



NATIONAL SKILLS COALITION
Every worker. Every industry. A strong economy.

June 24, 2013

The Honorable Sherrod Brown
713 Hart Senate Office Building
Washington, DC 20510

The Honorable Susan Collins
413 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Brown and Collins:

On behalf of National Skills Coalition—a broad-based coalition of business leaders, union affiliates, education and training providers, community-based organizations, and public workforce agencies advocating for policies that invest in the skills of U.S. workers—I am writing in strong support of the *Strengthening Employment Clusters to Organize Regional Success (SECTORS) Act of 2013*.

There are about 12 million unemployed U.S. workers, but we hear every day from employers who are struggling to fill open positions because they can't find workers with the right skills. Effective, industry-linked investments in education and training programs are critical to help address the skills gap and keep our economy moving forward. Employers in industries such as manufacturing, energy, transportation and logistics, information technology, and health care are preparing to add millions of new jobs in the years ahead, but despite continued high unemployment, many cannot find the qualified workers they need to grow and compete. Sector partnerships are one of the most effective strategies for aligning the skills of workers with the needs of businesses—bringing together employers and other stakeholders connected to key local and regional industries to address immediate skill shortages, while developing workforce pipelines to ensure the future of that industry.

Sector strategies are among the few workforce interventions that statistical evidence shows to improve employment opportunities for workers and to increase their wages once on the job. Employers report increases in productivity, reductions in customer complaints, and declines in staff turnover, all of which reduce costs and improve the competitiveness of their companies. This is likely why an estimated 1,000 sector partnerships are operating across the country, while both Ohio and Maine are moving to integrate sector-based approaches at the state level across their workforce development systems.

However, much of this work has been done in spite of federal workforce development policy, not because of it. Currently, federal policy does not explicitly support sector partnerships, making it difficult to take programs around the country to scale and drive the kind of system

change that many policymakers want to see in the workforce development system. Importantly, the SECTORS Act would create new capacity to support sector partnerships, and would create specific performance measures to recognize and reward states that are taking steps to more effectively engage employers. States receiving grants under the SECTORS Act would be required to carefully analyze which industries will drive growth in their local and regional economies, understand the skill levels of their existing workforce and where skills gaps may exist, and develop industry-based strategies to build skilled worker pipelines that meet the needs of employers now and in the future. The SECTORS Act would help ensure that federally-funded job training is providing workers with the skills employers need and leading to portable, industry recognized credentials, and that U.S. employers and industries have the skilled workforce they need to compete in the global economy.

National Skills Coalition members have been at the forefront of the sector movement for more than a decade, designing and implementing successful sector strategies in communities and states across the nation, and we strongly support congressional efforts to take the sector partnership model to scale as part of a broader national skills strategy. We appreciate your commitment to this important issue, and look forward to continuing to work with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Rachel Gragg". The signature is fluid and cursive, with the first name "Rachel" and the last name "Gragg" clearly distinguishable.

Rachel Gragg, Ph.D.
Federal Policy Director