

WORKFORCE INVESTMENT ACT (WIA)

WIA, enacted in August 1998, repealed the Job Training Partnership Act (JTPA) on July 1, 2000, and replaced it with Title I of WIA, Workforce Investment Systems. The purpose of WIA is to provide workforce investment activities that increase the employment, retention, and earnings of participants. WIA programs are intended to increase occupational skills attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation. WIA authorizes several job training programs including Adult Employment and Training Activities, Youth Activities, and Job Corps.

Under WIA's adult program, adults receive services through a coordinated service delivery system overseen by local workforce investment boards.¹ This system, called the "One-Stop" system, is intended to provide a "seamless" system of services to improve employment opportunities for individuals. Through one-stop centers individuals receive core services, such as outreach, initial assessment of skills and needs, and job search and placement assistance. Through one-stop centers, eligible individuals also receive access to intensive services such as comprehensive assessments and development of individual employment plans, and to training services such as occupational skills training and on-the job training.

Anyone age 18 and older is eligible to receive core services. To be eligible to receive intensive services, an individual has to have received at least one core service, have been unable to obtain or retain employment through core services and need intensive services to obtain or retain employment. To be eligible to receive training services, an individual has to have received at least one intensive service, have been unable to obtain or retain employment through such services, have the skills and qualifications to successfully participate in select training programs that are directly linked to employment opportunities in the local area, and be unable to obtain other grant assistance, including Pell grants, or need assistance above the levels provided by such other grants.

As shown in Table 15-WIA-1, of WIA adult participants who received intensive or training services and exited the program during program year 2001,² 43 percent were white, 29 percent were black, and 22 percent were Hispanic. Seventy-three percent were low-income and 80 percent were unemployed at the time of entry in the program.

Among the 73 percent of low-income "exiters" who received intensive or training services, 44 percent received intensive services only and 56 percent received training services. Of the low-income exiters who received intensive or

¹ Under WIA's adult and youth programs, funds are allocated to states by a statutory formula. States, in turn, allocate at least 85 percent of the funds to local workforce investment boards.

² Program year 2001 for WIA programs is July 1, 2001 through June 30, 2002.

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training services and were unemployed at entry, 72 percent entered employment in the first quarter after exit. Of all low-income exiters who received intensive or training services, the average earnings of those with earnings in the first quarter after exit was \$3,649.³

TABLE 15-WIA-1--CHARACTERISTICS OF WIA ADULT EXITERS WHO RECEIVED INTENSIVE OR TRAINING SERVICES, PROGRAM YEAR 2001¹

Selected Characteristics	Percent
Sex:	
Male	42
Female	58
Race/Ethnicity:	
Hispanic	22
Non-Hispanic white (only)	43
Black or African American (only)	29
Other	6
Age at enrollment:	
18-21	11
22-29	28
30-54	55
55 and older	6
Low income	73
Receiving TANF	11
Receiving public assistance (including TANF)	16
Unemployment Compensation claimant	14
Employed at registration:	
Employed	20
Not employed	80
Highest Grade Completed:	
Less than High School Graduate	20
High School Graduate/Equivalent	56
Post High School	24

¹ The number of exiters for fiscal year 2001 who received intensive or training services is 135,448. Source: Program Year 2001 WIASRD Data Book, September 3, 2003. Social Policy Research Associates, prepared for U.S. Department of Labor.

Under WIA's youth program, youth, who are generally required to be low-income, receive services such as tutoring and study skills training, alternative high school services, and summer youth opportunities. Services to youth are provided through grants to providers made on a competitive basis. At least 30 percent of the funds allocated to local areas have to be spent on activities for out-of-school youth.

³ The information on entered employment and average earnings is for persons who exited the program from October 1, 2000 to September 30, 2001. Individuals who were reported as institutionalized or deceased at exit and those who had medical conditions that precluded continued participation in WIA or entry into employment are excluded from the percentages.

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As shown in Table 15-WIA-2, of WIA youth participants who exited the program during program year 2001, 28 percent were white, 33 percent were black, and 34 percent were Hispanic. Ninety-four percent were low-income.

