

U.S. DEPARTMENT OF LABOR

STRATEGIC PLAN

FISCAL YEARS 2006-2011



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ELAINE L. CHAO, SECRETARY OF LABOR

The publication of the Department of Labor's Strategic Plan for Fiscal Years 2006–2011 is the culmination of the Department's efforts to build on our results and solidify the priorities and directions for the future. The Department's goals have been refined in order to meet the challenges of the 21st Century.

While the new goal structure is similar to the one that has served us well in the past, the revised four goals listed below address the core of what the Department is all about: preparing workers to succeed; developing a demand-driven workforce system to remain competitive in the worldwide economy; protecting safety, health, wages, and other working conditions on the job; and ensuring that worker benefits, such as unemployment insurance and pension and health benefits, are there when they are needed. These new goals are:

- *A Prepared Workforce*
- *A Competitive Workforce*
- *Safe and Secure Workplaces*
- *Strengthened Economic Protections*

The first goal, *A Prepared Workforce*, seeks to provide effective training and support services to new and incumbent workers and to supply high-quality information on the economy and labor market.

The second goal, *A Competitive Workforce*, aims to meet the demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of worldwide competition.

The third goal, *Safe and Secure Workplaces*, focuses on ensuring that workplaces are safe, healthful, and fair; providing workers with the wages due them; providing equal opportunity; and protecting veterans' employment and reemployment rights.

The fourth goal, *Strengthened Economic Protections*, commits the Department to protect and strengthen economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

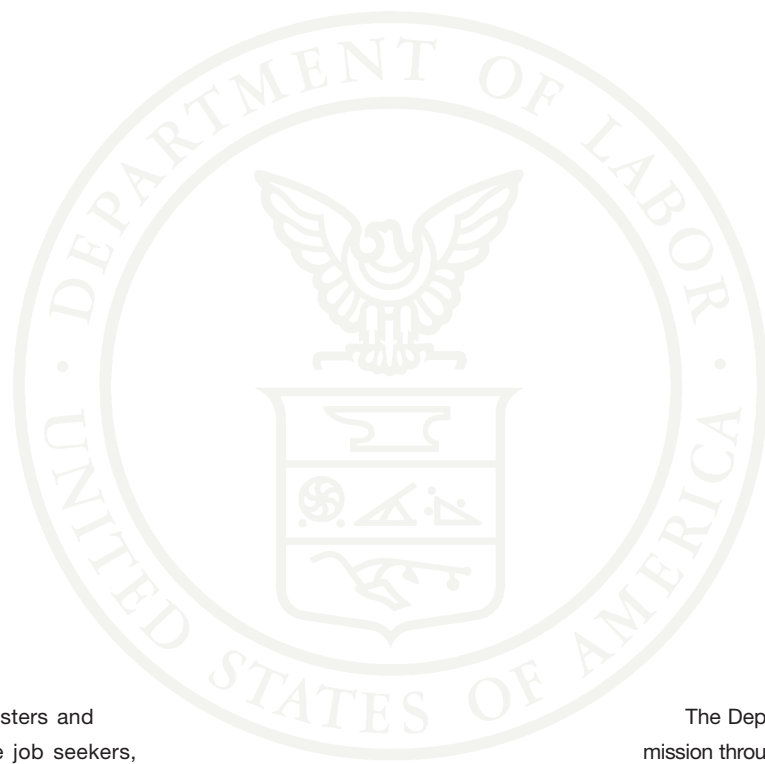
This Strategic Plan lays the foundation for an even stronger, more effective Department of Labor. The dedication and professionalism of the Department's employees have helped the Department meet the high standards set out in President George W. Bush's Management Agenda and positioned the Department to help the American workforce prepare for the challenges ahead.

Sincerely,

A handwritten signature in black ink that reads "Elaine L. Chao". The signature is written in a cursive, flowing style.

Elaine L. Chao

ABOUT DOL



Mission

The Department of Labor fosters and promotes the welfare of the job seekers, wage earners, and retirees of the United States by improving their working conditions, advancing their opportunities for profitable employment, protecting their retirement and health care benefits, helping employers find workers, strengthening free collective bargaining, and tracking changes in employment, prices, and other national economic measurements.

Vision

We will promote the economic well-being of workers and their families; help them share in the American dream through rising wages, pensions, health benefits and expanded economic opportunities; and foster safe and healthful workplaces that are free from discrimination.

Organization

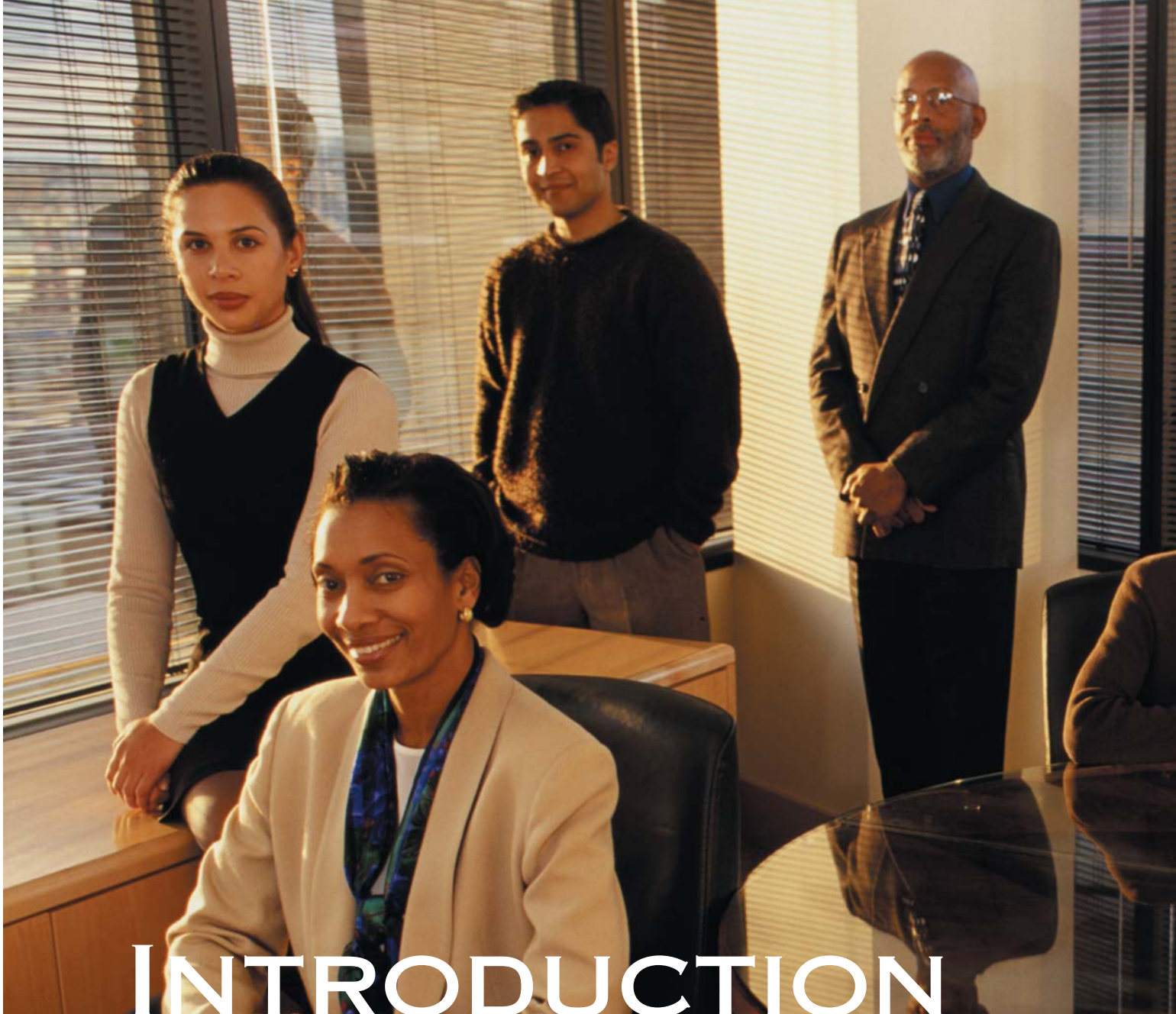
The Department of Labor accomplishes its mission through component agencies and offices that administer the various statutes and programs for which the Department is responsible. These programs are carried out through a network of regional offices and smaller field, district, and area offices, as well as through grantees and contractors. The largest program agencies, each headed by an Assistant Secretary, Commissioner, or Director, are the Employment and Training Administration (ETA), Employment Standards Administration (ESA), Occupational Safety and Health Administration (OSHA), Mine Safety and Health Administration (MSHA), Veterans' Employment and Training Service (VETS), Employee Benefits Security Administration (EBSA), Pension Benefit Guaranty Corporation (PBGC), and the Bureau of Labor Statistics (BLS). Legal services are provided to the program agencies by the Office of the Solicitor (SOL). The Department's organization chart is located in Appendix C.

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■ This plan can be found on the Internet at http://www.dol.gov/_sec/stratplan/
If you have questions or comments regarding this plan, contact:

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INTRODUCTION

Americans should not fear our economic future, because we intend to shape it....And to keep America competitive, one commitment is necessary above all: We must continue to lead the world in human talent and creativity. Our greatest advantage in the world has always been our educated, hardworking, ambitious people — and we're going to keep that edge ...

PRESIDENT GEORGE W. BUSH,
JANUARY 31, 2006, STATE OF THE UNION ADDRESS



Almost a century ago, Congress established the Department of Labor (DOL) with a mission to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment. Today, that mission continues in a vastly different, global context. While the interests of wage earners remain a core value for the Department, its policies and programs have evolved to address the emerging needs of workers and employers in a competitive 21st Century economy. The Department of Labor fulfills its leadership role in this dynamic environment through the careful management of four strategic goals outlined in this Strategic Plan.

The Government Performance and Results Act (GPRA) of 1993 requires the development of a six-year, Departmental strategic plan that is to be updated every three years. The Department's previous plan was issued in September 2003 and covered Fiscal Years 2003–2008. This updated Strategic Plan covers Fiscal Years 2006–2011 and represents a collaborative effort to carry out the vision for the Department over the next several years. The Plan provides a framework for DOL's budgeting and planning activities and serves as a road map for DOL agencies to measure performance, refine strategies, and define priorities. With these clearly articulated goals and a transparent course of action, the Department of Labor is positioned to achieve and demonstrate real results for the American public.

Meeting Tomorrow's Challenges Today



In our economy, the most precious resource is the talent and ingenuity of the American people. And there's no limit to what the American people can achieve when they have the skill sets to compete and the freedom to make a better life for themselves and their family... This country has a moral and an economic obligation — a moral and an economic interest in seeing that our people have the skills they need to succeed in a competitive world ...

PRESIDENT GEORGE W. BUSH,
JANUARY 6, 2006, CHICAGO, ILLINOIS

Over the last two decades, seismic changes have transformed the workplaces and business practices in this country and around the world. Toward the end of the last century, the U.S. economy shifted from one based on production to one based on information and services. New technologies gave rise to new products and new industries and transformed the way firms in established industries were organized and work was accomplished.

Today's economy includes more dual income families, a more robust service sector, dramatically changing technological advancements, and increasingly global markets. In the time since August 2003, our job market has continued to expand. By August 2006, we had experienced 36 straight months of job growth, with over 5.7 million new jobs created, and an unemployment rate of 4.7 percent that is the envy of the industrialized world. From 2001 through 2005, labor productivity grew at an annual rate of 3.3 percent in the non-farm business sector and by 4.8 percent in the manufacturing sector.

Despite our successes, we must always look ahead and ask how can we as a nation prepare to meet the challenges this century will bring?

WHAT WILL THE U.S. WORKFORCE LOOK LIKE IN THE YEARS AHEAD?

The U.S. workforce continues to grow, but at a considerably slower rate than in the past. Its composition is shifting towards a more balanced distribution by age, sex, race and ethnicity. During the 1970s, the workforce grew by 2.6 percent annually, declining to a 1.1 percent growth rate two decades later. In the next several decades, workforce growth is expected to slow to under 0.6 percent per year.

Steady increases in female labor force participation rates in the latter decades of the last century have brought the labor force closer to gender parity, even as the participation rates for adult men and women have drifted downward in more recent years. A continuing inflow of immigrants has been largely responsible for increasing racial and ethnic diversity in the workforce, with Hispanics and Asians being the fastest-growing demographic groups. Greater participation in the workforce by older workers, women with children, persons with disabilities, and other groups with previously low labor force participation rates will cause the workforce to continue to grow, albeit more slowly than in past decades.

All of this is good news for the U.S. workforce, as many of our trading partners undergo slower workforce growth and dramatic aging of their populations, thus offering a new comparative advantage for the United States.

WHAT DOES TECHNOLOGY HOLD IN STORE FOR OUR ECONOMY?

The pace of technological change — whether through advances in information technology, biotechnology or emerging fields such as nanotechnology — will accelerate in the coming decades. Synergies across technologies and disciplines are generating advances in research and development, production processes, and products and services themselves. Moreover, further technological advances continue to

competition in the global marketplace is also changing, with workers, technology, capital and means of production more able to move easily among nations. Thus, new economic competitors are emerging creating an increased need to ensure a level playing field.

Rapid technological change and increased international competition enhance the need for a skilled and prepared workforce, particularly the ability to adapt to changing technologies and shifting market demand.

In the economy of the 21st Century, skills, training and workforce preparation are the key factors in the nation's ability to maintain its competitive edge. The transition to a knowl-

The transition to a knowledge-based economy continues to fuel demand for well-educated workers.

increase the demand for a highly skilled workforce to support faster productivity growth, thus adding new challenges to our continued progress in providing healthy and safe workplaces.

The U.S. is entering a new period of dramatic globalization that will affect all aspects of our economy, our workforce, and our workplaces.

The reach of economic globalization continues to expand, affecting industries and segments of the workforce previously insulated from global competition. The new era of globalization is partly the result of new, less expensive modes of communication and information transmission enabled by the information revolution. The nature of

edge-based economy continues to fuel demand for well-educated workers. Maintaining a highly skilled workforce will be a key component of U.S. comparative advantage in the world economy in the future.

In this new world economy, the workforce must constantly upgrade its skills and have the ability to adapt to changing technology and product demands through the development of a work culture that emphasizes lifelong learning. Education and training must become part of a process that continues well past initial entry into the labor market. This need for continuous training poses new challenges to organizations and workers. Employers and workers must adopt a more integrated approach to work and training and must



change their expectations about lifetime earning patterns, tenures, and strategies for retirement security. New technology-assisted learning offers the potential to support lifelong learning both on the job and through traditional public and private education and training institutions.

Simultaneously, a number of forces are causing firms to organize themselves in ways that are more specialized and less centralized or vertically integrated. There continues to be a shift away from more permanent, lifetime jobs toward flexible employment relationships and work arrangements. These arrangements will be attractive to future workers who seek to balance work and family obligations and to disabled or older workers who seek more flexible arrangements.

The acceleration and interplay of these important trends presents important challenges for government.

The growth of the U.S. economy in large measure can be attributed to the introduction of new technology, free trade, and the ability of our industries and workforce to quickly adapt and capitalize on the opportunities these changes create. However, as these forces accelerate and compound, it is critical that policies are in place to ensure the economic flexibility necessary to accommodate further growth. Such flexibility in the way work is performed, the relationship between worker and employer, and an understanding of how these trends will affect our workforce, workplaces and markets are essential to our nation's economic success.

Our nation's ability to compete in this new, rapidly changing global marketplace is dependent on a highly skilled, adaptive workforce and on workplaces that provide for needed flexibility.

The Department of Labor is helping workers adapt through strong DOL-sponsored work-



force investment programs, including those administered under the Workforce Investment Act and the Trade Act and through the Unemployment Insurance system. Through these programs, workers are provided with the resources and means to adapt and prepare for the dramatic changes in our economy. Through the President's High Growth Job Training Initiative, these tools are enhanced by targeting private and public resources and support to capitalize on industries and sectors experiencing economic growth and expansion. Through its regulatory programs and reforms, the Department is helping employers and workers comply with the laws safeguarding workers' health, safety and economic security. Balancing labor law enforcement and compliance assistance to employers will ensure improved effectiveness of the regulatory programs while finding new, flexible strategies that eliminate unnecessary compliance burdens and foster job growth within a safe environment. This will provide the American employer and worker with an economic and regulatory environment that will make possible quality and competitive workplaces. ■



DOL STRATEGIC GOALS

Four strategic goals provide the framework for the Department of Labor Strategic Plan Fiscal Years 2006–2011. These long-term, overarching goals define the purpose of the Department’s core functions while reflecting the vision and priorities for the Department. They encompass the laws and regulations administered by DOL as well as the programs designed to promote the welfare of workers and improve the quality of workplaces. Each agency or program within the Department supports one or more of these strategic goals through its own mission-driven activities. The measure of each agency or program’s success is determined by outcome-based performance goals that directly tie to these four strategic goals.

Goal 1. A Prepared Workforce
Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high-quality information on the economy and labor market.

Goal 2. A Competitive Workforce
Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.

Goal 3. Safe and Secure Workplaces
Promote workplaces that are safe, healthful and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans’ employment and reemployment rights.

