create an infrastructure to stimulate learning, dramatically increase the number of students headed to

college, and allow everyone in the workforce the chance to strengthen and improve their skills. The recommendations include:

- **Revamping the high school-college transition.** High school would end for most students after 10th grade, when they would take rigorous State Board Exams set to what they should be able to do to succeed in state colleges. Students meeting that Board Exam standard would be able to go directly to state technical schools and colleges as freshmen. But students could choose to stay in high school to prepare for entrance to selective colleges, if they wished.
- **Reallocating funds to high priority strategies for improving system performance.** The new progression through high school and college would release nearly \$60 billion in funds that can be used to make sure that students would in fact be ready for college by the time they are 16.
- **Pre-K for all.** A third of the savings would be used to provide high-quality early childhood education for all four-year-olds and all low-income three-year olds.
- **Redesigning how schools are funded.** The last third of the savings would be used to provide more money to schools serving low-income and other disadvantaged children. Local funding would be abolished; the funds would be raised and distributed to the schools by the state.
- **Redesigning how schools are managed.** All public schools would be managed by independent contractors operating under performance contracts managed by the local school districts. Only those schools that succeeded in improving the performance of their students would be funded. Parents would be free to send their children to any of these schools they wished.
- **Educating the current workforce to a high standard.** Adults who are currently in the workforce would have the right to a free education to the same standard that would be set for high school students under the new system.
- **Creating personal competitiveness accounts.** Inspired by the GI bill, the federal government would deposit an initial \$500 into each account at birth, and these accounts would allow everyone to receive ongoing education and training throughout their lives.

“Our education and training systems were built for another era. It is not possible to get where we have to go by patching that system, and there is not enough money available at any level to fix this problem by spending more on the system we have,” says Marc Tucker, Commission Vice-Chairman and Staff Director. “We believe this kind of change, which will take 15 years of hard work to implement, will result in what will plausibly be the best national public school system in the world.”

These changes track closely with the views of top students nationwide. A November 2006 survey of top students (those with a combined math and verbal score of 1100 on the SAT) found that when asked about the obstacles and / or downsides to choosing a teaching career, six out of ten (62%) students mentioned “low pay.” In addition, these students identified the following as the four most highly motivating incentives for them to consider a teaching career:

- a system in which teacher pensions would be mobile;

- top salaries of about \$95,000 per year for teachers working a regular school year, and \$110,000 per year if they work a full year; and
- a system where a teacher could earn more for accepting greater responsibilities than regular teachers for working in difficult situations, and for serving in shortage fields.

If these changes were implemented, one out of three (34%) top students indicated that they would choose classroom teaching as a career. Compared to the pre-measure where only 21% indicated they were very likely to choose a career in classroom teaching at some point, this is a significant increase of 13%. More information on this poll can be found on the Commission's Web site (noted below).

The Commission was organized by the National Center on Education and the Economy, a not-for-profit organization created to develop proposals for building the world class education and training system that the United States must have if it is to continue to be a world class economy.

The Commission's work was funded by the Bill & Melinda Gates Foundation, the Annie E. Casey Foundation, The William and Flora Hewlett Foundation and the Lumina Foundation for Education.

The Commission's full report is available from Jossey Bass Publishers in bookstores and Amazon.com. Further information is available at: [www.skillscommission.org](http://www.skillscommission.org)

## **RECOMMENDATIONS OF THE NEW COMMISSION ON THE SKILLS OF THE AMERICAN WORKFORCE**

### **#1 ASSUME THAT WE WILL DO THE JOB RIGHT THE FIRST TIME**

Our first step is creating a set of State Board Examinations, which are exams in a set of core subjects based on syllabi provided by the Board. For most students, the first Board Exam will come at the end of 10th grade. Students who score well enough will be guaranteed the right to go to their community or technical college to begin a program leading to a two-year technical degree or a two-year program designed to enable the student to transfer later into a four-year state college. Students who get a good enough score can stay in high school to prepare for a second Board exam, like the ones given by the International Baccalaureate program, or the AP, or another state or private equivalent. When those students are finished with their program, assuming they do well enough on their second set of Board exams, they can go off to a selective college or university and might or might not be given college credit for the courses they took in high school.

