

# Alaska Department of Labor and Workforce Development

House Finance Committee Click Bishop, Commissioner February 3, 2009

# **Our Mission**

- Provide safe and legal working conditions and advance opportunities for employment.
  - Workforce Development
    - Labor market information (Research & Analysis Section)
    - Employment assistance (Employment Security Division)
    - Worker training and education (Business Partnerships and Alaska Vocational Technical Center)
    - Unemployment compensation (Employment Security Division)
    - Assisting people with disabilities to obtain and maintain employment (Vocational Rehabilitation Division)
  - Regulatory
    - Assuring fair compensation for work performed (Labor Standards & Safety, Wage and Hour)
    - Assuring a safe workplace (Labor Standards & Safety, Occupational Safety & Health)
    - Assuring fair workers' compensation claim adjudication (Workers' Compensation Division and Appeals Commission)
    - Unemployment insurance tax collection/fraud detection (Employment Security Division)



# Alaska's Dynamic Labor Market

Workforce growth: 44,000 new Alaska jobs from 2006 to 2016

Aging workers—18% of Alaskans (124,500) are between the ages of 51 and 65

Unemployed Workers: Approximately 22,000 unemployed each month (a 6.2% average annual unemployment rate)

Imported workers: In 2007, nearly 20% of Alaska's workers are non residents—they earned over \$1.7 billion, just over 13% of total wage and salary earnings.



## Alaska's Youth

- 11,000 new Alaskan 18 year olds each year.
- 4,000 Alaskans ages 16-19 are not in school and not working.
- 62% of Alaska students who were freshmen in 2002 graduated high school in 2006 (does not include GED's).
- Only 62% of Alaskan high school graduates remain for training or employment; the rest leave the state.
- 2000 Census—over 57,000 Alaskans age 18 and over with no high school diploma.

## Alaska Youth First goal -- in school, engaged and prepared for Alaska jobs...

### Training System at a Glance

#### **Secondary Education**

- DEED/High Schools
- Adult Basic Education
- Youth First
- Construction Academies
- College Ready/Work Ready
- Private Partners

#### Funding

- Federal
- Workforce Investment Act

JOBS

- Denali Training
- Pipeline Training
- State
- STEP
- TVEP
- GF

#### Workforce Investment Board

- Policy Development
- System Oversight

#### Postsecondary Education

- University of Alaska
- AVTEC
- Regional Training Centers
- Private Partners

#### **Employment** Services

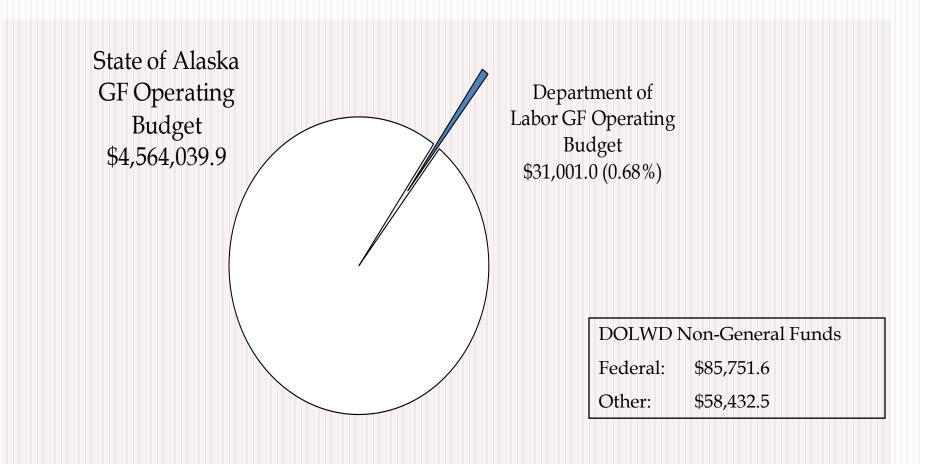
- Job Center Network
  - Counseling
  - Job/ Training Referral

