

Workers brace for 'perfect storm'

When storms converge, we must prepare. That was the lesson of the famous "Perfect Storm" of 1991. Today four crises, are converging to form an economic "perfect storm," and if we fail to prepare it will shatter our capacity to grow and prosper, devastating workers, employers and communities.

The four crises: 1) Job loss: Massachusetts has lost more jobs than any other state, which in turn has forced tens of thousands of skilled workers to seek work elsewhere; 2) Out-migration: a loss of residents has created a situation where businesses are not able to find workers for critical vacancies; 3) Job training: the workers who remain are not able to access the critical job training programs and acquire the skills to fill the open jobs; and 4) Self-sufficient wages: not enough good paying jobs exist that pay family self-sufficient wages with benefits.

The Gillette/P&G merger, which will eliminate 6,000 jobs, or four percent of their combined workforce, is another barometer that the worst of this storm has yet to hit. Jobs are leaving our state, and we are not creating enough new well-paying employment opportunities that advance families to economic self-sufficiency. The data are stark and sobering.

According to the Massachusetts Division of Unemployment Assistance job vacancy survey, employers have 59,861 job vacancies unfilled. 84% of these vacancies require a high school diploma or higher and 40% require an associate's degree or higher. In fact, almost a third of Massachusetts's workers, 1.1 million, lack the basic skills needed for employability in the new economy, as documented by The Massachusetts Institute for a New Commonwealth. Fully 746,000 people lack high school diplomas and another 152,000 lack strong enough English

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language skills to make them employable.

Even as our political and civic leaders endeavor to recruit new businesses, Massachusetts is the only state to lose residents in 2004; and, more troubling, half of the out-migrants have a bachelor's degree or higher. According to a survey conducted by the University of Massachusetts Donahue Institute, who recently conducted a public opinion poll on behalf of the non-profit organization Citizens Housing and Planning Association, 46% of remaining Bay State residents reported that they, or an immediate family member, were considering leaving the state amid skyrocketing home and condo values.

We need to act now to avert a growing crisis. Under the current conditions, new businesses cannot succeed in Massachusetts and workers have no opportunity to increase wages or move up a career ladder. Without decisive action, more businesses will expand elsewhere or relocate altogether and the lack of adequately trained workers will thwart efforts to recruit businesses and new jobs to the state. The foundation of our economy is the quality of our workforce, thus addressing this crisis demands a substantial investment in our workers. We need to act now to repair our economic foundation, if we are to weather the storm.

To make this investment, we have jointly filed The Workforce Solutions Act of 2005. This bill, which was filed with the support of 99 of our colleagues, is a comprehensive set of

budget and legislative proposals to expand lifelong learning opportunities for Massachusetts workers, students and the unemployed or underemployed. This act will support regional businesses by increasing the competitiveness of Massachusetts companies and improving worker education, skills and employment options. It will bolster workforce partnerships in health care and other industry growth sectors with employers, community colleges, training providers and unions.

To ensure that the public gets the best return on their investment and to improve the effectiveness of current programs, the Act proposes clear lines of accountability and performance measures for the Massachusetts workforce development system. Massachusetts would implement a comprehensive review of the workforce system through a multi-stakeholder Task Force, a partnership of the Legislature, the State Administration, business, labor community organizations and stakeholders.

The Workforce Solutions Group helped to develop this legislation after extensive outreach to workers, labor, the business community and community-based organization throughout the Commonwealth. Feedback was also received at eight regional forums across the state that attracted over 700 people who offered their comments and ideas. We understand the problem. Together we must address it.

The signs of further economic instability are on the horizon. We can either ride out the storm or hope for the best or take decisive action to avoid it.

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