

Skills Training Key to Illinois' Biggest Economic Challenge

State labor committee leaders and workforce experts evaluate options

SPRINGFIELD (December 3, 2002) — Foreseeing a growing shortage of skilled workers that will impede economic growth, Illinois House Labor Committee leaders and workforce experts called upon state lawmakers to make workforce development a priority in strengthening Illinois' economy. Representative Larry McKeon (D-34th District), House Labor Committee chairman, was joined by government, business, and community and economic development experts in a press conference today to release a report that outlines recommendations for effective skills training and smart spending strategies that do not increase state budget allocations.

McKeon requested the report after convening hearings on workforce development that for the first time brought together experts from historically disparate sectors. Prepared by the nonprofit coalition State Agenda for Community and Economic Development, the report summarizes presentations made in September by 42 experts from labor, industry, government and community agencies.

"We know that a world-class workforce is the difference between Illinois' economic success and failure," said McKeon. "The experts have shown us the warning signs and pointed out strategies for moving forward. This report is a roadmap my committee can follow to help revitalize our economy, and secure a better future for Illinois businesses and residents." McKeon emphasized, "To do that, we are not asking for additional resources in the state budget. We strongly believe that we can better utilize state and federal resources to achieve our economic development and job training goals."

The strategies proposed by the participants attending the hearings included:

- Enhance skills training programs that improve the productivity of businesses and prepare workers for jobs that provide career paths and pay a living wage. Presenters named such options as community-business partnerships, bridge programs that connect vocational and literacy skills, high-road labor practices, transitional jobs programs and skills credentialing.
-
- Improve coordination of existing programs in order to leverage resources and provide more cohesive services to Illinois residents. The report revealed nine different agencies offering 30 workforce development-related programs. Experts offered recommendations ranging from more strategic targeting of discretionary funds, to coordinated planning among departments, to consolidating training programs within a smaller number of departments.
-
- Better evaluation of outcomes from state and federally funded workforce development programs. Presenters estimated Illinois' workforce development budget at more than \$700 million in state and federal funds, but less than \$200 million is actually invested in skills training. Advocates urged lawmakers to closely monitor the results from workforce funding by tracking changes in wages and employment of training participants — data they said already exists in the State's information system. They also

suggested benchmarking studies and more sophisticated budget analysis can improve evaluation.

While lawmakers in the current veto session face current and future budget deficits, advocates say that given limited resources workforce development is a smart investment strategy.

"Over the last few years, state and federal agencies have disinvested in employment programs for unemployed and low-income individuals," explained Bob Wordlaw, chair of the State Agenda for Community and Economic Development and executive director of the Chicago Jobs Council. "We now are seeing the costly consequences of those actions in higher unemployment and poverty rates. Skills training is an investment that pays for itself by moving the working poor into higher-paying jobs, and providing business the skilled workforce they need to be competitive and stay in Illinois."

McKeon said he plans to hold additional hearings with businesses, union leaders, community organizations and other experts to inform the legislature and Governor-elect Blagojevich's transition team about strengthening the state's workforce and economic development strategies. To read the report, "Hearings on Workforce Development & Job Training," please visit www.larrymckeeon.com.