

**Testimony of Charissa Raynor
Executive Director, SEIU Healthcare NW Training Partnership**

**On behalf of the
Service Employees International Union (SEIU)**

**Before the
Higher Education, Lifelong Learning, and Competitiveness Subcommittee
House Committee on Education and Labor**

February 26, 2009

“New Innovations and Best Practices Under the Workforce Investment Act”

Good morning. Thank you, Chairman Hinojosa and Ranking Member Guthrie for the opportunity to testify before the Subcommittee today. I am Charissa Raynor, Executive Director of the Service Employees International Union Healthcare Northwest Training Partnership. The Partnership is a joint training effort by employers and SEIU. SEIU is the largest and fastest-growing union in the nation, representing 2 million members in the public, healthcare, and property services sectors.

SEIU's Vision for WIA and Workforce Development

SEIU believes that the mission of WIA should be to prepare workers for a 21st century economy and to offer them opportunities throughout their work lives to enhance their skills and their earnings. According to U.S. Bureau of Labor Statistics projections, the top 15 fastest-growing occupations over the next decade include home care aides, registered nurses, food service workers, janitors, and child care workers. However, these rapidly growing occupations, with the exception of registered nurses, pay, on average, wages that are below the median average wage for all occupations. As a union dedicated to lifting service workers into the middle class and to promoting the delivery of high-quality services, SEIU has a strong interest in working with the Subcommittee to reauthorize WIA to promote a comprehensive workforce development strategy to:

1. Alleviate projected shortage occupations in such sectors as: healthcare, child care and early education, and property services;
2. Offer low-literacy, low-skill workers intensive supports and learning strategies to fit their needs; and
3. Create career paths that allow low-wage workers to rise to the middle class.

SEIU has a proven track record delivering job training and education, job placement, and career development to home care, child care, property services and hospital and health system workers across the country. They have created ongoing training and education efforts in their larger local unions—often in partnership with their employers; and SEIU believes these efforts can serve as models to strengthen the Workforce Investment Act.

Innovations and Best Practices in Washington

The work of the SEIU Healthcare NW Training Partnership, a joint labor-management program in Washington, is such an example. In operation since July 2008, the Training Partnership is a nonprofit, labor-management organization dedicated to modernizing training and workforce development for long term care workers and supporting career track programs for workers ready to advance into hospital employment. By 2010, the Training Partnership will be the primary training provider for long term care workers in Washington. We are primarily funded by employer contributions and governed by a diverse board including labor and employer representatives. Tuition for all training is paid and workers are paid for work time missed to attend training.

Long term care and hospital employers across Washington are experiencing serious workforce shortages that are expected to worsen as baby boomers age—simultaneously reducing workforce supply and increasing demands on our healthcare systems—from entry-level, career track long term care jobs to high demand hospital jobs. At the same time, many poor and low-income individuals—often women of color—have an interest in healthcare as a career. Matching these individuals with entry-level, career track healthcare jobs in their communities would benefit both the economic status of these job seekers and support high quality care for people living in those same communities.

More often than not though, these workers never access the career track because it is not visible or because it is not supportive. For example, very few entry-level long term care workers participate in a healthcare career track. In fact, most of these are dead-end jobs with no room for advancement at all. Our goal is to improve the attachment of poor and low-income individuals, especially people of color and women, across Washington to a meaningful healthcare career track. Especially in today's economic climate, the joint labor-management Training Partnership plays a critical role in Washington's overall strategy for economic stabilization and the benefits are three-fold: 1) building human capital; 2) meeting the current demand for trained healthcare professionals; and 3) responding to structural changes in the economy.

Broadly, the SEIU Healthcare NW Training Partnership and partner organizations are in the early stages of developing a 21st century training platform that will link, at scale, these individuals to career tracks in healthcare and support them as they advance up the career ladder, providing a suite of career track training to more than 30,000 long term care workers across Washington. This includes entry-level Home Care Aide training, advanced Home Care Aide training, Peer Mentorship for new workers, and continuing education for Home Care Aides.

Specifically, the Training Partnership is working with partners to:

1. Design a modernized, adult learner centered training program—this includes developing an accessible statewide career track for home care aides. Our focus is to link a series of high demand healthcare occupations together in a “fast track” program for home care aides. This “fast track” “credits” the entry-level home care aide’s training and experience toward their ultimate healthcare degree or certificate. We have also established an intermediate step for home care aides, Advanced Home Care Aide, under the Apprenticeship model. This Apprenticeship program will be the first for long term care workers in Washington. It is expected to be the largest Apprenticeship program of any kind and possibly the largest healthcare apprenticeship program in the country. In sum, we are creating targeted opportunities for career mobility in the high demand healthcare sector—from entry-level career track home care aide to Advanced Home Care Aide to nursing and other high demand hospital jobs;

2. Develop a Web-based Community Network Tool—a virtual entry point for community-based organizations to help job seekers access a customized career track and employment. Features include: a) a Career Track Calculator that can be used to map different career track options depending on individual goals and needs; and b) a Real Time Employment Hub that can be used to identify job openings among partner employers and being the application process.

The joint labor-management training model, such as the SEIU Healthcare NW Training Partnership, maintains progress in difficult times and responds to the cyclical nature of economic downturns by sustaining public-private partnerships. Programs under the training partnership model are informed by a culturally and linguistically diverse set of stakeholders through two advisory structures: the College Consortium for college representatives and the Community Network for community-based organizations, including workforce development, consumer advocacy, and government agencies.

