



## **Boston Workforce Development Coalition**

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### **Testimony by Laurie Sheridan, Executive Director**

#### **Boston Workforce Development Coalition**

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Good afternoon. My name is Laurie Sheridan. I am the Executive Director of the Boston Workforce Development Coalition, a network of over 85 community-based organizations in Greater Boston providing training, education, skills training, pre- and post-employment counseling, and adult education; and also community colleges, unions, employers and advocates dedicated to improving the opportunities and providing a voice for under-represented community residents, especially the working poor. I am here to testify on behalf of using a significant portion of funds from the tobacco settlement funding, towards workforce development and basic skills training for Massachusetts' incumbent and potential workers. It is critical for you to amend **House 3955** to designate a portion of the funds for job and basic skills training for low- to middle-income residents, and not just to companies for start-up and expansion funding. Such training is essential in order to prepare people for jobs that employers and the larger economy need, and equip them for jobs that pay family-sustaining wages.

The many organizations that our Coalition represents know intimately and on a day-to-day basis the barriers and issues faced by community residents trying to become and stay employed, the working poor trying to achieve family-sustaining wages, and the needs of employers, industries, and entire sectors of the economy. And we know how to address those needs without costing the state a lot of new money, all the while generating tax revenues by enabling community residents to work, achieve family-sustaining wages, and rise up the employment and economic ladder. All that is required are

resources, coordination, attention to infrastructure, and responsiveness to the barriers, needs and efforts of community residents and the programs that serve them and which our Coalition includes.

The Massachusetts Workforce Development System faces many challenges, including:

- ◆ The need to achieve cost efficiencies, fund needed programs in the face of declining revenues, and deliver cost-effective services and programs;
- ◆ The many barriers facing Massachusetts workers, and community residents seeking to enter the workforce, including limited literacy, English language, job skills, and often the personal supports needed to succeed and move up at work
- ◆ The shortage of programs relative to the number of people who would like to take advantage of them; and
- ◆ The current mismatch between the skills needs of employers, and the skills possessed by entry-level, incumbent and potential workers

These are daunting challenges, indeed. However, even in this budgetary and economic climate, Massachusetts is up to it if only we prioritize effectively. A familiar saying comes immediately to mind: *“If you give a man a fish, he eats for a day. If you teach a man to fish, he eats for the rest of this life.”* This saying refers to the fact that teaching workers basic skills and job skills, and supporting their transition into and upward in the workforce, moves that worker from being an economic liability for society, into an economic contributor. It’s as simple as that. Hard and soft skills, once learned, are useable over a worker’s lifetime, coupled with occasional re-training for outdated skills for dislocated workers or those seeking to upgrade their skills and positions. These are investments that are long lasting, and that more than pay for themselves over the course of a work life.

Investing in workers and low-skilled community residents seeking to enter the workforce, pays for itself in both the long and the short runs. Every dollar invested in skills training, comes back to the state at least ten-fold in future tax revenues. That does not even count the reduction or elimination of social costs avoided such as welfare, housing and food subsidies, mental health therapies for depression, or crime, prisons, and family dysfunction which may be avoided when a parent is able to work, succeed and support a family. Job training and workforce development are not a cure for everything—but they go a long way to helping make families economically successful and trained

workers contributing members of society in every sense of the word “contributing.” It is the most cost-effective strategy we can have.

The economy has changed. Current predictions indicate that over 80% of jobs will require an AA degree (community college) or higher. You know that many of your constituents, whether because of lack of English skills, basic literacy, or specific job skills, are not fully prepared to enter the jobs of today and tomorrow. The demographics of the state have changed. Massachusetts residents include many new immigrants who do not speak English, fluently, there are many youth who also lack basic literacy skills, and women leaving welfare often have little work experience or skills to enter the workforce. And the working poor often do not have access to training to improve their skills or to advance on the career ladder, so they are locked into low-paying jobs despite employers’ need for higher-skilled workers.

The Massachusetts economy relies on workforce development services and training programs. The entire economy relies on them, whether employers, state government, or even labor economists are always aware of that. Massachusetts has one of the most sophisticated, diverse and well-developed networks of community-based organizations in workforce development, along with several other important areas. Let’s make use of that critical strength.

Our four-year-old career ladders initiative has demonstrated the effectiveness of putting together CBO-employer partnerships, and often CBO-community college-employer partnerships, to work together to invest in community residents and current workers by providing them with the training, skills, and support they need to move up the career ladder and advance on the job. These programs work. They just need funding, resources, supports and some stable, sustainable funding base.

There are few fixes in workforce development, but the “fixes” that work pay for themselves many-fold. Newcomers to the workforce face daunting challenges on their time and energy. For example: it takes many months just to acquire English language skills--ESOL programs take months, not weeks, of intensive language training or immersion. So does adult literacy in English--it takes time, as any provider of ESOL or ABE can tell you. And you have to learn English or become literate in English before you can participate in many training and education programs, let alone hold a good job. It makes a lot of sense to invest over time in workers’ education, training,

and job readiness. It makes sense both economically and ethically to prepare them not just for an entry-level job, which will probably never pay a living or family-sustaining wage, but for the tools and skills to rise on the economic ladder into higher-paying positions that require more education, skill and preparation. And it makes sense to fund this preparation and this rise on the ladder over time.

