

Better Training and Better Jobs

A New Partnership for Sectoral Training

By Angela Hanks and David Madland

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Introduction and summary

High-quality workforce training can help workers get good jobs, improve the efficiency of businesses, and boost productivity in the economy. Unfortunately, the United States supports too little workforce training, and the training it does support too often fails to lead to good jobs or boost productivity. Government policy is not currently up to the challenge, and neither businesses nor workers can solve these problems on their own. For this reason, a new kind of policy is necessary to ensure that training improves the productivity of the workforce and leads to high-quality jobs.

Businesses are training far fewer workers than they did in years past, despite being the largest source of funding for workforce training. And when businesses do train their workers, they tend to invest in the ones who are more highly educated or highly paid. Moreover, the way businesses have increasingly chosen to structure work—away from the traditional employment relationship and increasingly toward contracted work—suggests that, in the future, they are likely to reduce their spending on and involvement in training even further.

Workers have little room in their budgets to pay for more training. Today's typical male worker earns roughly the same inflation-adjusted hourly wage as did his counterpart four decades ago, so taking on further debt is a risky proposition.³ Workers also have little ability to ensure that the training they receive will lead to a good job, as they have minimal input into most training programs and limited power to improve the quality of the jobs for which they train. Exacerbating this is the fact that a smaller share of workers are members of unions today than several decades ago. In the current economy, workers are increasingly on their own, without sufficient tools and the structures they need to succeed.

Government spending on training falls woefully short, not only failing to compensate for the withdrawal of employer funding but actually declining in recent years. Moreover, government-funded training is of varying quality. Government policy does not always encourage the type of training that research has shown to

be particularly effective: training that incorporates employers' and workers' needs and is sector-based—focusing on the employer-identified skills that are needed to succeed in specific in-demand industries, such as health care, manufacturing, construction, or information technology, rather than in individual companies.

These challenges create a need for a new model of workforce training. In this model, the government would increase funding for training and, perhaps more importantly, help organize and structure the training so that it would be high quality and involve and address the needs of both businesses and workers. The federal government as well state and local governments could adopt this general approach.

The core elements of this training model are:

- Increase share of labor representation on state and local workforce development boards. Offer training designed and delivered in partnership with employers and unions—or other worker organizations—so that the key participants are invested in the success of the program and have a voice to make sure that the program meets their needs.
- Establish a dedicated funding stream to support labor-management workforce intermediaries. Supply sufficient, dedicated funding from government to labor-management workforce intermediaries in order to meet current and future training needs.
- Expand opportunities for workers to join together in order to ensure that **training leads to good jobs.** Ensure that training is organized on a sectoral level so that it provides transferable skills that are needed by a range of employers in growing industries.

Adopting this policy would help address fundamental challenges in the U.S. economy and benefit both businesses and workers by boosting productivity and creating clear pathways to good jobs.

While there is evidence that training raises workers' productivity and wages as well as improves employment outcomes, it is important to recognize the limitations of the benefits that training, by itself, can deliver to workers. 5 As a stand-alone policy, training will not sufficiently raise wages or improve job quality—especially if it is delivered in its current form.

In recent years, and especially since the Great Recession, even workers with a college degree have seen very little wage growth. Wages for young college graduates have not moved much from where they were in 2001 in real terms.⁷ Even workers with advanced degrees have, on average, seen their real wages barely grow since the Great Recession.8 As Brad Hershbein, an economist at the W.E. Upjohn Institute for Employment Research; Melissa Kearney, an economics professor at the University of Maryland; and Lawrence H. Summers, a distinguished senior fellow at the Center for American Progress, explain, an education strategy alone will do little to reduce overall income inequality.9

To improve job quality, a range of reforms is necessary—including policies that raise workplace standards such as the minimum wage; ensure full employment; strengthen worker voice and power; and improve skills. This report focuses on how workforce training can be reformed so that it is as likely as possible to lead to a good job. The report first discusses the benefits of high-quality sectoral job training as well as the need for increased worker voice in training. It then describes the existing public workforce system and existing funding for training programs, highlighting elements upon which reform could build. Finally, it outlines an effective model of reform and proposes recommendations that are necessary for successful implementation.