Goal 4. Strengthened Economic Protections
Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers’ compensation; ensuring union transparency; and securing pension and health benefits.

STRATEGIC GOALS

These four strategic goals provide the foundation for the Department's future planning, budgeting, and reporting. Performance goals flow directly from these strategic goals and represent the aims of the agencies at the program level. Performance goals articulate how DOL will carry out its mission in support of the strategic goals. Agencies partly determine their success in achieving these goals through performance indicators. A performance indicator defines a measurable outcome or output that can be expressed numerically. Agencies establish annual and long-term targets in order to gauge progress and to determine whether they achieved their intended results. Annual performance goals and indicators account for the span of time between intervention and results, although many outcomes occur beyond the year of effort.

This Plan includes the results from the prior year and long-term targets. In the interim years, results are reported annually in the President's Budget and the Annual Performance and Accountability Report, also mandated by GPR. For reporting purposes, most agencies follow a fiscal year (FY) which starts on October 1st and ends on September 30th. Workforce development programs within ETA, VETS and Job Corps report data by program year (PY) which starts on July 1st and ends on June 30th.

Strategic and annual performance planning enables the Department to develop and refine strategies, allocate resources more effectively, and to improve management decision-making. Agencies monitor and report data throughout the year and may adjust their strategies and resources accordingly. The goals and measures themselves may be adjusted in order to reflect evolving program strategies better or to address emerging challenges. DOL has also identified key factors, or external challenges, that it has taken into account in the development of its strategies and expected levels of achievement.

The Department of Labor is continuously exploring ways to enhance performance reporting, budgeting, and planning through the use of tools and measures of increasing quality and transparency. For example, agencies have developed various tools and data collection systems to determine how changes in resources impact outcomes, track overall progress in achieving targets, and identify best practices. DOL relies on reporting at all levels to ensure transparency and accountability, and to stimulate innovation and information sharing across agencies and programs. The Program Assessment Rating Tool (PART) process, in which Federal agencies respond to a standardized form on their performance and management, further clarifies the relationship among performance goals and ensures targets are set at an ambitious level. The Office of Management and Budget (OMB) in the Executive Office of the President administers the PART and posts their assessments on <http://www.expectmore.gov>.

This Plan contains five major sections that highlight key goals, strategies, and initiatives for the Department. The first section provides an environmental scan of the key economic, social, and technological changes that will impact the workforce in the years to come. The strategic goals section follows, with each chapter providing an overview of the significant approaches and programs supporting that goal. Each performance goal is supported by strategies and measured by one or more performance indicators. Prior year results and FY 2011 targets are provided for each indicator. The remaining sections include Compliance Assistance, a key strategy for the Department's regulatory programs; and Management Initiatives, which describes the Department's plans for effective administration, management, and legal oversight. The final section provides an outline of program evaluations which play an important role in improving the effectiveness of programs throughout the Department. The Appendices contain additional resources and background information on the Department and the strategic planning process. ■

A Prepared Workforce

Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high-quality information on the economy and labor market.

The Department of Labor is meeting tomorrow's challenges *today* — through a prepared workforce. A strong national economy depends, in part, on preparing new and returning entrants to the workforce with the right skills for today's jobs. Many industries and sectors of the economy will be adding new jobs in the coming years or transforming their business processes, requiring new and different worker skills. Two-thirds of the estimated 18.9 million new jobs created in the next ten years are expected to be filled by workers with some post-secondary education — whether it is a four-year college degree, a two-year degree from a community college or specialized training like an apprenticeship program. Completing some form of post-secondary education is critical to building a solid, sustainable career path. Being prepared begins with a strong educational foundation that supports lifelong learning.

Total employment is projected to increase by 18.9 million jobs (13 percent) between 2004 and 2014, which represents about 2.6 million more jobs than were added over the previous 10-year period (1994-2004). Service-providing, rather than goods-producing, industries will account for 18.7 million of those new jobs. Employment in the largest two occupational groups, professional and related occupations

and service occupations, is expected to increase the fastest and add the most jobs, accounting for 60 percent of the total job growth between 2004 and 2014. Growth in these groups means employment opportunities for individuals on opposite ends of the educational spectrum, with earnings on opposite ends as well. Those with bachelor's degrees are expected to fill 36 percent of the 18.9 million new jobs, while those with a high school education or less are expected to fill 37 percent of jobs. DOL focuses on both education and workforce skills, particularly in programs designed for youth.

One key predictor of economic success is education. As educational attainment levels increase, the unemployment rate decreases. For example, in 2005, the unemployment rate was 7.6 percent for individuals without a high school degree, 4.7 percent for high school graduates, and only 3.3 percent for individuals with an associate's degree. Higher levels of educational attainment are also associated with higher earnings. In 2005, while high school graduates earned a median of \$583 per week, individuals with an associate's degree earned \$699 per week, and those with a four-year degree or graduate level education earned \$1,013 per week. Given this correlation, the Department makes a meaningful investment in at-risk teenagers and young adults to help

STRATEGIC GOAL 1

them become productive and self-sufficient members of the nation's workforce.

Individuals entering the workforce need current and reliable information on occupations to identify growth industries, earnings potential, and skill requirements and will need access to educational opportunities to qualify for those jobs. Being prepared means public officials, business owners, and individuals need to be knowledgeable about trends in the global, national, and local economies. They need up-to-date, high-quality labor market information to formulate public policy, negotiate a purchasing agreement, or decide what field to pursue as a career. The Department plays a crucial role in public and private decision-making processes by producing statistics that are timely, accurate, and relevant. In addition, these labor statistics provide critical economic information that is used in the design and delivery of the Departmental programs.

The Department is positioned to meet the employment needs of the workforce by aligning its programs with the emerging demands of industries. Strategies are implemented through innovative approaches to workforce development and the ongoing effort to cultivate strong partnerships between the workforce system, business and industry, and education and training programs. While employers and workers bear ultimate responsibility for adapting to the challenges of a global economy, the Department has a leadership responsibility to support their capacity to respond.

In addition to addressing the evolving employment demands of a worldwide economy, the Department of Labor recognizes that particular groups of returning and new entrants to the workforce face unique challenges. These groups include at-risk and out-of-school youth, veterans returning from service to their country, women making a significant work-life transition, people with disabilities, and ex-offenders re-entering the workforce. Through targeted



DOL will coordinate better utilization of resources across Federal programs and within communities.

training and outreach programs, partnerships (including those with faith-based and community organizations) and performance-based approaches, the Department provides comprehensive services that enable these groups to achieve their employment goals. For example, to better serve ex-offenders, the Department of Labor, working with the Department of Housing and Urban Development (HUD) and the Department of Justice, is focusing on addressing recidivism rates and the positive impact of gainful employment. The strategy is to strengthen urban communities while helping ex-offenders find and keep employment.

As workforce growth slows, every participant's contribution becomes vitally important for a healthy economy. Just as initial entry to the workforce requires education and training, re-entry may also require updating skills to match the needs of employers. The Department is working to prepare new and returning workers to take advantage of the growing job opportunities, which means making sure that no group is left behind.

To meet these challenges, the Department has developed several strategies to ensure services go to the neediest youth, with particular emphasis on out-of-school youth, and to develop demand-driven strategies that will cultivate a pipeline of young workers with skills for the 21st Century economy. The youth formula grant program provides comprehensive services through local workforce investment areas. Out-of-school youth receive services that provide them with the necessary skills to attain educational credentials, such as a high school diploma or General Equivalency Degree (GED), participate in vocational and post-secondary training opportunities, and transition into

gainful employment or a career. Services to in-school youth are provided to help them remain in and complete secondary school, move into post-secondary education or advanced training, and ultimately transition into successful careers. Programs are increasing the use of alternative education methods and alternative pathways to graduation for out-of-school youth. DOL will coordinate better utilization of resources across Federal programs and within communities; increase the focus on program performance outcomes (e.g., achieving gains in literacy and math skills); and identify and determine how best to replicate employer-based models.

On September 22, 2006, the President signed into law the "YouthBuild Transfer Act," which transfers the YouthBuild Program from HUD to DOL. YouthBuild is a successful strategic approach to workforce investment that provides opportunities for at-risk youth to gain high school credentials and receive skill training that leads to employment. YouthBuild provides job training and educational opportunities for at-risk youth ages 16-24, while constructing or rehabilitating affordable housing for low-income or homeless families in their own neighborhoods.

DOL is committed to developing innovative strategies and programs for women, who often experience several transitions during the course of their careers, whether they are scaling back work hours for child rearing or looking for a better paying job. The Department is developing a multi-regional demonstration project that serves women who are making a significant transition in their work lives. The Working Women in Transition project builds on the best practices of previous demonstra-

STRATEGIC GOAL 1

tion projects by combining *high-touch*, or community-based services, and *high-tech*, or Web-based resources. Participants have access to face-to-face and online mentors (e-mentoring), online employment tools, and distance learning opportunities, while working with local service providers. The project serves different target populations of women in transition representing a spectrum of work-life needs, such as women recovering from substance abuse, baby boomers changing careers, Temporary Assistance for Needy Families recipients striving for self-sufficiency, and women who were impacted by Hurricane Katrina.

Key allies in preparing individuals for success in the workforce are America's faith-based and community organizations (FBCOs). Whether offering job readiness training, vocational skills, or supportive services like transportation or childcare, FBCOs can provide a tremendous complement to the workforce system, particularly in serving those facing the greatest barriers to employment. FBCOs often possess networks of dedicated volunteers, a thorough grasp of local needs and culture, and deep personal commitment to serving their neighbors — all of which can complement and strengthen traditional government programs. In partnership with the workforce system, FBCOs can help struggling individuals move from dependency to self-sufficiency, while also meeting businesses' needs for well-prepared workers. The Department's Center for Faith-Based and Community Initiatives (CFBCI) aggressively cultivates partnerships between FBCOs and the workforce system to boost the performance of both.

DOL Agencies supporting the strategic goal for a prepared workforce are ETA, BLS, Job Corps, VETS, CFBCI, and Women's Bureau. To be effective and thereby position the U.S. for continued economic development and growth, DOL will emphasize the following major strategies and performance goals in the years to come.

Performance Goal 1A. Improve information available to decision-makers on labor market conditions, and price and productivity changes.

BLS is an independent national statistical agency within the Department of Labor that collects, processes, analyzes, and disseminates essential statistical data to the American public, the U.S. Congress, other Federal Agencies, State and local governments, business, and labor. BLS provides statistical information that supports the formulation of economic and social policy, decisions in the business and labor communities, legislative and other programs affecting labor, and research on labor market issues. These important policies and decisions affect virtually all Americans.

The Department identified several strategies to support the goal of producing statistics that are relevant, timely, and accurate. The Department will better inform the public by increasing customer awareness and appropriate use of existing data products and will use feedback gathered from data users to determine how the data or dissemination media could be changed to better serve the American public. DOL will build value through innovation by analyzing and evaluating new economic survey methods, new technologies, and new survey design and collection approaches, and sponsoring research and evaluations by known experts to determine how best to improve BLS data. DOL will continually assess program priorities by undertaking systematic reviews of statistical programs to ensure that financial and human resources will be utilized efficiently. In order to reduce duplication of efforts, the Department will collaborate with other statistical agencies to perform work more efficiently by improving communication and coordinating processes and methodologies. DOL will continue to address respondents' concerns and burden by ensuring that there is no duplication of data collection efforts, respondents have a wide array of reporting mechanisms, and respondent trust is maintained by actively

soliciting their feedback and addressing their concerns.

Performance Goal 1B. Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education.

Economically disadvantaged youth often face multiple barriers to gainful employment. Through 122 centers nationwide, each year the Job Corps Program provides intensive training to more than 60,000 youth ages 16 through 24. Students receive academic and vocational training as well as social education and other support services, such as housing, transportation and family support resources. By incorporating the best thinking, research, and practices of business, education, labor, and other partners, the program strives to be the nation's premier career-focused, alternative education pipeline for disadvantaged youth.

Key strategies to achieving this goal include implementing integrated competency-based career and academic training; implementing

new data validation procedures; and reporting on common performance measures. As a campus-based residential program, the quality of the facilities directly affects every day programming. The Department will continue to examine its physical assets, including the residential training centers, to determine whether they are being fully utilized and supporting the programmatic mission. The program is improving outreach and recruitment services and will continue to examine ways to improve services overall. By adopting system-wide strategies and models, innovative curricula and applied academics, and prioritizing industry sectors (e.g., high-growth) to determine in-demand career skills, the program will more effectively train its students to contribute to a 21st Century economy.

Performance Goal 1C. Increase placements and educational attainments of youth served through the Workforce Investment Act Youth Program.

The Workforce Investment Act (WIA) Youth Program is an important component of an



LINKING EDUCATION AND ECONOMIC DEVELOPMENT (LEED): THE SACRAMENTO WORKFORCE DEVELOPMENT INITIATIVE

California's LEED initiative is an excellent example of how States are using the workforce system to better serve business and industry while providing youth with skills that are in demand. In PY 2004-2005, California awarded \$800,000 to LEED to implement a program designed to prepare youth and adults for high-wage, high-skill construction occupations, thus narrowing the workforce shortage gap and strengthening the economy as unemployed and low-income workers make significant

income gains. LEED partnered with the Sacramento Employment and Training Agency and collaborated with Northern California Construction Training, Cosumnes River College, and the California Employer's Association to carry out the Sacramento Construction Workforce Development Initiative. LEED brings together the construction employer community and regional training programs to address the shortage of skilled labor within the region and to develop a marketing campaign to recruit youth and adults for enrollment in training options that lead to high-wage careers in the construction trades. ■

STRATEGIC GOAL 1

integrated workforce system. WIA authorizes services to low-income youth (ages 14-21) with barriers to employment. Eligible youth are deficient in basic skills or are homeless, runaways, pregnant or parenting, offenders, school dropouts, or foster children. The program serves both in- and out-of-school youth, including youth with disabilities and those who may require specialized assistance, to complete an educational program in order to find a job and stay employed. Service providers prepare youth for employment and post-secondary education by stressing linkages between academic and occupational learning. They provide tutoring, access to alternative schools, summer employment, occupational training, work experience, supportive services, leadership development, mentoring, counseling, and follow-up services.

The Department has outlined a new strategic vision for the delivery of youth services under WIA. This vision is that out-of-school youth and those most at risk of dropping out are an important part of the new workforce “supply pipeline” needed by businesses to fill job vacancies in the knowledge economy.

WIA-funded youth programs serve as a catalyst connecting youth with quality secondary and post-secondary educational opportunities and high-growth and other employment opportunities. Efforts are now focused on four major areas: alternative education, demand-driven strategies that equip them with the skills businesses need, serving the neediest youth, and overall improved program performance.

The Department implemented a set of common performance measures in PY 2005 for the WIA Youth Program. This is the first year for States to report on the employment and retention common measures. As a result, the prior year results, PY 2004, are not comparable to the new indicators. In addition, the program will report on a new earnings measure in PY 2006. Targets for the earnings measure will be established once results have been reported.

Performance Goal 1D. Improve the registered apprenticeship system to meet the training needs of business and workers in the 21st Century.

The Department is redesigning the registered apprenticeship system to address employers’ demand for efficiency, reliability, openness, and responsiveness. Established by the National Apprenticeship Act of 1937, the National Registered Apprenticeship System operates in cooperation with State agencies, businesses, program sponsors, industry leaders, employers, employer associations and educational institutions. As the nationally recognized credentialing system for skilled, craft, and technical trade training programs, the program’s effectiveness is largely defined by its ability to prepare qualified workers to meet the needs of employers. To this end, the Department identified several strategies for improvement to promote a demand-driven system.

The Department will examine a restructuring of the functional role of the Federal government in apprenticeship. To strengthen program outcomes, DOL will increase the linkages of apprenticeship programs with other workforce development and educational systems and strengthen the demand-driven nature of apprenticeship through industry involvement. DOL will expand the credentialing process to include interim credentials through competency-based apprenticeships that will increase options for career development within an occupational or industry apprenticeship system. To accomplish this, the Department works with employers, industry leaders, State Apprenticeship Councils/Agencies and State Workforce Agencies. The voluntary nature of these relationships influences the program’s ability to capture program information consistent with the set of common performance measures for Federal job training programs. To encourage States’ cooperation and improve the quality of performance data, Apprenticeship has been expanding its Registered Apprenticeship

Information System (RAIS) to include both electronic apprenticeship and program registration.

