

CITIZEN-CENTRIC REPORT - FY 2020

CNMI DEPARTMENT OF LABOR

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WHO WE ARE

The Department of Labor (DOL) is a cabinet-level agency tasked with overseeing workforce services and labor matters in the Commonwealth. It promotes career opportunities for job seekers and supports the advancement of the welfare and working conditions for workers. It educates and trains employers to comply with labor laws and ensure fair and equal treatment in the workplace.

The Secretary of Labor is appointed by the Governor and may undergo a confirmation hearing with the Senate prior to confirmation of the Cabinet position. The division directors are hired by the Labor Secretary after passing a thorough background investigation and interview process.

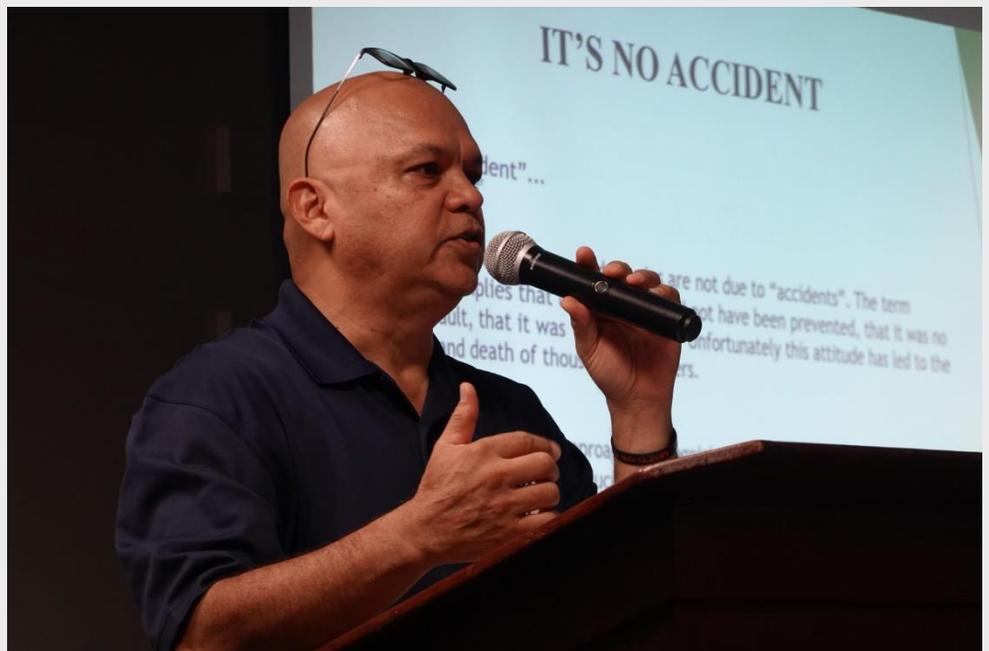
OUR MISSION

To enforce CNMI and Federal labor laws and ensure all employees and employers are provided equal and fair treatment. To provide assistance to qualified U.S. Citizens and CNMI Permanent Residents to be given preference with employment opportunities. To collaborate with education and training institutes to further develop the workforce of the CNMI.

WHAT WE DO

The Department serves Commonwealth workers by ensuring employment preference for U.S. citizens or nationals and status-qualified individuals, adherence to and enforcement of federal and CNMI labor laws, development and enhancement of workforce programs, policies, and procedures, and all other services relevant to the overall mission of the Department. It achieves these goals through the various divisions and groups under the Department: Office of the Secretary, Administrative Services, Employment Services, Statistics Unit, Workforce Investment Agency, Enforcement and Compliance, Administrative Hearing Office, and the CNMI-OSHA Consultation Program.

WORKING FOR THE CNMI



PERFORMANCE REPORT

EMPLOYMENT ASSISTANCE

- ✓ Over 300 new applicants registered online to view or apply for vacant job positions
- ✓ 13 individuals hired through the WIA Rapid Response Typhoon Mangkhut Assistance program to assist with clean-up work, debris removal, and restoration of tourist sites
- ✓ 110 individuals participated in disaster recovery and cleanup work administered by WIA and federally-funded by the US DOL WIOA National Dislocated Worker Grant for Typhoon Mankhut and Super Typhoon Yutu Assistance
- ✓ 30 individuals hired to perform pandemic-related support efforts funded by the US DOL COVID-19 National Dislocated Worker Grant Assistance for Workers Affected by COVID-19
- ✓ Distributed close to \$2M in Disaster Unemployment Assistance (DUA) benefit payments; awaiting appeals determinations and closeout



