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U.S. HOUSE OF REPRESENTATIVES

HEARING ON

THE FUTURE OF WORK: ENSURING WORKERS ARE COMPETITIVE

IN A RAPIDLY CHANGING ECONOMY

DECEMBER 18, 2019



Chair Davis, Ranking member Smucker and Members of the Subcommittee, thank you for inviting the AFL-CIO to share its views on the important topic of “The Future of Work: Ensuring Workers are Competitive in a Rapidly Changing Economy.”

The AFL-CIO represents 55 unions and over 12.5 million workers. I serve as the Executive Director of the AFL-CIO Industrial Union Council, which is comprised of 11 unions with over 4 million members, 1.3 million of them directly in manufacturing. The IUC works to build and advance policies that support manufacturing in the United States.

Additionally, I serve as the Executive Director of the AFL-CIO Working for America Institute, a nonprofit workforce intermediary whose goal is to bring organized labor’s resources, expertise and worker engagement to bear in our nation’s workforce development programs, and to help develop and support innovative programs for training and support services.

The Institute works with unions, companies, joint labor-management training partnerships, workforce intermediaries and the workforce system. The Institute is an industry partner with the US Department of Labor (DOL) in expanding Registered Apprenticeship programs in manufacturing and hospitality where we have worked with over 240 union and non-union employers and have placed over 1,400 apprentices in jobs paying an average of \$24.35 per hour. We are also a partner with Jobs for the Future and several state labor intermediaries engaged in implementing an innovative Registered Apprenticeship program for entry level manufacturing production workers, the Industrial Manufacturing Technician.

Future of Work

In 2017, the AFL-CIO formed a “Commission on the Future of Work and Unions” whose report you have as part of this written statement. The Commission sought to “rethink ways of building bargaining power and providing economic security for millions of Americans, and make sure that the labor movement is effectively organized and structured to get it done.”

The Commission produced a main report with several high-level themes, as well as sector reports covering construction, energy, the federal sector, health care, manufacturing, professionals, the public sector, service and retail, and transportation.

The labor movement is committed to advancing a worker-centered approach to shaping the future of work. Strong unions advocate for the rights of working people and help create good jobs by allowing working people to have a voice on the job and to achieve the economic security they deserve. Unions remain the most effective way to fight inequality by ensuring that working people receive a fair return on their work, now and in the future.

Advances in technology are constantly redefining the work landscape, creating new categories of jobs where none existed, and making current jobs safer and better. However, technological advances also can erase once-vital and -vibrant industries. This is nothing new. Unions have been addressing and adapting to changes in the workplace—including job displacement caused by automation and digitization—for more than a century. Today, we are bargaining over the fair implementation of technology in the workplace, and making sure frontline workers have a say in the design of their work as new technologies come to the workplace.

The Commission's report makes clear that the real issue is not technology itself.

The real issue is the human arrangements that shape how technology is used and who reaps the benefits. The real question is whether human beings will be listened to and respected. Will our work be honored? Will our voices be heard?

As AFL-CIO President Richard Trumka noted recently: "At its core, the future of work debate is about whether as citizens and employees we all have an effective voice as key decisions are considered."

- Who has a say in the development and deployment of technology?
- Who owns, controls and profits from the data we all generate?
- Who decides how the benefits of technology are distributed?
- Who gets to set the ground rules on the ethics of information technology, on questions of privacy and prejudice?
- Who gets opportunities for training for the new tasks and new jobs of tomorrow?

Challenges Workers Face Today

The labor movement is not afraid of workplace change. Before the punch clock and the assembly line, there was the hand tool and the workshop. Before the hardhat, there was the artisan's apron. Before diesel and electricity, there was steam. Times changed. Our jobs changed. And we changed with them, building a more prosperous nation and a stronger labor movement in the process.

However, when the voice of the employee is absent from the discussion, everyday people are unlikely to get a fair shake. Consider what happens when working people's voices are not heard.

In the past thirty years in the United States, wages have been flat as productivity has soared. Less than 7 percent of the private sector workforce now belongs to a union. Not surprisingly, inequality has reached historic levels. In fact, 40 percent of Americans do not have \$400 in the bank for an emergency.

