

PROGRAM

ACTIVITIES

Introduction

This chapter describes the programs operated by the Department of Labor's Employment and Training Administration (ETA) during Program Year 1996 (July 1996 through June 1997) and Fiscal Year 1997 (October 1996 through September 1997). [1] ETA oversees the Nation's major job training, employment, and unemployment compensation programs.

ETA is responsible for Job Training Partnership Act (JTPA) programs, Apprenticeship, the Senior Community Service Employment Program, the Employment Service, Unemployment Insurance, Trade Adjustment Assistance, NAFTA-Transitional Adjustment Assistance, Incumbent Worker Training, and the Labor Surplus Areas Program. The chapter also summarizes the activities of the National Occupational Information Coordinating Committee, an independent Federal organization.

An annual report on administering and enforcing JTPA non-discrimination mandates for Program Year 1996, which is required by section 167(e) of JTPA, is included in the Appendix.

Job Training Partnership

Act Programs

Introduction

Since it was enacted in 1983, the Job Training Partnership Act (JTPA) has been the nation's primary public-sector program providing training and employment services to economically disadvantaged adults and youth [2], workers who have lost their jobs because of mass layoffs or plant closings, special population groups such as Native Americans and migrant workers, and others who face significant barriers to employment.

JTPA programs help American workers move into permanent, higher-skilled employment with decent wages, or in the case of economically disadvantaged young people, help them obtain the additional education and training needed to succeed in an increasingly complex and challenging labor market. In addition to helping people become able to support themselves and their families, JTPA programs are designed to improve the quality of the nation's workforce and enhance worker productivity.

Under JTPA, Federal, State, and local governments, employers, educators, organized labor, community organizations, social service agencies, and local Employment Service offices work together to identify current and future workforce needs, ensure that quality training is provided for eligible clients, help place program participants in jobs, and monitor their progress.

Most JTPA programs are administered by the States which receive Federal funds in formula block grants. States, in turn, pass a certain portion of the funds directly to Service Delivery Areas [3] (SDAs) within each State. The remaining funds can be used for statewide program administration, incentive grants to encourage program efficiency and innovation, and

technical assistance to help the JTPA system achieve better results. A portion may also be used for training and employment services for people who are 55 years old or older. Twenty percent of JTPA's Title III funds are reserved by the Secretary of Labor for special projects.

Private Industry Councils (PICs) direct JTPA-sponsored activities within the SDAs. Each PIC includes representatives from business, education, organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public employment service. A majority of PIC members and the PIC Chairperson represent businesses within each SDA.

Governors ensure that funds are allocated appropriately among the SDAs and approve statewide plans to coordinate training and employment services.[4] States are required to maintain specific measures to evaluate JTPA program performance and Governors (or their representatives) review and approve local training plans developed by the Private Industry Councils. States also provide technical assistance as needed to their local Service Delivery Areas.

The Department's Employment and Training Administration (ETA) administers the Federal role in the JTPA partnership. ETA sets broad program policy, distributes funds to the States according to a formula stipulated in the JTPA legislation, maintains regulations, and establishes basic measures for program performance which can be adjusted by the Governors under certain conditions. ETA also monitors and audits State and local activities to ensure program and fiscal integrity, works with States and local areas to develop labor market information, designs and sponsors research and demonstration projects to help improve publicly funded training and employment initiatives, and evaluates the effectiveness of JTPA and other programs.

JTPA was amended in 1992 to better target its programs to the neediest population groups. The amendments also required increased participant assessment and individual service strategies for people who participate in JTPA programs. New fiscal and procurement controls were also instituted and a program to improve the skills of national-level JTPA staff was set up. The amendments also increased efforts to expand scope of Private Industry Councils and SJTCCs. [5]

By the end of Program Year 1996, 30 States and territories had received waivers from certain Federal regulations which allow them to streamline and consolidate their JTPA-funded training programs. The intent of the waiver effort is to allow States to tailor their employment and training initiatives to better meet the needs of jobseekers and employers, while improving the program's accountability and performance outcomes.

In addition to waivers, six States were given authority to operate their JTPA-funded programs with greater flexibility, by permitting Governors to allow local training initiatives to waive certain provisions of the law. The Workforce Flexibility (Work-Flex) demonstration program, operating in Florida, Iowa, Ohio, Oregon, South Dakota, and Texas, is designed to foster innovative and customized JTPA training programs for eligible individuals in exchange for improved accountability and outcomes.

JTPA will be replaced by the Workforce Investment Act in July 2000.

