



**Testimony of Scott J. Sheely
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Senate Labor and Industry Committee

Hearing to examine the future of apprenticeship programs in Pennsylvania

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Chairwoman Baker, Chairwoman Tartaglione, and members of the committee, thank you for allowing me to testify today on behalf of Secretary of Agriculture Russell Redding regarding apprenticeship programs in Pennsylvania and their relationship and importance to the agriculture industry.

The department has launched a workforce development initiative under Governor Wolf designed to ensure a ready supply of skilled workers to meet the demands of our agriculture and food industries for decades to come. Indeed, the need is real. Based on our research, over the next decade, there will be more than 75,000 job vacancies in the “food and fiber” industries, yet we lack the pipeline of workers to fill these gaps. We need to change that by building pathways that translate training in the classroom to enduring careers in family-sustaining jobs.

The agriculture and food industries are businesses, which need financial and human capital. Over many years, we and our industry partners have done a great job in securing and investing financial capital to build an agriculture and food infrastructure that is a hub of economic activity, not only in Pennsylvania, but also in the mid-Atlantic region. The commonwealth has made significant public investments in agriculture, such as the preservation of more than 500,000 acres of farmland. The private sector invests in the business of agriculture and food in Pennsylvania because of its rich tradition, its wealth of knowledge, its accessibility to markets, and its skilled and able workforce. The result is a multi-billion dollar enterprise that

is a driver of economic activity in the state and a leading international exporter of products and services.

To remain competitive in the global marketplace, the agriculture and food industries in Pennsylvania must address a number of human capital issues that threaten to become economic development issues if left unresolved. Without a doubt, companies that cannot resolve these issues relating to a sustainable talent pipeline in this commonwealth will move production facilities to other areas around the country that can supply skilled workers.

Over the past year, the Department, through its workforce development initiative, has worked with educational institutions, employers, community organizations, and our partners at the Departments of Education and Labor and Industry to develop training and apprenticeship programs that will create viable career pathways for students in agriculture and related fields. Additionally, we have published a career guide for the 25 most in-demand positions in these industries that we have made available to counselors in educational institutions.

In light of demographic and technology trends that will impact the U.S. workforce in the next 10-20 years, particularly the Baby Boomer workforce changing its relationship to work and the constant changes in technology, the human capital pipeline in all industries will be impacted greatly. Companies will not only run out of skilled people to operate technology, but there will also be more general labor shortages of workers who are capable of completing basic tasks. Skills and labor shortages become economic development issues for local areas because they impact productivity and, in many cases, can lead companies to relocate.

For Pennsylvania, agriculture and food-related industries are the backbone of the statewide economy. These industries employed nearly 500,000 people across the commonwealth in 2015, with a \$40 billion value-added impact on the Pennsylvania economy. Our workforce

development efforts support the Department's economic development role to advance the commonwealth's economy, as well as business opportunities for the agriculture and food industries.

Addressing the labor shortage that faces agriculture can be accomplished using existing concepts and processes. However, current information will need to be made more specific for the agriculture and food industries through a study of the unique career pathways and the requirements of employers in these targeted industries. There are also considerable resources for education and training that can address the needs that are identified, but they will need to be supplemented by new content and processes that account for the changing nature of these key industries.

Over the last six months, the Department has been working with the Office of Apprenticeship in the Department of Labor and Industry (L&I) and the U.S. Department of Labor to explore the creation of an apprenticeship for agriculture equipment service technicians. We are also exploring other apprenticeships for dairy herdsmen and organic farmers.

To establish the apprenticeship for agriculture equipment service technicians, we are working with agricultural equipment dealers based in Lancaster County (Binkley & Hurst, Hooper's, Messick's, and Deer Country) to address the problems they are experiencing in securing enough people with the requisite technical skills. Such companies, along with New Holland Agriculture and John Deere, who are original equipment manufacturers, are exploring the possibility of a new competency-based registered apprenticeship for agriculture equipment service technicians. The pathway to this occupation is one that includes mechanical, electrical, electronics, and information technology knowledge and skills with practical experience in troubleshooting problems and, ultimately, making the repairs that are required.

