

Greg Handel

Detroit Regional Chamber

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Good morning Madame Chair and members of the House Education Committee. My name is Greg Handel, Sr. Director for Talent and Education Programs at the Detroit Regional Chamber. Our Chamber represents 20,000 members and affiliates in ten counties of S.E. Michigan. I am pleased to be here to express the Chamber's support for the Michigan Merit Curriculum, just as I was back in 2006 when the Legislature first adopted it.

At that time we noted a growing demand for workers with more critical thinking skills and some kind of post-secondary education. When we talk about needing people with a post-secondary education we refer to a wide range of options, including apprenticeships, technical certificates, associate's, bachelor's and advanced degrees. Unfortunately it was estimated at that time that only about one third of high school graduates were completing the coursework necessary to be truly ready for success in post-secondary education.

In order to ensure that employers had access to the talent needed to compete in a highly competitive global economy, and to give young people the best opportunity to earn family sustaining wages, something had to change. That's why we applauded the bi-partisan support that launched the Michigan Merit Curriculum, which provides every student with the coursework necessary to successfully enter postsecondary education.

Since the Merit Curriculum was adopted several facts have become apparent. First, the economic trends which underpin the demand for more educated workers, have accelerated. One of clearest measures of this comes from the labor market economist Anthony Carnavale. His analysis examined job growth in the U.S. by education attainment over more than twenty years. It demonstrates that compared to a base year of 1989:

- Jobs for people with a High School Diploma or less declined by 14%
- Jobs for people with an Associate's degree or some college increased by 42%
- Jobs for people with a Bachelor's degree or better increased by 82%

Those workers with the least education were the ones hardest hit in the last recession and employment for those with a high school diploma or less has yet to fully recover. I've attached a graph to my written testimony that illustrates these trends quite clearly.

At the state level the need for a better educated workforce was well documented just last month by Business Leaders for Michigan. After an extensive survey of employers and an analysis of data, their report concluded that, "Michigan's slow population growth and low education attainment cannot keep pace with the projected increase in the demand for educated talent".

More educated workers benefit not only themselves but their regional and state economies as well. Recent research from the Milken Institute, CEOs for Cities and Michigan Future, Inc., all point to the

strong relationship between education attainment and regional and state economic prosperity. In a global business environment where our workers are competing with those in places like Bangladesh and Vietnam, it's impossible to be the lowest cost labor. We have to strive to be the most educated so we can add the most value.

The Merit Curriculum was designed to ensure that Michigan students graduate from high school with a strong educational foundation so that they would be prepared to pursue the widest possible array of career and educational options. So how well has it worked? First, despite predictions that the increased rigor of the Merit Curriculum would lead to increased dropout rates, the opposite has occurred. According to the Michigan Department of Education, the graduation rate actually rose last year by about two percentage points. Eleven of the fourteen largest school districts saw increased graduation rates last year. Furthermore, those graduates are leaving school better prepared academically. The State's composite ACT score rose from 18.7 shortly after the Merit Curriculum was adopted, to 19.6 for 2012. Higher graduation rates and higher ACT scores is a winning combination and a trend we need to support.

We are aware of the fact that there have been calls to allow greater flexibility with respect to implementation of the Merit Curriculum. However, we would like to draw attention to the fact that the Merit Curriculum was designed with flexibility in the first place, prescribing content standards rather specific courses. Students were also provided with the "Personal Curriculum" option that allowed any student alternative options to fulfilling the Merit Curriculum requirements. In addition to the built-in flexibility, a number of additional modifications have already been made. These include:

- Allowing two years rather than one to complete the Algebra II requirement
- PA 623, allowing more flexibility for students with disabilities
- PA 316 allowing financial literacy to be used in fulfilling the math requirement.
- PA 205 provided additional flexibility by specifically allowing students to fulfill Algebra II credits with state approved math content within electronics, machining, construction, welding, engineering or renewable energy curriculum.
- PA 204 permitted teachers and counselors to broach the topic of a personal curriculum with a student's parents. Prior to that the parents would have to initiate that process.
- PA 80 of 2010 provided additional alternatives for fulfilling the Algebra II requirement, allowing the use of statistics or data analysis.

We saw these as reasonable measures to provide flexibility in implementation of the Merit Curriculum. However, we are concerned that we are now on a path toward simply watering down the standards, which we believe would be detrimental to economic development efforts and the ability for students to earn a family sustaining wage in the future. We see the existing Merit Curriculum as the best way to provide students with a strong academic base and critical thinking skills needed to prepare them not just for a job, but for future learning and a career.