Adult Programs, Title II-A

Background

Title II-A provides education, training, and employment services for economically disadvantaged adults who face significant barriers to employment. Services usually begin with an assessment of participants' abilities and needs and the development of a personalized service strategy that may recommend such interventions as classroom training, basic skills training, on-the-job training, job-search assistance, work experience, career counseling, and support services such as transportation and personal counseling.

Eligibility

Most recipients of JTPA Title II-A services are economically disadvantaged and face certain barriers to labor market success. They must also be 22 years old or older.[6]

Ninety percent of those who receive Title II-A services are members of families with total family income that is less than the higher of either the official poverty line [7] or 70 percent of the lower living standard income level.[8]

As part of the Federal government's effort to target JTPA services to those who need them the most, amendments to the legislation in 1992 stipulated that 65 percent of Title II-A participants must exhibit one of six "hard-to-serve" characteristics. These are: (1) deficiency in basic skills; (2) school dropouts; (3) recipients of cash welfare payments; (4) offenders; (5) people with disabilities; and (6) homeless people. Up to 10 percent of Title II-A participants do not have to be economically disadvantaged if they fall into one or more of these categories.

Services

Training activities offered by service providers or participating employers are the core of the program.[9] A wide variety of services may be offered under Title II-A, including.

§ Assessment and Case Management:

§ Skill level and services needs assessment.

§ Job and career counseling.

§ Case management services.

§ Education-to-work transition services.

§ Vocational exploration.

Direct Training:

§ Basic skills, including remedial education, literacy training, and English-as-a-second-language instruction.

§ Instruction or services to obtain a certificate of high school equivalency.

- § Work habit development programs that help people obtain and retain jobs.
- § Advanced career training combining on-the-job training and institutional training.
- § Skill upgrading and retraining.
- § Bilingual training.
- § Entrepreneurial training.
- § Pre-apprenticeship programs.
- § Advanced learning technology for education, job preparation, and skills training.

Employer and Related Training:

- § Institutional skill training.
- § On-the-job training.
- § Programs that combine workplace training and related instruction.
- § Work experience.
- § Training programs operated by labor organizations or private sector employers.
- § On-site, industry-specific training.
- § Customized training in cases where an employer will give jobs to those who successfully complete training.

Training Related and Supportive Services:

- § Help in finding a job.
- § Outreach activities that help people find education and training services, and work experience programs that help women obtain nontraditional jobs.
- § Dissemination of information about training programs to employers.
- § Development of job openings for training program participants and activities to obtain job placements for program participants.
- § Programs coordinated with other Federal employment-related activities.
- § Other services (e.g., transportation, health care, financial assistance, drug and alcohol abuse counseling, special services and materials for people with disabilities, child care, meals, temporary shelter, job coaches, and financial counseling).

§ Limited needs-based payments.

§ Certain follow up services for people placed in unsubsidized jobs.

Highlights of PY 1996 Activities

Services were provided under Title II-A to 312,545 participants in PY 1996. This was a decrease from 336,941 in PY 1995. Expenditures totaled \$652,049,006, which was a decrease from the previous year's \$735,494,276.

As Chart 1 shows, all of the 201,590 individuals who terminated from Title II-A in PY 1996 received an assessment and case management; and of those, 151,155 received training and other supportive services.[10]

Data presented below refer to the terminees who received services beyond objective assessment.

More than two-thirds (69 percent) were women, nearly half (47 percent) were heads of single-parent families, and over three-fourths (78 percent) had a high school education or less. Overall, there have been small increases in the proportion of those who are female and Hispanic (64 percent of Title II-A terminees were female in PY 1993, increasing to 69 percent in PY 1996; 13 percent were Hispanic in PY 1993, increasing to 17 percent in PY 1996), and a decline in the proportion of those who are white [11] (53 percent were white in PY 1993 while 46 percent were white in PY 1996).

Chart 2 shows the percent distribution of JTPA Title II-A terminees [12] by race and ethnicity for PY 1996.

Twenty-two percent of the terminees had less than a high school education and 51 percent had math skills at the eighth grade or below.

Virtually all Title II-A terminees were economically disadvantaged, with 48 percent unemployed and 37 percent not in the labor force at the time they sought services. Among the welfare recipients,[13] 86 percent were women, 76 percent were heads of single-parent households, and 93 percent were either unemployed or not in the labor force.

Six out of seven terminees had at least one of the six barriers to employment which define them as particularly "hard-to-serve" according to the 1992 JTPA amendments.[14] More than half had at least two of the barriers. The most common barrier, applying to 56 percent of the PY 1996 terminees, was basic skills deficiency. Seven percent were disabled and 14 percent had been offenders.