WORKFORCE DEVELOPMENT

- ✓ \$149K in funding received for new DOL Apprenticeship Program. Now preparing for rollout and recruitment of employers and workers
- ✓ 179 individuals received paid on-the-job training through the WIA Work Experience Program (WEP)
- ✓ In partnership with NMC and NMTI to provide "Train the Trainer" courses to select group and apprentices

CONSULTATION SERVICES

- ✓ OSHA educational, training, and outreach events completed on Saipan, Rota, and Tinian
- ✓ 436 workers removed from job site due to high risk of exposure to hazardous materials
- ✓ Identified and resolved close to 200 workplace hazards with potential to cause serious harm to workers
- ✓ Instrumental in preventing and reducing workplace injuries and fatalities



HEARING & LABOR ENFORCEMENT

- ✓ 87 cases filed in FY 2020, with over 250 Administrative Orders issued by Hearing Office
- ✓ Awarded over \$50,000 in judgements and issued close to \$17,000 in sanctions for labor law violations
- ✓ 38 Administrative orders published in the Commonwealth Register
- ✓ Improved operations by modernizing standard forms and procedures



CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT)

Title II, Subtitle A, Relief for Workers Affected by Coronavirus Act

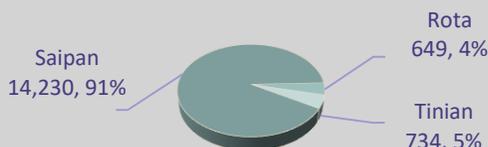
Section 2102 of Title II, Subtitle A established the *Pandemic Unemployment Assistance* (PUA) program. It requires the Department of Labor to provide pandemic unemployment assistance for up to 39 weeks to workers who (1) are not eligible for other federal or state unemployment insurance or pandemic emergency unemployment compensation; (2) meet certain conditions related to being unemployed, partially unemployed, or unable to work due to COVID-19; (3) are not able to telework; and (4) are not receiving other paid leave. The provision of such assistance may be extended beyond 39 weeks under specified circumstances. Pandemic unemployment assistance payments are available retroactively for the period beginning January 27, 2020, and ending on or before December 31, 2020.

Section 2104 of Title II, Subtitle A established the *Federal Pandemic Unemployment Compensation* (FPUC) program. It provides appropriations to fund federal-state agreements under which the amount of an individual's weekly unemployment compensation includes an additional \$600 in federal pandemic unemployment compensation. Such payments shall apply to weeks of unemployment beginning after the date of the agreement and ending on or before July 31, 2020.

PUA & FPUC AT A GLANCE

As of Oct. 16, 2020

No. of Applicants by Island
Total = 15,613



Saipan

- Over \$108M in PUA funds distributed
- Over \$16M in FPUC funds distributed

Rota

- Over \$5.7M in PUA funds distributed
- Over \$3.3M in FPUC funds distributed

Tinian

- Over \$2.4M in PUA funds distributed
- Over \$3.5M in FPUC funds distributed

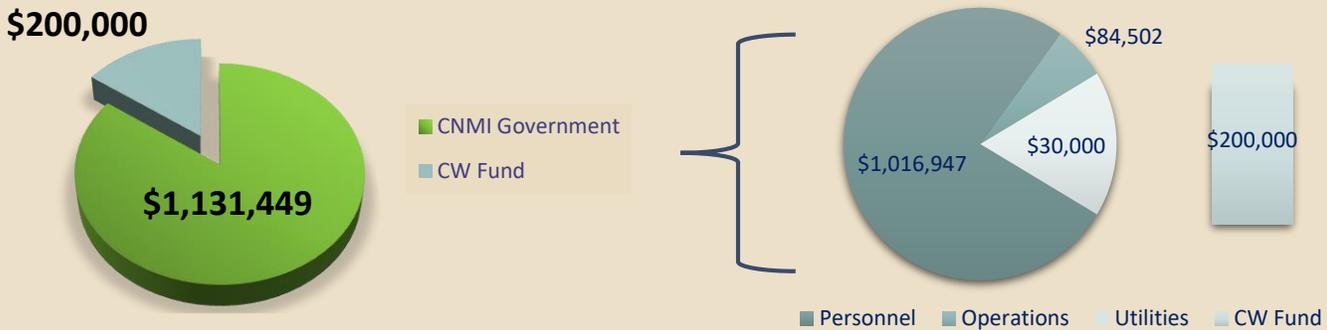
Our Finances...

REVENUES AND EXPENSES

Northern Mariana Islands Administrative Code (NMIAC) § 80-20.1-050 authorizes the functions of the Administrative section within the Department. The Administrative section manages payroll, contracts, standard forms for various administrative functions, standard operating procedures, and other administrative matters as assigned by the Secretary of Labor.

