

GAO

Report to the Committee on Health,
Education, Labor, and Pensions, U.S.
Senate

April 2008

EMPLOYMENT AND TRAINING

Most One-Stop Career Centers Are Taking Multiple Actions to Link Employers and Older Workers



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Abbreviations

SCSEP	Senior Community Service Employment Program
WIA	Workforce Investment Act
WIB	Workforce Investment Board

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United States Government Accountability Office
Washington, DC 20548

April 21, 2008

The Honorable Edward M. Kennedy
Chairman
The Honorable Michael B. Enzi
Ranking Member
Committee on Health, Education, Labor, and Pensions
United States Senate

The Honorable Patty Murray
Chair
Subcommittee on Employment and Workplace Safety
Committee on Health, Education, Labor, and Pensions
United States Senate

The share of older persons in the U.S. population age 55 and older is projected to increase to 30 percent by 2025 and continue to grow through 2050. At the same time, more older persons are expected to continue working than in the past and, in doing so, may need employment and training services as they make transitions to different jobs and work arrangements. Several factors will contribute to this phenomenon. The number of older Americans and their proportion of the total population are increasing and are expected to continue to increase. Fewer of these older Americans are expected to have the traditional retirements of previous generations and many will continue working for financial or other reasons. At the same time, labor force growth is expected to slow and employers will be faced with a relatively smaller and younger available workforce. As a result, some businesses will need to retain existing older workers or attract additional older workers to meet their workforce needs. The Department of Labor (Labor) has identified one-stop career centers (one-stops) as a means to link older workers with employers through employment and training services. To address the role of one-stops in serving older workers, we examined: (1) Labor's actions to help one-stops link employers and older workers and (2) one-stops' actions to help employers hire and retain older workers.

On January 22, 2008, we briefed interested staff on the results of our analysis. This report formally conveys information provided during that briefing. In summary, we reported the following findings:

- Labor has proposed action steps that one-stops may take to link employers and older workers and has ongoing efforts to promote employment for

older workers to a wider audience. While Labor knows little about the results of these efforts, planned evaluations may provide some information on the impact of WIA services on older workers.

- Based on our survey results, we estimate that most one-stops took multiple actions to link employers and older workers. One-stop officials identified some actions as most effective, such as training staff to assist older workers, and often used multifaceted approaches. Several factors—for example, the local economy and how workers’ skills match with employers needs—might affect what actions one-stops take to serve older workers. One factor, the performance measure tracking participants’ earnings, may create disincentives for serving older workers who are more likely to work part-time, which provides lower wages. We have previously recommended that Labor assess the potential for such disincentives, and we continue to believe that doing so would be worthwhile.

To examine these issues, we conducted Web-based surveys of one-stops and their local Workforce Investment Boards (WIB), which allowed us to make estimates to the entire population of one-stops.¹ We also interviewed one-stop and WIB officials, Labor officials, and persons from other organizations knowledgeable about older workers and workforce programs. When using the term “older workers,” we are generally referring to persons age 55 and older who were employed or seeking employment. In our review we considered how all older workers are served, but in reporting survey results we did not include the Senior Community Service Employment Program (SCSEP) when we could distinguish it from other programs. Although SCSEP’s efforts are directed exclusively toward older persons, because of stringent income requirements and other requirements, the program serves a very small percentage of older workers.² We conducted this performance audit from May 2007 to January 2008, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe

¹ We conducted a stratified random probability sample of 334 comprehensive one-stops of 1,684 one-stops, and 311 of their corresponding WIBs. We received 245 (73 percent) one-stop survey responses and 256 (82 percent) corresponding WIB survey responses.

