

COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES

LABOR AND INDUSTRY COMMITTEE
SUBCOMMITTEE ON EMPLOYMENT AND UNEMPLOYMENT
PUBLIC HEARING

STATE CAPITOL
HARRISBURG, PENNSYLVANIA

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WEDNESDAY, JUNE 2, 2021
10:00 A.M.

PRESENTATION ON
PENNSYLVANIA'S WORKFORCE DEVELOPMENT SYSTEM

BEFORE:

HONORABLE KATE KLUNK, MAJORITY CHAIRWOMAN
HONORABLE DAVID DELLOSO, MINORITY CHAIRMAN
HONORABLE MORGAN CEPHAS
HONORABLE TORREN ECKER
HONORABLE LORI MIZGORSKI (VIRTUAL)

OTHER ATTENDEES:

HONORABLE JIM COX

HOUSE COMMITTEE STAFF PRESENT:

JOHN SCARPATO
MAJORITY EXECUTIVE DIRECTOR

JONAS RICCI
MAJORITY RESEARCH ANALYST

JENNIFER DODGE
MAJORITY LEGISLATIVE ADMINISTRATIVE ASSISTANT II

HALEY SALERA
DEMOCRATIC EXECUTIVE DIRECTOR

* * * * *

*Pennsylvania House Of Representatives
Commonwealth of Pennsylvania*

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SUBMITTED WRITTEN TESTIMONY

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(See submitted written testimony and handouts online.)

P R O C E E D I N G S

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3 MAJORITY CHAIRWOMAN KLUNK: (Audio begins mid-
4 sentence) to call to order a hearing on the workforce
5 development overview of the House Labor and Industry
6 Subcommittee on Employment and Unemployment.

7 If you would all rise as able and join me in the
8 Pledge of Allegiance, please.

9 (The Pledge of Allegiance was recited)

10 MAJORITY CHAIRWOMAN KLUNK: Thank you.

11 Thank you for joining us this morning. I would
12 like to welcome everyone to this hearing of the House Labor
13 and Industry Subcommittee on Employment and Unemployment
14 Compensation.

15 I would like to announce that the meeting is
16 being recorded at this time. I think we've worked out all
17 of the technical bugs. We ask Members and guests to please
18 silence all of your cell phones and electronic devices at
19 this time.

20 Will our secretary please call the roll? Thank
21 you.

22 (The roll was taken)

23 MAJORITY CHAIRWOMAN KLUNK: Thank you. I called
24 this hearing to provide our subcommittee members with a
25 broad overview of the state workforce development system

1 and to get a chance to ask questions about the operations,
2 organization, policy, and workforce plans for our
3 post-pandemic economic recovery here in the Commonwealth.
4 The standing House Labor and Industry Committee has held
5 monthly meetings on unemployment compensation and will
6 continue that oversight over the next few weeks and months.

7 While ensuring eligible claimants receive
8 benefits remains our top priority, our state's full
9 economic recovery will not begin until able-bodied
10 Pennsylvanians are back to work. Our state's workforce
11 development system and the local boards certainly will play
12 a vital role in getting people back to work and certainly
13 can provide a wide array of services to those individuals
14 seeking to get back into the workforce.

15 At this time, I would like to turn it over to my
16 colleague and fellow chairman, Chairman Delloso, for any
17 remarks.

18 MINORITY CHAIRMAN DELLOSO: I'll be brief. I'm
19 looking forward to some meaningful testimony and looking
20 forward to learning more about the current condition of our
21 workforce development boards and some of the problems that
22 you may have connecting employees to employers and
23 employers to employees. And I look forward to your
24 testimony.

25 MAJORITY CHAIRWOMAN KLUNK: Thank you, Mr.

1 Chairman.

2 And this is both of our first meetings as
3 Chairwoman and Chairman, so this is our first rodeo. So
4 please forgive us for any bobbles and mistakes that we make
5 and certainly give us some grace as we work through today.

6 Today we have asked our State Workforce
7 Development Board and representatives of local workforce
8 development boards to provide information about their
9 organization and operations, their funding sources, and any
10 current initiatives or post-pandemic workforce development
11 economic recovery plans that they have.

12 So with us today, we have from the Department of
13 Labor and Industry -- online remotely, we have Sheila
14 Ireland, our Deputy Secretary for Workforce Development;
15 James Martini, the Executive Director of the Pennsylvania
16 Workforce Development Board. And here with us in person,
17 we have Pennsylvania Workforce Development Association
18 members Susie Puskar, who is the Chief Program Officer for
19 Partner4Work from Allegheny County; and from my region here
20 in South Central PA, Jesse McCree, who is the Chief
21 Executive Officer for South Central PA Works.

22 So with that, we have asked the panelists to
23 being with some opening statements. We have asked them,
24 especially the Department of Labor, to keep their opening
25 remarks to under 15 minutes total for both of you and the

1 remaining two panelists to please keep your opening
2 statements to under 10 minutes. We would like to allow for
3 plenty of time for questions at the end.

4 So Deputy Secretary Ireland, if you would please
5 begin. Thank you.

6 MS. IRELAND: Thank you, Chairwoman Klunk and
7 Chairman Delloso and Members of the Labor and Industry
8 Committee's Subcommittee on Employment and Unemployment. I
9 thank you for the opportunity to speak with you today about
10 the workforce development deputate at the Department of
11 Labor and Industry and our work with our partners in the
12 workforce development system across the Commonwealth.

13 As Chairwoman Klunk mentioned, I have with me
14 today the Executive Director of the State Workforce
15 Development Board, James Martini, and the Deputy Policy
16 Director, Tom Foley. We look forward to your questions.

17 So I'll start with an overview of the workforce
18 development deputate. The Department of Labor and Industry
19 is the lead state agency in administering interagency
20 employment and training programs for Pennsylvania's youth
21 and adults, dislocated worker labor force, and its
22 businesses.

23 Our workforce development system offers a range
24 of employment training and labor market information,
25 programs, and services. These programs help business with

1 workforce planning and with filling job vacancies. They
2 also help individuals, including those who are unemployed
3 and underemployed, look for work and to develop the
4 occupational and professional competencies needed to gain
5 and retain employment.

6 The workforce deputation includes four entities:
7 the Bureau of Workforce Partnership and Operations, the
8 Bureau of Workforce Development and Administration, the
9 Center for Workforce Information and Analysis, and the
10 Apprenticeship and Training Office. Each of these
11 operations play both separate and complementary roles in
12 administering our statewide programs and services.

13 So I'll start with the ATO, or the Apprenticeship
14 and Training Office. The ATO's primary responsibility is
15 to help employers, schools, organized labor,
16 community-based organizations and associations develop
17 talent pipelines via the apprenticeship process.

18 Apprenticeships help bridge the skills gap and
19 offer a paid job with a competitive wage from day one,
20 while simultaneously providing the education and
21 credentials needed for employment in the industry. Nearly
22 9 out of 10 apprentices are employed after completing their
23 apprenticeship, and their average salary is around \$70,000
24 per year.

25 The ATO registers new pre-apprenticeship and

1 apprenticeship programs across a variety of occupations in
2 the state of Pennsylvania, and their goal is threefold: to
3 increase both apprenticeships and registered apprenticeship
4 program capacity in Pennsylvania; to increase registered
5 apprenticeship programs in nontraditional industries and
6 reach a larger audience; and lastly, through our Ambassador
7 Network to both facilitate and better communicate the value
8 of apprenticeships in Pennsylvania.

9 Next up, I'll talk about the Bureau of Workforce
10 Partnership and Operations or BWPO. BWPO supports
11 Pennsylvania's job seekers and businesses through the
12 Pennsylvania CareerLink System. These are federally funded
13 American Job Centers, or more commonly known as AJCs,
14 coordinated by the U.S. Department of Labor's Employment
15 and Training Administration. They are branded here in
16 Pennsylvania as the PA CareerLink.

17 In the 62 CareerLinks across the state, as well
18 as the PA CareerLink website, we support businesses by
19 providing workforce needs analyses, job postings,
20 screenings, and referrals. And we help job seekers achieve
21 their career goals through assessment, employment programs,
22 and referrals to training opportunities. Our staff's main
23 function is to ensure legislative compliance through
24 programmatic oversight, data analysis, staff training, and
25 research.

1 It's also helpful to understand that the
2 Pennsylvania CareerLink System is a collaboration of
3 multiple agencies including 22 local workforce investment
4 boards, OVR, unemployment compensation, and DHS, among
5 others. L&I is responsible for oversight, in general, is a
6 way to think about it, and local workforce boards are
7 responsible for execution.

8 The Bureau of Workforce Development and
9 Administration manages the public workforce funds at the
10 state and at the subrecipient level. It does this by
11 processing the operating budgets for each of the 62
12 Pennsylvania CareerLinks; guiding the development of local
13 workforce development boards' strategic plans; developing
14 policies to ensure regulatory compliance and alignment with
15 agency objectives; and evaluating risks, controls, and
16 governance to limit the possibility of negative effects on
17 the public workforce development system.

18 And while the workforce development system in the
19 Commonwealth is composed of a mixture of federal and state
20 funding, primarily, almost 92 percent comes from the
21 federal government, and a little over 8 percent comes from
22 state funding. It is largely supported by federal
23 statutory formula grants.

24 The principal funding contributors are WIOA, the
25 Workforce Innovation and Opportunity Act, at around 45

1 percent; the Trade Adjustment Act at around 13 percent; the
2 Wagner-Peyser Act Employment Services Program, or a
3 shortcut Wagner-Peyser, at around 10 percent; and Temporary
4 Assistance for Needy Families, or TANF, at around 10
5 percent of total funding.

6 In addition to these larger pools of funding, L&I
7 also receives federal funding under the Work Opportunity
8 Tax Credit, Jobs for Veterans Staffing Grant, Foreign Labor
9 Certification, and RESEA -- Reemployment Services and
10 Eligibility Assessment Grants.

11 L&I applies for these federal statutory grants,
12 as well as other competitive federal grants. The balance
13 of the funding is then provided through the state budget.

14 Last up is the Center for Workforce Information
15 and Analysis or CWIA, as we call it. CWIA provides labor
16 market information and career exploration tools of interest
17 to students, employers, job seekers, economic and workforce
18 developers, and the public. Perhaps more importantly, CWIA
19 draws on the federal and state labor market statistics and
20 data sets produced in cooperation with the Bureau of Labor
21 Statistics, BLS, as well as on its own research and
22 analysis to develop diverse products covering employment
23 data, hiring trends, and other economic indicators.

24 In addition, CWIA certifies the federally
25 mandated common measures of performance and employment

1 outcomes under WIOA and provides data and research services
2 to the agency's unemployment compensation and workers'
3 compensation organization. It also supports workforce and
4 economic development initiatives with other agencies and
5 jointly administers with DHS the New Hire Reporting
6 Program.

7 That concludes my overview of the system, and I
8 thank you. I look forward to your questions.

9 James, I believe you're up next.

10 MAJORITY CHAIRWOMAN KLUNK: Yes. Mr. Martini,
11 please begin. Thank you.

12 MR. MARTINI: Thank you. And good morning,
13 Chairwoman Klunk and Chairman Dellosso and Members of the
14 Labor and Industry Committee's Subcommittee on Employment
15 and Unemployment. Thank you for the opportunity to speak
16 with you today about the Pennsylvania Workforce
17 Development Board.

18 The Pennsylvania Workforce Development Board is
19 the Governor's business-led, industry-driven policy advisor
20 on workforce development aligned with the Commonwealth's
21 education and economic development goals. The Board's
22 mission is to ensure that Pennsylvania's entire workforce
23 development system, covering many agencies and programs,
24 meets employers' needs for skilled workers and workers'
25 needs for career and economic advancement.

1 The composition and function of the Board are
2 governed by the Federal Workforce Innovation and
3 Opportunity Act, which was signed into law in July of 2014;
4 the Pennsylvania Workforce Development Act, signed into law
5 December of 2001, and most recently amended in July of
6 2012; and Executive Order 2018-04, most recently amended in
7 August of 2018.

8 The Board's membership is required to be composed
9 of a majority of business members, including small business
10 owners. Business members are required to have optimum
11 policymaking and hiring authority.

12 Then 20 percent of the Board must be a
13 combination of representatives of labor organizations,
14 apprenticeship programs, community-based organizations, and
15 representatives of organizations that have demonstrated
16 experience in addressing the employment, training, and
17 education needs of youth.

18 Additional Board members include the Governor;
19 two Senators and two Representatives, representing both the
20 majority and minority parties; chief local elected
21 officials; and the following state officials: the
22 Secretary of Aging; the Secretary of Agriculture; the
23 Secretary of Community and Economic Development; the
24 Secretary of Corrections; the Secretary of Education; the
25 Secretary of Human Services; the Secretary of Labor and

1 Industry; the Executive Director of the Office of
2 Vocational Rehabilitation; and the Governor's Policy
3 Secretary.

4 Pennsylvania includes many of these members above
5 and beyond the federal requirements to ensure stronger
6 collaboration across the workforce development system. The
7 Board's efforts to fulfill its mission are driven through
8 the work of five standing committees and two ad hoc
9 committees. The standing committees include Youth, Career
10 Pathways and Apprenticeship, Sector Strategies and Employer
11 Engagement, Continuous Improvement, and One-Stop
12 Operations. Our ad hoc committees include Reentry and
13 Healthcare.

