

Testimony of Dan Kuba, Deputy Secretary for Workforce Development

Addressing Rural Workforce Challenges

Senate Majority Policy Committee Pennsylvania College of Technology Wednesday, May 17, 2023

Thank you, Acting Secretary Walker. Good afternoon, Chairman Laughlin, Senator Yaw, and committee members.

I'm here today because I'm the Deputy Secretary for Workforce Development – a role that puts me at the center of a very large network of local, regional and state-level organizations focused on preparing Pennsylvania's workforce for good jobs in an ever-changing economy.

But 23 years ago, I was a veteran in the rural Pennsylvania town of Hazleton, and I was looking for a fresh start. Thanks to a state veteran representative who helped me find my own passion for serving Pennsylvania workers, I got that fresh start as a case manager in the PA CareerLink in Shamokin which led me on a journey to where I am at today.

My long career in workforce development has taught me a few things.

First, there is no one-size-fits-all approach to meeting the needs of Pennsylvania workers and employers. They are always different from person to person, business to business, community to community. So, we have to design programs that are targeted, deliberate and flexible.

Second, I've learned that the labor market and the overall economy change faster than anyone ever expects them to. Think back to the Great Recession, when the competition for a job – almost any job – was fierce.

In 15 short years, that dynamic has flipped upside down. Today, employers are competing fiercely for talent and workers have the opportunity to be selective about who they work for.

Our workforce development system must be responsive to the reality of today – and the possibilities of a very different tomorrow.

That reality reflects both a smaller workforce – there's simply fewer people of working age – and significant barriers that are keeping some folks out of the workforce who might otherwise be in a job.

My team at L&I and the local workforce development boards throughout Pennsylvania are focused on helping employers find the talent they need to be successful. For workers, we're developing programs that alleviate barriers and open doors to people who want to work but can't for whatever reason.

The barriers that we see most often affecting rural Pennsylvanians are:

- **Childcare** Parents cannot work if they don't have access to safe, affordable childcare. In many rural communities, childcare options were already limited before the pandemic. That problem has only worsened over the past three years, and the labor shortage is hitting that industry particularly hard. Without the staff to meet ratios, childcare facilities cannot enroll children even if they used to have the capacity. That's why the Shapiro Administration is committed to expanding the affordability and accessibility of quality childcare so all families can pursue work with confidence that their children will be well cared for. The Childcare Apprenticeship Initiative aims to increase the number of childcare workers, incentivize a living wage for those workers, and prioritize the childcare needs of families participating in other registered apprenticeship programs. Workforce Development is also working to expand the number of childcare apprenticeships across the commonwealth, with a special focus on innovative models that work in rural communities.
- Transportation An effective and reliable transportation system is crucial to the economic development of communities across Pennsylvania, particularly in rural areas. The Infrastructure Investment and Jobs Act (IIJA) creates real opportunities to further develop communities that currently lack any type of public transit so individuals have more employment options available to them. Pennsylvania's workforce system is actively looking at innovative ways to bring more infrastructure development to underserved communities, allowing for easier and more effective transportation for all.
- Broadband Access According to the <u>Pennsylvania Broadband Development</u> <u>Authority's (PBDA) master plan</u>, at least 2.6 million Pennsylvanians living in 1.3 million households do not have access to internet or the skills to use technology. The PAsmart Supporting Broadband Infrastructure through Registered Apprenticeships and Pre-Apprenticeships initiative aims to bolster the broadband workforce to bring connectivity to all Pennsylvanians. The Department of Labor & Industry continues to build out the infrastructure for rural communities to access the internet and successfully get connected to jobs and supportive services.

