

Remarks for Bruce Herman
New York State Rail Summit
Workshop 3 – How NYS Can Help You Succeed (1:30 - 2:00 pm)
June 14, 2010
10am – 4pm
College of Nanoscale Science & Engineering

New York has a long and proud manufacturing history. While manufacturing as a whole has been on the decline in the US for years, there are still strong pockets of industry in New York, especially in the North Country and in the Southern Tier.

NYS's Workforce

Two-thirds of the state's rail manufacturing jobs are in the Southern Tier and North County where Alstom and Bombardier (respectively) are major employers. Unfortunately, only 22% of the state's transportation equipment manufacturing jobs are in those areas. So while the people with the necessary skill sets are in the state, they may just not be local. However in a tight economy, people are willing to commute farther, if not relocate all together.

Our data shows that statewide, railroad stock manufacturing employment in the state has been fairly consistent over a ten-year period. However, when you look at transportation equipment manufacturing over the same time frame, the result is quite different – statewide employment dropped by almost half. On the flip side – employment in the Southern Tier has increased for both industries.

Talent Inventory:

Some of the main occupational titles in rail manufacturing are also found in other types of transportation manufacturing, such as auto and bus. In NYS, we have the talent to help meet your hiring needs when you are ready to expand your operations in the state.

For example, Team Assemblers, Machines and Electrical Equipment Assemblers are the top three positions in term of Industry Employment. Total, we have over 25,500 individuals with the skills to do those jobs. We have another 10,000 plus Supervisor / Production Managers and 13,000 Welders, Soldering & Brazing Workers.

Job Matching

First let me state that any positions created through the use of ARRA monies **MUST** be posted on the New York State Job Bank. It's an easy process – simply go to our website (w w w dot labor dot ny dot gov) and click on Employer Information. There you will find a link - **Requirement for Posting American Recovery and Reinvestment Act (ARRA -Stimulus) Funded Jobs** – that explains the process and links you directly in to the Job Bank.

So how can we connect you with this talent? Our Business Services staff will review the job titles, educational requirements, and skills and abilities you need against our Talent Bank to find you the best matches possible. They will also use our newest tool – SMART 2010, Skills

Matching And Referral Technology – to find candidates. SMART uses artificial intelligence to read a person’s resume and scores them on how well they fit the job description.

For example, we are currently working with GlobalFoundries, a new semiconductor production facility in the Capital Region. They have to hire 1400 workers over the next 3 years. In the Hudson Valley, there is NXP – a semiconductor company that closed its doors due to foreign competition. There are over 400 NXP workers with the skills GF needs. Our staff are currently reviewing resumes to find the best talent and referring them to GF for consideration.

We know that general skills and education can transfer but that each business has its own way of doing things so not every worker will be a perfect match. NXP was a 200 mm facility and GF is a 300 mm facility so there is a skill gap there. But the Labor Department has programs to help close those skills gaps.

OJT

On-the-Job Training is a great way for a business to conduct specialized training. The NYS Dept of Labor has set aside \$2.8 million to encourage hiring. Our Business Services staff will work with you to identify the best candidates from our Talent Bank, assess what skills they need to learn, and help you develop a training program to bring their skills up to date. We offer training reimbursement between 30% - 50%, with a maximum award of \$5,000 per person, \$50,000 per business (up to 10 hires).

To date, we have had 60 businesses express interest in the program – 9 of whom have completed applications for approximately \$68,000 in training monies. One of the businesses was WNY PA Railroad who hired a Train Dispatcher. I realize this example is one from the front line operations perspective, but I mention it so you know there are businesses in the transportation sector who are taking advantage of this initiative.

We have also applied for \$8.5 million in National Emergency Grant One-the-Job Training monies. We are very hopeful that our application will be approved so we can assist even more businesses in New York State hire and train the workforce they need to succeed.

Trade Act

The TAA program helps workers who have lost their jobs as a result of foreign trade, and offers a variety of benefits and services to eligible workers, including job training, income support, job search and relocation allowances. We also have the Trade and Globalization Adjustment Assistance Act of 2009 which provides some additional resources.

TAA Program:

- 52 weeks or less - \$8250
- Up to 104 weeks - \$15,000
- Training must be full-time
- OJT training duration needs to be verified

TGAA

- 52 weeks or less - \$8250

- Up to 130 weeks - \$15,000
- Training can be part-time but TRA benefits are not payable
- OJT training duration is 104 weeks

The former NXP employees are Trade Act eligible so those monies will prove very helpful in our efforts to retrain them for potential employment at GlobalFoundries.

We are also working to place the former NXP staff with SpectraWatt – a growing solar company in the Hudson Valley. They have already hired 40 staff and are looking to expand and hire an additional 40.

Another example is the GM Engine Facility in Tonawanda – using TAA to train staff to produce their new product line.

Both Alstom and Bombardier have applied for TAA but have yet to receive a decision.

Shared Work

Another program we have at the Labor Department that can assist businesses who are in a contraction mode is our Shared Work Program. Shared work enables businesses to cut back their employees hours and wages, and in turn, the employees become eligible for partial unemployment insurance benefits. It's a win-win for both sides because the businesses gets to keep their skilled workforce, making it easier to ramp up production once the economy picks up again; and the employees get to keep their jobs and benefits.

This is our fastest growing program. Between 2008 and 2009, we have seen a 410% increase in the use of the program which translates into 10,584 jobs saved.

Layoff Aversion

In addition to Shared Work, we have a new pilot program called NY-ASSET that is helping businesses remain viable during these tough financial times. This program is aimed at helping small-to-midsize businesses in New York City and Long Island. Businesses in Manufacturing, Construction, Distribution and Wholesale, and Transportation/Warehousing are eligible. The goal is to help businesses in distress isolate problems, find solutions, retain their workforce and avoid closure. Services provided include: Immediate Business Turnaround Assistance, Access to Capital, Production Assistance, layoff alternatives and marketing and outreach. We are working to expand the pilot upstate, and hope to offer these services to area businesses by Fall of this year.