14 Recommendations for improvements and priorities
15 of the workforce development system are developed at the
16 committee level, then referred to the full Board for
17 consideration.

18 Recent recommendations approved by the Board
19 include, but are not limited to, increased training and
20 professional development of PA CareerLink staff, enhancing
21 the utilization of evidence-based evaluation of
22 discretionary grant programs, and increased promotion of
23 the Work Opportunity Tax Credit and the Federal Bonding
24 Programs, which provide federal tax incentives to employers
25 hiring individuals from target groups who consistently face

1 significant barriers to employment.

2 The Board also oversees the coordination and
3 submission of the Workforce Innovation and Opportunity Act
4 Four-Year Combined State Plan. The plan is submitted to
5 the U.S. Departments of Labor and Education and outlines
6 Pennsylvania's workforce development strategy across all
7 core and partner programs.

8 Core Programs include Title I, Adult, Dislocated
9 Worker, and Youth; Title II, Adult Education and Literacy;
10 Title III, Wagner-Peyser; and Title IV, Vocational
11 Rehabilitation.

12 The Partner Programs in Pennsylvania include
13 Career and Technical Education, Temporary Assistance for
14 Needy Families, Trade Adjustment Assistance, Jobs for
15 Veterans, Senior Community Service Employment, the
16 Community Services Block Grant, and Reintegration of
17 Ex-Offenders.

18 The Supplemental Nutrition Assistance Program
19 will be a partner program in Pennsylvania's Combined State
20 Plan for the first time with the submission of the required
21 two-year modification early next year.

22 Finally, the Board oversees Pennsylvania's
23 PAsmart Next Generation Industry Partnership program.
24 Industry partnerships are a specific type of sector
25 strategy utilized in Pennsylvania to bring together

1 multiple regional employers within a targeted industry
2 sector to collectively identify solutions to challenges
3 impacting those employers.

4 The grants awarded as part of this program
5 provide funds to support the development, launch,
6 implementation, and technical assistance of NexGen Industry
7 Partnerships.

8 Through collaboration with public partners,
9 including, but not limited to, workforce and economic
10 development associations, secondary and postsecondary
11 educational providers, and community-based organizations,
12 employers within these partnerships work together to solve
13 shared challenges.

14 Thank you, and I look forward to your questions
15 and our discussion today.

16 MAJORITY CHAIRWOMAN KLUNK: Thank you to the
17 Department for sharing that testimony.

18 At this time, I would like to recognize that
19 Representative Lori Mizgorski has joined us online and that
20 Representative Torren Ecker has joined us in person.

21 I would like to remind Members that if you are
22 participating virtually to please text your chairman or
23 executive director if you have any questions throughout the
24 testimony and we can get you on the list.

25 And now at this time, I would like to turn it

1 over to the folks who are joining us here in person from
2 the Pennsylvania Workforce Development Association.

3 And first, I would like to allow Susie Puskar to
4 provide her testimony.

5 Thank you.

6 MS. PUSKAR: Thank you, Chairwoman Klunk,
7 Democratic Chair Delloso, and Members of the House
8 Subcommittee on Employment and Unemployment for giving me
9 the opportunity to speak with you today.

10 My name is Susie Puskar. I am the Chief Program
11 Officer with Partner4Work. We're the Workforce Development
12 Board for Allegheny County and the city of Pittsburgh.
13 I'll get to some specifics of what we do in just a minute,
14 but I thought I'd start by giving you a real live success
15 story of how our work changes lives.

16 Tyler spent one year in college for business
17 before realizing that higher education wasn't the right
18 path for him at the moment, so he dropped out of school and
19 started working full-time as a night manager at Dunkin'
20 Donuts and part-time as a manager at Massage Envy.

21 Juggling two jobs is difficult, and Tyler
22 realized that his upward mobility was limited in his
23 current pathway. Fortunately, Tyler heard about BankWork\$,
24 which is an eight-week training program to prepare
25 individuals for entry-level paths in financial services

1 that is sponsored in Allegheny County by Partner4Work.

2 Tyler thought about it for, in his words, half a
3 minute before enrolling in the first cohort of the class.
4 While in the class, Tyler continued to work overnights at
5 Dunkin' Donuts and at Massage Envy on the weekends.

6 Immediately after his BankWork\$ graduation
7 ceremony, Tyler joined the other graduates from that first
8 cohort at an onsite job fair.

9 Because Partner4Work brought BankWork\$ to
10 Pittsburgh with the support of the PA Bankers' Association
11 and 14 local banks, there is enviable business buy-in for
12 the program, not to mention significant competition for its
13 graduates. Tyler was offered a job on the spot by Dollar
14 Bank, and he is still an assistant manager at Dollar Bank
15 with a clear path to advancement.

16 According to Dr. Paul Spradley, who is Dollar
17 Bank's assistant vice president for diversity, equity, and
18 inclusion, the BankWork\$ program is a no-brainer because
19 you are helping your community and attracting a
20 well-trained, diverse talent pipeline.

21 Traditional talent pipelines are drying up, and
22 BankWork\$ offers a path to addressing the impending
23 shortage of talent with a qualified pipeline. With
24 programs like BankWork\$ and a portfolio of other
25 programming, Partner4Work leads the development,

1 integration, and implementation of a world-class workforce
2 development system in our area.

3 We connect funding, expertise, and opportunities
4 for employers, job seekers, and community-based
5 organizations. We partner with the State Department of
6 Labor and Industry and other partners to help administer
7 the PA CareerLink System in our region, which has been open
8 for business throughout the pandemic.

9 Together with our partners, we have thought
10 creatively, acted quickly, and worked together for our
11 community throughout the pandemic. Since March of 2020, we
12 have helped connect adults and dislocated workers with
13 training, case management, and jobs; youth with work
14 experience, GED courses, and next steps in their career;
15 and local employers with talent.

16 We do this work because local workforce
17 development boards are uniquely positioned at the
18 intersection of supply and demand. We understand our local
19 labor markets, employer demand, and job-seeker needs in
20 ways that few others do. We understand how to effectively
21 utilize public dollars, leverage private funds, and get a
22 return on investment on every dollar that we spend
23 connecting job seekers with employers.

24 A key part of this work is industry partnerships
25 which support local businesses by understanding employer

1 needs across industry, creating training programs and
2 talent pipelines, and promoting employer-recognized
3 credentials. Industry partnerships allow for scalability
4 of solutions that work and increase the opportunities for
5 public-private partnerships and private investment in the
6 workforce system.

7 We have a proven track record and know what it
8 takes to meet the needs of businesses and help job seekers
9 get into career pathway occupations. We need flexibility
10 and funding and collaboration of data systems to do this
11 more effectively.

12 The pandemic has laid bare the inequities in our
13 system. To emerge strong, we need to ensure that workers
14 return to the labor market and need to modernize how
15 employers recruit and retain talent.

16 We have had a critical work shortage in our labor
17 market long before the pandemic, and training alone is not
18 the solution. Clear coordination and communication across
19 systems is also critical to ensuring that we can meet the
20 needs of job seekers and employers alike.

21 During the early days of the pandemic, 93 percent
22 of the calls to the PA CareerLink Centers in Pittsburgh and
23 Allegheny County were about unemployment compensation.

24 While our staff does what we can to help job seekers find
25 answers to their questions about UC, we're not the

1 unemployment center and are unable to answer many
2 questions.

3 As work search and registration requirements
4 resume for unemployment compensation, we need to ensure
5 that communication among systems is clear and that when a
6 job seeker calls PA CareerLink they get connected quickly
7 to the answers they need and to reemployment services.

8 Thank you again for your time this morning.
9 Partner4Work has submitted a lengthier written testimony
10 for you, and we welcome the opportunity to continue this
11 dialogue and collaboration with the subcommittee moving
12 forward.

13 MAJORITY CHAIRWOMAN KLUNK: Thank you, Susie.

14 And now, Jesse McCree from South Central PA
15 Works.

16 MR. MCCREE: Thank you. Good morning.

17 Thank you, Chairwoman Klunk.

18 Thank you, Chair Delloso, and for Members of the
19 Subcommittee. Appreciate the opportunity to share with you
20 a little bit about the workforce development system here in
21 South Central Pennsylvania.

22 My name is Jesse McCree. I'm the CEO of South
23 Central PA Works, which is the regional workforce board
24 that serves an eight-county region here in South Central
25 Pennsylvania including York, Cumberland, Dauphin, Adams,

1 Lebanon, Franklin, Juniata, and Perry counties.

2 We are committed to investing in, evaluating, and
3 advancing high-impact workforce programs that serve youth,
4 adults, displaced workers, and particularly those that have
5 been most impacted by COVID. We also act as a convener and
6 a connector to the thriving business community here in
7 South Central Pennsylvania.

8 There is an expression that I've heard before. I
9 think it's somewhat salient today: Never have a story
10 without numbers and never have numbers without a story. So
11 here goes a story or two to contextualize a little bit of
12 the work that we do.

13 Tonya came to our PA CareerLink Center actually
14 here in Harrisburg in Dauphin County in November of 2020.
15 She was very open and honest about her past. She had a
16 drug-related felony on her background. She had served time
17 in prison in the early 2000s. She had worked in warehouses
18 most of her life. And her experience in other fields, such
19 as sales, was less than best and less than satisfactory.
20 And at age 46, she decided that she needed to get out of
21 the warehouse and try something new.

22 So as our team at the PA CareerLink began
23 providing job leads for Tonya, we started to discuss career
24 pathways with her. It became apparent that Tonya was both
25 very understanding and also very articulate over the phone,

1 and our staff wondered if there may be a potential for a
2 more family-sustaining job for her, maybe in shipping,
3 receiving, or in customer service that would maybe suit her
4 better than the warehouse jobs that she was in.

5 So our outstanding PA CareerLink staff provided
6 Tonya a list of job leads which included a customer service
7 role from Delta Dental, which is over in Mechanicsburg, and
8 we enrolled her at the PA CareerLink in a customer service
9 boot camp training program. And that provided sort of a
10 deep dive in the best practices of how to do a role like a
11 customer service job.

12 We worked with her through a comprehensive career
13 and skills assessment, and that outlined her strengths and
14 weaknesses and potential areas for her to grow. And then
15 we also helped her develop a game plan for nonemployment
16 services such as a family budget or ways to help with
17 childcare or transportation, all things that we do at the
18 PA CareerLink.

19 So you can imagine her joy and ours too. A
20 little bit before Christmas in 2020, she gave us a call
21 with a big smile on her face, over the phone if you will,
22 that she had been made a job offer at Delta Dental starting
23 actually earlier this year in January at \$16 an hour. It
24 was just another day at the office for the PA CareerLink
25 staff, but it truly was a game changer, really a career

1 changer for Tonya.

2 These stories aren't just about job seekers
3 though. I think it's important, as Susie mentioned, that
4 we are serving both sides of the labor market -- both the
5 supply and the demand side.

6 York Precision and Machining Hydraulics, which is
7 a small manufacturing company in York County, makes custom
8 hydraulics components and custom parts for military right
9 here in this region, in York PA. And they are known
10 worldwide for their precision large-scale machining and
11 superior hydraulic actuators, which I don't know much about
12 but I am assuming those are very important if you're
13 building key military machinery.

14 They are, like so many employers across our
15 region, struggling with one critical and common challenge,
16 and that's a challenge to sustained growth. And that is
17 finding and developing a skilled workforce for them to
18 compete in today's economy.

19 York Precision has actually doubled their
20 employment over the past couple years and they have secured
21 contracts well into 2022, but they were running into one
22 key problem when they reached out to our PA CareerLink
23 staff earlier last year. They weren't finding the workers
24 that they needed to meet the demand to fulfill these
25 contracts that they had. That's when they reached out to

1 us and our business services team.

2 We met with their leadership and identified key
3 occupations that they were hiring for, potential training
4 opportunities that could be feeder programs for their
5 growing company, and so on.

6 And collectively we landed on a strategy driven
7 by the business, a strategy of on-the-job training, which
8 is a common program in our region as well as Susie's as
9 well, where the PA CareerLink would identify potential
10 candidates that would be a good fit for York Precision.

11 The company, York Precision, would vet those
12 candidates. They would hire the applicants and then South
13 Central PA Works, as the workforce development board, would
14 fund a portion of the first eight weeks of their work while
15 the new hire learned the job, on-the-job training.

16 So this program has been a huge success for
17 everyone involved here with York Precision and South
18 Central PA Works. It's led to employment for a number of
19 new hires and a pipeline of talent for years to come.

