



April 4, 2013

Senator Mark Hass, Chair
Senator Knopp, Vice-Chair
Education and Workforce Development Committee
900 Court Street NE
Salem, Oregon 97301
RE: Support for SB 828

Chair Hass and Members of the Committee:

Vigor Industrial supports Senate Bill 828, which provides funding for the fast-track welding training program at Portland Community College (PCC) and grants for welding training programs in high schools. These programs will help more Oregonians get family-wage jobs while helping Oregon companies find the skilled workers needed to compete in today's economy.

Vigor is currently experiencing difficulty in finding craftspeople with the requisite skills for shipbuilding and repair. We anticipate that this shortage of qualified workers will be exacerbated by the aging demographic of our existing workforce as well as anticipated future job growth stimulated by recently announced capital investments in our Portland facility.

We're not alone. A 2011 survey of manufacturers around the country found that the lack of qualified candidates is a major problem nationally:

There's no way around it: Respondents report, on median, that 5% of their jobs remain unfilled simply because they can't find people with the right skills. Translated to raw numbers, this means that as many as 600,000 jobs are going unfilled, a remarkable fact when the country is facing an unemployment rate that hovers above 9%. Respondents separately report that the national education curriculum is not producing workers with the basic skills they need.

-Boiling point? The skills gap in U.S. manufacturing. Deloitte 2011.

If nothing is done to address this situation, the shortage of skilled industrial workers will seriously harm American manufacturers' competitiveness and limit family-wage employment opportunities for hardworking people across the country. On the other hand, the communities, states and regions with the youngest, most productive industrial workforces stand to win big over those who fail to adapt.

These in-demand industrial skills are teachable, and the good news for Oregon is that the programs under consideration offer clear steps in the right direction.

The PCC program will provide participants with the basic skills required to land family-wage industrial jobs. The new program will also improve PCC's existing manufacturing training courses by improving applicant screening and increasing rates of course completion, which will result in a greater percentage of "work-ready" graduates for industrial jobs.

Addressing the achievement gap is the highest objective of the K-12 system, and the high school welding program is an excellent way to expose students to a variety of rewarding educational and career paths in sectors with high demand to fill family-wage jobs.

As a member of the Oregon manufacturing sector, we have invested in these partnerships and strategies to ensure that we have the highly skilled workers we need to compete while helping hardworking people land the family-wage jobs they need. We look forward to working in partnership with the State of Oregon and educational institutions across the state to put more Oregonians to work in today's family-wage manufacturing careers. With this in mind, we encourage you and the committee to support of SB 828. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Susan Haley". The signature is written in a cursive style with a large, sweeping initial "S".

Susan Haley

Vice President of Human Resources
Vigor Industrial