Most individuals who completed Title II-A programs received training. As Chart 3 shows, 21 percent received basic skills training; 64 percent received occupational skills training (non on-the-job training); 11 percent received on-the-job training; six percent received work experience/internships; and 13 percent received other skills training. Twenty percent of the PY 1996 terminees received two or more of the training services noted above. The average terminee in PY 1996 received 435 hours of training, a nine percent increase from the previous year. Those who were deficient in basic skills received an average of 377 hours of training. Those without such skill deficiencies received an average of 504 hours.

Entered-employment rates for Title II-A terminees improved in PY 1996 to 66 percent; from 63 percent in the previous year. The vast majority of these terminees worked in full-time jobs, as the average number of hours worked per week was 37. Average hourly wages rose by 33 cents from PY 1995 to \$7.58. The cost per participant, for those who entered employment, was \$6,507 in PY 1996; a significant decrease from \$7,303 in PY 1993.

Like other JTPA programs, Title II-A has national measures for assessing program performance. Determined by the Secretary of Labor, the standards require that a certain percentage of participants obtain jobs after training, receive a certain level of earnings, and work a certain number of weeks after they are placed in jobs.

For Title II-A, the standard for follow up employment for non-welfare recipient participants at 13 weeks was 59 percent in PY 1996. The actual rate achieved was 62 percent. The standard for average weekly earnings at follow up for non-welfare recipient participants was \$281, while the actual average achieved was \$301.

The standard for follow up employment at 13 weeks for participants who were welfare recipients was 50 percent in PY 1996. The actual rate achieved for this target group was 57 percent. The standard for average weekly earnings at followup for welfare recipient participants was \$244, while the actual average achieved was \$284.

Charts 4 and 5 summarize Title II-A measures and actual performance for PY 1995 and PY 1996.

Year-Round Services

for Youth, Title II-C

Background

JTPA's Title II-C provides year-round training and employment programs for disadvantaged youth between the ages of 16 and 21 who have significant barriers to employment and are either attending school or out of school. Barriers include a lack of basic skills, having dropped out of school, being pregnant or parenting, being homeless or runaways, and being offenders.

Title II-C programs are designed to improve the long-term job prospects of young people by giving them better basic educational, occupational, and citizenship skills. Efforts focus on increases in employment rates and earnings, school completion (or enrollment in supplementary or alternative school programs), reduction in welfare dependency, and the removal of barriers that hinder successful transitions into work, apprenticeships, the military, or postsecondary education and training.

Eligibility

Most Title II-C participants are young and have barriers to labor market success. Programs serve youth between the ages of 16 and 21, although some 14- and 15-year-olds who are in school may participate if local plans permit. Not less than 50 percent of the participants must be out-of-school. At least 65 percent of the in-school participants must be deficient in basic skills, have educational attainment at least one grade below their appropriate level, or face other legislatively defined barriers (pregnant or parenting; having a disability, which

may include a learning disability; are homeless or who have run away from home; or who are or have been offenders).

Services

Services are provided throughout the year and service strategies are tailored to each participant based on an assessment of their basic and job skills, work experience and employability, interest and aptitudes, and the need for supportive services.

Training and employment services provided under II-C may include:

Basic skills training in a workplace context, integrated with occupational skills testing.

§ Tutoring and study skills training.

§ Alternative high school services.

§ Instruction leading to high school completion or GED.

§ Mentoring.

§ Private sector internships.

§ Training and education linked with community service.

§ Entry-level job experience.

§ School-to-work transition services.

§ School-to-postsecondary transition services.

§ School-to-apprenticeship transition services.

§ Maturity skills training.

§ Support services (e.g., substance abuse counseling and limited needs-based payments).

Highlights of PY 1996 Activities

Title II-C services were provided to 140,683 young people in PY 1996, compared with 183,148 in PY 1995 and 264,968 in PY 1994. Expenditures totaled \$244 million in PY 1996 compared with \$318 million in PY 1995 and just under \$548 million in PY 1994. Beginning in PY 1996, these lower funding amounts were augmented by the authority to transfer funds from other JTPA Titles to meet local needs.

Virtually all II-C participants were economically disadvantaged. Of the PY 1996 participants, there were 90,028 terminees, all of whom went through an intake interview and assessment process. As Chart 6 shows, 76,700 received training or other services beyond an assessment. Data below refer to II-C terminees who received services beyond an assessment.

As Chart 7 indicates, Title II-C terminees were ethnically diverse in PY 1996. They also had low educational attainment (71 percent were not high school graduates) and few skills (half read at the eighth grade level or below and 61 percent had math skills at the eighth grade level or below), were unemployed (27 percent) or not in the labor force (62 percent), and were receiving welfare benefits (29 percent were receiving cash welfare benefits and 39 percent were receiving food stamps).

