



2014 Legislative Agenda

MFIP Workforce Education Bill

Unleashing Opportunities for Workers and Families

1. Good for Education

- **Maternal education means better school performance for children** — In 2005, 37% of children between ages 3-5 whose mothers had a bachelor's degree could recognize all letters, compared to 19% of the children of high school graduatesⁱ
- **Increased education leads to increased earnings** — Between 1975 and 2005, wages for those with college and advanced degrees rose by 22% and 29%. Wages for high school graduates stagnated and those without high school degrees fell by 16%ⁱⁱ

2. Good for Employers

- **2/3 of employers can't find qualified job applicants**ⁱⁱⁱ — Minnesota businesses have a greater need for skilled workers than those in any other state. Additionally, today's workers will still make up nearly 3/4 of Minnesota's workforce in 2030, so it is vital that we strengthen our current workforce^{iv}
- **70% of jobs will require some post-secondary education by 2018** — Nearly two million working-age Minnesotans lack a credential beyond a high school diploma^v

3. Good for the Economy

- **Regions with higher levels of education have more productivity growth**^{vi}
- **Addresses the racial job gap** — 39% of the MFIP population are African American and the unemployment rate among African American Minnesotans is more than three times higher than that for white Minnesotans^{vii}

*Minnesota Family Investment Program (MFIP), or "Welfare-to-Work" plan

ⁱ NCES, *After-School Programs and Activities Survey of the 2005 National Household Education Survey*

ⁱⁱ Baum & Ma, *Education Pays: The Benefits of Higher Education for Individuals and Society*, 2007

ⁱⁱⁱ McKinsey Global Institute, *An economy that works: Job Creation American's Future*, June 2011

^{iv} Carnevale, Smith & Strohl, *Help Wanted: Projections of Jobs and Education Requirements Through 2013*, June 2010

^v Carnevale, Smith & Strohl, *Help Wanted: Projections of Jobs and Education Requirements Through 2013*, June 2010

^{vi} Robert J. Gordon, *National Bureau of Economic Research*, June 2000

^{vii} Mn Dept of Human Services, 2011

What does the MFIP Workforce Education Bill accomplish?

1. Allows the freedom to access Adult Basic Education

- ➔ Problem:
 - 37% of adults on MFIP* lack a high school diploma or GED^{viii}
 - The high school achievement gap leads to employment disparities; the Twin Cities metro has the country's largest employment disparity^{ix}
- ➔ Solution: Allows MFIP participants to earn GED/diploma as an approved work activity

2. Removes roadblocks to post-secondary education

- ➔ Problem:
 - State policy discourages moms and dads from accessing educational opportunities
 - 70% of Minnesotan jobs will require some education beyond high school by 2018^x
 - Only 1.4% of adults on MFIP have a college degree^{xi}
- ➔ Solution: Allows MFIP participants to be enrolled in 4 year post-secondary education programs and requires providers to inform every MFIP participant with a GED/diploma about their right to enroll in post-secondary education as an approved work activity

3. Removes outdated barriers that limit self-sufficiency

- ➔ Problem:
 - Nearly 70,000 Minnesotans turn to public assistance when they lose a job^{xii}
 - Between 1979 and 2005, wages for those with college and advanced degrees rose 22% and 29%, while wages for high school graduates stagnated and those without high school degrees fell by 16%^{xiii}
- ➔ Solution: Gives new graduates the flexibility to job search for 12 weeks rather than 6 and removes barriers to ESL classes for workers who are learning English

“A focus upon skill acquisition and degree completion [...] will position us well in the decades to come.”

MN State Demographic Center 2013

Prosperity for All is a statewide alliance of organizations working toward a more prosperous Minnesota.

^{viii} MN Dept. of Human Services, 2011

^{ix} Economic Policy Institute, July 2012

^x Carnevale, Smith & Strohl, “Help Wanted: Projections of Jobs and Education Requirements Through 2013,” June 2010

^{xi} MN Dept. of Human Services, 2011

^{xii} MN Dept. of Human Services, 2013

^{xiii} Baum & Ma, “Education Pays: The Benefits of Higher Education for Individuals and Society,” 2007

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