

The State of Literacy in Georgia

Action Needed For Georgia's
Thriving Workforce and Economy

MARCH 2017

**LITERACY
FOR ALL.**

Deloitte.

The Facts About Low Literacy*

1 in 6

Georgian adults have low literacy skills¹

Georgia adults with low literacy earn

\$10K

or 30% per year less than adults with a high school diploma²

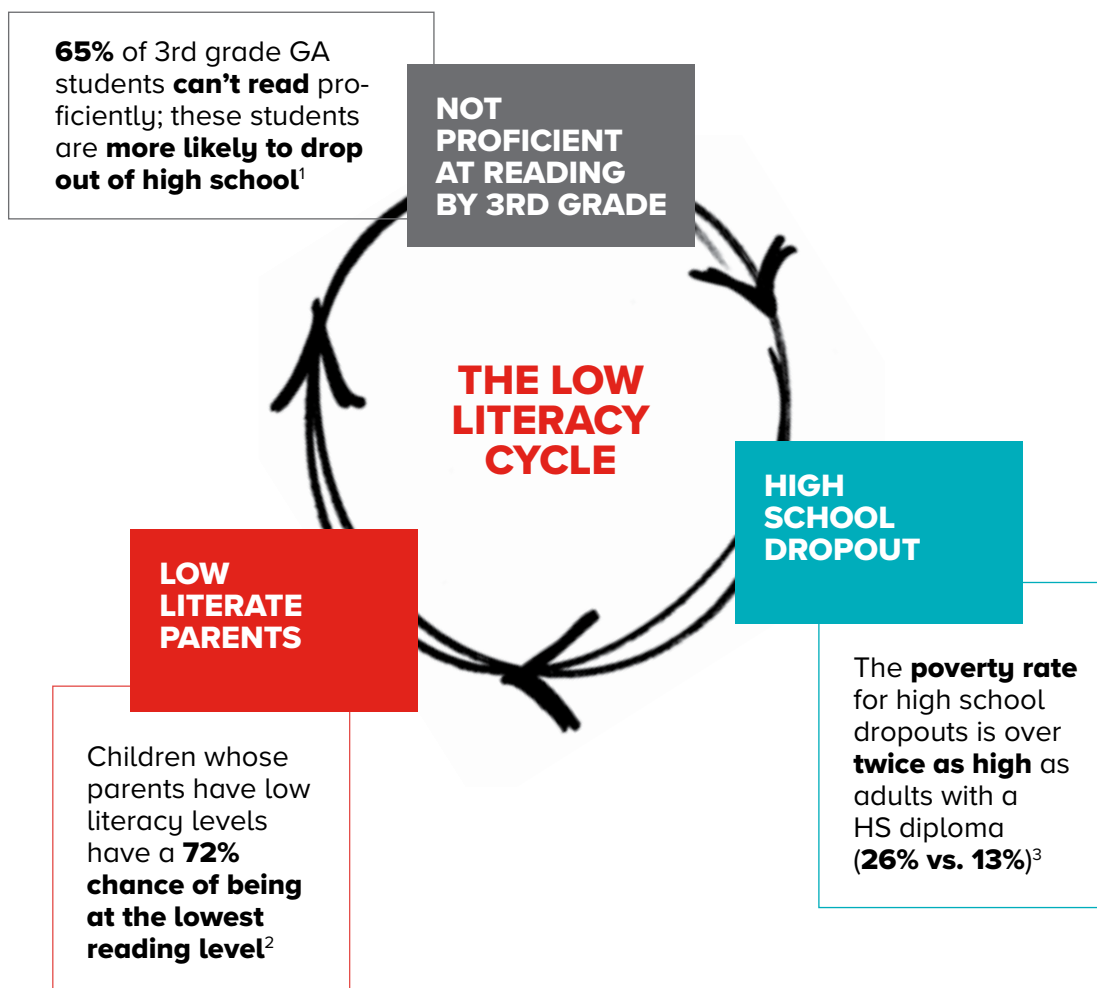
Adults with low literacy cost Georgia

\$1.26B

in social services and lost tax revenue annually³

***NOTE:** Failure to earn a high school diploma is a key indicator for low literacy; like many states, Georgia uses high school dropout data as a proxy for adult low literacy.

Low literacy is a multi-generational problem; without intervention, Georgia's workforce and economy will be negatively affected



Georgia has over **1 million** adults with low literacy skills which may significantly impact the future of the state⁴

SOURCES:

1) Beaudette, P., Chalasani, K., Rauschenberg, S. (2017). How Do Students' 3rd Grade Reading Levels Relate to their ACT/ SAT Performance and Chance of Graduating from High School? [The Governor's Office of Student Achievement, Atlanta, GA.](#)

2) [ProLiteracy](#)

3) [US Census](#)

4) See appendix, pg. 13

The State of Georgia's Jobs

By 2018,

88%

**of all jobs in Georgia
will require a high school diploma or
post-secondary credential**

Over 820,000 Georgians will not qualify for these
jobs for lack of a high school diploma or GED.

**There will be 590,000 jobs for the 820,000 Georgians
who do not have a high school diploma or GED**

The State of Georgia's Jobs

Industry Distribution of Adults with Low Literacy

Industry	Employment Distribution
Administration	1%
Agriculture	4%
Construction	18%
Education	3%
Entertainment (Food Service)	12%
Financial Services	2%
Information Services	1%
Medical Services	4%
Manufacturing	17%
Military	0%
Professional Services	10%
Retail	11%
Social and Community Assistance	2%
Service	7%
Transportation	4%
Wholesale	3%
TOTAL	100%

Georgia's Low Literate Workforce

58% of Georgia's adults with low literacy are employed in the construction, manufacturing, restaurant and retail industries.



- These jobs are typically filled by the local workforce.
- As more of these jobs are replaced with robotics and automation, fewer jobs will be available to adults with low literacy.

Currently, no Georgians with low literacy are enlisted in the military.

- In 2016, Georgia ranked sixth in the nation as having the largest number of active and reserve members in the military. Georgia values service in the military and provides numerous benefits for individuals serving and veterans.
- High school is generally required to enlist in the military. While a GED was once allowed for enlistment, the military's more stringent standards now require a GED and several college-level courses ("New recruiting standards making it more difficult for youngsters to get into the military." Stephanie Chuang reports for NBC, June 11, 2013).
- If Georgia's low literate populations grow, the state's military recruitment efforts will be challenged.

Growth in Georgia's Economy Demands an Educated Workforce

Georgia's Key Industry Focus

	Aerospace
	Life Sciences
	Headquarters*
	Financial Services
	Energy Solutions and Environment Business
	Information Technology
	Advanced Manufacturing
	Defense
	Data Centers
	Tourism
	Agribusiness
	Arts
	Automotive
	Entertainment
	Food Processing
	Logistics and Transportation
	Contact Centers



Majority of jobs require high school diploma



Predicted significant impact from robotics and automation in the next ten years

Adults with low literacy cost Georgia \$1.26 billion in social services and lost tax revenue annually

\$356_M

Uninsured Costs
(Kaiser; Modern Healthcare)

\$52_M

Public Assistance
e.g., SNAP
(2010 Census)

\$818_M

Prison Population Costs
(Ga. Department of Corrections, 2016)

\$29_M

Unemployment Lost Tax Revenue
(2010 Census)

\$1.26B/year

Action Needed

1. → Literacy is a complex issue and should be addressed holistically with researchers, policymakers, business leaders, and stakeholders.
2. → Continue building a listing of Georgia public, private and non-profit organizations involved in improving literacy on all levels.
3. → Additional research is needed to review and assess national best practices to improve literacy from birth through adulthood.
4. → A short, focused, business-led commission should conduct research, host statewide hearings and report recommendations for policies, resources, organizational structures and programs that will lead to breaking the multi-generation cycle of low literacy in Georgia.