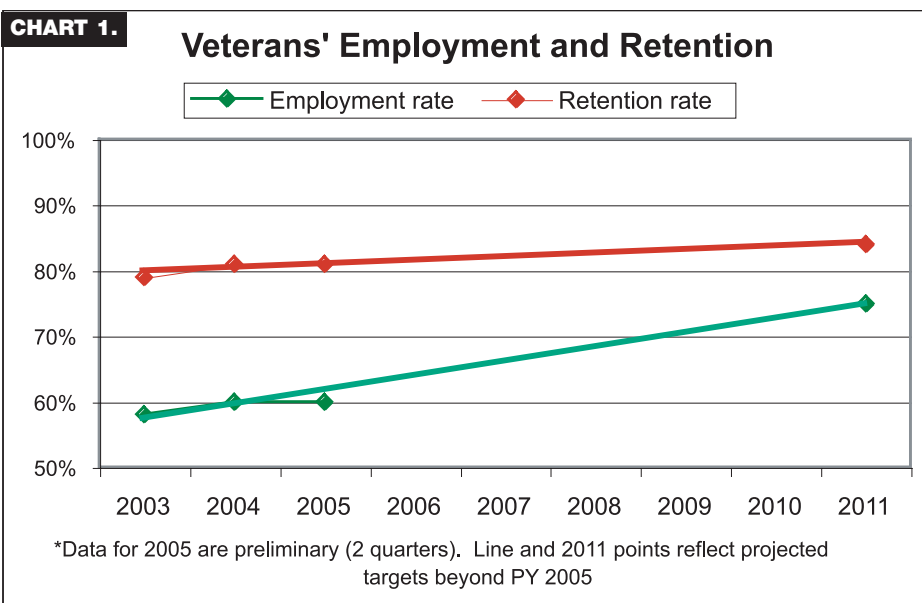
Performance Goal 1E. Improve the employment outcomes for veterans who receive One-Stop Career Center services and Homeless Veterans' Reintegration Program services.

The Department helps veterans find jobs by funding grants to State Workforce Agencies for the delivery of employment and workforce information services through One-Stop Career Centers in local communities. These grants support Disabled Veteran Outreach Program specialists dedicated to serving veterans who need special employment assistance due to disabilities or barriers to employment. These grants also support Local Veterans Employment Representative (LVER) staff members, who conduct outreach to area employers to identify their employment needs, thus developing employment opportunities for veterans. LVER staff members also provide transition employment assistance workshops to service members prior to their separation from the armed services. Veterans' employment and retention rates are expected to steadily increase, as illustrated in Chart 1.

The Department also serves targeted veterans such as homeless veterans, incarcerated veterans, and seriously injured veterans who need individualized employment assistance in order to reenter the workforce. The Homeless Veterans' Reintegration Program (HVRP) and the Veterans' Workforce Investment Program (VWIP) are funded through a competitive grant process. Funding is open to a wide range of program operators, including State and local governments, faith-based organizations, and other community-based organizations. These grants are closely linked with other service providers to optimize their effectiveness in delivering employment services. For example, HVRP grants are closely coordinated with grant programs administered by HUD and Veterans Affairs and other community resources that support related interventions, such as substance abuse treatment.

DOL continues to undertake specific program initiatives to meet the emerging needs of veterans and to assure continuous improvement in the services provided. DOL is developing and implementing State Workforce Agency performance standards to improve employment outcomes for veterans. DOL will continue to

work to effectively address homelessness among veterans and problems faced by distinct veteran groups such as the disabled and aging. DOL is expanding the Recovery and Employment Assistance Lifelines Program and its crosscutting efforts with the Departments of Defense and Veterans Affairs to provide individualized job training, counseling and reemployment services to seriously injured or wounded veterans of Operation Iraqi Freedom, Operation Enduring Freedom, and other recent conflicts. ■



STRATEGIC GOAL 1

Meeting External Challenges

ECONOMIC TRENDS

The economy affects every aspect of employment and training programs. Downturns in the economy always mean fewer jobs are available and sometimes mean shifts in occupational demands once the economy rebounds. On the other hand, during times of high economic growth, fewer people may have time to devote to training, but the demand from business for new workers increases. While downturns in the economy affect many Americans, youth, especially those without a diploma or good job skills, are particularly vulnerable during periods of economic contraction. In addition, economic change translates directly into different, and sometimes new, demands for data as industrial sectors succeed others, and as consumer goods replace others. The Department will continue to develop and publish new surveys and products to meet the economic data needs of the American public.

SURVEY BURDEN

Increasing and competing demands for information from respondents may cause them to refuse to participate or affect the quality of their reporting. For many years, the Department has asked large numbers of firms and individuals to provide information closely related to their daily affairs and personal lives. The Department will strive to minimize the burden of its surveys on respondents by continuing to provide more reporting options, by expanding the use of electronic data collection methods, and by building upon a national training curriculum whereby all field data collectors are trained on the best techniques and methods to use in approaching respondent contacts.

HUMAN CAPITAL

The ability to recruit and retain qualified staff is a challenge. To ensure that the Department will have sufficient talent and expertise to meet the challenges of reengineered work processes and rapidly changing technology, as well as produce and disseminate timely and accurate statistics, it competes with the private sector and other agencies in the public sector to fill its professional jobs. Recruitment, workforce planning, and workforce development programs are designed to ensure that the Department continually achieves a highly skilled and diversified workforce. ■

STRATEGIC GOAL 1

A PREPARED WORKFORCE

PERFORMANCE GOALS AND INDICATORS

| Performance Indicators | 2005 Result | 2011 Target |
|--|---------------------|----------------|
| Performance Goal 1A – Improve information available to decision-makers on labor market conditions, and price and productivity changes. | Fiscal Year | |
| Percent of output, timeliness, accuracy, and long-term improvement targets achieved for labor force statistics | 79%* | 81% |
| Percent of output, timeliness, accuracy, and long-term improvement targets achieved for prices and living conditions | 100%* | 92% |
| Percent of output, timeliness, accuracy, and long-term improvement targets achieved for compensation and working conditions | 80%* | 87% |
| Percent of output, timeliness, accuracy, and long-term improvement targets achieved for productivity and technology | 100%* | 100% |
| <p>Note: * FY 2006 results. In addition to the four indicators depicted in the table, BLS reports on its progress in achieving customer satisfaction with BLS products and services, and reducing its cost per transaction of the Internet Data Collection Facility. These indicators are for multi-year efforts that might be replaced or discontinued prior to 2011; therefore, they are not included in the Strategic Plan. BLS reports on its two additional indicators in the PART and other performance reports, as well as in the BLS budget submissions.</p> | | |
| Performance Goal 1B – Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education. | Program Year | |
| Percent of Job Corps participants entering employment or enrolling in post secondary education and/or advanced training/occupational skills training in the first quarter after exit | 79% | 87% |
| Percent of students who attain a GED, high school diploma, or certificate by the end of the third quarter after exit | 60%* | 68% |
| Percent of students who achieve literacy or numeracy gains of one or more Adult Basic Education (ABE) levels | 58% | 60% |
| <p>Note: * For PY 2005 only, the indicator is the percentage of students who will attain a GED, high school diploma or certificate while enrolled in the program.</p> | | |

| Performance Indicators | 2005 Result | 2011 Target |
|---|---------------------|----------------|
| Performance Goal 1C – Increase placements and educational attainments of youth served through the Workforce Investment Act Youth Program. | Program Year | |
| Percent of youth who enter employment or enroll in post secondary education and/or advanced training/occupational skills training or the military in the first quarter after exit | 58% | 64% |
| Percent of students who attain a GED, high school diploma, or certificate by the end of the third quarter after exit | 36% | 44% |
| Percent of basic-skills-deficient students who achieve literacy or numeracy gains of one or more ABE level | Baseline PY 2006 | * |
| Note: * Target will be set once baseline is established. | | |
| Performance Goal 1D – Improve the registered apprenticeship system to meet the training needs of business and workers in the 21st Century. | Fiscal Year | |
| Percent of those employed nine months after registration as an apprentice | 78% | 83% |
| Average wage gain for tracked entrants employed in the first quarter after registration and still employed nine months later | \$1.26 | \$1.64 |
| Performance Goal 1E – Improve the employment outcomes for veterans who receive One-stop Career Center services and Homeless Veterans' Reintegration Program services. | Program Year | |
| Percent of Veteran participants employed in the first quarter after program exit | 61% | 75% |
| Percent of Veteran participants employed in the first quarter after program exit still employed in the second and third quarters after program exit | 81% | 84% |
| Percent of Disabled Veteran participants employed in the first quarter after program exit | 56% | 65% |
| Percent of Disabled Veteran participants employed in the first quarter after program exit still employed in the second and third quarters after program exit | 80% | 82% |
| Entered employment rate for homeless veterans participating in the HVRP | 64% | 65% |
| Employment retention rate after 6 months for homeless veteran HVRP participants | 57% | 62% |
| Note: Data in first column is preliminary PY 2005. The last indicator is an estimate based on results through first quarter of PY 2005. | | |

A Competitive Workforce

Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.

The world has become dramatically more interconnected and competitive. Advances in the fields of communication, technology and travel have effectively removed national borders as barriers to global commerce. Competition now comes from the company across the ocean as well as the company across the street. To compete successfully, we must have a workforce that creates new products, makes better products, and brings them to the market faster.

The country's economic development and competitive advantage depend on the competitiveness of the workforce. To succeed, policies must embrace the emerging changes in our economy — in how people work, where they work, what skills they need, and how they balance professional and family lives. The needs of the 21st Century economy are very different than those encountered in the past. Industries such as manufacturing and retail now need workers who understand computers, robotics and supply chain management. Fields such as health care and construction need more technical and skilled labor than ever before. Newer industries requiring even greater technical skills — such as biotechnology, geospatial technology, and nanotechnology — are following.

Many of the fastest growing jobs of the future will need to be filled by “knowledge workers,” who have specialized skills and training. In fact, the demand for knowledge workers is already growing at an astonishing pace. Many of the fastest growing jobs, on average, require a post-secondary credential, such as a vocational certificate, other credential, and an associate or higher degree. These are the jobs that will drive innovation and determine which countries will lead the world economy.

At the same time, an increasingly competitive and worldwide economy will put pressure on the regulatory environment. Historically, the Department of Labor developed labor policies and programs under conditions of labor surpluses and based employment laws and regulations on traditional, full-time, long-term work arrangements. Over the next two decades, the relevance of these, and other assumptions will be challenged.

As the 21st Century unfolds, three powerful forces will transform the American workforce and the manner in which people work:

- An increasingly global economy.
- A sharp increase in the demand for knowledge workers.

STRATEGIC GOAL 2

- Greater use of alternate work arrangements that do not fit the “traditional” work model.

These forces have significant implications for our economy and the way DOL approaches its mission. The challenge is to anticipate these changes to ensure that DOL programs and regulatory processes address the contemporary work environment in a forward-looking way that contributes to economic growth and accommodations, changing technology, and the changing workplace.

The nation’s future success will largely depend on the ability to continue to meet the needs of employers for new and skilled workers. To this end, DOL is committed to ensuring that the workforce investment system is responsive to the changing needs of business and is focused on linking job seekers with opportunities in high-growth industries. DOL will strengthen its partnerships with the workforce investment system, business and industry, education and training providers, faith-based and community organizations, and economic development agencies. These partnerships are critical to understanding the skills demanded by the labor market and will enable the Department to make informed investments in job training. Furthermore, DOL will take the necessary steps to ensure that tools and information are available to help match workers with employers. Finally, the workforce investment system will reach out to every available worker, particularly those in special target populations, to ensure there are enough skilled workers and to help maintain the nation’s competitiveness.

A Competitive Workforce emphasizes the workforce systems used to organize and link sets of strategies to address current and long-term workforce development needs to keep the U.S. workforce as the leader of global economic growth. Departmental programs supporting this goal focus on the continued refinement of a workforce investment system that is respon-



sive to the demand for skills, particularly those resulting from technological advancements and global competition. Similarly, the Department's regulatory strategies and approaches have been retooled to promote the greater flexibility desired by workers and employers. Employment-related laws, regulations and regulatory practices have been reconsidered so that they do not impose unnecessary costs on employers without yielding corresponding benefits to the workforce and the economy.

Many employers, to compete more effectively in the highly competitive global economy,

The Department is building a workforce investment system that is more adaptable, demand-driven, less administratively costly, and able to educate and train greater numbers of individuals. To accomplish this significant undertaking, the Department will implement multiple, integrated approaches that examine key partnerships, educational models, service delivery, and ways to maximize resources. DOL is establishing strategic partnerships with education and business and prioritizing the use of system resources to respond to business' needs for labor and skills. To support this effort at the national level, the Department, through ETA,

The Department is increasing system focus on understanding, predicting, and populating the high-growth marketplace.

have restructured their companies, and increasingly relied on non-traditional employment practices that include part-time, temporary, and contractor-supplied workers. Experts expect these non-traditional work arrangements to increase substantially in coming decades. At the same time, many Americans have difficulty balancing work demands with their personal lives. Consequently, the need to balance work demands and home life will continue to be a growing concern.

The Department will promote the greater flexibility desired by workers and employers. This includes examining the regulatory environment — employment-related laws, regulations and regulatory practices — in light of non-traditional work arrangements and the need to reduce regulatory burdens. In particular, some regulations written decades ago may no longer be applicable or effective; they may impose costs on employers without yielding corresponding benefits to the workforce. The shift to knowledge work will also reinforce the ongoing trend of “non-traditional” work arrangements.

has established the Business Relations Group. The Business Relations Group serves as the Department's key linkage to industry, compiling current and reliable information on occupations in high-growth industries including the necessary skill requirements. The Department is increasing system focus on understanding, predicting, and populating the high-growth marketplace, using models and lessons developed by the President's High Growth Job Training Initiative and identifying competency models for new and incumbent workers, particularly in high-growth industries.

The capacity of today's workforce to meet the skill requirements of the high-growth marketplace is augmented each year by the transition of approximately 200,000 workers from military service to civilian careers. The Department's Transition Assistance Program (TAP) is strategically positioned to help transitioning service members to navigate this critical passage from life as a military service member to life as a civilian worker. TAP employment workshops emphasize enhancement of transitioning service members' job-seeking skills so that they

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can successfully contribute the occupational skills they gained in the military to help meet the demand for skilled civilian workers.

By intervening at the point of transition between military service and civilian careers, the Department leverages the enormous investment in skill development made by the military services, and facilitates application of that investment to meet civilian needs. Another benefit of this investment is that the skill profile of veterans has steadily converged toward the skill profile of knowledge workers. Further, today's veteran is familiar with advanced technologies and is accustomed to continued retooling and lifelong learning, based on the ongoing opportunities for training, education and work experience afforded by military service. Finally, veterans' reputation for maturity and reliability rounds out their attractiveness to employers in the high-growth marketplace. This helps to assure that their contributions as civilian workers, in addition to benefiting employers and themselves, also will benefit the national welfare they served to protect.

To maximize resources, workforce systems are introducing additional innovative, consumer-controlled, and less staff intensive methods of

adult worker preparation. Enhancing the system's role as labor market and career advisor will help workers and businesses make self-directed, informed choices in preparing for their future. The Department is examining workforce education strategies and creating a regional, integrated approach to workforce development, economic development, and education. Integrating system services (such as the array of separately authorized programs for dislocated workers) and further using and expanding the existing public infrastructure (such as the nationwide network of community colleges, vocational and adult education programs, and apprenticeships) will maximize resources and minimize duplication of services. Providing States and local communities with the administrative flexibility necessary to target resources where they are most needed is expected to result in more effective services. The Department will work to increase the number of adults and dislocated workers being trained by the workforce investment system. These strategies impact the WIA programs for adults, youth and dislocated workers and Wagner-Peyser Act funded employment services programs. These programs represent the first three performance goals under this Strategic Goal. The WIA Youth Program supports *A Prepared Workforce*.

Developing Competitiveness through WIRED

A major component of President Bush's Competitiveness Agenda is the Workforce Innovation in Regional Economic Development (WIRED) initiative. WIRED focuses on the role of talent development in driving regional economic competitiveness, increased job growth and new opportunities for American workers. Through the WIRED initiative, the Department has invested \$195 million in thirteen regional economies that have been affected by global trade, are dependent on a single industry or are recovering from natural disasters. The WIRED initiative will encourage regional communities to partner together and leverage their collective public and private sector assets and resources to develop a more highly skilled workforce that can act as the linchpin to attract new economic development and employers. ■

WIRED

The Department has already proposed program reforms in order to maximize resources to reach and train more customers and improve the quality of workforce development services. Chief among these initiatives is the Career Advancement Accounts (CAA) proposal that would combine funding streams of the WIA programs and the employment service program. CAA is designed to provide workers with ownership over their own education and training pathways. The proposal is built on the foundation of Individual Training Accounts and would support the Administration's goal to increase enrollment in education and training. These single, self-managed accounts would enable account holders to purchase the longer-term education and training typically required for technically complex occupations. The accounts would reinforce the need for accurate and accessible labor market information, hold training institutions accountable for results, and acknowledge the need for incumbent worker training so that the current workforce can access skills upgrading and advance on the job.

To measure performance, the Department's employment and training programs use common performance measures, an integral part of the performance accountability system. They serve as a uniform management and oversight tool for the workforce investment system by describing the core purposes of programs through the use of a universal language. While workforce services vary from program to program, two core purposes are employment for adults and skill attainment for youth. Data collection focuses on how many people found jobs; whether they stay employed; and what they earned. Prior to the implementation of common measures, multiple sets of performance measures burdened States and grantees, as they were required to report performance outcomes based on varying definitions and methodologies. By minimizing the different reporting and performance requirements, common performance measures are facilitating the

integration of service delivery, reducing barriers to cooperation among programs, and enhancing the Department's ability to assess the effectiveness and impact of the workforce investment system.

