Gregg Troian Testimony
House Majority Policy Committee Hearing
"Growing Pennsylvania's Economy - Job Creation and Development."

Focus: workforce development, job creation, employment concerns and growing Pennsylvania's economy.

Dear Members of the Committee:

I am Gregg Troian, President of PGT Trucking, a multi-service transportation firm offering flatbed, dedicated, international and specialized services. PGT, which is in its 40th year of business, operates in excess of 1,000 trucks and over 1,500 trailers, and was founded and is headquartered in Beaver County. I was born and raised here in Western Pennsylvania, attending North Hills High School and Robert Morris University. I also served four years active duty in the US Air Force and two years in the Air National Guard, New York State. I am a former Board Member and Chairman of Family House, Inc., and a former Council Member Seven Fields Borough.

With over 40 years of leadership experience in the transportation industry, I appreciate the opportunity to bring to you today my thoughts in support of Growing Pennsylvania's Economy - Job Creation and Development.

Current Employment Struggles

If you walk through any shopping plaza in western Pennsylvania at this very moment, you will find "now hiring" and "help wanted" signs posted at every store. The same is true for large corporations, like PGT Trucking, where we are hiring for every level of employee – truck driver, truck technicians, office support staff and even senior management.

While national news is dominated by headlines related to high unemployment rates, businesses continue to have issues finding quality candidates. And the real question is, WHY?

In part, we have 77 million baby boomers retiring over the next 10-15 years, with only 46 million new workers set to replace them, according to numbers tracked by the American Society for Training and Development.

Unfortunately, neither the overall cause nor the solution for the hiring crisis is straightforward. It is particularly problematic because not only is it crushing several industries key to the economic recovery, but it is also concurrently happening while unemployment levels are still 50 percent higher than prepandemic levels.

The transportation industry as a whole is struggling to find drivers – current needs are over 60,000. This issue has also made headlines for years now; it is not a new problem. Within the last year, we've battled the COVID effect as well – closed CDL schools, decline in transportation support infrastructure, increased demand for capacity and e-commerce growth; all adding to our hiring struggle.

Labor for blue-collar professions is in high demand overall, and as industries like construction and manufacturing continue to recover, the challenge for trucking companies to find drivers will only increase. Craftsman and contractor jobs have always competed in a similar labor pool, and are a popular alternative to trucking.

At PGT Trucking, we could use 300 more drivers in our fleet just to meet current customer freight demands. This is not an easy task. A recent study from Coyote Logistics and labor market data company Emsi found that in order to hire a semi-truck driver, it takes 9x the amount of job postings compared to other blue-collar jobs.

Similarly, our industry is constantly looking for quality technicians and mechanics. To keep these trucks on the road and servicing customers, we need to have a strong maintenance team at the helm. PGT has over 20 openings for technicians at our locations across the country, including shops in Blairsville, PA and Midland, PA. Because we are challenged with finding quality maintenance talent, PGT and other trucking companies resort to outsourcing repair services, which can be costly and inefficient.

Future Job Market Demands

What can we do for the future? How can we prepare today's high school students and college students for the workforce? How can we ensure that right out of school these individuals will have jobs, setting them up for success in the long haul? What is attractive to this future generation?

A recent MIT study, "Work of the Future," noted that 63% of today's jobs did not exist just 80 years ago in the early 1940s. Since 1990, over 1,500 new occupation roles have appeared as official job categories, including software engineers, SEO experts, and database administrators. Technology – it's the way of the future, and the way of future occupations.

Investing in our youth, developing apprenticeship programs and internship opportunities, providing real-world experience is something PGT finds extremely valuable as we search for future leaders. Consider that the freight business in America is an \$800 billion dollar a year enterprise which explains why "truck driver" is the number 1 job in 29 states in America. But the average age of truck driver is 57, this workforce is aging, and we are desperately looking for youth to fill these vital roles. For those of us in this industry, we are hopeful that the narrative is changing! The future is bright, the future of our industry needs young, creative, forward-thinking minds! How can we encourage young people to look at a career in trucking? And not just in the driver's seat, but in all of the support roles that make transportation and logistics absolutely vital to our economy?

We've found it common for trucking fleets to manage three main objectives: operate profitably in an increasingly unpredictable environment, become more sustainable and innovative to keep up with customer demands, and offer attractive driver jobs in times of growing driver shortages. Simply clinging to old operating models is not working. To stay afloat and prosperous, fleets are looking at technology, such as electric and autonomous trucks, as well as the digitalization of logistics to provide solutions to these pressing problems.

The Future of the Workforce

Consider that 47% of jobs in the U.S. could be automated within the next two decades according to a study by the Oxford Martin School. The goal of automation is to supplement the role of humans, not replace them. It will, we are told, take away the dull, dirty, and dangerous jobs, while allowing humans to focus on bigger value-adding tasks.

The future of trucking will be not only be electric and autonomous, but it will also include an increasing array of connected services, such as predictive maintenance, driver monitoring, internet-based track and

trace solutions, optimized workflows, vehicle-to-infrastructure-based driving assistance or over-the-air updates.

Trucks are only going to get more complicated; on average there are 13 computers on board a commercial truck today, and only more will be added. Continuous training for a future truck driver, a "pilot," and a new-school technician, a "computer programmer," will be vastly different than it is today.

While we've known it all along, during the pandemic, transportation was deemed an "essential business." Essential businesses are struggling. Essential businesses do not have enough employees to provide the goods and services needed to operate our economy. The promotion of blue-collar industries is important to keeping our economy afloat. The integration of technology is vital to growing Pennsylvania's workforce.

Moving forward, there needs to be a stronger focus and increasing awareness on blue-collar career opportunities and the supporting roles within those industries. This education should not start and stop with the student alone. Parents, educators and mentors can play a substantial role in turning that awareness into interest. Turn that interest into enrolments in high school and postsecondary training programs. Develop mentorships and apprenticeships to bridge the students' gap between education and industry opportunities. Turn those mentorships and apprenticeships into employees. Retain those employees through competitive pay, good benefits and a great company culture. Advance those employees with a structured career path.

The future workforce is within reach. Let's change the narrative.

Thank you for your time today and for your consideration as to how we can keep Pennsylvania growing through job creation and development.