Appendix

About The Study

Literacy For All engaged Deloitte to conduct this pro bono study in January 2017. Literacy For All (LFA) is a campaign dedicated to breaking the cycle of multigenerational low literacy, and a donor-advised fund of the Community Foundation for Greater Atlanta.

The mission of Literacy For All is to serve as the connector and convener of the Georgia literacy community -- linking donors to community partners, and partners to one another -- to innovate, champion, and fund multi-generational literacy opportunities and spark transformative policy that benefits people of all ages.

Calculations

This adult population with low literacy costs the state in public assistance, uninsurance costs, incarceration funds, and lost tax revenue

Budget	# Adults with Low Literacy	Spend Per Person	Total Estimated Annual Cost	Sources
Uninsured	396,000	\$900	\$356,400,000	<ul style="list-style-type: none"> Assumed low income uninsured (22% in the coverage gap) of total 1.8M population in GA (Kaiser) Assumed cost per uninsured patient (Modern Healthcare)¹
Public Assistance (SNAP, etc.)	818,606	\$64	\$52,390,784	<ul style="list-style-type: none"> Reported Avg Public Assistance Income data for low literate population (2011-2013 ACS survey)
Incarceration	37,073	\$22,064	\$817,978,672	<ul style="list-style-type: none"> 70% low literacy in prison populations (M. Lynch) GA Dept of Corrections prison population count GA Dept of Corrections 2016 budget
Lost Revenue	24,228	\$1,177	\$28,508,118	<ul style="list-style-type: none"> Working age adults: 10.6% unemployment in low literate population (vs 7.6% for GA overall) (ACS survey) 3% difference = 24K working age adults \$20K annual income for no HS diploma (ACS survey) 6% tax rate

\$1.26B

1) <http://www.modernhealthcare.com/article/20150623/NEWS/150629964>

Additional Research Summary

American Community Survey; 2011-2013, Adults 19-65; Currently 819,000 adults do not have a high school diploma. Additionally, approximately 20% of adults, ages 19-65, **with a high school diploma**, have low literacy skills. (Goodman M., et al. (2013), *Literacy, Numeracy, and Problem Solving in Technology-Rich Environments Among U.S. Adults, Results from the Program for the International Assessment of Adult Competencies 2012: First Look* (NCES 2014-18). U.S. Dept. of Education, Washington, D.C.: National Center for Education Statistics. Retrieved from <http://nces.ed.gov/pubsearch>.)

Additional Research Summary: Health & Poverty

Key Factor: Health

Statistics

Level

- | <u>Statistics</u> | <u>Level</u> |
|---|--------------|
| • High school dropouts are 28% less likely to have health insurance coverage than college graduates ¹ | • National |
| • 40% of high school dropouts are uninsured ² | • National |
| • Low literacy is correlated with lower percentage of the population with health insurance ($R^2 = 0.5461$) ³ | • Georgia |
| • Low literacy is correlated with lower health factor ranking (ranking out of 159) ($R^2 = 0.4927$) ³ | • Georgia |
| • 50% of school-aged children with significant language delay also have diagnosable mental disorder ⁴ | • Georgia |
| • When preschoolers are given access to mental health services, expulsions are reduced by 47% ⁵ | • Georgia |
| • Up to 75% of children with mental health issues have limited literacy skills ⁶ | • Georgia |
| • 16 to 19 year old girls at the poverty level and below, with below average skills, are 6 times more likely to have out-of-wedlock children than their reading counterparts ⁷ | • National |
| • Parenthood is the leading reason that teen girls drop out of school. More than 50% of teen mothers never graduate from high ⁸ | • National |

Key Factor: Poverty

Statistics

Level

- | <u>Statistics</u> | <u>Level</u> |
|---|--------------|
| • The U.S. Census Bureau estimates that dropouts bring in just \$20,241 annually, which is \$10,000 less than high school graduates and over \$36,000 less than a person holding a bachelor's degree. The poverty rate for dropouts is over twice as high as college grads ⁹ | • National |
| • Low literacy is correlated with higher percentage of children and the general population living in poverty ($R^2 = 0.4448$) ³ | • Georgia |
| • In 2016, 24% of economically disadvantaged 3rd-grade students achieved at the Proficient Learner or above level on the Georgia Milestones English Language Arts Assessment ¹⁰ | • Georgia |
| • In 2016, 58.9% of non-economically disadvantaged 3rd-grade students achieved at the Proficient Learner or above level on the Georgia Milestones English Language Arts Assessment ¹⁰ | • Georgia |
| • When parents spend time in adult literacy programs that improve their reading skills, their children attend school more regularly, perform better academically, and are more likely to graduate ¹¹ | • National |
| • Of adults with the lowest literacy levels, 43 percent live in poverty, and 70% of adult welfare recipients have low literacy levels ¹² | • National |

Additional Research Summary: Unemployment & Incarceration

Key Factor: Unemployment

Statistics

- The unemployment rate for dropouts is generally 4 percentage points higher than the national average. In the end, the lifetime earnings of high school dropouts are \$260,000 less than peers who earn a diploma ¹
- In Georgia, the unemployment rate for people with less than a high school diploma is 15% ²
- 50% of the unemployed between the ages of 16 and 21 cannot read well enough to be considered functionally literate ³

