OREGON WORKFORCE INVESTMENT: Results & Trends

Special Report for Region 9: Gilliam, Hood River, Sherman, Wasco and Wheeler Counties

Individuals Served by Oregon's Workforce Development System: Is Their New Job as Good as Their Old One?

During the past few years, Oregon has experienced an economic recession and subsequent recovery. While the state's overall employment declined by about 60,000 during the recession, the number of Oregonians affected by job loss was far greater.

To be included in this analysis, an individual had to meet all of the following criteria.

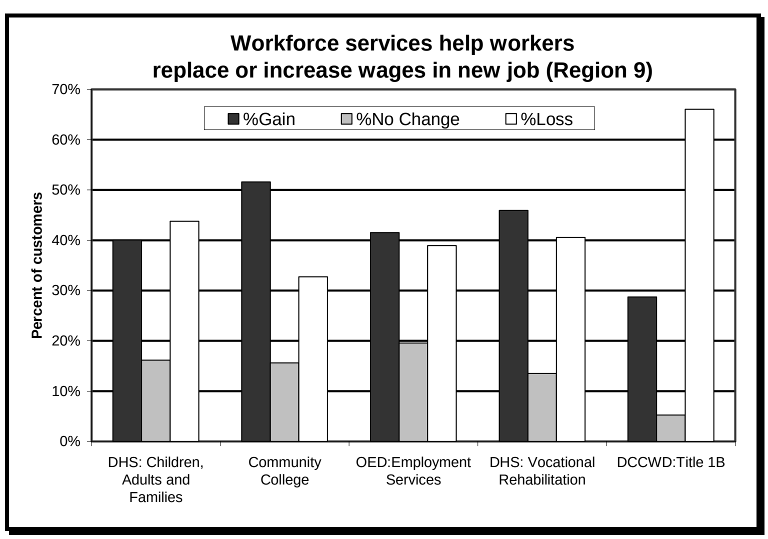
- Receive services in Region 9 from the public workforce system between July 2000 and June 2003
- Be employed before and after receiving those services
- Be employed by different employers before and after receiving those services.

Almost 7,000 records representing services provided to 4,321 people by Oregon's Department of Human Services, Employment Department, and Department of Community Colleges and Workforce Development were included in this analysis. Data submittals from the Office of Professional/Technical Education – Carl Perkins (grades 9-12) and Title II (Adult Basic Education) were not available for the study timeframe.

The question is: Did those who met the above criteria earn as much in the job they had after receiving government services as they did in the job before?

Community college customers most likely to increase earnings

Of the workforce agencies participating in the Performance Reporting Information System (PRISM), Oregon's community colleges had the most success assisting their clients increase wages. More than 50 percent of community college participants earned at least 2 percent more after receiving services from the colleges than before (Graph 1).



Graph 1

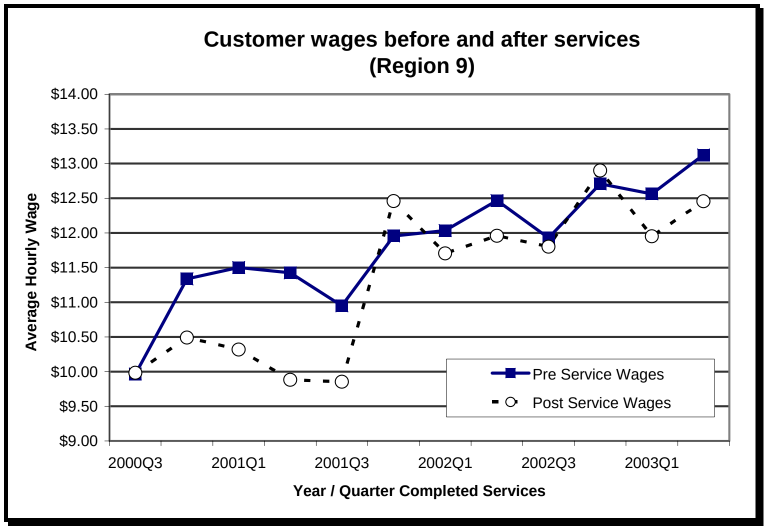
Across the workforce development agencies, roughly half of the individuals served either maintained or improved their "before-services" earnings. This occurred even though some of their core customer groups face significant challenges finding employment: loss of jobs as a result of permanent plant closings, disabilities, or lack of job-readiness skills.

Ability to match previous earnings improved significantly

During the early part of Oregon's recession, the average wage for people who had received services was about one dollar below their previous earnings levels. Among the 15 regions, Region 9 had the highest gap between the pre; and post-service wages during the recession.

This situation improved notably after the initial stages of recession, and by the end of 2001, wages after receiving services were, on average, about 25 cents below the earnings before workforce development services were provided.

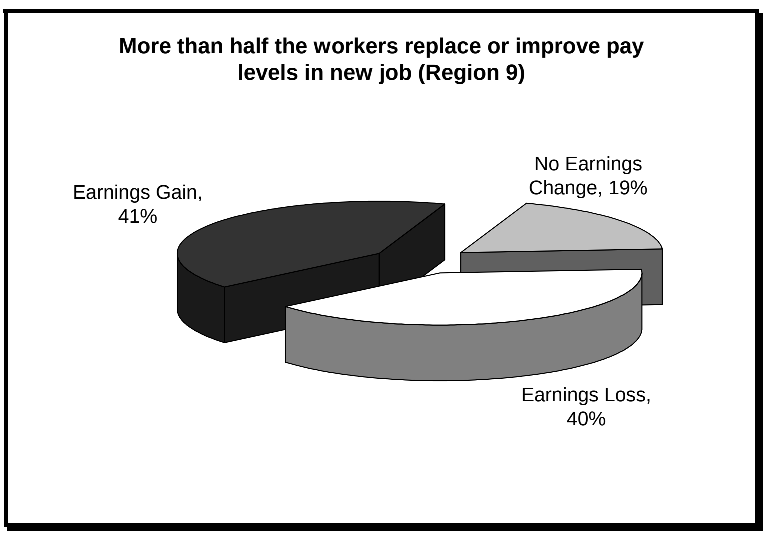
Given that most people receiving services from the public workforce system have experienced some type of workforce difficulty – layoff, unemployment for other reasons, or lack of skills, for example – the fact that average wages after services are essentially equal to those earned before receiving services may be considered quite satisfying (Graph 2).



Graph 2

More than half replace or improve pay

More than half of those who received workforce services replaced or improved pay levels in their new job after receiving services (Graph 3). Forty-one percent saw their earnings increase significantly – by more than 2 percent – while a further 19 percent of the individuals saw essentially no change – less than 2 percent up or down – in their earnings. The remaining workers – 40 percent – experienced an earnings loss of more than 2 percent. However, only about 3.7 percent of the workers saw their earnings drop by more than half.



Graph 3

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