

Remarks of Chancellor Milliken
Austin Chamber of Commerce Opportunity Austin Breakfast
March 8, 2019

Good morning. It's great to be with you.

I want to thank the Chamber and Opportunity Austin for the chance to visit with you today. And I appreciate the effort you all made to be here on a Friday, and before you're fully caffeinated.

As Gary mentioned, though I visited many times over the years, I'm a relative newcomer to Austin – almost to the six-month mark.

People often ask about the differences between living in New York and living in Austin.

Some of the differences are great. I've become a fan of tacos for breakfast. And I could get used to 70 degree days in January – or for that matter, 80 degree days in early March.

Some of the similarities are not-so-great.

Sometimes the transportation on Central Texas highways reminds me of a slow day on the subway.

And one not-so-great difference that became a similarity – neither New York nor Austin will be home to the new Amazon headquarters.

I won't dwell on the unique New York aspects of that story, but one thing the Amazon hunt demonstrated is that competition at the highest levels in today's economy is fueled by talent.

And I don't think there's any doubt that – notwithstanding the nice weather – the talent gathered here in Austin is this city's greatest strength.

Of course, higher education has always been in the talent business. More specifically, we are in the business of matching talent and opportunity.

I'm now in my fourth decade in public higher education, and the reason this work has been so rewarding to me can be traced to a single, simple proposition: While talent is universal – distributed evenly regardless of race, gender, zip code, ethnicity or anything else – opportunity is not. Sadly, it remains stubbornly correlated with wealth at birth.

Higher education, and public higher education in particular, which produces 70% of the nation's graduates, is the great equalizer.

It is the most powerful engine of social and economic mobility the world has ever known.

And it's my good fortune to have joined an institution that does more of it than almost anybody else.

I know many of you know the UT System well, but I have found in my short time in the state that our scale and reach are not well known to enough Texans. That's unfortunate, because the UT System's continued growth and success is key to the future of Texas.

Yes, there is a world class academic institution here in Austin, and its importance to this city cannot be overstated. But when you ask the chancellor to speak, you are going to hear about more than one of our 14 institutions – even if that one is the flagship!

The UT System is 235,000 students across the state in 8 comprehensive academic institutions and 6 top health science centers.

At \$2.9 billion annually, the UT System is 2nd only to the University of California System in total research dollars – and I like our chances in the future. Research fuels innovation and productivity, and last year our institutions received the 3rd highest number of patents of any system in the country. And, the System recently ranked 9th in Reuters' ranking of the most innovative universities in the world.

But the most important “technology transfer” of any university is the achievements of its graduates who leave with a first rate education.

In the most recent academic year, we produced nearly 62,000 graduates – about 26,000 more than the next largest state system, and 55% more than a decade ago.

A full 45%, nearly half, of the degrees earned are in STEM fields, which compares to the national rate of about a third.

Our institutions are helping create the workforce, the entrepreneurs, the doctors and teachers of Texas in the 21st Century.

We've got a big job to do – and it's going to get much bigger!

Even if Texas wasn't growing, we would need more higher education.

The Georgetown Center on Education and the Workforce – maybe the best place doing this kind of work – says that by next year, 7 out of every 10 new jobs will require a degree or certificate beyond high school.

I believe we are fast approaching the day that number is 10 out of 10.

Unfortunately, just 3 in 10 Texans between 25 and 34 have earned a bachelor's degree or higher. That compares to about 4 in 10 nationally.

So, we're already falling short with the population we have today.

Now consider that every expert thinks we're going to grow dramatically – perhaps even double – in the next 30 years.

I recently spoke with the state demographer, who happens to be a professor at UT San Antonio, who said Texas grows by about 1,000 people a day, split evenly between births outnumbering deaths and new Texans moving here. And it's not linear growth.

Personally, that's comforting; It means, even though I arrived in mid-September, I've not been a Texan longer than about 180,000 of my neighbors.

But with this enormous growth, I think the defining challenges the next couple decades are going to be how well we prepare to educate and provide health care for a much bigger Texas.

We can't hope to serve a population twice as big with the same capacity as we have today. And we can't allow the educational attainment gaps based on race and ethnicity to continue – or one result will be that we will fall woefully behind the competition.

While we have some great advantages today when it comes to research, education, and practice in medicine and health science, big challenges are looming.

Despite our leadership in so many areas, the data demonstrate that as a state, while we excel in cancer treatment and other specialties, we rank very poorly in some fundamental areas.

Consider these statistics:

In prevalence of diabetes, Texas ranks 41st in the nation – meaning we're ninth worst.

In physical activity – the percentage of Texans who get exercise that’s not part of their job – we’re even worse. 46th.

Overall, the United Health Foundation says we’re the 37th healthiest state in the country.

And while a lot of factors contribute, high on the list is the fact that we’re not producing enough doctors and other health care professionals to care for our growing population.

We rank 45th in primary care physicians per 100,000 people.

And 49th – next to last! – in mental health providers per 100,000 people.

Is this where Texas likes to be? Now imagine if we don’t fix this, and the population doubles!

UT institutions have been a crucial part of the Texas medical ecosystem since UT Medical Branch in Galveston was founded, way back in 1891.

We have 6 medical schools, 5 more than the next largest university system in the state. And they do a great job of preparing our state’s future health professionals while delivering top-notch medical care to the people of Texas.