The November US DOL Jobs Report shows that jobs are plentiful, but good paying jobs are hard to find. Amid the reports on job growth underlies the fact that wages continue to lag. Even as the unemployment rate has fallen in 2019, the pace of wage gains has actually slowed. (<http://nymag.com/intelligencer/2019/12/november-jobs-report-analysis-wage-growth-unemployment.html>)

Technology and trade have displaced millions of Americans from middle-class jobs and pushed them down the economic ladder. Since 2000, the U.S. economy has shed 2.9 million jobs in (disproportionately male) production occupations, and 2.1 million in (disproportionately female) administrative and office-support roles.

As noted in a recent Washington Post article many of these administrative jobs have helped non-college-educated women the chance for career growth and economic security. As these administrative jobs are outsourced or automated, economic security is foreclosed for millions of working-class women. (<https://www.washingtonpost.com/newssearch/?datefilter=All%20Since%202005&query=women%20administrative%20jobs&sort=Relevance>)

For middle-aged workers the effects have been particularly devastating. According to the Urban Institute, more than half of all workers over 50 in the U.S. eventually lose their jobs involuntarily, and 90

percent of those workers are consigned to lower-paying work for the rest of their careers. (<http://nymag.com/intelligencer/2019/12/november-jobs-report-analysis-wage-growth-unemployment.html>)

African American workers - especially in blue-collar positions - tend to be at a huge disadvantage due to increased automation of service-based industries. A 2017 report by the Joint Center for Political and Economic Studies documented that 27% of all African American workers are concentrated in just 30 occupations at high risk of automation including positions in brick-and-mortar retail, eateries and transportation.

The Joint Center reports that unique challenges that make African Americans “particularly vulnerable in labor market transitions include unemployment rates that are twice as high as whites, Implicit bias in hiring and evaluation, residential and educational segregation, transportation problems, lower rates of digital readiness and limitations in social networks.”

“While automation will create new types of jobs, the African American community faces a unique combination of well-documented challenges that make it particularly vulnerable in labor market transitions. These challenges include: 1) an average household net worth that is one tenth that of Whites (making periods without income particularly difficult); 2) implicit bias in hiring and evaluation; 3) residential and educational segregation; 4) transportation challenges; 5) lower rates of digital readiness; and 6) and limitations in social networks.” (<https://jointcenter.org/blog/race-jobs-high-risk-automation>.)

The Latino unemployment rate increased 0.1% from October to November. At 4.2%, the Latino unemployment rate is higher than the national rate of 3.5%—a difference of 0.7%. In November, Latinos saw a slight increase in those employed (+68,000), but also an increase in the number of unemployed (+33,000). Despite high labor force participation, many Latino families continue to struggle to cover basic necessities. One contributing factor is insufficient wage growth, an important indicator of job quality and a key factor in economic security.

In addition to wages, we have also seen other measures of job quality erode. Job quality has been getting a lot of attention lately, and rightly so. A recent Gallup survey looked at “job quality” that included wages and benefits as well as career-advancement opportunities, stable hours, a sense of purpose, the ability to change unsatisfying aspects of one’s employment, and job security. Measured by this index only 40 percent of Americans currently have “good” jobs.

(<https://www.gallup.com/education/267590/great-jobs-lumina-gates-omidyar-gallup-quality-report-2019.aspx>)

Diversity, Displacement, and Changing Tasks

State that displacement is only part of the problem, that understanding how jobs that won’t be eliminated will change is important, which calls for a necessary focus on the new technologies and task coming to most job. When planning for these changes we must be aware that not everyone is starting from the same place, as the previous section shows.

The Critical Role of Unions in Our Economy

Contrary to what many experts espouse, technology does not inevitably result in weaker worker bargaining power or greater inequality. When we make wise choices, technological advances can have the opposite effect.

Workers coming together not only lifts those covered by a collective bargaining agreement; strong unions apply upward pressure on wages and standards across the board. We advocate for economic and social justice for our members and for all workers, and for the people we serve and the communities in which we live.

- When union members bargain for higher wages and better benefits, there is a “spillover effect” on unrepresented workers. (<https://aflcio.org/reports/afl-cio-commission-future-work-and-unions>)
- The benefits of collective bargaining extend beyond wages. Strong unions have produced innovative benefit plans, scheduling policies and other fair employment practices that subsequently have spread to nonunion workplaces.
- Unions historically have been the primary backers of a range of laws that apply to all working people, such as a minimum wage, occupational safety and health, equal employment opportunity and a robust public workforce training system.
- The reality is that the standards achieved by unions through decades of bargaining set the stage for the modern middle class that today is cratering, as too many people are forced to fend for themselves.

