



Response to Critics: Time to Ax Federal Jobs Programs National Association of Workforce Boards: Get the Facts

There are four job seekers to every job vacancy and over 13.9 million unemployed in the worst recession that the U.S. has seen in generations; yet, recent critics have expressed strong opinions about axing federal employment and training programs. Why? In summary, these critics contend that 1) programs are wasteful and don't fill any critical need that private markets can't fill in the modern economy; 2) in spite of high unemployment there is little use of the 3,000+ offices across the country that house these programs; and 3) job seekers rely on the Internet and other private sector companies that replicate federal employment and training services.

Let's get the facts.

Currently, the Workforce Investment Act (WIA), which replaced the Jobs Training Program Act (JTPA) in 1998, authorizes nearly 550+ local **business-led** workforce investments boards (WIBs) that cover all fifty states, Puerto Rico, and the U.S. Territories to oversee and coordinate services through a network of 3,000 One-Stop Career Centers. **Over 12,000 businesses** across America volunteer their time and energy to coordinate and develop workforce strategies that leverage funding and resources within their local communities—that's 12,000 businesses that have the pulse on the employment and training needs within their unique markets to prepare and match the skills of workers with the global demands of companies that make the economy tick.

America's system of job training programs has prevented even more widespread job loss than what the economy is currently experiencing. Over the past two years, over 8.5 million job seekers have utilized federal employment and training services. More than *half* – 4.3 million – found jobs through the system during that time.

In order to protect taxpayers in these lean times, WIBs have done more and more with less and less. Since 2008, enrollment in WIA programs has increased by 234% while funding has remained virtually unchanged.

Imagine how much worse the employment picture in America would be if these millions of unemployed Americans didn't have the tools they needed to get back to work.

In spite of being hamstrung by strict guidelines, inherent silos, and lack of coordination, WIBs across the country have led by innovation and example. So, what happens in Illinois when businesses like Joule Technologies can't tap into training funds in the future; funds that trained their employees and completely restructured their production processes reducing product lead times by 60%, increasing their on-time delivery by 94.5%, and reducing customer returns by over 80%? What happens when businesses like Umicore can no longer tap their workforce investment system to understand workforce demographics; knowledge that ultimately led to their \$50 million investment into Northeast Oklahoma creating more than 150 jobs? What happens in **North Carolina when businesses like Xceldyne Technologies** can no longer work with their local One-Stop's business services team who helped them gain market share and increase revenue both by 15%? Or, North Carolina's Brushy Mountain Bee Farm who worked

with their local WIB to write and win a proposal for incumbent worker training that cut production times by 50% allowing the company to increase sales by \$2 million, nearly double its workforce and provide health insurance and 401(k) benefits to employees? What happens in **Ohio when businesses like the** Huck Group wants to work with its local One-Stop for screening and hiring nearly 40 employees so that it can focus on its bottom line, but can't because the system is no longer there? Or, **Oregon's SJL Construction** who worked with the local workforce system to attain asbestos abatement certification resulting in a 25% increase in workload due to its ability to expand service offerings in its local market?

The investment in employment growth is common sense considering the budget plight our nation confronts. The best "social program" ever invented isn't a program at all. It's a job. The more people work, the less they rely on taxpayer-funded social services.

Most Americans agree that while the debt is a problem, unemployment is a far *greater* problem. We must invest our resources accordingly; prioritizing needs over wants and make the same hard choices that families make in their own budgets.

Our organization understands the magnitude of the America's deficit problem. We have a responsibility to offer solutions, not just criticize other proposals.

We propose that America must *grow* our way out. *Work* our way out. Despite our many great problems, America's economic potential is still unmatched. The only antidote for our debt disease is economic growth, powered by increasing the skills of America's labor force and putting it back to work. A skilled labor force helps America's business maximize its productivity. Investing in job training *is* an investment in debt reduction; in an increasingly competitive world, we must invest in our American workforce, promote lifelong learning, and equip job seekers to find jobs and *produce* for our economy.

At the National Association of Workforce Boards, we are committed to accountability and responsibly protecting taxpayer dollars. As local **business-led** boards we are concerned about investing wisely, and will continue to make the system more efficient.

This is the balanced, common sense approach American workers deserve. Give Americans the chance to work, and they'll provide the economic power this country needs to overcome its debt challenge.

It seems to us that Americans want Washington to put jobs first. We think the workforce system has proven to advance that agenda.

Learn more about how investing in federal employment and training programs is good business with compelling stories told by companies, job seekers, laid off workers, youth, and incumbent workers about how the system has impacted their lives at www.WorkforceInvestmentWorks.com.

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