

ABOUT NAWI

The North American Workforce Initiative (NAWI) has been established by the George W Bush Institute and the North American Strategy For Competitiveness (NASCO), supported by the Manufacturing Skill Standards Council (MSSC) and Frontline Education, under the aegis of the USMCA Competitiveness Committee, to focus on North American competitiveness, by strengthening the workforce necessary to build strong supply chains, and increase our manufacturing capabilities and capacities.

We are doing so through two interrelated initiatives:

WORKFORCE SYSTEMS ANALYSIS

We have published two documents, both entitled "Bolstering North America's Competitiveness: via a coordinated approach to workforce development".

One document is a comparative study of the workforce development systems in the United States, Mexico and Canada. The second document provides specific recommendations for the three governments consideration, relative to what the next steps toward a tri-national approach to workforce development, might look like, in moving toward a workforce development "ecosystem" in North America.

NAWI PILOT PROJECTS

In order to lend credence to our recommendations, we are currently formulating regional Consortia, to serve as "Pilot Projects", utilizing uniform curriculum, and nationally recognized industry certifications, focused on the Manufacturing and Logistics Sectors.









BACKGROUND

The concept of the North America Workforce Initiative (NAWI) initially came from a USMCA meeting, co-hosted by the North American Strategy for Competitiveness (NASCO) and the George W Bush Institute, on December 15, 2021.

It was the first of three meetings hosted in succession, focused on the USMCA Trade Agreement, supported and attended by representatives of the 3 entities that oversee the Tri-lateral Competitiveness Committee, codified under the USMCA trade agreement:

- 1) For the US, the Office of the United States Trade Representative;
- 2) For Canada, Global Affairs Canada; and
- 3) For Mexico, Secretary of the Economy, Government of Mexico.

In particular, the purpose of the meeting was to discuss the USMCA Competitiveness Committee's decision to focus on Workforce Development, relative to North American competitiveness.

The meeting focused on the need to increase North American manufacturing production and assembly, and the supply chain, inclusive of transportation, distribution and logistics.

At the conclusion of the meeting, NASCO and the George W Bush Institute proposed a tri-national task force be convened, to focus on developing recommendations for the USMCA Competitiveness Committee, relative to the competitiveness issues discussed during the December 15 meeting. That recommendation was supported by those in attendance.

In response, NASCO & the George W Bush Institute announced the formation of a trinational task force, to be known as the North American Workforce Initiative (NAWI), comprised of organizations from the U.S., Mexico, and Canada.

Organizations attending the December 15, 2021 meeting were invited to name a representative to the Task Force, if they were interested in participation.

The resultant North American Workforce Initiative Task Force convened on multiple occasions in January and February, 2022. The initial meeting resulted in 15 recommendations proposed for projects. These proposals were thoroughly discussed over a period of two months, with the task force reaching agreement that they would focus on developing two of the recommendations proposed.

The two selected were:

1) to study and evaluate the Workforce Development Systems of the three countries, in order to compare and contrast both similarities and differences; and document the findings in a "White Paper," and

BACKGROUND

- 2) to establish Regional Consortiums to develop Pilot Projects that would demonstrate the worth and value of nationally and internationally recognized industry certifications, (preferably those recognized be ISO) focused specifically on strengthening the competitiveness of the workforce in two critical sectors:
 - (1) manufacturing & assembly operations; and
 - (2) transportation, distribution, and logistics, supporting the supply chain

In determining next steps, CyLynn Braswell, Ed.D, Senior Advisor, Frontline Education, who proposed the study & evaluation of the 3 systems, agreed to lead the study and draft the Report; and Wes Jurey, Workforce Development Strategist, Manufacturing Skill Standards Council (MSSC), who proposed the Pilot Projects, agreed to lead their development.

Two additional meetings were then held in the spring of 2022, hosted by Mexico and Canada, where the two proposals were presented to seek additional input, which was supportive.

The Task Force began to meet consistently in March, 2022, the goal being to prepare for a meeting with the US Trade Representatives Office in Kansas City, at the NASCO Continental Reunion, September 26–28, 2022.

A NAWI "Steering Committee" of the Task Force was established, inclusive of Tiffany Melvin, NASCO; Matt Rooney, George W Bush Institute; CyLynn Braswell, Ed.D, Frontline Education; and Wes Jurey, MSSC.

The Steering Committee met September 2022 with US Trade Representative (UTSR) officials in Kansas City, led by Dan O'Brien, who also leads the USMCA "Competitiveness Committee".

Positive feedback was received from them, as well as a pledge of support for the two recommendations. This included USTR working directly with the NAWI Steering Committee to help guide our work, and to introduce us to other US Federal Agencies during the process.

Following the NASCO meeting in Kansas City, a meeting was hosted by Mexico, followed by a meeting hosted by Canada.

