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Feb. 14, 2008

'Education Crossroads' Looks at Power of Education

NASHVILLE -- As the world economy transforms itself, education will be the key to Tennessee's future economic security, according to a new report released by Tennessee's Comptroller of the Treasury and the Center for Business and Economic Research at the University of Tennessee, Knoxville.

"Education Crossroads" -- introduced today at the Associated Press-Tennessee Press Association Legislative Planning Session in Nashville -- looks at how individuals have the power to influence the future through investing in education as students, individuals, parents and community members. It explores outsourcing, the shifting workforce and competitive world markets.

"'Education Crossroads' looks at economic prosperity and the relationship education has regarding family, society and quality of life," said Matt Murray, CBER associate director and UT professor of economics. "The goal of 'Education Crossroads' is to motivate people to embrace education and to take one more step down the education path -- regardless of its form."

Among the report's key points:

- Tennessee is below average when it comes to school funding, educational attainment, graduation rates and test scores, as well as income and many other quality-of-life measures. In fact, the report notes, Tennessee earns a "D" in academic achievements from the U.S. Chamber of Commerce's 2007 Education Report Card.

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- Tennessee's high school graduation rate has shown improvement over time, but still trailed the national average by over 10 percent in 2003. Only seven out of every 10 teen-agers who entered ninth grade in 2004 will graduate in May 2008 with their classmates. The other three teen-agers will not.
- There is a shift to a knowledge-based information economy. Many of the occupations expected to see strong growth in the years ahead -- such as computer software engineers, physician assistants and home health aides -- will require more education and training than was required in the past. The shortage of skilled workers is real and will continue to grow.
- Business leaders in Tennessee say the state is at risk of falling behind nationally and globally. "Other countries are graduating more engineers and technical people than we are, and Tennessee will have trouble competing in the global market if that trend continues," Murray said. "The ongoing globalization and transformation of the economy puts many workers at risk while creating opportunities for other workers. Education is the means to adapt to this changing economic environment and make the most of emerging job opportunities."
- A better educated workforce means greater regional prosperity. One of the most obvious benefits of education is greater personal earning potential. For instance, the report says, in 2005, someone with a bachelor's degree in Tennessee earned \$51,554 per year, while someone with a high school degree earned \$28,645 per year. A female worker with some college experience earns \$7,251 more per year than her counterpart who has no more than a high school degree. The report also compares 20 Tennessee counties -- 10 where 76 percent of the population has a high school diploma and 10 where only 66 percent of the population has a high school diploma. The counties with a higher-educated population had a higher rate of employment.

"Education offers the promise of improved quality of life for the family, greater competitiveness for business, and a more vital economic base for local communities," said John Morgan, Tennessee's Comptroller of the Treasury. "Business leaders will tell you they want to locate where the workforce is well educated.

"By raising Tennessee's educational standards, the governor, the State Board of Education and the Department of Education have taken a major step toward improving our PreK-12 educational system," he said. "As those standards go into effect, it's important for educators and the public to understand that, on the initial end, some of our schools' performance indicators may make it look like they are failing. We need to help educators and the public be prepared for that possibility and see it as a positive, rather than a negative sign. The 'Education Crossroads' report and Web site forum will be a useful conduit for statewide discussion and for communicating our successes as they happen."

Murray said "Education Crossroads" is both a statement and challenge.

"The education investment choices you make will affect your well-being and your ability to adapt to a rapidly changing economic environment as you walk through life. It is about the benefits you receive when you take one more step and learn something new."

For more information on "Education Crossroads" and to participate in the discussion forums, visit <http://www.educationcrossroads.com/>. To request a copy of "Education Crossroads," contact CBER at cber@utk.edu.

'Education Crossroads' Looks at Power of Education
Page 4 of 4

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