

National Emergency Grant (NEG)
PROJECT NARRATIVE
5/18/09

The Workforce Alliance of South Central Kansas, the Kansas Local Area IV Workforce Investment Board, is seeking additional funding through a National Emergency Grant from the United State Department of Labor due to the sudden and dramatic downturn in the aviation industry in South Central Kansas.

The Workforce Alliance has conducted a total of 32 Rapid Response meetings for 20 companies since September 1, 2008 and 15 of these companies are from the aviation industry. All companies do not hold Rapid Response meetings, and the Workforce Alliance has furnished materials to a number of additional employers experiencing layoffs.

As of 4/30/2009 aviation manufacturing employment has fallen 21% since its peak in November of 2008, and additional layoffs have been announced. In all, 73 companies have laid off or plan to lay off 13,321 workers. More than half of the total layoffs come from the aviation manufacturing industry. Production rates have been reduced because customers continue to defer and cancel their orders for aircraft. It is anticipated that Cessna will have reduced its workforce by 40% when announced layoffs are complete. The company will furlough its workers at various times over the summer. Since November Hawker Beechcraft has cut 2,800 jobs, Bombardier Lear Jet is cutting 820 jobs, and Boeing has cut 160 jobs with plans to cut up to 800. In addition to this, dozens of suppliers have also been forced to scale back resulting in additional layoffs.

The Workforce Investment Act (WIA) allocation to Local Area IV for Program Year 2008, and the funding from the American Reinvestment and Recovery Act for Dislocated Workers have been fully expended or obligated. Additional Rapid Response funds were also made available from the Kansas Department of Commerce to the Workforce Alliance, and those too have now been expended or obligated.

There are currently 1,212 people who have applied for training services for whom funds are not available. This would indicate that approximately 10% of the laid off workers to date have availed themselves of the services of the workforce system. However, it is expected that the number of applicants will rise as resources are depleted and time receiving Unemployment Insurance lengthens. We are currently estimating 3,500 applicants for training services in the next 12 months. Some have indicated a desire to gain additional skills applicable to the aviation sector which will be in demand during recovery. Others have expressed an interest in changing occupations. Increasing opportunities for employment in green collar jobs, Registered Apprenticeship, and the projected demand occupations will be a focus of the training effort. The Workforce Alliance Board of Directors has revised its training policies, supportive services policies, the Demand Occupation List, and expanded the Eligible Training Provider List to conform to the tenets of the American Recovery and Reinvestment Act, and to reflect the current economic situation in the region. Planning for expansion of services and training capacity has occurred with the business, education, and workforce investment communities should additional funds be forthcoming. The Workforce Alliance is requesting \$25,500,000 at this time.

As the WIA allocated formula funds are obligated consideration is also requested for replenishment of those funds according to TEGL 19-08.