

Opening Statement for Ranking Member Susan Davis (CA-53)
Closing the Skills Gap: Private Sector Solutions for America's Workforce
Subcommittee on Higher Education and Workforce Development Hearing
Committee on Education and the Workforce
May 9, 2018 at 10 a.m.

Thank you, Mr. Chair, for holding this hearing. I'm sorry that I will be in and out of the room. We are marking up the NDAA in the Armed Services Committee, but I look forward to hearing as much of this discussion as possible.

Organizations in my district, like the San Diego Workforce Partnership and the East County Economic Development Council, have long spoken to me about the growing need for skilled workers. Numerous studies confirm their experiences.

Researchers estimate that at our nation's current rates of training and educating students, the U.S. will face a shortage of 5 million workers by 2020, including an estimated 2 million manufacturing jobs.

Despite industry leaders being among the most vocal on this issue, the private sector investment in workforce development has declined over time. A recent report found that employers paid to train about 20 percent of their workers in 1996, but that number had dropped to 11 percent by 2008.

In fact, between 2003 and 2013, the number of employer-sponsored on-the-job training positions, the most effective model, fell by 40 percent. And only 22 percent of companies said they would consider hiring an employee who required additional training when they were having trouble filling a position.

This unfortunate trend follows the cuts in federal investments for workforce development initiatives. Between 2001 and 2016, WIA and WIOA formula grants were cut by 40 percent, Perkins CTE was cut by 30 percent, and Adult Education programs were cut by 20 percent.

We must all step up to the plate.

I look forward to hearing how companies can be encouraged to invest in their workers. Tackling the shortage of skilled workers will take the cooperation of businesses, schools, and the workforce development system to expand evidence-based programs. There are many good examples around the country, including my district, of ways that employers can invest in a more prepared workforce.

Registered apprenticeships, for example, bring together industry experts and educators to provide students with a hands-on learning experience. Students are often able to earn money, receive stackable credentials, and establish valuable mentoring relations with experts in their chosen fields.

I would like to hear what the witnesses believe the federal role should be in ensuring quality and prestige for workforce development programs, and where we should be investing resources in order to expand effective initiatives.

I was proud to be among the hundreds of Members who supported WIOA when it passed the House because it sought to help workers, benefit businesses, revitalize our economy, and strengthen the middle class. WIOA is also responsive to individuals with various barriers to employment and allows for critical supportive services for participants.

I was also pleased to be able to work in a bipartisan manner to pass the *Strengthening Career and Technical Education for the 21st Century Act*. Federal investment in high-quality career and technical education that is accessible to all students – regardless of background – will help address the need for a highly skilled workforce.

I'd be remiss if I didn't mention the need for greater engagement with institutions producing a large percentage of minority talent. Employer outreach to students before they graduate can help address the "skills gap" which, in many minority communities, is particularly acute. In certain occupations, including the tech sector, women and people of color are woefully underrepresented and the "skills gap" can be more of an "outreach gap."

I will continue to work with my colleagues to ensure that we are investing in students and workers throughout their professional careers.

I look forward to learning about the good work that our employer witnesses have done in this space. And I also look forward to hearing about what more can be done to encourage employers to work with community colleges, the workforce development system and CTE programs to build a workforce that meets the demands of our global economy.