TABLE 15-WIA-2--CHARACTERISTICS OF WIA YOUTH EXITERS,
PROGRAM YEAR 2001

Selected Characteristics	Percent ¹
Sex:	
Male	47
Female	53
Race/Ethnicity:	
Hispanic	34
Non-Hispanic white (only)	28
Black or African American (only)	33
Other	5
Age at enrollment:	
14-15	33
16-17	37
18	13
19-21	18
Low income	94
Receiving TANF	13
Receiving public assistance (including TANF)	18
Unemployment Compensation claimant	1
Highest Grade Completed:	
Less than High School Graduate	86
High School Graduate/Equivalent	13
Post High School	1
Education Status at Registration:	
Attending High School or Below	69
Attending Post-Secondary School	2
High School Drop-out	17
High School Graduate/Equivalent	11
Average Weeks Participated	40
Total exiters	126,348

¹ Percent except average weeks participated, and total exiters. Percentages under headings may not add to one hundred due to round.

Source: Program Year 2001 WIASRD Data Book, September 3, 2003. Social Policy Research Associates, prepared for U.S. Department of Labor.

In FY2003, an estimated \$899 million is expected to be spent to serve 545,600 adults under WIA Adult Activities, and an estimated \$994 million is expected to be spent to serve 445,800 youth under Youth Activities. Data on participation and budget authority for recent years are provided in Table 15-WIA-3.

Job Corps, authorized by Title I-C of WIA, serves low-income youth ages 16-24 who demonstrate both the need for and the ability to benefit from an intensive and wide array of training, career development, job placement, and support services in a residential setting. The program is administered by DOL

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through contracts with large and small corporations and nonprofit organizations for the operation of 90 centers, and through interagency agreements with the U.S. Departments of Agriculture and the Interior for the operation of 28 additional centers on public lands.

TABLE 15-WIA-3--WIA JOB TRAINING PROGRAMS FOR ADULTS AND YOUTH: NEW ENROLLEES, FEDERAL APPROPRIATIONS, AND OUTLAYS, FISCAL YEARS 1999-2003
[Appropriations and Outlays in millions of dollars]

Fiscal Year	Program	Participants	Appropriations	Outlays
1999	Adult	324,800	955	884
	Youth	120,000	130	181
2000	Adult	268,700	950	797
	Youth	307,200	1,001	431
2001	Adult	398,500	950	759
	Youth	375,500	1,128	723
2002	Adult	475,200	945	1,078
	Youth	396,500	1,128	1,072
2003 (est)	Adult	545,600	899	968
	Youth	445,800	994	1,140

Source: Department of Labor, Employment and Training Administration, Office of Financial and Administrative Services.

In program year 2001 (July 1, 2001-June 30, 2002), nearly 68,000 new students enrolled in Job Corps Centers, 60 percent of whom were male. In that same year, 47 percent of new students were African-American, 29 percent were white, 18 percent were Hispanic, 4 percent were American Indian, and 2 percent were Asian or Pacific Islanders. Seventy-seven percent of new students had dropped out of high school; the average grade level for reading at enrollment was 7.5. Twenty percent of new students in program year 2001 came from families on public assistance.

Of all Job Corps members who left the program in program year 2001, 76 percent were placed in jobs, full-time advanced education or training, or the military. The average length of stay in Job Corps in program year 2001 was 7.6 months.

In FY2003, an estimated \$1.5 billion is expected to be spent to serve 68,454 youth under the Job Corps. Data on participation and budget authority for recent years are provided in Table 15-WIA-4.

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TABLE 15-WIA-4--JOB CORPS FEDERAL APPROPRIATIONS,
OUTLAYS, AND NEW ENROLLEES, FISCAL YEARS, 1999-2003
[Appropriations and Outlays in millions of dollars]

Year	Appropriations	Outlays	New enrollees
1999	1,308	1,154	70,565
2000	1,358	1,253	71,487
2001	1,399	1,291	67,833
2002	1,454	1,467	64,043
2003 est.	1,513	1,550	68,454

Source: Department of Labor, Employment and Training Administration, Office of Job Corps.