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HOUSE DEMOCRATIC POLICY COMMITTEE

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**House of Representatives**  
COMMONWEALTH OF PENNSYLVANIA

**HOUSE DEMOCRATIC POLICY COMMITTEE HEARING**

**Topic: Why Unions?**

**UFCW Local 1776 – Plymouth Meeting, PA**

**April 24, 2019**

**AGENDA**

- 2:00 p.m. Welcome and Opening Remarks
- 2:10 p.m. Panel from the Department of Labor & Industry:
- Gerald Oleksiak  
Secretary
  - Jennifer Berrier  
Deputy Secretary for Safety & Labor Management Relations
- 2:30 p.m. *Questions & Answers*
- 2:50 p.m. Panel of Unions:
- Wendell Young IV  
President, United Food & Commercial Workers Local #1776
  - Korri Brown  
Vice President, Pennsylvania State Education Association
  - Maureen May  
President, Pennsylvania Association of School Nurses and Practitioners
  - Sue Swift  
President, St. Christopher's Hospital for Children Chapter of Nurses United
  - Bob Creswell  
Business Representative, International Brotherhood of Electrical Workers Local 98
  - Bob Bark  
Business Agent, International Brotherhood of Electrical Workers Local 98
  - Chad Trainer  
Legislative Director, Pennsylvania AFL-CIO
- 3:30 p.m. *Questions & Answers*
- 3:50 p.m. Closing Remarks



**Written Testimony of Secretary W. Gerard Oleksiak**

**Department of Labor & Industry**

**Before the House Democratic Policy Committee**

**April 24, 2019**

Good afternoon Chairman Sturla, Representative Daley, and members of the House Democratic Policy Committee. I appreciate the opportunity to participate in this important hearing to talk about the harmful practice of employee misclassification and the active measures that we at the Department of Labor & Industry (L&I) are taking to combat this practice.

As you may know, misclassification occurs when employers wrongfully classify employees as independent contractors for financial gain. By purposefully misclassifying their employees, businesses not only dodge their responsibility to pay federal, state, and local employment taxes, but also avoid providing fair wages, health benefits, and retirement benefits to those employees. As a result of misclassification, the commonwealth and local municipalities lose out on revenue, law-abiding employers can be underbid by dishonest firms, and hard-working employees and their families may be robbed of adequate income, benefits, and the assurance that they can access safety net programs should they become injured on the job or experience a layoff.

The Center for Workforce Information and Analysis, within L&I, reviewed a variety of sources to understand the extent of employee misclassification in Pennsylvania. Utilizing federal and nationwide data, it estimated that up to 15% of Pennsylvania employers may misclassify their employees. Based on the numbers of workers reportable to the unemployment compensation system, this may equate to about 275,000 workers. Moreover, under this scenario, the amount of tax revenue lost under the unemployment compensation system alone may be \$103 million annually.

In 2010, the General Assembly recognized the significant problem of misclassification, and attempted to curb this harmful practice specifically within the construction industry through the passage of the Construction Workplace Misclassification Act, or Act 72. The act prohibited misclassification by establishing specific criteria that narrowly defines which workers within the construction industry can be counted as independent contractors as it relates to workers' compensation and unemployment compensation. The act granted L&I investigatory powers for complaints of violations, and it set forth civil and criminal penalties.

Within L&I, enforcement of Act 72 is now carried out by the Bureau of Labor Law Compliance (BLLC). This office actively works to identify alleged violations in three primary ways.

First, BLLC manages the intake, processing, and investigation of complaints that are filed. Twenty-seven investigators work from five district offices located throughout the Commonwealth. After receiving complaints, investigators interview the employers and workers involved and obtain all relevant

documentation, such as contracts and insurance certificates. If it is determined that evidence of a violation exists, the case is referred to the department's Office of Chief Counsel for prosecution, unless the parties first reach a settlement. If the department finds inconclusive evidence of a violation, the investigation may be closed after review by a supervisor.

