

Pennsylvania Senate
Community, Economic & Recreational Development Committee
and
Labor & Industry Committee
House Majority Policy Committee &
Sub-Committee on Workforce Development

30 October 2007
Harrisburg, Pennsylvania

Testimony of Ronald D. Painter, CEO
Three Rivers Workforce Investment Board/TRWIB, Inc.

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Good Morning. My name is Ron Painter and I am the CEO for the Three Rivers Workforce Investment Board and its staffing and managing entity, TRWIB, Inc. Three Rivers is the workforce board for two sub-state areas under the Federal Workforce Investment Act, those being Allegheny County and the City of Pittsburgh. Our members are for the most part jointly appointed by the Chief Executive and the Mayor.

I want to take this opportunity to thank the members of the Committees for the opportunity to address you this morning. In the economic formula that I was supposed to learn in college, my Professor talked about three (3) elements; land, capital, labor. We are here to talk about the most critical of these three - labor or the talent of a region's workforce. My objective in speaking today is to give you all some sense of how the workforce development system operates in Allegheny County and the City of Pittsburgh, to briefly discuss some initiatives that are underway, and to discuss the challenges presented in the issue of youth preparedness in PA.

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Unlike in most areas of Pennsylvania, Three Rivers WIB is not the direct fiscal agent for either federal Workforce Investment Act funds or Commonwealth funds through the Department of Labor & Industry. In our case, Allegheny County's Department of Human Services and the City's Pittsburgh Partnership serve as the direct fiscal agent for these monies. Our role with regard to these funds is to provide oversight and suggest program implications of the labor market data that we accumulate and analyze. To arrive at some realistic view of the labor market in Allegheny County, our analysis is always the 1.4M in southwest PA's labor force and often a portion of the labor force in northern WV and southeastern OH.

TRWIB serves as the contracting entity for both industry partnership grants for approximately eleven (11) such efforts and for several incumbent worker grants that help address skill gaps and increase skill acumen in healthcare, the building trades, and manufacturing. In healthcare, grants with the Jewish Healthcare Foundation, Faith Based Long-Term Network and West Penn Allegheny Health System help train nurses and train other staff in skills and techniques that ranges from entry level supervisory techniques to increase retention in long-term care

facilities to introducing Toyota production principals into healthcare to save costs and save lives.

In the building trades and in manufacturing, TRWIB has worked; with companies in the plastics industry to skill their workforce in production techniques and quality control, the Steamfitters Union to develop their member skills in orbital welding and maintaining state-of-the-art chilling units and "clean" rooms used in biotechnology, technology labs and advanced manufacturing facilities, and in manufacturing with companies to help stretch their internal training dollars so more employees can learn statistical process control, lean manufacturing and new machining techniques. Some of which happens at the Community College of Allegheny County's million-dollar manufacturing center in the West Hills area that focuses on programmable logic controllers and is one of less than a dozen such equipped centers in the US. All told, over three-thousand employees have received training in the last several years.

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This training, resulting across the Commonwealth in wage gains for Pennsylvania's workers averaging over 12%, is a result of your investment in the programs under the umbrella of Job Ready PA.

Let me spend a few minutes talking about youth. In the US nearly 20,000 young people age out of the foster care system and nearly 97,000 are in the juvenile justice system in any given year. In the Commonwealth those numbers approximate; 1,300 aging out and almost 35,000 engaged with the juvenile justice system. In urban areas, and I suspect in some rural areas, drop-out rates for some individual buildings approaches 40% of certain demographic groups. In PA over 18,000 of our youth dropout each year. School systems are recognizing that there are "transition" points that are in critical need of attention if we are to stem this "silent" epidemic in education. These are the transitions from 5th grade to 6th, from 8th to 9th grade, and from 12th grade to post-secondary life. That post-secondary life increasingly requires a technical education at the least to be competitive and yet, well over 50% of entering students require at least one remediation course in order to facilitate learning and the completion rates of community colleges

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nationally is less than 50%. The issues are complex and no one system is to blame.

The Commonwealth has begun to be more aggressive in helping our youth see the relevance inside the classroom. Since 2006 twenty (20) Regional Career Education Partnerships for Youth have received nearly \$3.1M in funding from PA. Department of Labor & Industry. To date, these partnerships that work in conjunction with the Department of Education's initiative, Project 720, have reached 110 school districts and approximately 110,000 PA youth. The grants focus on assisting schools with integrating what we in the workforce system understand business needs in entry level workers and how these needs match Career Education standards. In Allegheny County TRWIB is working with thirteen (13) school districts, helping to orient teachers to the make-up of the labor market in SWPA, the skill needs of that market, and developing district game plans to help students understand the market as well. Working with other partners like YouthWorks, Inc., the Consortium for Public Education, Urban Youth Action and others, we used the last week of April to highlight youth development and provide job shadow and career exploration, as well as professional training for youth

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workers. We will again use the last week of April to highlight the need to focus on youth development. In addition, TRWIB with the Mayor's Office and the Pittsburgh Public Schools are utilizing US Department of Labor funds are developing a "blueprint" of alternative pathways to academic achievement in an effort to reduce the drop-out rate.

In light of the fact that over 25% of PA's current population is over 55, with about 41% of Allegheny County's labor force over 45. In Allegheny County we face the challenge of more older workers in these upper age cohorts than we have in the younger age cohorts. Youth in PA are an extremely valuable talent resource that we need to develop. In 1998 the US Congress cut 50% of the youth funding in the Workforce Investment Act. Those funds were used to provide summer jobs experiences for youth and year round academic support for primarily youth at-risk. These monies have never been restored and with the federal deficit at record highs and foreign wars to be paid for, it is unlikely they will be restored. It is up to the Commonwealth to assume the responsibility to re-gain those youth, particularly out-of-school school youth and find the funding for summer youth employment. Efforts in Allegheny County to attract sufficient numbers of private employers

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have proven difficult and government needs to step-in to help bridge the critical transitions. I hope we can discuss these issues in greater detail with you in the near future.

Thank you for your time.

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