



Wisconsin Economic Development Association Inc.

TO: Members, Joint Committee on Finance

FROM: Amy Boyer, on behalf of
Wisconsin Economic Development Association

DATE: April 12, 2007

RE: **Workforce Advancement Training Grants**

The Wisconsin Economic Development Association (WEDA) strongly supports the Legislature's and Governor's commitment to worker training and supports increased funding for these purposes. As the current Wisconsin workforce reaches retirement age and without enough replacement workers, it becomes critical that Wisconsin companies achieve greater efficiencies through increased fixed and human capital investments. The Workforce Advancement Training (WAT) Grant represents one mechanism at the State's disposal to facilitate these investments.

The grants were established in the last state budget with bipartisan support and have demonstrated impressive success in helping Wisconsin businesses, particularly manufacturers, improve their operations and in helping Wisconsin workers achieve their individual career goals. During the program's first two years, nearly 12,000 workers were trained at over 100 companies statewide. When surveyed about their experience with the WAT grant program, 100 percent of participating employers indicated the training improved employee skills. Employers also gave positive responses on other key indicators: 89 percent reported an improved work environment; 74 percent reported cost savings to their operations; and 48 percent reported reductions in their employee turnover rates. The additional \$6 million in funding provided in SB 40 for the WAT grant program will enable the Technical College System to leverage state, local and private resources to serve an additional 267 Wisconsin businesses and nearly 36,000 incumbent workers.

The WAT Grant has proven to be one of Wisconsin's most effective incumbent worker training incentives. The program's results speak volumes and have truly generated significant returns to the Wisconsin taxpayer.

For additional information or if you have questions, please contact me at 608-258-9506 or boyer@hamilton-consulting.com

Thank you.