The second way in which BLLC identifies Act 72 violations is through cooperation with other deputes and bureaus within L&I. The department currently maintains an internal task force, which is comprised of BLLC, the Office of Unemployment Compensation Tax Services (UC Tax Services), and the Workers' Compensation Office of Adjudication (WCOA). As a usual course of business, UC Tax Services performs audits of many Pennsylvania businesses throughout the year, including audits of construction firms. These audits may reveal whether employers have misclassified employees as independent contractors. Pursuant to departmental policy, UC Tax Services then refers its findings to BLLC, which in turn issues fines for Act 72 violations. Similarly, WCOA flags and reports misclassified employees discovered through workers' compensation disputes to BLLC. Based on the recent success of this task force model, the department plans to further expand these collaborative efforts to address misclassification.

Lastly, BLLC identifies Act 72 violations through construction worksite visits. During visits, investigators interview workers on the construction site, review payroll information as appropriate, and distribute educational materials on labor laws to construction workers.

I should also note that this year, the department joined the Joint Task Force on Construction Industry Fraud in Pittsburgh. The task force was created by Pittsburgh City Council in January as a tool to identify construction employers who commit wage violations that result in tax fraud. In addition to the department, the task force includes a number of city officials and the Pittsburgh Regional Building and Construction Trades Council.

Since Governor Wolf took office, the department has stepped up its efforts to detect and prevent misclassification under Act 72. Measuring from 2015, the department has fined over 700 contractors and collected over \$1.5 million in penalties. In 2018 alone, BLLC collected nearly \$567,000 in fines from more than 200 contractors, a 57% uptick from the previous year. Investigators also conducted over 400 on-site investigations of construction sites last year, which represents a 71% increase in productivity over the prior year.

Additionally, under our task force, UC Tax Services identified more than \$36 million in under-reported wages in 2018, and found nearly 1,800 misclassified employees in the construction industry. It is important to point out that while Act 72 is limited to the construction industry, our UC Tax Services offices can pursue unpaid unemployment compensation taxes and impose penalties against employers in any industry who fail to comply with the requirements of the Unemployment Compensation Act. Across all industries, 2018 audits by UC Tax Services discovered over 22,000 unreported employees that generated nearly \$7.2 million in additional unemployment compensation contributions.

While we should certainly acknowledge these successes, there remain significant barriers to curbing all instances of misclassification in the construction industry. For example, the department has received reports of out-of-state firms bringing in vulnerable workers who may be paid in cash to do quick overnight construction work, and then vanishing the next day. Additionally, workers may have a disincentive to report violations when they are paid in cash under the table. In many cases, workers may be reliant on this pay and unwilling to jeopardize their ability to earn income to support themselves or their families. Unfortunately, BLLC typically hears from these misclassified workers only when an

employer withholds pay or when they attempt to file for workers' compensation or unemployment compensation benefits.

For these reasons, L&I is grateful for the introduction of a number of bills by House Democratic members that would amend Act 72 and improve our ability to investigate and impose meaningful penalties. We appreciate your sponsorship of this legislation, and we appreciate your efforts to move these bills forward.

Despite challenges, please know that the department is making real progress in our efforts to combat the practice of misclassification of construction workers, as well as misclassification in other industries. We are committed to our enforcement of Act 72, as well as other labor laws that can identify misclassification like the Unemployment Compensation Act, to protect all workers in Pennsylvania.

Thank you for the opportunity to testify today. I'm happy to answer any questions you may have.

