

Remarks by Secretary of the Treasury Janet L. Yellen in Milwaukee, Wisconsin

January 26, 2024

As Prepared for Delivery

Lindsay, thank you for your introduction and your leadership of WRTP | BIG STEP. I am excited to announce that WRTP | BIG STEP will soon be starting construction to expand and modernize this training facility, using \$1.5 million in federal funds. These funds are thanks to Senator Baldwin's tireless work, part of her long commitment to grow Wisconsin's manufacturing economy. Alongside the support we've provided through the American Rescue Plan, they'll help WRTP | BIG STEP continue to advance its mission to equip residents with the skills they need to get well-paying jobs and get ahead. It's a tremendous milestone.

Yesterday in Chicago, I spoke about President Biden's focus on supporting America's middle class. The President and I believe that our country's growth isn't meaningful if the gains are not widely shared. And a strong American middle class is key to building a strong economy.

Over decades, the middle class in America has faced challenges. That includes obstacles to accessing good jobs. Decades ago, industrialization fueled opportunity in cities like Milwaukee. And you didn't need a college degree to take advantage of it. Three out of four jobs in the 1970s required at most a high school diploma. Since then, opportunity in this country has become too concentrated on the coasts and in wealthier communities. Now, two out of three jobs require more than a high school diploma. For the more than half of Americans over the age of 25 who don't have college degrees, it has been hard to find pathways to the middle class.

The President and I know how much having a good job can mean. It can be the difference between being able to provide for one's family and having to struggle to do so; between a life that feels stable and one that feels precarious; between thinking only about this month and planning for the years ahead. This means the opportunity to have a good job should be part of what it means to be an American today. This should be true no matter where you live and whether or not you have a college degree.

Today in Milwaukee, I want to talk about what this Administration is doing to make getting a good job a reality for more Americans. Over the past three years, America has seen a historic labor market recovery even as inflation has declined significantly. The economy created 2.7 million jobs in 2023, more jobs than during any year of the prior Administration. Last month, the unemployment rate stayed below 4 percent, continuing the longest streak in over 50 years. Real wages—wages after adjusting for inflation—have increased. And Americans have rejoined the workforce, with the prime-age labor force participation rate up over two percentage points from January 2021.

We're helping create and strengthen pathways to good jobs for Americans across the country—through the American Rescue Plan, our support of unions, and a historic trifecta of legislation. I'll talk about each of these aspects of our economic plan today.

I. GOOD JOBS THROUGH THE AMERICAN RESCUE PLAN

Let me start with the American Rescue Plan. During the depths of the pandemic, the Rescue Plan provided critical support to workers and businesses. It helped us avoid the painful scarring we saw in the Great Recession. And it's also enabling long-term investments in workers. The State and Local Fiscal Recovery Funds program made unprecedented funding available to cities and states, and we've encouraged spending it on workforce development. State and local governments have responded. They report having committed nearly \$13 billion to support for workers. There are new and expanding workforce development programs in key industries all across the country. For example, Maricopa County, Arizona is using state and local recovery funds for a training and credentialing program for in-demand fields, from construction to information technology. Charlotte, North Carolina is using funds to support non-profits that train residents in targeted growth industries, including advanced manufacturing. WRTP | BIG STEP is providing new credentialing opportunities, including in green construction.

What's important is not just how much we spend on workforce development, but how it's done. We've engaged here as well, convening stakeholders across the public, private, and non-profit sectors to share best practices, such as providing supportive services. One's ability to succeed in one's career is connected to one's other needs and priorities, so workforce training shouldn't stand alone. You can't show up to an apprenticeship program on time or join extra training if you need to look after your kids. We're encouraged to see programs that recognize this, such as one through Gallatin College Montana State University that provides childcare

for parents attending evening classes. I know Lindsay has spoken powerfully about the need for other services too, such as mentorship and coaching for young apprentices.