- **Digital Literacy** Foundational digital skills are vital in carrying out job tasks, and few jobs don't require them at a basic level. Last week, the Pennsylvania Department of Labor & Industry released \$900,000 in available funding for the Digital Literacy and Workforce Development Grant (DLWDG). As broadband access is expanded, this funding allows for Pennsylvanians to access services that equip them to thrive in their personal and professional lives.
- Justice Impacted Workforce As workforce shortages continue to impact employers, employers are looking toward the untapped talent pools to meet business and community needs. PA CareerLink® offices are conducting outreach efforts to justice impacted individuals, recovery houses, and county prisons in an effort to provide these individuals with services and training they may need to successfully reintegrate into the workforce. Workforce Development is laser focused on tapping into the opportunities that exist within rural Pennsylvanian communities through effective business engagement and supportive services for successful integration back to the community post-incarceration.
- Mental and Behavioral Health In a post-pandemic reality, Pennsylvanians are still experiencing the lingering effects of trauma on mental and behavioral health that follows them into the workplace. Workforce Development is committed to embracing the new values that workers adopted as a result of living through a pandemic: flexible work schedules, work-life balance, and family-friendly policies. By listening to individuals affected by trauma imposed by public health or other life factors, the workforce system can prepare businesses to better support worker health and productivity. Remote and flexible employment opportunities are proven mechanisms for overcoming barriers to employment, particularly for people with health challenges and those in rural communities with limited transportation and childcare challenges.

We are also focused on boosting the ranks of workers for industries in the most critical need. Examples of programs include:

Nursing Pathways – Pennsylvania hospitals are grappling with maintaining adequate staffing levels for qualified nurses, especially in rural communities. According to the <u>Hospital and Healthsystem Association of Pennsylvania</u> (HAP), vacancy rates for registered nurses providing direct patient care increased from 20.5 percent to 30.7 percent between 2019 and 2022. HAP estimates similarly concerning vacancy rates among other nursing occupations. We designed the Nursing Pathway Apprenticeship Industry Partnerships to address the many workforce challenges in communities most impacted by the COVID-19 pandemic. Our most recent round of grants included a \$260,000 award to a program serving northcentral Pennsylvania, including Cameron, Clearfield, Elk, Jefferson, McKean and Potter counties.

- Educator Shortage Schools throughout Pennsylvania face significant barriers to adequate staffing levels of well-qualified teachers. According to an <u>analysis</u> conducted by the Penn State College of Education's Center for Evaluation and Education Policy, factors exacerbating the teacher shortage include a significant decline in teachers certified in specific subject areas; the presence of teacher preparation program "deserts," particularly in rural areas; and a substantial shortage of teachers of color. To address this, we've created the Building and Supporting a Certified Teacher Registered Apprenticeship Program in Pennsylvania initiative, which offers up to \$500,000 in funding available to a consulting organization or individual to develop a program framework and template for a certified teacher registered apprenticeship. This initiative in partnership with PDE will allow local education agencies (LEAs) to build a pipeline of well-prepared teachers, with an emphasis on subject areas most impacted by local staffing shortages. The goal is for the framework to be replicated and tailored by LEAs to address specific regional needs.
- Agriculture Industry We know that our farmers are tasked with a great deal of responsibility. In most small-to-medium-sized farms, the owner is the farmer, the accountant, the purchaser, the seller, the mechanic, the plumber, and an array of other occupations. The work we are doing in Workforce is to help support our farmers with training, support mechanisms, IT enhancements and software solutions that can help create efficiencies. Our industry partnership offers consulting services and a support mechanism that can work through HR, IT and other job-related skills that most farmers need in their toolbox to be successful.
- Business-Education Partnerships (BEP) BEPs are a significant investment in our youth that connects businesses with our educational institutions throughout Pennsylvania. This program has become particularly successful in rural areas dependent on funding to inspire students' interest and understanding about careers located in their rural area. When young people understand the opportunities in their backyard, they can make choices to prepare for those jobs and earn the family-sustaining wages that will entice young families to make rural Pennsylvania communities their permanent home.

Thank you for the opportunity to provide an overview of our workforce system and highlight some of our successful programs.

As the Acting Secretary mentioned, the purpose of today's conversation is to begin a collaborative effort to identify the barriers and challenges to workforce issue in rural communities. We are pleased to be a part of this conversation and are anxious to hear from the other panelists as we seek solutions to Addressing Rural Workforce Challenges together.

At this time, we would welcome any questions you may have.