The Department, in its efforts to implement one set of common performance measures, using the same definitions for all programs, made changes to the definition for retention by increasing the measurement points. Therefore, previous results for this measure (ending in PY 2004) will be higher than current and future results. The Department also made changes to the definition for the earnings measure, which will be reported for the first time in PY 2006. Actual results will first become available in the FY 2009 Congressional Justification. This applies to the performance goals for the WIA Adult Program, the WIA Dislocated Worker Program, employment services, and the Trade Adjustment Assistance Program.

The Department, through work conducted by the Bureau of International Labor Affairs (ILAB), promotes internationally-recognized workers' rights and labor standards, including those that relate to the elimination of exploitive child labor. Key strategies include research, monitoring and reporting on international labor developments, including the labor dimension of U.S. trade and investment agreements, the application of labor standards, and the newly mandated responsibilities of monitoring and combating forced labor, child labor, and human trafficking carried out in foreign countries. The Department also participates in policy development and representation in the negotiation of trade agreements and in international organizations such as the International Labor Organization, Organization for Economic Co-operation and Development, and other international forums where labor issues are addressed. The Department assists in the formulation of international economic and labor policies and programs that lead to open

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markets globally and benefit U.S. workers. DOL also advises and assists in the administration of the labor provisions of free trade agreements and provides support through international cooperation programs. These include international efforts aimed at eliminating the worst forms of child labor and providing technical assistance to countries to improve their enforcement and implementation of labor laws. New performance measurement indicators will be proposed to measure ILAB's newly mandated functions and its previously mandated core functions related to research and reporting as well as policy development and

assistance to workers and employers. States also use the WIA Adult Program to leverage additional, non-Federal resources in order to increase the quality and variety of assistance they are able to offer.

As skill demands for high-growth and technologically advanced occupations increase, the WIA Adult Program plays an ever more important role in providing workers and job seekers with comprehensive career guidance and access to innovative education and training opportunities. States and local communities are aligning their workforce development

DOL is increasing awareness of the Alternative Trade Adjustment Assistance Program for older workers.

representation upon completion of its reorganization and assessment of these functions.

Performance goals and major initiatives that support *A Competitive Workforce* are managed by six DOL agencies — ETA, VETS, Office of the Assistant Secretary for Policy (OASP), Women's Bureau, Office of Disability Employment Policy (ODEP), and ILAB.

Performance Goal 2A. Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Adult Program.

The WIA Adult Program is designed to help adult workers (employed and unemployed) acquire the skills and jobs they need to compete in a global economy. WIA Adult Program funds are provided by formula to States and local communities, which operate Statewide networks of One-Stop Career Centers. The Centers provide a continuum of seamlessly-integrated services (including services under the Wagner-Peyser Act and the WIA Dislocated Worker Program) which reflect comprehensive

resources with their regional strategies for economic development to ensure a steady supply of highly-skilled current and future workers. Similarly, WIA Adult programs are partnering in new ways with a broad continuum of education providers to develop alternate models for workforce education that meet employers' skill needs while simultaneously meeting workers' needs for flexible training and career advancement approaches. The WIA Adult Program will continue to improve employment, retention, and earnings outcomes for its participants leveraging workforce development and education strategies and investments to support talent development and ensure economic competitiveness.

Performance Goal 2B. Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Dislocated Worker Program.

The WIA Dislocated Worker Program aims to quickly reemploy laid off workers with a goal of also enhancing their employability and earnings by increasing occupational skills. The

Department allocates 80 percent of the WIA Dislocated Worker funds by formula to the States. The Secretary may use the remaining 20 percent for discretionary activities specified in the Workforce Investment Act, including assistance to localities that suffer plant closings, mass layoffs or job losses due to natural disasters and military base realignment and closures. The Dislocated Worker Program, like the WIA Adult Program, is often part of a continuum of seamlessly-integrated services which reflect comprehensive assistance to workers and employers. States may also use the program to leverage additional, non-Federal resources in order to enhance services.

In the current economic climate, in which rapid evolution, advancement, and transition are the norm, the WIA Dislocated Worker Program is playing a key role not only in responding to layoffs and other job losses, but also in intervening proactively with employers and workers prior to dislocation events. States and local areas are increasingly collaborating with employers and education and economic development partners to develop and implement strategic responses to economic transitions that move beyond the traditional reemployment model. These strategies include “re-skilling” and “up-skilling” for workers who have not yet been laid off, so that they may transition into jobs in growing industries and sectors immediately following layoff. Additionally, the WIA Dislocated Worker Program provides increasingly proactive services to its employer customers, offering workforce transition support and solutions before, during, and after dislocation events and other economic shifts. By increasing its focus upon the broad continuum of services that support both workers and employers throughout the course of economic transitions, the WIA Dislocated Worker Program is ensuring improved employment, retention, and earnings replacement outcomes for its participants.

Performance Goal 2C. Improve outcomes for job seekers and employers who receive One-Stop employment and workforce information services.

A fundamental underpinning of the nation’s One-Stop Career Centers is the delivery of core employment and workforce information services to a universal population of both businesses and job seekers. Funded principally through WIA, the Wagner-Peyser Act, and the Title 38 programs administered by VETS, employment and workforce information services are designed to help workers (employed and unemployed) obtain jobs and give employers access to skilled workers to compete in the global economy. Providing effective employment and workforce information services that recognize the uniqueness of local/regional labor market conditions and the needs of workers is key to achieving successful outcomes for both workers and employers. Such services are provided in collaboration with a wide array of One-Stop partners and are fully integrated for seamless service delivery to customers. Core employment and workforce information services are part of a continuum of core, intensive, and training services available through One-Stop Centers. Employment services are provided universally to customers at no charge, with special emphasis on services for Unemployment Insurance (UI) claimants, migrant and seasonal farm workers, veterans, and businesses. Services include a wide array of workforce and labor market information, career guidance products and tools, assessments, job matching and referral, reemployment services for UI claimants, targeted services for veterans, and more.

Performance Goal 2D. Increase the employment, retention, and earnings of individuals served through Community-Based Job Training Grants.

The public workforce investment system provides employers with trained workers and helps individuals, both employed and unemployed, develop the skills they need to

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compete in a global economy. The Department is working to educate and train more individuals by enhancing the capacity of community colleges to provide workers with the skills required to succeed in high-growth, high-demand industries. Community and technical colleges are important partners in offering industry-designed curricula. Students and job-seekers are assured that they are learning the skills needed for their desired occupation. Partnerships with local industry and the workforce investment system are essential for developing effective workforce development strategies. The roles of partners include offering career and skill information to young people charting their education and career courses, providing jobs, training workers, and building the capacity of educational institutions to train workers. Industry representatives play an important role in defining workforce challenges.

Performance Goal 2E. Build a demand-driven workforce system by increasing the accessibility of workforce information through the National Electronic Tools.

Current, comprehensive, relevant, accessible information on occupations and labor markets is critical for planning and delivering demand-driven workforce services. The Department contributes to the State and national workforce

information system by creating and broadly disseminating such information, particularly on high-growth industries and occupations, via several types of products collectively referred to as National Electronic Tools. Customers include employers, job seekers, educators, economic developers, State and local Workforce Investment Boards, and participants in the One-Stop delivery system who find this service useful for business, education, economic development and individual career decisions. Specifically, these National Electronic Tools, which include America's Career Information Network, America's Service Locator, Career Voyages, and O*NET OnLine, deliver strong workforce and economic information and career guidance resources and models for two main purposes: 1) to support individuals in making education and training decisions and investments, and 2) to support business and community needs for a prepared and globally competitive workforce.

This suite of Internet tools helps individuals develop career pathways and make decisions about sound investments in education and life-long learning that will lead to good jobs. The sites also help businesses by providing information on emerging skill requirements in their industry. For the workforce investment system, current, comprehensive, relevant, and immediately accessible information on occupations, workforce characteristics, labor markets and regional economies is critical for planning and delivering demand-driven workforce services. Enhancing the system's career guidance capacity as labor market, career, and economic development advisors will help workers and businesses make self-directed, informed choices in preparing for their future.

The Department will continue to collect and report data on the impact of workforce information on participant employment outcomes. Additional strategies include improving the provision of career information and guidance; continuing collaboration with business,

National Electronic Tools

America's Career Information Network

<http://www.acinet.org/>

America's Service Locator

<http://www.servicelocator.org/>

Career Voyages

<http://www.careervoyages.gov/>

O*Net Online

<http://online.onetcenter.org/>

industry, education, and economic development; enhancing resources that connect customers to the workforce investment system; maintaining investments in critical infrastructure; and continuing important system-building strategies.

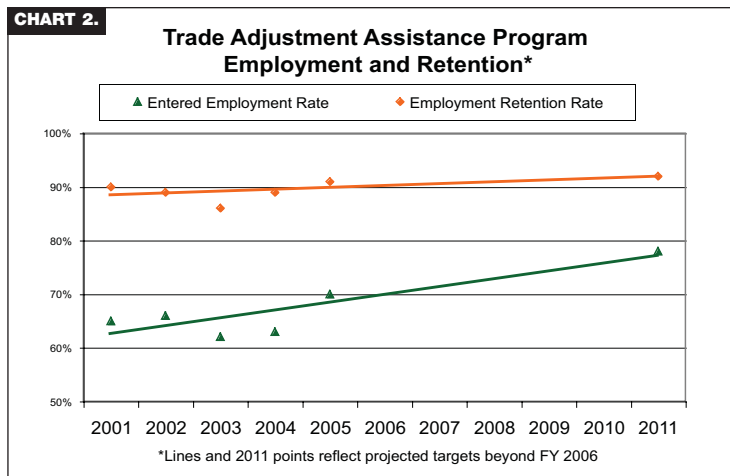
Performance Goal 2F. Assist older workers to participate in a demand-driven economy through the Senior Community Service Employment Program.

The Senior Community Service Employment Program (SCSEP) assists low-income persons age 55 or older by providing opportunities to remain in or re-enter the workforce. Enhancements to the SCSEP that will be pursued in the context of reauthorization of the Older Americans Act include strengthening the efforts of the workforce investment system to integrate the full spectrum of services available to older workers and increasing the range of training services that can be offered for older workers. The reauthorized program should more effectively target those most in need, institute a two-year maximum on program participation, and provide flexibility to grantees to use other training options in addition to community service employment. The improved program would be streamlined to achieve more efficient administration and better labor market outcomes for older workers including placement in private-sector employment with earnings growth potential.

Performance Goal 2G. Assist workers impacted by international trade to better compete in the global economy through the Trade Adjustment Assistance Program.

The Trade Adjustment Assistance (TAA) program provides training, income support, and other services to workers who lose their

jobs due to increased imports or shifts in production to foreign countries. The Department has employed several strategies to better integrate TAA with the public workforce investment system, which entails contributing to shared competitive workforce goals and strategies. Program design strategies include integrating the program with other dislocated worker programs, proposing new regulations, and implementing a re-engineering of the petition review process that establishes eligibility for the program. To support outreach and education efforts, DOL is increasing awareness of the Alternative Trade Adjustment Assistance Program for older workers, expanding co-enrollment in assistance programs, and providing compliance assistance. The Department will continue to strengthen outcomes, as



demonstrated in Chart 2, through comprehensive assessments of trade-affected workers, by incorporating performance accomplishments into the funding formula for State TAA training funds, and by processing results from the independent five-year net impact evaluation.

Performance Goal 2H. Address worker shortages through the Foreign Labor Certification Program.

Foreign workers may be legally hired on a temporary or permanent basis when no

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American workers are available, able, willing and qualified, provided their employers file applications with the Department to adequately document the need.

These conditions do not apply to foreign workers admitted on E-3 and H-1B1 visas. An E-3 or H-1B1 worker may be hired even when a qualified U.S. worker wants the job, and a U.S. worker can be displaced from the job in favor of the foreign worker. These conditions do not apply to foreign workers admitted on H-1B visas, except with respect to job opportunities with H-1B dependent employers. H-1B nondependent employers are not subject to the conditions, and their H-1B workers may be hired even when a qualified U.S. worker wants the job, and a U.S. worker can be displaced from the job in favor of the foreign worker. Additionally, the importation of the foreign worker will not adversely affect the wages and working conditions of U.S. workers.

The Department is implementing numerous re-engineering initiatives to improve processing efficiency while maintaining program integrity and deterring fraud. Technology is playing a strong role in improving processes. Effective March 28, 2005, the Department eliminated the duplicative, staff-intensive State role in the Permanent Labor Certification Program, implemented electronic filing of applications via a new Program Electronic Review Management (PERM) system, and streamlined the process by providing for pre-filing recruitment and employer attestations (rather than lengthy post-filing recruitment supervised by State agencies). The Department will continue to evaluate the PERM Program and increase outreach efforts to encourage employers to file petitions electronically.

Other strategies to improve the labor certification programs overall include continuing efforts to eliminate the Permanent Program backlog (applications filed and being processed under the regulation in effect prior to March 28,

2005) and to reengineer the H-2B temporary program. DOL will continue to seek legislative approval to fund application processing activities for the permanent labor certification program through an employer-paid application fee. The Department will focus on improving overall program integrity by emphasizing fraud detection and prevention and by providing employer compliance assistance.

Performance Goal 2I. Build knowledge and advance disability employment policy that affects and promotes systems change.

For the past twenty years, the employment rate for people with disabilities has not increased significantly. The Department recognizes that the traditional methods for addressing the employment of people with disabilities combined with an insufficient understanding of employer perspectives have contributed to this outcome. To address these issues, DOL implemented an approach that looks at disability and employment comprehensively, within the Department and across the Federal government, in order to develop innovative policies and strategies for the workforce investment system and employers. The Department will continue to develop national disability employment policy; foster implementation of effective policies and practices within State and local workforce development systems and with employers; conduct research that validates effective strategies for providing disability-employment related services and supports; and provide technical assistance on implementing effective systems-change strategies to both the demand and supply side of the labor market. These strategies aim to increase the capacity of the workforce investment system to serve people with disabilities; to increase planning and coordination within service delivery systems; and to increase employer access to supports and services for recruiting, retaining and promoting people with disabilities. The Department will annually measure success toward achieving this outcome by counting the

results of activities undertaken — the number of policy-related documents, formal agreements, and effective practices.

Performance Goal 2J. Maximize regulatory flexibility and benefits and promote flexible workplace programs.

OASP provides policy guidance and direction in the development of the Department's regulatory agendas and regulatory strategies. Many employment laws and regulations were written decades ago and were based on, among other things, traditional on-site, full-time, long-term employment relationships between workers and employers. Over the next several years, OASP and the Department's regulatory agencies, such as ESA and EBSA, will continue to conduct comprehensive reviews of key laws and regulations to determine their effectiveness and applicability to the new workplace.

The Department's regulatory mission needs to fully achieve its objectives of protecting worker rights, benefits, and safety while minimizing regulatory burdens that can impede the productivity and competitiveness of the nation's economy. Over the past several years, the Department has made strides, including

targeting enforcement efforts to address the most egregious problems. The Department has also expanded electronic options for employers to meet their reporting obligations. Over the next several years, DOL will continue to analyze the effectiveness of this strategy, seek ways to build upon the successes, exploit technology to improve effectiveness and reduce regulatory burden, and take other steps necessary to ensure that the DOL regulatory infrastructure is consistent with the 21st Century work environment.

Workplace flexibility is an employee benefit that aids employers in recruiting and retaining a talented workforce. The Department's Flex-Options for Women project helps business owners develop workplace flexibility policies and programs for their employees. The project brings together corporate executives and entrepreneurs who volunteer to mentor business owners interested in developing flexible workplace policies and programs. By encouraging entrepreneurs to focus on work redesign and implementing flexible work options, employees will improve their ability to manage work and life responsibilities while business owners realize positive bottom line impacts. ■



These children are in a transitional educational center supported by the DOL-funded INDUS project in Aurangabad, India. Through the project, children are being withdrawn from hazardous labor and provided with quality education, school supplies, nutritious meals, and other services. The INDUS program, which is funded by DOL in partnership with the Indian government, has reached more than 50,000 children to date and is expected to assist over 100,000 children and their families by the end of 2007.

