

ILLITERACY

TESTIMONY BEFORE A JOINT MEETING OF THE HOUSE SUB COMMITTEE  
ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION AND THE  
SENATE SUB COMMITTEE ON EDUCATION, ARTS AND HUMANITIES

William S. Woodside  
Chairman and  
Chief Executive Officer  
American Can Company  
Greenwich, Connecticut

August 1, 1985

Good morning.

It is indeed an honor to address this joint hearing as it embarks on its very important mission to address illiteracy in America. As both a businessman and a private citizen, I am appalled and dismayed by the extent of the problem of illiteracy in this country and by our apparent inability to stem its size.

There is an unmistakable relationship between illiteracy and unemployment, high crime rates, and many other social problems. Illiteracy and functional illiteracy cast a shadow on the ideals of our society. Left unattended it will sap our national vitality in dangerous ways.

Illiteracy poses special problems within business and industry. Millions of employees with varying degrees of illiteracy cost their companies daily through low productivity, workplace accidents, absenteeism, poor product quality, and lost management and supervisory time. A survey of employers conducted by the Center for Public Resources indicates that general productivity costs were ranked first in importance,

the cost of additional management and supervision time was ranked second, product quality was ranked third, and time and effort to remediate skills was ranked fourth. Various levels of illiteracy seriously reduces the pool of competent persons

that businesses can hire and restricts the promotability and mobility of many current workers.

In response, corporations are paying hundreds of millions of dollars annually to operate in-house basic skills and literacy programs. A number of recent reports verify the sky-

rocketing growth of corporate education and training programs.

Our so-called literacy gap exists at a time when changes in the labor market are increasing the premium on communication skills and when literacy standards are higher today than they were ten years ago. Service industries and technologically oriented businesses require workers to be able to handle comprehensive tasks which are based more on reading, writing and listening than on vocational skills. The "lift, place, take, put" jobs are rapidly being replaced by technology.

Retraining and the ability to relearn are new career realities.

Within this context, I would like to refer the Committee members to a new monograph just released by the Northeast- Midwest Institute. It is entitled Literacy at Work: Developing Adult Basic Skills for Employment and is the second in a series on education and economic development issues funded by a grant from the American Can Company Foundation. Most important in this monograph is the

accounting of successful remediation programs administered or funded by corporations, public schools, community colleges

and four-year colleges. I hope that this monograph will assist you in your deliberations.

Mr. Chairman, illiteracy retards the individual, burdens the corporation and blemishes the image of equal opportunity in a democratic society. But, what I have described thus far is an end result of illiteracy. I applaud the programs that exist to provide remediation for the large number of adult illiterates, but I think our primary focus should be at another level. Specifically, I believe that both business and government must reaffirm their support of public education and join in efforts to improve the education of young people.

The businessman with an eye on the future, for example, will recognize that:

- o the traditional "cream of the crop" of young workers will not adequately meet future labor force demand
  
- o a continuation of current dropout and illiteracy rates will mean a larger proportion of marginal or unacceptable new-hires to choose from

- o an upgrading and revitalization of the public schools now  
would be a strategic national investment for the 1990s.

The businessman with an eye on the future will also realize that our public schools are becoming increasingly populated with those young people who have historically been most

dependent upon public education as their way out of the traps of poverty.

H3

- o more than 25% of our public school population  
already is of minority origin, and the proportion of Blacks,  
Hispanics, Asian Americans and Native Americans in public  
schools continues to grow

- o twenty-three of the twenty-five largest school systems in the  
nation are already "majority- minority"

- o by the year 2000, one of every three Americans will be Black,  
Hispanic or Asian.

The problem is not the growing percentages of minorities in our public schools. The problem, I submit, is the decline in our national commitment to public education which effectively

deprives too many of our children of the opportunity for the

economic and social advancement that was available to my generation.

The problems of adult illiteracy will continue to be with us until our public school systems reduce the number of graduates or dropouts they send into the ranks of adult illiterates. Dropout rates continue at unacceptably high levels, especially in urban areas and among minority youth. The social consequences of school failure are symbolized by the label, "illiterate."

I believe that remedial and supplementary education programs should be available to help prevent the sense of failure which our young people feel. Preventive programs can help reconnect youth with their schools, peers and own self-esteem. One legislative example is a bill currently being sponsored by Congressmen Fish and Edgar (HR1722). It would appropriate funds for school systems to provide for a remedial education component in youth summer jobs programs.

More important though, there is a critical need for a broad-based, firm commitment to the quality and vitality of public education. There are signs, unfortunately, that economic conditions or demographic trends or political ideologies could foreclose the opportunities that exist. This should not go unchallenged. I believe that a first rate system of public education is every bit as important to our future as

our national defense system, and I have yet to hear an argument that persuades me that we should not increase that portion of our GNP that we spend on public education.

3

We must put aside for good the idea that there is a cheap and easy solution lying around somewhere that will enable us to improve our schools without using more resources, using resources differently, or changing the organization and incentives embodied in our public schools. I suggest that we view our educational programs and proposals for educational reforms as investments, and that we focus attention on their future benefits as well as immediate costs. For example, is it really in our national interest to turn away so many children eligible for Head Start programs because of the short term cost? I think not.

I would like to conclude with a comment about how business can work on behalf of public schools and help to fight illiteracy.

In my opinion, the business community needs to focus more of its support for our public schools within the political arena. This is where the major decisions are going to be made about the funds, priorities and programs that will make or break our system of public education. For example, the

ri

■

state and local taxes will make it more expensive for

07/29/85  
37.2045.1A

taxpayers to support increased expenditures for our public schools. It is in our collective interest to make sure that any outcome of tax reform not undermine the ability of state and local governments to finance public school improvements.

For businesses concerned about public education and about illiteracy to be effective in the political arena will mean more than telling our lobbyists to put in a good word for

public education every now and then. It will mean more than sending a corporate executive to Washington or state capitals for an occasional goodwill visit. It will mean organizing ourselves into an active, sustained support mechanism on behalf of public education. It will mean building ad hoc

coalitions that seek major and permanent improvements in such areas as teacher training and certification, salaries, educational standards for students and special programs for the disadvantaged.

Finally, it will mean actively acknowledging that preventing illiteracy means

good public schools  
good school buildings  
good school libraries  
good school teachers

This will cost more of our money, require more of our time, and take more of our effort. But like a popular ad says, we can pay up now - or pay up later at many times the cost.