

Listening Sessions

With DOL Assistant Secretary Jane Oates

WIB Labor Representatives Express Their Views On Reauthorization of the Workforce Investment Act With Jane Oates, Assistant Secretary of Labor For Employment and Training

October 2009

A Summary

In September 2009, Jane Oates, Assistant Secretary of Labor for Employment and Training, participated in a series of listening sessions organized by the AFL-CIO Working for American Institute on the reauthorization of the Workforce Investment Act (WIA) with Labor Representatives¹ who serve on the nation's Workforce Investment Boards.

More than 70 WIB Labor Representatives from 32 states – and from a broad cross section of labor unions – participated in the three calls and webinars conducted on September 3, 4 and 21. The three calls included Labor Representatives from urban, rural and state Workforce Investment Boards. The Institute's Executive Director, Nancy Mills, served as the moderator for all three calls.

The Institute is working closely with an estimated 1,500 WIB Labor Representatives serving on approximately 600 WIBs across the country. These boards are charged with making critical decisions on how to spend employment and training funds including billions of dollars of new funding under the American Recovery and Reinvestment Act.

This document offers a detailed summary of the first conference call, which inadvertently was not recorded, and an edited transcript of the second and third conference calls.

Overall, Jane Oates welcomed feedback from WIB Labor Representatives about the workings of the system and said she is willing to make necessary administrative changes or issue guidance to WIBs on important issues that WIBs may not be addressing prior to the reauthorization of the Act.

¹ Every Workforce Investment Board is required to have at least two Labor Representatives.

The conference calls focused on three critical questions:

- Is the WIA system serving workers?
- Is the system effectively linked to economic development?
- What changes do WIB Labor Representatives recommend for WIA reauthorization?

In addressing the first two questions, many Labor Representatives emphasized that the WIA system tends to promote the placement of workers in the most readily available jobs in an effort to lower the unemployment rate. The system often fails to focus attention and resources on putting people into careers that truly contribute to self-sufficiency and to the higher earnings that the Act says is one of its major purposes.

WIB Labor Representatives on the calls also said that many WIBs put little or no emphasis on economic development strategies and as a result these WIBs do not play a major role in leveraging community resources to attract high wage employers and prepare workers for high wage employment. WIB Labor Representatives also noted that WIBs that do embrace economic development strategies are often more successful in addressing long-term workforce development needs.

Regarding their recommendations for WIA reauthorization, WIB Labor Representatives wrestled with the question about what could be fixed in new legislation and what needed to be addressed through better training of board representatives or through more local activism.

Here are some key recommendations that the Labor Representatives made on the calls:

- **Focus on Preparation for High Wage Jobs:** WIB Labor Representatives noted that WIA training funds are frequently oriented toward low-end jobs. There are insufficient resources available for training. Proprietary schools and community colleges too often enroll people who are not ready for the training provided. Training is offered when there are no jobs available once training has been completed. The programs receive payment when the courses are over, regardless of whether participants obtain employment.
- **Establish More Uniform Standards:** There is no standardization among WIBs across programs. Policies vary from one WIB to another. There is too much decentralization in the system. During all three calls, Labor Representatives were supportive of more uniformity and stronger standards. In measuring success, greater emphasis should be placed on high quality job placements. When the quality of a placement is calculated, the measurement should include the value of fringe benefits offered by employers.
- **Voice of Workers Not Loud Enough on WIBs:** Two labor representatives often are not sufficient to represent the concerns and needs of workers, especially on boards with ten or more business representatives who strongly support low wage jobs. Labor

Representatives tend also not to be included on the Executive Committees of their WIBs.

- **Expand Role of Major Employers:** In many communities the major employers are not represented on WIBs, and as a result these employers are not being engaged on important workforce development issues.
- **Emphasize WIB's Policy Making Role:** Some WIBs tend to rubber stamp the decisions of staff, rather than serve as deliberative and policy-making bodies
- **Include Apprenticeship:** Often, there is a lack of alignment between apprenticeship programs and WIBs.
- **Increase Support for Incumbent Worker Training.** At this time, incumbent worker training is only supported by funds from the state level. WIB Labor Representatives see a need to provide greater support for incumbent worker training and to integrate this into local WIB activities.
- **Improve Rapid Response.** We need more coordination at the state level and more flexibility to enroll participants before their actual layoff.
- **Increase WIA Funding:** As the basic infrastructure of WIA, the public employment system needs to obtain greater federal resources. Local offices are challenged in providing services without additional funds.
- **Improve Outcomes for Women and Minorities:** We need greater direction from the federal government on the importance of training that targets women and minorities to help move them into high skill jobs with a career path. More leadership is required on this issue.

Urban/Suburban WIB Labor Representatives Conference Call With Jane Oates, Assistant Secretary of the U.S. Department of Labor

September 3, 2009

Note: This summary is based on detailed notes taken during the conference call.

Nancy Mills, executive director of the AFL-CIO Working for America Institute, welcomed participants to the call and reviewed the agenda. She said WIB Labor Representatives would be addressing three critical questions:

- Is the WIA system serving workers?
- Is the system effectively linked to economic development?
- What changes do WIB Labor Representatives recommend for WIA reauthorization?

Nancy Mills briefly summarized the preliminary findings from a recent Institute survey of WIB Labor Representatives and asked Assistant Secretary Oates to provide an update on the Administration's approach to WIA reauthorization.

DOL Assistant Secretary Jane Oates noted that the Congressional calendar was full of important issues for the remainder of 2009. The primary focus in the coming months will be healthcare. Not going to see WIA reauthorization until 2010. At this moment, it is unclear in the Senate who will chair committee. The Administration remains focused on good jobs, family wages, healthcare, job security, and safety. She acknowledged that the Department depends on Labor Representatives for a key decision-making role on WIBs. She highlighted apprenticeship as an important model for workforce development.

Nancy Mills said the first two Labor Representatives, Mary Gallagher and Roger Blouin, would address the question: Is the WIA system serving workers?