This Administration has also been clear that workforce development programs, like the whole of our economic agenda, should reach places and people where potential exists but opportunity often hasn't. We're funding apprenticeship programs like one in Syracuse, New York that focuses on women, people of color, and veterans. We're supporting Maine's Clean Energy Partnership that focuses on opportunities for underrepresented communities. Here in Milwaukee, WRTP | BIG STEP expands its reach through partnering with groups such as the Northwest Side Community Development Corporation just a few blocks away.

II. GOOD JOBS THROUGH SUPPORT OF UNIONS

Our efforts to support good jobs and build pathways into them also include our support of unions. President Biden has been a champion for unions throughout his career and is now fighting for them as President. As Treasury Secretary, I've gotten to see the crucial role that unions play in training workers firsthand. Last year, I visited the International Brotherhood of Electrical Workers facility in Las Vegas, where workers are getting the training they need for jobs on clean energy projects.

It's not just training that helps. Partnerships between workforce development programs and unions can also strengthen the link between training and employment. That means that training will directly lead to a job. WRTP | BIG STEP recognizes this, and I'm very glad to see union representatives here today. The impact of these and other partnerships with employers is clear in the outcomes we're seeing: 100 percent of graduates from WRTP | BIG STEP's 2022 Summer Trades Academy received job offers.

Union jobs are also more likely to be good ones. Last year, Treasury released a first-of-its-kind report showing that union members typically earn higher wages. The differential averages between 10 to 15 percent. And unions improve fringe benefits and workforce procedures that matter to workers, such as retirement plans and predictable scheduling. Unionization also has spillover effects, leading to increased wages at nonunionized firms due to competition. Unions can drive changes across whole industries, such as heightened workplace safety norms. Through encouraging fairer wage practices, unions are also part of creating a fairer economy.

III. GOOD JOBS THROUGH OUR LONG-TERM AGENDA

Good jobs are also at the heart of our long-term agenda. During the first two years of this Administration, the President signed into law a trifecta of historic legislation: the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act. We're now busy implementing these programs. We're building toward a different country in which roads, bridges, and ports are better, enabling goods to reach us faster and at lower cost. In which strengthened manufacturing at home makes our country more secure. In which cutting-edge clean energy technologies bring down costs for American families and propel us toward our climate goals. Private sector companies have announced over \$600 billion in manufacturing and clean energy commitments since the start of the Administration, such as WEC ("W-E-C") Energy Group's announcement of over \$400 million for Wisconsin's first large-scale solar and battery storage project outside of Milwaukee.

This legislation is creating new opportunities for American workers, and we're making sure they have the skills they need to take advantage of them. The Bipartisan Infrastructure Law includes more than \$800 million for workforce development. The CHIPS and Science Act includes requirements for companies to work with partners to set up training programs. The Inflation Reduction Act provides a bonus for projects meeting prevailing wage and apprenticeship requirements, incentivizing companies to create well-paying jobs in new industries and provide training for them.

These efforts are reaching places and people that have been too often left behind. That includes Americans without college degrees. One study estimates that over 60 percent of semiconductor manufacturing roles don't require a bachelor's degree. And so far, 86 percent of announced IRA-related investment dollars have been in counties where the college graduation rate is below the national average.

The jobs being created are good ones—ones that provide pathways to the middle class. For example, the median annual salary for wind service technicians and solar photovoltaic installers is around \$60,000—nearly 25 percent above the national median. And one study found that workers newly employed by the growing green-energy sector have wages 40 percent higher than they earned in non-energy jobs.

IV. CONCLUSION

The President and I know there's much more work to do to get American workers into good jobs. We're fighting for more support for training programs and more funding for community colleges.

But I'm already seeing momentum across the country, from my visit to Roxbury Community College in Boston last month—where students are being trained to green the buildings of the future—to my visit here today. Workforce development programs aren't new. But with this Administration, programs like WRTP | BIG STEP are getting more of the support they need. And funding workforce development through the American Rescue Plan is part of our broader focus on American workers, from supporting unions to our long-term agenda. Over time, our policies and investments will create new opportunities, changing the lives of American families.

Thank you all for being here today and for being part of this exciting moment.

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