People often enter the pathway through agriculture mechanics programs in traditional vocational agriculture programs and their experience growing up on a farm. Some transfer knowledge from other applications including small-engine, diesel, heavy equipment, and automotive repair. They advance along the pathway primarily through on-the-job training and certificate programs from technology vendors. Often, technology outpaces their skills.

The agriculture industry, in particular the field of agriculture mechanics, is being re-invented constantly by technology. Global positioning systems now provide input into the guidance systems of tractors allowing fields to be plowed by the machinery with no operator at the wheel. In-field sensors allow nutrients to be applied to fields much more precisely than in the past. Advanced machinery uses and creates data in new ways that require management and greater oversight. This new technology requires high-level technical skills, which need to be delivered in ways that build on, yet go beyond, the current technical education system.

Registered apprenticeships offer new workers a chance to earn while they learn. Employers hire apprentices who engage in a structured program of on-the-job training and classroom learning, eventually reaching the full earning potential of a journeyman as they acquire skills. The apprentice works a regular full-time schedule while participating in related training for another 6-8 hours per week. Related training may include classroom and online instruction or laboratory experiences that provide a knowledge base for what the apprentice is learning on the job.

High school agriculture programs could develop pre-apprenticeship programs that allow training in high school to be used toward the education requirement in the apprenticeships. Nine school districts in Lancaster and Chester counties are interested in connecting their agriculture mechanics programs to the pre-apprenticeship option.

Governor Wolf stands committed to offering these types of opportunities to build the pathways we need to fill the jobs that are available today and tomorrow. In the Fiscal Year 2016-17 budget proposal, aside from a \$200 million increase in basic education funding under the Department of Education, the Department of Labor and Industry's proposed budget gives us the tools to do this. The Governor has proposed for L&I a \$5.8 million increase to the first-of-its-kind Industry Partnerships Program. The program enables companies in the same industry group or cluster to identify their common skill needs and develop training programs to meet those needs. With the Governor's proposed \$11.6 million appropriation, the program will help workers earn industry-recognized credentials and have the skills for success, while also ensuring businesses have the workforce to compete. In 2015, Industry Partnerships held more than 2,800 trainings. Over the years, a number of agriculture- and food-related organizations used this program to better our workforce. Industry Partnership funds have helped the Chester County Economic Development Council train more than 2,000 workers from more than 943 companies. The predecessor to the Lancaster County Agriculture Council trained hundreds of farm employees from at least 13 counties across the state on a variety of issues, and the Food Manufacturers Consortium of South Central Pennsylvania has trained more than 700 workers. In each of these examples, participating employees received training that provides them with an industry-recognized certificate distinguishing their advanced skills from others in the workforce, enabling them to improve performance and better compete for job opportunities. Additionally, L&I's budget also includes \$15 million more for career and technical education programs, along with \$5 million for these programs to upgrade the equipment and technology they use for student instruction.

Expanding Pennsylvania's workforce training opportunities and expanding the agriculture industry are also part of the Governor's proposed \$11 million increase to the PA First program under the Department of Community and Economic Development. PA First is a comprehensive funding tool used to spur private capital investment, create jobs, and develop critical infrastructure and workforce training programs. At the proposed appropriation of \$45 million, PA First would create at least 11,000 jobs, retain 40,000 jobs, and leverage \$1.9 billion in private sector investment. Part of the Governor's proposal for this year includes support for Workforce and Economic Development Network of Pennsylvania (WEDnetPA), a critical employee training program available to Pennsylvania's employers. Pennsylvania's agriculture and food industries and the people they employ have directly benefitted from this program.

These proposed appropriations in other agencies' budgets are vitally and strategically important for agriculture's future and for this commonwealth's ability to grow and produce the food that sustains us all.

In closing, we have a great challenge ahead of us as we think about getting many more people onto the career pathways that lead to the technical jobs needed in the agriculture and food industry. We need a shared and demand-driven vision of where we are going. We need to be realistic about the resources that we have in career and technical education and the gaps that exist that are barriers to our goals. We need to develop new collaborations between the industry, government, and education to address the barriers and develop a plan of action. Finally, we need the will to be innovative as we bring the solutions for our talent issues to a scale that will allow Pennsylvania companies to continue to be leaders in the global economy. Apprenticeship programs help to achieve this mission.