Mary Gallagher of Chicago, IL: Mary thanked the Assistant Secretary for the Department of Labor's Secretary Hilda Solis's address in Chicago (on September 2) on rebuilding the middle class, creating jobs, and building a stronger economy. Mary then outlined procedures which need some fine tuning. She noted that the Individual Training Account (ITA) process is flawed and that training providers are not properly vetted. She said more "due diligence" is needed in the contracting of training providers. While it is important to offer skill upgrading and basic skill education to workers, we need to design curriculum that will prepare the workers for real jobs at a livable wage.

Assistant Secretary Oates interjected that this sounds like the CETA rules problems all over again.

Mary Gallagher continued, saying that Community Colleges are not flexible enough for WIA customers. Evaluations of training providers are not taking place. Jobs are needed at the end of training. Needs-based payments are needed to complete training. Accreditation is not sufficiently broad. Performance rates need to be verified, and there needs to be more placement follow-up among trainers. Mary noted that many entities train workers in skills that do NOT match the needs of the employers.

Roger Blouin of Southeast Ohio: Roger shared the concern of many in Southeast Ohio that there is no WIA money going to support careers in the building and construction industries. WIA is only funding low-end jobs and non-union employers. ITA dollars are needed to support higher wages. WIA planning may need to be less localized. The state role should be larger. He said that the new jobs promised a year ago have not yet materialized.

Nancy Mills asked Rayna Lehman to address the next question: Is the system effectively linked to economic development?

Rayna Lehman of San Mateo County, CA: Rayna said that WIBs must understand the economic realities of their communities. All WIBs should be required to complete strategic plans that demonstrate an understanding of the needs of economic engines and growth sectors in their communities and demonstrate an alignment of training and WIB resources with these sectors. ITA's should be tied to economic development as well as to growth employment sector employers. Training must be linked to placement.

The mission of the workforce development system as a whole must be focused on linking clients to training and good, self-sustaining jobs with benefits and opportunities for upward mobility. There should be requirements for employer participation on WIBs. WIBs must have representation from major employment/growth sectors. These employer representatives should be decision makers in their companies who are able to demonstrate they are value added to the system by providing good jobs - good wages, benefits, opportunities for training and advancement. These employers should be committed to investing in the workforce and the process.

Nancy Mills introduced the next three speakers, Tom Ryan, Jim Snow and Jack Irby, who discussed three recommendations for WIA – improve rapid response and self-sufficiency standards and expand the voice of workers on WIBs.

Tom Ryan of San Francisco, CA: Tom raised concerns about Rapid Response practices. He thinks the WIBs could use some best practice advice. He argued for more standardized, higher quality practices. He said that the issues around workforce adjustment are really hitting home in California with the recent loss of 35,000 NUMMI jobs.

Assistant Secretary Oates said we should not wait for reauthorization to improve rapid response. Waivers show that states are moving money out of rapid response. The Department will push back on these changes.

Jim Snow of New Bedford, MA: Jim stated that there is not enough pressure for clients to get to self-sufficiency wages. The system is missing high wage opportunities. Recovery act dollars (ARRA) in particular need to support high wage jobs. We need to encourage more economic development connections. WIBs should link to apprenticeship and economic development. Limitations on years of training can limit apprenticeships. Too often, local WIBs build a WIA project connection, not a direct employer connection. The RFP process is not linked to creating self-sufficiency wages.

Assistant Secretary Oates said that the comment on apprenticeship and WIA should be discussed right away and we should not wait for reauthorization to explore these issues. She added that there could be a letter to the field from DOL about improving apprenticeship's link to WIA. There could be a mailing to WIBs on best practices, including examples and encouragement. She asked the Institute to follow up with her on these issues.

Jack Irby of Nashville, Tennessee: Jack said it was clearly insufficient to have two labor members on a 40-person board. He noted that the Tennessee State WIB has strong representation from Labor Representatives, who make up about 20 percent or more of the state board, including representatives from the building trades, and as a result the Tennessee State WIB is doing well in focusing on the workforce development needs.

Assistant Secretary Oates said that she is hearing new, candid things on this call. She expressed concern that training providers who do not meet state accreditation requirements are a real problem. Completion rates needs policing. We should work together on Rapid Response improvements. There should be better criteria for business members. Too often the local WIBs are just grateful to get anyone. She suggested working with her staff on these issues.

Nancy Mills noted that there is widespread concern among WIB Labor Representatives about their WIBs running out of money in the recession and she noted that it is sometimes too expensive to give appropriate training.

Rayna Lehman supported that comment. She said there is not enough training money. There are always cutbacks. She was particularly concerned that there was no incumbent worker training supported at the national level under the Bush administration.

Assistant Secretary Oates said that it was partly an issue that there is no WIA line item in the budget for incumbent worker training. It is allowable but needs flexibility and improvement. She said we also need to be careful about how the funds are spent. Thoughtful and strategic spending should be required, she said. She welcomed additional input on these issues.

Nancy Mills thanked everyone for their time and input.

Written Comments Submitted Through the Web Portal:

Joe Grabinski of Southwest, CT: I'm Joe Grabinski from Teamsters local 1150 in CT. I have two concerns: 1) Due to budget constraints in the State of CT, our DOL and Dept. of Ed are poorly staffed to assist training youth who are both underemployed or unemployed. We can use some more federal dollars to support programs that train youth, the future of this country. 2) We are also concerned that unemployed and underemployed youth cannot afford to pay consultants to train them in the OSHA 10 hour program which are now a requirement for construction employees in New England. As always, I am willing to share our success stories of training youth. We just completed our 8th consecutive year of partnering with Sikorsky Aircraft and 11 local technical and comprehensive schools.

Jane Templin of South Bay, CA: Representation on WIB's of Chamber of Commerce members mostly not union friendly and they are almost always on executive committees. The Green jobs dollars are not about creating brand new jobs but providing additional training in existing job classifications in a lot of cases. These funds are not being used to help train at risk, under-educated and under-employed youth.