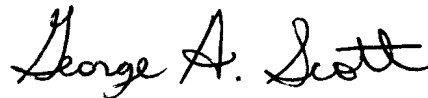
² For further information on SCSEP, see the testimony: GAO, *Senior Community Service Employment Program: Labor Has Made Progress Implementing Older Americans Act Amendments of 2000, but Challenges Remain*, [GAO-06-549T](#) (Washington, D.C.: Apr. 6, 2006).

that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We provided a draft of this report to Labor for review and comment. Labor indicated that the report was positive about actions one-stops are taking to serve and train older workers and Labor stated it found the information we collected to be helpful. Regarding the average earnings performance measure, Labor noted that its initial analysis shows that older workers have higher earnings than other workers. We clarified our statements in the report regarding older workers and average earnings to indicate that older workers are more likely to work part-time and that wages from part-time work are lower than wages from full-time work. Labor indicated that it intends to continue to explore issues surrounding performance. Labor's entire comments are reproduced in appendix II.

We are sending copies of this report to relevant congressional committees and other interested parties and will make copies available to others upon request. In addition, this report will be available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or ScottG@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Patrick di Battista (Assistant Director), Daniel S. Meyer (Analyst-in-Charge), Jessica A. Botsford, Susannah L. Compton, Catherine V. Croake, Sharon L. Hermes, Gloria Hernandezsaunders, Kevin L. Jackson, Stuart M. Kaufman, Kevin M. Kumanga, Lisa B. Mirel, and Rachael C. Valliere also made significant contributions to this report.



George A. Scott
Director, Education, Workforce,
and Income Security Issues

Appendix I: Briefing Slides



Employment and Training: Most One-Stop Career Centers Are Taking Multiple Actions to Link Employers and Older Workers

**Briefing to Congressional Staff
January 2008**

1



Overview

- Introduction
 - Research Questions
 - Scope and Methodology
 - Summary of Key Findings
 - Background
 - Findings
 - Concluding Observations
-



Introduction

- The share of older persons in the U.S. population is projected to increase to 30 percent by 2025 and continue to grow through 2050. At the same time, more older Americans are expected to continue working and many will likely make transitions to different jobs and work arrangements, increasing their need for employment and training services.
 - Older Americans may need to continue to work beyond when they otherwise might have retired, in order to ensure a more secure financial future.
 - Employers, facing slower growth in the available workforce, may need to retain or attract older workers. Older workers are generally defined as those persons age 55 and older who are employed or seeking employment.
 - The U.S. Department of Labor (Labor) has identified one-stop career centers, required by the Workforce Investment Act (WIA), as a means to link older workers with employers through employment and training services.
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Research Objectives

- To address the role of one-stops in serving older workers, we examined
 - Labor's actions to help one-stops link employers and older workers and
 - one-stops' actions to help employers hire and retain older workers.



Scope and Methodology

- We interviewed Labor officials and reviewed Labor documents related to one-stops and older workers.
- We conducted two Web-based surveys using a stratified random probability sample of 334 one-stops out of 1,684 one-stops and 311 of their corresponding local Workforce Investment Boards (WIB).¹ We received survey responses for 245 (73 percent) of the one-stop centers, and 256 (82 percent) of the WIBs. All percentage estimates presented from the surveys have margins of error within plus or minus 8 percentage points, unless otherwise noted.
- We used Census data to estimate the number of older workers residing in the areas served by the one-stops.
- We interviewed officials from 11 one-stops. We selected these one-stops based on our review of survey responses regarding the most effective practice they used in serving older workers. These one-stops were located in the following states: California, Colorado, Illinois, Michigan, Minnesota, New York, South Carolina, Tennessee, Texas, and West Virginia.

¹ Some local WIBs oversee multiple one-stops.



Summary of Key Findings

- Labor has proposed action steps that one-stops may take to link employers and older workers and has ongoing efforts to promote employment for older workers to a wider audience. While Labor knows little about the results of these efforts, planned evaluations may provide some information about the impact of WIA services on older workers.
 - Based on our survey results, we estimate that most one-stops took multiple actions to link employers and older workers. One-stop officials identified some actions as most effective, such as training staff to assist older workers, and often used multifaceted approaches. Several factors, for example, the local economy, might affect what actions one-stops take to serve older workers. One factor, performance measures, may create disincentives for serving older workers.
-

Background



One-Stops and One-Stop Programs

- WIA requires states and localities to provide the employment and training services of 16 federally funded programs through the one-stop career center system.

