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Highlights

Highlights of [GAO-03-350](#), a report to the Ranking Minority Member, Subcommittee on Employer-Employee Relations, Committee on Education and the Workforce, House of Representatives

Why GAO Did This Study

Some economists predict that by 2030, the United States could experience a labor shortage of 35 million workers. As the shortage approaches, one option available is to encourage people to work beyond traditional retirement ages, especially because people who are age 55 or older will constitute nearly a third of the population. Accordingly, increasing demands will be made on the workforce development system to help ensure that older workers are provided opportunities to help address the anticipated labor shortage.

Concerned that the existing workforce development system may not meet the needs of older workers, the Subcommittee's Ranking Minority Member asked GAO to determine the extent that older workers are enrolled in federal employment and training programs, what services are provided, and how performance measures affect such services.

What GAO Recommends

GAO recommends that the Secretary of Labor assess Workforce Investment Act performance measures and make adjustments as necessary to eliminate disincentives to enrolling older workers in the program. Labor generally agreed with our recommendation and has formed a task force to review older worker services and said that as it assesses program performance measures, it will identify and eliminate factors that discourage participation.

www.gao.gov/cgi-bin/getrpt?GAO-03-350.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Sigurd Nilsen at (202) 512-7215 or nilsens@gao.gov.

OLDER WORKERS

Employment Assistance Focuses on Subsidized Jobs and Job Search, but Revised Performance Measures Could Improve Access to Other Services

What GAO Found

About 12 percent of the 1.3 million older people who were not working and wanted a job were enrolled in these programs between July 2000 and June 2001. Some older workers received services without being enrolled in a program but these people were not counted in program statistics. The majority of older people enrolled received subsidized jobs through the Senior Community Service Employment Program. About one-third participated in programs funded by the Workforce Investment Act and Trade Adjustment Assistance. Most of the older workers enrolled in these programs received job search assistance, such as help in preparing for interviews and writing resumes, but some also received job training. Research findings have been inconsistent as to whether older workers have distinct learning needs, but Workforce Investment Act program providers are less likely now than in the past to have separate programs for older workers.

The Workforce Investment Act requires program providers to report certain information so that Labor can determine how well programs are performing. These performance measures include how many participants find jobs and how much their earnings have increased. Program providers report that some performance measures provide a disincentive to enrolling older workers into the program because of employment characteristics that may negatively affect program performance. For example, in 6 of 10 the local areas we visited, officials said they considered performance measures a barrier to enrolling older workers seeking part-time jobs because they would have lower earnings and therefore reduce program performance. Consequently, some older workers may only receive job search assistance and not have access to in-depth services, such as computer training.

Older workers enrolled in a computer training class in Sacramento, Calif., learning such skills as keyboarding, office applications, and Internet usage.



Source: Experience Works