

AGIA Training Plan Steering Committee  
August 1, 2007  
Minutes

Present:

Fred Esposito	John Hakala	Bonnie Jo Savland
Tony Delia	Janelle Vanassa	Wendy Redman
Greg Cashen	Mike Andrews	Karen Martinson (telephonic)
Brynn Keith	Dennis Steffy	Mary Lou Madden

Absent:            Dave Rees

The meeting convened at 10:35 am with introductions. Michelle Unrien reviewed travel details: state per diem is \$60 per day and receipts for hotels, taxi, parking and car rental are required for reimbursement. Minutes of the July 18, 2007 meeting were reviewed and approved.

Committee members agreed on the following points concerning documentation:

- Members will take responsibility for bringing their own copy of both the agenda and minutes to all future meetings
- Minutes will not be verbatim but will capture the essence of discussion and action.

The group reviewed the revised mission statement and agreed to delete the second sentence as part of the mission. The statement now quotes the language of AGIA: *Our goal is to develop a job training program that will provide training for Alaskans in gas pipeline construction, operations, management and other gas pipeline related positions.*

Group consensus was that the planned training should be sequential and sustainable, and, to the extent feasible, delivered regionally in a coordinated manner building on existing public and private efforts.

Because the purpose of the meeting was information gathering, the agenda consisted of a series of presentations, followed by discussion. The content of the presentations was either handed out at the meeting or is available on the AGIA planning website. The non-construction employment presentation was not given as the study that the UA president has commissioned from ISER is not yet completed. Wendy Redman promised to share the information from the study once it is available.

Dennis Steffy presented information from Putting Alaska's Resources to Work (PARW) and Alaska Process Industry Council (APIC) concerning AGIA and industry employment needs. The following slide—*Perfect Storm*—provoked considerable discussion concerning the differences between AGIA and 1970's conditions for TAPS.

Supply	Demand
Fewer qualified new workers	Strong overall economic outlook
Fewer out-of-state workers willing to relocate	Major projects with initial and legacy jobs
Aging Alaska workforce	Higher “bar” for employers
Reduced CTE, especially at the secondary level	

The presentation raised the following issues:

- Increased technology and federal laws/requirements will demand more professional expertise for AGIA than for TAPS. Many technical skills are transferable across occupations.
- Currently, Alaska may have training programs in all of the areas needed, but not the program depth. Also, there is a need to train people closer to jobs and closer to where they live.
- Demographics indicate an aging workforce and a shrinking 20-24 year old population not only in Alaska but nationwide. Background checks and drug testing further contract the available labor pool. Also, Native corporation ownership and resource development are adding considerable demand, particularly for Alaska Native workers. However, Alaska now has a larger base of skilled workers than it did for TAPS.
- Lack of secondary CTE is an additional problem in recruiting new workers with employability and basic technical skills. High schools require curriculum help in science and math needed for technical careers, especially in rural Alaska. In urban Alaska, limited English proficiency is a large problem. Also need career exploration.
- Alaska currently doesn’t have a system in place to identify training needs, secure resources, set accountability measures and evaluate progress/success.
- Trainers/trainees should be looking at careers, not just jobs.
- Existing programs cannot meet current demand in many occupations. The training plan should look at what is needed to meet current as well as future demand. The concern is that it is difficult to get funding for current needs. Tying the request to AGIA may help but can also let the legislature off the hook if AGIA is delayed or does not happen.

The group broke for lunch around 12:50 pm and reconvened at 1:40 pm.

Brynn Keith presented information on the supply/demand analysis of pipeline-related employment underway at Research and Analysis. The methodology is currently before

the R & A technical review board. The analysis—funded by an FY08 appropriation of \$250.0—is expected to be completed by December 1, 2007.

The analysis will look at direct, indirect and induced demand economy-wide and will be based on the existing industry and occupational forecasts to 2014. Direct and indirect pipeline-related employment will be backed out of the existing forecast to provide a baseline. Information is being gathered from employers to develop an AGIA-specific forecast, which will overlay the 2014 baseline. The analysis will be at the state level, as regional labor markets outside of the Anchorage area are too small to yield useful information.

There are some issues in obtaining reliable estimates, such as the lack of historical data on comparable projects in Alaska which makes development of staffing patterns difficult. Brynn reported that data from Canada, Wyoming and other states can assist in constructing staffing patterns. Another problem is getting realistic labor estimates from industry. Brynn indicated that if the numbers obtained from industry don't look better than those used for the original 2014 forecast, R & A won't redo.

The analysis will provide several scenarios—probably high, medium and low—which is a significant change from current projections. Projections will be for annualized project work effort, not actual employees, and will not be affected by seasonal trends or double/triple shifting.

A limited supply-side analysis will also be conducted, using much the same methodology as in the recent TRENDS article. Brynn cautioned that the supply side analysis can somewhat identify the current supply but cannot make projections, although out-of-state penetration rates can be used as a proxy for a supply/demand mismatch.

Finally, R & A will collect information on training program capacity through a separate survey of providers.

The presentation generated discussion on the following points.

- Projections need to be additive: current demand + AGIA demand. Planning for pipeline-related employment needs to take into account the existing demand/supply gap.
- The planning group needs to get a better handle on training capacity. Focus groups and outreach to regional training centers were suggested as ways to get information on existing capacity, expansion potential and future plans. Dennis Steffy has information on 40 training providers surveyed by PARW. For private providers, the information on capacity and plans is often proprietary.

Mike Andrews reported on the Alaska Works Partnership and the “activation” of the Construction Workforce Plan adopted by AWIB in 2006. He indicated that while AWP was developed by unions, most of the training was non-union. Mike provided packet of

supporting materials, including the JATC Capacity Report. He indicated that the number of apprentices had doubled in the past five years and could well double again: from 900 to 1,800 to 3,600.

The presentation generated considerable discussion around apprenticeships, including the following points:

- State workforce utilization policies can greatly influence apprenticeship opportunities. If, for example, the state had a policy to require apprenticeship slots on all public works projects, much of the skilled labor required for AGIA could be in place by the time of construction. Another way of increasing apprenticeship opportunities is to adjust the hiring ratio of skilled workers to apprentices.
- Union JATC apprentice and journeyman training programs in Alaska have expanded greatly since the early 1970s.
- Some apprenticeship programs take the same amount of time as a bachelor degree; e.g. construction management. The direction is from trades into university programs, not the other way around.
- Retention and completion data are difficult to get for all apprenticeship programs, although recently DOL has obtained some data on union and non-union retention rates by occupation. This information would be useful to the planning committee.
- The employer commitment differs between union and non-union programs. However, the standards for both types of apprenticeships are the same. Workforce utilization policies for all industries could address this concern.

The next committee meeting is scheduled for August 15, 2007. Committee members are asked to “dive into” the Construction Workforce Plan and identify what is not in the plan that should be in the Committee’s AGIA plan. The activity for the August 15<sup>th</sup> meeting will then be to use the construction plan to develop a topical outline for the AGIA report.