Our two recommendations were presented and discussed at both meetings, and were well received with support from the attendees and government officials.

PROJECT FOCUS

The "White Paper", entitled "Bolstering North America's Competitiveness Via a Coordinated Approach to Workforce Development" was completed, published and released on August 30, 2023 at the NASCO Reunion in Edmonton, Canada. It is focused on comparisons of the three countries workforce development systems, in order to determine where we can align our systems, to establish what we are currently calling a "North American Skills Ecosystem".

WORKFORCE STUDY It looks specifically at Apprenticeships, noting that each country has an Apprenticeship approach. An interesting fact is that although a significant amount of transportation related jobs require a CDL (Drivers License), none of the three countries are actually focused on it, nor is it on their radar.

A companion document to the "White Paper" was also published and released, articulating recommendations made to the USMCA Competitiveness Committee, based on the "White Paper's" findings.

Now that both the "White Paper" and Recommendations Document are completed, they are being used to inform the Pilot Projects in advance of our projected launch, in fall 2024.

Each "Pilot Project" is focused in one of two ways.

Economic Regions: identifying "economic regions" within each country, bringing together business, government, education and workforce development, utilizing "nationally and/or internationally recognized industry certifications" for manufacturing and logistics, comparing and contrasting the performance and retention rates between individuals with certifications, and those who are not certified. To date, 11 Pilot Projects have been identified, among the three countries we are working with.

PILOT PROJECTS

Border Regions: identifying regions on the two borders (US-Canada and US-Mexico) to conduct pilot projects in a manner like the projects that will be conducted in one country. These include Detroit/Windsor on the US/Canadian border, and El Paso/Juarez, Laredo/Nuevo Laredo and Arizona/Sonora on the US /Mexican border. To date, 6 Pilot Projects have been identified in locations on our two international borders we are working with.

PROJECT FOCUS

GOALS

We have established four fundamental goals for each of the Pilot Projects:

One; to evaluate any differences in the curriculum content of each nation's nationally recognized industry certifications that support Manufacturing and Logistics. We have agreed that Certifications utilized must minimally be (1) formally recognized by the government of their country; (2) endorsed by a third-party organization, representing that industry sector; and (3) preferably, ISO recognized, given this is an International Pilot Project Initiative. (NOTE: ISO has established a quality standard for personnel certifications (ISO 17024). The International Accreditation Service (IAS) and the American National Standards Institute (ANSI) are the organizations in the U.S. that offer accreditation under this standard)

<u>Two</u>, To evaluate the differences in performance between hiring jobseekers certified with one of the certifications, to enable comparisons among the certifications used, and comparisons with non-certified jobseekers from two perspectives: (1) the cost the employer incurs in the first 6 months in hiring and training both skilled and unskilled workers; and (2) the retention rates between skilled and non-skilled jobseekers at six months.

As one example, in a recent study, Walmart cited that of the non-skilled jobseekers they hired, they spent approximately \$10,000 per new hire in the first six months to train them to Walmart Standards. and retained 50% at the end of six months.

Of the nationally recognized industry certified jobseekers Walmart hired, they spent only \$1,000 per new hire in the first six months, and retained 90%.

<u>Three</u>, to demonstrate the effectiveness of engaging "opportunity populations" to meet the unmet demand by employers for skilled, trained, competent jobseekers; which includes indigenous populations, underserved populations, youth at risk, Justice involved, etc. as these populations comprise more than 1/3 of the adult age workforce in all 3 countries.

<u>Four</u>: Assess & identify any related issues that impact, positively or negatively, the success of the project outcomes. This could include issues such as the lack of childcare, the need for transportation, or any other related issues.

COMPOSITION OF PROJECTS

Each Pilot Project will effectively establish a "public private partnership" within their "economic region", comprised of (1) business and industry, inclusive of the organizations that represent business; (2) the country's local workforce system, and (3) the country's local educational system.

EXPECTED OUTCOMES

The 3 stakeholders in each of the Projects represent the components necessary to utilize nationally and/or tri-nationally recognized industry certifications as the basis for the development of "Talent Pipelines".

Technical assistance will be provided to each pilot project, with the expectation that the stakeholders work together to develop a model that is sustainable, scalable, and replicable.

PROJECT OVERSIGHT & EVALUATION

PROJECT STEERING COMMITTEE

The Project Steering Committee, comprised of the George W. Bush Institute, North American Strategy For Competitiveness(NASCO), the Manufacturing Skill Standards Council (MSSC), and Frontline Education, will manage the overall Pilot Project Initiative. The Steering Committee will (1) provide direct technical assistance, support, and coordination to all pilot projects; (2) support and work with the NAWI Advisory Council, comprised of government agencies in all three countries, and non-governmental entities; (3) convene meetings of all project sites at least twice annually, to share lessons learned, discuss best practices, and review progress and outcomes; and (4) interface directly with the USMCA Competitiveness Committee, to assist their monitoring of our progress.