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Background

One-Stop Programs

Descriptions of selected programs and listing of other programs.

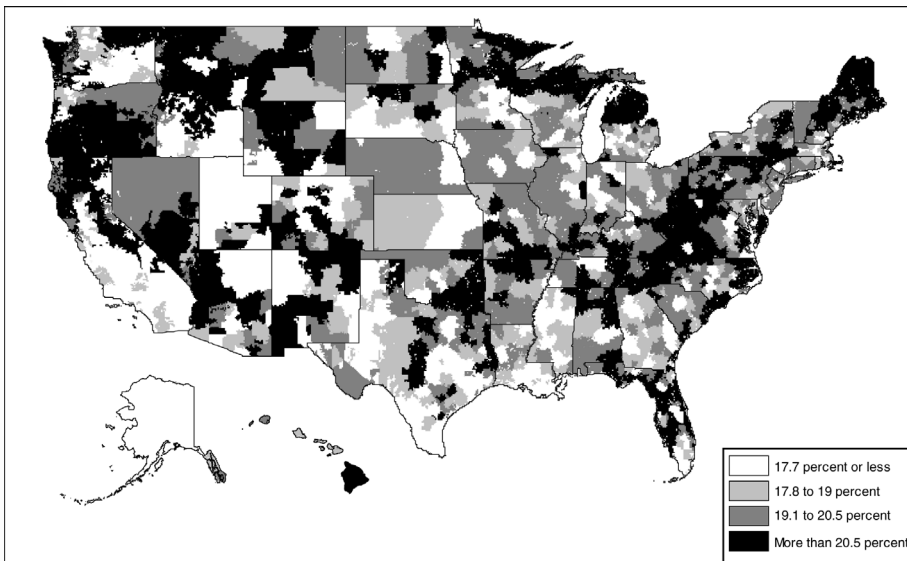
Program	Description
Senior Community Service Employment Program (SCSEP)	Eligibility is restricted to persons age 55 or older who are low-income and have poor employment prospects; provides them subsidized, part-time, community service work-based training.
WIA Adult Program	All persons aged 18 or older are eligible to receive services; priority for intensive services and training given to recipients of public assistance or low-income individuals when funds are limited.
WIA Dislocated Worker Program	Serves individuals who have been terminated or laid off or received notification of layoff and are unlikely to return to their previous employment.
Wagner-Peyser	Provides services to help job seekers find employment and help businesses find qualified workers.
Trade Adjustment Assistance Programs	Assists workers in the manufacturing sector who lose their jobs as a result of trade.
Other One-Stop Programs	Veterans' Employment and Training programs, Unemployment Insurance, Job Corps, Employment and Training for Migrant and Seasonal Farm Workers, Employment and Training for Native Americans, Vocational Rehabilitation Program, Adult Education and Literacy, Vocational Education (Perkins Act), Community Services Block Grant, WIA Youth, HUD-administered employment and training.

Background



Proportion of Older Persons throughout the United States

Proportion of Older Persons of All Persons Near Their Closest One-Stop



Source: 2000 Census data. The analysis uses the category 50 to 69 years of age for older persons.



Finding One : Actions Labor Has Taken

Labor Has Advised One-Stops on Linking Employers and Older Workers, but Knows Little about the Results of Its Efforts

Overview:

- Labor proposed action steps for one-stops to improve services for older workers in addition to its other efforts to promote employment for this population.
- However, Labor knows little about whether one-stops have implemented its proposed action steps or the results of its efforts.

