



**Written Public Hearing Testimony of**

**Sharon Palmer, Commissioner**

**Department of Labor**

**Higher Education and Employment Advancement Committee**

**PUBLIC HEARING AGENDA**

**Tuesday, March 19, 2013**

Good Afternoon Senator Bye, Representative Willis, Senator Boucher, Representative LeGeyt and members of the Higher Education and Employment Advancement Committee. Thank you for the opportunity to provide you with testimony regarding **H.B. No. 6563 AN ACT CONCERNING THE OFFICE OF WORKFORCE COMPETITIVENESS**. My name is Sharon Palmer and I am the Labor Commissioner.

I am testifying today against this bill which seeks to move the Office of Workforce Competitiveness from the Labor Department to the Office of Policy and Management.

In 2011, a law moved the Office of Workforce Competitiveness (OWC) from OPM to CTDOL (See Public Act 11-48, effective July 1, 2011.) This made the Labor Commissioner; the principal advisor to the Governor on workforce development policy. The law has been in effect for less than 2 years and a great deal of important work is currently underway.

As Commissioner I serve on the newly revamped P-20 Council with the CETC Chair Don Shubert as the principle workforce development voices in the room and as the public council charged with policy consideration and development for the education through workforce pipeline. The Office of Workforce Competitiveness within the DOL is leading workforce development efforts and ensuring that the voices and interests of CETC are heard. Furthermore, as Labor Commissioner I take part in regular cluster meetings with the Governor, serving as the lead workforce development advisor and am frequently part of those discussions.

Following the move of OWC to the DOL, Governor Malloy appointed a new Chair, Don Shubert to head the Connecticut Employment and Training Commission (CETC). The CETC membership was reconstituted<sup>i</sup> and 7 new committees and workgroups were formed.<sup>ii</sup> They are as follows: Career Advancement Committee, Planning and Performance Committee, Youth Employment Committee, Industry Sectors Committee, Green Jobs Partnership, Allied Health Workforce Policy Board, and the Advanced Manufacturing Workgroup. OWC provides the staff support for all CETC work. The CETC fulfills another key role by acting as the state's workforce investment board, a required component of the federal Workforce Investment Act (WIA), a federal program administered by the CTDOL. Each committee and workgroup has developed goals and objectives for the coming year. Moving OWC now would hinder that progress.<sup>iii</sup> OWC benefits from its location at CTDOL by utilizing many in-kind resources from CTDOL to conduct business on a daily basis. This includes access to the time and expertise of CTDOL professionals in the following areas: Research and Information, Employment and Training, Financials, Contracts, Legislative, Legal, Apprenticeship, etc.

The Office of Workforce Competitiveness (OWC) advises the Governor on workforce development policy. It is a quasi-independent function located within the CT Department of Labor. OWC's goal is to ensure that Connecticut has the essential talent to support economic growth.

OWC manages relationships/collaborations with multiple partners to promote strategy, align resources and investments (with economic development), and coordinates education, training and workforce programs to meet industry's job growth needs.

OWC has unique systemic coordination responsibilities: system-wide, cross-agencies, cross-programs, and cross-funding streams.

OWC supports the role of Connecticut Employment and Training Commission (CETC) to coordinate policy guidance, integrate planning, align resources and investments, and oversee and evaluate performance of CT's workforce system.

In addition to its policy/strategy role, OWC coordinates several program initiatives. This past year, OWC has coordinated or assisted in the coordination of the following programs and initiatives on behalf of CETC, CTDOL and/or the legislature:

- Subsidized Training and Employment Program (STEP-UP): Promotes job creation and worker opportunity for Connecticut small businesses and unemployed workers and offers employer incentives for hiring new workers.
- Jobs Funnel Initiative: Comprising public-private efforts to place unemployed and under-employed individuals in a variety of employment opportunities, including construction and non-construction jobs, in both union and non-union settings, and into apprenticeship programs.
- State Energy Sector Partnership (SESP): Offers tuition assistance and training opportunities to eligible Connecticut jobseekers in careers in renewable energy, energy efficiency and other industries with a green focus, to promote career pathways to green jobs in construction, the building trades and energy-related fields.
- CT Manufacturing Job Match: Links qualified manufacturing jobseekers to manufacturing companies seeking candidates with specific skill sets to fill current job openings.

- Connecticut Conservation Corps Program: Designed to help prepare CT’s “green-skilled workforce” on career pathways contributing to state economic growth, while helping to conserve, protect and improve the state’s natural resources and environment.

Within DOL is the Employment and Training Division (E&T) which has jurisdiction over many workforce development programs and services in this state: OWC’s alignment with CETC and E&T is essential and necessary for the system to work efficiently, effectively and without duplication. In fact, OWC is in the process of producing a comprehensive statewide inventory of all relevant employment funding and resources among state agencies, Workforce Investment Boards (WIBS), non-profits and others that support workforce education and training. This inventory will further aid us in the identification, coordination and leveraging of these valuable investments in our state.