Addressing Workplace Change at the Bargaining Table

Technology does not fall from the sky. It is developed through public policy choices, and by businesses and working people in our workplaces and the marketplace. Public policy decisions and public funding drive U.S. innovation policy, and there are multiple choices involved in the design and deployment of technological applications by companies.

For more than a century, unions have been at the forefront of addressing technology-driven changes in the workplace, including job loss. Perhaps the most important lesson we have learned is that the best strategy for addressing job loss is ensuring the availability of good jobs. The best solution for the individual worker who loses his or her job is to find another good job quickly. Training, education and income support can play important roles, as I will describe later in this statement, but there must be good jobs for workers to take if any transition is to be successful

Unions have sought to address workplace change at the bargaining table. Some notable current examples:

UNITE-HERE and Marriott – Last December, after intense negotiations, the UNITE-HERE represented hotel workers at Marriott won a remarkable agreement in a new contract that requires management to give 165 days’ advance notice about new technology so workers can bargain over the changes. These were similar to agreements their union negotiated last year on behalf of Las Vegas casino workers. In addition to requiring that Marriott give the union a heads-up about any new technology, it guarantees job training for all displaced workers.

UFCW and Macys - Unions representing retail workers have negotiated contracts that spell out how management can use scheduling software, to avoid disrupting the lives of employees. One example is a

2014 contract between the United Food and Commercial Workers Local 5 and retail firm Macy's that requires advance notice to workers about their schedules and any changes to them.

UAW-General Motors 2019 Contract - In the 2019 negotiations with General Motors the UAW won a commitment from the company to not only reaffirm that the introduction of new technology will not move work out of the bargaining unit, but also ensure UAW members will be able to retain the higher-skilled work associated with new technology. The company and union agreed to establish a National Committee on Advanced Technology, made up of an equal number of union and management representatives. The committee will meet at least quarterly to discuss the impact of future technologies on UAW members and address instances where bargaining unit work has shifted out of the unit due to new manufacturing processes. The Plant New Technology Committee will be given access to information and participate in discussions with the national committee to work through issues at impacted locations.

Training and Lifelong Learning and the Role of Unions

New technologies and new ways of organizing work are flooding into our workplaces. From global positioning systems installed in trucks to monitor drivers, to electronic medical records and hospital information systems that are replacing health care workers and centralizing control, to lean production and other programs that standardize and intensify work, no sector of the economy escapes change. To address the impact of technology and new ways of organizing work we need both better training and better jobs.

Labor-Management Training Partnerships

The challenge facing unions in the future is to expand our training programs to meet the growing need for training and upskilling for our members and for people we do not currently represent. Well-planned, innovative and worker-centered training can improve labor-management relations and worker empowerment, raise productivity and strengthen employment security and mobility for workers.

Unions are the key to providing training that provides transferable skills and creates a clear pathway to employment. Employers on their own have little incentive to provide portable skills, so the involvement of unions and government is critical in getting employers to work collectively. Workers on their own have few resources to pay for their own training, and without union involvement, have limited input into their training and lack assurances that their training will lead to a good job. Research also shows that workers are more likely to complete training programs when unions are involved.

(<https://www.americanprogress.org/issues/economy/reports/2018/02/22/447115/better-training-better-jobs>)

Training programs jointly operated by labor and management have been successful in improving the training, productivity, job security, and career mobility of workers in a range of sectors including construction, manufacturing, transportation, health care, telecommunications, hospitality and the maritime trades. Unions are also key players in regional training partnerships involving business, labor, and educational institutions, which should be models for expansion.

The building trades unions are the gold standard in training programs and apprenticeships. Together with their signatory contractors, the building trades invest almost \$1.9 billion annually in apprentice and journey-level training at 1,900 training centers across the United States and Canada. In partnership with community organizations, the trades have also created the largest apprenticeship readiness program in

the United States, the Multi-Craft Core Curriculum (MC3). There are now 150 such programs in operation and nearly 1,000 people completed the program in 2016, over 80 percent of them workers of color and 25 percent women. The trades are actively engaged in the “Helmets to Hardhats” program which is designed to help military service members successfully transition back into civilian life by offering them the means to secure a quality career in the construction industry.

