



**Testimony of  
Acting Secretary Nancy A. Walker**

***Addressing Rural Workforce Challenges***

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

Good afternoon, Chairman Laughlin, Senator Yaw, and committee members.

I am Nancy Walker, Acting Secretary for the Department of Labor & Industry. Joining me today is Dan Kuba, Deputy Secretary for Workforce Development. Dan is my subject expert on “all things workforce” and will be able to provide some insight into our current programs and efforts going forward.

First, I want to thank you for inviting us here today to address workforce issues in general and specifically those challenges to employers in rural areas of the state.

You are to be commended for getting so many smart people around the table to discuss solutions to problems that affect many Pennsylvanians and Pennsylvania employers. I found out early in my tenure as L&I’s acting secretary the value in convening a group of people with a vested stake in how the department operates and serves its constituents.

Because we gathered Unemployment Compensation stakeholders in the early days of Governor Shapiro’s administration, we’ve already made significant progress toward resolving some of the systemic issues that have plagued the UC system these past few years. I can tell you we benefitted greatly from the direct feedback of our stakeholders.

So, I applaud you for taking a similar approach in tackling another significant challenge we all face – the challenge of how to strengthen our workforce in rural Pennsylvania so that rural communities are resilient under changing economic conditions.

Governor Shapiro has clearly identified our ultimate goal for the next few years – We want to build a well-trained workforce that is responsive to the needs of business and prepared for the jobs of the future.

To do that, we have to see the challenges and confront them deliberately. In every Pennsylvania community, we see:

- A tight labor market – fueled by historically low unemployment and record-high jobs
- Critical industries with worker shortages – including healthcare, education, manufacturing, agriculture, and construction
- Childcare costs that create barriers to employment for working parents

In rural Pennsylvania, we see some additional challenges, including:

- Reliable transportation so folks can get to work
- Limited access to reliable Internet service

To overcome those challenges, we need to invest in people – the good workers of Pennsylvania. We also need to see that workforce for what it is – the most indispensable part of our economy.

We have to find new and creative ways to reach Pennsylvanians who want to work – but for whatever reason cannot. This is the barrier remediation part that is critical to rural Pennsylvanians who want to work but don't have reliable transportation, childcare, or Internet access.

Preparing our workforce and our economy for the future will require us to build more systems that connect people with job skills – but without the burden of crippling debt. Registered apprenticeship offers workers the opportunity to obtain a set of in-demand skills while at the same time earning a paycheck. For employers, it is customizable education that builds the talent pool they need to be competitive in the market.

The Shapiro Administration is committed to pursuing solutions that work. That's why the Governor's budget proposes \$23.8 million for workforce training and apprenticeship programs, including ones aimed directly at improving Pennsylvania's broadband network.

As you likely know, the Governor is passionate about career education and opportunities for young people – opportunities that don't always result in a four-year degree but are nonetheless vital to our Commonwealth's success. Students who are interested in the trades should have the chance to explore those options in high school. That's why we're investing in pre-apprenticeship and the Schools-To-Work program.

But we also want to go beyond apprenticeship for the traditional trades. We're working to create non-traditional career pathways for Pennsylvanians interested in nursing and teaching – two professions with critical workforce shortages that affect our rural communities in particular.

Finally, we are working to engage more directly with employers, particularly larger ones who tend to sidestep our CareerLink locations and go to for-profit online services when they are looking for talent. We want CareerLink to be a one-stop shop for job seekers, so we're working to bring those large employers back into the fold. And in that communication with employers, I also want to be honest about the reality of our workforce now and into the future. The worker shortage issue is not going to resolve quickly. Competition for labor is likely here to stay.

The purpose of today's conversation is to begin a collaborative effort to identify the barriers and challenges rural communities and businesses face which may prevent them from being active participants in a growing and competitive labor market.

I would now ask Dan to discuss the Workforce system in general, but more importantly, how the Department can assist in attaining the goal of ensuring that rural Pennsylvania is competitive in the current and emerging economy.

After Dan's presentation, we would be happy to respond to any questions you may have and, perhaps more importantly, I am looking forward to listening to the remaining panelist to hear their concerns and possible solutions to Addressing Rural Workforce Challenges.