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Finding One: Actions Labor Has Taken



Labor Has Proposed Action Steps for One-Stops to Improve Services for Older Workers

Protocol for Serving Older Workers (January 2005):

- Although WIA does not require one-stops to target older workers or provide specific services, Labor issued the Protocol to provide a set of action steps that one-stops may take to connect employers and older workers. For example, Labor encouraged one-stops to
 - Work with employers to refer older workers to appropriate job openings.
 - Educate businesses about alternative work arrangements that may appeal to older workers.
 - Provide personalized post-placement services to ensure older workers retain and advance in their jobs.

Finding One: Actions Labor Has Taken



Labor also Has Broader Efforts to Promote Employment for Older Workers

Interagency Taskforce on the Aging of the American Workforce:

- Labor and other relevant federal agencies published recommendations in February 2008, some related to one-stop services, to address key issues facing older workers. For example:
 - Coordinate federal agencies' research on older workers, including exploring the most effective strategies for serving this population.
 - Create a tool to enable one-stop staff to determine the number and characteristics of older workers in their area.
 - Raise public awareness of one-stops as a place for older jobseekers and employers to connect.
- Labor also contracted with the Urban Institute on a supplemental report, issued in March 2008, on strategies employers and others in the workforce investment system are using to help attract and retain older workers.

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Finding One: Actions Labor Has Taken



Labor Also Has Broader Efforts (cont.)

- **Labor officials highlighted other efforts relevant to older workers:**
 - Two webinars since 2005, such as one featuring community college programs for older workers.
 - Conference sessions, including one in 2007 profiling a senior-focused one-stop.
 - Annual National Employ Older Workers Week, including activities like award ceremonies and job fairs.
 - Business Relations Group, which has sponsored a forum exploring challenges to and solutions for attracting and retaining older workers.

- **While these efforts may reach a wider audience, Labor's efforts primarily focus on a program targeted to low-income older workers**
 - The SCSEP is restricted to low-income older adults and places participants in community service positions where the federal government subsidizes their salary through grants to states and national organizations.²
 - Labor has noted the program's limited capacity for serving older workers. In 2006, SCSEP had 92,000 participants—less than 1 percent of the 9.4 million people in the U.S. 55 and older meeting income requirements.³

² Participants must be 55 or older and have a family income of no more than 125 percent of the federal poverty level. See GAO-03-350 for more information on the Senior Community Service Employment Program.

³ About 14 percent of Americans 55 and older (or 9.5 million) were living below 125 percent of the poverty level in 2006. U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2007.

Finding One: Actions Labor Has Taken



Labor Knows Little about How Its Actions Have Influenced Services to Older Workers

- **Labor does not know how one-stops are using the Protocol**
 - Labor officials told us they have not sought any feedback on the Protocol from states or local areas, because they focus their oversight efforts on states' compliance with laws and regulations.

- **None of the one-stops we interviewed reported using the Protocol**
 - Labor did not require one-stops to take any actions as a result of the Protocol and none of the one-stops we interviewed reported using it.
 - Just 5 of the 11 one-stop officials we interviewed were familiar or vaguely familiar with it.

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Finding One: Actions Labor Has Taken



Planned WIA Evaluations May Provide Some Information on Impact of Services on Older Workers

- Labor recently began a short-term evaluation of the impact of receiving certain WIA services on employment, earnings, and job retention.⁴
- Labor is also planning a random assignment evaluation examining the cost-effectiveness of WIA programs and their impact on participants' post-program employment and earnings.⁵ Labor estimates the study will take 7 years to complete.
- Both evaluations will look at older workers as a subgroup of WIA participants.⁶

⁴The evaluation will assess the impact of core and intensive services on participants' earnings, employment, and job retention.

⁵WIA Adult, Dislocated Workers and Youth Programs.

⁶According to Labor, the random assignment impact evaluation will include participants 55 and older and the short-term evaluation will include workers 50 and older, among other age groups.

Finding Two: Actions One-Stops Have Taken



Most One-Stops Took Multiple Actions to Link Older Workers and Employers

Overview

- Most one-stops took multiple actions outside of SCSEP to link older workers and employers.
- Several factors may independently affect these actions, including Labor's performance measures, which may serve as a disincentive to serving older workers.