Jointly funded or union-sponsored training programs exist in other sectors as well. For example,

- The *Culinary Academy of Las Vegas*, a joint labor-management training program of UNITE HERE and the major casino industry employers, trains thousands of entry level and incumbent workers every year for successful hospitality careers in Las Vegas with good wages, opportunities for career advancement, and health and retirement benefits. The Culinary Academy of Las Vegas plays an important role in the community, working to overcome poverty and unemployment. Since its beginning in 1993, CALV has trained more than 40,000 people for participating employers in the hospitality industry. Nine in 10 students are people of color and women and men participate equally.
- In the Philadelphia area, the *AFSCME District 1199C Training and Upgrading Fund* provides opportunities for continuing education and career advancement in the health care field to members of District 1199C and to nonunion workers and job seekers. This workforce partnership includes 50 major health care employers who hire graduates of programs the Training Fund supports or operates. Half of the students in the programs supported and offered by the Training Fund are union members, and half are community residents, dislocated workers, and welfare recipients. The training focuses on skills that prepare individuals for career pathways, including Registered Apprenticeships, in nursing, allied health, health information, and behavioral health.
- The *Transportation Learning Center (TLC)* supports labor-management partnerships that create high-quality workforce training programs leading to high-performance organizations based in collaborations that support employee voice, engagement and commitment. TLC helps create joint national training standards and career pathway programs that improve organizational performance, advance workers’ skills, knowledge, and abilities and ensure safe, efficient and well-maintained public transportation systems that drive and serve high consumer demand for public transport options;
- In Milwaukee, construction and skilled trades unions and union employers work with the *Wisconsin Regional Training Partnership (WRTP) /BIG STEP* to promote union construction, a diversified and qualified workplace, and apprenticeships in the construction trades.
- WRTP also works closely with industrial unions and manufacturers to implement successful pre-apprenticeship and apprenticeship training in advanced manufacturing with a particular focus on serving disadvantaged individuals. WRTP and Jobs for the Future are engaged in a pilot project with the US Department of Labor Office of Disability Employment Policy to test an innovative training module to help workers with learning disabilities succeed in industrial apprenticeships.

The Critical Role of the Federal Government

Many Americans have missed out on the gains of a growing economy. Addressing these inequities requires a large and comprehensive federal policy agenda including a policy agenda aimed at increasing

good jobs, sustainable communities and quality training. I will focus on the policies that directly affect training and lifelong learning.

American workers are facing significant challenges in getting access to quality training:

- There has been a dramatic reduction in public funding for job training, employment security programs, career and technical education programs, and public colleges and universities since 2001.
- Businesses are training far fewer workers due to shorter job tenures, the use of contract workers, pressure from financial actors to shift costs to workers, and the declining bargaining power of unions. Between 1996 and 2008, the share of workers who receive employer-sponsored training fell by 40 percent. When businesses do train their workers, they tend to invest in those with the most education or the highest pay. (<https://www.americanprogress.org/issues/economy/reports/2018/02/22/447115/better-training-better-jobs>)
- Workers are increasingly on their own when it comes to training - yet they have few resources to pay for more training. As I have noted, wages are stagnant or declining for middle class workers. They have little ability to ensure that the training they do receive will result in a good job, and without a union, they have little or no power to improve the quality of jobs for which they train.

The federal government can and must take aggressive action to support workers as they make transitions in the labor market.

Increase Funding for Workforce Development Programs and Support Services

WIOA - Funding for the Workforce Investment and Opportunity Act (WIOA) in FY 2019 would be 40 percent lower than funding in FY 2001 including a proposed cut of \$86 million in the White House 2020 budget to WIOA programs for dislocated workers.

<https://www.nationalskillscoalition.org/resources/publications/file/Funding-Cuts-Fact-Sheet-March2019.pdf>

We support the House of Representatives FY 2020 appropriations bill that would increase funding for DOL by \$1.2 billion, \$709 million of which would fund programs under the Employment and Training Administration.