NAWI ADVISORY COUNCIL

A NAWI Advisory Council has been formed, comprised of governmental agencies and non-governmental entities at regional and federal /national levels.

The premise of the Advisory Council came from discussions with governmental and non-governmental entities and agencies, most expressed an interest in some level of involvement with the project.

The Advisory Council will (1) monitor the "Pilot Projects"; (2) provide assistance to the projects, which may include complementary programs, technical assistance, and additional resources; (3) meet at least two times annually, to receive progress reports, and offer advice and counsel to both the sites and the project steering committee; and (4) advocate for the adoption of the results of the pilot projects by their respective governments, once the projects have demonstrated their effectiveness.

NAWI ADVISORY COUNCIL

The following entities have joined or expressed interest in joining the Advisory Council:

- Office of US Trade Representative (Daniel O'Brien, Daniel Watson, Braeden Young)
- US Department of Homeland Security, inclusive of the Office of International Affairs (Deborah Meyers) and the Office of Trade Relations (Valerie Neuhart)
- US Department Of Commerce, specifically the International Trade Specialist, Mexico Desk (Alex Tercero Chacon)
- US Small Business Administration, specifically the Office of International Trade, International Affairs and Trade Policy (Sarah Bonner)
- US Department of Transportation, specifically the Office of International Transportation and Trade (Julie Abraham)
- US Congressional GIS Caucus (Ken Fealing)
- US Chamber of Commerce, inclusive of both the Chamber and the US Chamber Of Commerce Foundation. (Cheryl Oldham, Jason Tyszko)
- Government of Alberta, specifically the Embassy of Canada (Julie Bareman)
- Government of Saskatchewan, specifically the International Relations Branch, Trade & Export Development (Richard Davis)

CURRENT PILOT PROJECTS

The Steering Committee is currently working with 17 organizations in the following geographic areas, who have expressed strong interest or committed to establish one of our pilot projects, either in one of the three countries, or on one of the two international borders.

Wes Jurey is working directly with each potential project to determine the organizations that will make a commitment to move forward in 2024. (Those highlighted in blue have committed to establish Projects).

US PROJECTS (4)

Dallas/Ft Worth

Dallas/Ft. Worth has committed to establish a Project. Organizations currently include Dallas ISD, Dallas College, the Dallas Workforce Board, the South Dallas Inland Port, Alliance Airport, and Northwest ISD.

Houston

Houston has committed to establish a Project. Organizations currently include Houston Community College, the Greater Houston Manufacturing Association, the United Way, and the Gulf Coast Workforce Board.

Chicago

Interest has been expressed by organizations in Chicago, to include the Will County Center for Economic Development, and the Chicago Metropolitan Agency for Planning.

Seattle /Tacoma

Interest has been expressed by organizations in Seattle/Tacoma, by The Northwest Seaport Alliance.

US/MEXICO BORDER PROJECTS (5)

Laredo/Nuevo Laredo

Laredo has committed to establish a Project in Laredo/Nuevo Laredo. Organizations committed include Laredo Community College, the City of Laredo, the Laredo Chamber Of Commerce, the Laredo, Workforce Board, the Laredo School District, and numerous business leaders. It should be noted that approximately 50% of all US-Mexico trade flows through this point of entry.

El Paso/Juarez

El Paso has committed to establish a Project on the US/Mexico Border, led by the El Paso Hispanic Chamber of Commerce, in their 3 state, 2 country region. Organizations include El Paso Community College, the University of Texas at El Paso, Western Technical College, Southwest University, the City of El Paso, and the local workforce Board. It should be noted that approximately 25% of all US-Mexico trade flows through this point of entry.

US/Mexico

Interest has been expressed by the Labor Mobility Partnership (LaMP), and COMAR, focused on a Pilot to establish circular training and labor mobility for truck drivers in the US and Mexico.

Arizona/Sonora

The Serrato Corporation, which manages multiple Job Corps Centers throughout the United States, has committed to establishing a Pilot Project on the US/Mexico border between Arizona and Sonora. That Port of Entry is currently working on a \$500 million expansion, and is one of four primary trade corridors for the flow of trade between the US and Mexico.

Dallas/Mexico City

Kosmosway, a nonprofit operating in both Dallas, Texas, and Mexico City, has committed to establish a Pilot Project focused on "pre-certification" as a complement to existing training programs. Kosmosway will operate "Switch Workshops", serving opportunity youth, providing the motivation and tools necessary to connect with, and benefit from industry certification training as a path to succeeding in the workforce. The workshops are available in English and Spanish, and will be held at the National Museum of Art in Mexico City, and the Museum of Art in Dallas.