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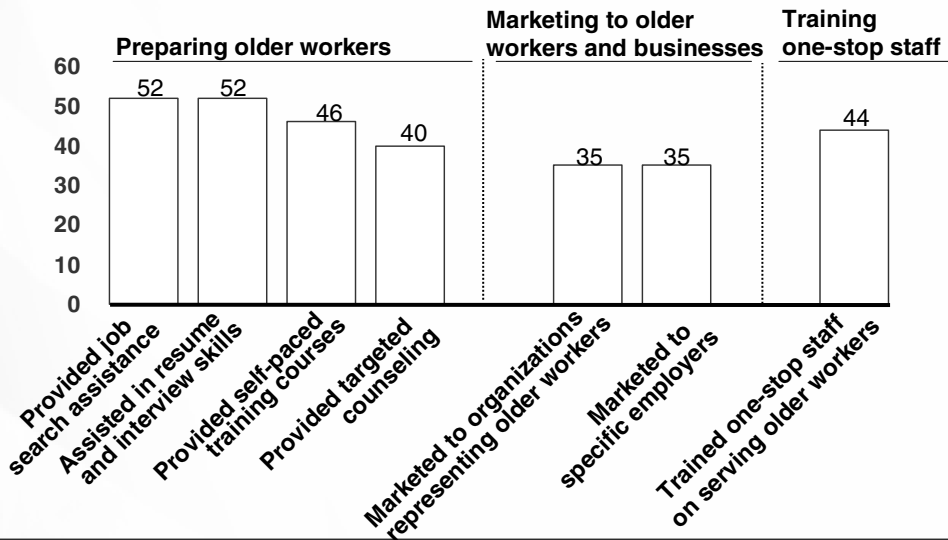
Finding Two: Actions One-Stops Have Taken

Most One-Stops Took Multiple Actions to Link Older Workers and Employers

Based on our survey results of one-stops' actions we estimate* that

- 71 percent of one-stops took more than one action to link older workers and employers outside of SCSEP.
- The most prevalent actions one-stops took outside of SCSEP can be categorized as follows:

Percentage of one-stops taking specific actions



Source: GAO analysis of survey results.

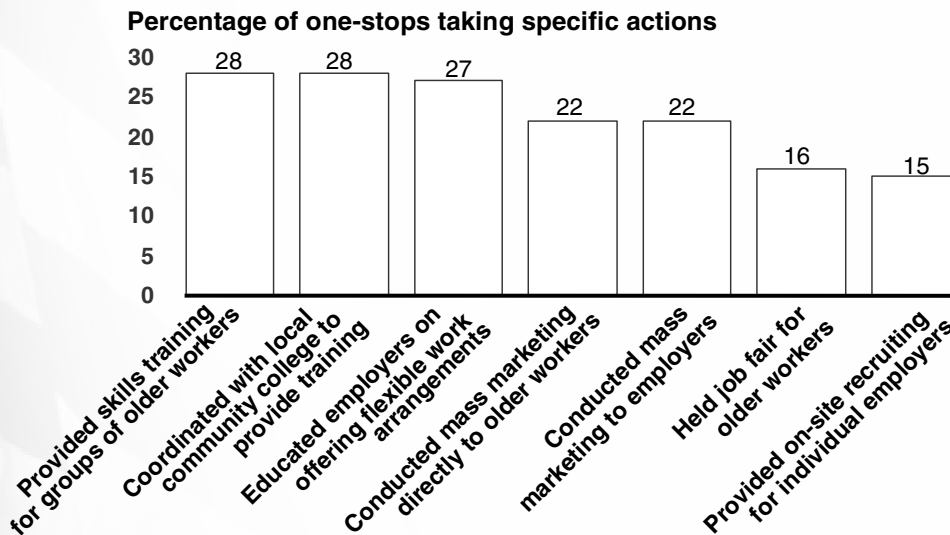
*All estimates have a margin of error within +/- 8 percentage points.