- It would fund Workforce Innovation and Opportunity Act (WIOA) Title I Formula State Grants for Youth and Adults at slightly higher than authorized levels, and would increase funding across Adult, Dislocated Worker and Youth funding of more than \$400 million.
- It would create a new \$150 million national grant program, using Dislocated Worker National Grant funds, to support workforce development provided at community and technical colleges

Address Diversity, Inclusion and Expand Support Services –The path to a positive future of work needs to focus on a workforce that is growing increasingly more diverse. According to the Census Bureau, people of color will become the majority of the U.S. population by 2045. The shift will occur by next year for those younger than 18.

To ensure diversity and equity training programs should expand opportunities and develop pipelines and career pathways for women, people of color, returning citizens, and youth by addressing barriers such as the lack of child care, the lack of transportation to jobs and training and the lack of trust between employers, recruiters, and communities of color.

Job training participants are real people with families and life challenges that make completing training programs difficult. As we grapple with how to train more workers for the jobs our economy needs to fill, we must address the need for supportive services for workers in training programs.

- In a 2017 study, the Institute for Women’s Policy Research noted, “Receiving transportation assistance, child care, and other supportive services improves the chances of completing workforce development programs and finding a job. Supportive services can be the difference between whether job training success is possible or impossible for its participants,” (<https://iwpr.org/publications/getting-finish-line-availability-impact-supportive-services-workforce-development-system/>)
- In focus groups conducted by the AFL-CIO Working for America Institute and Jobs with Justice in 2018 in Buffalo, the need for childcare and transportation were critical issues for workers in accessing apprenticeship opportunities in manufacturing. (https://afcio.org/sites/default/files/2019-04/WFAI_Workforce_in_Buffalo_Report_.pdf)

Registered Apprenticeship - Funding must also be increased for Registered Apprenticeship expansion. We are pleased that the House has proposed an increase in US DOL grant funding for Registered Apprenticeship to \$250 million. The labor movement continues to oppose the Trump Administration proposals to create a privatized system of non-registered apprenticeship, which opens the door to low quality programs and diminished labor standards. We do support increased funding for Registered Apprenticeship and apprenticeship preparation and pre-apprenticeship programs that are linked to Registered Apprenticeship – including workforce development funding, federal student financial aid and veteran’s benefits.

Pell Grants – Proposals such as those in the *College Affordability Act*, which expand Pell Grant funding and provide support for the use of Pell Grants to incarcerated students and undocumented students, and qualifying short-term training programs will help expand opportunities at the same time ensuring important protections.

Reform and Expand Unemployment Insurance

Unemployment insurance, or UI, has been a pillar of our nation’s social insurance system for 80 years. It is essential for economic security, shared prosperity, and a stable economy. We must continue to ensure that state merit staff who are in the best position to ensure that workers receive their legally entitled services, continue to administer UI benefit programs. To protect more working families, we must enact reforms to UI including:

- Reinvigorate and expand UI’s effective re-employment programs and services; connect workers with a greater variety of job opportunities and upgrade technology.
- Harmonize states’ disparate benefit amounts and eligibility rules, thereby making UI’s earned insurance stronger and available to more American workers—notably, many women and low-paid workers.

- Offer parameters for an improved, fully federally financed Extended Benefits program that would kick in automatically during recessions. This would require action by Congress.

Improve Job Search Assistance

Public employment services (ES) provided by states under the Wagner-Peyser Act are cost-effective, yet funding has declined steadily over time causing a reduction in staff-assisted services and an increase in automated services. As with Unemployment Insurance, we must continue to ensure that state merit-staff administer public employment service programs.

We recommend that the federal government increase merit staff-assisted services for screening, counseling, Job Search Assistance, job development, matching jobseekers to available job openings, and referring jobseekers to appropriate job interviews and job training opportunities.

Implement Shorter Work Weeks and Expand Short-time Compensation and Work Sharing

Rising productivity should mean shorter work hours. We should consider moving toward a four-day workweek. That is the logical consequence of predictions that artificial intelligence and other new technologies will make workers far more productive in the future.

