



The workforce investment system – a critical tool for America’s economic recovery

Over the past two years, the nation’s workforce investment system has played a vitally important role in helping America’s workers find new jobs or to get the training they need to make career changes in a very tough economy.

Attached is a comparison summary of ETA’s Workforce System quarterly reports to Congress for the twelve month periods ending June 30, 2008 and June 30, 2010 (the most recent period for which we have ETA data). The unemployment rate during this period rose from 5.6% in June 2008 to 9.5% in June 2010. **ETA’s quarterly report data shows a remarkable 229% increase in participation rates over the past two years.**

| | 2008 – workers served | 2010 – workers served | Increase (decrease) |
|--------------------------|-----------------------|-----------------------|---------------------|
| US Total | 4.103 million | 9.38 million | 240% |
| WIA – Adults | 2.788 million | 6.695 million | 240% |
| WIA – Dislocated Workers | 396,000 | 1.027 Million | 259% |
| WIA – Youth | 249,000 | 303,000 | 21% |

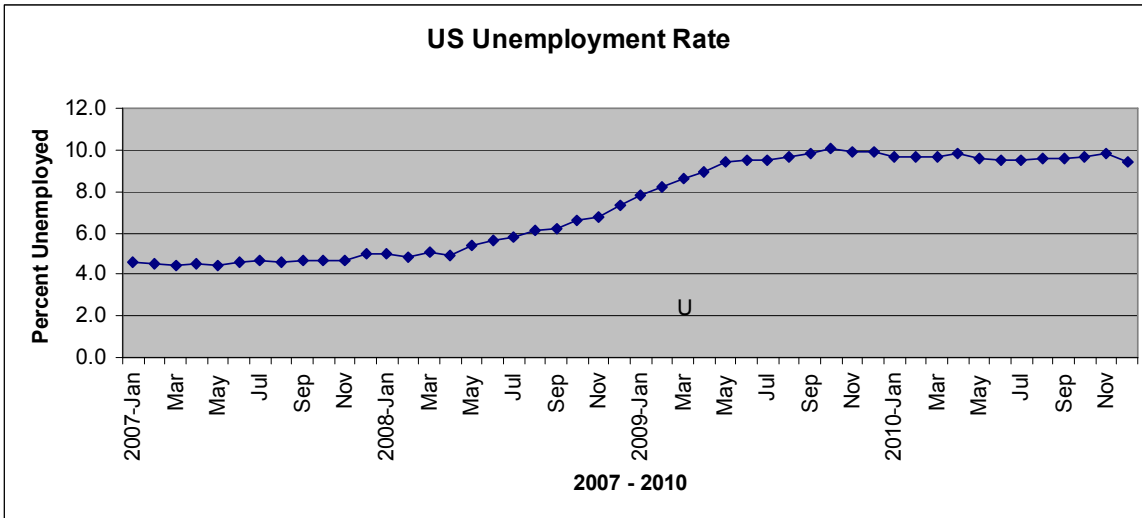
| | WIA Entered Employment Rate | | WIA Retention Rate | | Education Attainment | |
|-------------------------|-----------------------------|------|--------------------|------|----------------------|------|
| | 2008 | 2010 | 2008 | 2010 | 2008 | 2010 |
| WIA – Adult | 68% | 54% | 84% | 78% | | |
| WIA – Dislocated Worker | 72% | 51% | 87% | 80% | | |
| WIA – Youth* | 67% | 58% | | | 57% | 58% |

* WIA – youth percent reflects both entries into employment or to further education

Put in more simple terms, if we look at upside in the numbers, in the program year covering 7/1/09 – 6/30/10 over 4 million individuals found their job through our efforts. That’s a lot of people. It’s slightly over 33,000/month.

Context:

It might help to look at WIA outcomes in the context of the economy in about the same time period this performance covers. Below is a chart showing the unemployment levels in the timeframe of the last four (4) years:



One final context note; while there may be some dispute as to the ratio of job seekers to job vacancies and whether that is a 5:1 ratio as some have suggested or some lesser number, there is the other consideration that the labor market needs to create an average of roughly 280,000 jobs every single month. That is not happening. In the release of the unemployment situation for December, the Bureau of Labor Statistics announced that non-farm payrolls had gained 103,000 jobs. Certainly good news and the ninth such month of gain. But those who have opted out of the market also grew. In the same release BLS commented that; “Among the marginally attached, there were 1.3 million **discouraged workers** in December, an increase of 389,000 from December 2009. (The data are not seasonally adjusted.) Discouraged workers are persons not currently looking for work because they believe no jobs are available for them.”¹

We are not offering this as an excuse for lowered entered employment rate, but trying to give some context to the world WIBs and one-stops work in.

¹ Bureau of Labor Statistics release of January 7, 2011, **THE EMPLOYMENT SITUATION – DECEMBER 2010**
<http://www.bls.gov/news.release/pdf/empst.pdf>