We award 6 out of every 10 medical degrees and train 7 out of every 10 medical residents in the state. Last year, our health institutions cared for more than two million unique patients, accounting for more than 7.8 million outpatient visits and 1.6 million hospital days.

But the beauty of a great university system is that, at its best, it amounts to far more than a sum of its parts.

Here’s a great example. A lot of people don’t even realize that MD Anderson – the world’s greatest cancer center – is part of the UT System.

Its well-earned international reputation is so great that that in the eyes of many, it stands alone.

But it is the great good fortune of the people of Texas that MD Anderson, in reality, does not stand alone.

In fact, the people and leadership of MD Anderson are hard at work doing the exact opposite – extending their reach, through partnerships and collaborations with institutions in and out of the UT System – to provide world-class care to previously underserved communities.

What an advantage, not just for the people and enterprises of those communities, but to Texas.

And there's no doubt the addition of Dell Medical School here will become an increasingly important part of attracting talent, to the university and beyond.

The power of having one of the country's biggest and best research universities – with 51,000 bright, ambitious students, brilliant teachers, and researchers driving innovation that seeps into the economy and culture of Austin – is almost incalculable.

Each year, UT Austin launches thousands of graduates into the world, armed with the hard and soft skills employers want, and degrees in everything from engineering to the arts, law to literature, psychology to cyber security.

There's no doubt this infusion of talent has helped make Austin the magnet it is today.

I'm sure many of you saw the article in the Statesman last week, highlighting the Chamber's study of how many people move here from other places. Among other findings, in 2017 seven percent of the local population had been here less than a year. And three cities alone – San Francisco, Los Angeles, and New York – drove a net inflow of 3,500 people.

The most significant arrivals in the following year, 2018, will proved to be the men and women who are a part of the Army Futures Command.

The Army Futures Command represents the most significant reorganization of the Army in half a century – and if you want proof that Austin's got talent, it beat out 150 other cities for the right to host the AFC.

What does winning the Army Futures Command mean?

Among other things, it means a whole lot of new neighbors for me in our downtown building.

You probably know that the UTS building, completed in 2017, has attracted a lot of attention – not all good. So let me say that, in addition to contributing \$6 million in incremental revenue to the city’s tax rolls, our changes – including the building – provided a big attraction for Army Futures Command.

And while there are no plans to change the name on the side of the building, I suspect that in the not too distant future, their employees will outnumber ours.

So with the AFC, we’ve got hundreds of new employees, a big, important new employer on the hunt for talent, with a lot of federal research dollars to spend – a potential boost for UT Austin and other institutions around the state.

I can’t stress enough what a great opportunity it is to work in the same building with AFC. We see our partners every day, and the relationships, ideas, and innovation that will emerge from this proximity are promising. We’re helping to connect them to the schools, departments, and people – at UT Austin and throughout the System – who are the experts they’re here to collaborate with.

For years, Austin has been on a roll when it comes to attracting new talent, and the military is just one of the latest success stories. But the destiny of our city and state will be determined, first and foremost, by how well we do with the talented people already living within.

And we are not going to do well unless we can get a much higher percentage of our young people to and through college.

How we do that is a discussion longer than any of us have time for this morning. But it’s essentially about expanding access and having in place the support necessary for student success. It includes necessary, smart investments, making more and better use of technology, and forming deeper and more effective partnerships with early childhood education, K-12 education and community colleges and – very importantly – with the private sector.

On the last point, we need more experiential learning opportunities for many reasons, and not just the ones that come first to mind. Yes, internships are great ways for employers to assess talent and for students to learn about work they may want to do. But it also improves educational performance and outcomes, such as timely graduation.

In this and many other ways, our interests are intertwined.

With that in mind, I can't pass up a chance to enlist an influential group of people for whatever assistance you can give us the Legislative Session continues to unfold.

I got thrown right into the briar patch as the new Chancellor. But it's been a great opportunity – and the truth is, I enjoy politics and it's an important part of my job. And if you think Texas politics is crazy, try New York.

So far, we've been pleased and grateful for the Legislature's approach to Higher Ed funding.

The session began with modest, but very much appreciated, increases in funding to help us handle enrollment growth.

As the House and Senate work through their markup process, we are seeing some additional funding for operations and it's looking more and more like we'll see support for capital projects.

But there's a long way to go, and the legislators are hardly surprised when I tell them every dollar they invest in higher education is money well spent.

Hearing that message from you is far more powerful.

You might remind them of one of the state's greatest successes in recent memory – the Cancer Prevention and Research Institute of Texas, the wildly successful program which the state jumpstarted with \$3 billion of funding in 2007.

What do I mean by “wildly successful?” Well, consider Dr. Jim Allison of MD Anderson, a UT Austin alum, who was recruited back to Texas as part of a CPRIT award. Jim just won the Nobel Prize for his work attacking cancer by treating the immune system, rather than the tumor.

Were it not for CPRIT, Jim's breakthrough – which gives hope to millions – would have happened outside of Texas, or perhaps not at all.

CPRIT was originally supposed to sunset this year, but legislation has been filed to extend it indefinitely. I think it deserves all the support it can get, and I hope you agree.

So these are just some of the things we're working on these days, on behalf of the people of Texas, for whom the UT System was created.

I want to thank you for your attention, for the chance to be with you this morning, and for working with us as we continue to make Austin, and Texas, the best they can be.

I know there is a lot I didn't get to, so I'll be happy to answer any questions you have.

Thanks so much.