20 In the words of York Precision themselves, they
21 said, "York Precision thanks South Central PA Works and the
22 people of York County. You provide us outstanding
23 employees, outstanding suppliers, and outstanding
24 customers.

25 And I think that encapsulates pretty well the

1 services that we provide every day at the PA CareerLink to
2 the employer community. So these are just two of the many
3 stories that happen every day.

4 So now for a couple of numbers, like I promised
5 you. I can say that out of all the numbers I'm about to
6 share in the few minutes I have is the number 1. And I
7 alluded to this before. In a poll that was taken right
8 before COVID-19, the Pennsylvania Chamber of Business and
9 Industry polled businesses across the Commonwealth as to
10 what their number 1 concern was, what their biggest
11 challenge was. What was the thing that kept them awake at
12 night the most?

13 And the number 1 thing, more than increased
14 healthcare costs, more than increased taxes, and more than
15 increased regulation was finding and keeping a skilled
16 workforce -- the number 1 challenge for businesses. What
17 COVID-19 did is it only catalyzed and further exposed these
18 challenges of having a lack of supply of a skilled
19 workforce in our region.

20 So the dual impact of the pandemic and the
21 subsequent recession had the shifts in the labor market.
22 And we saw that these shortages in workers pre-pandemic
23 were only made worse as we saw in 2020, with the pandemic
24 impacting those in our region.

25 So in 2020, we served over 8,000 job seekers,

1 both online and in person. We engaged with over 900
2 employers, just like York Precision, providing labor market
3 data, training, networking opportunities, and even
4 solutions for their skilled workforce, like we did with
5 York Precision.

6 We invest over \$17 million in federal and state
7 resources, again to serve youth, young adults, displaced
8 workers, and those most impacted by COVID. But we're also
9 working with our higher education partners, economic
10 development, and other community-based organizations in our
11 region to build a skilled workforce.

12 So each week at the PA CareerLink Centers we're
13 working together with the Department of Labor and Industry
14 and their wonderful staff to reach out and serve hundreds
15 of UC claimants who are about to or have exhausted their UC
16 benefits. That is a key priority for us right now.

17 So we're proud of the work that we do. We're
18 proud of the people and the communities that we get to
19 serve. I'm very privileged and thankful to be able to
20 share that with you today and look forward to continue our
21 conversation. Thank you.

22 MAJORITY CHAIRWOMAN KLUNK: Thank you to everyone
23 for your testimony. It was very comprehensive. And I look
24 forward to getting into some questions here so we can dig a
25 little bit deeper and so we can learn a little bit more

1 about some of the challenges that you guys are facing and
2 how we can move forward here in a post-pandemic world.

3 With that, I would like to open it up to the
4 Committee for questions. We do have plenty of time here,
5 so typically we try to limit questions but would like to
6 open it up to the Committee for any particular questions.

7 And Representative Morgan Cephas, if you would
8 like to start.

9 REPRESENTATIVE CEPHAS: Thank you for letting me
10 go first, Chairwoman.

11 Thank you again for -- all of you, for being here
12 today. We are climbing out of a crisis, out of a pandemic,
13 but there is another saying that for every crisis we really
14 need to look at it as an opportunity to rebuild a system
15 that lays a better foundation.

16 And I truly believe that all of you sitting at
17 the table, as well as the Subcommittee, really should use
18 this time and the resources that we're going to get, both
19 from the federal level as well as the upcoming state budget
20 to, again, build -- not to steal another line, build back
21 better when it comes to this workforce development system.

22 So my first questions are to the workforce
23 boards. And thank you so much for the testimonials that
24 you gave because oftentimes when we look at policy and we
25 look at data and we're constantly reading reports, to hear

1 an actual experience from the ground as to how these things
2 are being implemented is extremely powerful.

3 And I just do want you to know I will be stealing
4 your line that you gave because it's pretty good with the
5 numbers and the stories.

6 But both of you mentioned your role in the supply
7 and demand as it relates to the workforce and the business
8 community, but you also highlighted in each of your
9 examples essentially a pre-apprenticeship-style program
10 that was created to create a bridge into the workforce.

11 If each of you could talk a little bit more about
12 that because currently sometimes the challenges with some
13 of these programs is that they require entrance exams or
14 you have to have a relevant resume or some type of
15 post-secondary credential. But it sounds like these bridge
16 programs allowed a different pathway and a different
17 strategy that essentially resulted in success for the
18 clients that you serve.

19 So could you talk a little bit more about what
20 were some of the challenges or barriers with those programs
21 that you established, but also how do we need to invest
22 further as we look at, for example, the American Jobs money
23 that's coming in? How do we look at investing in these
24 type of programs and scaling up to ensure that as many
25 people as possible, as we move out of COVID, have access to

1 these programs?

2 And I do understand a portion of the expense was
3 paid by the businesses but then also federal dollars. What
4 do you think is a good makeup moving forward?

5 MR. MCCREE: That's a great question. Thank you,
6 Representative Cephas.

7 There's a lot of great points that you made and a
8 lot to unpack to keep it sort of a high level. So I would
9 say that the model of apprenticeships or
10 pre-apprenticeships fits in, generally, under a category of
11 earn while you learn. And what you're speaking of is the
12 efficacy and the impact of earning while you learn.

13 So and perhaps this is a little bit of Pandora's
14 box. I understand that the word apprenticeship has
15 connotations, right? And I understand that in some cases
16 that's a barrier to entry to even want to pursue a
17 conversation because of apprenticeships. But if we put
18 that word aside, we can agree that there is something about
19 earning while you learn.

20 So what falls under that category?
21 Apprenticeships, for sure. Registered apprenticeships,
22 formally at the state -- our colleagues at Labor and
23 Industry and the ATO, the Apprenticeship and Training
24 Office, can sort of work through the registered
25 apprenticeship side.

1 Increasingly at workforce boards,
2 pre-apprenticeships are becoming important. What if a
3 young person who's graduating high school doesn't know if
4 he or she wants to enter into an apprenticeship? Well, a
5 pre-apprenticeship can be coursework and internships,
6 externships, and work experience to identify do I have the
7 skills, knowledge, and ability to pursue this? Do I want
8 to pursue this? And they are earning while they are
9 learning.

10 It can also provide many entryways and exit ramps
11 for various career pathways. Well, I don't want to be a
12 registered apprenticeship in this, but actually there are
13 four more occupations that I'm now aware of because of
14 this.

15 Some of the things that we talked about here with
16 on-the-job training, it's not really an apprenticeship, but
17 it kind of is, right? I mean, it's earning while you
18 learn. It's giving the company ability to train that
19 person on perhaps machinery or equipment that's proprietary
20 to that business, and again, all while that person is
21 earning.

22 I think the general comment would be the move in
23 workforce developments in the system has been away from
24 train and hope for the best, right, put people in a
25 classroom and hope that they get a job to a very

1 industry-responsive model.

2 Hearing from business, what are you looking for?
3 You're looking for a machinist. Well, how do we build a
4 pipeline of talent, either through an apprenticeship
5 program or something else, where we can actually build a
6 skilled workforce that is agile and responsive to the needs
7 of business?

8 So what you're hitting on is apprenticeships is
9 under a larger category where workforce development is
10 moving towards this earning while you learn. So it's a
11 great point.

12 REPRESENTATIVE CEPHAS: Right.

13 MS. PUSKAR: Thank you very much, Representative
14 Cephas, for that question.

15 And I would echo all of the points that Jesse
16 made. The key game changer really is that business buy-in,
17 and so a good example of this that we have in our local
18 region is with the Intro to the Construction Trades
19 program. And the 16 registered apprenticeships in
20 construction came together and recognized that they had a
21 real talent pipeline issue and that they were looking at
22 how do we create additional opportunities to entering into
23 the trades?

24 And the Builders Guild of Southwestern
25 Pennsylvania along with Partner4Work created the Intro to

1 the Construction Trades program. And it's a unique program
2 in the sense that individuals who go through that training
3 program are guaranteed a spot in a labor union or into one
4 of the apprenticeships. And so that guarantee changed the
5 name of the game for us and it made recruitment of a talent
6 pipeline much easier into that training program.

7 And then what we have been able to do is look at
8 what are the barriers to entry then into that Intro to the
9 Construction Trades training program? And we know that
10 individuals who are going into the labor union or one of
11 the other trade unions need to have their GED or their high
12 school diploma, and they also need to have a driver's
13 license.

14 And so what we've been able to do with that
15 partnership with Intro to the Construction Trades and our
16 Title II adult education provider, Literacy Pittsburgh, is
17 to create a wraparound program so that individuals can go
18 into Literacy Pittsburgh, GED training, and adult education
19 training programs, and then while they're still getting
20 their GED they can enroll into Intro to the Construction
21 Trades in order to be able to get their GED at the same
22 time that they're going through that pre-apprenticeship
23 training program.

24 The PA CareerLink comes around and provides
25 wraparound supports in terms of helping individuals get

1 that driver's license, or if they have points on their
2 record or something like that then PA CareerLink helps with
3 those supportive services. And then at the end of the
4 program that guarantee into a labor union really makes a
5 big difference in terms of making sure that that person has
6 a pathway moving forward.

7 So I think that having that business buy-in into
8 training programs and moving away from placing people into
9 training and then just hoping for the best has been a real
10 shift in the workforce development system in the past five
11 years and has been a critical part of our success.

12 REPRESENTATIVE CEPHAS: I appreciate that you
13 both said that because, as we're looking to again make
14 future investments or maintain investments in different
15 program models, we need to make sure that we're paying
16 attention to completion, placement, and retention as we
17 continue to build out these models, but then also ensuring
18 that these models incorporate some type of transferrable
19 skills.

20 So in the case that an individual is not
21 interested in staying in that industry, they're able to
22 pivot without having to start from square one. So I
23 appreciate that.

24 Thank you, Chairwoman.

25 MAJORITY CHAIRWOMAN KLUNK: Thank you,

1 Representative Cephas.

2 And just as a quick follow-up, I'm going to take
3 a little bit of liberty as the chairwoman here to that.

4 When you're talking about funding and you've
5 identified that these work-while-you-earn type programs are
6 the ones that seem to be getting the best outcomes and
7 partnering with local businesses, how are you then --
8 again, you have a limited amount of dollars and we're going
9 to have some additional -- hopefully, some funding coming
10 to workforce development, what do you see moving forward as
11 some of the programs that maybe you can't do right now but
12 additional funding might be helpful?

13 So what's on the horizon? If we're looking at
14 additional funding for this, how can we be of service in
15 that area?

16 And then on the back-end side, from an assessment
17 point of view, how are you guys figuring out which programs
18 and which makeup is best for getting that best bang for the
19 buck for those dollars? And what types of qualifications
20 are you looking for in partnering with a business or a
21 particular industry with a program?

22 MS. PUSKAR: Sure. I'll take this one first.

23 So the question of what's on the horizon in
24 Allegheny County, the word on everyone's lips is tech,
25 right? There are huge opportunities in information

1 technology and a real need to build a talent pipeline and
2 build new opportunities to access those jobs in tech.
3 We're thinking about nontraditional apprenticeships in the
4 tech space.

5 We are blessed in the Pittsburgh region to have
6 really great four-year degree programs across the board,
7 but for individuals that don't have a four-year degree in
8 computer science, there are still career pathways in the IT
9 space.

10 And looking at organizations like Per Scholas,
11 which is a national training program that's recently come
12 to Pittsburgh and that really focuses on those short-term
13 training credentials and that has created business buy-in
14 into their training program prior to coming into Pittsburgh
15 has been a real important piece for us moving forward.

16 So Per Scholas is about to graduate their first
17 cohort in Pittsburgh in Java web development. They are
18 currently looking to start their next cohort in kind of
19 general IT helpdesk support and being able to help to scale
20 that program quickly. We have the business buy-in. We're
21 just looking at how do we continue to find both private and
22 public dollars to be able to invest in that program where
23 we know that it works. So that's one kind of component of
24 what we're looking for.

25 When we're talking to businesses about how do we

1 help them with their talent needs, we're really looking at
2 measures of job quality. There are certain jobs at certain
3 employers that are well known for not being great jobs, and
4 so we don't want to help fill those jobs. We want to help
5 fill the jobs that people are able to be retained at, that
6 they are able to earn a family-sustaining wage, that they
7 have a clear path for advancement, that there are
8 strategies in place to help retain them at that employer.

9 And so part of that is are there tuition
10 benefits, for instance? If someone comes in at an
11 entry-level job, can they go back to school with the help
12 of their employer and then advance at that employer?

13 That's a real key component of the work that we do in a
14 program called PartnerUp that's sponsored by PNC Bank and a
15 number of other organizations in Pittsburgh.

16 They looked at all of their jobs and said we need
17 to recruit a talent pool directly out of high school, but
18 we don't want that talent pool to stop with their high
19 school education. So we want to bring them in right out of
20 high school, get them ingrained in our culture and know
21 that they want to stay at our organizations, and then we
22 want to help them stay here. We want to help them identify
23 those opportunities for advancement.

