Statement of John L. Downey General President International Union of Operating Engineers

Senate Committee on Health, Education, Labor, and Pensions "Building America's Workforce: The Role of Apprenticeship and LaborManagement Partnerships" Wednesday, November 5, 2025

Chairman Cassidy, Ranking Member Sanders, and Members of the HELP Committee, thank you for the opportunity to testify today on behalf of the International Union of Operating Engineers.

My name is John Downey, and I am the General President of the International Union of Operating Engineers. The IUOE represents over 410,000 Operating Engineers in the United States and Canada and is one of this country's largest Construction Unions.

Our union represents members who are mainly in the construction and maintenance sectors. We are heavy equipment operators, mechanics, and surveyors in the construction sector and our Stationary Engineers maintain commercial buildings, hospitals, high rises, petro-chem facilities, power plants and more.

Each year, we invest over \$180 million in training. With our signatory employers, we sponsor 100 apprenticeship and training programs across 107 sites in the U.S. and Canada, including more than 80 Registered Apprenticeships in the United States. Our apprenticeship tradition can be traced back to the turn of the 20th century; training is the lifeblood of our union.

Our commitment to training is embodied in our \$200 million International Training and Education Center just outside of Houston, TX. ITEC, as we refer to it, offers a 265-acre, world-class campus with over 8100 sq-ft of conference space, modern classrooms and labs, 12+ crane pads, simulators, a heavy-equipment mechanics shop, welding bays, and a central utility plant for hands-on training. It includes 227 private dorm rooms, a fitness center, and full dining to support multi-day and multi-week courses. ITEC was built to supplement and strengthen our Local Union training centers and their programs.

Our union focuses on providing a skilled, safe, and productive workforce for various industries that we service. At ITEC, we train on the newest, state-of-the-art equipment from leading manufacturers, so our members learn on the same machines and software used on today's jobs. Through our industry partnership with equipment manufacturers we have had brand new

equipment donated or discounted and on lease from Manitowoc, Link Belt, Caterpillar and more.

From building offshore wind turbines in the Atlantic and high-speed rail in California to constructing pipelines for the Willow Project in Alaska, and maintaining iconic sites like the Empire State Building, power plants, and data centers nationwide, the International Union of Operating Engineers leads the way by training the workforce that builds, operates, and maintains America's critical infrastructure.

In my testimony today, I would like to highlight the unique relationship between Labor and Management and our role of training Americas skilled trades workforce, and also how policy and legislation that sparks job creation aids in the recruitment and development of apprentices.

First, the IUOE and our signatory contractors have created one of the most successful and self-sustaining apprenticeship and journeyman career development systems in the nation. These programs are privately funded, highly accountable, and deliver measurable results **without burdening taxpayers**.

Our contractors understand the value of what we offer. Our National Training Fund Board is comprised of equal parts Labor and Employers. Together, we identify the future needs of the construction industry, based on the forecast of construction projects. This allows us to stay nimble and train in the newest technology which ensures our apprentices stay current with their skills and proficient in the newest technology in their fields. We can also provide specific ad hoc training with our signatory partners when needed.

This model trains to real careers so we don't flood the market with under-prepared workers who finish training without a job. The IUOE is doing our part to responsibly address the need for more skilled workers across the building, operations, and maintenance sectors that we represent.

Last year, ITEC delivered 167,000 training hours and we are on pace this year to exceed that number. We have about 11,000 active apprentices, including 3,200 in their first year. And last year, 5134 IUOE members trained at ITEC at no cost, their travel, meals, and lodging are covered.

Our training programs are comprehensive, current, and created to prepare the next generation of Operating Engineers. In coordination with our signatory partners, we have created one of the most successful, self-sustaining apprenticeship and journeyman training programs in the country. And since these are jointly funded alongside our signatory partners, we can continue to deliver results without burdening taxpayers.

Secondly, the benefit of a labor employer partnership is that both sides have a sense of future workforce needs. This allows us to recruit and train accordingly with the understanding that the apprentice will start their career and have a job waiting for them at the end of their training.

A <u>September 2025 Gallup Poll</u> shows Americans understand that traditional college is not for everyone and that a college degree is not what guarantees success. A career as an Operating Engineer or in the building trades is a proven path to the middle class, one with good wages, strong benefits, and a dignified retirement.

Unlike traditional four-year institutions, this career path presents an "earn while you learn" structure, meaning not only no "college debt" when they complete their training, but we give them an opportunity to build a successful career in the industry and allow them to earn a secure retirement.

Our model works best when there is funding for projects that put our members to work. For instance, the Federal Highway Administration claims that a billion-dollar investment in our roads directly results in the creation of 13,000 jobs. That number doesn't include the thousands of other jobs associated with road building.

If we want to attract and train more skilled trade apprentices and strengthen recruitment, history shows the best strategy is to fund the projects that create the very jobs they're training to do.

This is why we don't overtrain; we train strategically to build America's skilled workforce and ensure we have the right number of Operating Engineers to meet the construction industry's needs.

Finally, I'd like you all to understand and appreciate that when we have a coordinated labor industry partnership, we can meet the challenges of training workers to be the world's best skilled trades workforce.

Thank you for the opportunity to testify, I look forward to your questions.