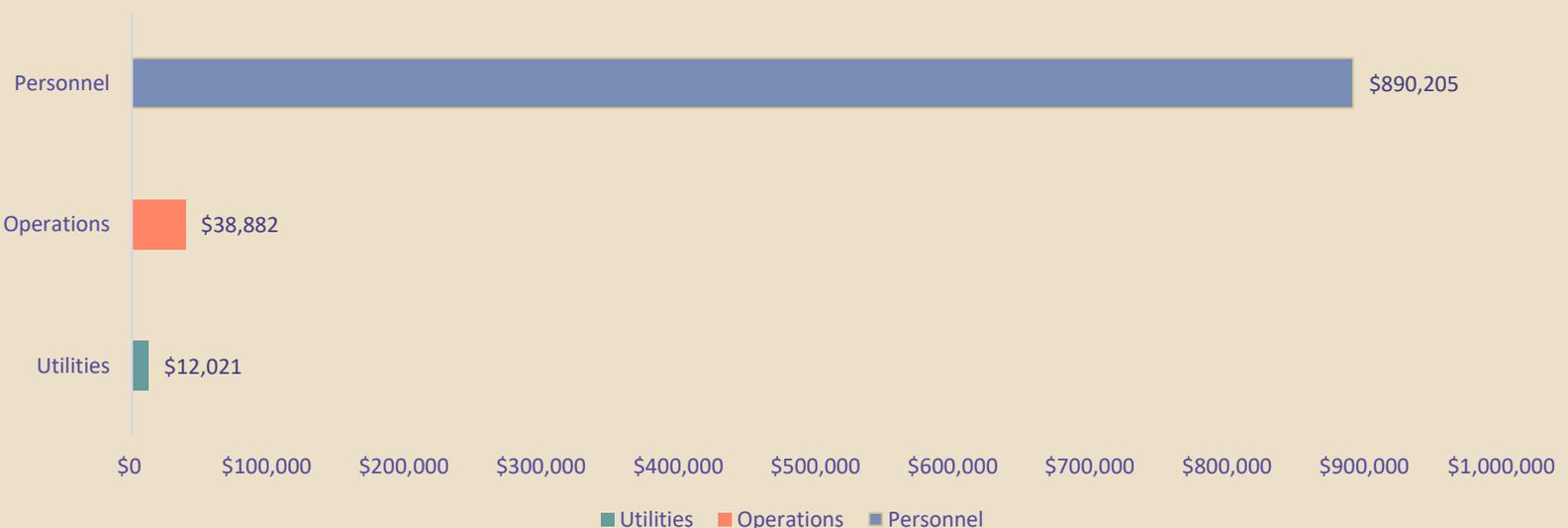
The Department of Labor relies primarily on the CNMI General Fund account for personnel and operating expenditures. Per Public Law 21-8, the Department was allocated \$1,131,449 from the General Fund in FY 2020. FY 2020 figures show that a total of \$1,016,947 were appropriated for personnel and fringe benefits, \$84,502 for operations, and \$30,000 for utilities. See figures below.

Revenue: Public Law 21-8 and Commonwealth Worker Fund



The figures below represent the Department’s actual expenditures for FY 2020. The Department expended a total of \$941,108. A total of \$890,205 were expended for personnel and fringe benefits combined. An additional \$12,021 on utilities and \$38,882 on operations rounded out total expenses in the fiscal year.

ACTUAL EXPENDITURES



WHAT'S NEXT: CHALLENGES AND PRIORITIES

CHALLENGES IN FY 2021

- Labor shortage due to departure of alien guest workers
- Backlog of cases for labor disputes and PUA appeals
- Skilled labor demand outnumbers labor pool of skilled workers
- Modernizing the Department on a severely limited budget and few resources



Prepare for Influx of Job Seekers Following End of PUA Benefits

One key priority of the Department is to help employers find the qualified workers they need. The DOL offers services which include electronic job orders and job fairs, use of private interview space, and referrals of local job seekers. The DOL will also address the anticipated surge in the number of job seeking applicants when unemployment benefits end.



Special Focus on Apprenticeships

Apprenticeship is an industry-driven career pathway where employers can develop and prepare their future workforce, and individuals can obtain paid work experience, classroom instruction, and a portable, nationally-recognized credential. Apprenticeship is a proven solution for employers, and an ideal program for many workers, including those with disabilities.



Establish Clear Guidelines on Preparing Workplaces for COVID-19

Preparing the workplace for employees returning to their jobs requires identifying and complying with federal and CNMI guidelines issued in response to COVID-19. Businesses and employers are encouraged to coordinate with local health officials to obtain timely and accurate information for guidance on mitigation strategies. Contact the CNMI-OSHA Consultation Office to obtain additional information.



We value your comments or suggestions.

Would you like to see other information included in this report? Please let us know by calling our Administrative Services Office at (670) 664-3196 or emailing us at documents@marianaslabor.net.



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