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Even though Salem's unemployment rate stood at 4.7 percent in September, the lowest since the beginning of the pandemic, some eight thousand area residents are still unemployed and looking for work. (see graph)

A workforce system, with history going back to the 1960s and funded mostly by federal tax dollars, helps residents improve their skills and find a job.

What is the workforce system, how has it evolved over time, and how will it meet the many challenges of post-pandemic labor markets?

The hub of the area's workforce system is the Willamette Workforce Partnership (WWP). It serves the residents of four counties: Marion, Polk, Linn and Yamhill, which together form one of nine workforce regions around the state. The Partnership office is in Salem and its website may be found here: [website](#)

WWP operates under a federal statute, and a board of directors guides policy. Fifty percent plus one of the board's membership must be private employers. County Commissioners from each of the four counties form a financial oversight board.

WWP provides three types of programs: for adults, youth, and local businesses. The adult programs are centered in WorkSource offices in Salem, McMinnville, Albany and Dallas, in partnership with the Oregon Employment Department. Through the work of Center staff, WWP helps pay the costs of job training for in-demand occupations such as truck drivers, medical assistants, welders and computer-related occupations. Career planning and job search workshops are also available in the Centers.

Youth programs in each of the four counties help participants between the ages of 16 and 24 with GEDs, basic skills, and with some type of actual work experience.

WWP employer programs help fund the cost of training for the current workforce of targeted area businesses, and connects them to other needed resources.

Workforce programs have a decades-long tradition as a part of U.S. public policy. Briefly, here's how the system got where it is today.

Federal workforce policy began in the 1960s under President Kennedy when technological change and automation were first beginning to affect U.S. workers. President Johnson then stepped up the effort to provide job training as part of his war on poverty.

In the early 1970s, President Nixon and the Congress revamped workforce programs by giving more authority for design and implementation to the states. Presidents Reagan and Clinton continued this trend. Clinton's legislation, for the first time, recognized sub-state regions by implementing local area workforce boards. With some minor tweaks, this is the workforce system in place today.

At least two trends stand out. The first is an increasing emphasis on employer involvement in local workforce policy. The second is the emphasis on job training – that an extra credential, a community college degree, or some type of training on the part of the job seeker is what is needed to become employed or re-employed.

When the pandemic hit, WWP responded by shifting to providing training services virtually, and also helped distribute about seven million dollars of various types of federal, state and local funding to area businesses. The WorkSource Centers' doors opened again in August and in-person services are again being provided.

But, has the pandemic changed the labor market in some fundamental ways that need addressing with more than job training?

The pandemic-related economic downturn was unique in that low wage workers suffered the most. They experienced the largest job losses – ninety percent of layoffs early on were in the lowest-paying industries of the economy. Those workers who continued to work performed jobs that helped everyone's daily lives go on, and because these jobs involved high public contact, workers bore higher risks of getting Covid. The pandemic made us realize how much we rely on low wage service workers – we called them essential workers, in fact.

Now as we're a few months shy of two years of the pandemic economy it appears that many of these low wage workers aren't going back to their old jobs.

Some evidence: As of September, area employment in Leisure and Hospitality (that includes restaurants) is still ten percent below what it was two years earlier, and Health Care employment is five percent below, mostly in lower-paid occupations such as certified nursing assistants.

And, workers quit jobs in record numbers in August – the percentage of the workforce quitting jobs in Oregon and the nation was highest since the number has been tracked (the year 2000).

A often-cited definition of a good job is one with good wages, some package of benefits, and a predictable work schedule. Many low wage service industry jobs have none of these. A common reason given for quitting one's job, in a recent monthly Census survey, was having another wage earner in the family. Isn't it possible that it is preferable to stay home and care for children than work in a job that has so few rewards?

And staying home to care for children can seem like a sensible response. Lack of good affordable day care was a huge issue before the pandemic hit, and the pandemic made it worse. Day care centers closed down or curtailed their businesses because of Covid issues. School closures compounded the problem and women left the workforce in droves to care for children.

One obvious result is that employers are having a difficult time, to say the least, filling job openings, especially for low wage service industry jobs.

How will the Willamette Workforce Partnership confront these challenges?

It's a good bet that it will be done with declining funding. Expenditures on employment and training programs peaked in 1979, and have declined ever since. Currently, the national workforce budget is \$3.1 billion annually. Oregon receives \$32 million; and the Willamette Workforce Partnership, approximately \$5 million.

As in many other areas of social spending, U.S. workforce funding is behind that of other countries. The \$3.1 billion nationally is roughly one quarter of one percent of the U.S. Gross Domestic Product (GDP). In an international comparison, the Scandinavian countries spend nearly three percent of GDP on workforce programs; Italy spends 1.6 percent, Korea .75 percent, and Poland, one half of a percent.

Job training will always be needed, but the pandemic has brought into stark relief some deeper workforce problems that job training alone will not solve. A coalition of workforce system staff, more involved employers, and additional government social spending will be needed to solve these problems. How that will happen in today's political climate of divided and paralyzed politics, only time will tell.

Pam Ferrara of the Willamette Workforce Partnership continues a regular column examining local economic issues. She may be contacted at pferrara@willwp.org