Pa House Democratic Policy Committee Hearing

Wednesday, April 24<sup>th</sup>, 2019

UFCW Local 1776 Keystone State, Testimony from President Wendell Young

Chairman Sturla, Representative Mary Jo Daley and members of the committee –

I first want to welcome you to our union hall here in Plymouth Meeting. This building is our “home base” but we also have offices in Pittston, PA in the Northeast section of PA; Gettysburg in Central PA; and Canonsburg in Western PA – all of which serve the 35,000 members who belong to our union here at UFCW Local 1776 Keystone State. For the benefit of the committee, I provided a document in front of you that lays out where our members work, the companies they work for and a list of products that are made by UFCW 1776 KS members throughout Pennsylvania. I always find the map provides a great way of understanding the diversity of our membership and the different sectors they work in, and I am proud to represent all of those members as we discuss important topics today.

I want to be brief as we have many panelists and want to leave time for questions and answers. There are a lot of topics we could discuss about unions and their roles in workers lives. We collectively bargain contracts, enforce those contracts with real family-sustaining jobs with access to health care and retirement security, we grieve and arbitrate wrongdoings by management and companies we work with, we empower workers with a voice in the workplace and we enforce health and safety standards at the worksite. But what I want to touch on briefly is the importance of unions and their members in the legislative process and why that matters.

We hear a lot of rhetoric and inaccurate statements from a good amount of your colleagues on the other side of the aisle about how unions are “too political” and use politics to empower our organizations and how we are the arm of a certain party or not. That is wrong. I’ll use this example.

Just this past Monday, I sat at roundtable discussion in Berks County with a Republican County Commissioner, conservative and moderate Republicans of both the House and Senate and many other stakeholders to talk about how to avoid privatization of a county nursing home where we represent 300+ workers. We talked about how to include language into the state budget to deliver more revenue to county nursing homes that are still operating in the state. We talked about the Medicaid reimbursement rate. We talked about funds delivered to county nursing homes through the state’s Intergovernmental Transfer Fund. And we talked about the importance of preserving good, union jobs at a high-quality long-term care facility where our members deliver amazing care to their residents.

And guess what. Not any part of that discussion met the rhetoric of what certain House and Senate Republicans would like you to believe on how unions use their time and resources on politics and legislation. Because when we use our time on politics and legislation, it is ALWAYS to the direct benefit of our membership that we represent.

Whether that’s defeating liquor privatization to save 3,500 UFCW 1776KS jobs...

OR pushing for an increase in the minimum wage to give our Day 1 members in retail grocery a higher starting wage...

OR advocating for non-discrimination language for LGBTQ workers so we don't have to collectively bargain language that should already be law...

OR fighting for increased funding for our 5 nursing homes where we represent workers ...

OR fighting at the national level to beat back the Trump administration that wants to increase line speeds at poultry plants where we represent hundreds of workers...

OR fighting for state certifications for pharmacy techs we represent to increase starting rates for those members...

