

**FINANCE - WORKFORCE TRAINING**

**WORKFORCE INVESTMENT ACT FUNDS**

- Federal Funding – Varies by Year - The Department of Commerce, under contract with the Montana Department of Labor & Industry, manages a portion of the Governor's discretionary WIA monies for the purpose of workforce training tied specifically to job creation.
- During this biennium, the Governor decided to use **\$1,762,000** of the discretionary component of the federal Workforce Investment Act funds to continue a program that provides grants to Montana businesses in order to provide incumbent worker job training to existing and new employees.
- \$1 to \$1 match required.
- Maximum grant per employee trained is \$5,000.
- Must be a value-adding business where 50% of products or service is sold out of Montana.
- Minimum wage for each employee after training is \$13.39 per hour is salary and benefits.

**Results: Fiscal years 2003 and 2004**

- **\$528,735** in funding was granted for job training.
- **\$999,374 in matching funds** from participants in the projects.
- **1,120 employees received training in jobs** that will pay good wages.

## **GOVERNOR'S DISCRETIONARY FUND WORKFORCE TRAINING PROGRAM**

During this biennium, the Governor decided to use **\$1,762,000** of the discretionary component of the federal Workforce Investment Act funds to continue a program that provides grants to Montana businesses in order to provide incumbent worker job training to existing and new employees. The program requires a minimum of one dollar match for each WIA dollar granted. The Montana Department of Labor has provided federal grant funds to the Department of Commerce for business applications. Montana businesses may apply directly to the Montana Department of Commerce to request Workforce Training Grant funds.

The Department is targeting the Workforce Training Grants to projects that can demonstrate tangible, measurable results involving incumbent workers working in the businesses that are receiving assistance. The Department may assign a Regional Development Officer to work directly with applicants that appear to have viable, eligible project proposals meeting the intent of this program.

The following projects were funded during this time period.

### **St. Vincent Healthcare Foundation**

St. Vincent Healthcare Foundation applied on behalf of St. Vincent Healthcare in Billings and St. James Healthcare in Butte, two affiliated hospitals. They will be using up to \$150,000 in WIA funds and \$150,000 in other funds to train 30 healthcare workers in the two hospital facilities in order to expand the level and variety of healthcare services, attract and retain quality healthcare workers, and increase employment opportunities for Montana based healthcare workers.

### **Artisans Doors of Montana**

This Kalispell business manufactures custom wood doors and millwork. The \$115,000 in WIA funds will be matched by over \$200,000 in other funds and will be used to train local Montana workers in a variety of woodworking craftsmanship skills as part of the expansion of the business. The business is expecting to train up to 26 existing and new employees to fill the new craftsmen jobs being created over the next two years.

### **West Electronics, Inc. in Poplar**

West Electronics, Inc. is owned and controlled by the Fort Peck Tribes. West Electronics, Inc. has been in business since 1970 and currently has 16 employees. West Electronics is principally an electronics manufacturing business that works primarily on government contracts.

This request is to use the \$114,000 Commerce Job Training funds and matching funds from West Electronics to assist with the training of up to 40 positions over the next two years. Two positions are from related companies, A & S Tribal Industries and A & S Diversified. West Electronics will be the contract agent and handle the paperwork and contract with the Department of Commerce for the two positions to be trained by the other companies.

### **ConocoPhillips Refinery in Billings**

The ConocoPhillips refinery in Billings is developing a new training plan and strategy in cooperation with the local Job Service and Montana State University. The goal of the training plan is to provide a higher level of professional training to existing employees in order to upgrade their positions from operators to pipe-fitters, welders, mechanics, etc. They plan to use the \$113,000 Commerce Job Training funds and ConocoPhillips matching funds to train up to 30 existing and new employees over a two year period. The program will provide for increased hiring and upgrading of Montana workers. ConocoPhillips currently has to fill many of these high paying positions with out-of-state workers in order to meet its needs for skilled craftsmen and maintenance personnel. After upgrading Montana workers they plan to train new operators principally from Montana to fill the newly opened positions.

### **PrintingForLess.com in Livingston**

PrintingForLess.com in Livingston plans to use the \$113,000 in Commerce Job Training funds and its matching funds to train up to 10 existing and potentially 48 new employees over a two-year period. PrintingForLess.com sells its products principally over the internet to out-of-state markets. The training program will enable PrintingForLess.com to hire local workers and provide opportunities for advancement into positions paying higher wages within the company.