Dean L. Poggiali of Clinton, MI: The Peer-to-Peer program continues to enhance the ability of laid off members to navigate the system. Unfortunately with funding issues dominating any and all conversations, we need to find creative ways to further these outreach efforts. Additionally, we must continue to partner with all those impacted to find out more about the whole system. For example, the United Way Labor Liaison system is a resource that needs to be at the table right from the onset. The rapid response usually only brings the UI and workforce components to the table. We need to use the whole network to help our members. As both a Workforce development Board member and a Labor Liaison I can relate to the partnership. Additionally we need to make sure that HRDI is at the forefront of any and all dislocated worker service provider activity within the service center.

Tom Ryan of San Francisco, CA: In California all WIB's are mandated to have 15% labor representation. This helps to address some of the composition issues raised on the call. In addition, on the question of WIB composition, the San Francisco WIB has been reorganized with new members and most importantly new business representatives. Having employers who are interested in working in the workforce development system as opposed to employers who sit on the WIB for "charity" purposes makes a really big difference.

Rayna Lehman of San Mateo County, CA: Labor is the only worker advocate. Labor's role has been minimized and marginalized, this needs to change. We need to rethink Board composition. Other comments:

- * Rethink the system - eliminate CORE A.
- * Create a more proactive instead of current reactive system.
- * Rethink ETPL - anyone can get on it now with or without a good track record.
- * Ensure that WIB has the power, not staff
- * Higher standards for Rapid Response.
- * Use RR \$ to fund peer services.
- * System is too flexible - need more standards and standardization.
- * More funding.
- * Role of State WIB?
- * Apprenticeship – there needs to be a formal connection between WIB and certified apprenticeship programs, also recognizing apprenticeship as the most effective training / employment model.

One thing we did not stress with Jane was the lack of coordination between all workforce partners - community colleges have their funding streams and do their thing, same for WIBS, adult schools, ROP etc. New legislation must demand voluntary coordination of all workforce funding streams and coordination of efforts.

**Rural WIB Labor Representatives Conference Call
With Jane Oates, Assistant Secretary of U.S. Department of Labor**

September 4, 2009

Note: With permission of the participants, this transcript has been edited for clarity.

Nancy Mills: Hello everyone. I am Nancy Mills, and this is the second of three conference calls that the Working for America Institute is hosting for Jane Oates and Labor Representatives who serve on Workforce Investment Boards. This call is focused on Labor Representatives who work on WIBs in predominantly rural and suburban areas. Yesterday, we had a very productive conversation with labor representatives who serve on mostly urban workforce investment boards. Joining us on the phone is Jane Oates, who is the Assistant Secretary of Labor in charge of the Employment and Training Administration.

Jane has spoken at a number of the Working for America Institute conferences. She knows the labor movement and she knows the workforce investment system. We feel very fortunate to have Jane serving the administration in her new role. I am going to take a few moments to review the findings of our recent survey of WIB Labor Representatives. After I review the findings, I will ask Jane to give us some feedback on the administration's goals and timeline regarding the reauthorization of the Workforce Investment Act and also ask for her assessment of congressional priorities about reauthorization.

Then we will hear from our labor representatives who will be addressing three critical questions:

- Is the WIA system serving workers?
- Is the system effectively linked to economic development?
- What changes do WIB Labor Representatives recommend for WIA reauthorization?

One of the things I think you will find interesting about today's call is that we have some really positive experiences to share with you today – models that we think you should be aware of.

Jane Oates: I appreciate the comments and candor I heard during yesterday's call.

Nancy Mills: Good. Let me review the findings of our survey. (Nancy Mills reviews the survey findings. See survey report for details.) Jane, can you share with us your views about reauthorization – when you think the Administration and Congress will take up this legislation?

Jane Oates: Congress has a really packed agenda this fall, with healthcare leading the list of priorities. We are working with Congress on a number of issues. We are very interested in looking at unemployment insurance reform here at the Department of Labor and of course we are involved in the appropriation bills that affect the Department. Unless something changes, I believe reauthorization of the Workforce Investment Act will not be considered until early next year, particularly because the same staff members who are working on the community college initiative are also involved in the Workforce Investment Act reauthorization. We do know that a number of members in both the House and the Senate are very interested in getting this reauthorization done. So this is certainly an issue that will get addressed in 2010, if not sooner, and that's why these calls are so important. I am very appreciative that you put them together. This gives us a wonderful opportunity to formulate our recommendations for the new legislation based on a full and extensive outreach to people to get their views on what's working and what needs to be changed. So I appreciate this opportunity to join you today.

Nancy Mills: And we really appreciate you taking time to join us. It means a lot to us. Our leadoff speaker is Glen Shuck from Oregon. Glen will focus on the first question: Is the WIA system serving workers?

Glen Shuck: I have been involved in workforce development for 26 years. I believe we were able to provide better and more extensive training under the old JTP Act than we have under the Workforce Investment Act. Right now we don't have the dollars we need to support the kind of substantial training necessary to get people into good jobs. So dislocated workers are getting discouraged and eventually they will take any job to survive. We need more money in the system. When you take up re-authorizing the Act, I would recommend that you include more funds dedicated to upgrading skills and training people for jobs in growth industries. We also need to make changes in our early warning system so we can start putting workers who are about to lose their jobs into training programs as soon as possible so they can be ready to move from one employer to another, without a big transition period without a job.

Nancy Mills: Thanks, Glen. Next is Maureen Carney, from Massachusetts, who will talk about how her local rural WIB is trying to meet the needs of workers today.

Maureen Carney: Hi Jane. Everyone in Massachusetts says hello. As you know, I coordinate the dislocated worker program here in Massachusetts and I also serve on a local Workforce Investment Board that includes a large area that covers two rural counties.

