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JOBS BILL AIMS TO BRIDGE SKILLS GAP, BAKER SAYS [+ VIDEO]

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STATE HOUSE, BOSTON, APRIL 5, 2016.....If Massachusetts is to continue to nurture its economy and remain competitive on a national and international scale, Gov. Charlie Baker said Tuesday, it must address "the single most significant threat" to its economy: the workforce skills gap.

[Watch: Gov. Baker's Testimony]

"It was the number one issue that came up at the first National Governors Association I went to in February of 2015. Forty governors were asked what the primary impediment to the growth of their economy was, and literally 35 of them said building the kinds of skills that are going to be required to fill the jobs that are going to be available to drive our economy forward," Baker said. "This is a big issue nationally, and it's a big issue here."

With an eye towards addressing that gap, Baker and Economic Development Secretary Jay Ash led the Joint Committee on Economic Development and Emerging Technologies through a briefing on Baker's \$918 million, five-year economic development plan (H 3983), dubbed "Opportunities for All," which Baker said "unleashes the unmatched ingenuity of our citizens."

"Our economic development bill recognizes that the commonwealth's success flows from the ingenuity and productivity of our people, and that the greatest investment we can make is an investment in our own people," the governor said. "Today, we're asking the Legislature to give us the tools to capitalize on that intellect and grit, and help connect our citizens with careers to build a life, and a family, on."

The heads of vocational-technical schools from throughout the state praised a \$75 million capital authorization for workforce training equipment grants contained in the bill, which Baker said would help schools purchase modern training equipment for facilities like machine shops, computer labs and health care programs across the state.

David Ferreira, executive director of the Massachusetts Association of Vocational Administrators, said that inadequate funding for state-of-the-art equipment keeps vocational schools from becoming a "larger player" in the workforce development pipeline.

"Technologies, as many are well aware, are constantly changing, and therefore to constantly change equipment to match that technology to match the job opportunities upon graduation, is difficult," Ferreira said.

The workforce skills program would require employer involvement and financial or in-kind matches, including shared curriculum development, Ash said.

Rep. Joseph Wagner, the committee's House chairman, said that he is "very supportive" of the workforce training initiative but "not sure whether we will move it forward exactly as proposed."

"I think it's got to be beyond reaching students, just to be clear, and I think that because it will be competitive, what needs to happen is there need to be partnerships involving some of the folks you all had about, whether it's regional employment

people, whether it's employers that are directly hiring in partnership with what you do, collaborative types of things that are going to take this investment and really put meat on the bone, if you will," the Chicopee Democrat said.

The bill would also direct \$675 million toward communities, including \$500 million that would be made available through the MassWorks program, which assists cities and towns with infrastructure needs associated with development.

The legislation also sets aside \$50 million for redevelopment projects in cities, \$75 million to redevelop contaminated brownfield sites and \$25 million for a new site assembly and pre-development fund.

Less than 24 hours after toasting an economic development win in the form of corporate giant General Electric's relocation to Boston's Seaport District, Ash said the administration's economic development strategy hinges more upon getting the most out of the resources already in the state.

"While we're all celebrating GE coming to Massachusetts, the fact of the matter is there isn't going to be a GE corporation headquarters for each of our 351 cities and towns," Ash said. "However, what I have found in each of our 351 cities and towns ... is that there is a spirit of innovation and entrepreneurship that exists in every town, big or small, every city no matter how far or close they are to Boston and Cambridge."

Baker and Ash both pointed to Holyoke, a once-thriving industrial city that has struggled to regain the prosperity that came with being one of the world's leading producers of paper, as an example of a municipality using tools made available by the state to lift itself up.

Alex Morse, the mayor of Holyoke, told the committee that his community has already seen the benefits of many of the programs funded in the governor's plan. He cited state assistance in rehabilitating his city's train station in order to restore Amtrak service, a \$1.7 million workforce training grant at Holyoke Community College and an injection of \$2 million in state money to clean up the site of what was once the world's largest mill.

"Holyoke has effectively used the myriad of existing programs slated for additional funding and improvements included in this bill," Morse said. "Hopefully through our experience you are able to see what progress looks like at the local level when these programs are leveraged together to create the type of momentum that has begun to shape Holyoke's future."

The plan also provides for up to \$118 million of capital expenditures for a new Massachusetts Manufacturing Innovation Initiative to be administered by the MassTech Collaborative, a program that Baker said was instrumental in securing a \$317 million venture, funded partially by the U.S. Defense Department, joining universities and industry in efforts to advance textile technology.

Among the other asks groups made of the committee on Tuesday was a request for \$10 million in capital spending over five years to fund the Massachusetts Food Trust Program, which was created by the Legislature in 2014 to provide loans, grants and other technical assistance to support the development, renovation and expansion of healthy food retailers and food enterprises in low-income communities.

The Retailers Association of Massachusetts, which supports the overall bill, asked the committee to add in provisions establishing a sales tax holiday in August 2016 and repealing the requirement that retailers pay employees time-and-a-half to work on Sundays. The bill lays out Blue Law exemptions for fulfillment centers of online retailers like Amazon and does not impose the same Sunday pay requirements, a discrepancy that RAM Vice President Bill Rennie said creates a competitive disadvantage amounting to "one of the biggest threats to the future of our Main Streets."

Rep. Nick Collins, a South Boston Democrat, has also requested new measures be included in the bill, specifically a tax credit for pre-Broadway theater productions in Massachusetts and a requirement that 7 percent of jobs on state contracts go to people with disabilities.

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04/05/2016

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