The proposed training reforms will ensure that far more workers receive highquality training; they will also allow critical steps toward ensuring that the jobs workers are trained for are worth the effort. These reforms will give workers a greater say in how their training is designed and delivered as well as improve the quality of jobs to which the training leads. This will make workers key partners with businesses and their communities in improving workforce training.

While the United States' current training system too often fails to deliver, it contains many of the elements necessary for success. By building on the best parts of the current system, policymakers can build a far better training system that benefits workers, businesses, and the larger economy.

The benefits of high-quality sectoral job training

Job training can be beneficial to workers, employers, and the economy. Indeed, research from economists Daron Acemoglu and Jörn-Steffen Pischke indicates that training that occurs on the job may be as important to a worker's productivity as formal schooling. ¹⁰ Additionally, recent studies of Belgian and British firms found that firm-sponsored training raised productivity at a faster rate than wages increased, suggesting that training pays off for employers. ¹¹

The best training programs are those that have a strong connection to industry and to employment and that provide sufficient services to help workers complete the program. ¹² Quality programs also provide access to essential wraparound services, such as child care, transportation assistance, and other resources, that make it easier for workers, particularly low-income workers, to enter into and successfully complete a training program. ¹³ Recent research has found that sectoral programs in particular—those that provide worker training in targeted, in-demand industry sectors—are effective in raising participants' wages and improving employment opportunities.

Sectoral training programs are defined by their relationship to a specific industry or industries. Programs are developed with local employers' needs in mind, and with their input. These programs generally attempt to serve the needs of multiple employers in a local labor market rather than offer firm-specific training, thereby ensuring greater worker mobility.

A growing body of research suggests that training programs that operate on a sectoral level or across several sectors lead to better outcomes for participants. The first random assignment study of such programs, the 2010 Sectoral Employment Impact Study (SEIS), examined the extent to which sectoral programs raised the wages of low-income and other disadvantaged workers. ¹⁴ Researchers conducted a random assignment study at three sites—the Wisconsin Regional Training Partnership (WRTP) in Milwaukee, Jewish Vocational Services in Boston, and Per Scholas in New York City—over the course of a 24-month period. Among study

participants, just 10 percent had worked full time for the full 12 months preceding the study and almost 40 percent had received some public assistance at some point in their lives; for three-quarters of participants, a high school diploma or equivalent was their highest level of educational attainment.¹⁵

Researchers found that, over the course of the study, participants enrolled in the sectoral programs earned 18 percent more money than control group participants. Program participants were more likely to be engaged in work over the course of the study period and employed for all 12 months of the year. Program participants also earned higher wages than control participants and were more likely to work in jobs that offered benefits such as health insurance or paid leave. Additionally, researchers observed earnings gains among all program participant subgroups. 16

More recently, in 2016, MDRC released its findings from a random assignment evaluation of the WorkAdvance program—another sectoral employment and training model. 17 Key elements of the WorkAdvance model include intensive screening; job-relevant pre-employment and career-readiness services; sectoral occupational training; job development and placement services; and retention and advancement services that are available upon employment. The study examined four sectoral programs targeted at low-income and unemployed adults over the course of two years. Researchers found that, at every site studied, workers' participation in WorkAdvance increased their participation in training by 40 percent or more while also increasing the likelihood by 25 percent or more that participants would obtain a credential in the targeted sector. WorkAdvance also raised participants' earnings by approximately 14 percent compared with the control group.¹⁸

Need for increased worker voice in training

Over recent decades, the economy has shifted in ways that have made it particularly important for workers to have a role in designing and delivering workforce training. Training and career ladders are different from what workers experienced in the middle and later parts of the 20th century. Employers are providing less help and structure than they previously did, and workers are increasingly responsible for developing their own skills and managing their own careers.