While we have an excellent relationship with the WIB and many other community organizations, the Training Partnership has yet to receive WIA funding. Expanding the purpose of the Workforce Investment Act to include labor-management training programs would add value to the WIA funding system, as well as greatly enhance our ability to train unemployed and incumbent workers of all skill levels.

WIA Successes

SEIU members play a dual role in workforce training and development. SEIU is a training provider in some industries and localities, and SEIU public employees in many states deliver services in One Stop Centers, providing crucial employment services for the unemployed. These members have assisted unemployed workers to receive unemployment benefits, trained job-seekers, guided them through their job search, helped them acquire work-related skills, and brokered the hiring process with employers. SEIU members know that strong workforce programs can help the country emerge from this economic downturn by helping job seekers gain the skills they need to find good jobs and earn a living wage. But in order to bolster the current system of workforce development, Congress must ensure adequate federal funding as well as preserve the successful delivery of employment services by the public sector, where there is an emphasis on universal access to services.

Privatization of employment services short-changes those clients who face the greatest barriers as private contractors tend to focus on those workers easiest to place. A private institution may fail to deliver services locally or fail to provide individualized services based on a client's unique needs—or may charge a premium to provide comprehensive services. Job seekers with significant employment barriers, including seasonal workers, those with disabilities, those in need of special accommodations, or those in rural areas; are likely to be given short shrift under a privatized model.

In this time of economic crisis, the preservation of public sector delivery of employment services and the federal requirement that Wagner-Peyser Employment Services be delivered by civil service employees is crucial to WIA's continued success. The reauthorization of WIA offers an opportunity to codify this longstanding regulatory requirement in legislative language.

Reforms to WIA

Based on these innovations and successes of WIA, SEIU recommends these reforms which will strengthen WIA to create the robust workforce development system the country needs to combat the record levels of unemployment and underemployment and to support workers to succeed in a dynamic economy.

First, SEIU recommends fostering more partnerships at every level, and include labor and other community advocates in the planning and delivery of services. When workers belong to a union, they have the opportunity to bargain for additional on-the-job training and other educational and advancement opportunities. SEIU has formed many partnerships with employers to invest additional resources in training, yet WIA does not reward these partnerships and employers who invest in incumbent workers. These collaborations result in career ladders that provide opportunities for noncollege educated workers to increase their skills and their paychecks, and they open up entry-level positions for disadvantaged or unemployed workers. In contrast to many training programs currently funded by WIA, SEIU labor-management training programs almost always result in a real job at the end of successful completion of training.

Specifically, SEIU recommends that you amend WIA to allow state and local boards to contract with labor-management training funds to provide occupational skills training, on-the-job training and workplace training with related instruction, and/or skill upgrading and retraining. This can be accomplished by amending the eligible criteria for training partners and by allowing the governor to add labor-management training funds to the list of eligible entities that are submitted for his approval by local boards.

Second, SEIU recommends that training resources be more focused on high-growth, high-demand sectors. SEIU supports sectoral strategies where WIA resources are used to target identified needs and shortages in sectors that are growing and creating good jobs. For example, our healthcare system suffers from chronic workforce shortages and employs too few workers dedicated to prevention and primary care. Priority sectors should include healthcare and long term care, child care and early education, and green jobs. WIA funding can be used not just to alleviate a nursing shortage, but to grow a more diverse nursing profession and promote more nurses working in underserved areas.

Third, SEIU recommends increased use of grants to fund training and educational entities. The WIA system should not continue to rely on Individual Training Accounts as the primary mechanism to deliver services to eligible workers. Individual Training Accounts, for example, are too small to support a nurse's aide who has the motivation and opportunity to go

to nursing school. The Trade Adjustment Assistance Act, by contrast, offers workers displaced by trade significantly more federal support than other displaced workers are eligible for under WIA. ITAs also do not promote proven learning strategies, such as cohort training. ITAs were created to offer additional choice, but they only offer the illusion of choice and generate high administrative costs. Low-wage incumbent workers who have demonstrated a strong attachment to the workforce but need additional skills to access career ladders cannot easily qualify for ITAs.

Fourth, SEIU recommends increasing the percentage of funding allocated to statewide activities. WIA currently allocates 15 percent of a state's WIA funding to statewide activities. Increasing this by 5 percent would allow governors to develop strategic plans for workforce development and have more authority to create larger initiatives and target funding to accomplish initiatives that address wage inequality and that can further sector strategies, such as a statewide initiative to upgrade the early childhood education workforce or an initiative to address the nursing shortage. Additionally, some incumbent workers are at risk of job loss due to changing technology or industry restructuring, and it may be more cost-effective to intervene before they become unemployed.

Fifth, SEIU suggests requiring greater coordination among other education and training programs. Training dollars should be an integral component of broader strategies to promote economic development and alleviate poverty. SEIU supports a broader vision of education and lifelong skills building that can leverage student loans and Pell grants with WIA dollars and community college resources, for example. Federal child care subsidies should also be made available to workers who would otherwise be unable to continue their education and training. This kind of coordination is more feasible at the state level than at the level of local WIBs.

Finally, SEIU recommends that the Committee reform the structure of local WIBs as it reauthorizes WIA. Many local WIBs lack a broad vision and real community representation, including unions and other advocates for workers and distressed communities.

Conclusion

SEIU appreciates the significant resources the Congress provided in the American Recovery and Reinvestment Act to modernize unemployment benefits, increase support for state employees to serve unemployed workers, and increase WIA funding and competitive training grants during this extremely difficult economic time. SEIU looks forward to working with the Subcommittee, as well as the full Education and Labor Committee, to devise a workforce development system that works for all workers.

Thank you and I look forward to your questions.