24 So partnering with organizations like PNC and
25 UPMC has allowed us to find those jobs that are those

1 quality jobs that allow for those pathways.

2 MR. MCCREE: Well said, Susie.

3 I will -- is it okay to respond?

4 Okay. So briefly, I would say, with regards to
5 the IT occupations, I'll give you three quick answers. One
6 is a scaling of work that we've already seen effective, a
7 current grant-funded program that I couldn't speak more
8 highly of, and that is the Next Generation Industry
9 Partnership, and Mr. Martini is on the video call here.
10 I'm sure he'll back me up on this.

11 The reason why is -- and I'll get to a new
12 program in a second. But to scale an effective program is
13 putting businesses at the center of the table and allowing
14 them to drive the needed changes and investments in
15 workforce development.

16 The Industry Partnership Program was funded, I
17 don't know, I think years and years ago at somewhere close
18 to \$20 million a year, and I think we're in that \$4 million
19 range or so in the past couple years.

20 We use those dollars to convene key sector groups
21 such as in IT, and we see businesses responding by having
22 their buy-in, by having their skin in the game, by having
23 their investment. Candidly, I think we both -- probably
24 Partner4Work -- I won't speak for you, but I think we view
25 our workforce boards as public-private partnerships more so

1 than just pass-through dollars for federal investments with
2 WIOA and the like.

3 So we have this opportunity to really scale our
4 power as a convener and a connector of businesses. So the
5 Industry Partnership Program, if you ask any business
6 including the Manufacturer's Association in South Central
7 Pennsylvania, Tom Palisin in York, has great things to say
8 about that. So that would be definitely a pitch to support
9 that.

10 But one of the things I think we'd like
11 to do more in -- we have this great program with Harrisburg
12 University, right here in Harrisburg, where we work with
13 TANF youth -- Temporary Assistance for Needy Families,
14 those students, usually between 16 and 18 years old, whose
15 families are on some form of public assistance.

16 We bring them into Harrisburg University for a
17 summer camp, a coding camp. They get to build their own
18 computer using some technology called Raspberry Pi, and
19 Harrisburg University actually gives them a college credit
20 and a certificate of completion, a credential with that
21 college credit.

22 For a lot of these students, higher education may
23 as well be Mars. It's a world away. It's right in their
24 back yard, but they may as well be just as disconnected as
25 another planet.

1 So to bring them into higher education, to invest
2 in them the skills of training in these occupations like
3 IT, we need to be doing more of this sort of innovative
4 work with this 16- to 20-year-old high school student --
5 imminently graduating student, to bring business investment
6 in, to bring higher education in, and to make sure that we
7 are, as a workforce system, combining and aligning both
8 WIOA dollars, as well as TANF dollars, as well as private
9 investment.

10 So it's these sort of programs that I think we
11 could think really innovatively about how we can build a
12 stronger workforce collaboratively.

13 MAJORITY CHAIRWOMAN KLUNK: Thank you.

14 And I believe Chairman Delloso had a follow-up to
15 that.

16 MINORITY CHAIRMAN DELLOSO: Yeah. No, not
17 necessarily a follow-up to that but a quick question.

18 We see all the federal dollars and all the state
19 dollars going into training. My question would be, do you
20 think, on a grand scale, that we have enough employer
21 buy-in in that training is the burden of the employer, not
22 necessarily a burden on the employer? Are our employers
23 buying in enough with their own money, and what industries
24 do you see that we may need more buy-in from employers?

25 MR. MCCREE: Yeah. So is this a space where I

1 can be candid?

2 All right. Good. Yeah. Couldn't agree more. I
3 think the need for employer buy-in for training couldn't be
4 overstated.

5 And candidly, I think the need is for
6 organizations such as workforce boards, but not exclusive
7 to workforce boards, can do more to act as a -- I'll use
8 the term again, convener and connector to make sure that
9 private companies understand that this is not -- on their
10 balance sheet, training their employees is not on the
11 liabilities side of the balance sheet, but it's on the
12 assets side of the sheet.

13 The more we invest in our people, the stronger
14 our businesses are. The stronger our businesses are, the
15 more they're growing. The more they're growing, the more
16 we can hire and the more we can invest in our people.

17 To sound like a broken record, again, it's the
18 opportunities to bring like-minded employers together in
19 fields such as warehousing and supply chain and logistics.
20 Again, I'm speaking here of South Central Pennsylvania, but
21 if you've traveled up I-83 or I-81, they're building
22 millions of square foot warehouses on spec. Right?
23 They're building them, and they're leased as soon as
24 they're done.

25 The question for me would be how do we work with

1 that industry more to move away from some of these jobs
2 that I think the perception is -- erroneously, but the
3 perception is that those are not great jobs -- or
4 potentially that they're dead-end jobs or aren't strong
5 career pathways, and bring those employers together using
6 some programs, like the Next Generation Sector Partnership
7 Program, and say what are the ways that your industry has
8 changed? What are the ways that you can invest in your
9 employees for the automation, robotics, AI, all of the
10 things that will ultimately invariably change in supply
11 chain and logistics?

12 So the short answer is I think employers want it.
13 I think they see the need. And we as a workforce board
14 feel that our role is to help convene them and show them
15 the impact of their investments in training the workforce
16 for today and tomorrow.

17 MS. PUSKAR: I'd agree with that and say that
18 there are some industries where we have leading employers
19 who are ready and willing and currently investing their
20 dollars. Financial services is one of those where those 14
21 banks contribute financially to that BankWork\$ training
22 program. Healthcare is another one where we have employers
23 at the ready who are investing in training.

24 I think the really big industry for us right now
25 that we're thinking about how do we build that employer

1 buy-in in a different way is the retail and hospitality
2 sectors. Those are sectors where there are a lot of
3 entry-level jobs; there are absolutely career pathways.
4 But we still have a lot of work to do in order to get
5 employers to invest in those sorts of programs.

6 There are apprenticeships in hospitality in many
7 of the hotels in Denver, Colorado, for instance, that
8 absolutely could be replicated here in the Commonwealth.
9 So how do we find those entry-level people who are really
10 passionate about that customer service and retail and
11 hospitality sector and help advance them in their skills
12 while they're doing an earn-while-you-learn model? That's
13 one of the big questions we have moving forward.

14 MAJORITY CHAIRWOMAN KLUNK: Thank you. And just
15 as, again, another follow-up to this. I think this hearing
16 is really helpful.

17 When it comes to that high school level, what are
18 you guys doing in terms of educating the youth to let them
19 know, to let their parents that these programs are out
20 there? How are you getting to those Harrisburg students?
21 How are you getting to the Pittsburgh students to let them
22 know that these opportunities are out there?

23 And what can we do better to get them while
24 they're younger, to get them into that pipeline so that
25 they're not the 46-year-old Tonya who is just trying to

1 find that new career pathway at 46? But can we get them in
2 at 16, 17, 18 and get them on their way?

3 MR. MARTINI: So this is James. I'm happy to hop
4 in on that one a little bit. And I do appreciate Mr.
5 McCree and the kind words he says about the NextGen
6 Industry Partnership Program.

7 One of the best things about the Industry
8 Partnership Program that we support is it involves bringing
9 businesses in together and asking them the questions about
10 what their needs are. Oftentimes, I think in the best
11 intentions we think we know what the solutions are. But to
12 be able to ask those folks that are running the businesses
13 exactly where their challenges are provides us with the
14 best information possible about where to make investments.

15 And a lot of the industry partnerships -- we're
16 currently funding 28 of them in the last go-around --
17 career awareness is one of the business-identified needs
18 that we support almost entirely across the board.

19 It's especially prevalent in the manufacturing
20 sector where there's a lot of misconceptions about what the
21 work looks like, but they take the resources and they put
22 together videos, marketing materials. They go directly
23 into schools to talk to both students and oftentimes their
24 parents about what the opportunities are because otherwise
25 they just wouldn't be aware of them, so.

1 MS. PUSKAR: That's a great question and one that
2 we are challenged by in Allegheny County. So Allegheny
3 County has 43 school districts and as a result we have
4 uneven partnership with some of them, right? We are really
5 working very closely with a lot of school districts, but to
6 work very closely with 43 different school districts is
7 just outside of the scope of what we can do.

8 That being said, some really successful programs
9 that we've run in the past that have been put on hold,
10 given the pandemic, include teacher-in-the-workplace
11 programming. And that is -- we have worked with 40 of the
12 43 school districts and educators at those districts to get
13 them into our local employer partners so that those
14 teachers, those counselors, those librarians can help
15 provide some of those career services, as well, to young
16 people.

17 We provide in-school youth programming in the
18 classroom at about 10 of the different school districts
19 within Allegheny County and work closely in order to ensure
20 that students in those schools have that connection into
21 those workplace programs.

22 The PartnerUp Program that I mentioned was
23 started, in part, thanks to funding from the Department of
24 Labor and Industry through what was called the Business
25 Education Partnership Program, and with that program now

1 it's grown to 15 different employers who are working in our
2 region and who fund the program entirely on their own. We
3 don't have any public investment in that program anymore
4 because employers saw the value of connecting in with every
5 single junior at the high school and saying there are
6 careers at each of these local employers for you.

7 And then they work very closely with the
8 education staff at the school to identify those seniors who
9 don't have plans to go on to college right after graduation
10 and work more intensely with those seniors.

11 The first year of the program, 50 young people
12 were offered a job in a career pathway with one of our
13 employer partners, and that has only grown since then.

14 So if you can graduate from high school and go
15 directly into a job that pays \$16 or \$17 an hour with the
16 opportunity for advancement and education benefits, that's
17 a program really that we'd love to scale and figure out how
18 we can continue to advance into other schools within our
19 region.

20 MR. MCCREE: Briefly, I would second the Business
21 Education Partnerships, the BEP Program. We have found
22 that to be a great success here in South Central
23 Pennsylvania for many of the same reasons that Susie
24 articulated.

25 When you're talking about business buy-in and

1 when you talk about connecting with high school students, a
2 lot of this is economies of scale. Rather than each school
3 district reaching out to 50 employers and saying, we have
4 opportunities for internships and externships and summer
5 programs, what this is doing is it's allowing one entity,
6 such as a workforce development board, but not exclusively.

7 Intermediary units, IUs, are also well served for
8 this purpose of grouping together many school districts to
9 say, instead of businesses going to each school district
10 and recruiting on their own, let's act as a, again,
11 convener and connector. And so the BEP Program has been a
12 great success in placing high school students into summer
13 experiences and full-time work.

14 MS. IRELAND: I would also add that we have just
15 released the School-To-Work Grants that are also aimed at
16 helping students transition into the workforce. And while
17 we would have loved to fund that at a larger scale -- we
18 spent \$2.6 million -- applications exceeded our ability to
19 fund by an order of -- I think we got about 50 applications
20 and were able to fund 6.

21 MAJORITY CHAIRWOMAN KLUNK: Thank you, Deputy
22 Secretary Ireland, for that information. And the
23 Schools-To-Work Program was actually a joint collaborative
24 effort between me and my Democratic colleague, Jared
25 Solomon, and that was based on some work going on in my

1 home community that we saw as one of those conveners and
2 connectors with the Hanover Area Chamber of Commerce.

3 Gary Laird is going to be joining us in the
4 afternoon session talking about those specific
5 apprenticeship programs, and we can't wait to learn a
6 little bit more from him. But I do know that there is
7 demand out there. It's great to hear that there were 50
8 applications, and hopefully we can maybe target some
9 additional funding that way.

10 So I would like to turn now to an online question
11 from my colleague, Representative Lori Mizgorski.

12 Representative Mizgorski, go ahead.

13 REPRESENTATIVE MIZGORSKI: Good morning. Thank
14 you. Can you hear me?

15 MAJORITY CHAIRWOMAN KLUNK: Yes. We can.

16 REPRESENTATIVE MIZGORSKI: Okay. Thank you,
17 Madam Chair.

18 And thank you to all our testifiers.

19 My question will be for workforce development
20 members, and I'm going a little bit different direction. I
21 wanted to know that throughout the pandemic, did you
22 experience any change in demand for your programs and
23 services, whether that be from the employer side or the
24 employee or someone seeking employment?

25 Also, I want to know, do you expect -- with the

1 return of the work search requirements that are coming back
2 in July, do you expect an uptick in the demand for your
3 services and programs, and if so, what are you doing to
4 prepare for that?

5 MS. IRELAND: So two things. I guess the
6 important thing to remember is prior to the pandemic,
7 Pennsylvania CareerLink served around 220,000
8 Pennsylvanians in full employment. So clearly, with the
9 impact of the pandemic tripling unemployment, we have had
10 some increase in demand. Part of it has been though uneven
11 because we have been closed because of the pandemic.

12 At present, almost every CareerLink is open.
13 Some are open for walk-ins. Some are open for
14 appointments. Some are open just virtually. But we are at
15 the opening stage.