I agree with Glen that many of us on the local level are dealing with a lack of funds. Because of decreased funding over the past year, we have had to be very creative in trying to make best use of the funds. Our local WIB has a very small staff. So to compensate for this, one of the positive things our WIB has done is to bring together the local building trades' council, the local economic development council, the community colleges, various community organizations and also the labor management workplace education program. Together, we worked on a great proposal that's really going to try to put folks into self-sustaining jobs in the renewable energy field and also into apprenticeships. I know that you see the value of apprenticeship programs, and we appreciate that. So our proposal focuses on a pre-apprenticeship and a job-readiness program. We will help people who have been dislocated from manufacturing and other dwindling industries, people who are underrepresented in the construction industry, such as women and minorities. We have been able to get the cooperation of so many groups in the community, including community organizations and the community colleges.

Nancy Mills: We think that partnerships like the one Maureen describes have a lot of potential. We think encouraging WIBs to link up to construction apprenticeships offers an opportunity to create long-term careers.

Let's go to our next speaker, David Weiner from Essex New Jersey, who will talk about job participation rates and their impact on the quality of jobs people are getting. David?

David Weiner: I've been on the WIB in Essex County and worked with the one-stop since it began. I attended a one-stop meeting today and learned that the training participation rate has gone up to 22.6%. As you, know, Jane, the federal requirement is 50% statewide. Essex is so large, you would expect the state's participation rate would be below 50%, but I am told we are right at 50%. So we are okay in terms of any penalties. But the training is not as good as it should be. Our WIB Board members essentially rubber stamp what the staff gives them, and we are now training people for low-paying jobs that are not sustainable. We are trying to train people with low literacy and comprehension skills rather than helping them improve their basic skills first. So we may be teaching people how to log onto computers, but we are not really training them for jobs with a future.

Nancy Mills: Thanks, David. Next, let's hear from Ed Ford from Arizona with a positive story about how his rural WIB operates.

Ed Ford: I'm from Yuma County in southwestern Arizona. Our WIB formed a partnership with the City of Yuma, Arizona Western College, the Yuma County Chamber of Commerce and the Greater Yuma Economic Development Corporation in Yuma County. Here's a quick summary of what we have accomplished:

- In 2001 we held an Economic Development Summit where we facilitated workshops with more than 70 representatives from the public and private sectors. The summit focused on defining specific strategies to reduce our chronically high unemployment rate, which is horrible, and our low per-capita income levels.
- In 2002 we held a follow up conference and evaluated unique employment challenges of our Yuma county farm workers, who make up our seasonal agricultural workforce, and how these workers impact the area's unemployment rates.
- In 2003, we conducted an employer survey that evaluated the demand for workers in 15 key occupations in our area, which include tourism, military and agriculture.
- In 2004, we sponsored an employer interview process that asked employers to identify specific technical aptitudes and basic employability skills that they sought in their workers.
- And in 2007, we formed a Yuma Manufacturers Association that is working with our local junior college to help improve the skills of potential new workers.

In addition, our WIB representatives have taken the unique step of helping create a charter high school that seeks to reverse the high dropout rates in our area. This charter school is designed for students who have dropped out of school, and it's proven to be a big success. In the last three years we have been able to graduate 150 students who otherwise would have been virtually unemployable without a high school diploma. I am a strong believer in career ladders, but I also believe we need to be able to get people on to the ladder before they can move up the ladder.

Jane Oates: Thanks, that is great news.

Nancy Mills: Lori Province from State of Washington who will talk about how her WIB is addressing both the economic development and the workforce needs of her community. Lori?

Lori Province: Jane, we have had an opportunity to meet often over the years. I appreciate very much your willingness to join these listening sessions. I am from the Washington State Labor Council, and I serve as a member of the executive committee of a local WIB in rural Washington State.

Three years ago our WIB members decided that we needed to participate more actively in local economic development efforts, and so we began to partner with local economic development organizations. Our WIB is a four-county board. Local economic development organizations have seats on our board, and our director has a seat on the local economic development board. So, there is a transfer of information that happens regularly, and we have begun to turn things around.

Several years ago, we had a really bad experience in which our resources were used to attract low-wage and non-sustainable employers. But that is changing. We are now focusing on three industry sectors that we think have strong potential for job growth. We are trying to attract new employers in these sectors so we can create sustainable jobs in our community.

Let me say, this is difficult to do. Many WIBs in our state are not as proactive as we are, and there is tension between our proactive workforce development council and certain divisions of the state employment department. And so, we work with that. We believe in trying to achieve a balance – a happy medium – between the need to get people back to work and the need to get people into good, long-term jobs. I would like to see more of our state WIBs develop self-sufficiency policies. The emphasis now is on training people in low-paying occupations. I would like to see that reversed with a greater emphasis placed on training people for jobs that lead to self-sufficiency.

Nancy Mills: Thanks, Lori. Your WIB is leading the way in a number of important arenas, including self-sufficiency. Jane, before we go further, any comments?

Jane Oates: The people on the call are addressing some critical issues. Labor Representatives want to see real partnerships -- not just partnerships in name only but partnerships that lead to specific outcomes. You want to see all members of the board get involved and you want unions to be represented on the executive committee. So, I think we are hearing very consistent comments across the country from your folks and I really appreciate it.

Nancy Mills: Thank you, Jane. We've asked our Labor Representatives to recommend to you some key changes in the WIA legislation. First we will hear from Gavin Koon from California.

Gavin Koon: First, I would like to thank you, Jane, for participating, because I think it's very important that you get to hear from those of us who do voluntary work on the WIBs. I work in Los Angeles. Our population is so large that we have seven local WIBS in the Greater Southern California area.

I would like to make two recommendations. First, we need to increase funding for the WIBs, so we can do a better job in servicing the population. In recent years, we have seen a slow reduction of WIB funding while there has been steady growth in the need for services.

Second, we need to put a greater emphasis on supporting career ladders and family-sustaining jobs. We need the Department of Labor to send stronger signals to WIBs that this should be a major focus of our workforce development strategies.

Jane Oates: Please share with me any ideas you have on new funding opportunities. This will be of interest to appropriators in Congress. During the next 18 months we are going to see an increase in funding opportunities, and it would be really helpful for the appropriators to get your input as they move into the FY2011 budget cycle.

