Massachusetts Taxpayers Foundation

Sector-Based Workforce Investments – Most Important Things to Know

- **State investments in sector-based workforce programs have significantly increased over the past five years.** In FY 2023, policymakers increased annual budget spending for sector-based workforce programs by $44.2 million (130 percent) over FY 2019. This total does not include more than $400 million of sector-based workforce investments in the two COVID recovery and economic development bills. These programs prioritize creating talent pipelines to critical job sectors by providing financial assistance for training and streamlined credentialing courses. The pandemic's impact on critical sectors has likely contributed to increased funding over the past five years.

- **Increased funding has led to increased participation.** Increased workforce spending for sector-based programs over the past five years has resulted in more than 17,000 participants in FY 2023. This increase of roughly 6,000 participants over FY 2019 is likely due to investments made in recent years between Career Technical Institutes and the Innovation Career Pathways programs.

- **Sector-based workforce programming relies on regional workforce needs.** Given the nature of sector-based workforce demand, the state depends on local engagement through regional blueprints and collaboration with local employers to inform training and education programs. This partnership between the state and employers is critical to developing programming and bringing awareness of in-demand employment opportunities.

- **Sector-based workforce investments are distributed broadly compared to other workforce programs.** There are 22 sector-based workforce line items in the budget, double the number of individual workforce training line items highlighted in MTF's earlier brief. Additionally, the five largest sector-based programs make up 66 percent of all workforce spending in the category, compared to six individual workforce training programs making up 90 percent of funding in its workforce category.