#### Grantees

Competitive Selection

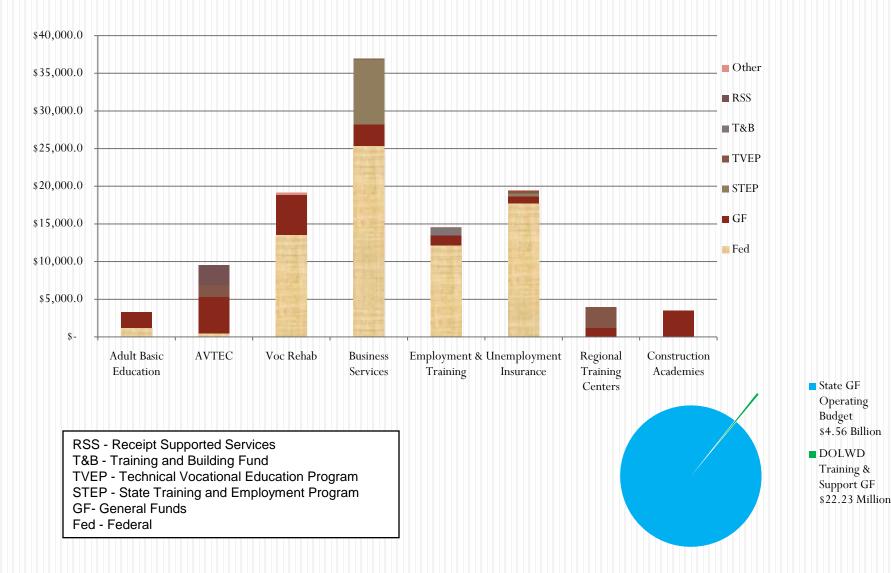


# FY 10 Operating Budget is \$175.2 million...





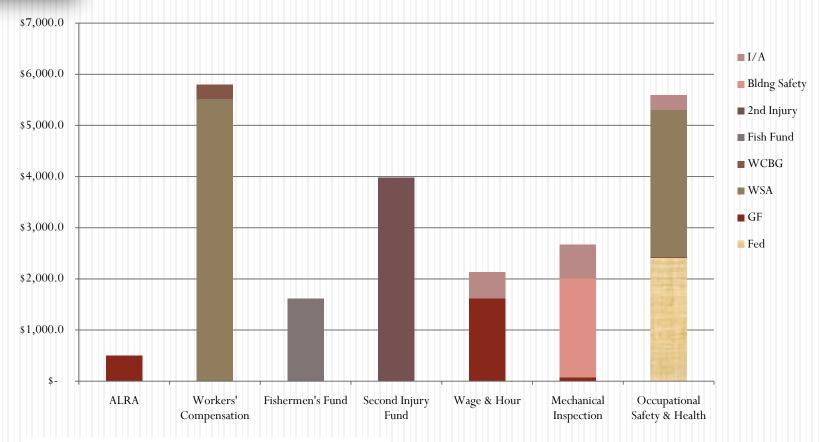
## Workforce Development Program Funding -\$110.5 Million



7)



## Regulatory Program Funding – \$22.2 Million Total Funds/\$2.2 Million GF



I/A: Interagency Receipts WCBG: Workers' Compensation Benefit Guaranty Fund WSA: Worker Safety Account GF: General Fund Fed: Federal Funds

# FY 08 Key Program Accomplishments

#### **Workforce Development**

- Alaska job center network connected 31,274 Alaskans with jobs.
- 6,673 individuals received employment and/or training services for jobs. 94% of trained participants entered employment.
- 529 Vocational Rehabilitation Division consumers were employed
- Issued 1,540 General Education Development Diplomas.
- AVTEC trained nearly 900 Alaskans.
- Published a gasline workforce training plan.

#### Regulatory

- Occupational Safety: 21% reduction in the rate of lost workday accidental injuries and illness from 2.02 to 1.59 per 100 employees.
- Wage & Hour: Wage claim resolution time is 4.5 months, 1.5 months less than the target of 6 months.
- Workers' Compensation: 169 uninsured employers were detected and there were 60 uninsured injuries .



