

Training key to local stimulus package

Job creation must come with adequate job training if a jump-start to Lane County's economy is to be successful

BY CHUCK FORSTER
For The Register-Guard

Many of us are experiencing the most troubling economy in our lifetime. Lane County's unemployment rate reached 9 percent in December, the highest rate in 23 years. More than 15,000 Lane County residents are receiving benefits from unemployment insurance. Almost four times that many, or 57,000 citizens, are buying groceries with the help of food stamps. Approximately 300 to 400 people use The Workforce Network Center (2510 Oakmont Way) daily as a resource in their job search — whether for a new job or a better one. Some also seek assistance in acquiring new job skills.

The federal stimulus package currently under consideration in Congress proposes a wide range of economic efforts, ranging from public works projects to the extension of unemployment insurance. An expansion of the food stamp program is also being considered, as is a proposal to provide additional funds to support job training for laid-off workers and low-income youth.

At a recent economic development session of the Lane County Board of Commissioners, I presented a number of economic stimulus recommendations for our area. They include:

◆ Fund a summer youth jobs program targeting low-income people aged 16 through 24.

Rationale: Not since World War II has youth participation in the work force been so low. Youth employment is one of the greatest indicators of lifetime earnings; it usually leads to a higher than average income. Most importantly, summer jobs provide young people with the opportunity to develop work readiness skills, while also exposing them to a variety of careers. In addition, wages paid through the program will stimulate the local economy.

◆ Promote United Way's Earned Income Tax Credit Initiative.

Rationale: People who worked in 2008 for low to moderate incomes may qualify for an Earned Income Tax Credit, which could eliminate their taxes — or even get them money back. To qualify, people must file a tax return. In the past, millions of dollars of these credits went unclaimed in Lane County. (For assistance, go to www.211Lane.org). These much-needed dollars will help support low-income families, while providing an economic stimulus to local businesses.

◆ Provide financial and other incentives to employers that offer career growth opportunities and

Stimulus: Offer incentives to businesses

wages at or above the private sector median wage.

Rationale: Lane County's average wage lags the statewide average wage by nearly 20 percent. More than 55 percent of jobs in Lane County pay less than \$30,000 per year. It is estimated that a family of four in Lane County requires an average annual household income of more than \$45,000 to meet basic needs. Giving local businesses incentives to offer higher wages and career opportunities will improve families' financial stability.

◆ Create a cluster-based regional economic development plan.

Rationale: The most effective use of scarce resources requires policy and resource alignment around job growth clusters. The local economy is not defined, or driven, by political or geographic boundaries. It will take a cooperative effort of local governments, educators and businesses to create an economic development plan that builds on the strengths of our county.

Based on the Lane Workforce Partnership's research, these clusters provide the greatest opportunity for growth in our area: manufacturing, health care, software and computer systems, and biomedical. Clean technology and renewable energy are emerging as a cluster. It's time to build our economy on regional assets to create jobs that provide stable employment and growth opportunities.

◆ Recognize health care as a driver of the local economy and take actions to help it grow.

Rationale: Health care has been the one sector of the economy that has seen continued job growth over the past decade, and it offers multiple career pathways and higher wage opportunities. It can also serve as a catalyst to help grow or attract suppliers and health care related businesses to the county. The Lane Workforce Partnership, in collaboration with the Eugene Area Chamber of Commerce, will soon be convening leaders in health care to address this issue.

◆ Support increased funding for career and technical education at school districts and Lane Community College.

Rationale: It is imperative that young people are ready to work when they complete their education. Increased funding, coupled with partnerships between business and education, can enhance the skills of graduating seniors. It is also essential that adults have access to business-led technical training, so they can return to work quickly and at the highest wage possible.

The reality is that most good-paying jobs require skills beyond what most students have when they leave high school, but less than a four-year degree. This investment in training to "middle skill jobs" will bring significant return for individuals, businesses and our community.

Plus, continued training will always be important to upward mobility, no matter what job a person has.

◆ Create a revolving loan fund for employee training for small to mid-sized businesses.

Rationale: In tough economic times it becomes harder for many businesses to invest in training their current work force. Yet that is essential for them to maintain, or even enhance, their competitive advantage.

A revolving loan fund with money from state video lottery dollars could address a key component of continued business success: skill building of their current workforce.

We all need to do our part. Anyone can talk to local and state officials about the importance of supporting education and training. Employers can offer internships to young people and inform employees about the availability of the Earned Income Tax Credit. Educators can align with businesses to help them meet their work force needs.

An immediate goal of any stimulus package is to jump-start the economy through job creation. But job creation will have a lasting impact on the economy only if it goes hand-in-hand with job training to build skills that allow workers to successfully compete in a global economy.

In these times it is critical that we invest in the workforce and become partners as a community to create workforce solutions that promote a competitive advantage for Lane County businesses.

The Lane Workforce Partnership is stepping up to the plate. Will you join us?