



Wider Opportunities for Women

**Written Statement Submitted to the Subcommittee on Higher Education,
Lifelong Learning, and Competitiveness
Committee on Education and Labor
U.S. House of Representatives**

**Hearing on
“Workforce Investment Act: Recommendations to Improve the
Effectiveness of Job Training”
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**Submitted by Wider Opportunities for Women
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Wider Opportunities for Women is pleased that the subcommittee is considering ways to improve the Workforce Investment Act which has been pending reauthorization for over five years. WOW works nationally and in its home community of Washington, DC, to achieve economic independence and equality of opportunity for women and girls. Since 1964, WOW has trained more than 10,000 women for well-paid work in programs emphasizing literacy, technical and nontraditional skills, welfare-to-work and transition and career development goals.

The recommendations discussed here are based on WOW's experience with more than 2,000 nonprofit organizations and Workforce Investment Boards in 36 states that are part of our Family Economic Self-Sufficiency Project (FESS). The Self-Sufficiency Standard¹ uses publicly available data from federal, state and private sources to calculate on the cost of living for working families of different sizes and ages of children, including food, health care and local and market rates for child care, housing and transportation. Today, the Self-Sufficiency Standard has been developed and is utilized in 35 states and the District of Columbia. It has been drawn on by states and national organizations and think tanks² in their efforts to establish a relevant and credible measure for policy development and program decisions.

In 2003, WOW surveyed workforce boards across the nation to identify best practices in the use of Self-Sufficiency Standards in connection with workforce development.³ We conducted in-depth case studies that show how Self-Sufficiency Standards are implemented to:

- set high earnings goals for WIA participants,
- counsel WIA customers about better paying career paths and potential work supports,
- employ effective sector strategies,
- negotiate on-the-job training and customized training contracts leading to self-sufficient jobs,
- assess outcomes through data collection and benchmarking, and
- respond to community demographics.

A prime example of maximum use of the Self-Sufficiency Standard has been by the Workforce Development Council of Seattle-King County, Wash, which uses a combination of these strategies. This year Seattle-King County reported that, of 415 customers who had zero household earned income upon registration for WIA, 296, or 71 percent, exited at 100 percent or above the Self Sufficiency Standard. In King County, the standard is \$40,249 for a family of two adults, a preschooler and a teenager. For an adult and two school aged children, it is \$29,571.

¹The Self-Sufficiency Standard was developed by Dr. Diana Pearce of the University of Washington who at the time was Director of the Women and Poverty project at WOW

² For instance , the National Center on Children and Poverty has drawn on the Self-Sufficiency Standard in the development of its matrix presented today,

³ *Reality Check: Promoting Self-Sufficiency in the Public Workforce System*,
<http://www.wowonline.org/wow/>.

It is from evidence such as this, as well as WOW's particular expertise in promoting gender equity in federal workforce programs, that we make the recommendations discussed below. Some were at least partially addressed in the WIA reauthorization bill (S. 1021, engrossed and passed as H.R. 27 in 2006).

- **Enable states and local WIBs to use WIA funds to calculate and update Self-Sufficiency Standards.**

Increasing WIA participants' self-sufficiency should be made a prominent purpose of the Workforce Investment Act, and the calculation and updating of standards should be a permissible use of funds. Legislation should define self-sufficiency as the minimum income needs of families, by family size, the number and ages of children in the family and sub-state geographical considerations such as localized costs of basic necessities as health and child care, housing and transportation.

While Self-Sufficiency Standards exist in a majority of states, many were calculated with non-WIA funds and most need to be updated. A survey by WOW and the National Association of Workforce Boards in 2006 found that more than one-third of *local* boards that responded reported using Self-Sufficiency Standards in various ways. One of the most common is to integrate the standard in an on-line Self-Sufficiency Calculator that enables One-Stop caseworkers, customers and the public to determine what a self-sufficient income is for a particular family. Several of the calculators also allow the user to view occupations that can lead to that income level, identify sources of education and training for those skills, and see for which public benefits they appear eligible to enable them to bridge the gap between an entry level job and economic security for their families. Self-sufficiency calculators are available in 9 states.⁴

- **Enable customers to take advantage of core, intensive or job training services in any order, or at the same time, by eliminating any language that can be construed to require a "sequence of services" from core, to intensive, to training.**

The decline of participation in job training has been well-noted since WIA replaced JTPA. Instead of directing participants to services defined in the "negative," i.e. an *inability* to get a job without more extensive training, WOW believes the decision should be based on the individual's informed choice after career counseling and an assessment of his or her skill requirements and competencies as well as the kind of training and services that will enable him or her to attain a job at self-sufficient wages. Such an approach will be of benefit not only to unemployed workers but also to incumbent workers and employers facing skill shortages.

- **Expand referral to and delivery of supportive services to help all hard-to-serve-populations with barriers to employment, including welfare recipients,**

⁴ California, Indiana, Illinois, New York, Pennsylvania, Washington, Wyoming, the District of Columbia and Colorado (in progress). See Appendix I for the website sites.

survivors of domestic violence, displaced homemakers, individuals seeking nontraditional training for their gender, single parents, and recent immigrants with limited English proficiency and ex-offenders.

