

Good morning. Thank you to the committee for taking the time in coming to Williamsport and Lycoming County to discuss the labor issue here in Pennsylvania. My name is Jason Fink, President and CEO of the Williamsport/Lycoming Chamber of Commerce. Our organization is a full service Chamber of Commerce as we are also the industrial development organization and tourist promotion agency here in Lycoming County.

Lycoming County is similar to many in the commonwealth dealing with the struggles of finding people to fill positions at all types of businesses. At the end of March, the Chamber conducted a job fair at a local venue that was expansive enough to accommodate all of the social distancing required at that time. The show was being held at that time because of the market demand for personnel to fill a host of positions.

There were over 40 businesses that participated in this job fair. Many were companies that you have heard of such as Kellogg's, Frito-Lay and UPMC. There were companies in a variety of industry sectors including manufacturing, service and tech. All were offering positions that paid a minimum of \$15 an hour and many had good benefit packages to offer as well.

We spent several thousands in advertising through traditional and online media outlets. Each social media posts for the event had thousands of views and hundreds of shares. We even included a \$1,000 drawing for individuals that came to the job fair and got a job by the end of June. All total, there were just over 1000 jobs to be filled that day. As you may be able to guess with this lead up, we had a very poor turnout for the job fair. There were no more than 125 people that attended it. All involved were disappointed to see the response. Unemployment at that time was 7.6%.

Those businesses that were in attendance share that they have seen this type of poor response to their own efforts and are frustrated about their inability to hire. If you look at the companies that we had there that included businesses such as ADS, Kellogg's, LeClerc, you would know that they have strong wages and benefit packages. The plant manager at ADS shared that they're an ESOP and they have people working there for just over 20 years that have over \$1m in their retirement. They've got a number of positions open as they recently secured the largest contract ever by any of the 40+ ADS plants here in the US. However, he's having a hard time getting people to even come in and apply.

Talking to several of the companies at the job fair, they all cited that the current level of federal and state unemployment assistance has culled the desire for people to get a job. Nobody would argue that during the peak of the pandemic, this assistance was needed to help those impacted through that time. Now though with the number of jobs going unfilled, one has to ask if that level of assistance is needed. If we're wanting to see growth and improvements in our state through adding new employers, it will be difficult to achieve if we can't get people that want to work at them. We've been known for decades locally for the quality workforce that supports area business and industry.

Many of the workers at the local businesses are getting to retirement age. We need the next generations to step up and take on these positions. We all want a better community and one step to having that is by seeing the unemployment rate drop below our current level.

Our unemployment rate is sitting at 5.9% here in the county, and we're likely not going to see it drop much until the additional \$300 in extra unemployment ends next month. I recall the Governor making a statement last year when asked about what companies could do in getting people back to work and he said, speaking as former business owner he'd, pay them more money. If you've listened to the radio or read any of the online postings for jobs here in our market, companies are doing that and they're still challenged to get people. The concern that I have is that in talking to some of the employers that have the financial capacity to do it, is that we're going to see these jobs replaced by automation. Those company leaders have said that once they make that investment to automate, the jobs that get replaced won't be available again. This problem isn't just a PA problem, it's one that is occurring across most of the country. Our problem here in PA is that we haven't been willing to take the steps necessary in getting people off unemployment and back to work. Until we do, we'll continue to see jobs going unfilled across all industry sectors here in our area and across the state.

The Chamber recently did a listening session with roughly 15 local business representatives and officials from Labor and Industry and DCED to discuss these challenges. We were pleased to receive a willing ear to see what can be done by businesses that are facing these challenges. Again as before, these companies had multiple positions available that paid over \$10 an hour with the bulk of them over \$15 an hour with solid benefits. Those that were below \$10 an hour were those primarily in the hospitality industry.

These employers cited that they spent significantly on recruiting with online, radio, billboards and newspaper being outlets where they've advertised. Additionally, they offered incentives to current employees that provide leads for people to hire. Unfortunately, they're just not getting people that want to work at this point. While the state officials didn't see the additional \$300 of unemployment as a main reason for these challenges, the employers did in citing that it's just not that assistance that people are receiving. There's also the stimulus checks, rent and utility assistance, additional SNAP money for food, along with the child tax credit that has come into play. Our local newspaper, The Sun Gazette, ran an editorial recently that noted that one can receive up to \$50,000 in annual assistance right now. In talking to employers, they realize the challenge in telling someone to come to work when you can stay home and receive this level of funding without going to work. The good thing is that the \$300 extra for unemployment should be coming to an end next month. As with states that ended theirs earlier, we'll hopefully see more motivation for people to get out there and take on these good family sustaining jobs that are here in Lycoming County.

Lycoming County is well positioned to assist those who are looking to get good quality employment. We took a couple of shots last year with the most notable being the announced closure of Shop Vac and JW Aluminum. However, Shop Vac was purchased by GreatStar Tools USA and JW Aluminum was recently purchased by AA Metals and will operate as Chance

Aluminum. Shop Vac has already added over 100 jobs since the new ownership took over and Chance Aluminum is projecting to hire in the next year another 35 people to the roughly 65 that were previously employed at JW Aluminum. We also have had the announcement of Digger Specialties which will be building a new manufacturing plant here which will add another 150 new jobs to our market next Spring. In addition to that, West Pharmaceuticals has announced the expansion of their Williamsport and Jersey Shore plants that will add another 130 jobs in the next year.

It is great to see all of these jobs here in the market. The biggest challenge we face now is getting people to take them. We would appreciate any potential assistance from the commonwealth and or the federal government that would get people back to taking these quality jobs. On behalf of our local business community, I appreciate having the opportunity to discuss this with you and look forward to answering any questions that you may have at this time.