

Labor Secretary would like to see bigger federal investments in Ready to Work

by Waylon Cunningham August 29, 2022

U.S. Secretary of Labor Marty Walsh heaped praise on San Antonio's city government for its expansive workforce development program, often called the largest of its kind in the country.

He said he wishes the federal government could do more.

At a roundtable discussion with local industry leaders and city officials Monday, Walsh called <u>SA Ready to Work</u> — the city's \$230 million program aiming to train thousands of low-wage workers for middle-class careers over the next five years — innovative and exemplary for its heavy collaboration with industry leaders.

He said funding programs like it will be critical to shoring up labor shortages in key industries. But federal law limits what his department can do.

"There's certain [policy] language that's tied to the investments we can make," he said. "If we can change some of that language and give us a little more freedom and flexibility to work with a program like Ready to Work, we could do a lot more."

For instance, he said, the grant his department gave the city earlier this year could have been much more.

Last month, the Department of Labor gave the city <u>nearly \$3 million to</u> <u>support local apprenticeship programs</u>, and by extension Ready to Work.

The federal money flowed through the city's Workforce Development Office, which was created last year to oversee the Ready to Work program.

Walsh said key to reshaping this policy language would be the efforts of congressional representatives like U.S. Rep. Joaquin Castro (D-San Antonio), who was also part of the round-table discussion.

The discussion took place at St. Philip's College after Walsh, Castro and Mayor Ron Nirenberg toured the campus' areas for machinists and aerospace technicians.

Also seated at the roundtable were industry executives and leaders from the Associated General Contractors of America, Bank of America, Port San Antonio and Workforce Solutions Alamo, among others.

Walsh said the post-pandemic labor market presents a unique opportunity. "There are many people in cities across America and here in San Antonio that are looking for better-paying jobs and better opportunities to join the middle class," he said. "We want to be a partner with everyone in this room and the City of San Antonio."

Mayor Ron Nirenberg echoed the point. "We are experiencing an era of cooperation with the federal government," he said, citing the <u>CHIPS and Science Act</u> and the <u>Inflation Reduction Act</u>.

High registration, slow intake

SA Ready to Work opened for enrollment in May, though many preregistered. In the nearly four months since then, slightly more than 5,400 applicants have signed up — nearly fulfilling what the city anticipated to be enrollment through its entire first year.

Faced with this unexpected surge of applications, many applicants have found themselves stalled in this intake process. Meanwhile, slightly more than 270 applicants are in the program, and six have already graduated — all with new certifications that will allow them to become truck drivers or pursue related jobs.

Amanda Wright, a member of the program's advisory board and a graduate of its <u>predecessor jobs training program</u>, said streamlining the intake process will be essential for applicants "to not lose faith."

"Our main purpose is to give hope to anyone who is struggling," she said.

Michael Ramsey, the executive director of the city's Workforce Development Office, which is overseeing the program, acknowledged the concerns. "We've got to move people through the pipeline faster," he said.

Both believe the hiccups in the system to be temporary. That's because case intake and management is being handled by four local contractors, and the two heavy hitters with the highest anticipated workloads, Alamo Colleges and Workforce Solutions Alamo, have experienced delays in ramping up their teams.

Once these players are fully activated, Ramsey said, "that's going to speed that process up significantly."

Alamo Colleges had to drop a key vendor over an issue related to records sharing, said Sammi Morrill, a vice chancellor with the school overseeing its work for the program. In that vendor's place, the college is hiring additional staff members.

As of mid-August, Alamo Colleges was currently managing the cases of 15 participants.

Workforce Solutions Alamo similarly has a subcontractor trying to resolve an issue related to insurance compliance, which Ramsey said it is close to doing successfully. Workforce Solutions Alamo is managing the cases of roughly 40 participants.

Outpacing both contractors so far is Project Quest, the jobs training nonprofit that sprang out of COPS/Metro. Project Quest is managing the cases of 112 participants.

Restore Education, the fourth contractor, is handling seven participant cases.