Although the degree of change is sometimes overstated, the typical tenure for male workers has declined over recent decades, and lifetime employment with one company is rare. 19 Internal career ladders have been pared back as companies look to hire skills and talent from outside rather than develop them in-house.²⁰ Employers have pulled back from training; between 1996 and 2008, the share of workers receiving employer-sponsored training fell by more than 40 percent, according to 2015 research by the president's Council of Economic Advisers.²¹ And the training that firms do provide often is directed to those with greater education or higher incomes.²²

In addition, as firms increasingly focus on their core competencies, the workplace has "fissured."²³ Jobs that once were part of a central firm are increasingly contracted out, outsourced, franchised, or reclassified to independent contractor status. Firms take even less responsibility for the needs of workers who are deemed to fall outside of their core competency, and the companies doing the less profitable work, which has been farmed out, often do not have the margins or stability to invest in training.

At the same time, unions have lost strength. In the United States, joining together in a union is the most effective way for workers to influence training. Additional kinds of worker organizations—such as works councils, which are common in Europe could also potentially provide a way for workers to shape training, as long as the organizations are democratic, with the sole mission of representing workers. Other types of organizations such as community colleges may emphasize many of the same issues as worker organizations, but their missions are focused elsewhere.

In 2017, just 6.5 percent of private sector workers were union members, down from roughly one-third in the $1950s.^{24}$ Unions and other forms of worker power help increase training—directly, through their ability to negotiate for it and by providing training services to community members; and indirectly, through their ability to bring employers together to think about overall industry needs and to create career ladders that incentivize investment in training. As Andy Van Kleunen, chief executive of the National Skills Coalition, has argued, "The decline in union density left a hole, in that there was no way to get employers to work collectively."25

Polls show that workers would like a greater voice at work, but U.S. law increasingly allows significant employer interference with worker organizing and makes it unnecessarily difficult to form a union or even a nonunion worker organization, such as a works council.²⁶ As a result, neither unions nor some other type of worker-led organization have been able to fulfill workers' need and desire for greater input on workplace issues such as training.

In short, workers have less power to encourage their employers to invest in training, and firms have decided that they are less responsible for meeting the needs of workers, which include their training. Training sponsored by federal, state, and local governments has not filled the hole left by employers pulling back. Employers do the vast majority of workforce training, and government spending on training per worker has declined as well. Funding for the Workforce Innovation and Opportunity Act (WIOA), the largest dedicated source of federal funding for job training, has declined by 43 percent since 2001.²⁷

These changes mean that workers have less voice, less security, and greater difficulty getting training. Workers are increasingly on their own and in need of help. In this environment, it makes sense to create a way for workers to have a stronger voice in the design and implementation of training—via unions or other worker organizations. Doing so would help workers to get more training and ensure that the training they receive meets their needs.

The existing public workforce system

The existing public workforce system does not perform as well as it could. It trains too few workers, does not always deliver high-quality training, and does not consistently ensure that training leads to a good job. Still, the system does deliver for some workers and businesses and it contains a number of elements upon which to build. Indeed, the multistakeholder model in workforce boards and some of the existing funding mechanisms provide an adequate base that can be reformed and built upon. The next sections describe these building blocks in more detail before discussing how they could be reformed into a true partnership that delivers for both businesses and workers.

The primary source of dedicated federal funding for worker training programs is WIOA, which authorizes and funds the public workforce development system, consisting of a national network of more than 2,500 American Job Centers, which provide a range of career preparation and training services to jobseekers.²⁸

WIOA is highly decentralized. The law requires states to establish state workforce development boards, which then identify local workforce development areas; these are governed by local workforce development boards. The law requires both state and local boards to be business-led, meaning that they are chaired by a business representative and that members of the business community comprise at least 50 percent of the board. At least 20 percent must represent workforce representatives in the state; this must include both representatives of organized labor and representatives of a joint labor-management apprenticeship program and can include representatives of relevant community-based organizations as well as representatives of youth-serving education and training organizations. The remaining slots are reserved for state policymakers and government officials.²⁹

Local board makeup largely mirrors state board makeup, but the former requires additional representation from other locally relevant stakeholders, such as education and training providers.