Level

- National
- Georgia
- National

Key Factor: Incarceration

Statistics

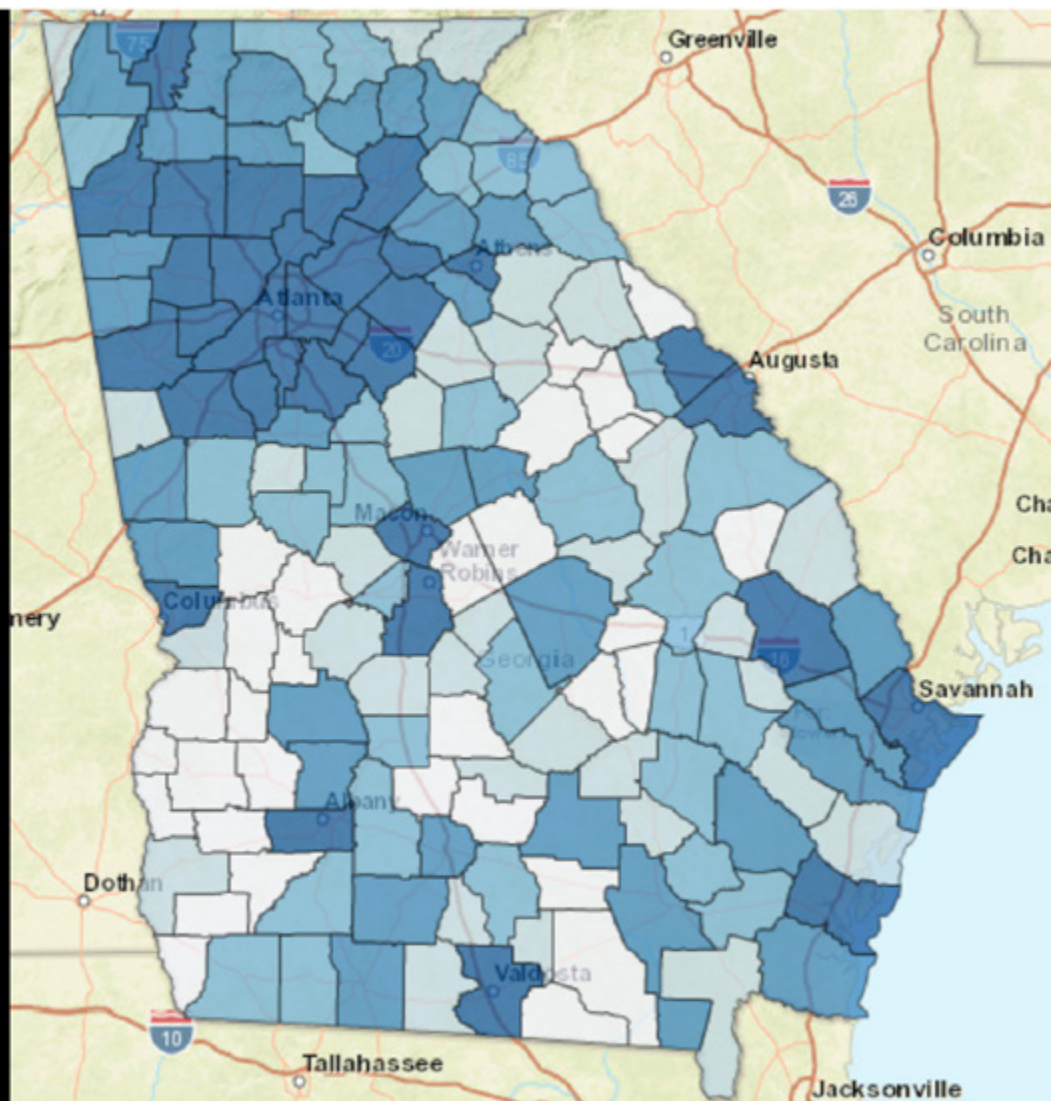
- About 70 percent of Georgia's inmates do not have a high school diploma ⁴
- Dropouts are 3.5 times more likely to be arrested than high school graduates. Nationally, 68 percent of all males in prison do not have a high school diploma. Only 20 percent of California inmates demonstrate a basic level of literacy, and the average offender reads at an eighth grade level ⁵
- Inmates who are educated are 43% less likely to return to prison ⁶
- 66% of students who cannot read proficiently by the end of 4th grade will end up in jail or on welfare ⁸

Level

- Georgia
- National
- National
- National
- National

Population, by County, 2011-2015

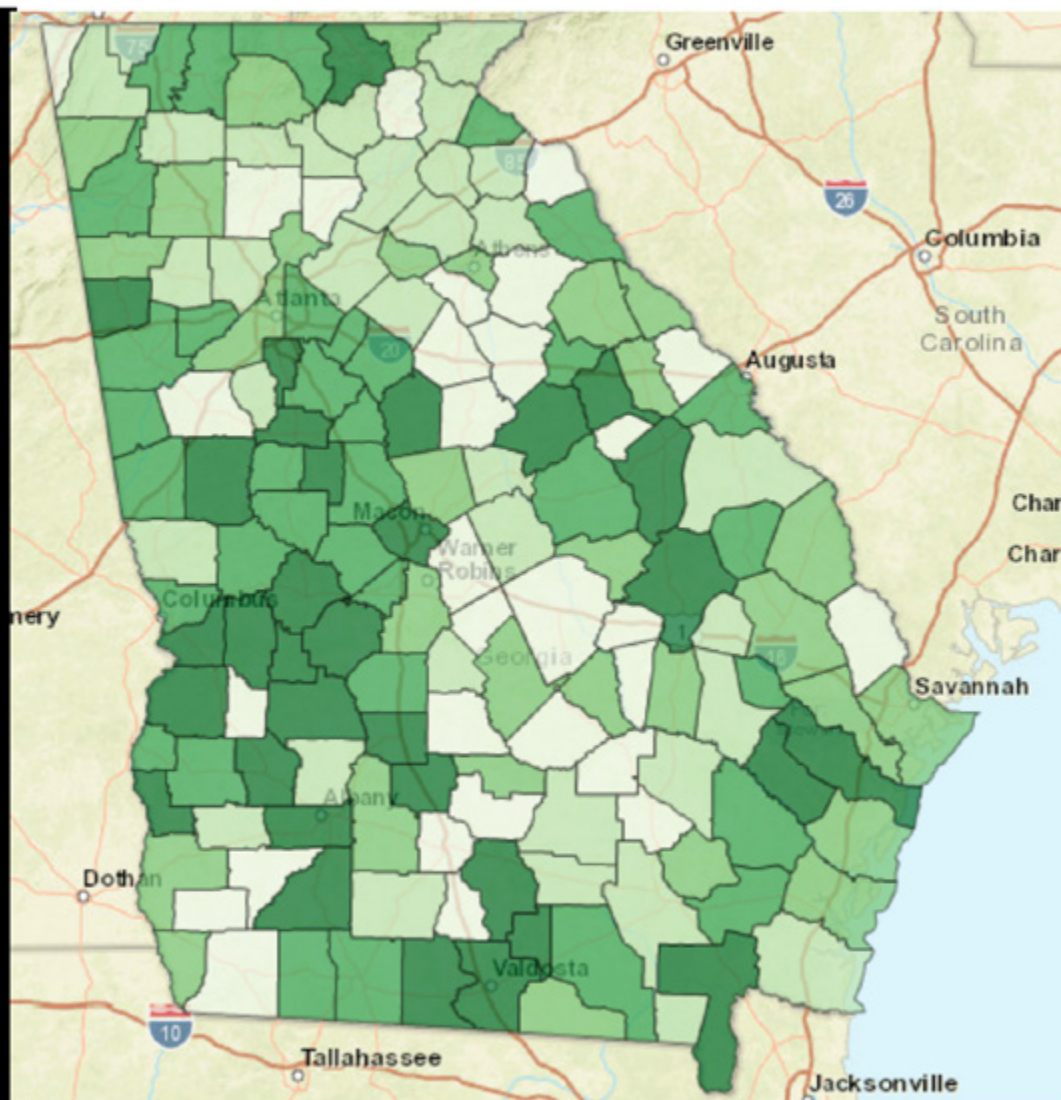
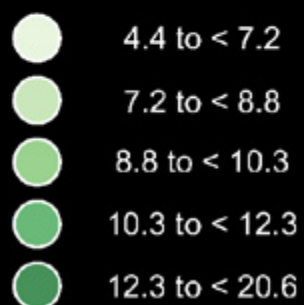
The most heavily populated counties are found in metro Atlanta and coastal Georgia, as well as those counties surrounding the state's employment centers: Whitfield (Dalton), Athens-Clarke, Columbia and Augusta-Richmond, Macon-Bibb, Houston (Warner Robins), Muscogee (Columbus), Dougherty (Albany), and Lowndes (Valdosta).