STRATEGIC GOAL 2

Meeting External Challenges

GLOBALIZATION AND TECHNOLOGY

The world is now witnessing one of the greatest economic transformations in history. The twin revolutions of technology and information have ushered in the era known as globalization. Tremendous advances in communications, travel, and trade allowing individuals instant access to commerce from almost anywhere in the world mark this era. Although global competition is typically seen as a national challenge, the front lines of the battlefield are regional — where companies, workers, researchers, entrepreneurs, and governments come together to create a competitive advantage in the global economy. That advantage stems from the prosperity-creating power of innovation — the ability to transform new ideas and the new knowledge into advanced, high-quality products or services. Many regions have made considerable progress in integrating talent and skills development into their larger economic strategies and in transforming their workforce, economic development, and education systems into one comprehensive system that is both flexible and responsive to the needs of businesses and workers. However, DOL recognizes the ongoing importance of supporting regions that need additional technical and financial assistance to achieve these goals. ■

STRATEGIC GOAL 2

A COMPETITIVE WORKFORCE

PERFORMANCE GOALS AND INDICATORS

| Performance Indicators | 2005 Result | 2011 Target |
|---|---------------------|----------------|
| Performance Goal 2A – Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Adult Program. | Program Year | |
| Percent of participants employed in the first quarter after program exit | 76% | 84% |
| Percent of participants employed in the first quarter after program exit who are still employed in both the second and third quarters after program exit | 82% | 85% |
| Average earnings in the second and third quarter after exit | Baseline PY 2006 | * |
| Note: * Target will be set once baseline is established. | | |
| Performance Goal 2B – Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Dislocated Worker Program. | Program Year | |
| Percent of participants employed in the first quarter after program exit | 83% | 87% |
| Percent of participants employed in the first quarter after program exit who are still employed in both the second and third quarters after program exit | 88% | 91% |
| Average earnings in the second and third quarters after exit | Baseline PY 2006 | * |
| Note: * Target will be set once baseline is established. | | |
| Performance Goal 2C – Improve outcomes for job seekers and employers who receive One-Stop employment and workforce information services. | Program Year | |
| Percent of participants employed in the first quarter after program exit | 63% | 72% |
| Percent of participants employed in the first quarter after program exit who are still employed in both the second and third quarters after program exit | 80% | 82% |
| Average earnings in the second and third quarters after exit | Baseline PY 2006 | * |
| Note: * Target will be set once baseline is established. | | |

| Performance Indicators | 2005 Result | 2011 Target |
|--|---------------------|----------------|
| Performance Goal 2D – Increase the employment, retention, and earnings of individuals served through Community-Based Job Training Grants. | | |
| | Program Year | |
| Percent of participants employed in the first quarter after program exit | * | * |
| Percent of participants employed in the first quarter after program exit who are still employed in both the second and third quarters after program exit | * | * |
| Average earnings in the second and third quarters after exit | * | * |
| <p>Note: * Given reliance on wage records to calculate outcomes, and start up time for these grants, results are not yet available for these performance indicators, which are the common performance measures. Results will be reported in the FY 2007 Performance and Accountability Report.</p> | | |
| Performance Goal 2E – Build a demand-driven workforce system by increasing the accessibility of workforce information through the National Electronic Tools. | | |
| | Program Year | |
| Page views on America’s Career InfoNet | 61.0 million | 68.7 million |
| Site visits on O*NET | 4.01 million | 4.7 million |
| Page views on Career Voyages | 7.67 million | 13.6 million |
| Performance Goal 2F – Assist older workers to participate in a demand-driven economy through the Senior Community Service Employment Program. | | |
| | Program Year | |
| Percent of participants employed in the first quarter after program exit | 36% | 46% |
| Percent of participants employed in the first quarter after program exit who are still employed in both the second and third quarters after program exit | 48% | 52% |
| Average earnings in the second and third quarters after exit | Baseline PY 2006 | * |
| <p>Note: * Target will be set once baseline is established.</p> | | |

STRATEGIC GOAL 2

A COMPETITIVE WORKFORCE (CONT'D)

| Performance Indicators | 2005 Result | 2011 Target |
|--|---------------------|--|
| Performance Goal 2G – Assist workers impacted by international trade to better compete in the global economy through the Trade Adjustment Assistance Program. | | |
| | Fiscal Year | |
| Percent of participants employed in the first quarter after program exit | 70% | 78% |
| Percent of participants employed in the first quarter after program exit who are still employed in the second and third quarters after program exit | 91% | 92% |
| Average earnings in the second and third quarters after exit | Baseline FY 2007 | * |
| Note: * Target will be set once baseline is established. | | |
| Performance Goal 2H – Address worker shortages through the Foreign Labor Certification Program. | | |
| | Fiscal Year | |
| Percent of H-1B applications processed within seven days of the filing date for which no prevailing wage issues are identified | 100% | 100% |
| Percent of employer applications for permanent labor certification under the streamlined system that are resolved within six months of filing | 57% | 78% |
| Percent of H-2A applications with no pending State actions processed within 15 days of receipt and 30 days from the date of need | Baseline FY 2006 | 97% |
| Percent of H-2B applications processed within 60 days of receipt | 85% | 92% |
| Performance Goal 2I – Build knowledge and advance disability employment policy that affects and promotes systems change. | | |
| | Fiscal Year | |
| Number of policy-related documents | Baseline FY 2006 | 3% increase from prior 3-year average |
| Number of formal agreements | Baseline FY 2006 | 3% increase from prior 3-year average |
| Number of effective practices | 19 | 10% increase from prior 3-year average |

| Performance Indicators | 2005 Result | 2011 Target |
|--|--------------------|----------------|
| Performance Goal 2J – Maximize regulatory flexibility and benefits and promote flexible workplace programs. | Fiscal Year | |
| Percent of identified significant regulations that are reviewed | 100% | 100% |
| Percent of regulations identified for revision or withdrawal | 86% | 92% |
| Percent of participating employers who created or enhanced a flexible workplace policy or program | 49% | 70% |

Safe & Secure Workplaces

Promote workplaces that are safe, healthful, and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans' employment and reemployment rights.

The Department promotes and enforces some of the most widely recognized legal standards for gainful employment and quality workplaces. Many of these laws, programs, and regulations support the strategic goal for safe and secure workplaces. The Department is developing new and innovative approaches to implementing the laws and programs that protect the safety, health, and rights of workers. While the Department demonstrates continued success in protecting workplaces, one of the Department's key challenges is developing strategies suited for the changing 21st Century workplace.

The Department protects the rights of workers covered under the Occupational Health and Safety Act of 1970 by responding promptly to imminent danger situations; investigating fatalities, catastrophes and worker complaints; enforcing whistle blower rights under 14 statutes; and inspecting Federal agencies to protect Federal workers. In the past thirty years, occupational injury and illness rates have declined 56 percent, yet the Department continues to confront a variety of challenges. Since 1970, the number of workers DOL is

responsible for protecting has expanded dramatically from 58 million workers at 3.5 million work sites to 111 million workers at 7.25 million establishments. To effectively respond to this increased demand, the Department uses a targeted approach by directing inspections and outreach to work sites and industries with the highest injury and illness rates. In addition to workplace inspections, the Department employs a variety of compliance assistance and educational and outreach programs to improve employer health and safety management systems. By focusing on emergency preparedness, DOL is also helping employers be ready to respond to workplace emergencies such as natural disasters or terrorist attacks.

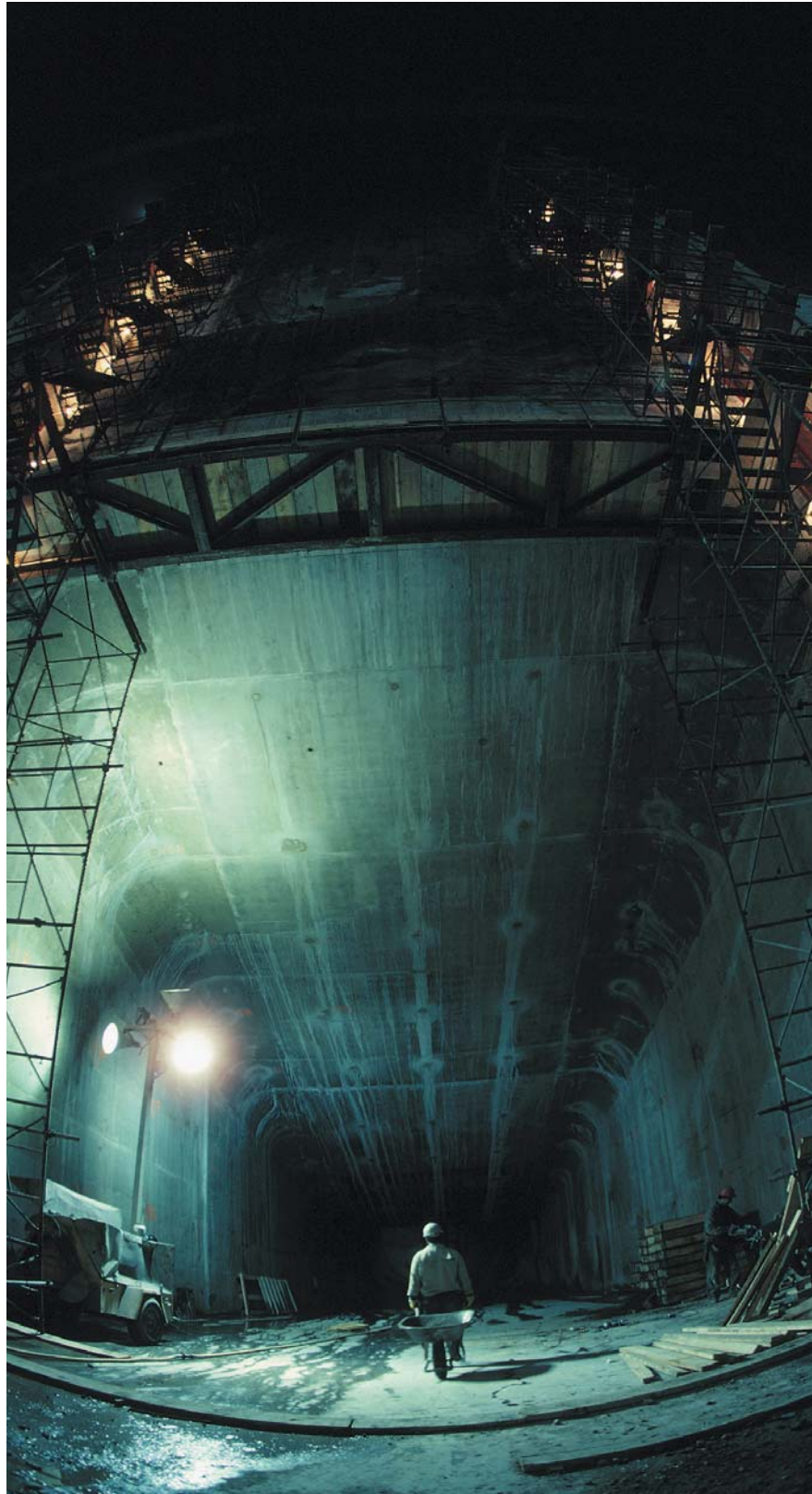
Under the provisions of the Federal Mine Safety and Health Act (Mine Act) of 1977 and the Mine Improvement and New Emergency Response Act of 2006 (MINER Act), the Department protects the health and safety of workers in the mining industry. More than 300,000 people work directly in the mining sector which provides essential raw materials for the nation's transportation infrastructure, construction and housing, communications, medicine, the arts, manufacturing, consumer

STRATEGIC GOAL 3

goods, and agricultural industries. Just as mining is vital to the American economy, a safe and healthy mining workforce is critical to the continued successful operation of the mining industry. From FY 2000 to FY 2005, fatalities in the mining industry and the fatal injury rate both declined by 35 percent, the lowest levels since 1910 when statistics were first recorded. While these are outstanding achievements, the Department remains short of its goal of zero fatalities.

The Department recognizes that the mining environment is an inherently hazardous workplace. Current economic and demographic issues facing the mining industry add to this challenge. With the increasing demand for natural resources and commodities produced from mined materials, dangers to workers that had been decreasing over the past decades have reemerged. Unseen geologic instabilities, constantly changing terrain, the prevalence of large and complex haulage and mining equipment, and rapid industry growth are only a few of the factors that make maintaining and improving mine safety and health a continuing challenge. Critical to the Department's success is an effective blend of enforcement, technical support, and education and training, with compliance assistance as a fundamental ingredient of each.

The Department remains committed to promoting compliance with labor standards to better protect all workers, especially those most economically disadvantaged and vulnerable. Through proper administration and enforcement of laws, the Department ensures that low-wage workers receive the wages due them. These laws include the Fair Labor Standards Act (FLSA), which establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers, and the Migrant and Seasonal Agricultural Worker Protection Act (MSPA), which regulates the hiring and employment activities of agricultural employers, farm





labor contractors, and associations using migrant and seasonal agricultural workers.

The number of workers receiving back wages, which is the difference between what the employee was paid and the amount he or she should have been paid, has increased by 11 percent since FY 2001. This increase includes \$166 million in back wages for over 241,000 employees in FY 2005, yet the Department faces a number of enforcement and monitoring challenges. The continued growth in Internet use and increased networking capabilities have encouraged American businesses to shift from traditional “brick and mortar” organizational

Many Federal contractors have demonstrated their commitment to equal opportunity and have adopted inclusive human resource policies and procedures at all levels. Notwithstanding this success, discrimination still exists in the workplace and the Department is committed to ensuring full compliance with these laws. Strong enforcement focuses on worst offenders with increased consequences for violations. In FY 2005, the Department recovered a record \$45,156,462 for 14,761 American workers who had been subjected to unlawful employment discrimination. Of that record recovery, 97 percent was collected in cases of systemic discrimination, those involving a significant number of workers or applicants subjected to discrimination because of an

Through proper administration and enforcement of laws, the Department ensures that low-wage workers receive the wages due them.

structures to business operations with lines of authority stretching across the globe. Traditional methods of tracking, analyzing, and reporting on employer personnel practices often do not align with current business models. In addition, the nation increasingly relies on foreign workers to fill employers’ needs in low-wage, labor-intensive industries such as agriculture, garment, health care, guard and janitorial services, restaurants, hotel/motels and day labor*.

The Department is responsible for the administration of anti-discrimination and equal employment opportunity regulations for Federal contractors and subcontractors employing more than 20 percent of the labor force in America, or approximately 26 million workers.

*Day labor refers to workers who assemble at a pick-up point to be hired for work and are returned to a drop-off point that same day.

unlawful employment practice or policy. The Department also helps to protect employment retention rights for veterans and members of the National Guard and Reserve. The Uniformed Services Employment and Reemployment Rights Act (USERRA) provides that returning service-members are reemployed in the job that they would have attained had they not been absent for military service. The law applies to virtually all public and private employers, regardless of size. The Department administers USERRA, investigates complaints, and performs educational outreach, all significant activities serving the men and women called to active duty over the course of the war on terror.

Agencies supporting this strategic goal include OSHA, MSHA, VETS, ESA’s Wage and Hour Division (WHD) and the Office of Federal Contract Compliance Programs (OFCCP).

STRATEGIC GOAL 3

To fulfill the Department's commitment to strong and effective enforcement of existing laws for safe and secure workplaces, DOL will emphasize the following strategies.

Performance Goal 3A. Improve workplace safety and health through compliance assistance and enforcement of occupational safety and health regulations and standards.

The Department's efforts to protect workers' safety and health are built on the foundation of a strong, fair, and effective enforcement program and outreach, education, compliance assistance and voluntary cooperative programs. Although the Department seeks to assist the large majority of employers who want to meet their obligations under its worker protection laws, it will direct its enforcement resources to those who expose employees to serious hazards. DOL will conduct its inspection programs to ensure that they identify the most hazardous workplaces and make the best use of inspection resources. DOL will also continue to make available effective compliance assistance programs and tools and offer employers and employees opportunities to participate in a variety of voluntary cooperative programs. Through these efforts DOL strives to improve workplace safety and health protections and

prevent occupational injuries, illnesses and fatalities.

The Department will continue to use a balanced approach to protect the safety and health of America's workers. The Department's OSHA regulations and standards will continue to be developed or revised under the agency's focused regulatory agenda. DOL will continue to direct inspections and outreach at establishments and industries with the highest injury, illness, and fatality rates and will respond to complaints of serious workplace hazards. As part of the Department's outreach effort, selected sites with high injury and illness rates will be notified in writing of available services for addressing workplace hazards. Small business employers who receive notification will be provided an opportunity to seek assistance through the free, DOL-funded State Consultation Program. These efforts will be supplemented by National and Local Emphasis Programs designed to target unsafe conditions or high hazard industries. To complement its enforcement and standard-setting activities, the Department will provide compliance assistance, outreach, and training for employers and employees. DOL also offers a variety of cooperative programs including the Voluntary Protection Programs (VPP), the Alliance Program, the Strategic Partnership Program, the Consultation Program and its Safety and Health Achievement Recognition Program (SHARP), under which employers, employees, and other stakeholders work with the Department to improve workplace safety and health.

Experience demonstrates that the implementation of VPP principles results in a significant reduction in injury and illness rates. Overall, VPP participants experience an average of 50 percent fewer injuries and illnesses than non-VPP sites within their respective industries, and continued participation in VPP maintains these results. Both a 2005 Gallup study and OSHA's experiences in the Challenge Pilot support these findings.



Performance Goal 3B. Reduce work-related fatalities, injuries, and illnesses in mines.

A safe and healthy mining workforce is critical to the continued successful operation of the mining industry. From FY 2000 to 2005 the fatal injury rate in the mining industry declined by 35 percent. In that same period, the all-injury incident rate dropped by 23 percent. These are outstanding achievements; however, DOL remains clearly short of its goal of zero fatalities, zero injuries, and an end to occupational illness in the mining industry. As the nation witnessed the tragedies at the Sago Mine and Alma Mine No. 1 in West Virginia and the Darby Mine No. 1 in Kentucky — incidents which claimed the lives of 19 miners, mining — remains a dangerous occupation. It is DOL's responsibility, through MSHA, to conduct thorough investigations and identify the root causes to prevent similar occurrences. To that end, the Department is implementing the most significant mine safety legislation in nearly 30 years, the MINER Act of 2006.