This month CT was recognized by USDOL, during an extensive monitoring review for having “best practices” in our comprehensive approach to workforce planning and development of effective partnerships between CTDOL, OWC, CETC, E&T and the WIBs.

OWC performs many additional duties on behalf of workforce development. This includes producing various workforce reports as requested by the Governor and/or the legislature, convening workforce partners to develop grant opportunities, performing grant management and administration, participating as members of various workforce, business, education committees and boards, etc.

- This past year, OWC/CETC has produced the following studies:
  1. **Allied Health Workforce Policy Board Annual Legislative Report.** This year’s annual legislative report provides a review of current labor market trends, changes affecting the allied health workforce, and recommendations for legislative consideration.
  2. **Workforce Investment Strategies in Healthcare:** Recommendations for Aligning Connecticut’s Healthcare Workforce Supply and Demand.
  3. **CTDOL-Administered Training Programs Relevant to Advanced Manufacturing.** This report lists programs, observations concerning those programs, and challenges inherent in current program funding and in the workforce system itself. These are followed by recommendations intended to have short-term impact and to improve training funding options going forward. The report concludes with a discussion about the use of volunteers to support manufacturing training efforts in the technical high schools and community colleges.
  4. **Supporting Career Advancement for Low-Skill Adults.** This report describes the most prominent state strategies for building and promoting career pathways found in a review of the literature on career advancement strategies for low –skilled workers over the last decade.
  5. **Connecticut Green Jobs Workforce Report and Recommendations.** This report assesses the green jobs landscape in Connecticut and proposes recommendations to develop a skilled workforce to meet anticipated job demands.

OWC also launched a new website where all CETC meetings, agendas, meeting minutes and reports are listed for the general public to see.

As I mentioned earlier, it has only been 18 months since OWC became a part of our Department and we couldn't be prouder of our achievements and activities. We respectfully implore you to not move the Office of Workforce Competitiveness away from the Department of Labor.

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<sup>i</sup> CETC's Executive Committee includes the following members:

- Donald Shubert – CETC Chair
- Lt. Governor Nancy Wyman
- JoAnn Ryan – CETC Vice Chair; Co-Chair, Planning and Performance Committee
- Deborah Monahan – CETC Secretary-Treasurer; Co-Chair, Career Advancement Committee
- Carlton Highsmith – Co-Chair, Career Advancement Committee
- Lyle Wray – Co-Chair, Planning and Performance Committee
- Thomas Burns – Co-Chair, Green Jobs Partnership
- Daniel Esty – Co-Chair, Green Jobs Partnership
- Sharon Palmer – Co-Chair, Industry Sectors Committee
- Catherine Smith – Co-Chair, Industry Sectors Committee
- James Ieronimo – Co-Chair, Youth Employment Committee
- Norma Ortega – Co-Chair, Youth Employment Committee
- John Olsen – President, Connecticut AFL-CIO

<sup>ii</sup> CETC's work is conducted through its standing committees and associated work groups. These committees and work groups include:

- Planning and Performance Committee, co-chaired by JoAnn Ryan (President and CEO, Northwestern Connecticut Chamber of Commerce) and Lyle Wray (Executive Director, Capital Region Council of Governments). The committee has lead responsibility to coordinate CETC's planning efforts, monitor and report on state and regional workforce/talent-related planning efforts, and coordinate CETC's performance review responsibilities.
- Industry Sectors Committee, co-chaired by Sharon Palmer (Commissioner, Connecticut Department of Labor) and Catherine Smith (Commissioner, Connecticut Department of Economic and Community Development). The committee will develop policy recommendations addressing workforce challenges confronting selected, high-value industry sectors driving state economic growth and jobs creation. The objective is to align workforce/talent strategies, resources and investments with state economic development priorities, to anticipate and respond effectively to employers' workforce-related concerns.
- Advanced Manufacturing Work Group. Elliot Ginsberg (President and CEO, Connecticut Center for Advanced Technology) and John Harrity (President, Connecticut State Council of Machinists) serve as co-conveners. The work group is developing policy recommendations and

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strategies addressing the workforce challenges threatening the growth of advanced manufacturing in Connecticut. The work group operates under the aegis of the CETC Industry Sectors Committee.