Most members of hard-to-serve populations, almost by definition, need special accommodation or specific work supports in order to fully take advantage of educational and training services offered through WIA. Nevertheless, WIASRD data show the number receiving supportive services has declined from 24.2 percent of adult participants in 2000 to 19.1 percent in program year 2004-05. In 2004-05, only 21.2 percent of women, 17.1 percent of persons with a disability, and 15.5 percent of persons with a disability that was substantial were recorded as receiving supportive services.

Many education and training providers with particular capacities to work with hard-to-serve populations, such as the ability to deliver child care or accommodate the nontraditional schedules of working mothers, are discouraged from participating in the workforce development system because of cash flow risks associated with the need to fill a certain number of slots at all times with holders of Individual Training Accounts. Reauthorizing legislation should clarify that providers of on-the-job training, customized training or incumbent worker training may be certified to receive funds by the state through contracts as well as through ITA's.

Reauthorizing legislation should encourage One-Stops to adopt a consumer-friendly approach to serving hard-to-serve populations, and all customers, who may be incapable or uncomfortable using computerized or text-based services. At a minimum, One-Stops should offer each customer an initial, language-appropriate, in-person orientation to the information and services available through the center. Because what is measured is what is implemented, performance measures should include outcomes for recipients of core services only and be reported by special population category.

Reauthorizing legislation should specifically include as hard-to-serve older workers (say over age 55), individuals within two years of their TANF time limits, displaced homemakers and persons seeking employment in nontraditional occupations, including computer science and technology, as hard-to-serve populations whose employment and training needs must be addressed in local plans.

Older workers, not historically thought of as a WIA target population have been significantly underrepresented in the customer base despite the growth of this population, their increasing need and desire to continue working and the emerging recognition of employers that they will need to accommodate older workers if they are to fill their skilled workforce needs.

Another obstacle for older workers' participation in workforce development is the incentive within WIA to achieve higher earnings for system graduates. While we believe older workers, like everyone in the system, should be helped to achieve self-sufficiency wages, older workers who have income from a pension, Social Security and/or private retirement accounts, may be best helped by working part-time or in a less demanding

job that supplies the gap-filling income they need. Adjustments for older workers with income from such sources would mitigate this disincentive.

- **Require state WIBs to address in the state plan the strategy that will be used to ensure that the workforce development system is structured to ensure gender parity in all forms of skills training.**

Women and girls make up a majority of participants in WIA programs – 57 percent of adult programs; 52 percent of dislocated worker programs; and 53.2 percent of youth programs. Nevertheless, the training they receive is largely concentrated in lower paying service and clerical fields. Compared to men, with the probable exception of allied health professions, women receive very little training in higher paying, traditionally male-dominated occupations. For example, WIASRD records for April 2004 to March 2005 show 57.6 percent of males but only 8.8 percent of women in training for the category “installation, repair, production, transportation and material moving.”

WIA, thus, tends to perpetuate at least one cause of women’s wage gap – occupational clustering. In a 2005 study, Jobs for the Future identified the six occupational categories with the highest earnings and growth potential open to workers with a two-year degree or less. Of the six, four are heavily male dominated.⁵ For example, women are only 33.2 percent of computer support specialists, who earn a median of \$43,660 annually, and 2.6 percent of electricians, \$45,200. (Conversely, male trainees could be shown through career counseling that in they could receive training for the high-demand field of nursing, where 93.4 percent of LPN’s are women and whose average annual wage is \$35,580.⁶

States and local workforce boards should be encouraged to provide technical assistance and information to One-Stop staff to on counsel job seekers about high-wage/ high demand jobs and nontraditional jobs for their gender that can lead to self-sufficiency employment. Workforce boards in Fresno, Cal., and Lancaster, Penn, for example, have used self-sufficiency standards to guide their selection of target occupations and job training providers, adopting policies that restrict training funds to skills in high demand locally that pay self-sufficient wages.

The Lancaster County Workforce Investment Board has focused its training on seven industry sectors – health care, biotechnology, agriculture and food processing, construction, communications, metals and metal fabricating and automotive 00 that are considered “gold collar” jobs requiring high skills and offering self-sufficient wages.

Seattle-King County, as mentioned above, uses a Self-Sufficiency Calculator not only for career counseling to help a customer select from among occupations that will lead to self-sufficiency, but also to track individual performance by plugging into the WIB’s on-line

⁵ Susan R. Crandall and PhD, Surabhi Jain, “New Directions in Workforce Development: Do They Lead to Gains for Women?” *New England Journal of Public Policy*, spring 2007, p. 86, Crittenton Women’s Union www.liveworkthrive.org.

⁶ Bureau of Labor Statistics, *Household Survey Data* for 2005.

database wages upon exit. The council has found such a measure more meaningful than average wage gain or median wage upon exit.

The WIA system can and must be re-structured to meet the demand for skilled workers in our nation's workforce, and at the same time serve job seekers who face barriers in gaining access to employment that can bring them economic security. Wider Opportunities for Women looks forward to working with the committee as it improves our public workforce development system.