



March 10, 2016

TESTIMONY ON: SB 398, *"An Act Requiring A Study Of Certain Employment Transition In Eastern Connecticut"*

TESTIMONY TO: Commerce Committee

POSITION: Supports

PROVIDED BY: John Beauregard, Executive Director
Eastern CT Workforce Investment Board

Senator Hartley, Representative Perone, and members of the Commerce Committee. My name is John Beauregard, and I am the Executive Director of the Eastern CT Workforce Investment Board (EWIB). Our Board is a not-for-profit agency mandated through the Federal Workforce Innovation and Opportunity Act to oversee workforce related programs throughout a 41-town region in the eastern part of the state. I am here to offer my support and perspective on S.B. No. 398, a bill before this Committee intended to examine employment transition in Eastern Connecticut. My view is this bill is a proactive and needed response to anticipated economic impacts in our region due to arrive over the next several years.

As you may be aware, Southeastern Connecticut has been the hardest-hit geography in the state when it comes to the return of jobs lost in the Great Recession. New London County has regained only 11% of its peak employment levels during the last eight years. The vast majority of the job loss came in the Government Sector where casino employment is recorded. Foxwoods and the Mohegan Sun are major employers and contributors to the economic health and diversity of eastern Connecticut. As we look forward, the increased competition in the gaming sector will put further pressure on employment levels at these casinos and consequently our region. The impact may come from neighboring states, a third casino in Connecticut, or both. Under any scenario, the job market in Eastern Connecticut will be impacted. As this bill provides, an evaluation on transitioning employees affected by Connecticut's ultimate decision around this gaming issue is proactive and responsive to our region and our workforce strategy.

History tends to go in cycles. In the mid-1990s, Eastern Connecticut rebalanced its workforce to support the staffing needs, which grew out of a Defense to Service Industry transition. The casinos were just built and had a large need for workers to staff their operations. Coincidentally, other regional employers were reducing staff at the same time, so workforce transition programs were

implemented to successfully ease the process for jobseekers. That exercise provided insight into the relative skills sets required in our region's industrial sectors. As we now look forward, this trend from the 1990s will likely reverse itself over the next several years. Gaming jobs will come under increased pressure, but increased hiring needs from other industries like manufacturing and health care can and will support jobseekers caught in this transition. Our region's workforce strategy must proactively plan to accommodate this shift. This bill supports that plan.

This committee should be aware that 5 months ago, our state and region were one of only six recipients in the country to receive a \$6 million Workforce Innovation Fund grant from the U.S. Department of Labor. The grant recognized our ability to customize skill training programs for the unemployed and underemployed to fill the hiring needs of our regional manufacturing sector, including Electric Boat. The grant will result in 425 jobseekers to gain employment. This gives testimony to this committee that our region has an established track record of implementing workforce programs, and gaining national recognition. Our workforce stakeholders are very experienced.

Proactive workforce training can and will support people from all walks of life, such as the individual who just lost his job and is now unemployed, or underemployed and is working for far less than his or her skills dictate. Most importantly, we've also looked to the future for recent high school graduates who need skills refinement and career direction to realize an opportunity. This bill would serve these students through our region's Early College Opportunity (*ECO*) program being conducted in Windham and New London schools. *ECO* graduates will benefit by better understanding the training and opportunities available to start their careers, as well as secure an Associate's degree and foothold with an area employer through this innovative program.

I support this bill because there is opportunity to proactively develop job training programs to ease the coming disruption. Our workforce did it successfully in the 1990s when the casino jobs were rapidly expanding. We are poised to do it again.

I, therefore, recommend that this bill receive full attention by your committee, given its importance to the workforce system in Eastern Connecticut. Thank you.