



LPRO: Legislative Policy and Research Office

OREGON'S WORKFORCE SYSTEM

BACKGROUND BRIEF

WORKFORCE DEVELOPMENT SYSTEM

Oregon's workforce development system is comprised of five state agencies that provide workforce services to individuals and businesses: Oregon Employment Department (OED); Higher Education Coordinating Commission (HECC); Bureau of Labor and Industries (BOLI); Oregon Department of Human Services (DHS) and Oregon Commission for the Blind (OCB). The individual clients served include youth and young adults ages 14-24; adults transitioning from unemployment, dislocation or public assistance and current workers. The business clients served include those seeking to fill job openings and to develop solutions for economic and workforce challenges. Workforce services are provided at the local level by WorkSource Oregon centers, community colleges and local workforce development boards.

The Oregon Workforce Investment Board (OWIB) advises the Governor on workforce matters. Its 34 members include

representatives of private business, labor and community-based organizations; the Oregon legislature; local government; and state agencies. In addition to advising the Governor, OWIB's mission is to contribute to the economic success of Oregon by: aligning state workforce policy and resources with education and economic development; promoting a proactive, flexible and innovative talent development system; and holding the workforce system accountable to ensure Oregonians develop the skills they need to sustain rewarding careers, and businesses have the talent they need to be competitive.

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HISTORY OF OREGON'S

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In 1989, a group of citizens representing business, labor, education and government identified the condition of the workforce as an indicator of quality of life in the *Oregon Shines Report*. In 1991, the Legislative Assembly passed the Workforce Quality Act; in 1994 the Oregon Option was passed, and in 1997, Senate Bill 917 created the Governor's Office of Education and Workforce Policy. All of



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these actions built and expanded workforce system partnerships. The partnerships included state agencies, government sectors and business and citizen groups.

By 1998, Oregon had developed a *Comprehensive Workforce Plan* and when the federal Workforce Investment Act (WIA) was passed, Oregon was already on the way toward integrating workforce services. OWIB was formed in 1999 and the following year, Oregon completed a Unified Plan for Workforce Investment, required by WIA, that formalized Oregon's workforce agency partnerships to create an integrated "One-Stop" delivery system.

In 2012, OWIB developed a new ten-year strategic plan, "Oregon at Work: Oregon Workforce Development Strategic Plan 2012-2022" (The Plan). The Plan laid the ground work for significant changes to Oregon's workforce system and outlined the following vision and goals:

VISION

Oregon at Work: Quality Jobs - Skilled Workers

Contributing to a Strong State Economy and Local Prosperity.

GOALS

1. Oregonians have the skills needed to fill current and emerging high-wage, high-demand jobs.
2. Businesses have the skilled workforce to support future growth.

3. An aligned workforce system that provides integrated services and makes the most efficient possible use of resources.

The Plan identified three statewide strategies to achieve these goals: industry sector strategies, work-ready communities and system innovation. System innovation is defined as innovation at the state and local level, working together to achieve common outcomes.

In order to better serve Oregon's job seekers and businesses, Governor John Kitzhaber issued Executive Order 13-08 in 2013, requiring the rechartering of the state and local workforce boards to reduce fragmentation and align federal and state programs. The Executive Order also directed state agencies, with workforce development programs, to collaborate in order to align Oregon's workforce system in light of reduced resources and the changing economy.

In response to OWIB's recommendations, Governor Kitzhaber submitted, and the Legislative Assembly approved, Senate Bill 1566 in 2014, which made the following key changes to the workforce system:

- Updated state policy to include the coordinated provision of education, employment, economic development and job training.
- Required OWIB to consult and collaborate with organizations serving persons with disabilities, persons living in poverty and the chronically unemployed and underemployed.
- Increased OWIB's responsibilities, including becoming the primary



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advisory body to OED, coordinating and collaborating with the Oregon Education Investment Board and Oregon Business Development Commission and holding state workforce agencies and local workforce boards accountable for meeting performance goals and system outcomes.

CURRENT VISION AND GOALS

OWIB's current [Strategic Plan \(2016-2020\)](#) established a new vision: "A strong state economy and prosperous communities are fueled by skilled workers, quality jobs and thriving businesses." It delineated the following four goals: 1) create a customer-centric workforce system that is easy to access, highly effective and simple to understand; 2) provide business and industry customized workforce solutions to prepare and deliver qualified and viable candidates and advance current workers; 3) invest in Oregonians to build in-demand skills, match training and job seekers to opportunities and accelerate career momentum; and 4) create and develop talent by providing young people with information and experiences that engage their interests, spur further career development and connect to Oregon employers.

HOW THE SYSTEM WORKS

Operating under the statewide brand WorkSource Oregon, but true to Oregon's traditional preference for local services, one-stop centers are organized and staffed to meet local designs and needs. Each center offers workers and employers access to a consistent array of services provided by OED, HECC,

DHS and local workforce and education agencies.

Federal funding for workforce and self-sufficiency programs comes to the state primarily through the U.S. Department of Labor authorized by the Workforce Innovation and Opportunity Act (WIOA) of 2014. Programs relating to adult, dislocated workers, youth and Adult Basic Education are administered by the HECC. OED administers employment service, migrant and seasonal farm worker job training and the veterans' programs. DHS administers Vocational Rehabilitation Services and the Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) funds that have been tied to the WIOA legislation and one-stop services delivery system.

RESOURCES

[WorkSource Oregon](#)

[Oregon Workforce Investment Board](#)

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