Source: U.S. Census Bureau, American Community Survey (ACS) 2011 – 2015 5-Year Estimates

Unemployment, by County, 2011-2015

The highest rates of unemployment in the state are found south and east of metro Atlanta, in counties comprising Three Rivers, River Valley, Southwest Georgia, Southern Georgia, Coastal, and the Central Savannah River Area regions.



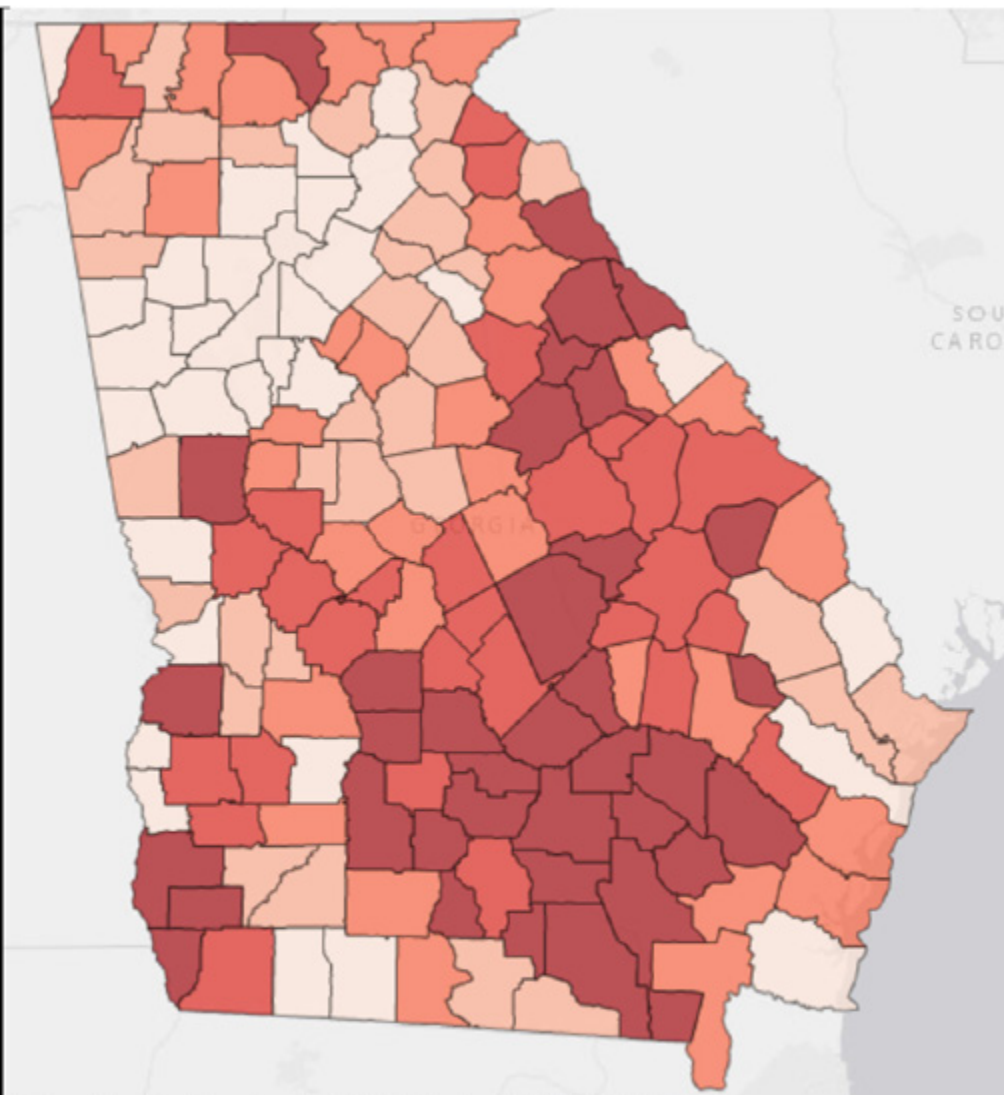
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ATLANTA REGIONAL COMMISSION

Source: U.S. Census Bureau, American Community Survey (ACS) 2011 – 2015 5-Year Estimates

Chronic Health,* by County, 2011-2013

The adjacent map shows the percentage of discharges for "treatable" illnesses by county. Treatable illnesses include conditions that are potentially preventable through primary and preventative care, including many chronic conditions, such as hypertension or Type II diabetes.

A high percentage of discharges for "treatable" illnesses are found in the counties comprising the Central Savannah River Area, the Heart of Georgia Altamaha and the Southern Georgia regions.



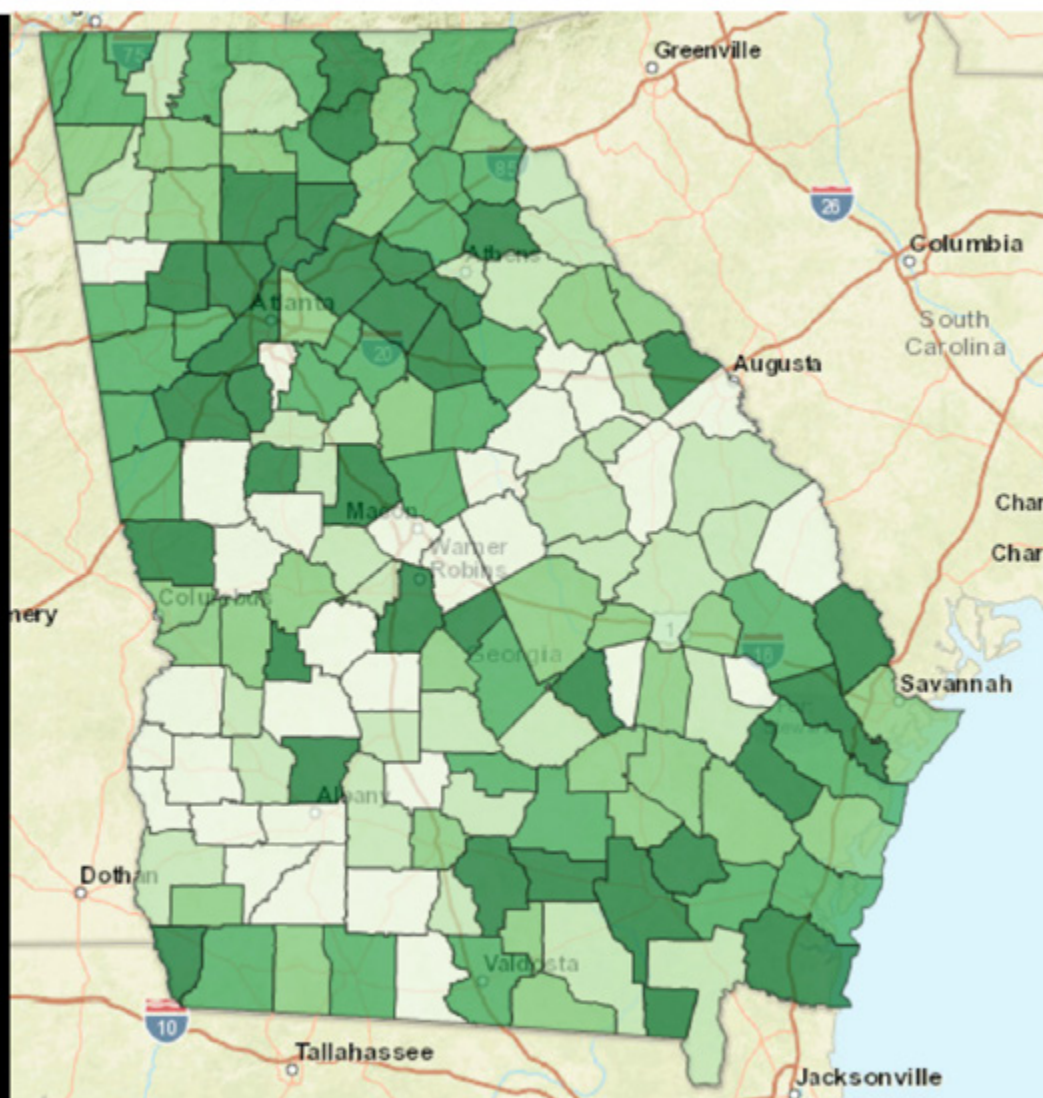
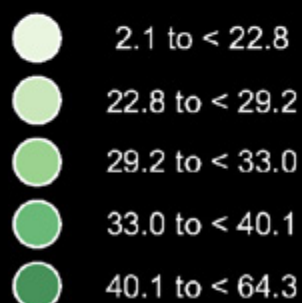
Source: Georgia Department of Public Health (GA DPH): OASIS