We should also expand the use of the Short Time Compensation Program a part of the Unemployment Insurance system, which helps employers maintain their staff by reducing the weekly working hours during temporary slowdowns instead of temporarily laying off employees.

https://oui.doleta.gov/unemploy/docs/stc_report.pdf

Improve WARN - Worker Adjustment and Retraining Act

The WARN Act requires employers to provide 60 days advance written notice of a “mass layoff” or “plant closing” to each affected worker. Absent such notice and subject to certain exceptions, employers are required to pay 60 days wages and benefits to each affected employee.

Although deceptively simple, the Act is actually rife with statutory and court interpreted exceptions and improvements are needed including the following:

- Increase the WARN notice period and penalties for failure to give advance notice.
- Base the number of days for which back pay is owed using calendar days not working days.
- Increase WARN damages.
- “Good Faith Defense” should not reduce damages.
- Reduce 50 employee minimum for single site coverage
- Protect off-site workers.
- Require companies to include whether the layoff is due to a shift in production overseas.

Reform Trade Adjustment Assistance

The AFL-CIO supports policies to expand and reform Trade Adjustment Assistance (TAA) including:

- Move to a universal and uncapped program for permanently displaced workers by expanding TAA to cover job losses from trade, technology, and major shifts in government policy.

- Reform the cumbersome group petitioning process to gain eligibility for TAA by allowing for categorical certification among workers in industries heavily damaged by trade.
- Expand individual eligibility (complementing group-based petitioning) based on data about import penetration in their industry of employment, and by reforming the WARN Act to require companies to report to states when they have moved a facility overseas.
- Improve notification for TAA by requiring employers to provide state agencies with a list of laid off workers, and by utilizing grants to unions (including ones that allow the hiring of peer-to-peer counselors) as a mechanism to notify and recruit workers who are eligible for TAA.
- Help trade-impacted communities develop new sectoral training programs tied to economic development with capacity-building grants patterned after the Trade Adjustment Assistance Community College and Career Training program.
- Improve accountability for employment and wage outcomes for TAA training by requiring eligible training providers to report on their outcomes, removing providers with poor results, and setting negotiated performance goals for TAA (similar to WIOA).
- Provide Registered Apprenticeship and training opportunities for workers while on the job. For example, the AFL-CIO Working for America Institute and the Minnesota AFL-CIO Training Partnership are helping trade impacted workers at Electrolux in St. Cloud who received 2 years advance notice to enroll in apprenticeship training using state funding.
- Provide TAA recipients who are not in training with intensive reemployment services, similar to the Reemployment Services and Eligibility Assessments (RESEAs) provided to unemployment insurance claimants.
- Allocate resources for supportive services, such as child care and transportation that can increase the odds of success in training
- Allow workers within two years of retirement age to receive two years of TAA, even if they choose not to go into retraining, providing a bridge of income until they can receive Social Security and/or private pension payments.

Expand Rapid Response and Layoff Aversion

Rapid response and layoff aversion programs are a critical part of our nation's worker adjustment strategy and must be expanded and involve all stakeholders including organized labor in addressing the effects of dislocation and globalization.

WIOA brought greater federal attention to integrating workforce and economic development strategies to bolster employment and generate good jobs. WIOA requires all states, for the first time, to establish layoff aversion programs that prioritize existing companies and workforces. It enables states to build, for the first time, new capacity for sector partnerships, especially programs that could assist supply chains.

As an example, the *Massachusetts AFL-CIO Rapid Response Team* works with the State Rapid Response team to assist unions and workers who are experiencing layoffs or downsizing. The program helps people access new jobs, job training or retraining, job counseling and more. Programs include:

- Rapid Response services that annually assist thousands of laid-off workers, their unions, companies and communities.
- Assistance to dislocated workers in search of a new career path, either through re-training or job search.

- Developing layoff aversion strategies, where possible, to prevent layoffs and dislocations.

Increase Worker Voice in the Workforce System

Increased funding is important but increasing labor participation in the governance of the workforce system will help ensure high quality training and involve and address the needs of both businesses and workers.

- WIOA requires at least 20 percent of workforce board membership at the state and local levels to be comprised of workforce representatives, including two representatives of organized labor and one representative of a joint labor-management registered apprenticeship program. Employers hold 50% of the membership.
- We support a tri-partite model of governance at the state and local level whereby one-third of board members are employers, one-third represent workers, and one-third represent other stakeholders, including elected officials, education and training organizations, and community development organizations.
- While this would require statutory change at the federal level, states and localities can increase labor's share by adding more labor representatives, which Washington state has done.