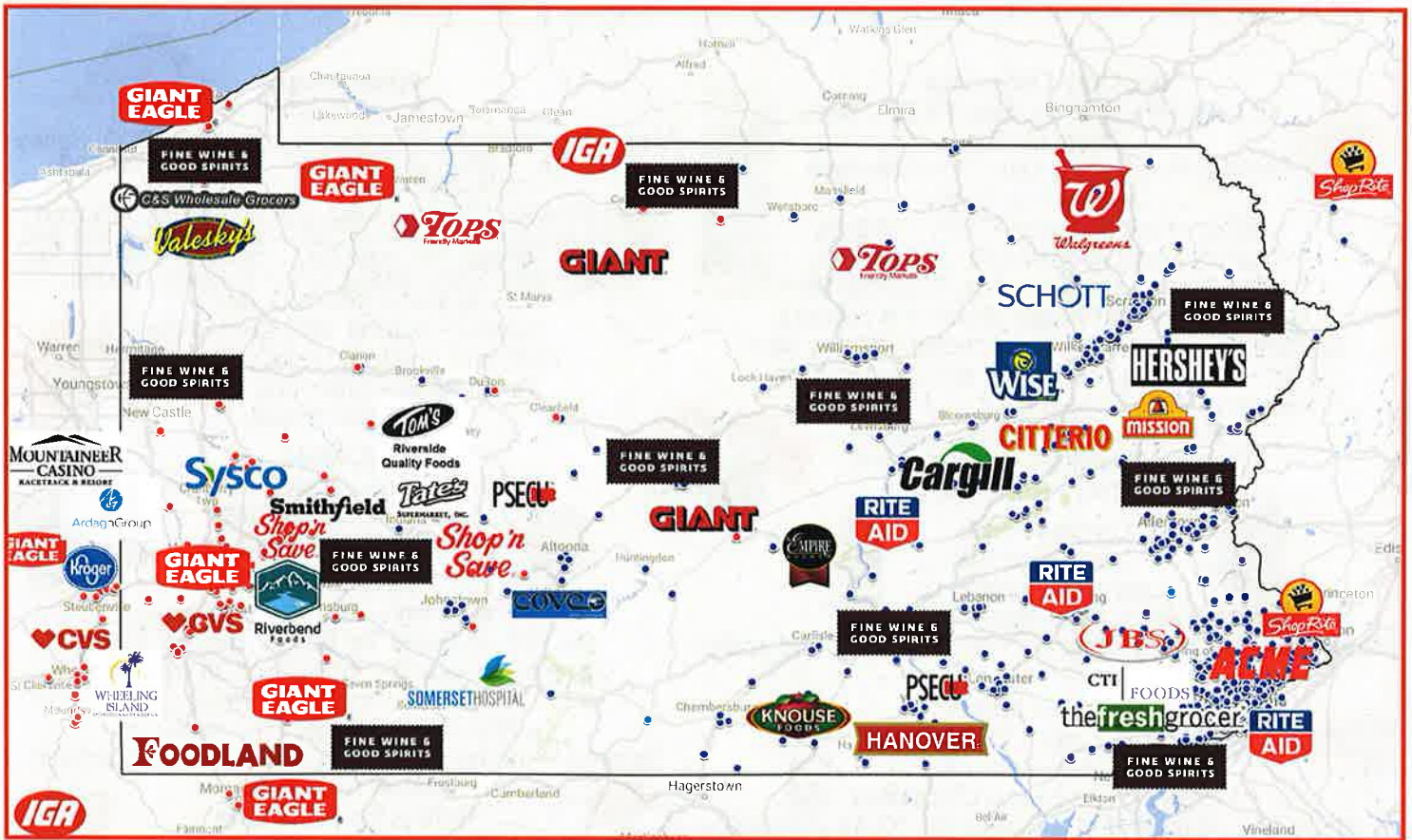
OR helping to get a retail scheduling ordinance passed in Philadelphia that levels the playing field for union retail grocers.

All of it is REPRESENTING our members. Not an ounce of rhetoric the other side would like you to believe actually happens. And why does the other side hate that we can lobby and support candidates who help us on these issues? Because they know with the collective power of union membership, and the resources we can put into accomplishing those goals, it puts more power in the hands of workers and not enough in the hands of their corporate donors.

I find it ironic that these lawmakers who want to limit organizations that benefit workers, don't feel the same about large corporations, right-wing donors, especially in light of Citizens United. Further, it is even more ironic our President doesn't take an approach of "limiting" a foreign government that is intervening in our elections.

That's the truth. And I would be happy to answer any questions about our union, our members and their workplace democracy that anti-union lawmakers would like to take away.

# UFCW UNION MADE



When you shop at union stores and purchase union made goods, you are supporting not only your brothers and sisters at UFCW and other unions, but you send a clear message to non-union stores, "I support employers that support their workers!" In these times, when so many hardworking people are fighting for living wages and working many jobs to support their family, it is more important than ever to speak with your dollars and support good union workplaces that treat workers right, pay a living wage, and create safe working conditions. Supporting unions now helps to create a better life for future generations. And with the better wages and better benefits that being part of a union provides, union workers can afford to invest back in their communities and help make where they live and work a better place. Shop union at grocery stores such as Acme, ShopRite, Giant Eagle, Kroger, Fresh Grocer, and more. Purchase wine and spirits at any PA Wine & Spirits store, indulge your sweet tooth with Hershey's Chocolate, snack away with Wise potato chips, and get the perfect holiday turkey from Empire Kosher. When you shop union, you support your brothers and sisters and help ensure better wages, better benefits, and a united voice.