16 But I think what we're seeing is demand ramping
17 up as the impacts of the pandemic tend to ramp down. And
18 so as people feel safer to return to work, especially in
19 front-line demanding occupations, we see more demand at the
20 Pennsylvania CareerLinks.

21 As for the work search requirement, I don't
22 necessarily believe that we will see full impact of the
23 work search requirement until we actually engage in it, and
24 so it will be early August, I think, before we see it, if
25 you're asking around the timing of it.

1 Do I think the work search requirement will
2 improve employer outcomes? That is a very difficult thing
3 to predict, primarily because we are seeing, to the point
4 that Jesse and Susie made earlier, the same kind of
5 friction in specific industries that existed before. They
6 couldn't find skilled workers before. And I'm not sure
7 they can find skilled workers afterwards.

8 I'm not sure the work search requirement
9 addresses the skills gap issue or the shift in the labor
10 market that has happened as a result of the pandemic.

11 We still have a skills gap. If anything, it's
12 been exasperated [sic] by the burgeoning adoption of
13 technology during the pandemic. And so do we have in
14 Pennsylvania the workforce that we need that has the
15 technological skills that have advanced their training so
16 they can take advantage of middle skill jobs? I think we
17 have more work to do, frankly.

18 And then I would also say anyone who's watching
19 the impact of technology understands that at this
20 particular point in time you have to be digitally literate
21 in order to connect to family-sustaining wages and to
22 connect to even the most entry level of work.

23 And so we are working at the Department of Labor
24 to ensure that that is a possibility for Pennsylvanians who
25 are unemployed, underemployed, who are seeking work moving

1 forward.

2 REPRESENTATIVE MIZGORSKI: Thank you. And I
3 would also be interested in hearing Susie and Jesse's
4 perspective on the same questions. Did they see change in
5 their demand for services and programs, as well, and do
6 they expect that to increase?

7 MR. MCCREE: Thank you, Representative.

8 To echo Deputy Secretary Ireland, I think we saw
9 the demand on the business side increase dramatically. So
10 the number of job openings is approximately 15 to 20
11 percent higher today than it was February 1st of 2020.
12 That's pre-COVID. So the demand -- the number of job
13 postings, which is a proxy for how much they're hiring, is
14 15 to 20 percent higher here in South Central Pennsylvania
15 than it was February 1st of 2020.

16 So we've seen the demand, with maybe the
17 exception of March and April, and into May, where things
18 were more quarantined -- we saw the employer demand really
19 not let up at all and, in fact, increase.

20 Certainly the demand at the PA CareerLink was
21 uneven, to be sure. Certainly during the quarantine,
22 that's where you saw demand drop off significantly, but
23 since more of the "reopening," we've seen more and more
24 people reach out to the PA CareerLink but using different
25 means and methods instead of just a walk-in.

1 So what have we learned about this? The means by
2 which we deliver workforce development services may change
3 but the need and the demand is still very strong. So might
4 we be able to do a telephone or video sort of interview or
5 enrollment process? Might we be able to pull together a
6 call center to make sure that we are getting sort of an
7 economies of scale with the amount of job seekers that want
8 to reach out to the PA CareerLink? That will be in
9 addition to bricks and mortar. So we're seeing that demand
10 certainly be uneven.

11 With regards to the work search requirements, I
12 think Deputy Secretary Ireland's point about when it goes
13 live, which I believe is July 11th or 18th -- is it the
14 18th? Thank you.

15 I don't think that we will see the effects of
16 that on July 18th, but likely in August we'll see more and
17 more people coming into the PA CareerLink to use computers
18 or to be able to get some assistance with the work search
19 requirements.

20 MS. PUSKAR: We've seen similar patterns in
21 Pittsburgh and Allegheny County. We have in the past
22 several months expanded the number of places that we
23 provide in-person services to working with our local YMCAs
24 and other community organizations to deliver CareerLink
25 services closer to home for some people, which has helped

1 to increase our job seeker demand.

2 The virtual opportunities at CareerLink and
3 virtual services have really shifted things and allowed us
4 to reach more people. I think the key for us too has been
5 with 43 different school districts within the county, we've
6 had students in school, in person, five days a week since
7 Labor Day for some students, and some that just went back a
8 few weeks ago.

9 And as a parent, then I know that there are
10 sometimes -- that there are days that I just can't work.
11 And it's fortunate because I have that flexibility, but if
12 you have to report in to that office every day, or at the
13 grocery store, or wherever your job is, that level of
14 flexibility isn't there for some of those workers.

15 And so I anticipate that we'll really start to
16 see an uptick as well as students go back to school
17 full-time in the fall and as parents have more stable forms
18 of childcare.

19 REPRESENTATIVE MIZGORSKI: Thank you, everyone,
20 for your answers.

21 And Madam Chair, I don't have any more questions.
22 Thank you.

23 MAJORITY CHAIRWOMAN KLUNK: Thank you,
24 Representative.

25 And a follow-up from Chairman Delloso to this

1 part of the conversation.

2 MINORITY CHAIRMAN DELLOSO: Yeah. Another real
3 quick one.

4 The Deputy Secretary mentioned that the
5 industries that were suffering before the pandemic are
6 still suffering post-pandemic. But you said there's a 15
7 percent uptick. I mean, outside of transportation,
8 logistics, and healthcare, where did we see -- in what
9 industries did we see the uptick and how was it related to
10 the pandemic?

11 MS. IRELAND: So Chair Delloso, Jesse reported
12 the 15 percent uptick, specifically to South Central, but I
13 can address where we see the brightest kind of outlook for
14 occupations.

15 There is, of course, IT. I mean, we talk about
16 it incessantly, but the reality is, is that when you look
17 at the future of work, you will either be working with a
18 machine or on a machine. And so the opportunity to kind of
19 build those programs to address the huge gap of talent
20 that's needed for those industries is important.

21 I would say healthcare probably up next.
22 Professional services. Manufacturing is always steady for
23 us. I mean, there's about a five percent uptick even with
24 the adoption of technology and manufacturing. We're
25 looking closely at clean energy, agriculture.

1 But we do see opportunities. There are
2 opportunities to provide those middle-skill, middle-wage
3 jobs for folks across the board.

4 MR. MCCREE: Representative Delloso, I think that
5 those industries you mentioned are spot on, and you're
6 exactly right. So we're seeing the growth.

7 Transportation, distribution, logistics supply chain has
8 been -- it was already trending that way. E-commerce,
9 e-fulfillment, that has only trended in a positive way in
10 terms of number of jobs. Certainly, healthcare has grown a
11 tremendous amount.

12 We're actually still seeing an increase in jobs
13 in things like retail and sales. Those jobs, as much as
14 we've made that those jobs are all going away, that somehow
15 COVID-19 eliminated that sector entirely, those jobs are
16 still there.

17 I think it's the trend over the next 5 to 10
18 years to think will we need as many pickers and packers in
19 10 years as we do now? Probably not. Will we need as many
20 cashiers in 10 years as we do now? Probably not. But many
21 of those jobs have come back and come back relatively
22 strong.

23 We're even seeing -- so the one that got hit the
24 hardest was hospitality and tourism, and we have seen -- I
25 think at the lowest point those jobs down here in South

1 Central Pennsylvania were down 40 or 50 percent from their
2 height before the pandemic, and we're seeing those jobs now
3 trend back towards maybe 5 or 6 percent lower than where
4 they were. So as a whole, we're seeing the sectors growing
5 are continuing to grow. And the sectors that were hit
6 hardest are beginning to see some recovery. So those are
7 some of the trends that we're seeing here locally.

8 MS. PUSKAR: Yeah. The one thing that I would
9 add is that the structural difference between what happened
10 for COVID and the last economic recession is that in the
11 last economic recession the jobs that bottomed out were
12 those middle-wage jobs. During COVID, the jobs that
13 bottomed out were those low-wage jobs, so jobs paying \$11
14 an hour or less.

15 And so I think we're starting to see many of
16 those jobs come back. The question becomes how do we take
17 the people who bottomed out of those jobs and who left the
18 labor market from those jobs and put them back into those
19 middle-skill jobs. And so that's where training, where
20 employer buy-in, and where connecting them in with the
21 right fit for them, I think, is going to be the crucial
22 piece of what we do in the next 6 to 12 months.

23 MS. IRELAND: Yeah. And I would add to that
24 conversation this idea around making sure we keep our eye
25 firmly on the future of work, right? And so what we know

1 about work and how it's shifted, specifically, is that if
2 you are engaged, in general, in routine noncognitive work,
3 your job is in jeopardy.

4 The risk of AI machine learning and automation is
5 there for you. In most instances, they're talking about
6 either replacing your entire job or significant portions of
7 your job which, of course, will result in a lower wage for
8 folks who are affected.

9 And to Susie's point about the recession, I think
10 the thing to also kind of consider in depth is this idea
11 that we think we understand what's going on because
12 previously we witnessed over, I guess, the last 30 years
13 the introduction of the era of IT. And in that space you
14 saw middle-skill jobs hollowed out. People didn't lose
15 their jobs, but they were forced to take employment that
16 was probably paying less, with less skills.

17 In the age of AI, very different sort of
18 circumstance that's coming towards us quickly, and in that
19 particular case these jobs will be eliminated by tech. And
20 so it's critical for us, as we think about the future of
21 work, to understand that that worker reskilling,
22 upskilling, is paramount to the success of us both engaging
23 with business and putting Pennsylvanians back to work.

24 MAJORITY CHAIRWOMAN KLUNK: Thank you.

25 And as a follow-up to that, I know the CWIA

1 produces a lot of data on a variety of different points
2 based on BLS and a number of other different programs. So
3 what data do we have out there through them on the industry
4 data of -- is there data out there for us to point to, to
5 say yes, these are the industries that were hit hardest?
6 These were the programs that maybe worked or didn't work.

7 And then can we extrapolate from that kind of
8 that pathway forward and even, Deputy Secretary, as you
9 said, that future of work -- is there data out there to
10 really help point us in the direction of what industries
11 are moving in that direction, in those middle jobs, in
12 those lower wage jobs so that we can then target and use
13 that data to focus on programs that are going to be
14 emerging and that we need to focus on? So is there data
15 out there?

16 MS. IRELAND: Oh, yeah. Definitely.

17 MAJORITY CHAIRWOMAN KLUNK: And can we get it?

18 MS. IRELAND: Yes. And I would say this. CWIA
19 is just our hidden kind of diamond, right? In particular,
20 every time I'm in specific spaces across Pennsylvania, I
21 will turn to CWIA, you know dli.pa.gov, just search for
22 CWIA, and look at county profiles. And it will tell you
23 down to the county level, specifically, who works there,
24 what their wages are, what the top industries are. How are
25 you doing with unemployment compared to the rest of the

1 state? How are you doing hiring women across ages, men? I
2 mean, every data point that you would be interested in from
3 a workforce perspective is updated on a monthly basis in
4 those particular county profiles.

5 And oftentimes, you can extrapolate from those
6 profiles exactly what is going on in those specific
7 communities. Some communities we look at, unemployment is
8 2, 3, 4 points higher than Pennsylvania. They really have
9 some disconnects. And I won't call the county but in a
10 particular county that I was speaking to just a few weeks
11 ago, when you look at the demographics of their county, 35
12 percent of their population is 55 or older. It's harder to
13 attract them to the workforce.

14 It's all kinds of things you can identify by just
15 looking at those profiles. And that's just the county
16 profiles. There are over 60 reports that CWIA has on our
17 website, right? That really digs into the data that we
18 have available for any number of vantage points. And I
19 would say -- James, I'm going to pick on you since you used
20 to work there, to give any information you might want to
21 share.

22 You're on mute.

23 MR. MARTINI: I think the biggest thing would be
24 to just echo there's a ton of information and the best
25 recommendation I would have is to ask. They have the

1 information. And I always tell folks that data that isn't
2 driving policy is just numbers on a page.

3 So if you have a question or -- I think folks are
4 surprised all the time at the vast amount of resources they
5 have available. And even if it's data they don't produce
6 on their own, they work with a lot of other data sets,
7 whether they're federal census data or current population
8 survey, or other economic analyses that exist. It's a
9 great resource.

10 MAJORITY CHAIRWOMAN KLUNK: Thank you. And just
11 a quick follow-up to that. I know, with the pandemic and
12 the shutdowns, a number of specific industries were
13 targeted because of the way that they work and the close
14 proximity to others, and picking of those industries.
15 Moving forward, I do think that there is a place for CWIA
16 in the event that we do have a future pandemic.

17 And I would just ask the Department and the
18 Governor's office to make sure that they work hand in hand
19 and know that CWIA's out there and before we make some of
20 these decisions of what industries are shut down, really
21 see what those impacts are going to be.

22 I know it needs to be a quick decision, but maybe
23 there's some lessons learned here of how CWIA could be
24 helpful in the future so that we can learn from this
25 pandemic and moving forward based on the data and how we

1 can better -- if we do need to do shutdowns, how we can do
2 that smarter and more targeted, and then also know what the
3 impacts are going to be on the back end based on that data.
4 So just a comment on that.

