

Ron Kusina's Press Conference Speech 03-31-08

Recognizing the need for a technically-skilled workforce

As Steve Peterson has so clearly described, we face a critical shortage of skilled labor in our community. In the past we have had the luxury of a young workforce with strong skills and a solid work ethic. When I have gone out to recruit companies here, the workforce has been our community's number one advantage once the business case is made. For the first time, however, companies like Petersen are looking elsewhere for a more plentiful skilled workforce.

Why? There is a perception that manufacturing is a dying industry in America. Indeed, we have lost many low skill, low paying jobs overseas. At the same time, however, the highest paying, highest skilled jobs have remained in this country because our workforce remains the most efficient in the entire world. In Weber County, manufacturing jobs pay an average of **\$1,051 more** every single month than the average job. That is a house payment!

So while great jobs in manufacturing are flocking to our region, we now face challenges in filling those positions. If we cannot meet the demand, these companies will choose other locations or worse, will move elsewhere.

In response to this need, we have written a new white paper that describes two primary challenges:

The first challenge is that young people are less interested than ever before in going into skilled occupations such as manufacturing. Students erroneously perceive these jobs as dirty, low paying and unstable. Parents believe a technical occupation is a second-rate path only suitable for students who are not cut out for a university. They think it is fine for other people's kids to go to the tech college, but not their own kids. We must change these perceptions. We need to get the word out that in order to be successful, a student does, indeed, need to attend college...and a technical college fits that criteria. A technical path is a *different* choice, not an *inferior* choice.

The second challenge is that there are systemic barriers within the educational system that have caused a virtual elimination of the technical track in high schools. All students must now take more purely academic subjects to graduate. This makes it difficult for students to take technical classes which

could have resulted in employment right out of high school. In addition, students who struggled before are becoming disengaged because now they have to do even more of what already did not work for them. Other barriers within education relate to lack of adequate transitions between institutions, and some financial disincentives to do what is best for the student.

We at Weber EDC and the Ogden-Weber Applied Technology College have already begun to innovate. For example, here are some benchmark initiatives:

- Our first success was in the creation of an employer-sponsored marketing campaign to recruit students into skilled machining. It began in 2005 and doubled the number of students in Ogden-Weber tech college's program. Last year we came together again to introduce the next phase of marketing and added a scholarship program. This has been effective, but we must do more. Employers still face shortages, and the tech college's machining program remains under capacity.
- Weber EDC's Marketing Campaign: We have created a marketing partnership with area businesses and are beginning an advertising campaign to recruit skilled and technically trained workers to northern Utah. Our target area is seven mid-western states of above average unemployment. We will have more information on this campaign in the near future.
- On May 20th, Weber EDC and the Ogden Weber Tech College Foundation are hosting a dinner to raise money for scholarships and raise awareness about these issues. Employers will have the opportunity to also sponsor educators and policy makers in attending so the message will reach those who are in a position to drive change.

These are examples of how we are a dynamic, forward-thinking community. We have already created models that are working, and we intend to lead the nation in creating innovative solutions. To move forward, we issue the following specific challenges:

To the Governor: Create a task force within your office of Economic Development that will write a strategic plan for developing the technically-skilled workforce. This plan must include two things: (1) A marketing plan to generate interest in highly skilled technical occupations, and (2) A mechanism for

coordinating workforce development efforts between organizations that are working independently on this issue. This will create synergy and reduce duplication of efforts.

To the Legislature: Fund the initiatives that the task force recommends. Also, recognize two things. The first is that our technically-trained workforce is this state's number one advantage. The second is that we have an opportunity right now to prepare the large bubble of students that are coming through the system *if we move swiftly*.

To Education: Reverse the trend of practically eliminating the technical track in high schools and create a more seamless transitions for students.

To Employers: Be relentless in communicating the workforce problems you face to your legislators and others who advocate your interests. Make sure they know that the trend in secondary education has become imbalanced; sacrificing workforce readiness in favor of academic readiness.

To the Media: Continue to help us get the word out. There are students and people who are underemployed in this community who could become more successful. There are employers who desperately need their talent. What prevents these people from a much better life are erroneous perceptions and lack of awareness about opportunities available. Please help us keep this issue in front of our community.

Our commitment in return is that... You can count on us at Weber EDC and the Ogden-Weber tech college to lead the charge. We will mobilize resources and will continue to introduce innovative solutions that **WILL** make a difference. We will keep you apprised, and will ask for your help in meaningful ways.