*The official name for this is Ambulatory Care Sensitive Conditions (ACSCs), as these are conditions that are treatable outside of a clinical setting. High numbers of ACSCs could mean that a person does not have a medical home, thus needs care at an ER instead of a neighborhood clinic or general practitioner setting.

Percentage of 3rd Grade Students Reading Proficiently or Above, by County, 2015

Students in north Georgia, particularly metro Atlanta, performed higher on reading proficiency tests, with Fulton, Gwinnett, Forsyth, Cherokee, Cobb, Paulding, Coweta, and Fayette counties having over 40% of 3rd grade students scoring proficient or better.

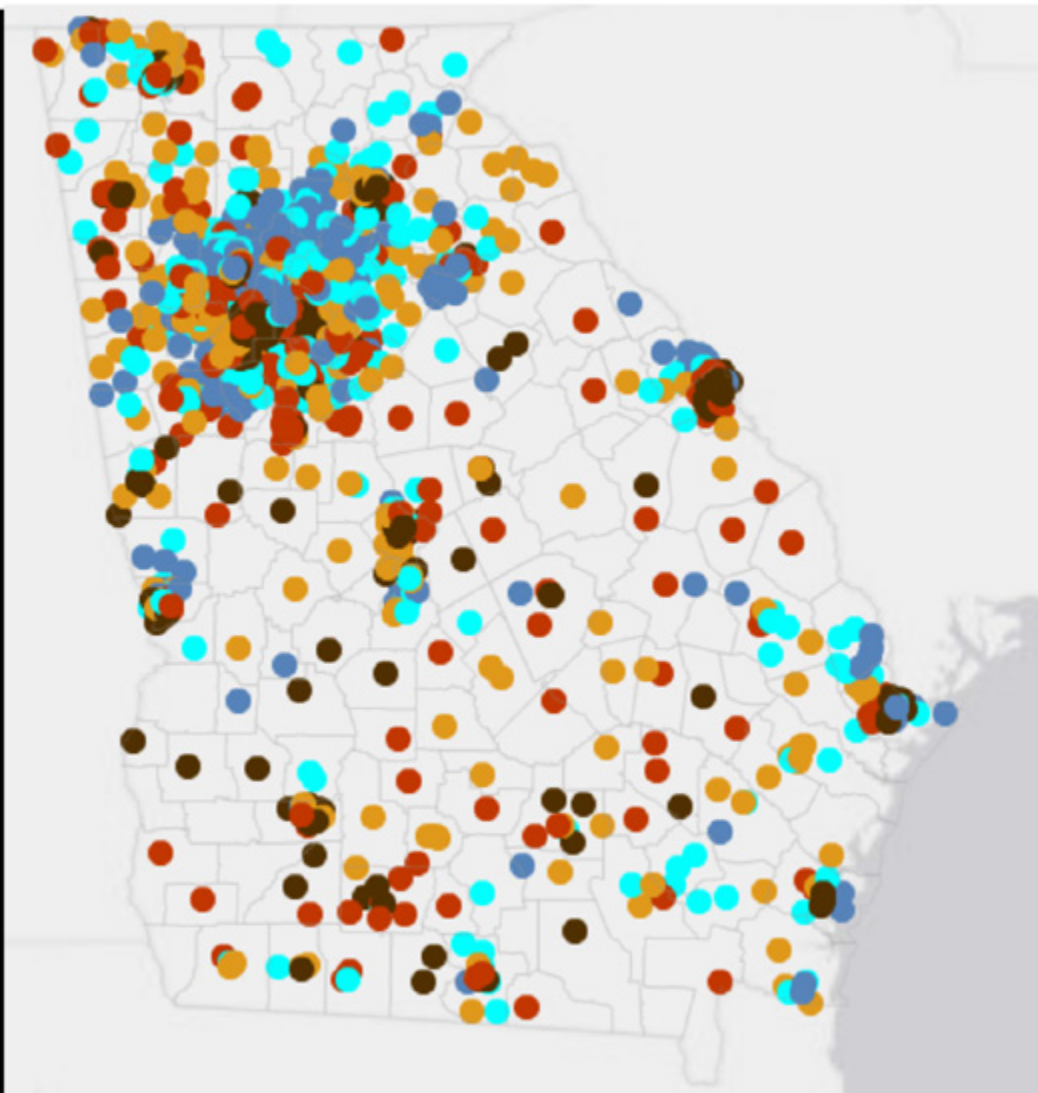
Similarly, counties in Coastal and Southern Georgia regions experienced higher rates of proficiency.



Source: Georgia Early Education Alliance for Ready Students (GEEARS), 2015

Percentage of 3rd Grade Students Reading Proficiently or Above, by School, 2016

The adjacent map shows 3rd grade reading proficiency by school. Similar to the county-level reading proficiency data, schools with higher rates of 3rd grade students reading proficiently or above are clustered in metro Atlanta as well as among the southern and coastal regions, with many schools experiencing proficiency rates between 49.3 to 91.1 percent.