It takes considerable training and education to get someone ready not only to enter a job, but to survive there, keep the job, and move up the ladder to family-sustaining wages. We need to be looking at ways to invest more, not less, in those who often have little education or work experience. That means we really need to invest more in the training, education and support programs that make this possible. We need to prepare workers, including women leaving welfare, for jobs in the new economy. This requires acquiring new skills, sometimes technical skills; lots more education and training; and often there needs to be a lot of flexibility in how they prepare for these careers. At the Boston Workforce Development Coalition, for three years we have run a career ladders project that tries to create pathways upward in several different employment sectors. It makes a lot of sense to prepare women for jobs that have a future, with increased earnings and rewards for additional skills, responsibilities, and experience. But that's not what most current policies and practices have been doing, and we'd better start preparing entry-level workers to move up these career ladders if we really expect them to support their families and set good examples as role models for their children.

What are the jobs and the sectors where current clients are finding jobs?

- Hospitality (this means primarily cleaning hotel rooms)
- Nursing homes and home health care (long-term care)
- Health care and hospital jobs, often direct care or entry-level housekeeping, dietary, transportation, etc.
- Maintenance and cleaning
- Retail
- Child care
- Security
- Food Service
- Sometimes, financial services and insurance, the entry-level jobs

These are jobs that typically have low pay, few if any benefits, difficult schedules in terms of inflexibility and off-shift (night) work, and are often stressful, hard on mind and body, and

exhausting as well. And they are often the hardest to juggle with work/family and child care responsibilities.

We do not want to prepare low-income workers just for dead-end, entry-level jobs with no future, where they will never earn enough to support a family or find interesting work. We need to prepare them for careers, not just jobs. The training to enter and move up in these jobs requires a lot of time, both a lot of time spent on training, and over a long period of time. We're talking about "lifelong learning" here, not just what you can acquire in a year or two, let alone a few weeks or months. And we have to be realistic about what kind and schedule of training and education can actually meet the real demands on women's times: poor women who are single parents often caring for multiple children with many different barriers, needs, health issues, etc. It's not that they can't do it—many want to desperately, and are very good and dedicated participants in training programs. But they need the time and supports required to learn what they need to know and move up the ladder.

We need to create a better future for these workers. Even if we don't care about them or their children (and we should), at least we could be giving them the skills, education and experience to move up the ladder and pay more taxes, stay off welfare, and contribute significantly to the economy.

- How are we going to ensure that new jobs created in Massachusetts, have Massachusetts residents trained and ready to fill them? And that they are trained and prepared for career ladders that enable them to move up the ladder?
- How is the Commonwealth going to meet the needs of the many community residents who lack basic skills such as ESOL, ABE, numeracy, and also the "soft skills" such as communication, conflict resolution, working in a team, or the practicalities of holding a job?
- How is the Commonwealth going to meet the educational and employment needs of youth, especially those who are out of school and un- or under-employed? How are youth going to be prepared and ready to enter the jobs that will be opening up in our state?

- How will the state plan and monitor how workforce development funding benefits the state residents who need it most: the working poor, those needing basic skills, welfare recipients, the un- and under-employed, and dislocated workers? What priorities will ensure that these services reach clients most in need?

This may sound like a lot. But it's a worthwhile investment. In a down economy, it makes sense to invest in workers and the potential workforce, so that Massachusetts is ready when the economy picks up. If we don't do this, the cost is far greater—locking the working poor into inadequate jobs, or, for many, no job in the legitimate economy, locking youth out of gainful employment or family-sustaining-wage jobs, and locking both out of rising economically or educationally. We can't afford to do that.

What should we be doing?

1. Investing in long-term training and education for low-income workers and community residents, that will provide basic skills, literacy, numeracy, English, and other necessary and education to enable them to access jobs with a future;
2. Investing in the programs and organizations that provide such training and education, including community-based providers of adult education, literacy, ESOL, and "soft skills" as well as job skills training;
3. Investing in the creation of model career ladders programs to enable entry-level workers to move up to higher pay and skills levels, and assist employers in developing and implementing such career ladders in their workplaces to create upward mobility and improve retention; and
4. Allowing women leaving welfare to invest the time and effort needed to complete training and education programs, before and during
5. Encouraging employers to provide on-site and during-work hours (release time) training and education for entry- and mid-level workers to enable them to participate fully in such training and move up the ladder, accessing higher positions.
6. Investing substantially in child care training and the child care infrastructure, and developing public mechanisms to pay better wages and benefits to child care workers, in order to expand the capacity of the child care system to meet the needs of job seekers, welfare leavers and those in job training and education, as well as prepare the future workforce.

7. It's up to you to help make sure that funding from this bill addresses the needs of workers, community residents, and the need of employers and the larger economy for more job training and workforce development programs. We are here to provide information and support for what you do in your official capacity, and want to offer ourselves as a resource with expertise on what would be the most effective use of funds. We are your allies and partners in this effort, and your constituents both individual and business, are counting on you to represent them on this important issue. Whatever district you represent, there are constituents, community programs, and employers whom you represent who look to you for leadership on workforce development.

Thank you for the opportunity to speak before you today on this important issue.