TABLE 1 Current makeup of workforce development boards under WIOA

Required membership	State workforce development board	Local workforce development board
Chairperson	Business representative	Business representative
Elected officials	Governor	N/A
	One state legislator from each chamber	
	At least two chief elected officials	
Business representatives (majority)	May include business owners; CEOs or chief operating officers; business representatives with primary hiring or policymaking authority who represent business; or organizations representing business that provide job opportunities that offer high-quality, relevant training for in-demand sectors	May include business owners, CEOs or COOs, or business representatives with primary hiring or policymaking authority
		Must provide job opportunties that offer high-quality, relevant training for in-demand sectors
		Must include at least two small-business representatives
Workforce representatives (at least 20 percent)	At least two representatives of labor organizations and at least one representative of a joint labor-management apprenticeship program—or another appropriate apprenticeship program if a joint program does not exist	At least two representatives of labor organization
	Governor may appoint representatives of community-based organizations with experience addressing employment and training needs of adults with barriers to employment or representatives of WIOA-eligible youth	At least one representative of a joint labor-management or union-affiliated apprenticeship program
		20 percent requirement may also include represe tatives of relevant community-based organization and representatives of experienced youth-serving education and training organizations
Government representatives	Lead state officials with primary responsibility for core WIOA programs	N/A
	Governor may appoint additional government representatives, including state agency officials representing one-stop partners, economic or juvenile justice programs, state education programs, or representatives of tribal organizations	
Education and training representatives	N/A	At least one adult education provider administering WIOA Title II adult education programming
		At least one representative from a higher education institution
		At least one representative of a vocational rehabilitation program
		At least one representative from a state employment service office
		At least one representative of economic and community development entities

Note: WIOA authorizes state and local workforce development boards to appoint additional optional board members. For more information, see Training and Employment Guidance Letter 27-14.

Source: Letter from Portia Wu to State Workforce Agencies and others, "Training and Employment Guidance Letter WIOA No. 27-14," April 15, 2015, available at https://wdr. doleta.gov/directives/attach/TEGL/TEGL_27-14.pdf.

State board responsibilities include developing a state workforce plan, developing statewide workforce strategies, developing statewide accountability measures, disseminating best practices, and other activities to improve the functionality of the workforce system. Local workforce development boards are responsible for devising local and regional workforce development strategies as well as the operation of the American Job Center system in their local areas, which are identified by the state. Responsibilities of the local board include managing local workforce planning and regional labor market analysis; convening various relevant stakeholders; engaging employers in the workforce system; developing career pathways; lifting up best practices in workforce development; handling program oversight and accountability; and selecting local providers—including eligible training providers.³⁰

The most recent WIOA authorization established several new policies to improve the functionality of the workforce system. Among them was a requirement that local boards "develop, convene, or implement industry or sector partnerships."31 Industry or sector partnerships bring together employers; the local workforce system; education and training providers; and other stakeholders to develop indemand training programs that meet local employer demand.

In short, the public workforce system, in many respects, is already set up to emphasize a collaboration among businesses, workers, and the community. The problem is that the collaborations within state and local boards and within the organizations they fund are not always true partnerships because workers have far less voice in the system than do businesses or other organizations. Furthermore, despite the introduction of new policies supporting sector partnerships, the investments made in training at the local level are not consistently oriented toward a sectoral model.

Existing funding for training programs

The number of workers who receive WIOA-financed training each year is quite small. The Department of Labor estimates that in fiscal year 2017, more than 23 million Americans accessed WIOA training and employment services such as job search, labor exchange, or other career services.³² The core WIOA adult, dislocated worker, and youth funding streams serve about 1.2 million of these workers annually. Among those workers, just 11 percent of adults and 14 percent of dislocated workers receive training through the workforce system. About 35 percent of youth receive some basic or occupational skills training.³³ It is unknown how many of these workers participate in sectoral training programs.

Federal funding for job training

WIOA funding is disbursed by the federal government to the states. Eightyfive percent of the state funding then flows to local workforce development areas, while 15 percent is reserved for statewide activities.³⁴ Funding for WIOA is administered primarily through six core programs: WIOA Adult, WIOA Dislocated Worker, WIOA Youth, Adult Education and Literacy, the Wagner-Peyser Employment Service, and Vocational Rehabilitation.³⁵ Those funds can be used for a range of activities, including on-the-job training, career development, job search assistance, and customized training. Workers participating in WIOA's adult and dislocated worker programs can also obtain training vouchers called individual training accounts (ITAs) to pursue training with a training provider that has been approved by the local board.

