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To: The Senate Committee on Energy and Natural Resources:

Thank you for allowing me the opportunity to provide testimony on this issue so critical to Alaska's workers and Alaska's economy. These opportunities are also opportunities that will provide economic benefit for the entire country as well. Development is happening in the Arctic. For our state and our nation to capitalize on the opportunities that are around the corner we need to have skilled workers ready and able for this next frontier on Alaska's horizon. Besides the huge potential in resource development there is also great potential for the building of strategic infrastructure to protect our state's and our country's assets through expansion in the Arctic.

An important consideration for resource-based economic investment in the Arctic is to assure there is not only strategic security but the quick response capability that would come with establishing an Arctic accessible Coast Guard base, that could not only provide a very strategic defense post, but could also be quickly available to respond to any potential emergencies due to increased activity.

The state of Alaska holds much natural resource treasure ready to benefit the United States, the state of Alaska and Alaskans; much more so than any other state in the union.

Most Alaskans support responsible development of those valuable resources. Jobs in resource development are generally well-paying jobs requiring skilled craft workers, and the resource-based employment sector offers the only significant contribution to the state's revenue stream.

The Alaska AFL-CIO has 60,000 union members, more than half of whom work in the construction and/or resource development business. We have the second highest union density of any state in the country; only New York is higher.

Our unions built the Trans Alaska Pipeline System (TAPS), the largest private construction project in the history of North America. The work was performed under the terms and conditions of a project labor agreement (PLA). We grew a construction workforce for a generation from that project. There have also been dozens of other large-scale construction projects performed under PLAs since TAPS that have been built on or ahead of schedule, and under budget, that have contributed to the growth of our skilled construction workforce.

Most of these workers have had solid careers but they are retiring in droves. They had some challenges in the late 1980s, but by and large they've spent the past two plus decades staying largely employed building Alaska's infrastructure.

The state's bulging capital budgets of the 2000s provided many opportunities for those highly trained journey level workers to put in hours and to train the next generation of apprentices to become highly skilled construction workers.

But with a non-existent state capital budget due to low oil prices and declining oil production, it is imperative to put a long range plan in to effect. Part of that long range plan has to include looking at projects that could be five to ten years out: new efforts on the North Slope, ANWR, OCS, a state of the art new strategically located Coast Guard base, and more. The wheels need to be put in motion, and the groundwork needs to be laid now.

Taft-Hartley training trusts know how to train construction workers like no one else in the building trades. We've built the lion's share of big projects in the state: power plants, missile defense bases, road and bridge projects, pipelines, and more.

And we've paid our own way doing it. Each of the Joint Apprenticeship Training Committees (JATCs) are equally managed by employer and union trustees. JATCs receive negotiated contributions to their training trusts to fund the programs. Members have agreed to direct part of their wage and benefit package to fund the training of their future replacements. That contribution ranges from .75 cents per hour to as much as \$2 per hour. The approximately fifteen trades that comprise the building trades spend approximately \$11 million a year training apprentices and upgrading journey-level worker skills at more than twenty training facilities across the state.

We have thousands of apprentices currently in the system earning while they learn on the job and in the classroom, taught by industry experts in programs that range from 4000 to 10,000 hours of on the job training and three to five years of classroom instruction.

The JATC's infrastructure exceeds \$30 million in facilities and equipment in Alaska and 75% of the more than 2500 registered apprentices in the state are in union-based building trades programs

We have the ability to ramp up or ramp down the number of apprentices in our programs based on the amount of economic activity on the horizon. If we can project what the future needs are we can plan accordingly to interview, select, and prepare the next wave of skilled construction workers.

My previous job was as training director of the statewide electrical worker's apprenticeship program. It is one of the larger apprenticeship programs in the state with approximately 400 apprentices in the program and another 600 who have been interviewed and ranked, and are awaiting an opportunity to be selected. That's a potential of 1000 electrical apprentices we could ramp up to in the event there was a significant and predictable economic opportunity. All of the other building trades apprenticeship programs have the same type of potential to meet the need if necessary.

Union-based apprenticeship programs have set the standard and continually raise the bar. Our state-registered programs require thousands of hours of closely supervised, on the job training plus an additional 1000 hours or more of related classroom and hands-on instruction.

The Alaska Building Trades are constantly working to get Alaska graduates into their programs. Quality apprentices further reduce labor cost. We can dictate favorable apprentice to journeyman ratios. Union Apprenticeship programs ensure lower cost apprentices available, and our programs offer tremendous opportunities for women and minorities as we are continually striving to increase our outreach efforts in that regard.

There is no question of the economic benefit that would come to Alaska and the nation by expanding activity in the Arctic by putting our resources to work. We strongly support growing jobs, growing our economy and being integral participants in the process. We look forward to action being taken in Congress that help promote responsible development in the Arctic and stand ready to deliver the workforce necessary for tomorrow's challenges.

Thank you again for the opportunity to testify.

Sincerely,

Vince Beltrami
President
Alaska AFL-CIO