



WASHINGTON WORKFORCE ASSOCIATION

WASHINGTON STATE ECONOMIC RECOVERY

Built on local Workforce solutions.

On September 7, 2021, nearly 100,000 Washingtonians lost some form of extended unemployment compensation, and thousands more remain sidelined by the pandemic.

With the expiration of these benefits, Washingtonians are turning to the public workforce system for help.

Concurrently, businesses continue to struggle finding qualified talent to fill the nearly 200,000 vacant jobs across the state, including thousands in critical industries like Healthcare, Education, Manufacturing and Hospitality Services. This is impeding our state's economic recovery and hampering the ability of firms of all sizes to fully recover and grow.



Yet, while unemployment continues to decline (currently 4.8%), those unemployed and/or otherwise marginally attached to the labor force are steadily increasing to well over 400,000 Washingtonians, nearly 11% of Washington's civilian labor force.

With increasing numbers of people considered long-term unemployed (>52 weeks), and declining labor market participation across the state, there have been no designated investments in the public workforce system through the Federal CARES Act or the American Rescue Plan. Additionally, Federal WIOA

investments are not flexible, not nearly enough, and ill-equipped to meet the "just in time" demands caused by our new pandemic economy, leaving 90% of those in need left behind.

Furthermore, the rapid spread of the Omicron variant is expected to slow Washington State's economic recovery as cases rapidly increase, putting a strain on businesses, further disrupting our global supply chain, and slowing consumer spending. This continued disruption will have a profound impact on our small businesses and their workers, putting greater pressure on our local workforce development system for help.

To ensure an equitable economic recovery, Washington needs to lead by helping local businesses recoup from the pandemic and providing a hand-up for Washingtonians most impacted by COVID-19, especially communities of color, women, and younger, less-educated, and lower-income workers.

TO ADDRESS THESE CHALLENGES, we recommend a \$50 million local Workforce Innovation fund, focused on 3 broad, proven workforce strategies to transition Washingtonians into good jobs:

1. Employer Driven Earn and Learn Opportunities to Re-Career: A large share of low-income workers have lost their jobs and need support to meet their basic needs while going through training and placement to re-career. This means providing paid internships, paid community service work, stipends, and other income supports in conjunction with occupational training and placement into middle-income career opportunities. Services include: paid internships, cohort-based occupational training, training stipends, scholarships, registered pre-apprenticeship programs, on-the-job training, incumbent worker training, and registered apprenticeships.

2. Increase Local Service Capacity: Local Workforce Boards have a scalable, big-tent approach that connects the strengths of local community-based, education, business and other partners with services offered through the public workforce system. This broad approach will be implemented through established networks of local partners that provide start-to-finish career coaching services including outreach, referrals to skill development and training opportunities, and referrals to wraparound support services that enable participation and success. Resources will be used to expand Local Workforce partners' capacity to respond to COVID-related workforce and local business needs.

3. Wrap-Around Supports: Wrap-around supports, including childcare, housing, and behavioral health support, are needed to enable people navigating poverty to participate in programs that will help them re-engage in the workforce:

- We must provide childcare support for people navigating poverty with young children. Otherwise, the high cost and limited access to childcare will prohibit them from going through a training program and starting a new job.
- We must provide housing placement and eviction prevention for people who no longer have the income to pay their rent. Otherwise, the impacts of homelessness will greatly reduce their ability to get back into a new job and career.

- Finally, we must provide supports such as mental health and substance use treatment as we help people return to new careers after the traumatizing impacts of the pandemic.

LOCAL WORKFORCE DEVELOPMENT BOARDS' IMPACT

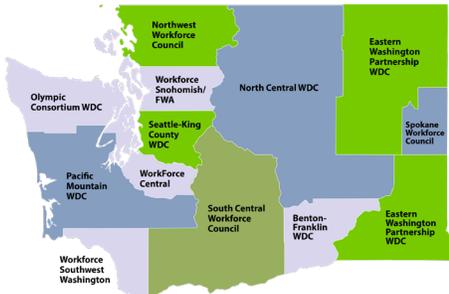
STATEWIDE 2020/21



Collectively over 15,000 businesses served



78,000 workers served



Services include: Rental assistance, childcare, utilities payment support, computer and internet access, transportation, mental health, alcohol & drug treatment, household assistance, work-related clothing and tools.

Local Workforce Boards will lead coordination with local community partners and distribute resources to community-based organizations, education entities, and other local partners with a requirement to serve BIPOC, women, young workers, rural residents, and others most impacted by COVID -19. Services and outcomes will be tracked and reported using the existing statewide workforce data and reporting system (ETO). All data will be disaggregated by race, gender, and geography.

WASHINGTON NEEDS TO ACT!

Washington's public workforce development system, made up of 12 local business-led workforce development boards representing nearly 15,000 businesses and serving nearly 78,000 Washingtonians every year is the frontline system capable of delivering an equitable economic recovery for our state. We stand ready to continue to serve the needs of our local communities, making effective public investments in solutions that work.