Nancy Mills: Great. We had one more prepared comment here from Glen Shuck.

Glen Shuck: I believe we need more labor representatives on the boards -- especially apprenticeship coordinators or directors. A lot of people on these boards do not understand apprenticeship programs, and these coordinators would have a lot to add to the dialogue about training and workforce development. I think we would see more discussion about training for self-sufficient jobs with these people on the board.

Jane Oates: Okay.

Nancy Mills: So, Jane. I think that's the full extent of our prepared comments. We are asking all the other participants to go ahead and write their comments for the record for you. We will get these to you soon. Thank you again for your time.

Jane Oates: I greatly appreciate you are taking the time to talk to me firsthand. I hope we have lots of opportunities to work together in the future.

Written Comments Submitted Through the Web Portal:

Maureen Carney, Massachusetts: (Several separate notes)

- One WIB in Central Massachusetts barely ever meets. Labor reps have complained that the only gathering is a Christmas party each year! Nice party, but WIB reps are not involved in any policy setting, merely asked to rubber-stamp staff-driven priorities.
- Because Our Hampshire Massachusetts WIB is small and rural/suburban with limited staff, it maintains strong collaborations with Community College, Voc Schools, Labor-Management Training Providers, CDCs, Community renewable energy jobs, i.e. energy audits, weatherization, pre-apprenticeship. This WIB is actively forging relationships with JATCs, despite a long history of disconnection. Perhaps the recent political climate is influencing the recognition of the value of unions. At the same time, the WIB is skeptical of the time required for apprenticeship-- application process especially, as relevant for jobseekers that need immediate employment. Provides opportunity for WIB members to discuss how jobseekers can become ready for apprenticeship.
- Massachusetts has a Workforce Training Fund that targets incumbent workers-- requires union involvement in development of proposal, or worker participation if non-union.
- Franklin Hampshire Massachusetts WIB is a good example of collaboration with Building Trades. Large rural area with two counties. Lions' share of dollars goes to Boston, Hampden County, and metro-north. Limited resources to this region. Collaborations are necessary-- with the CDC's, PV economic council, community colleges, and a leading labor-management worker education program at UMass. WIB is a lead partner in a partnership of unions, employers, and community to prepare workers for apprenticeship and other jobs in renewable energy field (energy audits, weatherization, solar and wind energy installations). Highlighted as exemplary of best practices at International Foundation of Employee Benefits Bringing together WIB staff with JATCs, with State office of Apprentice Training. helping WIB understand application process (often cumbersome), and helping JATCs understand how WIB can be helpful-- pre screening,

Robert Williamson, Santa Cruz, CA: One of the problems I see is the infrequency of meetings. My WIB meets only quarterly. I echo the need for labor to sit on Exec committees. Thanks for the forum!

Gavin Koon, Los Angeles, CA: I would suggest more assistance to WIB's for obtaining grants and other sources of funding related to their work.

Dave Cleveland, Oregon: I would like to echo the comments of Robert. My board meets once a quarter, but the executive committee and the officers meet once a month. By the time the Board meets, it mostly rubber stamps the decisions the made by the executive committee and the officers. The union rep seems not to be able to get into the officer and executive meetings.

Raelene Brown, Stanislaus County, CA: The Alliance WIB's Executive Board is where all decisions are made and they also meet once a month and the Board of Directors only quarterly, need to get this changed.

Ken Jasper, West Central PA: The WIB needs to be strengthened but there also needs to be more oversight. The lack of oversight leads to debacles like the CIETC scandal in Iowa. In my experience the Title 1 contractor controls the WIB and the WIB's agenda. One solution would be to re-emphasize the role of merit employees. Since most state merit employees are unionized I would like to see a stronger merit employee presence both as workers in our one-stops and on the boards. Our board meets quarterly and canceled the last meeting because they "didn't have much of an agenda". The board has had no input into the direction and use of the ARRA monies. The board is pretty much been reduced to approving the budget. This is structural. The WIA needs to be re-written and its structure changed.

Faye Baden, Waccamaw, SC: New authorization needs to strongly define between state standards and Federal WIA standards, and not be confused with overall-state, comprehensive workforce plans.

Bill Bennett, Southwest Indiana: We need more money and teachers for basic literacy.

Written comments from those who are not WIB Labor Representatives:

Bill Messenger, AFL-CIO Washington State Labor Council: I am not sure that WIB members actually see the results that their decisions actually produce. As a WIA program director I can see that one-stops often distort their results. It seems that even the best intended plans don't equate to good training for family wage jobs. That is one reason I don't agree with more local control. The other reason is that the labor reps on WIB's often get out voted.

David Villarino, President, Farmworker Institute of Education and Leadership Development (FIELD):

A real critical issue: Workers in seasonal jobs – farmworker, hospitality, construction, etc. are a low priority to be trained. Specifically for farmworkers and packing shed workers, since it is seasonal, one stops prefer not to train them because they will not meet the retention of 30-60-90 days since the harvest is too short of a time to train them and place them. Therefore, it is the policy of DOL in the FW program that if FW's are trained with DOL \$ they have to leave agriculture. This totally depletes the human capital and is a disincentive of union employers under contract to participate to have their workers trained when they are “dislocated” after the season.

Furthermore, since farm work is usually low paying jobs, and the industry have no documented skills sets or competencies, they are unable to get them into ag training even if the industry had a longer than usual season to meet retention.

We need to have this addressed in the reauthorization of WIA. Multi-employer programs with cross training for industries that are counter-cyclical are what we did in California. Union employers with union members would be perfect for this type of solution.

**State WIB Labor Representatives Conference Call
With Jane Oates, Assistant Secretary of U.S. Department of Labor**

September 21, 2009

Note: With permission of the participants, this transcript has been edited for clarity.

Nancy Mills: Welcome Jane. We are delighted that you could join us. Our Labor Representatives plan to address three key questions on this call:

- Is the WIA system serving workers?
- Is the WIA system sufficiently linked to economic development?
- What do Labor Representatives recommend for WIA reauthorization?

