

## Congress should pass bill to counteract skill gaps

By MICHAEL MANDINA - 12/3/2010

I recently attended an employer fly-in event in Washington, D.C., hosted by the National Skills Coalition. I was one of 17 businesspeople from around the country representing employers in manufacturing, health care, construction and clean energy.

The purpose of this event was to meet with high-level policymakers to discuss skill gaps and how an industry-driven training approach known as sector partnerships can help fill those gaps. The details of the sector partnerships are contained in the Strengthening Employment Clusters to Organize Regional Success Act. This bill, which dedicates federal support to sector partnerships, has bipartisan support. It was unanimously passed by the House of Representatives and is awaiting Senate approval.

Those of us who work in industry clusters understand the power they generate. They are especially useful for bringing small and midsize firms together around the issue of the work force. The cluster is the focal point for a common voice, creating a hot spot that other stakeholders can find and join. Government agencies (often work force investment boards), academia and suppliers are some of the key stakeholders that participate in sector partnerships.

I work with three clusters: the Finger Lakes Advanced Manufacturers' Enterprise, the Rochester Regional Photonics Cluster and the Rochester Tooling and Machining Association. All three clusters have had or are receiving some form of governmental support. The funding has been important, since using sector partnerships to drive course development at community colleges and to direct Labor Department training funds is a relatively new concept.

"We applaud these business leaders," said Andy Van Kleunen, executive director of the National Skills Coalition, "for their efforts to build support for public-private partnerships that will enable our education and training institutions to better meet the needs of regional industries and provide new pathways to good jobs. Newly skilled workers, trained in collaboration with employers, will be vital to economic recovery."

In Washington, we met with officials from the White House Domestic Policy Council and Office of Management and Budget as well as Senate committee offices. At the Labor Department, we met with Assistant Secretary Jane Oates of the Employment and Training Administration. We delivered the message that we have record unemployment and skilled jobs going unfilled and that we should never have these two problems at the same time. We said the skill gap is real; it's keeping people unemployed, making it very difficult for companies like Optimax to grow and add jobs.

Research supports what employers are experiencing on the ground. According to a recent International Monetary Fund study, this gap is at a historical high in many states, especially in those with large manufacturing sectors. It accounts for 50 basis points of the increase in unemployment since 2007.

A recent, multi-year study by Public/Private Ventures on the effectiveness of sector-focused training programs found positive outcomes for workers, including steadier employment with higher earnings and better access to benefits. We called on members of the administration and Congress to act swiftly in moving the SECTORS Act through the Senate and to build on that momentum to reauthorize the Workforce Investment Act.

"Sector partnerships offer distinct capacity to bring employers together across an industry to figure out their common skill needs and work with education providers, labor and community organizations to shape training accordingly," said Jennifer Hermann of UCSF Medical Center in San Francisco, a member of our group. "That means my organization can focus on the business of patient care. It means people in my community can train for a job and advance in my organization. It's that simple."

Scott Ellsworth of Tipco Punch Inc. in Hamilton, Ohio, added that "the single biggest issue facing our country is jobs. Despite all the talk of political polarization in our country, the House of Representatives passed the SECTORS Act on a unanimous, bipartisan vote. That's because this issue of skills rises above politics. It's something we can all agree on. It's time for the Senate to rise above partisan politics and do what's right for America's business owners and America's workers."

During the visit, Oates said publicly for the first time that she supports the SECTORS Act. She also made reference to \$2 billion in funding being offered to the 1,100 community colleges. The Education Affordability Reconciliation Act was signed into law in March and provides \$2 billion for the Community College and Career Training Grant Program, a new trade adjustment assistance program that was created in last year's American Recovery and Reinvestment Act but never funded.

The reconciliation bill provides \$500 million annually in fiscal years 2011 to 2014 for this program, to fund training and education programs at community colleges and other institutions that serve workers eligible for trade adjustment assistance. These grants will be awarded

competitively, but one or more institutions in each state will receive at least 0.5 percent of the money, or \$2.5 million per state. The program should fund a wide range of training initiatives.

Through our current clusters-FAME, RRPC and RTMA-and others, our region is well positioned to apply for and win significant funds to further develop our skilled worker pipeline.

*Michael Mandina is president of Optimax Systems Inc. For more on the National Skills Coalition, go to [www.nationalskillscoalition.org](http://www.nationalskillscoalition.org).*

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