5 With that, I'll turn it over to questions from my
6 colleagues.

7 Representative Torren Ecker.

8 REPRESENTATIVE ECKER: Thank you, Madam
9 Chairwoman.

10 I'm going to turn here to something we haven't
11 really talked at all about as it pertains to workforce, and
12 it's the ag industry. And it's kind of -- agriculture is,
13 in fact, our number 1 industry in Pennsylvania, and it's
14 something we don't talk a whole heck of a lot about when we
15 talk about workforce development.

16 And I'm just curious what everyone's perspective
17 here is on that and what your different groups are doing to
18 engage in that community because that's also changing.
19 It's becoming a little more automated. But there's some of
20 this stuff that just ultimately cannot be automated.

21 In fact, yesterday, to a comment that was made
22 earlier, although companies are doing things to automate as
23 much as possible, I was at a facility in East Berlin
24 yesterday that manufactures wood moldings and flooring, and
25 they've gotten to a point in their plant where there's

1 nothing else to automate.

2 And so to say that everything's going to be
3 computerized, there comes a point where a diminishing
4 return. So to that point, what is the Department doing,
5 what are you folks doing to engage the agricultural
6 community in workforce development?

7 MS. IRELAND: So it's a great question and an
8 opportunity for us to brag a little bit about what we've
9 been doing. So this is June. So earlier this year, around
10 January, we reached out to agriculture, and we've been
11 having interesting conversations with Secretary Redding.

12 And so as a result of it, we said, look, we
13 understand agriculture's importance to Pennsylvania and
14 we're trying to figure out, specifically, how with
15 workforce development we can support that industry because
16 it's key to who we are as Pennsylvanians.

17 And so Secretary Redding very graciously had his
18 staff work with us, and we conducted three focus groups
19 with over 100 stakeholders from urban farming, big farming,
20 boutique farming to understand their workforce needs. And
21 so that report that will be developed by the Department of
22 Agriculture will be coming out shortly. I don't know the
23 exact date off the top of my head.

24 But I can tell you the focus groups were very
25 interesting to us. We wanted to understand the dollars we

1 invested in apprenticeship -- in the two apprenticeships
2 that have begun with agriculture were working, and then we
3 wanted to understand how to engage especially small and
4 mid-size farmers, specifically around workforce development
5 because they are very, very busy people and oftentimes
6 don't have the bandwidth to engage with the public
7 workforce system. So we've been having interesting
8 conversations around how we can do that better.

9 I will tell you, in group after group, when we
10 said, what is your level of engagement with the
11 Pennsylvania CareerLink and what is your level of
12 engagement with your local workforce development board,
13 there was a lot of head-scratching. So we understand we do
14 have a partnership and visibility issue that we need to
15 deal with very specifically.

16 But I think it's more important for us to be able
17 to build kind of career opportunities in agriculture,
18 really to make sure that we are supporting that industry in
19 ways that make sense.

20 MR. MCCREE: Thank you, Deputy Secretary Ireland.
21 Some great points there.

22 I will just add, locally in South Central
23 Pennsylvania, to sort of run the gamut of the spectrum of
24 the means and the ways in which we're working with
25 agricultural companies, Knouse Foods in Adams County has

1 actually served on our board for, I think, 9 or 10 years,
2 and Alesia Reese actually just retired a couple years ago
3 and so left our board.

4 But the engagement that we had at Knouse Food is
5 really interesting, right? As a key employer in Adams
6 County, seeing firsthand the changing needs based on the
7 different growing seasons, the different equipment and
8 machines that they needed. And to your point,
9 Representative, you can only automate so many things,
10 right? At some point, what's embedded in agricultural is
11 hard work, and some of it is going to be manual labor.

12 So there's a shift and a perspective that we need
13 from the business community, number 1. Number 2, one of
14 the partners that we have in the PA CareerLink is the
15 Migrant Seasonal Farm Workers program, which is supporting
16 how different groups and populations move to different
17 growing areas and seeing that -- you want to talk about a
18 dynamic labor force? Migrant seasonal farm workers is a
19 really key one.

20 Can we be doing more with that group?
21 Absolutely, right? And we need to be continuing to look at
22 ways that we connect that group and that program with the
23 PA CareerLink services.

24 Then on the other extreme, we've been working
25 with Harrisburg University. I know their name's come up a

1 couple times. And Ian Kanski over there doing some
2 sustainable agricultural and some of the technological
3 developments with some of the things that the Deputy
4 Secretary alluded to. Big ag is changing significantly.
5 And the ways in which Central Pennsylvania -- we don't
6 cover Lancaster County, but my colleague down there, Kathy
7 Orchoski (ph) is doing with the agricultural businesses
8 down there. There's a lot more we can do, particularly
9 with the visibility issue.

10 And I think my last point would be, it would be a
11 perfect example of we need to be thinking about the
12 workforce development services and system going to
13 employers and workers, and not just having them come to the
14 building. And I think the agricultural industry is
15 probably a really good example just because it's typically
16 a rural place where we don't have as many bricks-and-mortar
17 sites in those locations.

18 REPRESENTATIVE ECKER: And maybe just to follow
19 up just to that point. I know Pennsylvania agriculture has
20 been generally viewed as a family business, as the family
21 farm, and it's a way of life. It's heritage. Not
22 necessarily operating as, okay, we need to run this as a
23 business. So I think that mindset is changing and
24 recognizing that there can be money made in farming and
25 agriculture, and just trying to engage with that community

1 and realize that there is business opportunities and growth
2 there and trying to change that narrative a little bit that
3 agriculture, although hard work, is a way to earn a living.
4 So thank you for your time.

5 MAJORITY CHAIRWOMAN KLUNK: Thank you. Just a
6 follow-up to that.

7 You were talking about migrant and seasonal
8 workers. And a lot of those, they're not U.S.-born
9 employees, and so how does that play into the services that
10 our workforce development boards provide to those
11 businesses and those employees? Because I have maybe a few
12 in my district, but I know Representative Ecker in Adams
13 County just across the border from me -- there's a large
14 number of them and a huge population. And in talking with
15 those employers, it does seem like the local labor market,
16 it's just very, very hard to find individuals to do those
17 jobs.

18 So what type of support does our local workforce
19 development board provide to those particular businesses in
20 trying to recruit those employees and support them?

21 MR. MCCREE: Yeah. It's a great question. And I
22 think that's one of the reasons why the Migrant Seasonal
23 Farm Worker's program embedded in the PA CareerLink System
24 for years has been such a key issue, right? And it's not
25 in every location, for sure. Adams County is a really good

1 example of the businesses that need that support.

2 What my response would be -- I think we're seeing
3 that the need to support all elements of our labor force is
4 really critical. For a business looking for that kind of
5 support, I would highly recommend them contacting the PA
6 CareerLink and kind of walk them through what are your
7 hiring needs? Where are you getting your labor pools from?
8 And there may be some potential ways that federal and state
9 funding can be used to support training and education, in
10 particular, for different groups in the labor market.

11 One of the things that we've seen is English
12 language learners and actually having those classes onsite
13 at the employer has actually been a really positive and
14 impactful way that we've been able to include adult
15 education and literacy training into the workplace for
16 those English language learners. So it's been a really
17 positive development.

18 MAJORITY CHAIRWOMAN KLUNK: And just as, again,
19 another follow-up to that.

20 So are you seeing locally that there is just,
21 unfortunately, not a supply of employees to fill many of
22 these jobs? And is there anything that we could do to try
23 and incentivize local talent to take some of the jobs, or
24 is that just something where we just need to be resigned to
25 the fact that we're going to need to look elsewhere for

1 folks to fill those positions through migrant and seasonal
2 workers?

3 MR. MCCREE: So my answer would be -- this is
4 embedded in a conversation that we had had before about
5 college and career readiness and sort of the idea of the
6 means by which we are helping young people learn the
7 different career pathways that are out there. To
8 Representative Ecker's point, I think the old
9 personification or the old stereotype of maybe what
10 agricultural jobs are like doesn't fully communicate the
11 different career pathways that are in agricultural
12 industries.

13 So education, school districts, workforce
14 development boards -- what are the means by which we can
15 show that there are different careers that are out there to
16 get young people interested and saying, you know, I never
17 thought that I wanted to work on a farm but actually the
18 nature of the different technologies and the different
19 sensors, that's all changing the way that farming's
20 happening.

21 So potentially, I think it's a career awareness
22 and a career readiness issue as much as it is anything
23 else, so.

24 MAJORITY CHAIRWOMAN KLUNK: Representative Ecker,
25 a quick follow-up?

1 REPRESENTATIVE ECKER: Yeah. Just a quick
2 follow-up on the seasonal migrant stuff.

3 So as part of that application process that these
4 employers go through, part of it is demonstrating that
5 there are, in fact -- American workers aren't willing to do
6 this job -- or they can't hire in this job.

7 Speaking from South Central Pennsylvania,
8 obviously, in that process when they go through that with
9 CareerLinks, I mean, is that in fact a true statement that
10 in fact when it comes to these seasonal workers it's -- and
11 when we talk about especially the apple -- you know, the
12 fruit industry, finding folks -- we can't find folks to do
13 manufacturing jobs. It's pretty difficult to find folks to
14 go and pick apples and that kind of opportunity as well. I
15 mean, is that a pretty true statement from your
16 perspective?

17 MR. MCCREE: While it's hard to speak in --

18 REPRESENTATIVE ECKER: Sure.

19 MR. MCCREE: -- general overview, I would say
20 that that sentiment is definitely out there. To be very
21 real, I think some of the jobs that are being filled -- I
22 think your point about manufacturing is a really good
23 comparison point, right? Where if we're having a hard time
24 filling some of these entry level manufacturing jobs
25 because the stereotype is, as we've all heard, dirty, dark,

1 and dangerous, then there's going to be that equivalent
2 challenge, I think, to hire for jobs that are -- there are
3 long hours. And it's difficult work, and a lot of it is
4 manual labor.

5 So I think what I would say is that there are
6 many sectors, not the least of which would be agricultural,
7 that is struggling with an identity and a visibility and a
8 marketing problem.

9 The degree to which a skilled workforce is
10 developed is getting that narrative changed early on and
11 saying then how do we get middle school students and high
12 school students not only an awareness of the jobs that are
13 out there but then also the paths to get into those jobs
14 and see them successful?

15 So hopefully that's a sufficient answer. I think
16 that sentiment is definitely out there in certain pockets
17 that it's hard work.

18 REPRESENTATIVE ECKER: Sure. And again, it's not
19 about necessarily that these employers don't offer enough
20 money to hire these folks. It's about the fact that it's a
21 labor market that we have tons of jobs to fill that
22 unfortunately these jobs are the last ones to get filled.

23 MR. MCCREE: It's a very uneven labor market, to
24 your point, right? And so I think one of the things that
25 when Susie and I and our respective workforce boards look

1 at labor market data, it's easy to say -- so in our
2 eight-county region there are 44,000 job openings right now
3 and there are more job openings right now than there are
4 sort of officially unemployed people, right? And certainly
5 COVID has changed that a little bit.

6 But it's not a one-to-one match. We can't just
7 plug and play every person into an open job. There's
8 skills. There's knowledge. There's ability. There's
9 training. There's education. There's desire. There's
10 wages. And that all sort of hits into this confluence of a
11 number of variables as to why there is friction in the
12 labor market about why the unemployment rate will never be
13 zero but it will be whatever, four, five, six percent.

14 So you're spot on. I think that there is
15 definitely an identity problem. There's definitely
16 probably a component of not wanting to do some of that type
17 of work. But there's also just the frictional nature of
18 not the one-to-one, every person that is looking for work
19 and every job that's opening is a good match.

20 REPRESENTATIVE ECKER: Sure. And not to put
21 words in your mouth, but just kind of put a bow on this, is
22 that the fact is that these seasonal migrant workers have a
23 role to play in our economy, as well, albeit small, but
24 also help to fill jobs. Thanks.

25 MR. MCCREE: They do. Thank you.

1 MAJORITY CHAIRWOMAN KLUNK: Thank you,
2 Representative.

3 And now with a question, Chairman Cox.

4 CHAIRMAN COX: Thank you, Madam Chairwoman. As a
5 chairman of the Committee, I sit on every subcommittee ex
6 officio, and so I'm taking advantage of that and may
7 exercise a Chairman's prerogative a time or two here for
8 some questions.

9 But part of what I wanted to ask was, and I think
10 it's due to COVID, I'm beginning to see an uptick -- and I
11 started to see it a few years ago, but it seems like it's
12 increased, in what I'll -- I don't know if this is the
13 right word for it, but displaced college graduates.

14 And so I'm certain you've each dealt with that
15 college graduate who comes out of a college/university
16 setting and says I have a major in X, Y, and Z, and I have
17 no interest in that field, right? I'm seeing that more and
18 more. I've got five kids of my own. I'm certain one of
19 them is going to say, I don't know why I studied that, but
20 we'll see how that works out.