- Allied Health Workforce Policy Board. Frances Padilla (President, Universal Health Care Foundation of Connecticut) and Stuart Rosenberg (Executive Director, Saint Francis Hospital and Medical Center, North Campus) serve as co-conveners. The board was established by statute in 2004 to conduct research and planning about Connecticut's allied health workforce. CETC adopted the Board in 2011 as a work group of its Industry Sectors Committee, to provide policy guidance on allied health workforce needs.
- Career Advancement Committee, co-chaired by Carlton Highsmith (Connecticut Center for Arts and Technology) and Deborah Monahan (Executive Director, Thames Valley Council for Community Action). The committee focuses on challenges to the career prospects of Connecticut's low-skill workers, targeting current/projected middle-skill jobs opportunities in key industry sectors.
- Youth Employment Committee, co-chaired by James Ieronimo (Executive Director, United Way of Meriden and Wallingford) and Norma Ortega (Senior Consultant, Human Resources, The Travelers Companies). The committee is responsible for developing comprehensive youth workforce policy, to ensure that Connecticut youth are prepared for life-long learning and productive careers. The committee is developing strategies to expose all Connecticut youth to career options and career pathways, focusing on key industry sectors, as a core element of year-round, year-to-year education and academic instruction.
- Connecticut Green Jobs Partnership, co-chaired by Thomas Burns (Director of Training, Northeast Utilities) and Daniel Esty (Commissioner, Connecticut Department of Energy and Environmental Protection). The Partnership is charged to propose investments and alignment of resources to support growth of green job opportunities and build a green talent pipeline to educate and train the skilled workers to fill those jobs.

### **iii CETC accomplishments in 2012**

CETC's efforts in 2012 focused on exploring and developing opportunities to align Connecticut's workforce/talent-development strategy with State jobs creation efforts. Working through its committees and work groups, in 2012 CETC:

- Studied the workforce-related priorities and challenges of targeted industry sectors, economic drivers critical to state economic growth.
- Analyzed the challenges impacting different segments of the state's talent pipeline: youth and the future workforce; higher education students; incumbent workers; dislocated workers; aging workers; special populations, etc.
- Reviewed effective workforce-development policies, strategies and programs here in Connecticut and nationally to identify approaches that prepare people for productive, rewarding careers, focusing on key in-demand occupations in targeted industry sectors.

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- Developed policy recommendations to align workforce-related resources, investments and strategies with State economic development strategies to create and grow jobs.
  - Began to assess and report on the impact of these efforts.
  - Re-established data sharing agreements among major education agencies and CTDOL necessary to produce the CETC Annual Legislative Report Card in 2013 after a two-year hiatus.

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### **CETC's key products in 2012**

In 2012 CETC committees and work groups produced several reports addressing key workforce policy matters (accessible at: [www.ctdol.state.ct.us/OWC/CETC/CETC.htm](http://www.ctdol.state.ct.us/OWC/CETC/CETC.htm)), including:

- Workforce Investment Strategies in Healthcare: Recommendations for Aligning Connecticut's Healthcare Workforce Supply and Demand (Allied Health Workforce Policy Board's 2012 Annual Legislative Report)
- Allied Health Workforce Policy Board Annual Legislative Report 2013
- Phase One Report: CTDOL-Administered Training Programs Relevant to Advanced Manufacturing – Preliminary Observations and Recommendations (Advanced Manufacturing Work Group)
- Supporting Career Advancement for Low-Skill Adults (Career Advancement Committee)
- Connecticut Green Jobs Workforce Report and Recommendations (Green Jobs Partnership)

These wide-ranging efforts culminated in production of CETC's 2012 Annual Plan, adopted in September. The plan synthesizes the best thinking of the committees and work groups into a single document as a workforce/talent-development policy/strategy blueprint for action in 2013 and beyond. The plan includes eleven (11) CETC-endorsed recommendations – a mix of proposed policy initiatives, administrative actions and strategy options intended to achieve the objectives outlined above.

### **In summary CETC's recommendations for future attention and action are:**

1. Incumbent Worker Training: Consolidate into single program. Streamlined and business friendly. Focus on key sectors. Include support services. Fund at competitive level.
2. Training Cost and Resources: Provide flexible funding for non-credit training. Pursue Federal financial aid for non-degree programs. Increase/expand support for training/credentials in key sectors.

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3. Leveraging Resources: Strategy among foundations/philanthropies to focus workforce/talent investments strategically over multiple years. Inventory all relevant funds.
  4. Credentialing: Adopt nationally recognized, industry-validated credentials as foundation for all workforce-talent programs.
  5. Contextualized Learning: Take the IBEST model to scale, maximizing use of WIA Title II resources. Evaluate impact to recommend expansion/enhancements.
  6. Youth Career Pathways Strategy/System: Develop comprehensive career pathways system. Build on student success plan opportunity. Structured career exposure, work experience, internships, and early college for middle skill jobs, etc.
  7. STEM Skills Coordination: Establish STEM Skills Committee within CETC to map policy/strategy, promote coordination, monitor efforts, provide technical assistance, etc.
  8. Apprenticeship: Connecticut State Apprenticeship Council should expand apprenticeship options for selected occupations in key industry sectors, including manufacturing.
  9. Industry Expertise: Infuse industry expertise from key sectors into the capabilities of the CTWorks One-Stop Career System.
  10. Careers Communications Campaign: Establish Interagency Communications Team (involving multiple-stakeholders) to develop/implement comprehensive public education/information campaign.
  11. Strategic Intelligence: Establish Interagency Research Team (under Planning and Performance Committee) to coordinate information sharing, data analysis, planning, priority setting, etc.