### **Ligocyte Pharmaceuticals, Inc.**

Ligocyte will be using up to \$85,000 in WIA funds to train seventeen new drug development workers in workplace safety, general laboratory orientation and task training. The new workers will increase Ligocyte's workforce by 60% and will be recruited from the Bozeman area. Ligocyte's \$4.4 million expansion will act as a match for the grant award.

### **Smurfit-Stone Container Corporation**

Smurfit-Stone will train 75 employees in operational skills, with a focus on pulp and paperboard, machine skills and manufacturing procedures. Fifteen employees will be trained in process optimization. The Missoula area labor force will be tapped to fill an anticipated 39% employee loss due to retirement by December, 2004. WIA training will prevent downtime from retirements and

improve production efficiency. The \$242,660 in WIA funds will be matched by over \$320,000 in Smurfit-Stone funds over the next fifteen months.

#### **A&S Tribal Industries – Poplar**

A&S Tribal Industries will use \$85,340 in WIA funds to train up to thirty (30) new workers in production orientation and safety, machining technician courses and welding. Fort Peck Community College will teach machining technician and welding courses. All new workers will be recruited from tribal membership. A&S Industries' match of \$268,000 will be comprised of contracts, cash and in-kind services.

#### **Montana Resources - Butte**

Montana Resources will use \$75,000 in WIA funds to train up to 346 employees in mine safety, large diesel engine maintenance, diesel electric haul truck maintenance, electric operations and mill operations. Over one half of Montana Resources' recently hired employees are completely new to the mining industry. The Butte Job Service will assist with recruitment. WIA grant funds will be matched by Montana Resources funds over the next fifteen (15) months.

#### **Sun Mountain Lumber – Deer Lodge**

Sun Mountain Lumber will be using \$175,000 in WIA funds to train up to 313 new and existing employees. Training will focus on mill and personal safety, drug testing, quality control, essential job functions, mill orientation, emergency response procedures and hazardous energy lockout procedures. Electrical, chemical, fire and hazardous materials safety are included in the training. The total project involves over \$13.5 million dollars in private and public funding. The Anaconda Job Service will assist with new employee recruitment.

#### **Smurfit-Stone Container Corporation**

Smurfit-Stone will receive \$100,000 to assist with the training of up to fifty-five employees in operational skills. Up to forty-five employees will be trained in process optimization and new equipment. The Missoula area labor force will be tapped to fill a significant Smurfit-Stone employee loss due to retirement. The WIA grant will focus on the transference of skilled production knowledge to new and advancing employees. WIA funds will be matched by more than \$340,000 in Smurfit-Stone funds over the next eighteen months.

### **Neptune Aviation Services, Inc.**

Neptune Aviation Services is planning to train up to 20 people in order to diversify its market potential and expand its ability to provide a variety of services and products to a larger customer base. Neptune Aviation Services will use the \$91,575 awarded for workforce training and an equivalent amount of its funds to implement several new training programs.

### **PrintingForLess.com**

PrintingForLess.com will add and train up to thirty-four employees in two stages. The first stage is technical service representative training. The second stage includes digital file processing, intermediate level customer relationship management skills, claims handling and lithographic analysis and color correction. PrintingForLess currently employs ninety full-time and four part-time employees. The \$50,000 in WIA funds will be matched by more than \$574,646 in PrintingForLess funds over the next eighteen months.

### **Summit Aeronautics Group**

Summit Aeronautics Group is currently undergoing a third building expansion of 25,000 square feet near the airport in Helena and is projecting the creation of 20 jobs that include machinists, engineers, toolmakers, and other specialized positions. Summit works with the Helena College of Technology to create new training opportunities and programs to assist with its business activities in aeronautical engineering and manufacturing. The company will receive \$75,000 for job training as part of its multi-million dollar expansion project.

### **Timberline Tool**

Timberline Tool is involved in innovative tool technology and develops unique, specialized tools. Timberline Tool products are sold worldwide with almost 100% of its sales outside of Montana. The company recently became involved with significant contracts from the U.S. Department of Energy to develop and manufacture tools to repair gas pipes. Timberline Tool will receive \$46,346 from this award and will use at least the equivalent amount of its own funds to train up to ten employees in the use of specialized equipment and procedures for manufacturing tools.