## FY 10 General Fund Continuation Increments

- Construction Academy continuation--\$3.5 Million GF\*
  - Construction career training for youth and adults in Anchorage, Fairbanks, Matsu, Juneau, Kenai, and Ketchikan.
- On-the-Job Training and Registered Apprenticeship Incentives--\$ 585.0 GF\*
  - 200 participants targeted for industry related occupational training.
- Coordinator to integrate Vocational Education/Set Standards--\$130.0 GF\*
  - Consistent standards for training programs/Program Accreditation.
  - Connect Education and Workforce Development.
- Regional Economic Data Gathering--\$95.0 GF\*
  - Research & Analysis' support regional/local workforce planning.
- Training Program Guide--\$50.0 GF\*
- Continue designated grant to SAVEC--\$195.0 GF\*
- Vocational Rehabilitation lease cost increase--\$130.0 GF
- \* Funded in FY 09 but counted as one-time items; funding requested again in FY 10. Year over year GF change from FY 09 Authorized to FY 10 Request is \$214.6.

		The Training Continuum			
		Secondary	Postsecondary Training	On the Job	Reemployment Assistance
Private T Syst	0	Build-up Program and other programs in the schools	Employer paid tuition	Match state funding for training programs. Apprenticeships and Training Programs.	
Gasline 7 Pla \$860.	an		Training System Coordination focusing on Accreditation and Skills Standards. Regional economic data gathering.	Apprenticeship and OJT Incentives to Expand Skilled Opportunities. Increase registered apprentices and trainees. Number Served: 200	
Constr Acade \$3.5 mill	emies	Train in and out of school youth as well as young adult workers in basic construction, welding, and other skills. Number served: 1,000 High School/300 Adults			
States Constr Acade 3.5 mill Youth \$2,321 AVT \$10,326. \$4,852 TV \$9,447.0 STI \$8,568.1 Gasline Federal \$2.5 m Fede Denali T Fu \$3.15 N Fede Work Investm \$12.7 N		Secondary School Youth Career Awareness, Preparation and Job Experiences. Now working in tandem with DEED's Work Ready/College Ready . Captures all kidsnot just those identified as "high risk" <i>Number served: 2,000</i>			
AVI	-		Vocational Training		
\$10,326. \$4,852			for in-demand occupations. Number Served: 893		
			Allocated to various training		
TV. \$9,447.0			entities and the University of		
\$7,447.0			Alaska to support operations and training programs.		
ST \$8,568.1				Used through the Job Center Network and Competitive Grant Awards to Train Workers who are Unemployed or face the threat of Unemployment. Fills funding gaps not met by WIA programs. Number served: 2,000 to 2,500	
Gasline		Summer Camps for	Regional Training Center/AVTE		
Federal \$2.5 m		College Bound Students Number Served: 100	Targeted Training Number Served: 350	Incentives to Expand Skilled Opportunities/Fairbanks	
Fede		Number Servea: 100	inumber Servea: 550	Pipeliner Training Number served: 350	
Denali T	~	Denali Training Fund includes a \$1 million per year allocation for		Denali Training Fund offers	approximately \$2.15 million i
Fu \$3.15 N Fede	Aillion	competitive youth employment grants in rural Alaska, preferably connected with Denali Commission projects. <i>Number served: 1,000</i>		competitive grants for rural workforce development project preferably connected with Denali Commission Projects. <i>Number served: 250</i>	
Work		Youth Funding focuses on at-risk in-school and		- Adult Program focuses on Job Center Services to	
	fillion	out of school youth (ages 14 to 21) Number Served: 500		unemployed individuals including counseling, assessments job referral, and training. <i>Number Served: 530</i> - WIA Dislocated Worker program focuses on Job Center services to workers unemployed by virtue of business downsizing or closure.	
Fede	Federal				