

**Statement of**

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**Panel Discussion: "Workforce Issues as a Vulnerability to  
Energy Development"**

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On behalf of the 3 million skilled craft professionals in the United States and Canada that comprise the 14 national and international unions of North America's Building and Construction Trades Unions, I want to thank Secretary Ernest Moniz and Senator Mary Landrieu for providing me this opportunity to be a participant on this important panel.

As we have heard here today and elsewhere, the immense investments in capital construction projects planned over the next ten years in the Gulf Coast region will require a tremendous number of skilled craft workers.

Unfortunately, the "Great Recession" of the past seven years was anything but a recession for the U.S. construction industry. In fact, it was a flat-out depression. Construction industry unemployment levels averaged 20.5% for 2010.

And even today, the national unemployment rate for construction is still around 9%. The last time our unemployment numbers were below 6% was in the summer of 2007.

What this means is that many skilled craft professionals have simply left the industry.

And when you consider that a whole generation of "baby boomer" workers are set to retire in the next 5-10 years, it's easy to see that we are heading towards a "perfect storm" in terms of skilled craft worker issues in this region.

Overcoming these challenges will require a sophisticated and organized approach to workforce development; one that puts aside outdated stereotypes, political leanings, and historically counterproductive prejudices towards anything associated with "union."

We need to collectively embrace the proven and unmatched workforce development expertise associated with the apprenticeship infrastructure that is funded and operated by the union construction industry.

Our rank and file members and our signatory contractors are proud to collectively fund, to the tune of roughly one billion dollars every year, a nationwide network of 1,600 local joint labor-management apprenticeship training programs, or JATCs as we call them.

Let me repeat that. Our members and our contractors invest ONE BILLION DOLLARS EVERY YEAR to operate our training centers.

AND THERE IS NO TAXPAYER MONEY INVOLVED!

And when you factor in the wages and benefits that are paid to our apprentices, our annual investment in workforce training across the United States exceeds TEN BILLION DOLLARS A YEAR!

In the Gulf Coast region alone, our investment in training and workforce development approaches one hundred million dollars every year.

Today, we operate 250 training centers in eight states stretching from Florida to Texas, and have slots for 35,000 apprentices.

In this region, we also maintain 50 mobile training centers that can be located in remote areas or on jobsites that require specialized training.

We operate over 1,000 welding booths across the Gulf region, and our instructors are the best in the business. They are fully qualified, and they adhere to a rigorous national curriculum.

And we are working to further increase our capacity.

Right now, the Carpenters Union is constructing a new, \$8 million, state-of-the-art training center in Kenner, Louisiana...

The Plumbers and Pipe Fitters Union is building a \$3.5 million training center in Lake Charles that will contain 50 welding booths.

And the Ironworkers Union has recently opened new training facilities in Lake Charles, LA, as well as in Corpus Christi and Nederland, Texas. In each instance, the facilities will be accredited for American Welding Society certifications.

The Ironworkers will also soon deploy three additional mobile trailers with welding machines and wire feeders to provide additional training certification testing at training centers and off-site locations across the Gulf Coast region.

Here in Louisiana, according to the state's Workforce Commission, there are currently 2,414 people enrolled in registered construction apprenticeship programs across our state.

Of those, 86% of them are enrolled in joint labor management apprenticeship programs funded and operated by our unions and our signatory contractors.

And each year we provide advanced training for thousands of journey-level workers each year so that they are continually improving their cutting edge skills to meet the ever-changing needs and demands of Gulf Coast industries.

And our "earn while you learn" approach is good for the bottom lines of employers, workers, and state and local governments.

Remember, our training programs are privately funded - no taxpayer monies are involved.

And our apprentices do not have to pay tuition - we pay them!

In fact, a study by the state of Washington found that the return on investment by taxpayers and participants in craft apprenticeship programs was substantially higher than for any other workforce training program - including community colleges.

The economic benefits of formal apprenticeship training conducted by the union construction industry greatly outweigh those associated with community college craft training and education.

Far too often community colleges have neither the necessary curriculum or instructor expertise to produce qualified, safe, and productive skilled craft professionals.

Where we do see a role for community colleges is in articulating with registered apprenticeship programs, so that when apprentices complete their training they also earn

a college degree.

A great example of this is the Ivy Tech program in Indiana, where apprentices earn journey level status and an Associate's degree at the same time.

On the other hand, our unions have over 100 years experience funding and operating what is arguably the most successful educational system in the history of the United States.

Today throughout the South and the Gulf Coast, our unions work on a system-wide basis with many companies that operate in the energy sector - including Exelon, Entergy, Southern Company, and Tennessee Valley Authority (TVA), to name just a few.

We also have a proud and distinguished history of conducting the maintenance work on the facilities of some of the most prominent names in the energy industry. Companies like ExxonMobil, Valero, BP, and Marathon, among many others.

Why have these companies entered into partnerships with us?

Because they know they can be assured that the craft professionals working on their projects are of the highest caliber in terms of training, productivity, quality workmanship and safety.

We are doing the training already. We have proven that what we do works well. And we have the infrastructure and capacity. Sure, we can't do it alone. But, before the talk turns to the use of foreign H2b guest workers - like it always does down here when workforce issues arise - give us the chance to be active partners at the table.

Thank you for providing me the opportunity to express these views here today. I look forward to a spirited discussion.