UFCW Local 1776 Keystone State represents members in food processing, manufacturing, liquor stores, convenience stores and retail grocery, but we are not limited to just those sectors. We represent healthcare facilities and nursing homes such as Birchwood Nursing Home, Timber Ridge, Cedarbrook, Skyline Healthcare, Berks Heim, and more. We also represent many workers in public sector jobs, including employees from several municipalities. Look out for union businesses wherever you go and support workplaces that support their workers. With over 33,000 Local 1776 KS members, plus families, supporting good union employers has the power to make a real difference. It is an investment in people, in quality goods, and protection of union jobs during a time where some companies will do anything to make an extra dollar, even at the worker's expense.



# MADE IN PENNSYLVANIA BY THE MEMBERS OF UFCW LOCAL 1776 KEYSTONE STATE

## Hershey Chocolate



Kit Kats, Kit Kat Snack Size, Kit Kat Minis  
Caramello Bar

Hershey Milk & Extra Dark Chocolate Bars  
Cadbury Mini Eggs

Cadbury Fruit & Nut and Dairy Milk Bars

Cadbury Roast Almond & Royal Dark Bars

Herhey Candy Cane & Cookies 'N' Creme Bars

Hershey Seasonal Shapes (Bunnies & Santas)

Cadbury Fall Harvest Balls, Snack-size Cadbury Bars

Hershey Canadian Milk, Dark and Almond Bars

Hershey Candy Coated Eggs, Hershey Eggies

Hersheyettes & Hershey Drops

Hershey Symphony Almond Toffee

Cadbury Snowballs



## Knouse Foods

Arizona Ice Tea

Lucky Leaf Applesauce

Speas Farm Apple Juice



Musselman Juice, Applesauce, Cherry Pie filling, and apple butter

## Hanover Foods



Steak & Shake - Chili Beans

Casa Solana - Baked Beans

Wendy's - Red Beans, Chili Beans

Chef Quality - Chicken Broth, Beef Broth, Mixed Vegetables  
Sysco - old fashioned beans, puree, tomato sauce, butter  
beans, diced potatoes, kidney beans, mixed vegetables,  
pizza sauce

KFC - Baked beans, green beans

Auntie Anne's - Frozen Soft Pretzels

Hanover Foods - Beans, Frozen Soft Pretzels, Frozen  
Vegetables



## Cargill Meat Solutions

Applebee's Burgers

Wakefern (ShopRite)



## JBS USA

Wendy's Hamburgers

Giant Eagle

Price Chopper

Swift Beef

AHOLD



## Cove Shoe

Boots - Fire, Military, Civilian and Police

## CTI Foods

Burger King Hamburgers

Hardee's Hamburgers

Checkers Hamburgers



## Citterio USA

Prosciutto

Genoa, Milano and Hard Salami

Chorizo

Rosemary, Hot and All Natural Ham

Pancetta

Soppressata

Hot and Sweet Capicola

Mortadella

Bresaola

Speck

Pepperoni



## Wise Foods

Cheeze Doodles



Wise Chips - Natural, Sour Cream and Onion, BBQ, Honey  
BBQ, Sour Cream and Cheddar, Jalapeno, Salt and  
Vinegar, BBQ Ribs, Onion and Garlic

Kettle Cooked - Original, BBQ, Salt & Vinegar, Jalapeno,  
Cracked Pepper, Reduced Fat, BBQ Reduced Fat, Sea Salt  
& Balsamic Vinegar Reduced Fat, Bruchetta Reduced Fat,  
Feta Cheese Reduced Fat, Original New York Deli,  
Jalapeno New York Deli