Finding Two: Actions One-Stops Have Taken

Most One-Stops Took Multiple Actions to Link Older Workers and Employers (continued)

- Based on our survey results, we estimate* that the percentage of one-stops that took other actions outside of SCSEP to specifically link older workers and employers are as follows:



Source: GAO analysis of survey results.

*All estimates have a margin of error within +/- 8 percentage points.

Finding Two: Actions One-Stops Have Taken



Most One-Stops Took Actions to Help Employers Retain Older Workers

Based on survey results of one-stops' actions, we estimate* that

- 60 percent of one-stops provided employers with information/education about ways to retain older workers, which could include offering flexible and reduced work schedules.

*All estimates have a margin of error within +/- 8 percentage points.

Finding Two: Actions One-Stops Have Taken



One-Stop Officials Identified Some Actions as Most Effective, and Often Used Multifaceted Approaches

- Based on our survey results, the actions outside of SCSEP that were identified as most effective by the largest number of one-stops included:
 - resume writing,
 - interviewing skills,
 - job searches, as well as
 - training of one-stop staff on how to assist workers.⁷
- One-stop officials we interviewed noted that while the first three services were available to all job seekers, these services were particularly helpful to some older workers who, by virtue of their long work histories with few employers, may have less experience in these areas.

⁷The survey asked the respondent to identify the one-stop's three most effective actions.

Finding Two: Actions One-Stops Have Taken



One-Stop Officials Described Multifaceted Approaches to Linking Older Workers and Employers

- Example 1: The one-stop provided older workers laid off from a food processing plant with language instruction, construction and maintenance skills, and basic skills courses. The one-stop provided assistance on how to complete a job application and how to interview, which many of the workers had never done before. Through job search assistance, the one-stop placed some of the workers in new jobs and assisted others in self-employment.

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Finding Two: Actions One-Stops Have Taken



Multifaceted approaches (continued)

- Example 2: The one-stop provided weekly classes on resume writing and interviewing skills, noting some older workers' lack of experience in this area. The one-stop also encouraged older workers to take computer classes. Additionally, the one-stop used an assessment profile to match job applicants with available positions.

Finding Two: Actions One-Stops Have Taken



Multifaceted approaches (continued)

- Example 3: The one-stop provided older workers with one-on-one counseling and career assessment. In addition, the one-stop held a special workshop once a month specifically for older workers. The workshop covered how to use the Internet, e-mail, and how to look for jobs.

Finding Two: Actions One-Stops Have Taken



Multifaceted approaches (continued)

- Example 4: The one-stop held an annual job fair specifically for older workers. The one-stop registered job fair participants and followed up with them. A portion of the workforce center space, including computers and other resources, is set aside specifically for older workers.



Finding Two: Actions One-Stops Have Taken

Several Factors Might Independently Affect What Actions One-Stops Take: Employment Status and Full- or Part-time Work Preference

Based on the results of our survey, we estimate that one-stops were about equally split between whether most of the older workers they served had been laid off or were returning to work after having been out of the workforce. This could affect actions one-stops take, such as the retraining of workers.

Estimated percentage of one-stops	Most of the older workers they served were
46	Laid off and looking for full-time work (displaced workers)
47	Returning to work and looking for full-time or part-time work
5	Seeking to go from full-time to part-time employment

Based on our survey results, we estimate that 99 percent of one-stops post information on part-time or seasonal jobs through one or more programs.

*All estimates have a margin of error within +/- 8 percentage points.

Finding Two: Actions One-Stops Have Taken



Independent Factors (cont.): Workers' Skills and How They Match with Employers' Needs

Based on our survey we estimate:

- Older persons served at one-stops have a variety of skill levels. For example, the percentage of older workers who were primarily low-skilled and served through the WIA adult program was higher than the percentage of those workers served through the more restrictive WIA dislocated worker program.
- Older persons' skills may match with employers' needs differently. The percentage of older workers whose skills were minimally well-matched was higher for the WIA adult program than for the WIA dislocated worker program.
- Some one-stop officials we interviewed told us that when there are mismatches between worker skills and employer needs, they emphasize improving workers' skills or outreach to employers that have needs that match the workers' current skills.