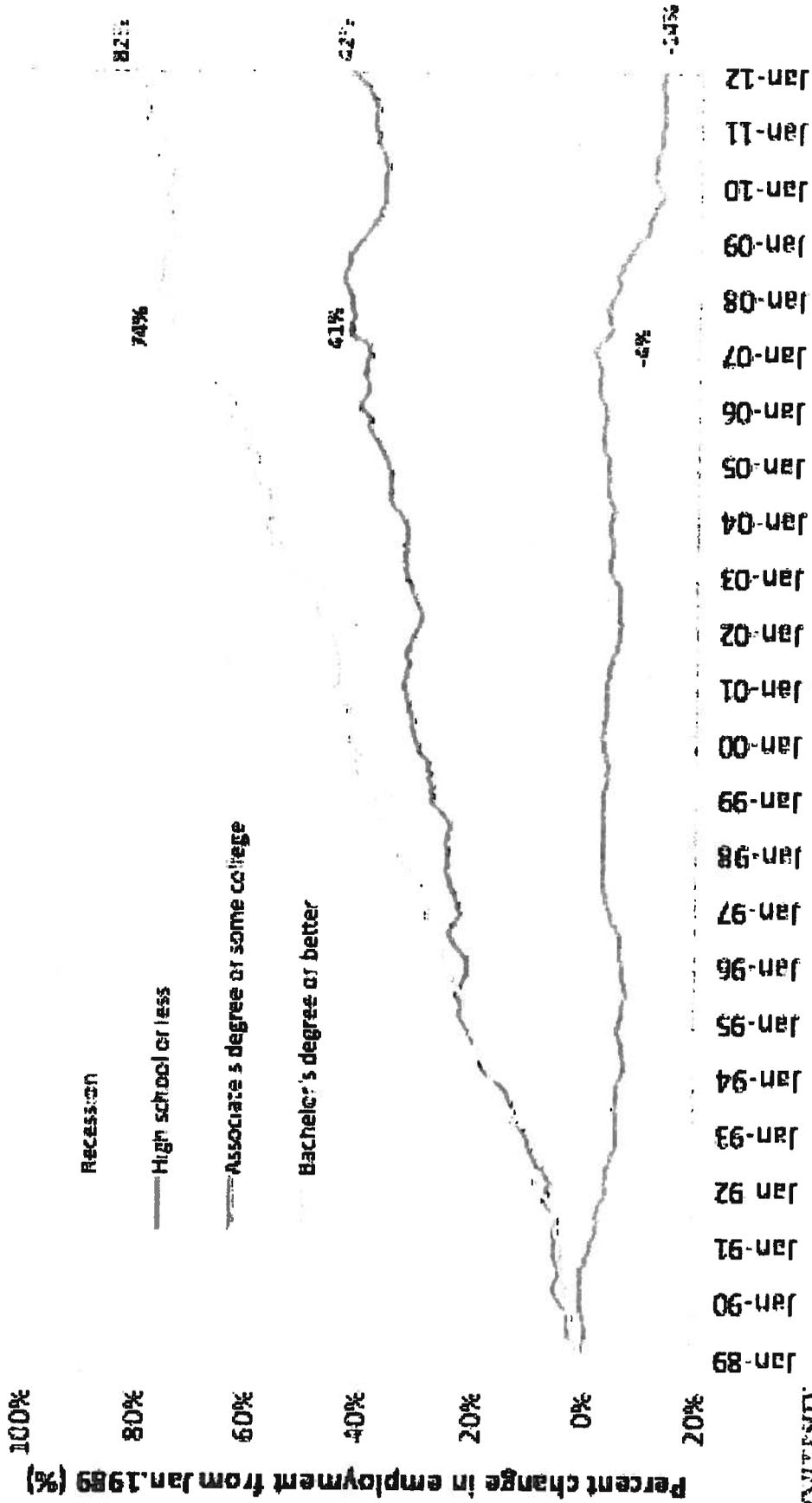
The Chamber literally sends staff all over the globe seeking investment in the Detroit Region. Our Vice President for Economic Development just returned from Europe where she met with over 25 companies who showed some level of interest in job creating investments in our region.

Shortly before that she was in Asia doing the same thing. Among the most frequently asked questions she gets on these trips has to do with the quality of our workforce and our commitment to education. Being able to say that Michigan has adopted rigorous high school graduation standards and that our students are rising to that challenge, means something to companies looking to invest and create jobs in our state and region. Lowering our standards at the same time as everyone else on the globe is seeking to strengthen theirs, would send an equally powerful but negative message.

The Detroit Regional Chamber strongly urges that you maintain Michigan's strong commitment to education quality by maintaining the existing Michigan Merit Curriculum.

Thank you.

The growth in employment in the past two decades has been entirely due to increases in college-educated workers.



Source: Authors estimate of the Current Population Survey data (1989-2012). Employment includes all workers aged 18 and older.