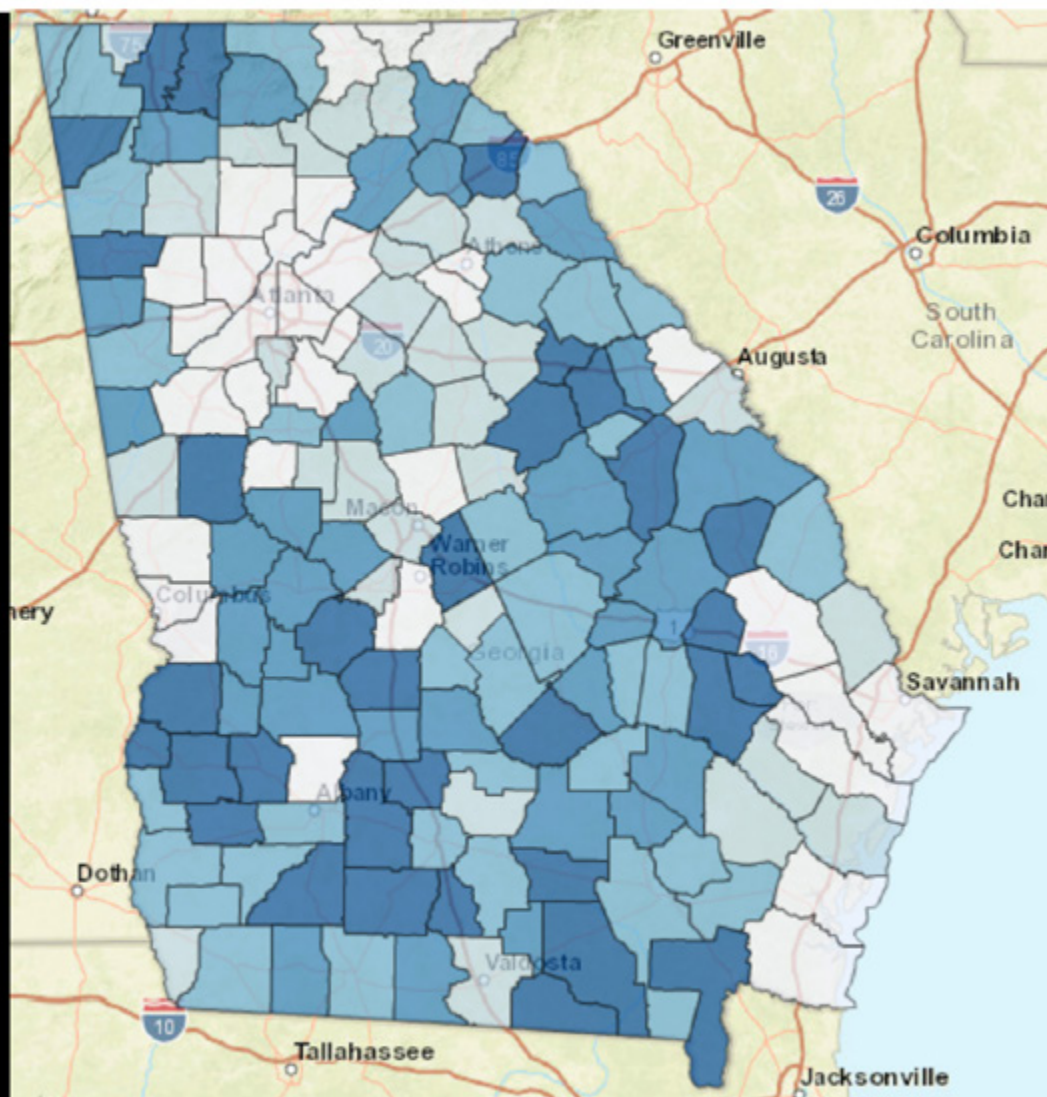
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Source: Georgia Milestones, Spring 2016

Percentage of Adult Population* Earning Less than a High School Diploma or GED, by County, 2011-2015

High school graduation rates mimic 3rd grade reading proficiency rates with metro Atlanta and coastal counties experiencing greater rates of graduation.

Counties composing the River Valley, Heart of Georgia Altamaha, and Central Savannah River Area regions are experiencing lower graduate rates – in many counties among these regions, between 24.8 to 39 percent of the adult population has earned less than a high school diploma or GED.

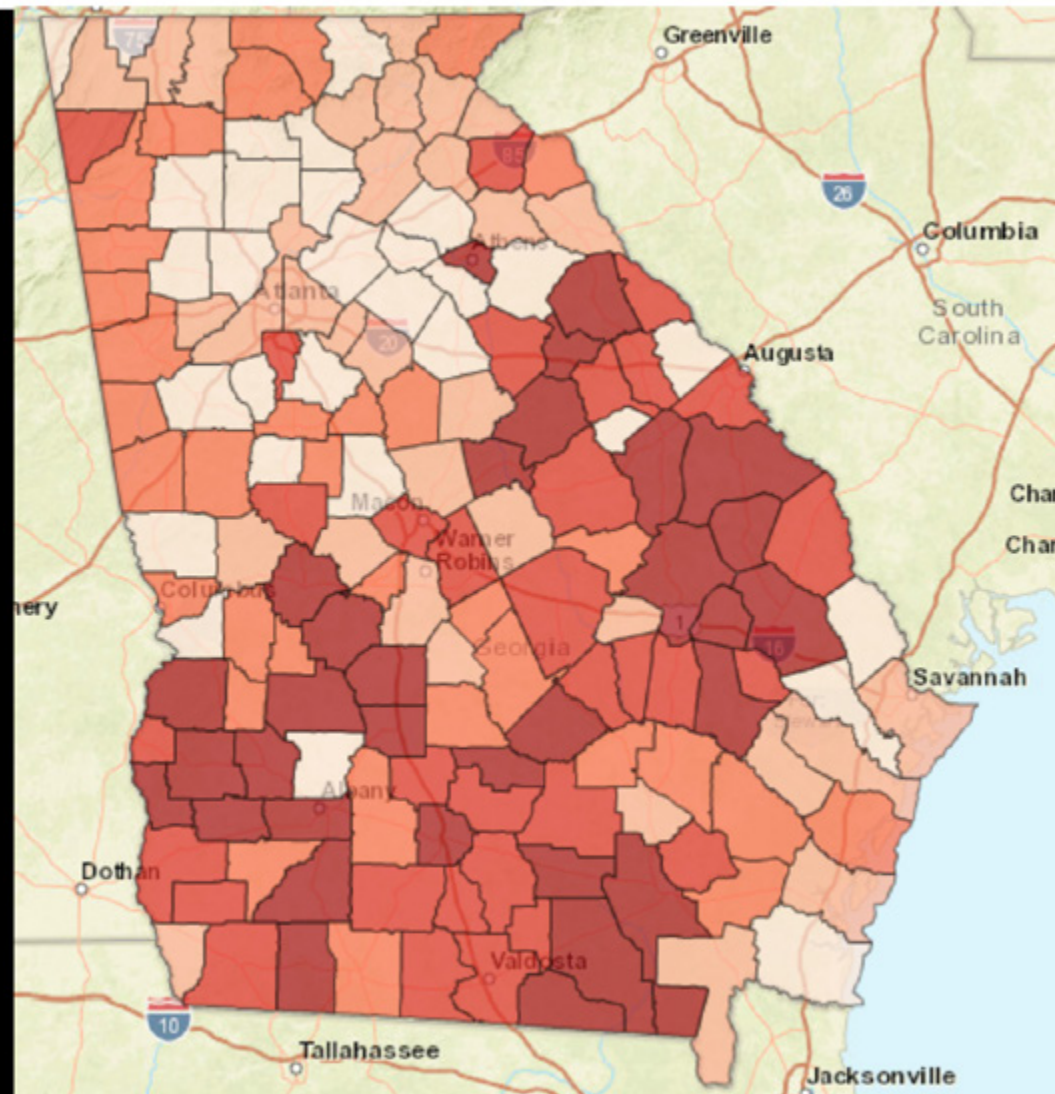


Source: U.S. Census Bureau, American Community Survey (ACS) 2011 – 2015 5-Year Estimates
 *Adult population includes only persons 25 years old and over