The federal government generally invests slightly less than \$3 billion annually across the WIOA adult, dislocated worker, and youth programs.³⁶ However, WIOA is not the only funding source for training. Federal funding from the Higher Education Act of 1965,³⁷ which authorizes federal student grants and loans, as well as the Carl D. Perkins Career and Technical Education Act, 38 also serve as a funding source that supports the development of job training programs at community colleges.³⁹ Indeed, a significant amount of workforce training occurs at community colleges and is funded by the higher education system, not the public workforce system.

Funding for sectoral training programs

While the most recent WIOA authorization included new provisions requiring local boards to "develop, convene, or implement" sector partnerships, there is no dedicated funding stream to support the development of these programs.⁴⁰

Even though Congress has not provided additional funding to support sectoral training, the Obama administration made funding available for sectoral training models throughout its time in office. In 2014, following a review of federal job training programs led by former Vice President Joe Biden, the White House released a report identifying effective workforce strategies that the administration would deploy or was deploying in its grant-making.⁴¹ The report identified the creation of regional partnerships promoting collaboration among the public workforce system, education, labor, employers, and nonprofit organizations as

an essential strategy that could support people to overcome barriers to employment. 42 The Obama administration utilized the same regional partnership model in subsequent grant-making initiatives.

In an effort to expand the number of apprenticeship programs in the United States, for example, in 2015, the Obama administration awarded \$175 million in grants to public-private partnerships in order to expand apprenticeship programs into new industries. Importantly, the program permitted workforce intermediaries such as labor unions or labor-management organizations to serve as private sector partners on behalf of business entities. 43 The administration deployed a similar model in grants that were designed to serve the long-term unemployed and grants aimed at helping to re-employ dislocated workers affected by plant closures or mass layoffs.44

The Trump administration has not yet put forth similar proposals to support sectoral training models. In fact, in May 2017, President Donald Trump released a budget that proposed cutting funding for key WIOA programs by more than 40 percent. 45 The administration then pledged \$100 million to support apprenticeship programs, but it is unclear how that funding would be used. 46 Moreover, it would do little to fill the \$2.5 billion hole that the administration proposed creating in the Labor Department budget.⁴⁷

In addition to federal funding, state and local governments invest in sectoral approaches. A 2015 analysis conducted by the National Skills Coalition found that 21 states have policies in place to support sector partnerships.⁴⁸ Of those 21 states, 12 receive dedicated state funding. Four states receive federal funding or use some combination of state and federal funding to support their sectoral initiatives. The analysis also identifies another 20 states that have some "state-level targeted sector activities," which can include economic development activities targeting specific industries or state-level committees that identify strategies to address industryspecific skills needs in the state.⁴⁹

In short, federal and state governments provide significant but inadequate funding for workforce training, and there has been some limited movement to encourage sectoral training.

State policies to support worker training

Washington's Workforce Training and Education Coordinating Board

Since 1991, Washington state's workforce board has operated under a tripartite model, bringing together business, labor, and government. Business and labor jointly represent two-thirds of the voting membership, with membership split equally between the two. Washington has been able to continue to use its tripartite model, despite the Workforce Investment Act (WIA)—and later WIOA—requiring a business majority due to provisions in both laws permitting alternative entities to serve as the state workforce development board as long as they were in existence prior to WIA's enactment.⁵⁰ The board is responsible for overseeing 16 programs—overseen by seven agencies—including the state's WIOA apprenticeship; career and technical education; adult basic education, vocational rehabilitation; and retraining programs.⁵¹

Workforce Training and Education Coordinating Board Executive Director Eleni Papadakis says that the tripartite model is essential in ensuring that the training that workers receive is job-relevant: "When you're trying to build the talent pipeline for the jobs that are available and the jobs that are projected to be available, you need to have people at the table who are doing the work now, who have the very specific knowledge, skills, and abilities, helping to inform what you're training for."52

New Jersey's Workforce Development Partnership Fund training tax

Since 1992, New Jersey has operated a Workforce Development Partnership Fund, which was created to provide training grants to dislocated and disadvantaged workers as well as employer-provided training for incumbent workers.⁵³ The fund is supported by small joint payroll contributions from workers and employers.⁵⁴ While the program does not explicitly fund training that is delivered through a joint labor-management model, it does provide a useful framework for supporting labor-management workforce intermediaries.

