

OREGON WORKFORCE INVESTMENT BOARD

Policy No. 16 Current Worker Training Policy

Purpose

A skilled workforce is an essential component of a thriving Oregon economy. More than 65 percent of the workers projected to be working in Oregon businesses in the next ten years are already employed in Oregon. In order to keep Oregon's businesses competitive, the training of these current workers is a high priority.

References

ORS 660.303

The Legislative Assembly finds that job training is an essential component in promoting the economic development of Oregon and the economic well-being of the citizens of this state. Therefore, the Legislative Assembly declares that it is the policy of this state to promote the coordinated provision of education, employment and job training ...

EO 3-16

Revitalizing and invigorating the Oregon economy is a high priority. To facilitate economic recovery and to keep Oregon's industries productive and competitive for Oregonians, we must ensure that a skilled workforce is available to existing businesses

Background

The state's workforce system provides limited training due to constrained resources for **transitional workers** who need to be retrained for new jobs. The vast majority of these training resources are from federal sources.

The state's education system, from pre-kindergarten to graduate and professional programs, predominantly trains **emerging workers**. The state makes a biennial investment of over \$6 billion in the education enterprise, and receives substantial federal resources.

The state lacks a comprehensive policy and funding mechanism to support the training of **current workers**, despite the fact that the U.S. Dept of Education estimates that 60% of all new jobs in the 21st century will require skills that are possessed by only 20% of the current workforce.

It is in the state's interest to invest in Oregon's current workers to match the needs of businesses for both new and replacement jobs. The investment of public resources is designed to increase the skills of the current workforce in order to make Oregon and Oregon businesses more competitive, and provide workers with skills valued in the marketplace. Investments of public resources must be targeted to provide higher level and technical skills. These investments are not meant to replace state investments in public secondary education, or to remediate basic academic skills, or to provide training for retail or other low-wage occupations. The state and public will benefit through increased creation and retention of jobs, expanded tax revenues, and reduction of need for public assistance.

Training current workers will enhance the skills of the current workers, and increase the ability of the state and Oregon businesses and workers to compete globally. Companies will choose to locate in Oregon, and Oregon companies will choose to expand in Oregon, based on the skills of the workforce. To the extent Oregon can compete in the world economy, maximum benefits accrue to Oregon residents.

Policy: Provide Current Worker Training

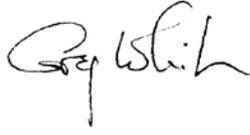
It is a policy of the State of Oregon, the Oregon Workforce Investment Board, and Local Workforce Investment Boards to provide critically-needed training to incumbent workers in order to assure the competitiveness of Oregon businesses, and to increase the basic and technical skills of Oregon's current workforce.

Policy: Investment Principles

These principles shall guide the state's role in funding current worker training:

- **Regional needs:** Investments are linked to regional and state economic needs;
- **Investment Focus:** Investments are made in companies exporting goods and services or are part of traded-sector clusters, to provide greatest economic benefits, or are made in occupations with recognized skill shortages;
- **Future Focus:** Training is focused on skills necessary to permit companies and workers to increase their competitiveness; to advance their technological capabilities or enhance their productivity.
- **Leverage and Sustainability:** Preference is given to multiple employer, worker or industry association-led projects, and public funds are matched with private funds.

- **Scale:** Preference is given to projects that expand on existing curricula/training programs/resources so that more workers are trained per dollar expended; or the project has the potential to gain economy of scale.
- **Economic well-being:** Training of workers who are paid wages that meet or exceed the median hourly wage in the county in which they are trained, or result in wage gain or career ladder development result in greatest benefit to the state and its workers;
- **Transferable skills:** Training that leads to industry and/or educational degrees, certifications or credentials.

Approved by:	 Greg White OWIB Executive Staff
Date:	
Effective Date:	March 24, 2006

This policy will remain in effect until amended or rescinded by the Oregon Workforce Investment Board.