

Supporting a 21st-Century Workforce in Puerto Rico: Challenges and Options for Improving Puerto Rico's Workforce System Following Hurricanes Irma and Maria in 2017



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A strategic goal of the posthurricane recovery plan for Puerto Rico is developing a modern workforce. Authors describe a course of action for a workforce development system that addresses workforce shortages and brings longer-term benefits to individuals, the community, and the economy. This system includes strong kindergarten-through-postsecondary education and career pathways and aligns training with the evolving labor market and local business needs.

RESEARCH QUESTIONS

- What are the short-term, acute workforce issues in Puerto Rico that could make implementing hurricane recovery more difficult?
- What are the long-term, structural workforce issues in Puerto Rico that could limit economic growth spurred by hurricane recovery?
- What are the skills needed for key occupations in the short and long terms, and what training and education infrastructure do they require?
- What factors could impede participating in training and education programs?
- Where are viable sources of funding for training and education programs?
- What would be the long-term plan for ensuring sustainability of the trained local talent pool in Puerto Rico?

KEY FINDINGS

- **At every age and education level, labor force participation in Puerto Rico is lower than that in the United States overall.** Younger workers and less educated workers especially have low participation rates. Puerto Rico has extensive informal employment.
- **There are numerous challenges to broad workforce development policy in Puerto Rico.** Puerto Rico experiences fluctuating outmigration rates relative to those in the continental United States, which are of particular concern in skilled industries, such as health care. Although the cost of living is lower in Puerto Rico, nearly all jobs pay more in the continental United States, and certain jobs have much higher pay.
- **The postsecondary education system has issues of affordability and fragmentation.** Puerto Rico has a large, public four-year university system with highly subsidized tuition; however, it is still unaffordable to a broad swath of Puerto Rico's population. Puerto Rico does not have a large, public two-year university system and instead has a high number of for-profit colleges.
- **Education and training opportunities for occupations in high demand are not well aligned.** Any long-term workforce development policies or strategies must therefore encompass training and education across the spectrum of education level. Lack of clarity and uniformity here jeopardizes the value of an individual's training and education credentials and in turn makes it difficult to gauge the returns on human capital investment.

RECOMMENDATIONS

- A range of policy options to address short-term workforce challenges includes the following:
 - Let the market guide workforce development. Job openings and wage levels may steer individuals toward optimal training and employment outcomes. This strategy relies on private businesses and nonprofits and requires little to no local government capacity to implement.
 - Contract a skilled and experienced workforce temporarily from the continental United States. In this way, Puerto Rico can address immediate recovery construction needs while avoiding more intensive investments. These contracts might incentivize the hiring of local construction workers when possible.
 - Train Puerto Rico's workers remotely in the continental United States. This requires tuition support from the government of Puerto Rico but fewer direct investments in workforce development infrastructure. It leverages existing expertise in hurricane reconstruction and recovery from other states, such as Texas, Louisiana, and Florida, and provides a skilled construction workforce in the short term.
 - Implement short-term career and technical training opportunities in Puerto Rico, which could develop a local labor force in high-demand occupations and provide viable career pathways for Puerto Rico's residents.
- A longer-term effort would be to implement a comprehensive workforce development system. Key activities include setting up workforce training "centers of excellence" in strategically selected geographic areas, encouraging industry and education sectors to collaborate to develop career pathways and supply-demand analyses, and designing a K–14 education system that would develop a pipeline of talent and support on-the-job experiences (internships or apprenticeships) for youths and jobseekers.
- Once policy options are selected, the government should develop an implementation plan with a communication strategy and conduct continuous monitoring to assess effectiveness.