Before we get to these questions, Jane, what can you share with us about the Administration's goals and timetable regarding reauthorization of the Workforce Investment Act (WIA)?

Jane Oates: Thank you, Nancy. One of our first priorities (at the Employment and Training Administration) is to have better communication and collaboration with all of our stakeholders, and I am so thrilled that all of you took time to participate in this conference call today. I am looking forward to your comments and suggestions on ways to improve the (WIA) legislation as it moves toward reauthorization.

Right now health care is the administration's No. 1 priority. Clearly the delay (in passing health care legislation) and the creation of the community college bill may push us into 2010 (before Congress takes up WIA reauthorization.) But that is absolutely not going to stop us from continuing with our listening sessions and doing what we have to do to get ready for the legislation. So, I am thrilled to talk to you and look forward to having a good discussion with you.

Nancy Mills: Great, thanks Jane. I think I speak for everyone on the call by saying we think it's great that you are taking the time to really look at WIA. We would rather you be as deliberative as possible to get the best possible piece of legislation rather than to rush something through. So, you are not going to hear any complaints from us about postponing WIA reauthorization, just a little.

So, Jane, for WIB representatives who are not familiar with our survey results, let me offer a brief review.

One of the things that became clear in the survey is that WIBs are not sufficiently focused on WIA's self-sufficiency goals. Only one in three of the survey respondents reported that the main focus of their board was retaining family sustaining jobs and connecting workers to those jobs. Most reported that their boards simply wanted to lower the unemployment rates. The main focus of most boards does not include the investment side that would allow workers to achieve family-sustaining jobs.

Nancy Mills: For example, about half of the Labor Reps in the survey said that on-the-job training (OJT) primarily subsidizes low-wage work instead of helping employers get training for a higher paying job.

We think board composition could be a contributing factor. Among our respondents 46% said that they were not aware that a major employer was serving on their board. About one third reported that temp agencies had members serving as employer representatives. And 54% of the respondents said that labor representatives were not serving on their WIB executive committees, and these committees, in fact, make most of the key decisions.

The survey also indicated that Labor Reps do not think their boards are sufficiently linked to economic development strategies, even though WIA is designed to help connect workforce development and economic development. Only one in three Labor Reps reported that their boards even dealt with issues about creating and retaining jobs.

And, finally, our survey found 69% of the respondents reporting that their WIB simply approves staff decisions rather than deliberates and sets policies. We also found that a number of the board members admit to having only a very basic understanding of client certification issues and of intensive and core services. Some don't know how well their one-stop operations are serving clients. This is something that the Institute can play a role in helping to address, in educating Labor Representatives on a range of issues critical to their roles on WIBs. The previous administration did not fund us to do this work, and we have not had the ability to communicate consistently with labor reps for about the last four years.

Jane Oates: Nancy, I understand the importance of empowering board members. I had the privilege of being a member of a state board and (in that capacity) I could ask the staff to get me any information I needed. I hope that the labor representatives do the same and ask staff for assistance. They should know who their employer representatives are and how their local one-stop operates. If they don't know, they have a responsibility to ask and find out.

Nancy Mills: We agree that in some instances Labor Representatives need to do a better job of asserting themselves and understanding their responsibilities on the boards. We see the Working for America Institute as playing a role in helping educate Labor Representatives about their responsibilities. Until recently the Institute has not been able to be in touch with Labor Representatives, and labor representatives have not been encouraged to play a leadership role on their boards. We believe we need messages to come down from the Department of Labor and elsewhere about what is expected of all board members including Labor Representatives.

Now, let's move to the three questions we want to address in our phone call. The first question: Is the system serving workers? Cathy Metcalf from Indiana will be our first speaker.

Cathy Metcalf: When a major plant in our state (Indiana) closed, I was hired by our local union to assist dislocated workers. I met employees interested in going into the medical field, but the workforce system appeared determined to provide everyone with computer training. They discouraged workers from the medical field, even though the jobs paid higher wages. The reason is that the computer training was less expensive and took less time. So, the system did not encourage career paths, and that's what concerns me. It was just about promoting computer classes, and not about finding workers a good second career.

Nancy Mills: Cathy, what did the WIB say about people being pushed into IT and computer programming?

Cathy Metcalf: Basically, clients were told that the community college had too long a waiting list for medical training.

Jane Oates: Indiana is a very interesting situation and I hope you have seen the MSNBC article that looks at the system. Cathy, as a state board member (in Indiana), perhaps you could get me some information outside of this call about the current situation in Indiana. (The state has only two local WIBs.) We hear the stories about people who were put in the wrong training or training that wasn't sustainable. I think the new legislation should address these concerns.

Nancy Mills: Exactly.

Jane Oates: I would appreciate you suggesting clear legislative language that would help get people the training they need. Obviously, because of limited funds, we are not going to be able to spend \$10,000 to \$20,000 per person on training when this same amount could train as many as

10 people. There needs to be a balance. I would love to hear from Cathy about your insights into Indiana. For WIA, Indiana has become a single state plus one area. I have some concerns about that.

Nancy Mills: Right. We will follow up with you (Jane) on both points. We will give you additional information about Indiana and also offer some legislative language aimed at providing training for good jobs without bankrupting the system.

Nancy Mills: John Gaal will now share his thoughts here about whether the system is serving workers?

John Gaal: Thank you, Nancy. I have the privilege of serving in Missouri on my state WIB and on a local WIB. Overall, I am very concerned about our apprenticeship programs. Recently I have seen local apprenticeship coordinators come in and plead their cases to WIB representatives and their pleas just fell on deaf ears. At the state level I just attended a state WIB meeting two weeks ago and I asked why apprenticeship programs don't have a permanent seat on the WIB. It seems to me that apprenticeship programs are under-represented. I believe apprenticeship is a pathway out of poverty, but what I see is a lot of the same vendors always getting the same training contracts and I believe that is one reason why apprenticeship can't break into the system. Many of the "preferred" training programs seem to be training for the sake of training.