Tortillas - Natural, BBQ Corn Chips

Popcorn - Cheddar, White and Butter

Onion Rings - Onion and Regular

Deep River Snacks



## Smithfield

McDonald's (east coast) - sausage

Smithfield sausage links

Smithfield sausage patties



## Mission Foods

Burger King - Tortillas for wraps

Old El Paso Brand Tortillas for General Mills

Chipotle Restaurants - Tortillas and un-fried chips

Denny's - Tortillas for wraps

Friendly's - Tortillas for wraps

Popeye's - Tortillas and chips (cheddar cheese tortillas)

Tortillas for Q-doba

Tortillas for Sam's Club

Shaw's Grocery Stores - Mission Tortillas

US Foods - Tortillas and Tortilla Chips

PGF - Tortillas and Tortilla Chips

Sysco - Tortillas and Tortilla Chips

US Army - Tortillas

Reinhart Foods - Tortillas and Tortilla Chips

## Empire Kosher

Empire Kosher Chicken (Tray and Frozen)

Empire Kosher Turkey

Empire Kosher Chicken Nuggets



## Cove Shoe

Boots - Fire, Military, Civilian and Police

## CTI Foods

Burger King Hamburgers

Hardee's Hamburgers

Checkers Hamburgers



## Schott Glass

U.S. Dept. of Defense - Glass

Roni Horn, Artist

Optical and Filter Glass



## Riverbend

Soups and Gravies - Kroger, Albertson's, Aldi, Dollar

General, Target, Save-a-Lot

Earth's Best baby food



TESTIMONY  
OF  
CHAD TRAINER, LEGISLATIVE DIRECTOR OF  
THE PENNSYLVANIA AFL-CIO  
ON  
WHY UNIONS?  
BEFORE THE HOUSE DEMOCRATIC POLICY  
COMMITTEE

April 24, 2019

RICHARD BLOOMINGDALE, PRESIDENT  
FRANK SNYDER, SECRETARY-TREASURER  
PENNSYLVANIA AFL-CIO  
600 NORTH 2<sup>ND</sup> STREET  
HARRISBURG, PA 17101

Good afternoon Chairman Sturla, and members of the House Democratic Policy Committee. My name is Chad Trainer. I am the Legislative Director for the Pennsylvania AFL-CIO, and I am here today on behalf of the affiliated labor organizations representing over 700,000 working women and men.

Thank you for the opportunity to present testimony regarding “Why Unions?”. Much has been made of a "skills-gap" in Pennsylvania, where trying to fill vacancies is a challenge for employers on account of a lack of educational and/or professional qualifications among job applicants. Of course, the private sector has a significant capacity to foster new ideas. But does that make governmental aid inappropriate? Hardly. The Plan4PA points out, “Tax cuts for the rich do not create jobs or grow the economy – paying workers enough to be customers creates real growth. The middle class is paying their fair share; it’s time the rich do, too.”

It is important to appreciate government’s function as an incubator for some of the best ideas here and as a facilitator for implementing them. We must bear in mind what the future holds. The Governor and the General Assembly have been exploring initiatives to investigate the best ideas in these areas. The Governor has created the Keystone Economic Development and Workforce Command Center in the belief that it is imperative that we better align educational investments with workforce needs. The departments of Community and Economic Development, Labor & Industry, State and others will partner with external leaders to find solutions

that will strengthen our workforce. The Command Center will have a first-of-its-kind Employer Fund, which will be a public-private partnership empowering businesses to address this skills gap and propose ideas and practices. The Command Center is being led by the secretaries of the departments of Community and Economic Development, Labor and Industry, and State, the three agencies that have the largest impact on Pennsylvania's workforce and business development. As was the case with the Middle Class Task Force, Gene Barr and Rick Bloomingdale are co-chairs.

