



**Joint Committee on Economic Development and Emerging Technologies
April 5, 2016, State House, Boston**

H.3893, An act to provide opportunities for all

Testimony submitted by: JD Chesloff, Executive Director

Chairwoman Donoghue, Chairman Wagner, and Members of the Committee, thank for this opportunity to testify in favor of H.3893, An Act to Provide Opportunities for All, particularly the legislation's proposed investment in vocational technical education.

The Massachusetts Business Roundtable (MBR) is a non-profit public policy organization comprised of CEOs and senior business leaders from some of the state's largest employers representing more than 250,000 employees across the Commonwealth. The Roundtable's mission is to strengthen the state's long term economic vitality with the goal to make this a highly desirable place to do business in the global economy.

When we talk to our members, there is a key takeaway: business is good. In fact, surveys of Roundtable members over the past three quarters indicate that more than 65 percent say the economy is improving and they plan to increase hiring.

However, we also heard that while the Massachusetts economy is thriving in pockets, it is struggling in others. Businesses are mindful of their place in a global economy, yet concerned about investments here at home. And not surprisingly, business leaders see investments in education, workforce development, and transportation infrastructure as the chief priorities to increase the state's competitiveness.

The Roundtable was pleased to serve on the Economic Development Planning Council, convened by the Executive Office of Housing and Economic Development, where we were provided the opportunity to convey these priorities and messages and see them addressed and incorporated into the plan and the legislation. These priorities fit into our broader framework for long term economic competitiveness, which is based on a simple premise: Invest in the state's competitive advantages, and refocus on its disadvantages. This, too, is captured in H.3893, particularly in the elements comprising the "Massachusetts Innovation Initiative," key components of a broad economic development strategy that promotes important partnerships with institutions like the University of Massachusetts.

In particular, business leaders across a variety of industry sectors – financial services, technology, construction, energy, real estate development and life sciences – identify access to talent as their biggest challenge to growing and creating jobs. A supply of highly skilled and talented workers remains our greatest competitive advantage and is the most frequently cited reason why businesses locate here.

The global race for talent is why the Roundtable, on behalf of its large employer members, joined the Alliance for Vocational Education, a coalition of business and community groups advocating for a series of policy recommendations to increase access to career technical education. The Alliance partnered with Northeastern University to conduct a survey of more than 5,000 businesses, students, alumni, vocational school superintendents, and community groups about ways to strengthen vocational schools. Key findings from the survey include:

- More than 90% of employers surveyed see a need to increase the number of vocational technical high school graduates.
- Over the past five years, the majority of employers (69%) have increased investment in training. A majority of employers (55%) report that they are partnering with vocational schools. Of those businesses not involved with vocational schools, 75% said that they would consider getting involved.
- Employers surveyed prefer to hire graduates from vocational technical schools or programs for both entry-level (75%) and higher-level (61%) positions.

These findings led to a series of policy recommendations that include detailed ways to improve efficiencies in the system, expand access, strengthen partnerships with businesses and improve both capital and operational funding to modernize vocational technical schools.

Many of these recommendations were included in the Baker Administration's proposal to invest more than \$83 million for vocational education, including \$75 million over five years for new capital authorizations to fund grants for equipment to expand and improve career technical education programs in H.3893. The Roundtable is therefore pleased to support it.