The MINER Act represents the first revisions to Federal mine safety laws since the Federal Mine Safety and Health Act became law in 1977. It builds upon the efforts of MSHA to improve mine safety nationwide and calls for the modernization of safety practices and development of enhanced communication technology. The provisions include requiring each underground coal mine to develop and continuously update a written emergency response plan; make available two experienced rescue teams capable of a one-hour response time; and equip mines with wireless two-way communications and electronic tracking systems within three years. The Act also provides MSHA the authority to request an injunction to shut down a mine in cases where the mine operator has refused to pay a final MSHA penalty — raising the criminal penalty cap to \$250,000 for first offenses and \$500,000 for second offenses, as well as establishing a maximum civil penalty of \$220,000 for flagrant

violations. It also creates a scholarship program to mitigate an anticipated shortage of trained and experienced miners and MSHA enforcement personnel, and establishes the Brookwood-Sago Mine Safety Grants program to better identify, avoid and prevent unsafe working conditions in and around mines.

DOL will continue expanding its active partnerships with industry, labor, and equipment manufacturers in order to identify and evaluate new technologies for their potential to strengthen miners' health and safety, reduce accidents, and strengthen mine rescue efforts. Technologies include proximity detection devices, hydrogen-powered fuel cells, fall protection devices, and remote control bulldozers. DOL will continue its outreach efforts to address priority issues, which include risks related to roof fatalities and fires/heating events/methane ignitions through the Preventive Roof/Rib Outreach Program, Winter Alert, and Mine Emergency Preparedness. DOL will also continue its ongoing commitment to the State Grants Program which funds the implementation of state-of-the-art mine rescue equipment and rigorous safety training.

MSHA is also implementing more rigorous sampling protocols to focus resources on the higher risk occupations in order to significantly reduce occupational illnesses. MSHA will target occupations with overexposures as measured by a decrease in the percentage of silica dust samples and noise samples that are less than 50 percent of the permissible exposure limits.

Performance Goal 3C. Ensure workers receive the wages due them.

DOL's commitment to protecting workers' wages and hours remains steadfast. Protecting the most vulnerable workers will continue to be a key focus of the Department. Low-wage industries that employ large numbers of vul-

STRATEGIC GOAL 3

nerable workers, including young workers, are characterized by relatively high violation rates of minimum wage, overtime and child labor requirements. The balance of three complementing strategies — compliance assistance, partnerships and collaborative efforts, and enforcement — help the Department leverage resources to prevent violations while also preparing DOL to face new challenges. In the coming years, the Department will continue its outreach and education efforts to increase awareness of employment laws among employers, employees and other stakeholders. Other strategies include using quantitative and qualitative performance indicators and targets to increase performance, conducting independent reviews of the program to identify opportunities for improvements, and improving data collection processes, especially those related to wage determination.

Performance Goal 3D. Federal contractors achieve equal opportunity workplaces.

DOL is committed to fostering workplaces that are free of discrimination and offer equal opportunities to Americans. The Department monitors Federal contractors' compliance with

applicable laws and executive orders, and assures that minorities, women, individuals with disabilities, and eligible veterans are afforded an equal employment opportunity (EEO) to compete for employment and advancement. To achieve equal opportunity workplaces, the Department will emphasize the use of compliance assistance to inform Federal contractors of their obligations and help them comply with requirements. DOL will monitor and vigorously enforce compliance with Federal equal employment opportunity laws. The Department will continue to evaluate data collection processes and modernize agency data collection systems. Other strategies include reviewing program regulations and requirements to identify areas for improvement or reform.

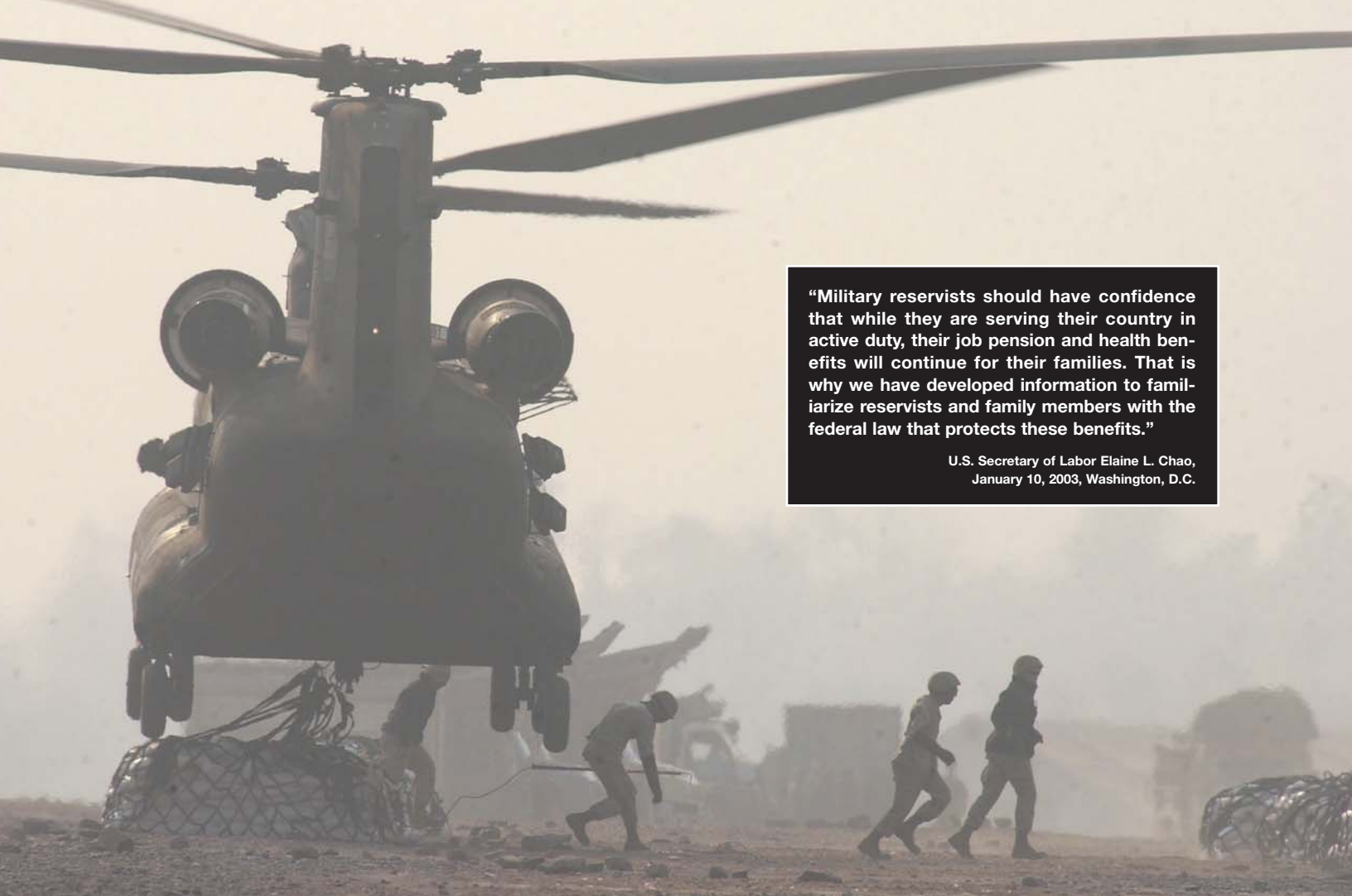
Performance Goal 3E. Reduce employer-employee employment issues originating from service members' military obligations conflicting with their civilian employment.

Under USERRA, the Department of Labor ensures that returning veterans and members of the National Guard and Reserve components suffer no penalties in their civilian jobs

OFCCP Training Builds Staff Analytical Skills

One of OFCCP's goals is to help all staff become comfortable with a variety of analytical techniques. To meet this objective, the Program's Division of Statistical Analysis is conducting a variety of training sessions ranging from broad group discussions of general statistical concepts to small-group workshops on the use of specific analytical techniques. The national office, Northeast and Mid-Atlantic regional and district office staff were first to receive training on the use of statistical analysis system software. The training will help ensure that OFCCP remains effective in the face of increasing complexity in its case development process.





“Military reservists should have confidence that while they are serving their country in active duty, their job pension and health benefits will continue for their families. That is why we have developed information to familiarize reservists and family members with the federal law that protects these benefits.”

**U.S. Secretary of Labor Elaine L. Chao,
January 10, 2003, Washington, D.C.**

SOURCE: U.S. DEPARTMENT OF DEFENSE

as a consequence of their military service. This is especially important today, with the activation of half a million Guard and Reserve members since September 11, 2001.

To enable veterans and members of National Guard and Reserve units to serve on active duty without penalty to their civilian employment status, DOL investigates their employment and reemployment complaints and conducts compliance assistance activities to reduce the number and severity of complaints. A significant part of this effort involves providing as many on-site briefings as possible to National Guard and Reserve units as they are mobilized, and again as they are demobilized. DOL also engages in continuous outreach efforts to increase public awareness of the civilian employment rights of returning service members. This includes extensive outreach to educate multiple organizations on the new

USERRA regulations, other special compliance assistance initiatives with employers, and the development and maintenance of Web-based tools that explain the provisions of the USERRA statute in clear terms.

DOL measures its USERRA investigation and compliance assistance efforts through a comprehensive USERRA Progress Index, which is a weighted measure of success across the full range of employment and reemployment issues that service members face. DOL's challenge for the future is to continue to increase the quantity and quality of information available on the World Wide Web for both service members and employers. DOL also will continue to work closely with the Department of Defense and the individual Military Services to maximize the direct delivery of information on USERRA to Reserve and National Guard members and units. ■

STRATEGIC GOAL 3

Meeting External Challenges

CHANGING DEMOGRAPHICS

Rapid technological advances and dynamic workplace environments have changed the nature of work, creating new challenges. The Department's strategies for reducing workplace hazards now need to address these segments of the workforce. Changes in workplace demographics — the increase of immigrant and hard-to-reach workers, a growing percentage of young workers, those continuing to work at an older age, and the rapidly increasing number of temporary workers — create an increasing challenge to the Department in crafting its goal strategies.

DEMAND FOR RAW MATERIALS

The Department of Energy predicts that coal consumption will greatly increase in the next two decades. Dependence on coal as a source of energy in the United States far outweighs our reliance on alternate energy sources. In addition to producing over half of the electricity in the United States, coal is also used for residential and commercial heating, the production of coke for the steel industry, and as a raw material in the chemical industry. Key industry trends and challenges include competitive pressures to increase production while containing costs; expanded mining operations with miners working longer shifts; new mine openings; expansion of existing mines; and resumption of operations at previously closed mines. The metal and nonmetal mining industry also provides essential raw materials for the nation's transportation infrastructure, construction and housing, communications, medicine, the arts, manufacturing, consumer goods, and agricultural industries. The Department considers the expansion of activities in these sectors when planning its long-term strategy.

WAR ON TERRORISM

The Department will continue to place high priority on its services to veterans and members of the National Guard and Reserve components as the global war on terrorism continues. As military operations fluctuate, DOL will respond quickly to protect the employment and reemployment rights of service-members returning to civilian life from their war efforts. ■

STRATEGIC GOAL 3

SAFE AND SECURE WORKPLACES

PERFORMANCE GOALS AND INDICATORS

| Performance Indicators | 2005 Result | 2011 Target |
|--|--------------------|----------------|
| Performance Goal 3A – Improve workplace safety and health through compliance assistance and enforcement of occupational safety and health regulations and standards. | | |
| | Fiscal Year | |
| Rate of workplace injuries and illnesses (reduced from CY 2003-2005 average) | CY 2005 DART rate* | 2.1 |
| Rate of workplace fatalities (FY 2005 baseline) | 1.77** | Decrease by 5% |
| Reduce the rate of workplace injuries and illnesses in new work sites through participation in the VPP Programs by 50% below the national average for their industry sector | | |
| Federal agency VPP participants | TBD | 50% |
| Private sector VPP participants | TBD | 50% |
| Note: * BLS Days Away Restricted and Transferred Rate for Private Sector ** 1.77 is the actual FY 2005 result vs. the FY 2005 estimation year result of 1.75 as presented in the FY 2005 Performance and Accountability Report. | | |
| Performance Goal 3B – Reduce work-related fatalities, injuries, and illnesses in mines. | | |
| | Fiscal Year | |
| Mining fatal injury incidence rate — fatalities per 200,000 hours worked | .0182 | .0179 |
| Mining all-injury incidence rate — injuries per 200,000 hours worked | 3.90 | 2.18 |
| Percent of respirable coal mine dust samples exceeding the applicable standard (for designated occupations)* | 10.8% | 6.9% |
| Percent of silica dust samples taken with a result that is less than half the permissible exposure limit in metal and nonmetal mines* | 83.7% | 61.5% |
| Percent of noise samples taken with a result that is less than half of the permissible exposure limit in metal and nonmetal mines* | 79.1% | 58% |
| Percent of noise exposures above the citation level in coal mines* | 5.3% | 3.7% |
| Note: *Coal health indicators capture reductions in exposure levels that indicate a risk to miner health. Metal and nonmetal mine indicators focus on sampling areas where miners are at the greatest risk of overexposure. See page 46 for discussion of strategies for goal achievement. | | |

| Performance Indicators | 2005 Result | 2011 Target |
|--|---------------------|----------------|
| Performance Goal 3C – Ensure workers receive the wages due them. | | |
| | Fiscal Year | |
| Number of workers for whom there is an agreement to pay or an agreement to remedy per 1,000 enforcement hours | 270 | 300 |
| Percent of prior violators who achieved and maintained FLSA compliance following a full FLSA investigation | 72% | 80% |
| Percent of low-wage workers across identified low-wage industries paid and employed in compliance with FLSA | Baseline FY 2006 | 97% |
| Number of wage determination data submission forms processed per 1,000 hours | 1667 | 2080 |
| Performance Goal 3D – Federal contractors achieve equal opportunity workplaces. | | |
| | Fiscal Year | |
| Discrimination rate for audited Federal contractors | 2% | 1.5% |
| Compliance rate for all other Equal Employment Opportunity (EEO) requirements | 86% | 90% |
| Performance Goal 3E – Reduce employer-employee employment issues originating from service members’ military obligations conflicting with their civilian employment. | | |
| | Fiscal Year | |
| USERRA Progress Index (measures compliance progress and assistance progress) | | |
| Compliance Progress: 1) Number of Guard/Reserve de-mobilized per USERRA claim filed by Guard/Reserve; 2) Number of Guard/Reserve de-mobilized per USERRA claim filed by Guard/Reserve in primary issues; 3) Number of USERRA violations; 4) Number of USERRA violations in primary issues; 5) Number of meritless USERRA claims; 6) Number of meritless USERRA claims in primary issues; and 7) Average days cases remain in VETS jurisdiction | 100% | 130% |
| Assistance Progress: Number of USERRA assistance contacts per Guard/Reserve mobilized and de-mobilized | | |

Strengthened Economic Protections

Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

Achieving a high level of economic protection for the workforce is vital to a strong and stable national economy. The Department of Labor is committed to strengthening economic protections through programs that administer payments of temporary benefits for the unemployed and that protect workers from the economic effects of work-related injuries and illnesses. The Department also safeguards union democracy and assures financial accountability for the millions of Americans who are union members and protects employee benefits plans against fraud and abuse.

The Department has a long history in administering workers' compensation programs, beginning with the Federal Employees' Compensation Act (FECA). Congress has since made additional statutes the Department's responsibility for covering groups working in specific industries where there is a risk of injury or illness. These groups include longshoremen, harbor and maritime workers, coal miners, and through the Defense Base Act, overseas employees of U.S. government contractors.

Since the passage of the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA), the Department of Labor has become the principal agency responsible for processing claims from current and former employees, contractors, and subcontractors of the Department of Energy who became ill as a result of their work in the nation's nuclear weapons program. The Department continues to find new ways to improve customer service to workers and employers with initiatives in compliance assistance, performance measurement, and technological support for timelier outcomes and enhanced customer service.

The Department also provides economic security for workers by ensuring union transparency and protecting union dues and assets from financial malfeasance. Through enforcement of the Labor-Management Reporting and Disclosure Act (LMRDA) and related laws, the Department ensures the basic standards of democracy and fiscal responsibility of labor organizations representing employees in both the public and private sectors. Enforcing

STRATEGIC GOAL 4

the Act requires the Department to oversee increasingly complex union finances and organizational structures.

The Department of Labor is also responsible for the administration and civil enforcement of Title I of the Employee Retirement Income Security Act of 1974 (ERISA). The Department also conducts investigations of criminal violations for prosecution by the Department of Justice or State and local authorities. This responsibility extends to approximately 730,000 private defined benefit and defined contribution pension plans and six million private health and welfare plans holding over \$4.5 trillion in assets and covering approximately 150 million Americans. The Department fulfills its responsibilities in this area through enforcement, compliance assistance, technical assistance, outreach and education to covered Americans and plan sponsors. In addition, the Department, through the PBGC, insures and administers the pension payments for defined benefit plans that have terminated.