Experts speculate that, over the next decade, seven in ten new jobs in Pennsylvania will require workers to use a computer. It is also predicted that an estimated three-hundred thousand science, technology, engineering, and mathematics (STEM) jobs will be available in Pennsylvania by 2026.

With this projected demand in mind, Governor Wolf's 2018-19 budget proposal includes \$50 million for PAsmart, a new workforce development initiative that helps connect Pennsylvanians with resources for working and training in Pennsylvania.<sup>1</sup> PAsmart is based on recommendations of the Governor's Middle Class Task Force, which was composed of business, labor, education, and workforce development leaders. In response to the task force's findings, the governor secured \$30 million to strategically invest in education and workforce development with competitive grants to enhance the skills of Pennsylvania workers.

The prospective need for STEM jobs is certainly important, and we applaud the Governor's initiatives here. But it is also important to appreciate Building Trades apprenticeships as an outstanding avenue to workforce development, especially with the lack of student debt involved and the demand for such skills in our economy. Governor Wolf's Middle Class Task Force established the point that a four-year degree is not for everyone and a one-size fits-all approach will not work. This is important because of the ways words like "higher education" and "skill" are used. We have to be mindful of how we define "skill." Many people enjoy working with their hands, which can also include working with the mind. Education and skills are prevalent features of the Building Trades, and they are renowned for their apprenticeship programs.<sup>2</sup>

We commend the Plan4PA for having as one of its priorities to "Strengthen collective bargaining rights and make sure nurses, teachers, firefighters and other workers have strong unions." Unions help level the playing field. Since having a job is more important to each individual worker than any individual worker is to an employer, employers have an advantage in that they can be more likely to have things their way than any given employee is to have things his or her way. By unionizing, workers, collectively, can be about as important and indispensable to the employer as the employers are to the employees. The more powerful a position workers in a union enjoy, the better a position they are in to get higher wages and

benefits. In addition to negotiating good wages, benefits, and appropriate disciplinary proceedings, unions can blow the whistle on things such as wage theft. They can also ensure safe workplaces, facilitate wage growth generally by prohibiting non-compete covenants and can advocate instead for workers' rights to avail themselves of better paying opportunities.

In apprenticeship and Journey Worker Training, management and labor cooperate and the training is tailored to expected industry requirements. Management and labor also cooperate in bargaining over employee benefit programs.

The Keystone Research Center reports that "the roughly 3,000 individuals completing Pennsylvania construction trade apprenticeships in the last several years remains low compared to the annual number of job openings projected in construction occupations (5,406). This underscores the importance of expanding enrollment in construction apprenticeship programs as older workers retire at high rates."<sup>3</sup> "Over the 2000 to 2016 period, 85 percent of construction apprentices in Pennsylvania participated in joint labor-management programs and 15 percent in non-union, management-only, programs....Starting wages for union apprentices are 36% higher than for non-union apprentices. Upon completion (or 'exit'), the union apprentice pay premium compared to non-union apprentices climbs to 60%."<sup>4</sup> So we must "[e]nsure that high-quality unionized apprenticeships qualify for state subsidies

as part of any expansion of state support for post-secondary education, such as ‘The Pennsylvania Promise’.”<sup>5</sup>

To quote the Keystone Research Center again:

Joint construction apprenticeship is sometimes referred to as the ‘best kept secret’ within Pennsylvania’s education and training infrastructure. At a time when apprenticeship in general is garnering well-deserved—in fact, overdue—support from bipartisan state and national policymakers, joint construction apprenticeship should no longer remain a secret....[J]oint construction apprenticeship is the jewel of existing apprenticeship in Pennsylvania. Relying almost entirely on private sector resources, joint construction apprenticeships train thousands of people a year for good-paying jobs....This highly successful approach to training a skilled trades workforce generates significant benefits for employers, individuals, and the state’s economy. Any future public investment in construction skills training in Pennsylvania should build on the strong foundation laid by joint apprenticeship programs (Herzenberg/Polson/Price 2).