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Finding Two: Actions One-Stops Have Taken



Independent Factors (cont.): Proportion of Older Persons Did Not Affect Outreach to Employers

- The proportion of older workers located in one-stops' geographic areas did not affect whether the one-stops were more or less likely to reach out to employers, according to our review of our survey data and Census data.⁸

⁸The Census data used excludes the Virgin Islands.

Finding Two: Actions One-Stops Have Taken



Independent Factors (cont.): Economic Conditions

Some one-stop officials said that local economies present different employment opportunities and challenges for serving older workers that might affect the actions they take.

Low unemployment, growth in retail, service, and other business:	High unemployment, declines in major industries, such as automotive and steel industries:
<p>One-stop officials in these areas described high levels of employer interest in hiring older workers and found direct contacts with employers and job fairs helpful. The officials also described a variety of flexible and part-time employment opportunities for older workers.</p>	<p>One-stop officials identified the need to provide older workers with training and noted difficulty in finding these workers jobs that provide similar wages to their former jobs.</p>

Finding Two: Actions One-Stops Have Taken



Independent Factors (cont.): Performance Measures

- **WIA earnings measure may discourage some one-stops from serving older workers**
 - Serving older workers—who are more likely to work part-time, which provides lower wages—could lower performance on the measure tracking participants’ average earnings.
 - 5 of 11 of the one-stops we interviewed said performance measures created a disincentive to serve older workers, but only a few reported the measures actually influenced how they served older workers.
 - We have recommended Labor examine this issue—and Labor included it as an action step in its Protocol—but little action has been taken to date.⁹

⁹ To reduce the incentive to serve only those who will help meet performance levels, we recommended in 2004 that Labor systematically adjust expected performance levels to account for different populations and local economic conditions, while still allowing states to negotiate their own goals with Labor. See GAO, *Workforce Investment Act: States and Local Areas Have Developed Strategies to Assess Performance, but Labor Could Do More to Help*, GAO-04-657 (Washington, D.C.: June 1, 2004).



Concluding Observations

- We have previously recommended that Labor assess the impact of WIA programs. Labor officials told us that they have initiated this process, and it will be important that they follow through in a timely manner. The data Labor plans to collect on older workers may provide insights into how older workers are faring and ways the workforce system can better serve them.
 - While one-stops are actively engaging older workers and employers, the average earnings performance measure could still be discouraging some one-stops from investing significant staff time and resources into serving older workers whose training and employment needs, such as the desire to work part-time, may not be well-matched with this performance measure. We have previously recommended that Labor assess the potential for such disincentives, and we continue to believe that doing so would be worthwhile.
-



Related GAO Products

Older Workers: Some Best Practices and Strategies for Engaging and Retaining Older Workers. GAO-07-433T. Washington, D.C.: February, 28, 2007.

Highlights of a GAO Forum: Engaging and Retaining Older Workers. GAO-07-438SP. Washington, D.C.: February 28, 2007.

Older Workers: Labor Can Help Employers and Employees Plan Better for the Future. GAO-06-80. Washington, D.C.: December 5, 2005.

Older Workers: Employment Assistance Focuses on Subsidized Jobs and Job Search, but Revised Performance Measures Could Improve Access to Other Services. GAO-03-350. Washington, D.C.: January 24, 2003.

Older Workers: Demographic Trends Pose Challenges for Employers and Workers. GAO-02-85. Washington, D.C.: November 16, 2001.

