

# ISSUE BRIEF

## Workforce Investment Act

**The Workforce Investment Act (WIA) of 1998, which was designed to bring together numerous job training and workforce development programs under a nationwide system of One-Stop Career Centers, is scheduled for reauthorization in 2003.** Congress should take interim steps to ensure that WIA programs pursue high-road strategies of connecting unemployed and underemployed workers to family-sustaining jobs and career ladders, rather than low road strategies of steering workers into dead-end, low-skill, low-wage jobs. Congress should avoid significant restructuring until the WIA system is fully implemented, fully funded and properly evaluated.

The Workforce Investment Act of 1998 replaced the Job Training Partnership Act (JTPA). The three principal WIA funding streams are for adult workers, dislocated workers and youths. State and local workforce investment boards (WIBs) administer WIA programs. Local WIBs oversee a system of One-Stop Career Centers, whose mandatory partners include unemployment insurance, Employment Service, adult education, vocational education, vocational rehabilitation and Trade Adjustment Assistance (TAA) programs.

**WIA should be fully funded.** The most urgent reform of the chronically underfunded WIA system is funding at a level that ensures universal access and availability of services to all workers seeking assistance.

**The current WIA system should be fully implemented before it is restructured.** The WIA system's ability to provide workers the training and support necessary to achieve self-sufficiency remains unproven. Many states did not submit final implementation plans until July 2000. Until the WIA system is fully implemented, fully funded and properly evaluated, significant restructuring should be avoided.

**Workers should be the principle customers of the WIA system.** Despite the Labor Department's mission "to promote and develop the welfare of working people," the Bush administration has announced its intention to make WIA better serve the needs of employers. The WIA system must not subordinate workers' need for high-road career development to employers' low-road strategies focusing on low-wage, low-skill jobs.

**Workers should participate in all levels of the WIA system.** Local WIBs, which are business dominated, would benefit from more—not less—direct worker and union input. Unions must be fully represented on state and local WIBs to ensure that workers' voices are heard and that WIA training meets the demands of workers.

**WIA should be publicly administered, not privatized.** WIA programs must be grounded in the honest brokers of the public sector so that WIA resources go to serving workers, not the profit margins of private firms. WIA must not allow privatization of this brokering function and must preserve a strong role for state Employment Service programs funded by the Wagner-Peyser Act.

**A new waiver authority and block grants should be opposed.** The current WIA statute already provides wide-ranging flexibility. Congress should not—in the name of flexibility—undermine local accountability for high-road strategies through expansion of current WIA waivers; shift funding and

responsibilities from the local to the state level; consolidate adult and dislocated worker funding streams; or transfer funding between federal adult, vocational and higher education.

**WIA's training opportunities should be expanded.** The General Accounting Office reports that in WIA's first year of operation, training declined 52 percent compared with training under JTPA. WIA must ensure that employment plans facilitate skills upgrading and training for all workers who need and request them.

**Labor standards, worker protections and performance goals should be improved.** WIA programs must be guided by labor standards and worker protections that support high-road strategies. Better performance standards are needed to determine the success of WIA programs in achieving high-road outcomes.

**Sectoral approaches for job training should be promoted.** The WIA system should promote high-road partnerships between unions and employers to build good jobs through training in targeted sectors.

**Services for dislocated workers need to be improved.** The funding stream for dislocated workers must be preserved and adequately funded, and restrictions on services for long-term dislocated workers should be loosened.

**WIA should be coordinated with, but not subsumed by, Temporary Assistance for Needy Families (TANF).** WIA and TANF programs should be coordinated through proven providers to deliver high-quality education and training. But WIA must not allow programs designed for training to be diminished by a low-road "work-first" approach.