That's my main concern: whoever receives the training contracts must be paid for performance and not merely activity. Very little of the contracts that I have seen have anything to do with outcomes. They are all about inputs and outputs. I would really love to see these training contracts awarded based on pay for performance.

At the local level, our community college acts as a vendor to our local Workforce Investment Board and they deliver classes and they get paid for those classes when the classes are over. There is very little accountability when it comes to where any of these students actually end up in terms of a related career.

Jane Oates: I don't want to put you on the spot, but if you want to send me an e-mail with your concerns, I would appreciate it. Under the law the only people who have the right of contract are at the state level. In fact, it's something that some groups have asked to be changed.

Nancy Mills: Yes. We will get that for you. Thanks, John.

Nancy Mills: Next, we will hear from Jim Brookes from Texas.

Jim Brookes: I am also concerned about our apprenticeship programs. There's a new model in Texas called "Learn While You Earn" that is being used instead of traditional registered apprenticeship programs. The new model is getting funded without any kind of the checks and balances.

Nancy Mills: Jim, you were going to talk a little bit about the trade and employment service? You have anything you want to share about that?

Jim Brookes: I am a training director in Amarillo. I have had some situations where we actually had more work than we had members and I have been pretty happy with our local workforce board being able to meet the challenges and get us good applicants. So that process seems to be working well here.

Nancy Mills: Okay, thanks. Next is Bruce Wyngaard from Ohio. Can you tell us a little bit about the role of employment services in Ohio?

Bruce Wyngaard: Yes, as you know under the Wagner-Peyser Act, public employment offices (known as the Employment Service) are part of the One-Stop services delivery system. Employment services provide the infrastructure for our public workforce system and the Wagner-Peyser Act is actually the glue that's not only helped us maintain the one-stop structure but it also has become a critical link to the state unemployment insurance system – our state labor agency. We are always on the edge making sure that we can meet the challenges (of high unemployment) in our local offices with the staff that we have. Many states like Ohio absolutely rely on funding from the Workforce Investment Act. These funds safeguard our public employment system.

Nancy Mills: Great. Jane, do you have any comments or responses to what you have heard so far?

Jane Oates: Well, to Jim in Texas, I would say that we are not endorsing anything called "Learn While You Earn." And, as you know, we are very supportive of apprenticeship programs and I appreciate your comments about them. Even though apprenticeship programs are not core to the WIA legislation, they are core to everything that we do at the ETA.

Jim Brookes: Thank you.

Nancy Mills: Our next question focuses on whether the workforce system is effectively linked to economic development. Cathy, I think you have a specific example in Indiana.

Cathy Metcalf: Yes. We have a new company, Carbon Motors, coming into Indiana, creating 10,000 jobs in our region. Last Thursday we had a state WIB meeting, and I was the only person who brought up that the fact that this new employer was creating jobs in our region – called Region 6. I was struck that our state WIB is not doing very much with local WIB members in the region on economic development. Without economic development we cannot grow and put folks who have lost their jobs back to work.

Nancy Mills: Thanks, Cathy. Jane, do you want say anything here?

Jane Oates: Yes. I would encourage Labor Representatives to bring these issues up at their state board meetings, and if their state board executive director or chair is unwilling to address these issues, Labor Representatives should let me know – put it in writing and send it to me. I would be happy to contact the governor’s office or the State WIB director. But it’s important that individual board members bring these issues up themselves at the meetings.

I fully agree that the state board’s efforts should be linked with economic development strategies, but under the Act, it is up to the governor to make that decision. It’s a local decision. And if the governor decides not to point the board in that direction, then it really is up to board members to push for this direction, and I believe some employer representatives on the board would share Cathy’s desire to improve linkages with economic development. It would seem to me that everybody in Indiana would be looking forward to 10,000 jobs coming there, but I’m not sure on this call what more I can do. I think issues like this are better handled by the individual reps contacting me one-on-one.

Nancy Mills: Right, Jane. The point we are trying to make is that we need stronger language in the Workforce Investment Act that encourages economic development and workforce development to work hand in hand. We feel we need more direction from the Department of Labor. We need to put on our thinking caps and consider how we can get the new Act to make the case even stronger for economic development.

Cathy Metcalf: I’d like to add one more thing. It’s important for Jane to know that we do raise our voices. We do speak out and vote against some issues that we think are not right. But there are only two of us (Labor Representatives on the state WIB). In Indiana, our state WIB is not pursuing economic development strategies. I think we really need to fix the system at the top so we can attract more employers, better employers, higher-wage employers. Without employers, we can’t

grow. And that's why I think we need help from Washington – to help us open things up in Indiana. Two labor folks on our state WIB can't do it alone.

Nancy Mills: So let's move to our third question: What specific recommendations do we have for WIA reauthorization. Lynn Vera from Vermont is going to get us started.

Lynn Vera: Hi, Jane. I am a Labor Representative on the Vermont State WIB. And I'm on the board because I'm in the teacher's union. Many of us feel that apprenticeship programs and the skill trades are not sufficiently represented on the WIBs, and we think part of the problem is that the current legislation only requires two Labor Representatives for each WIB. We have four on our state board in Vermont, but one includes me -- a teacher.

I am strongly invested personally and professionally in the work I do as a teacher at a technical center. I believe apprenticeship programs can be an integral part of economic development. I have my own problems with apprenticeship programs not doing their best to reach out to women and minorities who continue to be under-represented. I understand that there seems to be a fundamental conflict in the actual legislation when it comes to pushing states to really use WIA to encourage higher-wage, growth-sustaining jobs for families because I understand there is a federally imposed goal of an 80% placement rate immediately upon completion of the training program or funding can be cut. So, in my state, the system tends to direct candidates to traditional areas of employment where it is thought participants are going to get jobs. Often, the training we provide is too short term for clients to qualify for the better jobs. I think states do that on purpose to keep their dropout rates down.