MEXICO PROJECTS (4)

SanLuis Potosi

Interest has been expressed by a group of industry and organizational partners, led by the World Trade Center in San Luis Potosi.

• INDEX

Interest has been expressed by INDEX and INDEX University.

Monterrey

Joffroy Global has committed to develop a Pilot Project in Monterrey, focusing to some degree on the challenges of export/import at the International Borders. He also discussed the Ports at Laredo, Otay Mesa, and Nogales.

Motion Picture Association

The Motion Picture Association, headquartered in California, has committed to develop a Pilot Project in Mexico, focused on the workforce development needs of the Motion Picture Association, which includes both the logistical requirements of the industry to move equipment to locations; and the ability to train individuals living within the locations where movies are filmed, to Industry standards.

US/CANADA BORDER PROJECT (1)

Detroit/Windsor

The Detroit Regional Chamber Of Commerce; the Canada-US Business Association; the Cross Border Institute at the University Of Windsor, the Detroit Job Corps, and the Excellence in Manufacturing Consortium (EMC) have committed to establish a Project on the US-Canadian Border. It should be noted that 25% of all US- Canadian trade flow comes through this international port of entry. That 25% is greater than the trade flow between the US and Japan, or the US and UK.

CANADA PROJECTS (3)

Community College Consortium

A consortium of Community Colleges, led by Mohawk College, and RRC Polytech at Winnipeg, has expressed interest to establish a Project, focused on their roles as the east-west transition point.

Edmonton

Edmonton Global has committed to establish a Project in the Edmonton region, relative to Manufacturing and Logistics.

Calgary

Workforce Strategies, a Consulting Firm in Calgary, and Canada West have committed to establish a project in the Calgary region.

ELECTED OFFICIALS

To date, we have met with and/or briefed the following U.S. Federal elected officials:

- Sen. John Cornyn TX
- Rep. Henry Cuellar TX
- Rep. Roger Williams TX

Moving forward, we will continue to schedule meetings with federal elected officials from each of the states in which a pilot project will be conducted.

We also plan to identify a primary organization in Mexico that will interface with Mexican government agencies, and a primary organization in Canada that will interface with Canadian government agencies.

RECENT NASCO MEETINGS

NASCO led Fly-ins in spring 2023 to Washington, DC and Mexico City. A Fly-in will also be planned for Ottawa, Canada in spring 2024. One of the purposes of the Fly-ins was to discuss our NAWI project with government officials in all three countries.

NASCO's Annual Continental Reunion was held in Edmonton, Canada, in August, 2023, where the NAWI Steering Committee made a presentation on the "Pilot Project Concept" and distributed the "White Paper." The response from attendees was very supportive.

The 2023 "Fly-in" to Washington, DC met with the following agencies and organizations:



WASHINGTON, DC MAY 15-17, 2023

U.S. AGENCY/CONGRESSIONAL MEETINGS

- US Trade Representative's Office
- US Department of Transportation
- US Small Business Administration
- US Department of Homeland Security
- USAID
- US Department of Commerce
- US Congressman Henry Cuellar
- US Congressman Roger Williams
- US Senator John Cornyn
- Congressional GIS Caucus

ADDITIONAL ORGANIZATIONS

- Will County Center for Economic Development
- Chicago Metropolitan Agency for Planning
- The Northwest Seaport Alliance
- Canadian Embassy
- INDEX University
- City of Winnipeg
- Government of Saskatchewan
- Government of Alberta

PATH FORWARD

This section of the Report documents the benchmarks we have established, premised on a formal launch date of September, 2024 for the Pilot Projects.

NASCO REUNION-AUGUST 29-31, 2023

We utilized the NASCO Reunion in Edmonton, Canada, to formally release the "White Paper" and our Recommendations to the USMCA Competitiveness Committee, and present the Concept for our Pilot Projects. All were well received.

FINALIZE PILOT PROJECT SITES & PARTNERS-DECEMBER 31, 2023

December 31, 2023 was our cut off to accept applications for pilot projects. We are currently working with organizations in 17 regions to finalize their commitments and support their establishment of a regional project steering committee.

ESTABLISH ADVISORY COUNCIL-MARCH 31, 2024

We are currently working with all entities that have expressed interest in monitoring, supporting, advising, or in someway assisting with the identified pilot projects. We are currently working with each organization that expressed interest to date, to finalize their commitment to serve as a member of the "Tri-national Advisory Council". We expect to finalize Council Membership by March 31, 2024, and hold the first organizational meeting in April, 2024.

LAUNCH PILOT PROJECTS-SEPTEMBER 1, 2024

Our goal is to formally launch all pilot projects by the start of the Fall Semester, September 2024.

DURATION

Our goal is to continue the pilot projects for two years (2024-2026), bringing the project sites together on a regular basis, monitoring outcomes, determining best practices, and providing technical assistance and support.

