

# The Workforce Alliance Recommendations for SAFETEA-LU Reauthorization

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The recent American Recovery and Reinvestment Act (P.L. 111-5) provided more than \$64 billion for transportation and other infrastructure projects—investments that are expected to create or sustain as many as 1.8 million jobs—and Congress is expected to provide billions more for infrastructure when it reauthorizes the nation’s primary transportation law, SAFETEA-LU.<sup>1</sup> These investments in bricks and mortar must be coupled with significant new investments in people, particularly through expanded support for workforce development. Many of these emerging job opportunities will be “middle-skill” jobs, meaning that they require some training beyond high school, but less than a college degree. Without sufficient training opportunities to meet growing demand, workers will be unable to develop the necessary skills to get and keep these newly created jobs, and employers will continue to experience substantial worker shortages.

Prior the current economic downturn, there were significant concerns about the lack of skilled workers in our nation’s transportation and construction industries. The Federal Highway Administration estimates that between 40-50% of the current transportation workforce will retire in the next decade,<sup>2</sup> and the National Center for Construction Education and Research estimates that 275,000 new workers will be required every year for at least the next ten years.<sup>3</sup> Even in the face of significant job losses over the past year, it is unclear that there is sufficient “bench strength” to match anticipated demand; while the Bureau of Labor Statistics reports that the overall construction industry has lost more than 800,000 jobs in the last year, fewer than 10% of those job losses have been in the heavy and highway construction sector, indicating there may be less slack in the labor market than expected.<sup>4</sup> It is also unclear that a pipeline to develop sufficient numbers of new skilled workers exists: fewer than 37,000 workers began construction apprenticeship programs in Fiscal Year 2004, and historical completion rates indicate that as many as 60% of workers entering apprenticeship programs fail to complete their programs.<sup>5</sup>

At the same time, there are long-standing concerns about the ability of women, minorities, and other historically underrepresented populations to access well-paying construction jobs. According to the U.S. Department of Labor’s Office of Apprenticeship, minorities accounted for less than a quarter of construction apprenticeship slots in 2006, and women filled fewer than three percent of apprenticeship slots.<sup>6</sup> In addition, there is little national data on the number of “pre-apprenticeship” programs designed to help lower-skilled workers acquire the basic skills needed to enter into construction jobs and apprenticeship programs.

Current transportation law includes provisions that can support workforce development, but there is little evidence that states are taking full advantage of these provisions, meaning that there may not be a “shovel-ready” workforce to support our nation’s significant new investments in

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<sup>1</sup>[http://transportation.house.gov/Media/file/Full%20Committee/Stimulus/HR1\\_Conference\\_rpt\\_Statement\\_\(Floor\\_v  
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<sup>2</sup><http://www.fhwa.dot.gov/opd/>

<sup>3</sup><http://www.nccer.org/documents/Research/SkilledWorkforceCrisis.pdf>

<sup>4</sup><http://www.bls.gov/news.release/empsit.t14.htm>

<sup>5</sup><http://www.gao.gov/new.items/d05886.pdf>

<sup>6</sup>[http://www.doleta.gov/oa/pdf/OA\\_Statistics\\_FY\\_2003\\_2007.pdf](http://www.doleta.gov/oa/pdf/OA_Statistics_FY_2003_2007.pdf)

transportation and infrastructure. The Workforce Alliance recommends the following changes to ensure that workers and employers have the skills to support public investments in infrastructure:

**Expand capacity and funding for infrastructure training programs.**

As noted above, states may use highway formula funds for surface transportation workforce development, including pre-apprenticeship and basic skills programs designed to promote opportunities for traditionally underrepresented populations. However, evidence suggests that these programs are underutilized because they compete with states' capital spending requirements. Congress should establish a dedicated funding stream under SAFETEA-LU to support these activities, and create similar capacity in the mass transit sector.

**Create designated capacity for sector partnerships and career pathways.**

Congress should include language under SAFETEA-LU to link training capacity to the existing workforce development system, and promote best practices such as sector partnerships and career pathways to ensure the transportation and infrastructure sectors have the skilled workers they need and that all workers have access to the skills training they need to obtain family-supporting jobs in these sectors.

**Allow program participants to receive income support.**

Providing income supports can have a positive impact on the persistence of low-income participants in training programs, but current policy does not allow federal highway funds to be used for these expenses. Congress should amend SAFETEA-LU to ensure that individuals can support themselves while acquiring the skills necessary to gain employment.



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