Fifty-nine percent of the participants were female, a percentage that has been increasing during the last four years. Participants also have been getting older, as 58 percent were between the ages of 18 and 21, up from 49 percent in this age group in PY 1993. The percentage of white participants has decreased slightly as a share of all participants since PY 1993, from 41 percent to 38 percent, while the percentage of Hispanic participants has increased from 20 to 25 percent. African Americans accounted for 33 percent of the participants and American Indians or Alaskan Natives and Asian or Pacific Islanders each made up two percent of the total II-C participants.

Chart 8 shows the percent of participants who had "hard-to-serve" characteristics as defined in the JTPA legislation, with the greatest percentage (69 percent) lacking adequate basic skills.

Young people who completed Title II-C programs received considerable training in PY 1996--on average, 371 hours, an increase from 330 hours in PY 1995.

In terms of training, 48 percent of II-C terminees received basic skills training, 33 percent obtained occupational skills training, and 27 percent received work experience or internships. Thirty-nine percent received at least two types of training, an increase from 31 percent in PY 1993.

Forty percent received various support services, with the most common being personal counseling (22 percent) and transportation (15 percent).

Regarding outcomes, 56 percent received education or training that improved their prospects for employment. This percentage has not increased significantly in recent years, but it greatly exceeds the performance standard of 40 percent.

PY 1993 through PY 1996 entered employment rates and hourly wages for those who completed II-C are shown in Chart 9. Fifty-one percent entered jobs after completing Title II-C programs in PY 1996, a 10 percentage point increase from PY 1993. This greatly exceeded the 1996 entered employment standard of 41 percent. As the chart shows, the average hourly wage for those who obtained jobs after receiving II-C services rose to \$6.17 for PY 1996.

Summer Youth Programs, Title II-B

Background

The Summer Youth Employment and Training Program (SYETP), which began as the Neighborhood Youth Corps in the 1960s, is authorized under Title II-B. It provides training services and summer jobs for economically disadvantaged youth. Programs are designed to enhance basic educational skills, encourage school completion, expose young people to the labor market, and enhance their work ethic and citizenship skills.[15]

Services

Participants work in offices, day care centers, libraries, museums, cafeterias, parks, camps and playgrounds. They also perform landscaping and maintenance of public properties and some serve as classroom aides. In addition to work experience with public and private employers, young people between the ages of 14 and 21 receive basic and remedial education and support services such as transportation.

Amendments to JTPA enacted in 1986 provide for an added emphasis on literacy, requiring SDAs to assess participants' math and reading levels and to provide remedial education when necessary. A significant number of young people participating in the program receive classroom or worksite academic enrichment.

Highlights of Calendar Year 1997 Activities

In recent years, between 400,000 and 600,000 young people obtained summer jobs through the Title II-B program, with 493,000 finding jobs during the summer of 1997, compared with 411,000 in 1996. Fifty percent were involved in educational activities in 1997, compared with 46 percent the previous summer.

Many II-B participants have never worked before and come from poor neighborhoods with high unemployment. Forty-eight percent of the participants were ages 14 or 15, and 37 percent were 16 or 17 in the summer of 1996. These figures showed little change in 1997 when 50 percent of the participants were 14 or 15 and 34 percent were 16 or 17.

In 1996, 41 percent of II-B participants were African American and 30 percent were Hispanic. Sixteen percent had disabilities and four percent had children. In 1997, 44 percent of the participants were African-American and Hispanics continued to make up 30 percent of the total. In 1997, 15 percent had disabilities and four percent had children.

Title II-B funding is generally distributed to States and SDAs by the same formula as Title II-A, with \$684,762,111 spent in 1997, compared to \$548,592,177 in 1996. The cost per participant has been increasing, with an average cost of \$1,459 in 1997 compared with \$1,337 in 1996.

Dislocated Worker

Programs, Title III

Background

During PY 1996, Title III programs [16] provided services to 548,830 people who lost their jobs because of mass layoffs or plant closures and were unlikely to return to their previous industries or occupations.[17] A total of 523,810 people received Title III services during the previous program year and 410,440 received Title III services in PY 1994. There were over 283,000 Title III terminees in PY 1996 (see chart 10).

Title III funds are used by State and local program operators and other eligible grantees to provide retraining, basic readjustment, and supportive services for dislocated workers. Services include assessment, job search assistance, job development, and needs-related payments.[18]

Eighty percent of the Title III annual appropriation is allotted to States. Up to 40 percent of each State's allotment must be used by the Governor for overall administration of the JTPA dislocated worker system, for providing rapid response services to workers dislocated by plant closures and substantial layoffs, and, where funds are still available, for regular dislocated worker activities. Upon the Governor's approval of the substate areas plans, the remainder (not less than 60 percent) of a State's allotment must be distributed to substate areas to provide retraining and other services at the local level.