Percentage of Population in Poverty, by County, 2011-2015

The adjacent poverty rate map echoes the previous graduation rate map, with the River Valley, Heart of Georgia Altamaha, and Central Savannah River Area regions experiencing the highest percentages of population in poverty.

Nearly all of the counties in these regions are experiencing poverty rates above 20 percent, with many falling between 30 and 40 percent of the population in poverty.



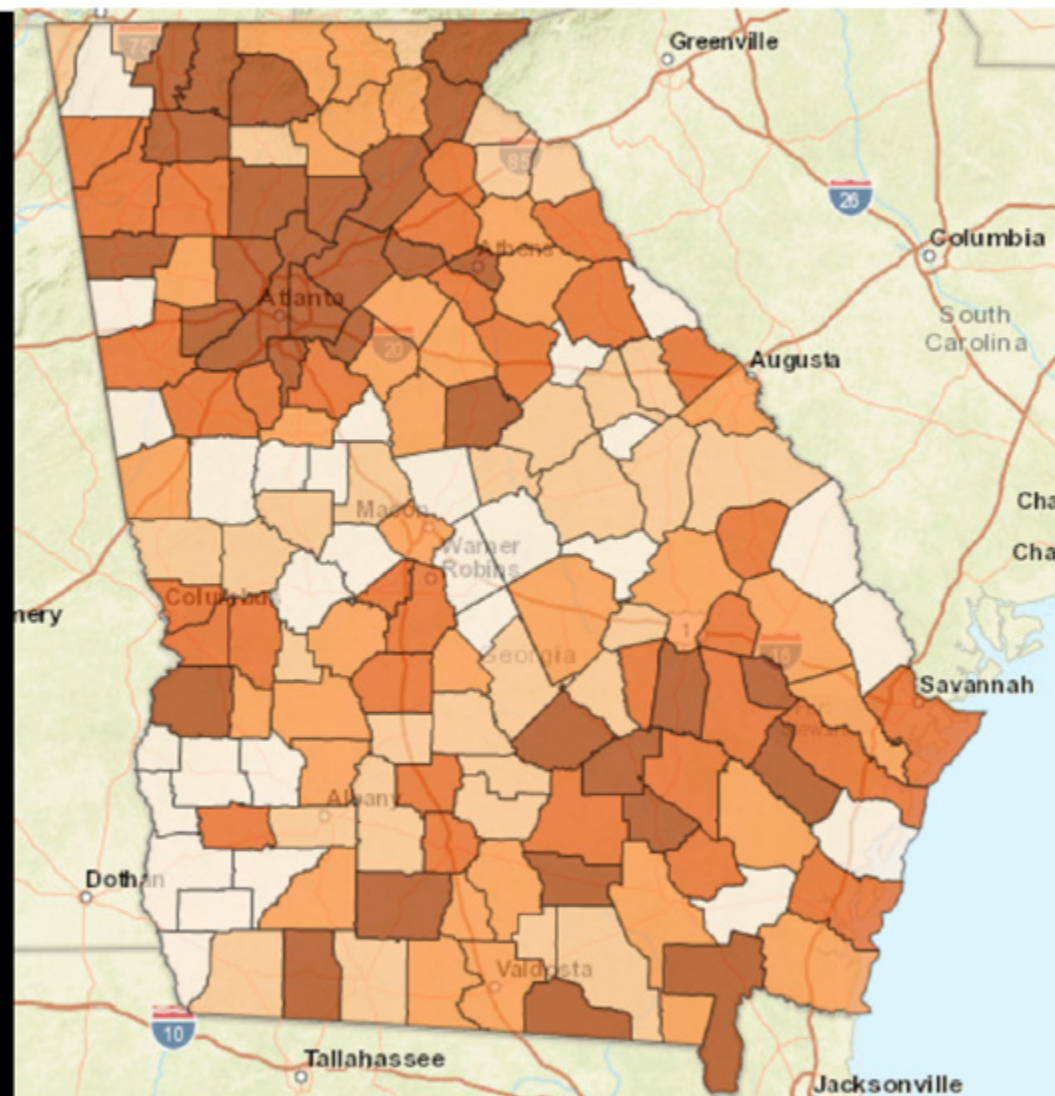
Source: U.S. Census Bureau, American Community Survey (ACS) 2011 – 2015 5-Year Estimates

Linguistic Isolation,* by County, 2011-2015

Higher rates of linguistic isolation are found among metro Atlanta, including counties comprising Northwest Georgia, Georgia Mountains, Atlanta Regional, and Northeast Georgia regions.

Southern Georgia and the Heart of Georgia Altamaha regions are also experiencing a higher level of linguistic isolation, with a number of counties falling between 4.3 to 17.6 percent.

Despite higher linguistic isolation, many of these counties are exhibiting higher 3rd grade reading proficiency and graduation rates.



Source: U.S. Census Bureau, American Community Survey (ACS) 2011 – 2015 5-Year Estimates