Privately funded training

Even as the incidence of employer-provided training is on the decline, employers are still responsible for funding a large share of the worker training that occurs across the country. Estimates of how much money employers spend on training annually vary. The Association for Talent Development estimates that employers

spent \$164.2 billion on training in 2012.55 Meanwhile, the Georgetown Center on Education and the Workforce estimates that employers spend an annual \$177 billion on formal training and another \$413 billion on informal training. 56 By comparison, a Labor Department-commissioned study estimates that in 2003, employers spent between \$57 billion and \$67 billion on training.⁵⁷ Very little is known about how these investments are made. The most recent federal survey of employer-provided training was conducted in 1995, and it examined the incidence of training but failed to address whether the training was allocated to higher-skilled, higher-wage workers.⁵⁸

Unions have a long history of delivering effective, job-relevant training to their members. Since the mid-1800s, U.S. unions have trained fellow members in craft skills such as metalworking, carpentry, and plumbing. 59 More recently—especially since the mid-1900s—unions have provided training in partnership with employers for a range of industries and occupations. Unions have also developed and worked with workforce intermediary partnerships that bring together unions and employers to deliver training that is organized regionally or by sector; develop relationships with partners; and in many instances, recruit from underrepresented communities. 60

Today, worker organizations, especially unions, help deliver high-quality training to a significant number of workers. Unions partner with employers to provide training to workers in a wide variety of industries—including aerospace, construction, health care, and hospitality—and play a key role in the success of these labormanagement partnerships.61

For example, WRTP/Building Industry Group Skilled Trades Employment Program (BIG STEP), a labor-management-led workforce intermediary based in Milwaukee—and one of the programs analyzed in the 2010 SEIS study—has been training unionized workers in the manufacturing industry for more than two decades. The program has credited labor union involvement for its success in training and placing workers into well-paying manufacturing jobs. WRTP has highlighted the critical role labor unions play in protecting the interests of workers; securing access to well-paying jobs; designing and organizing industry partnerships; incorporating worker voice into training programs; establishing an internal structure for advancement; and identifying regional industry trends occurring across multiple unionized job sites.⁶²

Workers and their unions can help encourage employers to fund training, coordinate the involvement of multiple employers, reach out to workers to promote the program, monitor training quality, and ensure that workers feel comfortable participating in training and get a good job following its completion, among other activities. Research shows that involving worker organizations can help workers to receive more training and that this training leads to jobs with higher pay.⁶³ Workers are also more likely to complete training programs when worker organizations are involved.64

Despite their successes, however, joint labor-management intermediaries receive a relatively limited amount of government funding and do not have a dedicated government funding stream. Instead, current partnerships are jointly funded by worker and employer contributions, which means that their scope is restricted to areas and industries where workers and their unions have the membership and power to develop this partnership structure.⁶⁵ This is especially true for lower-skilled workers, who have borne much of the brunt of decreased employer-funded training.⁶⁶

The outline of a model of reform

The joint labor-management partnership model could be modified and expanded to achieve two complementary goals: ensuring that more workers benefit from high-quality training and that training leads to a good job.

The goal is to encourage high-quality sectoral training that is developed and delivered through a joint labor-management intermediary structure. Worker organizations and employers would help design and oversee the training. State and federal programs would include representatives of workers and businesses in order to ensure that state and federal funding goes to areas that most need training as well as to jobs where workers share in training's benefits.

These new government-supported labor-management partnerships would benefit employers and the larger economy by providing a pipeline of workers from a highquality training program. Workers would benefit from increased access to highquality training that is likely to lead to a good job. Worker organizations would benefit from having a more visible, formalized role in workforce training as well as greater access to workers, helping them to potentially recruit new members.

Recommendations

Workers need to have more of a say in what training they receive, how much training they receive, and when and how training is delivered. However, the current federal system that supports training investments does not provide sufficient worker voice in these decisions. Worker organizations can help deliver training that is better targeted to worker needs and that offers an avenue to increased worker voice in the workplace.

