

Business Tribune

It's time to invest in Oregon's education system

Businesses are ready to pay for a better-educated workforce with their taxes.

By Kali Thorne Ladd and Bryan Steelman
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Editor's note: This month's column was co-written by Kali Thorne Ladd, Co-Founder/Executive Director of KairosPDX and Portland Community College Board Chair, and Bryan Steelman, Owner of Por Que No Taqueria and BBPDX Member.

Any business owner knows that an organization's success depends upon the commitment, talent, and training of the people who work there. If you fail to invest in your workforce, you'll soon be dealing with unproductive staff, hearing from unhappy customers and, before long, closing your doors.

Right now, Oregon's entire business community has an opportunity to build a more skilled pool of local talent while simultaneously strengthening our economy. In the coming weeks, legislators will debate whether or not to restructure corporate taxes to help close the massive gap in public education funding that has been building in our state for the past 40 years. If the tax is structured properly, we can generate the revenue needed to adequately fund the continuum of education throughout Oregon. While resources for our K-12 students are absolutely critical, we must not pass over this tremendous opportunity to also invest in our workforce by including dedicated funding for Oregon's community colleges and public university students.

Today, Oregon has a large, and growing, skills gap. The numbers are staggering: 442,000 adult Oregonians age 25 and older are unemployed or earn less than \$15 per hour without post-secondary credentials. Community colleges offer an accessible and affordable opportunity for adults to receive the training they need to succeed in what are called "middle-skill jobs"; jobs that require more than a high school diploma and less than a college degree. Between 2014 and 2024, almost half of all job opportunities in Oregon will be middle-skill. For those local folks working hard to step into the region's growing job market, community colleges offer associate's degrees to students that enable them to be competitive and well-skilled. These jobs range from manufacturing and welding jobs to health care technicians and computer engineers.



Bryan Steelman

Community colleges are an essential piece of the educational pipeline for businesses and the workforce statewide. For students, the annual return on an investment in community college education is 14.5 percent. Over a lifetime, that adds up to four dollars earned for every dollar spent. And when we look at societal returns, both increased revenues and savings on social programs, we see a return of \$8.40 for every public dollar invested. By supporting our community colleges, we will have fewer Oregonians dependent on social services and more building financial stability. This is the Oregon we all hope for and want, is it not?

The benefits of community colleges aren't limited to the number of degrees earned each year. Nearly a quarter of Oregon businesses surveyed as part of the Oregon Talent Assessment rely on community colleges to strengthen workforce skills. For many small businesses, recruiting talented employees from out of state isn't an option. To continue creating shared economic prosperity, we need to be building the bench of talent in our own backyard.

As we've spoken with members of Business for a Better Portland, there's widespread recognition that the value of investing in our students and in our workforce far outweigh the upfront costs. However, the details of how revenue reform is structured are important and business owners will be watching closely to ensure that the tax burden is not overly burdensome on small businesses. We all have a stake in the future of our education system and no company that does business in Oregon should be allowed to use loopholes to avoid their responsibility.

During this 2019 Legislative Session, we have an opportunity to repair the damage caused to our public education system by the short-sighted tax policy and complacency of the last 40 years. Instead of settling for a second-rate education system, we can set our state on a course to improve outcomes and expand opportunity for those who need it most. And by including investments for both K-12 schools and community colleges, we can amplify the impact of this investment and deliver greater economic benefits to more Oregonians. Opportunities to improve our state's tax structure don't come around often, so let's make sure we get it right. Our businesses, our children, and our communities all depend on it.



Kali Thorne Ladd