

Boston Business Journal

Sign up for free e-mail news alerts



BostonBusinessJournal.com

BREAKING BUSINESS NEWS DAILY!

July 17-23, 2009 Vol. 29, No. 25

©2009 Boston Business Journal. All rights reserved \$3.50

| BUSINESS VIEW |

Don't freeze workforce training

Since inception in 1998, the Massachusetts Workforce Training Fund has helped thousands of employers gain a competitive advantage by investing in job-related training for more than 208,000 workers. More than 4,000 grants have been awarded totaling over \$150 million. This employer-generated fund supports the training and skills development that workers need to maintain employment and advance their careers.

But this month, the Legislature reduced the fund appropriation to \$10 million while an estimated \$18 million will be collected, thereby making these training resources unavailable at a time in our economy when they are desperately needed. This fund, supported by employers and paid for by employer-only taxes, must be put to work for employers and employees alike.

Every year, the Workforce Training Fund receives more applications than it has money to fund. With industries and technology advancing at breakneck speeds, training is needed to maintain competitive skill levels for workers on a real-time basis. A recent national study by Public/Private Ventures found that participants in sector-focused training programs were able to earn higher wages, work more hours and hold jobs with better benefits than workers not in sector-based programs.

Even in the midst of this recession, Massachusetts has more than 54,000 vacant jobs for middle-skilled workers.

These are jobs that require more than a high-school diploma but less than a four-year college degree. Growing sectors such as health care, biotech, biopharma, green-tech and hospitality are struggling with high vacancy rates for jobs that pay family-sustaining wages and decent benefits.

Employers and vocational trainers have perfected techniques for increasing skill levels for low-income, working adults, often with on the job training programs. And they've put up the money to fund them. Our state has developed national models in the process.

It makes little sense to restrict and curtail higher tax revenues from these workers by holding them back in low-wage, entry-level jobs.

This is a time to invest in training programs that build employee skill levels, increase employment opportunities and encourage as many people to participate in the workforce as we can. When unemployment rates are high, it's the worst time to take valuable resources away from workers and the businesses that want to hire them. We are grateful the governor recently filed a supplemental budget to restore the fund, and we urge the Legislature to follow suit so the commonwealth can continue to realize the return on these critical investments.

**ALAN
MACDONALD
AND
WILLIAM J.
TINTI**

ALAN MACDONALD is executive director of the Massachusetts Business Roundtable. **WILLIAM J. TINTI** is a partner at Salem law firm Tinti, Quinn, Grover, & Frey and chairman of the Massachusetts Workforce Board Association.