



## **MAINTAINING, EXPANDING AND PROMOTING WORKFORCE TRAINING**

### **DESCRIPTION**

New Jersey has a workforce training program with great potential that should be maintained, expanded and promoted. Public workforce development resources need to be better utilized by employers and employees. Training adults and incumbent workers through county colleges, NJ Department of Labor and Workforce Development (DOL) programs and county vocational-technical schools must be a component of New Jersey's economic development efforts. The DOL should maintain its existing workforce training programs, add flexibility to them to fit employer needs and better promote them. New Jersey also needs to preserve its other adult education opportunities through preserving county vocational-technical school adult education aid and adult high school aid.

### **BACKGROUND**

The mission of New Jersey's 19 community colleges includes providing occupational programs and business support services in response to local and Statewide needs. There are 63 New Jersey county college campuses, one within 30 minutes of every resident of the State. In 2004, the 19 county colleges organized to form the NJ Community College Consortium for Workforce & Economic Development to provide even more effective and streamlined training services, saving resources and improving the delivery of training.

Currently DOL offers approximately \$10 million in literacy grants and \$25 million in customized training grants every year so businesses can provide training to their employees. The training is funded by business taxes to the unemployment insurance fund. In the 2008 fiscal year, the \$25 million in customized training grants serves 53,000 employees at 240 companies. Often, however, some of this funding goes unused.

Historically, businesses have had difficulty applying for these grants because they have had to provide a minimum of ten workers to fill a class. The program also required them to pay for a share of the training and fill out onerous paperwork.

In 2007 NJBIA joined with the DOL and county colleges in a partnership to overcome these difficulties. Under this partnership small businesses that have similar training needs can be grouped together to meet the ten-worker minimum. It also waived a lot of the previous cumbersome paperwork requirements. Today, the \$1.88 million grant provides training in computer applications, English

as a second language, communications and mathematics. The grant allows for 440 classes to provide training to 5,000 employees at about 1,000 businesses.

As of spring 2008, more than 56,000 adults were enrolled in New Jersey's county vocational-technical school districts for training and continuing education, and more than 10,000 adults are enrolled in adult high schools in eight county vocational-technical school districts and 35 other school districts. These adult high schools provide a second chance for dropouts, recent immigrants and disadvantaged New Jersey adults.

The future of adult high schools has been in jeopardy since 2004, when the State budget shifted \$18.4 million from adult high school programs into the generic "consolidated aid" category. Although the school districts that previously received aid for adult high schools were "held harmless" from losing funds, adult high school programs no longer generate per pupil funding (\$1,443) specifically designated for these second chance school students. Since the shift, the consolidated aid can be used for any purpose, which often means that it is not used for adult high schools.

### **NJBIA POSITION**

To maintain and improve New Jersey's workforce, the State must effectively utilize its public workforce development resources.

New Jersey should preserve and promote DOL's training grant programs to more businesses.

The DOL should provide more flexibility in the application and administration of grants so that more employers and employees can benefit from them.

A portion of existing school funding should be dedicated to adult education and adult high schools.

### **ARGUMENTS IN SUPPORT OF TRAINING PROGRAMS**

NJBIA surveys indicate that most of the workforce lacks some skills deemed desirable by their employer. This is especially true for manufacturers, two-thirds of which report difficulty finding skilled workers. Twenty-six percent indicated that this lack of skilled workers is one of their most significant problems.

New Jersey's 19 county colleges and their recently formed New Jersey Community College Consortium for Workforce and Economic Development are an essential part of the State's workforce development system, with basic skills being part of their core mission. The Consortium's success in working with NJBIA, the NJ Utilities Association and NJ Biotech Council demonstrate the effectiveness of a flexible approach working with a group of employers being trained by a consortium with funds from the DOL.

Flexibility is the key to making the most out of New Jersey's workforce development programs. Increased flexibility means more businesses can participate and more employees, especially low-skill and low-income workers, will improve their skills in the workforce. Maintaining these training dollars and expanding them with flexibility is a win-win for everyone.

Adult education and adult high schools provide a critical second chance to many New Jerseyans, yet their enrollment has declined due to lack of dedicated funding. Many urban communities have a high percentage of adults without a high school diploma, including Atlantic, Cumberland, Essex, Hudson, Passaic, Salem and Union counties, all of which are above 20 percent. Adult high schools are also cost-effective because they use existing facilities and staff.

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