Require labor participation in WIOA Industry and Sector Partnerships.

- The Workforce Innovation and Opportunity Act (WIOA) established industry or sector partnerships as a required strategy at both the state and local levels.
- Delete “*at the appropriate stage of development*” and “*as appropriate*” in WIOA Section 3 (26) in regard to labor participation in industry and sector partnerships. Labor representatives must be fully engaged at the outset of an industry or sector partnership.

Expand the Role of Sector Partnerships, Labor Workforce Intermediaries and Joint Labor-Management Training Programs

Unions help deliver high quality training to a significant number of workers. Union intermediaries help create partnerships with government, unions and employers to provide training to workers in a wide variety of industries and play a key role in the success of these labor-management partnerships.

As I have mentioned earlier, the AFL-CIO Working for America Institute (WAI) is a non-profit, 501(c) (3) national workforce intermediary that works with government, unions, employers, workforce intermediary partnerships, the workforce system, and community organizations by advocating for, and providing, employment and training related services that help to create, expand and retain high quality jobs.

- The Working for America Institute has recently implemented highly successful Registered Apprenticeship training programs in manufacturing and hospitality with grants from the US Department of Labor. In implementing hospitality apprenticeships WAI works with the *Boston Education Skills and Training Corporation (BEST)* and *UNITE HERE Local 11* as well as the *Culinary Academy of Las Vegas (CALV)*.
- The *Pennsylvania AFL-CIO Keystone Development Partnership (KDP)* is a partner with the WAI in implementing innovative apprenticeship and pre-apprenticeship programs in advanced

manufacturing. KDP works closely with unions, employers (union and non-union), the Commonwealth of Pennsylvania, local workforce investment boards to ensure that apprenticeship will meet industry needs for skilled workers and provide solid career pathways and good jobs.

Despite their successes, however, joint labor-management programs and labor workforce intermediaries receive a relatively limited amount of government funding and do not have a dedicated government funding stream.

- A dedicated public funding from government to sector intermediaries including labor and labor-management workforce intermediaries should be established. This would allow them to work much more closely with the public workforce system to meet current and future training needs and ensure that training is coordinated on a sectoral level so that it provides transferable skills that are needed by a range of employers in growing industries. In addition to helping workers, the benefits to small and medium size enterprises would be significant.

Empower Workers through a “Right to Training”

The AFL-CIO supports the “*Workers Right to Training Act*” (S. 2468) which would require employers to:

- Provide 180 days advance notice to workers when new technology will change employment positions and provide 270 days advanced notice if jobs will be eliminated.
- Bargain directly with employees on how best to implement new technology.
- Pay for and provide on-the-job training to any employees who will be affected by the introduction of new technology.
- Provide training to employees whose jobs will change as a result of new technology or to employees who will lose their job to help these workers obtain a different position at a similar company.
- Provide six-month severance to all workers who lose their jobs as a result of new technology.

Protect the Right to Organize – Enact the *PRO Act*

- A voice at work through collective bargaining offers all workers the best opportunity for quality jobs and high skills training.
- Unions help build a better life for working people, but outdated laws have hampered our basic right to join together and negotiate for better pay, benefits and working conditions.
- A new bill, the “*Protecting the Right to Organize Act*” (HR 2472 and S. 1306) would modernize our nation's labor laws, give workers labor rights with certainty, and rebalance the relationship between workers and companies in the United States.

Conclusion

Much wealth will be created in the future, especially if the pace of automation speeds up. What stands between us and the future we want is insufficient bargaining power, and the resulting economic and political imbalance in our country.

If workers are not involved in the design of technology or training on how it is to be used at work then the technology will be poorly designed and poorly implemented.

If workers don't have power to address technology and training, the kind of power that only can be won through collective bargaining, businesses are likely to make short-sighted decisions about how to deploy technology...and that can end up destroying valuable human capital in the process.

If workers do not share in the gains from technology and training, the resulting inequality will exacerbate our broken economy, our divided communities and indeed, our toxic politics.

We can make investments that will create high-quality training and good jobs. Government policies that support innovation, technology and high-quality training can provide solutions. But not if we sit and wait for someone else to do it.

We have a common future and Congress can help lead the way.

Thank you and I look forward to your questions.