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Baker-Polito Administration To Invest $5 Million Targeting Chronically High Unemployment

Governor’s Chronic Unemployment Task Force Releases Recommendations to Address Economic Disparity

BOSTON – Today, Governor Charlie Baker and Secretary of Labor and Workforce Development Ronald L. Walker, II, joined members of the Governor’s Task Force on Persons Facing Chronically Higher Rates of Unemployment to announce new initiatives addressing higher rates of unemployment faced by some populations, and a $5 million investment in the Fiscal Year (FY) 2017 budget proposal to build a Massachusetts-based public workforce system that will enhance the existing federally-funded system. The state funds will provide grants to community-based organizations and others that partner with businesses to develop job training and employment opportunities for populations that face higher unemployment rates.

“Since taking office, our administration has focused on reaching individuals and families across the Commonwealth who have felt they have not been able to take advantage of or experience our state’s many economic strengths,” said Governor Baker. “By building the capacity of community-based organizations and others who already have the expertise and experience working with individuals who face higher unemployment rates, we can to enable more people to find and keep jobs and support their families.

Last March, Governor Baker signed an Executive Order creating a task force to
explore reasons for higher unemployment rates among certain groups, and find ways to improve economic opportunities. While the state’s unemployment rate is lower than the national average – at 4.7 percent in December – African-Americans, Hispanics/Latinos, Persons with Disabilities, Native Americans, and recently-returned veterans, continue to experience higher unemployment rates, ranging from 7 to 12 percent.

“There are still too many individuals for whom employment opportunities are infrequent or currently unattainable even in strong economic times for our Commonwealth,” said Lt. Governor Karyn Polito. “With these recommendations, we are going to empower those most involved within their communities and reach even more people in a meaningful way.”

**Governor Baker’s FY ’17 budget will include:**

1. **$2 million to create a new Economic Opportunity Fund**, investing in community-based organizations who partner with businesses to offer job training and hiring opportunities for people who face employment barriers. The grants will allow organizations to provide a deeper level of engagement to help residents find a job.

2. **$2 million to the Workforce Competitiveness Trust Fund**, marking the first time funding would be available in two consecutive years. The Workforce Competitiveness Trust Fund is targeted toward unemployed or underemployed individuals who need job training or education to make the transition to employment.

3. **$1 million to expand statewide re-entry and job training programming** for former criminal offenders re-entering society.

Labor and Workforce Development Secretary Walker chaired the Task Force that advised the Governor, consisting of administration officials, business leaders, educators, community-based organization representatives, and economic experts, who traveled around the state to listen to residents who face continued unemployment.

“Whatever their barriers, we realize certain people need a hands-on touch when it comes to job seeking and more attention than the federally-funded career centers are able to give them,” Secretary Walker said. “One of the recommendations from the Task Force is to build a Massachusetts-based public workforce system by leveraging community-based organizations, which can meet the specific needs of the target populations.”
The Task Force also recommends:

- Improving the public workforce system through continued implementation of the federal Workforce Investment Opportunity Act of 2014. Through WIOA, the Executive Office of Labor and Workforce Development is refocusing the state’s 32 One-Stop Career Centers with a “Demand-driven 2.0” strategy that requires career center officials to build relationships with employers in their regions to help clients find job opportunities.

- Extending the Disability Employment Initiative (DEI) through March 2017, which links people with disabilities to job training.

- Using the Career Centers to reengage long-term unemployed out of work for more than a year.

The full Task Force report can be viewed here.