



**Wider Opportunities for Women**

## **Backward Priorities in Skills Development Budget**

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President Bush's final budget for fiscal 2009 recommends cutting the nation's employment and training budget just as unemployment is on the rise and more workers are seeking re-training, counseling and placement assistance. At a time when technology and health care are two of the only growth sectors in the economy, the budget also eliminates the primary federal program for technical education in community colleges and slices physician, nursing and other health profession training in the Department of Health and Human Services.

The \$10.5 billion requested for the Department of Labor is 7.8 percent lower than the 2008 level. According to The Workforce Alliance, the Labor Department's major workforce development programs alone will be reduced by \$1 billion, or 17 percent. This includes termination of three separate programs under the Workforce Investment Act for adult, dislocated worker and youth training replacing them with a single funding stream to states for Career Advancement Accounts. The budget provides \$393 million for the individual accounts, 12.2 percent less than total 2008 funding for the three eliminated programs. In 2007, the three WIA programs served over 900,000 adults, dislocated workers and youth, according to DOL.

With the accounts, each job seeker could receive up to \$6,000 in assistance over a two year period to apply to whatever training program they choose. This is significantly less than the amount available to dislocated workers currently. Congress has rejected previous Administration proposals to convert the nation's major job training programs to such self-directed accounts and can be expected to do so again. Wider Opportunities for Women has found that One-Stop Career Centers funded under WIA are more effective when they offer career counseling that points participants to careers and skills development programs that can lead to self-sufficient wages given local costs of living and family size. Many states have calculated self-sufficiency standards that they use to guide job seekers to career paths that will meet their family's needs.

The budget also proposes eliminating DOL's Women in Apprenticeship program that provides opportunities in higher paying, nontraditional occupations such as construction, where women are greatly underrepresented in the workforce. The Labor Department also proposes ending the \$50 million migrant and seasonal farm worker program.

In the Education Department, the Administration proposes eliminating \$1.6 billion Perkins Career and Technical Education State Grant program administered by the Office of Vocational and Technical Assistance. These grant programs support students in the nation's community colleges and technical schools, including workers who have returned to school to gain skills for new occupations or career advancement.

The budget cuts follow on the heels of last Friday's news that the economy shed a net 17,000 jobs in December, the first such loss in five years. The largest losses were in the relatively higher paying manufacturing and construction sectors and included job cuts in banking and finance, and many service areas.

Ironically, one of the few sectors where there were net job gains was health care, an area where there are widespread labor shortages that could be filled by laid off workers if they were re-trained. Yet the budget for the Health Resources Administration would eliminate doctors' training at children's hospitals, currently funded at \$302 million, and reduce training for nurses and other health professionals by \$240 million, according to CQ.