The other 20 percent of the Title III appropriation is retained in the Secretary's National Reserve Account for discretionary projects serving workers affected by plant closings and mass layoffs, projects in areas of special need (including emergency response to natural disasters), technical assistance and training, and exemplary and demonstration programs. Discretionary funds are awarded in response to applications that Governors and other eligible applicants may submit at any time throughout a program year and may be spent during the two following program years.

In PY 1996, approximately \$878 million was allotted by formula to the 50 States, the District of Columbia, and Puerto Rico. About \$982.8 million was allotted the previous program year and \$894.4 was allotted in PY 1994.

PY 1996 National Reserve Projects

and Special Initiatives

In PY 1996, over \$177 million was awarded for national reserve projects in 38 States to assist with dislocations in industries such as defense, coal, manufacturing, and telecommunications. Many of the projects awarded in PY 1996 focused on the special needs of communities and workers affected by natural disasters. In response to floods in the North, Northeast, Southeast, Midwest, and West, over \$57.2 million was awarded to 14 States. Hurricanes in North Carolina, Puerto Rico, and Virginia prompted special grants of \$17.2 million.

Also in PY 1996, discretionary funds were specifically targeted to help the Northwest Timber Initiative. A total of \$12 million was set aside to help with timber-related worker dislocations in Washington, Oregon, and California.

During the same year, the Department awarded approximately \$20.4 million for demonstration grants nationwide. Key dislocated worker demonstration and technical assistance activities operating in PY 1996 included the following:

Older Dislocated Workers Demonstration Program. Although Title III services are available to a significant number of dislocated workers throughout the country, in PY 1996, seven organizations received a total of \$3.2 million to conduct demonstration programs to address the specific needs of older dislocated workers. The demonstrations were set up to develop and test specialized combinations of services needed to retrain and reemploy this particular target group. Grantee names, project locations, and grant amounts are shown in Table 1.

Table 1. Older Disabled Workers Demonstration Programs

Grantee Name Project Location Amount

Jewish Vocational Service Boston, Massachusetts \$500,000

Operation ABLE Chicago, Illinois \$499,930

IAM Center for Administering

Rehabilitation and Employment

Services Pascagoula, Mississippi \$500,000

Green Thumb, Inc. Des Moines, Iowa \$499,631

Green Thumb, Inc. Mansura, Louisiana \$285,859

Vermont Association for

Training and Developm-

ent, Inc. St. Albans, Vermont \$500,000

Southern Mississippi

Planning and

Development

District Hattiesburg, Mississippi \$465,568

Source:
U.S. Department of Labor, Employment and Training Administration.

Specialized/Targeted Dislocated Workers. In March of 1996, the Department awarded \$3.7 million, divided among 10 public and private organizations, to demonstrate innovative approaches to help "hard-to-serve" dislocated workers. The grants continued into PY 1996. The 10 organizations were selected from 143 applicants. Some grantees focused on displaced homemakers, spouses of dislocated workers, smaller cities and rural areas, various ethnic groups, limited-English-speaking workers, substance abusers, disabled dislocated workers, and dislocated workers over 45 years of age. Table 2 lists the projects by group, provides location and enrollee number information, and describes the focus of each project and the core services offered.[19]

Table 2. Specialized/Targeted Dislocated Worker Projects

Project, Project Core

Location Focus Services

and Enrollees

Displaced Homemaker Programs

Eastern Workforce Displaced homemakers Training, with an emphasis on Development Board; in rural/small town labor nontraditional occupations.

Oklahoma; 75 enrollees markets, with limited transportation. Provides for child care.

Oregon Displaced homemakers Life skills/transitions training Consortium; in an area heavily for customers with little recent

Oregon; 75 dependent on the tim- labor market experience; enrollees per industry. Includes occupational training; and

spouses of dislocated support services.

timber workers.

Montana Job Displaced homemakers Career readiness training,

Training Partnership; in smaller cities and rural job search, counseling, and sup-

Montana; 115 areas. Most are on AFDC port for occupational training in a

enrollees or are spouses of variety of fields. Includes

dislocated workers. transportation and child care

help.

English as a Second Language

Chinatown Manpower Chinese or Chinese/ Two groups: micro-computer

Project; New York American community operators and cooks. Con-
City; 80 enrollees groups targeted for dis- current and coordinated ESL
located workers to be classes; job development; and
trained in one of two industry awareness.
career areas.