On August 17, 2006, President Bush signed the Pension Protection Act of 2006. The law represents the most comprehensive reform of the pension system in 30 years. The Pension Protection Act strengthens funding rules, provides greater transparency to workers about their plans and reinforces the pension insurance system. The legislation also includes important reforms to defined contribution plans, including making it easier for workers to automatically enroll in retirement plans and obtain needed access to investment advice. Implementing the new law is a priority for the Department.

Three DOL agencies and one government corporation chaired by the Secretary of Labor help the Department to strengthen economic protections: ETA, EBSA, PBGC, and ESA's Office of Workers' Compensation Programs (OWCP) and the Office of Labor-Management Standards (OLMS).



Performance Goal 4A. Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.

DOL's strategies to pay unemployment insurance claims accurately and promptly include providing oversight and assistance to States. The Department continually monitors State performance and ensures that States that fall below minimum criteria establish corrective actions. The Department also promotes continuous improvement in performance by providing technical assistance and training and arranging multi-State conferences to share best practices.

The Department promotes the accuracy and integrity of unemployment insurance payments by fostering States' use of and access to tools such as the National Directory of New Hires; by conducting and sharing analyses of approaches to identify and prevent or recover overpayments; and by sharing information on States' best practices. DOL provides States with an added incentive to prevent and detect overpayments through the use of an overpayments performance measure. In addition, the Department continues its efforts to support identity theft prevention activities and to promote payment accuracy and swift reemployment of unemployment insurance beneficiaries through reemployment and eligibility assessments.

Performance Goal 4B. Reduce the consequences of work-related injuries.

The Department will take a number of steps to improve coordination of benefits and service for workers who suffer work-related injuries or illnesses. Communications and information services will be strengthened in all OWCP programs. DOL will work to increase employer partnerships in the administration of laws and in service to their injured workers. DOL seeks to ensure the accuracy and appro-

priateness of benefits payments; accurate liability forecasts; and reduced risk and improved security for its benefit funds. DOL will assist employers in compliance with the Federal workers' compensation laws, including providing timely and accurate reports and compliance with insurance requirements. DOL will continue to maintain its workers' compensation programs via fair and balanced adjudication, and will work to reduce time delays and administrative costs in disputed claims. As the Department achieves optimum performance in key customer service areas, performance indicators and targets are revised to focus on emerging areas for improvement.

For workers covered by FECA, DOL will continue to improve services through its quality case management program which provides early intervention, delivers better medical care, allows for more effective communications with medical providers, and screens cases for appropriateness of medical and pharmacological treatment. DOL is strengthening early case intervention and assistance to Federal employers in the continuation-of-pay period in order to achieve better recovery and return-to-work outcomes. As the lead agency in the Safety, Health and Return-to-Employment (SHARE) Presidential initiative, DOL will continue tracking performance in four major areas: lowering workplace injury and illness case rates, lowering lost-time injury and illness case rates, timely reporting of injuries and illnesses, and reducing lost days resulting from work-related injuries and illnesses. SHARE has generated intense interest among many agencies and progress is being noted in SHARE reports.

DOL continues to strengthen its claimant outreach and customer service activities, including better identification of potential EEOICPA claimant populations in order to guide them through the claims process. As of the program's five-year anniversary in 2006, more than 75,000 claims had been filed by workers or

STRATEGIC GOAL 4

their families seeking benefits under its Part B provision. Of those claims, DOL reached final decisions on more than 51,000, issuing lump sum payments exceeding \$1.5 billion. In addition, DOL paid \$104 million to cover costs of necessary medical care for employees with illnesses linked to their employment in the atomic weapons industry. DOL will continue to work in partnership with the National Institute for Occupational Safety and Health (NIOSH), which must complete a radiation dose reconstruction for each cancer case before DOL can decide on that individual's eligibility for payment.

With the Department's implementation of Part E, more than 25,000 cases were transferred to DOL from the Department of Energy. Within a matter of weeks, the Labor Department paid its first claimant benefit. Within seven months, it had paid out roughly \$55 million in benefits, even before it published implementing regulations for Part E. By June 2006, more than 3,000 claimants had received benefits under Part E, totaling more than \$395 million. In 2007, the new program will eliminate the inherited backlog and will be current in processing all incoming claims.

Performance Goal 4C. Ensure union financial integrity, democracy, and transparency.

DOL will continue efforts to advance the objectives of the LMRDA to ensure union democracy, financial integrity, and transparency through a comprehensive program of enforcement and compliance assistance. An effective program of union audits will continue to be emphasized to monitor and promote compliance with LMRDA and to correct statutory violations. The Department will continue to expand its Internet public disclosure service to improve public access to information reported by unions and others under the Act.

Performance Goal 4D. Enhance pension and health benefit security.

DOL is committed to protecting the pension, health and other employee benefits of America's workers, retirees and their families and will strive to enhance retirement security and greater access to health benefits through a combination of aggressive enforcement, compliance and participant assistance, and regulatory and policy initiatives.



ENERGY PROGRAM DELIVERS ASSISTANCE AND BENEFITS

DOL will continue its strong outreach efforts to advise individuals and families of the benefits provided under EEOICPA. DOL's Web site, town hall meetings, resource centers located at 11 major Department of Energy sites, educational meetings with stakeholder groups, and telephone-based and in-person assistance provided to claimants have increased public awareness of the Act. At its five year anniversary in 2006, DOL had provided over 23,000 employees or their families

with compensation and medical benefit payments exceeding \$2 billion. The Act ensures compensation for the work-related illnesses suffered by our nation's nuclear workers. ■

DOL will measure its success in its enforcement responsibilities with successful civil case closure with corrected fiduciary violations, with emphasis on national enforcement programs such as the Employee Contribution Project and the Health Fraud/Multiple Employer Welfare Arrangement Project. For criminal cases, DOL will monitor and report those cases that are accepted for prosecution.

Through performance measures, such as the civil case ratio, DOL demonstrates its success in targeting wrongdoers. The civil case ratio includes a measure for all closed civil cases. In addition, the Department also reports on the performance for national priority projects which change over time in response to emerging trends and changes in regulations. For each of these projects, success is defined as correcting a fiduciary violation, which is measured by a ratio of corrected fiduciary violations compared to the total number of closed civil cases. The national projects for 2006 include:

- The *Employee Contributions Project* is aimed at ensuring the timely deposit of participant contributions to 401(k) plans

and health care plans.

- The *Employee Stock-Ownership Plans (ESOP)* project focuses on the unique violations arising from ESOPs, the most serious of which generally involve the incorrect valuation of employer securities.
- The *Health Fraud/Multiple Employer Welfare Arrangements (MEWAs)* project, through which EBSA investigates abusive and fraudulent MEWAs created by unscrupulous promoters who sell the promise of inexpensive health insurance, but default on their obligations.
- The *Rapid ERISA Action Team (REACT)* project responds in an expedited manner to protect the rights and benefits of plan participants when the plan sponsor faces severe financial hardship or bankruptcy, which may put the assets of the employee benefit plan in jeopardy.
- The *Consultant/Advisor Project (CAP)* focuses on the receipt of improper, undisclosed compensation by pension consultants and other investment advisers.



President Bush signing the Pension Protection Act of 2006 on August 17th.

DOL will also continue to directly assist plan participants and beneficiaries in understanding their rights and responsibilities and protecting their benefits. EBSA has demonstrated steady improvement in its customer satisfaction index for participant assistance after a four-year initiative to evaluate its program. Starting in FY 2007, EBSA will begin a similar initiative by measuring customer satisfaction of its compliance assistance programs, and will report on its success in the Department's Performance and Accountability Report.

STRATEGIC GOAL 4

Performance Goal 4E. Improve the pension insurance program.

Through PBGC, the Department will emphasize safeguarding the pension insurance system for the benefit of participants, plan sponsors, and other stakeholders, providing exceptional service to customers and stakeholders, and exercising effective and efficient stewardship of its resources. DOL's focus on managing pension insurance risks will increase its effectiveness in minimizing loss to the program. PBGC will increase technical assistance to plan sponsors to encourage their voluntary compliance with pension laws and regulations. To fulfill its commitment to providing the highest level of service to its customers and stakeholders, PBGC will continue to provide timely, accurate and responsive service to customers, empower and encourage customers to interact electronically with the PBGC, and improve the quality and consistency of customer information. PBGC is striving to maintain sound and effective financial management systems and internal controls, alignment of human capital strategies, cost effective information technology solutions, and business practices that ensure the achievement of corporate goals and performance results.

PBGC serves the pension insurance system by avoiding losses from the termination of underfunded pension plans or, when plans do terminate, seeking recovery of additional assets to pay benefits promised to pension plan participants. PBGC has proposed to measure the value associated with its efforts to avoid or mitigate losses by calculating the percentage of plan underfunding that is either recovered (e.g., through litigation, negotiation, or other action by PBGC), or avoided altogether (e.g., by a standard termination or assumption of the underfunded plan by another sponsor). Because there is not yet a baseline for this measure, PBGC is not including this measure in the DOL Strategic Plan. PBGC will continue to develop and test measures to

track its safeguarding activities for the largest cases. ■

FINANCIAL EDUCATION

Financial Education and Taking the Mystery Out of Retirement Planning

EBSA created a resource to help Americans calculate the financial resources they will need to ensure a secure retirement. The publication, *Taking the Mystery Out of Retirement Planning*, is designed to assist individuals, who are within ten years of retirement, calculate their income, savings and likely expenses in retirement. The publication includes worksheets that allow the user to evaluate current assets and expenses, project future assets and expenses, and determine what additional resources are needed to meet their retirement lifestyle. There also are discussions on methods of saving, investment options, expense considerations and how to make your assets last throughout retirement. ■

Through the Wi\$e Up project, the Women's Bureau promotes women's financial education and security, specifically targeting women ages 22 to 35. This multi-regional project includes a curriculum covering basic financial topics, including saving, investing, budgeting, insurance, credit, debt, and retirement planning. The curriculum is taught in classrooms and is available online. The Wi\$e Up project connects participants with financial expertise via electronic mentoring and monthly teleconference calls. The Department collaborates with government agencies, non-profit community and faith-based organizations, corporations, and educational institutions to implement Wi\$e Up. ■

<http://www.wiseupwomen.org>

Meeting External Challenges

ECONOMIC AND WORKFORCE TRENDS

Economic conditions and the resulting program workloads affect many aspects of UI performance. For example, when the economy slows, unemployment rises, more claims are filed, and UI payment timeliness generally declines. On the other hand, slower new business creation reduces the number of new employer tax accounts, and the timeliness of tax liability determinations generally goes up. In addition, external factors such as natural disasters (e.g., the series of hurricanes that hit the Gulf Coast States during 2005) tend to have a negative affect on performance. Performance targets are based on the Administration's current economic assumptions.

Economic and workplace trends influence changes in the nature of new injuries and the availability of job opportunities for workers ready to return to duty. In the Federal sector, there is a continuing demand that workers retrain and upgrade skills, while at the same time the average age of workers is rising. These factors make earlier recovery from injury and getting injured employees back to work more challenging for the FECA program. Medical costs continue to push higher as medical technology expands and pharmacology and treatment service utilization increase. Ensuring appropriate medical treatments, proper billing from providers, and paying bills accurately will remain challenges for OWCP's bill processing operation.

Large case volumes continue to affect EEOICPA and FECA, especially related to increased activities in areas like Homeland Security, and challenge those programs to adequately serve their claimants. Because workers' compensation claims workloads are very labor- and time-intensive, the programs must continually seek out new technological and resource solutions to increase efficiency. As business practices have become increasingly automated, customer demands for information and assistance have become more sophisticated and accelerated. Service capabilities remain limited and communications are costly.

Significant performance improvement potential continues to reside with improving the performance of partners, employers, and other stakeholders in administering the workers' compensation programs, and in improving their compliance with laws and regulations. Other performance challenges are posed by the potential for greater security threats on American facilities and an increasing volume of War Hazard Compensation Act claims, for which the Department must conduct additional planning and investment of resources.

STRATEGIC GOAL 4

LEGISLATIVE AND REGULATORY ENVIRONMENT

EBSA's national enforcement projects, which support its civil enforcement performance measure, are evaluated annually to ensure that they continue to address the Department's enforcement priorities and respond to changes in the regulated community. As a result, this core set of projects may be adjusted to accommodate emerging trends. For example, in the past, EBSA resolved issues regarding abandoned (or orphaned) plans on an individual enforcement basis. During FY 2006, DOL issued final regulations permitting financial institutions to voluntarily close the affairs of abandoned plans in order to expedite benefit distributions to workers. These regulations will likely result in a decreased need for individual enforcement actions to wind up abandoned plans. Some of the newly-available enforcement resources will be redirected towards monitoring compliance with the new regulations, and the remainder will be dedicated to other enforcement priorities.

Other potential regulatory projects or legislation that may be enacted could affect the enforcement program. For example, DOL is considering a regulation that would provide a safe harbor for assessing the timeliness of forwarding participant contributions to 401(k) plans. A safe-harbor regulation could substantially affect the enforcement program because approximately one-third of the investigations conducted by the Department focus on this issue. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 contains provisions directly affecting plans of bankrupt sponsors, and may, over time, have an impact on the number of orphan plan cases. The Pension Protection Act of 2006 will require the Department to undertake a series of regulatory initiatives to implement the provisions of the Act.

VOLUNTARY PROGRAMS

EBSA's voluntary correction programs consist of the Voluntary Fiduciary Correction Program (VFCP) and the Delinquent Filer Voluntary Compliance Program (DFVCP). A current priority is to increase participation in the VFCP. To achieve this goal, DOL expanded, simplified, and streamlined the VFCP process. EBSA anticipates these changes will increase the number of VFCP applications received, and may result in the need to utilize investigative resources to process these applications.

The significant increase in applications resulting from the FY 2002 DFVCP redesign continues. However, EBSA expects application volume will decrease over time as non-filers and deficient filers come into compliance. Nonetheless, EBSA will continue to seek to increase participation in both programs and will improve or re-design the programs further as necessary. ■

Department of Labor Response to Hurricanes

The Department has responded to Hurricane Katrina with personnel and programs focused on providing economic security and training to rebuild the region. For DOL personnel, the call to service meant temporarily leaving workstations to provide direct field services to evacuees. In the wake of Hurricane Katrina, the Federal Emergency Management Agency (FEMA) issued a Federal government-wide call for volunteers to assist with the recovery and relief efforts. The Department announced the call for volunteers and the response was overwhelming. Of the 176 DOL employees who volunteered, 100 were called by FEMA to deploy. These volunteers deployed to various locations in the Gulf region and its surrounding areas, wherever their services were needed. They were assigned to Disaster Recovery Centers or FEMA Joint Field Offices, where they performed a variety of tasks, ranging from leasing and managing temporary housing to providing one-on-one assistance to disaster relief applicants. These volunteers exhibited true compassion and character in their willingness to dedicate their time and energy to help the survivors of the hurricane rebuild their lives and communities.

For the UI Program, DOL wanted to ensure the UI system was prepared to handle the volume and concentration of claims processing. Texas absorbed the most Hurricane Katrina evacuees of any State — as of September 27, 2005, more than 164,000 FEMA registrants and their families re-located to Texas — and took the lead in helping Louisiana process tens of thousands of unemployment insurance claims.

Shortly after Hurricane Katrina, Hurricane Rita ravaged much of southeast Texas and displaced hundreds of thousands more from their homes and livelihood. While continuing to help its Louisiana neighbors, Texas faced another challenge of helping its coastal residents get back to normal lives and reconstruct their region. This required, among other basic needs, intensive training so that the oilfield service and construction trades could fill their shortages of skilled workers and be able to rebuild southeast Texas as quickly as possible.