The Center for American Progress proposes to recalibrate the workforce system in order to give workers more influence in training investment decisions that happen at the local level. We propose doing so by increasing the share of worker voice

on state and local workforce investment boards as well as by expanding public and private sector investments in high-quality sectoral training programs that are developed and delivered by partnerships between labor and management through a workforce intermediary.

Increase share of labor representation on state and local workforce development boards

When WIOA's predecessor, WIA, became law in 1998, it reduced the level of labor and community involvement that was allowed under the Job Training Partnership Act—WIA's predecessor.⁶⁷ By making this shift, WIA and WIOA may have deprioritized the needs of workers. For example, WIOA—like WIA before it—requires a majority-business board.⁶⁸ WIOA does require at least 20 percent of board membership at the state and local levels to be comprised of workforce representatives, including two representatives of organized labor and one representative of a joint labor-management registered apprenticeship program. This represents an improvement over WIA, which merely required that boards include labor representatives, without specifying the extent of their participation on the board. However, WIOA still allows for an outsized employer voice, which, in turn, can mean that worker voice is diminished.

To that end, CAP proposes that policymakers increase the share of worker representation on both state and local workforce development boards. Rather than 50 percent employer membership and 20 percent worker representation, we recommend moving to a new model whereby one-third of board members are employers, one-third represent workers, and one-third represent other stakeholders, including elected officials, education and training organizations, and community development organizations.

While this shift in board representation would involve a statutory change, states and localities can take steps now to increase labor's share of representation on local boards by simply adding more representatives of labor organizations to their ranks, like Washington state has done.

Establish dedicated funding to support labor-management workforce intermediaries

WIOA requires that local workforce development programs utilize sector partnerships, but, unfortunately, the law does not include additional funding to develop and support those partnerships. Policymakers should dramatically increase investments in joint labor-management workforce intermediaries to develop sectoral training programs. This change would ensure that workers have a say in how these programs are developed; in the recruitment, mentorship, and retention of workers; and in guaranteeing that the programs are structured to offer sufficiently general skills in order to promote worker mobility. It would also ensure stable, dedicated funding to effective worker training programs.

Policymakers should also consider how to ensure that employers are sufficiently engaged in the development of these programs and in hiring workers who complete them. This may include a requirement that employers and workers make joint contributions to a fund that supports such training in order to incentivize employers' participation.⁶⁹

Expand opportunities for workers to join together to ensure that training leads to good jobs

Ensuring that training leads to good jobs will require a range of reforms beyond the scope of this report, including raising the minimum wage, promoting full employment, and reforming labor law so that workers can exercise their rights to join together and bargain collectively for higher wages, benefits, and better working conditions.70

Still, the policies outlined in this report would help expand opportunities for workers to join together and promote good jobs in several different ways. First, worker organizations would receive funding to cover the costs of participating in the training program. Second, worker organizations would play a visible role in structuring training and guiding workers into jobs—either by performing the training or through access to the training locations and participants—and thus have a forum to interact with workers as well as an opportunity to recruit potential members. Furthermore, the selection of worker representatives to workforce development boards would be done in a way that facilitated workers to join organizations and to feel that they had a stake and a say in the training. This could be achieved by selecting worker representatives based proportionally on their membership. Worker organizations could be further integrated in the training through the creation of a network of workplace learning advisers who would help workers navigate the selection and completion of training, as the United Kingdom has done.⁷¹

The integration of workers and their organizations into training helps bind the system together, providing not only a way to accumulate and structure the needs and interests of a diverse workforce but also helping strengthen workers' ability to advocate for continued funding for training and to push employers to provide quality jobs. Therefore, the integration of worker organizations into the training systems promotes good jobs by directly increasing the quantity and quality of training and indirectly increasing the capacity of workers to improve their jobs.

Conclusion

There is a strong need for more and better workforce training. Unfortunately, the current U.S. system is not set up to deliver. Employers, unions, and the government are currently unable to meet the need on their own. The policies proposed in this report would improve and expand worker training by creating a durable partnership among employers, worker organizations, and government. The policy proposal builds on proven concepts that have a track record of success, and the implementation of these policies would benefit not only workers but employers and the larger economy as well.

About the authors

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