## #2 MAKE MUCH MORE EFFICIENT USE OF THE AVAILABLE RESOURCES

The proposed changes release close to \$60 billion for reinvestment in our education system. With those resources, we propose to invest in: 1) recruiting, training and deploying a teaching force for the nation's schools recruited mainly from the top third of the high school students going on to college; 2) building a high quality full service early childhood education system for every four-year old student in the United States and every low-income three-year old and 3) giving the nation's disadvantaged students the resources they need to succeed against internationally benchmarked education standards.

## #3 RECRUIT FROM THE TOP THIRD OF THE HIGH SCHOOL GRADUATES GOING ON TO COLLEGE FOR THE NEXT GENERATION OF SCHOOL TEACHERS

We must first change the shape of teacher compensation, which is currently weak on cash compensation, and heavy on pensions and health benefits for retired teachers. Therefore, we would make retirement benefits comparable to those of the private sector firms and use the savings to increase teachers' cash compensation. We would add to this a substantial amount from what is saved by changing the progression of students through the system. These changes would enable the nation to pay beginning teachers about \$45,000 per year, which is now the median teachers' pay, and to pay about \$95,000 per year to the typical teachers working at the top of new career ladders for a regular teaching year and as much as \$110,000 per year to teachers willing to work the same hours per year as other professionals typically do. Higher cost states might pay more and lower cost states might pay less.

## #4 DEVELOP STANDARDS, ASSESSMENTS AND CURRICULUM THAT REFLECT TODAY'S NEEDS AND TOMORROW'S REQUIREMENTS

The new system will not work without much higher quality assessments than those now in wide use in the United States. And those assessments will have to be set to standards that take account of the greatly changed challenges described in the Commission report. When we have the right assessments, and they are connected to the right syllabi, then the task will be to create instructional materials fashioned in the same spirit and train our teachers to use the standards, assessments, syllabi and materials as well as possible.

## #5 CREATE HIGH PERFORMANCE SCHOOLS AND DISTRICTS EVERYWHERE— HOW THE SYSTEM SHOULD BE GOVERNED, FINANCED, ORGANIZED AND MANAGED

Public schools would be run by independent contractors, many of them limited liability corporations owned and run by teachers. The primary role of school district central offices would be to write performance contracts with the operators of these schools, monitor their operations using very sophisticated data systems, cancel or decide not to renew the contracts of those providers who did not perform well and find others who could do better.

## #6 PROVIDE HIGH QUALITY, UNIVERSAL EARLY CHILDHOOD EDUCATION

The funds freed up by the Commission's proposals for altering the student progression through the system will, for the first time, make it possible for the whole nation to do what should have been done many years ago in early childhood education.

## #7 GIVE STRONG SUPPORT TO THE STUDENTS WHO NEED IT THE MOST

The proposal to abandon local funding of schools in favor of state funding using a uniform pupil-weighting funding formula, combined with the addition of \$19 billion to the system as a whole, will make it possible to have an equitable means of funding our schools. In this way, funding for the state system as a whole would be increased, so that relatively well to do districts would not have the incentive to defeat the system that they would have if the funds were simply redistributed.

## #8 ENABLE EVERY MEMBER OF THE ADULT WORKFORCE TO GET THE NEW LITERACY SKILLS

The Commission proposes that the federal government pass legislation entitling every adult and young adult worker — at no charge — to the education required to meet the standard set by the new Board Exams that most young people will meet by age 16. This is the standard that the state determines will entitle the holder to enter college without remediation.

## #9 CREATE PERSONAL COMPETITIVENESS ACCOUNTS —A G.I. BILL FOR OUR TIMES

We propose that the government create Personal Competitiveness Accounts enabling everyone to get the continuing education and training they will need throughout their work lives. The government would create these accounts for every child born, with an initial deposit of \$500, and continue to contribute at a lower level until that young person is 16, and later on if the account holder is earning very little. The account would earn tax-protected interest as long as there was principal in it. Employers could contribute to it tax-free. So could the individual, through salary reductions, and states could contribute as well. The account holder could use the money to pay for tuition at any accredited institution for any work-related program of study, as well as books and fees.

## #10 CREATE REGIONAL COMPETITIVENESS AUTHORITIES TO MAKE AMERICA COMPETITIVE

The Commission recommends that the federal government develop legislation to encourage the states and localities to create regional economic development authorities involving the key leaders from many sectors in those regions in the development of economic growth strategies that make sense to them. These Authorities would bring federally-funded job training programs together with local economic development programs under a regional umbrella, making it possible to develop that local talent needed to power effective regional economic development strategies.