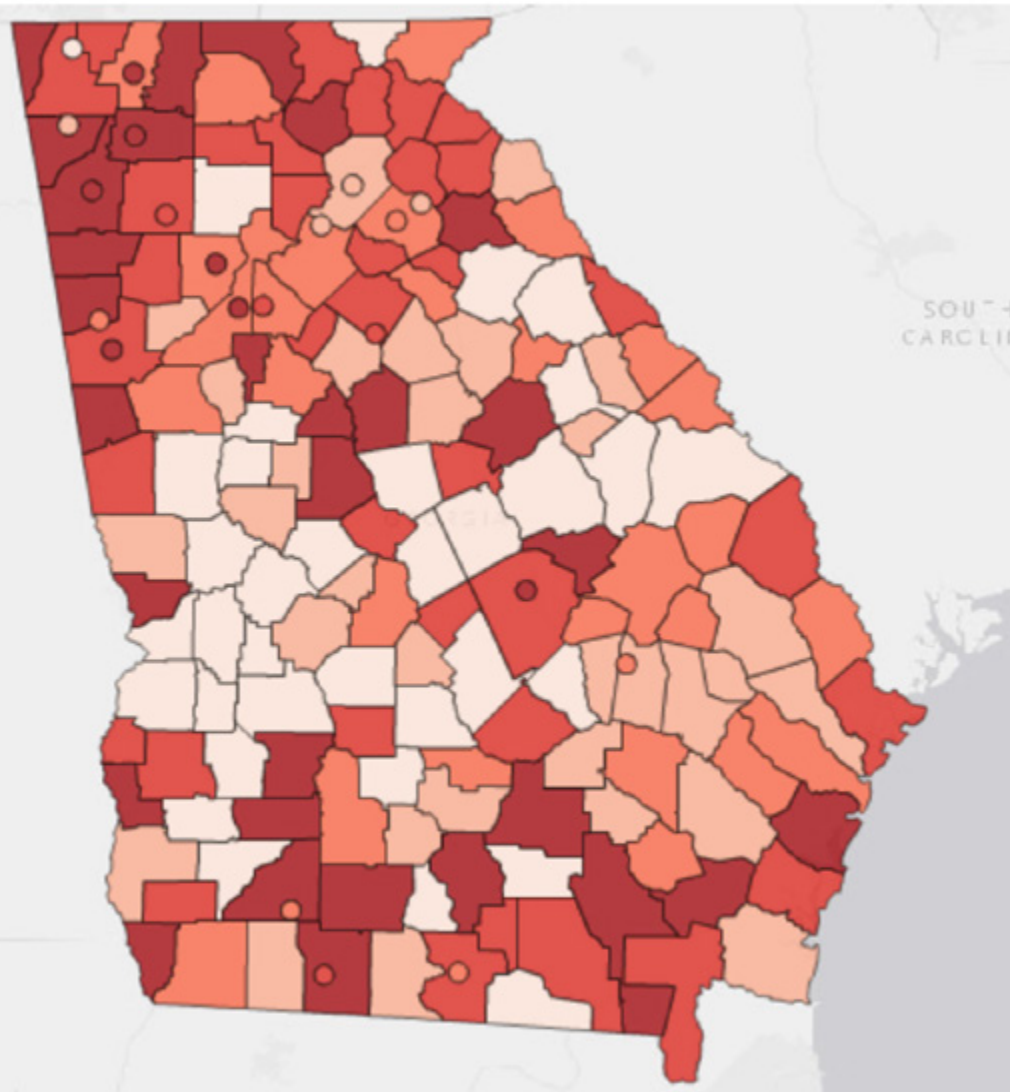
*Linguistic Isolation is shown as the percentage of U.S. population 5 years and older that speaks English less than "very well."

Percentage of Homeless Students Enrolled, by District, 2012-2013

Higher rates of homelessness among enrolled students occurred among school districts in the Northwest Georgia, Southwest Georgia and Southern Georgia regions.

Districts in these regions experienced student homelessness rates primarily between 3.3 to 10 percent, while Hancock County Schools (located in the Central Savannah River Area) experienced the highest rate of student homelessness at 25.6 percent.

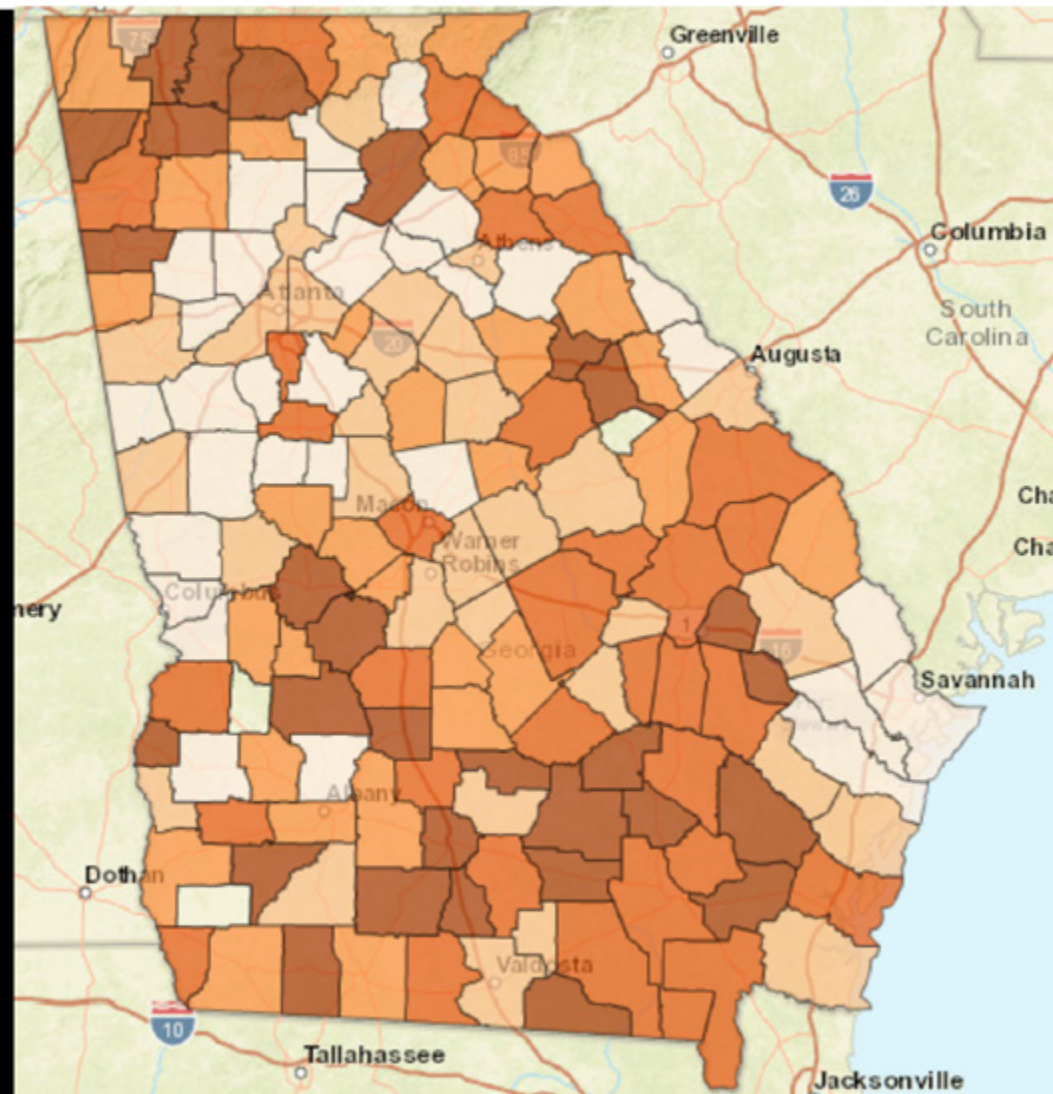
Many of these districts fall in counties with below average graduation rates.



Maternal Education*, by County, 2010-2014 (average)

Lower rates of births to mothers without a high school diploma occurred in metro Atlanta, including counties comprising Three Rivers, Atlanta Regional, and Northeast Georgia regions. These regions also experience higher graduation rates and higher levels of 3rd grade reading proficiency.

Research indicates that a lack of maternal education may increase a child's risk of academic failure, poor attendance, and disciplinary issues. Many regions outside metro Atlanta include counties approaching 1/3 of births to mothers with less than a high school diploma.



Source: Georgia Department of Public Health (GA DPH): OASIS

*Maternal education is shown as the percentage of births to mothers without a high school diploma.