21 But big picture is there a landing spot? We hear
22 a lot about the high school transition and the banks
23 getting to the high school students and saying we want to
24 introduce you to our industry and help train you and then
25 potentially help you with higher education needs and so

1 forth. That's great. We're hearing about the -- there's a
2 lot of energy focused on the high school students and
3 introducing them to the tech careers and the different --
4 the trades, if you will, the apprenticeship programs, et
5 cetera.

6 I feel like there's a gap there, and it's kind of
7 like that middle ground where the students who have
8 invested the time and energy to get a degree. And
9 sometimes it's a matter of, hey, my parents expect me to go
10 to college or I've great grades in school and so there's an
11 expectation that my next step is college even though they
12 might not have an internal desire for that or a need for
13 it. But they find themselves with a college degree. They
14 don't know why they have it. They don't like the field
15 they're sitting at.

16 I spoke at an event probably two years ago now,
17 and it was about workforce development, and I asked the
18 question of -- it was all adults and there were probably
19 between 40 and 50 of them, the vast majority of them. And
20 I asked the question. I said how many of you went to
21 school with a particular major in mind and are now working
22 in that capacity? One person raised their hand.

23 I stopped what I was doing and I -- and there
24 were 40 or 50 people in the room -- and I said forgive me.
25 Can I embarrass you a little bit? Why is it that you --

1 how is it that you did that? You're one of 50 people in
2 the room. He said, I went to school when I was 35 years
3 old. So he had gotten a degree after he knew what he
4 really wanted.

5 And so I'm not indicting the higher education
6 market. I know everybody's trying to do what's best for
7 the future workforce. And I say all that prefaced to ask,
8 is there something on the horizon or there something you're
9 working toward to help those displaced college graduates
10 and others who might find themselves in an industry or a
11 workforce area that they're just not excited about?

12 Because you -- I think, Jesse, you mentioned
13 there's that unique confluence of desire, wages, all that.
14 Is there a plan or an approach that anyone's looking at to
15 find new hope for those individuals who might be otherwise
16 wandering?

17 MS. IRELAND: So Chairman Cox, I will say, even
18 though we have not met, I was wondering if you were talking
19 about my son, in particular, who graduated from University
20 of Pitt with a degree in economics and sociology and now is
21 a software engineer at JPMorgan Chase.

22 And so, as a parent, I will tell you that we
23 struggled with this idea of did he go to school doing what
24 we wanted him to do as opposed to what he wanted to do?
25 But I will not ever discount the value of the maturation

1 time -- we'll call it that -- that he spent in college to
2 become a young, responsible adult. The idea that he did
3 get a quality education from that institution, which in no
4 question in my mind supported his ability to enter into a
5 workforce development program to connect to that software
6 engineer position at JPMorgan Chase.

7 And so is there opportunities for folks who have
8 made a decision, frankly, when they're 17? Because you
9 make the decision to apply to college in your junior year
10 about what you want to do the rest of your life. Now, over
11 the span of 50 years, we know for a fact that most people
12 change their occupations between three and four times, and
13 we don't mean leveraging what they learned in college but
14 actually move on to a different occupation.

15 And so in this time is it critical to be a
16 lifelong learner and to understand labor markets and where
17 your labor market is shifting? I mean, in our work in
18 workforce development, we see tons of people displaced by
19 rapid shifts in the labor market. Banking is a great
20 example. I don't know how many check processors or
21 behind-the-scene operations that we deployed or redeployed
22 over the 2000s when banks automated all of those things.

23 And so to your point, yes. There is
24 opportunities for that. And one of the things I'll point
25 to is the Near Completers Grant opportunity, which we will

1 announce the winners of shortly, that we put on the street
2 where what we wanted to focus on was that rapid connection
3 to industry-recognized credentials provided by two- and
4 four-year institutions, last dollar, full ride, so that
5 people can connect to the work that really speaks to their
6 talents, specifically, in a compressed space.

7 Because right now, to a lot of points that were
8 made earlier about earn and learn, we do understand that
9 folks need this rapid attachment to work and reskilling.
10 And so those demonstration projects are focused on
11 understanding how to take people's life experience, their
12 prior experience, do back credentialing, embedded industry
13 credentials, and push people to the associate degree,
14 four-year level as rapidly as we can. So we're talking
15 about in the space of a semester.

16 So those are the kind of things we are thinking
17 about as we try to realign, for lack of a better word, the
18 workforce to the opportunities that exist today.

19 MS. PUSKAR: I think Deputy Secretary Ireland
20 made excellent points. I would also say that as an
21 anthropology and French major in college, a lot of us end
22 up in workforce development. But I think that there are
23 real opportunities to get connected into four-year-degree
24 partners for workforce development boards.

25 And we in Allegheny County want to retain as many

1 of those individuals who graduate with a four-year degree
2 as possible, so we work with our higher education partners
3 to help fund co-op positions at local businesses so that
4 those students get a connection point in and build their
5 opportunity networks while they're still in school. That's
6 a critical component of all of this.

7 Once someone's graduated and they have maybe
8 floated around for a few years, we have different
9 programming at local community-based organizations that are
10 targeted at someone who already has that four-year degree
11 because, as Deputy Secretary Ireland pointed out, one of
12 the biggest things that employers are looking for right now
13 is that lifelong learner.

14 And so by demonstrating that you have the ability
15 to go to school, stay in, and graduate, then those
16 four-year degree earners can go to a boot camp program for
17 those tech skills and very quickly reattach to the
18 workforce in eight weeks or something along those lines.

19 So what we do, we work with our partners in
20 economic development to really roll out the red carpet each
21 summer for those students who are in four-year degree
22 programs to get them to really love the city of Pittsburgh
23 and want to stay in our region after they've graduated.
24 And then after that, continue to do outreach to them
25 through the PA CareerLinks and our community partners to

1 make sure that they know that those services are available
2 to them, as well, if they want to change their careers.

3 CHAIRMAN COX: And Jesse, if you could address --
4 Susie's mentioned a couple things out of Allegheny. Are
5 you seeing a similar trend here in South Central
6 Pennsylvania?

7 MR. MCCREE: Yeah. We are. Thank you.

8 So a couple key words that will be probably
9 somewhat unfinished thoughts, but to pull through a little
10 bit about what Susie and Deputy Secretary Ireland
11 mentioned.

12 So what we're working on here in South Central
13 Pennsylvania is framed up with a general rule of thumb --
14 it's not perfect. Don't hold me to these numbers, but it's
15 basically seven to one. So out of 10 workers, about 7 of
16 them, all numbers approximate, will be working in a job
17 that needs more than a high school diploma but less than a
18 four-year degree. Two will need a four-year degree or
19 higher -- master's, PhD, et cetera, and one that will need
20 work with less than -- high school diploma or less. So
21 seven to one; that's the approximate rule of thumb.

22 So the first question that we're looking at in
23 South Central, which is how many college students are we
24 producing, and does it fit within that -- it's probably
25 about 25 percent of the jobs that need a four-year degree.

1 And then what's the mismatch?

2 Representative, going to your point about labor
3 market data, one of the things that we look at is we have
4 this handy-dandy chart where we look at -- it's called a
5 skills gap analysis. It's a skills and occupational
6 deficit chart where we're looking at the number of
7 occupations that we need such as registered nurses and the
8 number of people that are filling those jobs or that our
9 region is producing each year.

10 So it's a simple calculation to say every year we
11 are producing hundreds of fewer nurses, for instance, than
12 we could hire, right? If we could just produce 300 more
13 nurses this year, they would all get hired. So we're
14 looking at that kind of information to see where the gaps
15 are. If everyone's getting a major in engineering, there's
16 probably not enough engineering jobs out there, even though
17 that's a great four-year degree to get.

18 The Deputy Secretary also mentioned near
19 completers. I think that's a really important thing for
20 this committee to think about is how might a targeted
21 investment in those individuals who are 75 to 85 percent
22 completed with some sort of post-secondary credential but
23 for whatever reason haven't finished it?

24 It would be interesting to look at a targeted
25 investment for those near completers, which is a little bit

1 different from your question as to four-year degree
2 graduates, but those that have had some college but haven't
3 quite been able to cross the finish line. How might we be
4 able to have public/private investment to get those
5 individuals across the finish line, get the degree, get the
6 certificate and then perhaps be more competitive in the
7 labor market? So we're working on some of that.

8 And one thing that hasn't come up today, which
9 I'm not sure what we have for time if we can even tackle
10 this, but it's the working poor that's a really critical
11 area that I want to be doing more as the workforce system.
12 It's embedded in a little bit of this idea for a four-year
13 degree graduate, perhaps working at a coffee shop as a
14 barista, right? Not what he or she went to school for.
15 And they may fall into that working poor category of making
16 lower wages. Probably underemployed is another word that
17 we would use to describe those individuals.

18 So how might we serve the working poor? Do they
19 have a work ethic? Absolutely. Do they want to work?
20 Sure. But they need the career pathway and the training
21 and the focused investment to get them along the career
22 pathway. So the term that the United Way of Pennsylvania
23 uses is the asset limited, income constrained, and
24 employed. That's the acronym ALICE, A-L-I-C-E. And it's a
25 really interesting population to be looking at, those that

1 have few assets, they're income constrained, but they're
2 employed. It's the working poor.

3 So it's, I think, embedded in a little bit of
4 what you're looking at. And we're looking at ways that we
5 can support that ALICE group more in South Central
6 Pennsylvania.

7 MS. IRELAND: I think it's a conundrum we've
8 never really broke down. In a lot of ways, I think the
9 workforce system is focused on that initial connection to
10 work, but to Jesse's point, not the 2.0, not how do we move
11 people to family-sustaining wages beyond that initial
12 connection. And we've never worked in that way and I don't
13 think we've ever looked at the possible impact of building
14 that structure, as well.

15 MR. FOLEY: And if I may add just one thing.
16 This might be less a policy perspective and more someone
17 who used to teach history in college.

18 We can do a better job on the employer side, on
19 the educator side, and on the student side of identifying
20 the skills that students who achieve a degree or simply
21 take one or two classes -- identifying the skills that they
22 take away from that learning, right? If you've studied
23 biology, you've learned. You've developed skills that are
24 expansive, right? If you've studied history, you've
25 developed some skills that enable you to do a lot of things

1 beyond just history. Recognizing those skills is tough,
2 right? And we can do more to help students recognize the
3 diverse range of things that they have learned to do
4 through 1 or 10 or 100 college credits.

5 But it also requires the perspective of employers
6 to realize, you know what, this person has a degree in
7 engineering, but they are really going to help me solve
8 this particular problem because they've developed the skill
9 set to analyze and understand trends and technology and how
10 people interact with new technological systems.

11 So it requires a little bit of creativity there,
12 and I think there's great opportunity to maximize what's
13 already out there and helping people realize, yeah, I
14 didn't want to do this. I'm not going to be an economist,
15 but the skills I learned by studying economics or
16 philosophy or any of the other courses that you might have
17 taken have broad applicability and can really help you as a
18 worker but also the state as a workforce and the employers
19 across the state.

20 MS. IRELAND: Yeah. And I think that's exactly
21 where we're going with HR because as businesses and
22 workers, right, experience this kind of disconnection
23 between the two opposing forces that we're talking about,
24 that's the rise of skill-based hiring. That's exactly what
25 it's talking about.

1 It's saying, no, you don't have to have a
2 specific degree in this industry because we understand the
3 skills that you have learned over your work experience and
4 the skills you have attained over your education and/or
5 your attempt to get a degree or a certification, as well.
6 And so employers have got to move in that spot.

7 I think we are very slowly moving in that
8 direction, but that's what that whole movement is about.

9 CHAIRMAN COX: Thank you.

10 I think Mr. Foley and Mr. McCree here kind of
11 highlighted the same point there. It's that identification
12 of those skills, and Deputy Secretary Ireland, you
13 accentuated that as well, where we as a society -- and I've
14 talked about this as a Member before I became Chairman of
15 the committee -- we as a society have pushed higher
16 education, higher education.

17 And again, not diminishing the value of it
18 because it's been very eloquently described as the
19 skills -- anthropology and French major, but you found
20 something. You've landed in something that you seem to
21 enjoy and you're very knowledgeable about. And so those
22 skills do translate.

23 And I think that's -- as a parent of five, that
24 has been a challenge for me to say, look, you're not going
25 to school necessarily to learn business administration or

1 this or that or whatever degree they're looking at. You're
2 going, in part, to learn that subject matter, but you're
3 learning the skills of learning.

4 And I try to instill the lifelong learner
5 mentality in them, but I think what I've heard today just
6 gives me some ideas on potentially some direction that we
7 can help give workforce development boards and input into
8 the larger workforce development system that there is a
9 need there. And perhaps it's communication. Perhaps it's
10 just better collaboration with the institutes of higher
11 education.