Appendix II: Comments from the Department of Labor

U.S. Department of Labor

Employment and Training Administration
200 Constitution Avenue, N.W.
Washington, D.C. 20210



APR 7 2008

Mr. George A. Scott
Director
Education, Workforce and Income Security Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, D.C. 20548

Dear Mr. Scott:

This letter is the Department of Labor's response to the Government Accountability Office (GAO) Draft Report No. 08-548 entitled, "*Most One-Stop Career Centers are Taking Multiple Actions to Link Employers and Older Workers.*" We appreciate the opportunity to comment on the draft.

In general, the draft report is quite positive about the actions One-Stop Career Centers are taking to serve and train older workers. The information GAO has collected on the activities for older workers in a number of One-Stops is also very helpful. The Employment and Training Administration (ETA) has attempted to take the lead in looking at the broader impacts of the aging workforce. This is evidenced by ETA's leadership of the Taskforce on the Aging of the American Workforce. As noted in the GAO report, the Taskforce released its report and recommendations in February 2008. Subsequently, the Taskforce held a meeting on implementing strategies identified in the report. ETA and the Taskforce will continue to pursue strategies that support full engagement of older workers in the workforce.

With reference to planned evaluations mentioned in the report, ETA has begun the Workforce Investment Act (WIA) Quick Net Impact evaluation, which is examining the impacts of WIA Adult and Dislocated Worker programs. Within these programs, this quasi-experimental evaluation will examine net impacts by subgroups. At a minimum, subgroups will include age groups (including those 50 and over), race/ethnicity, gender and veteran status. We anticipate the results from this evaluation by December 2008. In addition, we plan to begin the WIA Gold Standard Evaluation, which will utilize random assignment methodology to provide net-impacts on employment, retention and earnings, and benefit-cost analyses of WIA overall.

ETA is aware of the perception that the Federal performance measures can create a disincentive to serving "special" or "hard-to-serve" populations. The average earnings measure was specifically cited as creating a disincentive to serving older workers. GAO notes that older workers are more likely to work part time and have lower wages, but ETA has not found that older individuals participating in WIA have lower earning levels. Initial analysis of the outcomes for individuals who completed participation in the WIA Adult and Dislocated Worker programs during the two most recent Program Years

showed that the average earnings for those 55 years and older were actually higher than those workers under 55 years old.


The performance negotiations process that already exists can help minimize any disincentive to serving older workers, if used properly and translated to the negotiations process states engage in with their local areas. The most recent guidance on performance negotiations issued by ETA to the workforce investment system, Training and Employment Guidance Letter (TEGL) 19-06, *Negotiating Performance Goals for the Workforce Investment Act Title 1B Programs and Wagner-Peyser Act Program for Program Years 2007 and 2008*, explicitly states, “[w]hen negotiating goals for the Adult program, states proposing new efforts to increase access to services for special populations that may face significant barriers (such as older workers, individuals with disabilities, migrant or seasonal farmworkers, Indian and Native American, or Temporary Assistance for Needy Families (TANF) recipients), should provide data to show how WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act outcomes will be impacted.” This guidance, along with Attachment VII of the TEGL, which shows the historical impact of specific customer characteristics on outcomes, should enable the states to negotiate performance levels and expectations consistent with the demographics and population they plan on serving, including an increasing percentage of “older worker” clientele.

In addition, ETA intends to continue to explore the issues surrounding performance. To that end, a cross-functional performance team has recently been convened that will be examining how the performance accountability system can be made flexible enough to avoid a disincentive to strategic initiatives, such as expanding access to untapped labor pools, as well as appropriate methodologies to set performance targets.

Finally, the GAO may wish to consider adding the Alternative Trade Adjustment Assistance program to the table of One-Stop programs on page 11 of the report. The program allows older workers, for whom retraining may not be appropriate, to accept reemployment at a lower wage and receive a wage subsidy.

The Department of Labor looks forward to working with the public workforce investment system to promote opportunities for participation of older workers in the labor force. In addition, enhanced training opportunities provided through the Senior Community Service Employment Program will increase the talent pool of older workers thus expanding linkages between employers and older workers.

Sincerely,



Douglas F. Small
Deputy Assistant Secretary

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