I would love to see the Department of Labor send a signal to the state WIBs that emphasizes the importance of helping women develop skills in nontraditional areas. Current law leaves that entirely up to the states, and I don't know of any states who make this a priority or who fully understand the additional problems that underemployed or unemployed women face – especially women with few or no skills. When it comes to training women, it is not only about the training. It's also about providing the transportation and the child care so women can get the training. And many of these women candidates need to develop what are called “soft skills,” which are a little bit harder to measure but are necessary for women to be successful in fields that are still predominantly male.

So, I would love to see more Labor Representatives on WIBs. I would love to see those Labor Reps – and their boards -- directed by WIA language to pay more attention to non-traditional training, especially for women. I would also like to see youth programs that serve boys and girls more equitably.

I think that WIBs are not as deliberative as they should be. And, Jane, as you point out, Labor Representatives certainly have a responsibility to be more active on these boards. You can be assured that I have been raising these issues with my state board. But at the state level, the board just keeps pointing back to the legislation and the 80% mandate.

And as others have pointed out, in terms of training contracts, it's often the same old, same old. The same network of vendors keeps getting the same contracts, especially vendors who have achieved some measure of success. Unfortunately, the main focus of many WIBs is on keeping the unemployment rate down and getting people back into jobs – any job, not necessarily jobs that people care about or offer a career pathway. We are not focusing enough on apprenticeships and skill trades that lead to jobs that you can really feel some pride about. Again, I want that pride to be shared among women and girls as well.

Jane Oates:

I fully appreciate and agree that one of the unintended consequences (of the WIA) in the last 11 years has been that the system is pushing people towards short-term training. I think there are ways we can address this issue in new legislation. I think there are also ways that we can work with states to make sure the WIBs understand that 80% is not a mandate. The 80% you keep referring to, that's a negotiated performance target. As a member of the state board, you can get engaged in telling your board that 80% is a problem for focused and targeted groups. Your WIB has the ability to adjust that percentage and make an accommodation in their state plan.

There is nothing magic about 80%. If your state WIB came to me and said they wanted to work with hard-to-serve populations and wanted to adjust that percentage, I can see that we would probably allow that, as an experiment, for a year. We certainly have to be concerned about being fair with taxpayers' money. If we saw a 10 to 15% completion and retention rate, we would have to be concerned. But I don't think that would happen. Again, there is nothing magic about 80%, which is the percentage that Vermont has chosen. If the WIB wanted to have a

different percentage for a subset of hard-to-serve clients, we would encourage them to submit that.

Lynn Vera: Thank you. I think all of us, as Labor Representatives, are beginning to recognize the huge role we could be playing on our boards. Most of us are not in that inner circle on our state boards. I certainly will push a little harder in my state after hearing your answers, Jane.

Jane Oates: Thank you.

Nancy Mills: Now we hear from Tom Mathews from Pennsylvania, who is going to share a few more recommendations.

Tom Mathews: Thank you Nancy. Jane, I would like to thank you for this opportunity and let you know that our state president Bill George is also on this call.

Jane Oates: Bill has been so kind to me over the years. He is a wonderful host to visitors who come to Pennsylvania. Please give him my best.

Tom Mathews: Thank you. Jane. I will do that. In Pennsylvania, we have several concerns about the Act that I would like to share with you.

First, we are concerned about employer representation on certain local WIBs. No one would suggest that small businesses should not be at the table. But I think it's fair to ask how great a role they should play. For example, I question why someone from a small insurance office or a travel agency that employs a single person should be placed on the board. How much can they really add to the WIB's knowledge of the region's workforce needs? We feel there is a clear need to recruit many more major employers to fill seats on these boards. On a number of WIBS, major industries are not represented to the extent they should be.

Second, we believe more minorities should be community representatives on these boards. We have several local WIBs that include urban areas with large minority communities, yet they are too often marginalized and not represented in a meaningful way.

Third, we strongly support local WIB policies in support of programs for both disadvantaged young people and dislocated workers. At the same time, we've have major concerns with the administration's commitment to incumbent worker training. To be frank, this is where the union jobs are and this is what would most benefit unionized employers. Incumbent training should be regarded as a major priority

in terms of how we view the entire issue of workforce development in Pennsylvania.

Finally, too often we see WIBs functioning as a job bank rather than as an engine for economic development. I know others on this call have made this point. We feel that local WIBs should develop industry partnerships in important targeted sectors and focus on promoting and developing quality work skills and competitive companies. Major resources should be directed to these high road companies to allow them to compete on a global level. This was, in fact, the original intent of WIA – to enhance the skills of American workers so the United States can compete globally. Unfortunately, many WIBs are not addressing this challenge.

Nancy Mills: Thanks, Tom. That's the end of our prepared remarks. Do you have any additional comments that you would like to make?

Jane Oates: No, I think that's fine, Nancy. I would only emphasize that I am open to people on this call following up with me. I would like to see them become more engaged with their WIBs at the state and local level.

Nancy Mills: Jane, I just want to restate for the record what a great friend you've been to clients in the system. You understand why it's important to make investments in workers and to link to apprenticeship programs. We are going to try to help you do that and try to make sure that our WIB Labor Representatives have the tools they need to be even more effective advocates on their boards. We look forward to talking with you about specific legislative language that might help point the Act in the direction.

Jane Oates: I appreciate that.

Bill George: Can you take one more question from Bill George?

Jane Oates: Absolutely.

Bill George: Okay, I just want to thank Jane and Nancy for coordinating this call. You did a great job. It's important to understand the immediate emergency we face in states like Pennsylvania. Our Workforce Investment Boards - 22 of them in the state of Pennsylvania – have a tremendous opportunity, with millions of new dollars available for training and workforce development. But some of these boards don't meet except once every three months. We need to have discipline either ordered by the governor here or by you the Department of Labor that insists that these WIBs meet more often. With all the stimulus money and extra money that's coming into the state, we need to get

these people off of dead center. This is not business as usual. This is an emergency.

Nancy Mills: Thank you, Bill. You've had the last word. And thank you, Jane.

Jane Oates: Thank you, Nancy, and thanks to everyone on the call.