12 Just one comment. The BankWork\$ program
13 fascinated me in how the local businesses collaborated and
14 put together the job fair and everything else and the
15 training for that.

16 Are there other industries or other things on the
17 horizon that you're seeing there in Allegheny where you
18 see -- I think you mentioned healthcare, you're seeing a
19 little bit of that. Are there others outside of financial
20 services and healthcare that you're seeing a potential need
21 for something like that or a niche that could be filled?

22 MS. PUSKAR: Definitely. And to the first point
23 that you made, our partners at the Consortium for Public
24 Education talk about name it, claim it, and aim it. So
25 identify what your skills are, know that they are your

1 skills, and then figure out where they go in the labor
2 market. And that's really, regardless of your age, an
3 important component of this.

4 BankWork\$ is graduating their sixth cohort in
5 Pittsburgh tomorrow, so it's a virtual graduation. Anyone
6 is welcome to click on that link if you want to see some of
7 those successes.

8 We also have a cohort on Friday graduating from
9 Freedom House 2.0, which is training individuals to be
10 emergency medical technicians. They are graduating on
11 Friday. The first cohort, eight individuals graduated.
12 All eight of them were hired by UPMC in roles that have
13 those benefits and career pathway advancement
14 opportunities.

15 When we look at other industries, we have some
16 support from the National Fund for Workforce Solutions and
17 the Aspen Institute to look, specifically, at retail and
18 hospitality, and how could we create some of those
19 apprenticeships and pathways in retail and those management
20 careers in hospitality.

21 We also have a lot of work happening right now in
22 the tech space as kind of an opportunity to bring in some
23 more training opportunities and those earn-while-you-learn
24 programs.

25 Those are on the horizon for us in the next three

1 to six months. I would anticipate that in the next twelve,
2 we'll see some additional work in -- you know K-12
3 education is a big -- there's a looming teacher shortage
4 that we need to be thinking about. And we need to be
5 thinking about how we can train teachers in that space so
6 that school districts can have the staffing levels that
7 they need.

8 So that's kind of moving forward where our north
9 star is, but there's no shortage of industries to train
10 people for.

11 CHAIRMAN COX: And Mr. McCree, one last question.
12 Are there any similar programs like BankWork\$ or other
13 things where you're seeing that industry collaboration?

14 I represent a portion of Lancaster, and we see a
15 pretty high level of involvement of the local chambers and
16 Thaddeus Stevens, and there's a lot of collaborative effort
17 there, particularly around Thaddeus Stevens. Do you see
18 that on a larger scale with industries like banking or
19 others where you're starting to see that collaboration
20 grow?

21 MR. MCCREE: We are. I'll say as a quick side
22 note here, a little commentary. We learn a lot from
23 Partner4Work. Partner4Work is a great workforce board out
24 of Pittsburgh, and we tend to collaborate a lot. So
25 BankWork\$ is actually something that we have begun to

1 collaborate on to bring it here in South Central
2 Pennsylvania.

3 I don't know if we've talked about that yet, but
4 now we've talked about it. I should give you a call about
5 that.

6 So BankWork\$ is one that we're aiming for.

7 Things that we're doing right now. The Advanced
8 Manufacturing Industry Partnership through the
9 Manufacturer's Association of Central Pennsylvania with Tom
10 Palisin, we've been doing work with them for probably as
11 long as I've been alive. But for the past 15 or 20 years
12 or so, we've had a lot of great work with the
13 Manufacturer's Association.

14 I think right now there are 35 employers that are
15 actively meeting and putting their resources, time, and
16 energy around workforce initiatives.

17 Weldon Solutions, which is in York County, has
18 done some great work in sort of leading this -- revising
19 what manufacturing looks like back to the college and
20 career readiness and sort of the career awareness for young
21 people. So that group has been phenomenal.

22 IT: Deloitte, KPMG, PSECU, Solarity. I know I'm
23 missing a couple big ones. They've recently in the past
24 two years met together and have done some phenomenal work,
25 not only just in terms of thought leadership but real

1 programmatic investment such as Harrisburg University TANF
2 program that I had mentioned, supporting that. So we're
3 seeing some great industry leadership around IT.

4 I'll be honest that healthcare has been a hard
5 one for us to get our arms around just because the health
6 systems and hospital systems are so big around here in
7 Central Pennsylvania, and a lot of them have been merging
8 over the past three or four years. But needless to say, we
9 work very closely with economic development and chambers of
10 commerce who do have connections with those healthcare and
11 hospital systems.

12 I think the one that I'm really excited about in
13 the next 12 months is the supply chain and logistics sector
14 work because the need is going to be here in Central
15 Pennsylvania. Fifty percent of North America's population
16 is eight-hour drive, but the jobs are changing. How are
17 they changing and in what ways can we use that intelligence
18 to put that back into education and training? I think that
19 will be a key question for us.

20 CHAIRMAN COX: Fantastic. Thank you both for
21 coming here and testifying and the information you've
22 provided. And thank you online for testifying, as well.

23 Thank you, Madam Chairman.

24 MAJORITY CHAIRWOMAN KLUNK: Thank you, Mr.
25 Chairman.

1 And I just want to do some quick follow-ups to
2 some things, just to kind of tie some things up here.

3 On that collaborative effort in sharing best
4 practices, it sounds like the banking program is working
5 well out in Pittsburgh. So how do you spread that message
6 to other boards throughout the state, of programs that are
7 working? How do you work together in sharing those success
8 stories and trying to replicate them throughout the state?

9 MR. MCCREE: Well, I would say --

10 MS. IRELAND: So -- Jesse, go ahead.

11 MR. MCCREE: I'll just say real quick. I'll keep
12 this -- I would say the Pennsylvania Workforce Development
13 Association, which is represented here today in the
14 audience, is a phenomenal resource for our 22 workforce
15 boards across the Commonwealth to have sort of a continuum
16 of practice, a forum for best practice sharing, but also
17 just the informal conversations that happen. Hey, Susie,
18 what are -- are you doing the BankWork\$ program? That
19 sounds really cool. I want to reach out to them.

20 So the Association is a great clearing house for
21 information, and I think the visibility of the workforce
22 system through the PWDA organization, I think is a real
23 strong one.

24 MS. PUSKAR: I would echo that and also say that
25 we have informal groups as well, formalized through WIOA

1 with regions. And so Partner4Work is in the Southwestern
2 PA region with our peers at the Tri-County Workforce Board,
3 Southwest Corner, and Westmoreland Fayette. And so we meet
4 pretty regularly to talk about -- a third of the jobs in
5 that Pittsburgh MSA are in Pittsburgh proper, a third of
6 them are in Allegheny County, and a third of them are in
7 the counties that surround Allegheny County. So our labor
8 shed is not just Allegheny County. We have to figure out
9 solutions that work across those counties and those
10 regions.

11 And if something's working really well in
12 Southwestern PA, there's a chance that it could work here,
13 and vice versa. And so how do we identify -- if you've got
14 an employer here in the region -- and there's one that I
15 want to talk to you about -- that we work closely with, how
16 do we identify those leaders at the organization in a
17 different region to say let's expand this and let's figure
18 that out.

19 So a lot of it is just we have good relationships
20 with each other. And fortunately, we don't compete with
21 each other because of the structure of workforce
22 development boards. So it really is about elevating best
23 practices through PWDA and through our work collectively.

24 MS. IRELAND: And I would just say that there are
25 also other regional collaboratives of local workforce

1 development boards. BankWork\$ is in Philadelphia, as
2 well -- doing well in Philadelphia as well. And so I mean,
3 I think there's a real effort amongst the 22 workforce
4 development board directors to really understand what's
5 working effectively and bringing it to their particular
6 footprint.

7 MAJORITY CHAIRWOMAN KLUNK: Thank you.

8 One last question. Funding. You know, we've
9 received some additional federal funds through the various
10 stimulus packages and 92 percent of your funding comes from
11 the federal government, very small portion through state
12 funds. So I know that there's limited flexibility that we
13 can offer you when it comes to programs and how you can
14 spend that money.

15 But what would you say we could do at the state
16 level or even work with our federal counterparts to try and
17 give you some additional flexibility when it comes to how
18 you spend those dollars? And how can we better stretch
19 those dollars and really focus on getting that best bang
20 for the buck to help people? Any thoughts?

21 MS. IRELAND: Yeah. So flexibility is always
22 critical. We do -- I'm not going to discount that WIOA and
23 TANF is focused on serving a specific part of the
24 population that needs our help. But I think we could do a
25 better job of blending particular funding streams.

1 I also think that there are clear opportunities
2 here to support programs and approaches that work. We're
3 in the process, as you've seen -- I think you've seen, over
4 the last six months we have released \$18 million in funding
5 focused on things like School2Work and Near Completers and
6 Digital Literacy, and business engagement partnerships.
7 And we are ramping up as quickly as we can to make sure
8 that these programs are in place.

9 But like we talked about in School2Work earlier,
10 we can't fund the need. We simply don't have the resources
11 to be able to comprehensively address across a state as
12 large as Pennsylvania what we can do with the funding that
13 we have.

14 MS. PUSKAR: I'd echo the comment about local
15 flexibility wherever as possible because my labor market is
16 very different than Jesse's labor market might be.

17 I think the other things that I would think about
18 are how can those public dollars be leveraged with private
19 dollars and how can we incentivize more employers to join
20 us in solving for this workforce challenge that they have?

21 And the third point that I would make flew out of
22 my head, so it must not be quite as important. Oh, it's
23 back now. And it is very important. Deputy Secretary
24 Ireland mentioned that the workforce system is really
25 oftentimes about getting a person their first job or that

1 first job.

2 It would be really great if we could start to
3 look closer at how do we build retention systems within
4 employers that are willing to work with us. How do we help
5 someone -- you know, we kind of sometimes step away after
6 we've gotten them that first job along their career
7 pathway. How do we stick with them for longer so that we
8 can help them advocate for themselves when it comes to
9 asking for raises or looking for that next promotion, or if
10 they don't have that opportunity for advancement at that
11 employer, connecting in with the next job?

12 All of that is what it takes to build a really
13 strong system. And WIOA shifted things from WIA where
14 under the last law we were looking at first quarter and
15 second quarter after exit placements.

16 Now we look at second quarter after exit and
17 fourth quarter after exit. So it's looking at more
18 stickiness, but we don't have the resources necessarily to
19 stay with that person long term, to stay with them for the
20 12 months that we really need to in order to help coach
21 them and make sure that they have the skills that they need
22 to be able to succeed a year out. Because what you do a
23 year after you start a job -- those are very different
24 skills than the first day on a job.

25 So I think those kind of retention resources

1 would be really helpful in building a much stronger
2 recovery.

3 MS. IRELAND: I couldn't agree more. And I think
4 the other thing is it's not just retention, but we know
5 where the break-even cost for employers is when folks are
6 onboarded. So we want to make the folks that we deliver to
7 business more palatable for them by providing that kind of
8 support moving forward.

9 And to Susie's point, it is about the 2.0, right?
10 It is about if we want to unburden the workforce
11 development system seeking to put unemployed and
12 underemployed people back to work, the first thing we do is
13 make sure they stick and stay.

14 MR. MCCREE: Flexibility, lifelong learning,
15 working poor: the things that we're not able to do as much
16 of as we'd like in the current limitations of our funding.

17 MAJORITY CHAIRWOMAN KLUNK: Well, thank you so
18 much to the Department, and Jesse and Susie for your work,
19 and all that you do to try and make sure that Pennsylvania
20 has the best workforce in America.

21 I think we've got great people. We just need to
22 make sure that we're pairing them up with the great
23 businesses that we have in the Commonwealth, making sure
24 that they have the skill set, making sure that high school
25 students are aware of those opportunities, being proactive

1 opposed to being reactive, making sure that employers are
2 the ones that are really driving that process but making
3 sure that our employees and workers have those skills to be
4 able to step right in to those jobs that are open and doing
5 it. That earn-while-you-learn, I think, was one of those
6 big programs that I think is the big key takeaway focusing
7 on that.

8 Again, as we move forward, I think you guys need
9 to continue to be those great connectors and collaborators.
10 And that's how we're going to get out of this. And also
11 ensuring that we have those good wraparound services that
12 you guys are providing.

13 It's not just about the skills for the job. It's
14 the life skills that you're also offering with how to
15 balance that checkbook and build that family budget and
16 also figure out some of those other family components about
17 childcare and how to make all of that work.

18 So thank you for everything that you're doing. I
19 think this was a really great hearing to get information
20 about how we can move forward and really look forward to
21 working with you guys in the future. So thank you so much.

22 MR. MCCREE: Thank you.

23 CHAIRMAN COX: Thank you. Have a nice day.

24 MS. IRELAND: Thank you.

25 MAJORITY CHAIRWOMAN KLUNK: With that, we will

1 adjourn the meeting. Thank you.

2 (Hearing adjourned at 12:08 P.M.)

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C E R T I F I C A T E

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