

Presentation to the Skilled Worker Shortage Study Committee

October 15, 2007



Enriching Iowa's Economic Development Through Innovative Workforce Services

Worker Shortage

- Manufacturing is still the state's top industry
- The Iowa economy is projected to add more than 216,000 new jobs over the 2004-2014 period*
- The workforce is aging; Iowans age 55 and older account for 16.8% of the workforce
- About 54% of all occupations in Iowa require post-secondary education or higher*
- To continue to grow Iowa's economy, it is necessary to understand the regional workforce needs and train the workforce accordingly

*From "Iowa's Workforce and the Economy", IWD, 2006



Who are we?

- **Association of Iowa Workforce Partners**
 - A group of workforce practitioners from around the state
 - Established in 2000
 - Seventeen member organizations
 - Share best practices
 - Build awareness of workforce challenges
 - Improve the quality and quantity of workers and workforce services
 - Members include WIA providers, Iowa Workforce Development and agencies serving special populations



The Workforce Partnership

- 15 Regions designated in Iowa
- Each Region is governed by a Workforce Investment Board, recommended by local elected officials and approved by the Governor. The Board includes business, labor, and elected officials from city, county, school board and community college board.
- One Stop Workforce Development Center for job seekers and employers in each region



Iowa's Local Workforce Delivery System

The Workforce Partnership

Regional Workforce Investment Board

Education | Job Training | PROMISE JOBS | Dislocated Worker | Career Planning & Development

Iowa Workforce Development

Job seeking | Job placement | PROMISE JOBS | Unemployment | Veterans Services

Additional partners located in some one-stop centers

Vocational Rehabilitation | Job Corps | Senior Employment | Youth Services | Farm Worker Training



Workforce Partners

- low@Work Providers: Workforce Investment Act providers selected by regional boards
- Community Colleges, Councils of Government, Planning/Development Commissions, and Community Action Agencies
- Iowa Workforce Development (IWD)
- PROMISE JOBS providers (jointly administered by IWD and low@Work)
 - Through a subcontract with DHS
- Other community service providers include Vocational Rehabilitation, Community Colleges, Agencies on Aging, Job Corps, migrant worker, Native American programs, etc.



Workforce Investment Act

- Workforce Investment Act (Public Law 105-220)
 - Fosters partnerships between business, labor, state and local partnerships to address workforce issues
 - Establishes State and Regional Workforce Boards
 - Establishes the "one-stop delivery system"
 - Provides job training funds for adult, low income youth, and dislocated workers



WIA in Iowa

• FFY06 WIA Funding and Program Participants

Regional Services

	Number Served	Total Expenditures
Adults	1182	\$2,926,621
Youth	1094	\$3,903,943
Dislocated Workers	1711	\$3,389,743



Adult Programs

- Services and resources for low-income adults
 - Skills assessment and training
 - Career counseling
 - Job seeking skills classes
 - Job development assistance



Dislocated Worker Program: Responding to Plant Closings and Layoffs

- **National Emergency Grants (NEG)** - discretionary awards by the Secretary of Labor that temporarily expand service capacity at the State and local levels through time-limited funding assistance in response to significant dislocation events where at least 50 or more workers from a company will be served
- **State Emergency Grants (SEG)** - provide funding to retrain workers to return to the workforce. Grants are available for small layoffs and closings, but at least 20 workers must be served. Guidelines should be revised to expand eligibility to Iowa's small business workers.
- **Trade Adjustment Assistance (TAA) and Alternative Trade Adjustment Assistance (ATAA)** - federal funding that helps trade-affected workers who have lost their jobs as a result of increased imports or shifts in production out of the United States.



Youth Programs

- Services and Resources for At-Risk Youth, Ages 14-21
 - Mentoring, guidance and counseling services
 - Tutoring
 - Alternative education
 - Career exploration
 - Work experience
 - Skills training



Family Investment Program

- The Iowa Department of Human Services (DHS) administers the Family Investment Program (FIP)
 - Cash assistance for needy families
 - Funded through federal Temporary Assistance for Needy Families (TANF) legislation
 - Provides income maintenance and work incentives
 - 60-month lifetime limit for FIP benefits



PROMISE JOBS

- “Promoting Independence and Self Sufficiency through Employment”
- Iowa’s work component for families receiving FIP
- Goal is to help families reach economic self-sufficiency through training and employment opportunities
- DHS contracts with Iowa Workforce Development (IWD) to administer the PROMISE JOBS (PJ) program
 - IWD partners with local low@Work providers to deliver required services
- 17,467 active cases in June 2007



Gaps in Services and Funding

- Limited Funding for Accelerated Skills Training
 - Short-term, industry-recognized training opportunities that often do not qualify for funding assistance
 - Examples: Welding, Semi-truck driving, Computer technology
- Engaging At-Risk Youth, in and out of school
- Foundational workplace skills, such as dependability
- Outreach to and one-on-one career assistance for special populations



Recommendations

- Invest in Accelerated Skills Training to Meet Regional Workforce Demands
 - Develop an *Accelerated Skills Training Fund* to be distributed to regions based on factors such as unemployment rate, job growth, and shortages
- Create Opportunities for At-Risk Youth to Learn about and Prepare for Work in High Demand Fields
 - Establish intensive career exploration programs in partnership with businesses and schools for youth ages 15-21. Components of the programs should include basic work skills, tutoring, job shadowing, and internships.



Return on Investment

- Retaining our Iowa workforce
- Creating economically self-sustaining individuals and families
- High return on retraining

	<u>Training Cost</u>	<u>Average Iowa Salary</u>
Welding	\$420	\$30,100
Nurse Aide	\$565	\$21,900
Logistics	\$875	\$58,100

- Measures of success and ensuring accountability



Why a partnership model?

- Access to multiple services under one roof
- Relationships with employers, community colleges, and educational systems
- Knowledgeable case managers assess worker skills and prepare them for high-demand jobs in the region through training and employment services
- Job Bank



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