Skilled trade and manufacturing are two examples of industries that are struggling to fill positions. When the Wolf administration is working in concert with the Building Trades apprenticeship programs, it is further providing opportunities to acquire genuine, marketable skills and enabling apprentices to not just avoid debt but earn income for working while learning in areas of work currently experiencing a dearth of such skills.

We must recall that for every dollar the federal government spent on the GI bill, the return on investment was \$6.90 in additional tax revenues. Moreover, Wall Street was happy to have governmental support at its disposal in the wake of its collapse. So, just as the middle class was there to bail out Wall Street in the wake of the Financial Crisis, it is high time that the government be there in the meantime to help the middle class, and we heartily support the Plan4PA.

I thank you for this opportunity to appear before you.

<sup>1</sup> The way this \$50 million breaks down is a \$25 million increase in Science, Technology, Engineering, and Mathematics (STEM) and computer science education at all levels. (Over the next decade, more than 70 percent of new jobs will require these skills.); a \$7 million increase in apprenticeships with a goal of doubling the number of registered apprentices by 2025; a \$3 million increase for Industry Partnerships which bring together workers and multiple employers in the same industry in a public-private partnership to provide job training; a \$10 million increase to develop Career and Technical Education and STEM career pathways to help students learn about career options and earn an associate degree at a lower cost and in less time; and an additional \$5 million to encourage employers to partner with colleges and universities to develop educational programs that prepare students for the high-demand jobs that local employers need.

<sup>2</sup> It is important to appreciate the concepts of *education* and *skills* as not just products of college education but also of many trades and apprenticeships, especially as we run the risk of education aggravating income inequality in our nation instead of living up to its potential as the *great equalizer*. Indeed, celebrated as the “great equalizer,” the costs of college education have become so prohibitive that it actually aggravates income inequality instead of alleviating it. Even in cases where people are able to muster the financial wherewithal to complete a college program, the majority of these people end up being saddled with substantial debt. Labor lawyer Thomas Geoghegan asks us to think twice about this idea of college education being *the* solution to the problem of income inequality. He cites the Harvard Graduate School of Education’s Pathways to Prosperity Project’s 2011 report. “The report notes that while the United States is expected to create 47 million jobs in the ten-year period ending in 2018, only a third of these jobs will require a bachelor’s degree. And these are the new, cutting-edge jobs” (Geoghegan 2014 121). Our country’s economy is one wherein we keep the wages of “high school jobs” low, thereby forcing more youngsters to go to college. We both vastly increase the costs of college and facilitate the means by which would-be college students can go into debt. The upshot of this is a surplus of college graduates with extraordinary levels of debt all the while “bidding down the pay on the *same* number of college-level jobs” (Geoghegan 2014 117). As an alternative approach nations can adopt, Geoghegan cites Germany with both its highly competitive economy and its comparatively low percentage of college graduates. His explanation of this is “a labor law model that tilts the country into a labor-management partnership that creates higher skills” (Geoghegan 2014 121).

<sup>3</sup> Herzenberg/Polson/Price 2

<sup>4</sup> Herzenberg/Polson/Price 2

<sup>5</sup> Herzenberg/Polson/Price 2, The Pennsylvania Promise is a plan for a program that could:

cover two years of tuition and fees for any recent high school graduate enrolled full

time at one of the Commonwealth’s 14 public community colleges;

cover four years of tuition and fees for any recent high school graduate with a family income less than or equal to \$110,000 per year accepted into one of the 14 universities in the State System of Higher Education;

provide 4 years of grants ranging from \$2,000 up to \$11,000, depending on family income, for students accepted into a state-related university.

Provide free college tuition and fees for adults without a college degree, with priority going to those seeking in-demand skills and industry-recognized credentials, as well as college credit.

## References

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