STRATEGIC GOAL 4

STRENGTHENED ECONOMIC PROTECTIONS

PERFORMANCE GOALS AND INDICATORS

| Performance Indicators | 2005 Result | 2011 Target |
|---|---------------------|--|
| Performance Goal 4A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers. | | |
| | Fiscal Year | |
| Percent of first UI benefit payments made within 21 days (intrastate) | 89.3% | 90.4% |
| Percent of the amount of estimated detectable/recoverable overpayments that States detect and establish for recovery | 58.7% | 61.0% |
| Percent of UI beneficiaries who were reemployed by the end of the first quarter after the quarter in which they received their first payment | Baseline FY 2006 | * |
| Percent of new employer tax liability determinations made within 90 days of the end of the first quarter in which liability occurred | 82.4% | 83.3% |
| Note: * Targets will be set once baseline is established. | | |
| Performance Goal 4B – Reduce the consequences of work-related injuries. | | |
| | Fiscal Year | |
| Division of Federal Employees' Compensation Act | | |
| Lost production days rate (LPD per 100 employees) for United States Postal Service cases | 134.4 | 136.2 |
| Lost production days rate (LPD per 100 employees) for all other government agencies cases | 56.1 | 51.7 |
| Savings resulting from Periodic Roll Management case evaluations | \$21 Million | \$50 million in cumulative new savings |
| The rate of change in the indexed cost per case of FECA cases receiving medical treatment remains below the nationwide health care cost trend | +2.8% vs +8.8% | Remain below the Milliman USA Index |
| Targets for five communications performance areas | | |
| <ul style="list-style-type: none"> • Increase access to the Claimant Query System to 90% of the Federal workforce in the largest non-Postal agencies • Increase the proportion of claims filed via Electronic Data Interchange • Maintain average caller hold times to 3 minutes • Reduce average call-back response times to 2 days • Increase first-call resolutions to 80% of incoming calls • Maintain call handling quality at 95% | 3 Targets met | 6 Targets met |
| Division of Longshore and Harbor Workers' Compensation | | |
| Days required to resolve disputed issues in contested cases | 254 | FY 2008: 245 |

STRATEGIC GOAL 4

STRENGTHENED ECONOMIC PROTECTIONS (CONT'D)

| Performance Indicators | 2005 Result | 2011 Target |
|---|---------------------------------------|-----------------------|
| Performance Goal 4B – continued | Fiscal Year | |
| Division of Coal Mine Workers' Compensation | | |
| Average number of days to render a decision on a claim | 250 | 235 |
| Division of Energy Employees Occupational Illness | | |
| Percent of initial Part B and Part E claims for benefits processed within 180 days* | New Measure FY 2006 Target: 50% | 85% |
| Average number of days to process initial claims | New Measure Baseline FY 2007 | Decrease by 11% |
| Percent of final decisions of Part B and Part E claims processed within 180 days (hearing cases) or 75 days (all other cases) | New Measure FY 2006 Target: 80% | 90% |
| Percent of Part E claims backlog receiving initial decisions | New Measure FY 2006 Target: 75% | FY 2007 100% |
| Note: * Measure was established in FY 2006, the first full year for Part E claims processing. Part E was not fully implemented until June 2005. | | |
| Performance Goal 4C – Ensure union financial integrity, democracy, and transparency. | Fiscal Year | |
| Percent of unions with fraud | FY 2004: 9% | 7% |
| Percent of union reports meeting standards of acceptability | 95% | 97% |
| Percent of unions in compliance with LMRDA standards for democratic union officer elections | 92%* | 94% |
| Note: Union fraud data was not collected in FY2005. *FY 2006 baseline data estimate. | | |
| Performance Goal 4D – Enhance pension and health benefit security. | Fiscal Year | |
| Ratio of closed civil cases with corrected fiduciary violations to civil closed cases | New Measure FY 2007 Target: 61% | 73% |
| National Priorities: | New Measure | |
| Employee Contribution Project ratio | FY 2007 Target: 77% | 89% |

PERFORMANCE GOALS AND INDICATORS

| Performance Indicators | 2005 Result | 2011 Target |
|---|---------------------------------------|---|
| Performance Goal 4D – continued | | |
| Fiscal Year | | |
| Employee Stock-Ownership Plans ratio | New Measure FY 2007 Target: 58% | 70% |
| Multiple Employer Welfare Arrangements ratio | New Measure FY 2007 Target: 55% | 67% |
| Rapid ERISA Action Team ratio | New Measure FY 2007 Target: 48% | 60% |
| Consultant/Advisor Project (CAP) ratio | Baseline FY 2007 | * |
| Ratio of criminal cases accepted for prosecution to cases referred | New Measure FY 2007 Target: 48% | 56% |
| Customer Satisfaction Index for employers, plan sponsors, employee representatives, trustees of multi-employer plans, and other plan professionals who have contacted EBSA for assistance | Baseline FY 2007 | Increase 2% from baseline each year |
| Applications for Voluntary Compliance programs by 2011 | 14,082 | 15,274 |
| Note: * CAP is a new national project. A target will be set once baseline is established. | | |
| Performance Goal 4E – Improve the Pension Insurance Program. | | |
| Fiscal Year | | |
| Implement PBGC Premium Reforms required by the Pension Protection Act (PPA) of 2006 and the Deficit Reduction Act (DRA) of 2006 | | |
| Variable Rate Premium (from the PPA) | * | FY 2008: 100% |
| Flat rate premium increase (from the DRA) | * | FY 2008: 100% |
| Termination premium (new) (in both the PPA and DRA) | * | FY 2008: 100% |
| Customer Satisfaction score for premium filers | 68 | 70 |
| Customer Satisfaction score for responding to trustee plan participant callers | 79 | 80 |
| Customer Satisfaction score for retirees receiving benefits from PBGC | 85 | 85 |
| Note: * Proposed regulations will be issued by September 30, 2007. | | |

COMPLIANCE ASSISTANCE

“We start from the fundamental proposition that our mission is to protect workers. At the end of the day, that is always our most basic responsibility. The reason we care about compliance assistance is that it is a powerful additional tool to help us protect workers.”

U.S. SECRETARY OF LABOR ELAINE L. CHAO
DOL COMPLIANCE ASSISTANCE SUMMIT, WASHINGTON, D.C., SEPTEMBER 24, 2003

Compliance with employment laws, which is an integral part of Strategic Goals 3 and 4, is achieved through compliance assistance, in addition to strong, fair and targeted enforcement. For those in the regulated communities who deliberately ignore their responsibilities and endanger the safety and health of workers, jeopardize the security of pensions, fail to pay required wages, or discriminate in hiring or promotions, DOL investigates and pursues corrective action. But for those who seek assistance in complying with Federal employment laws, DOL provides extensive training and educational programs. Through these efforts, DOL improves compliance with employment laws and regulations and helps ensure safe and legal workplaces and protected wages and benefits for workers.

DOL agencies' compliance assistance efforts are as varied as the laws they enforce. These efforts include assistance to businesses and workers through educational materials and e-tools on agency Web sites; seminars, workshops and on-site consultations by agency staff; and partnerships to educate constituents about DOL's laws and regulations. In addition, DOL agencies answer thousands of compliance questions a year via email, letter, or telephone.

DOL agencies also have implemented education programs targeted to specific audiences. These programs are designed to reach industries where compliance rates are low or workers are particularly vulnerable, or to educate businesses and workers affected by a new

regulation. For example, EBSA launched a nationwide *Getting It Right* campaign that focuses on several of the most common areas of non-compliance found by EBSA's investigators. This campaign improves workers' health and retirement security by educating employers and service providers about their fiduciary responsibilities under ERISA.

Another example of a targeted compliance program is WHD *YouthRules!* Initiative, which educates parents, youth, teachers and employers about the rules and regulations protecting young workers. WHD increases public awareness and promotes safe work experiences for young workers through radio public service announcements, print ads, high school presentations and youth rallies.

DOL agencies also create education campaigns to accompany significant new DOL regulations. In 2005, for instance, VETS faced the challenge of educating service members and employers about a new requirement under USERRA. This new provision requires employers to provide notice to their employees about the employment and benefit protections provided by USERRA. To spread the word about this new regulation, VETS provided information through DOL's Toll-Free Help Line; the VETS Web site; the *elaws* USERRA Advisor; and public briefings.

OLMS also recently conducted educational outreach in conjunction with issuing regulations on the revised labor organization finan-

cial report, Form LM-2. Before this regulation went into effect, OLMS provided regular compliance updates on its Web site; used the list serve system to communicate LM-2 filing information to all labor organizations subject to the revised rule; and held seminars for labor organization officials throughout the nation.

When the Overtime Security Rule was issued in 2004, WHD created a public Web site specifically for the rule. This site contains compliance assistance materials such as fact sheets, PowerPoint presentations and training

Start that introduces employers and employees to compliance resources on OSHA's Web site. This feature includes a step-by-step guide that enables users to generate a set of compliance assistance materials tailored to their workplace.

A final example is MSHA's Small Mines Office effort to help small mine operators understand and comply with their safety and health responsibilities under the Mine Act. In addition to on-site Small Mines Office staff visits that help establish safety and health systems, their Web site offers assistance such as the weekly

DOL agencies' compliance assistance efforts are as varied as the laws they enforce.

videos on the new rule. WHD staff, along with others in DOL, also developed the *elaws* Overtime Security Advisor and conducted seminars throughout the country to help businesses and workers understand the new rule.

The number of new small businesses and non-English speaking workers are growing each year. As the workforce and workplace continue to change, DOL's compliance assistance efforts are taking these changes into account.

The *Employment Law Guide* is one of the many DOL compliance assistance tools developed to educate small businesses. The *Guide* describes DOL's major employment statutes and regulations in plain language and helps small employers develop wage, benefit, safety and health, and nondiscrimination policies. The companion electronic tool, the *FirstStep* Employment Law Advisor, helps small employers determine which of these major laws apply to their business.

Each DOL agency also provides specific compliance tools designed for small businesses. For example, OSHA developed a Web-based tool called *Compliance Assistance Quick*

ToolBox talks that mine operators can use to hold safety and health discussions with their employees.

Agencies in the Department of Labor have long recognized that many in their regulated communities are not fluent in English. Agencies have translated numerous resource materials into Spanish and other languages and have designed programs specifically for non-English speaking communities. In addition, assistance on all DOL employment programs and regulations is available via the DOL Toll-Free Help Line (1-866-4-USA-DOL), which has Spanish-speaking customer service representatives and translation services available in more than 140 languages.

All of these compliance assistance efforts are positively affecting America's workforce by making information on DOL's laws and regulations easy-to-understand and easy-to-access. DOL agencies' actions and results demonstrate that compliance assistance plays an integral part in fulfilling the Department's mission to protect the wages, health benefits, retirement security, safety and health of America's workers. ■

MANAGEMENT INITIATIVES

Programs need a robust and innovative management support structure for optimal performance and results. Through the President's Management Agenda (PMA) and the PART, agencies throughout the Federal government are examining their operations and focusing on identifying and implementing improvements in key management and program areas. With the guidance and services provided by SOL, the Department ensures its labor laws are properly enforced and its regulations will achieve policy objectives.

To help guide the Department's management efforts, Secretary Chao established a Management Review Board (MRB) in August 2001 to provide a Departmental forum and decision-making body for wide-ranging management issues. The Assistant Secretary for Administration and Management chairs the MRB. MRB membership includes the Deputy Secretary of Labor, the Chief of Staff, and major DOL agency heads. OMB cited the establishment of the MRB as one key to the Department's ongoing success in implementing the PMA.

IMPLEMENTING THE PRESIDENT'S MANAGEMENT AGENDA

In 2001, President Bush launched his Management Agenda to guide agency efforts to improve management performance. While the PMA initiatives focus on support systems and operations, they serve as a complementary effort toward program improvement. The five government-wide PMA initiatives are:











- *Strategic Management of Human Capital*,
- *Competitive Sourcing*,
- *Improving Financial Performance*,
- *Expanded Electronic Government*, and
- *Budget and Performance Integration*.

DOL is also responsible for three PMA initiatives that apply only to selected Federal Departments and agencies:

- *Faith-Based and Community Initiative*,
- *Federal Real Property Asset Management*, and
- *Eliminating Improper Payments*.

The Department set ambitious goals for its PMA implementation, and on June 30, 2005, DOL became the first Federal agency to achieve Green status scores on all five government-wide PMA initiatives.

DOL PRESIDENT'S MANAGEMENT AGENDA SCORECARD JUNE 30, 2006

| | Current Status | Progress |
|------------------------------------|---|---|
| Human Capital |  Green |  Green |
| Competitive Sourcing |  Green |  Green |
| Financial Performance |  Green |  Green |
| E-Government |  Green |  Green |
| Budget and Performance Integration |  Green |  Green |

Through the MRB, DOL provides strong leadership, management, and oversight of the PMA — which includes agency-specific PMA scorecards for 15 DOL agencies and components. The first round of DOL PMA scoring took place in September 2002 and scorecards are updated semi-annually. DOL has been recognized for its PMA accomplishments by receiving three President's Quality Awards — the highest award for management excellence in the Federal government. In 2004 the Department received awards for the Strategic Management of Human Capital and Budget and Performance Integration initiatives, and in 2005 was the first Federal agency to receive the most prestigious President's Quality Award for Overall Management.

The Department's work on PMA implementation is far from over and will continue to meet new and more challenging PMA commitments. The following is a summary of accomplishments and future directions for the government-wide and selected Federal Department initiatives.

STRATEGIC MANAGEMENT OF HUMAN CAPITAL

Succession planning to develop the leaders of the future

Based on the demographics of the workforce, a structured, Department-wide approach to succession planning best serves the Department's needs. For example, 63 percent of the Senior Executive Service and 54 percent of managers will be eligible to retire within five years. Within this context, Department-wide succession planning programs have been implemented in the following areas:

- DOL is conducting training programs to prepare candidates for the Senior Executive Service. The Department trained 26 Senior Executive Service candidates during FY 2003, and plans to schedule two additional programs through FY 2008 — including one that was launched in 2006.

- DOL has implemented Mid-level Management Development Programs to prepare employees to assume supervisory and managerial positions, based on agency needs. During FY 2003, nine DOL agencies conducted management development training, and the Department anticipates scheduling two additional programs for mid-level employees through FY 2008 — including one that was launched in 2006.
- DOL will expand supervisory training opportunities to address the needs of experienced, new, and potential supervisors.
- Succession planning activities will be tracked and measured to evaluate results for recruitment, placement, and retention in order to plan ongoing succession strategies.

Identify and eliminate skills gaps in the workforce

As part of the Department's workforce planning and human capital management efforts, DOL has implemented a multi-phase Competency/Skills Assessment Initiative. In the first phase, the Department identified its mission critical occupations and the skills required to perform those jobs. Agencies prepared a skills gap inventory to identify the training and development needs of their workforce and prepared action plans to meet those needs. The Department is monitoring agency progress on their action plans and will reassess skill gaps in mission critical occupations to determine progress being made in closing the gaps. The second phase in FY 2006 was focused on defining management competencies through a Management Competency model which is being implemented following the same process as the mission critical occupations initiative.

Expand targeted recruitment programs to address skill gaps

Based on the skill gaps identified, DOL will develop targeted recruitment programs to

ensure that the Department's workforce can effectively fulfill DOL's critical missions. The Department will continue to expand outreach to colleges, universities, and business schools, develop innovative marketing materials, and continue relationships with key organizations.

An example of the Department's targeted recruitment efforts is the Department's Masters in Business Administration (MBA) Fellows Program, which responds to the Department's need to recruit and develop for future management positions employees with advanced business skills. Despite the Department's net operating costs of \$65 billion, the complexity of DOL's programs, and their impact on private sector corporations, fewer than one percent of DOL's employees currently hold MBA degrees or comparable educational credentials in business or finance. Two MBA Fellows classes, with a total of approximately 30 participants, were hired during FY 2003 and one additional class will be hired each year through FY 2008, to assist the Department to achieve a targeted two percent of employees with the advanced business education needed to enhance the management of programs.

Complementing the Department's recruitment efforts is SOL's Honors Program — which is targeted at attorneys with exemplary records who are completing law school or judicial clerkships. Honors Program participants will spend their first two years in the Solicitor's Office handling a broad variety of assignments from all SOL Divisions.

Delaying and restructuring initiatives

Advances in technology that have changed how DOL communicates with customers and employees offer the Department opportunities for delayering, restructuring, and consolidating, to allow DOL to become more citizen-centered and cost effective. Neither assisting the nation's workers and employers nor

managing the Department's workforce requires the full extent of the network of field offices with formal supervisory presence that was the norm in the last century. By the beginning of FY 2005, the Department had examined the individual needs of each major DOL program and developed a plan for a 21st Century organizational structure.

Agencies continue to make substantial progress with their workforce restructuring plans. For example, in FY 2005 ESA-OFCCP and ESA-WHD completed the co-locations of their Jacksonville, Florida and Buffalo, New York offices. ESA-WHD is also closing its Glendale, California office — which will be moved to the Los Angeles District Office. Also in FY 2005, SOL reorganized its National Office structure to eliminate two divisions and redistributed functions to better align lawyers with client agencies. EBSA has submitted its reorganization plan for the Office of the Chief Accountant and is developing plans to reorganize its Office of Regulations and Interpretations and Office of Policy and Research. In FY 2006, MSHA-Coal undertook a comprehensive review of its district and field structure for geographic alignment and economy of scale. As a result, MSHA-Coal merged the Castledale, Utah Field Office into the Price, Utah Field Office and closed the Castledale facility. MSHA is also investigating the possible merger of the Pottstown and Shamokin, Pennsylvania Field Offices.

COMPETITIVE SOURCING

In response to the PMA's call for a "results-oriented, citizen-centered and market-based" government, the Department's Competitive Sourcing initiative is designed to improve both the quality and value of services at the Department — including those that are commercial in nature and where subsequent study and analysis indicates that these functions are suitable for competition. One of the most reliable methods to achieve performance improvements is through competition, regard-

less of whether the work stays in-house or is provided by contract. The Office of Competitive Sourcing was established within the Office of the Assistant Secretary for Administration and Management (OASAM) to provide centralized management to assist DOL agencies to benefit from the experience of others in performing competitions and sharing lessons learned. Key to the Department's efforts has been the development of a coordinated Department-wide approach for Competitive Sourcing.

DOL has completed 20 competition studies that were initiated in FY 2004 and in FY 2005. The 18 studies covered 267 Full Time Equivalents (FTE) and resulted in savings of more than \$23 million over five years.

Agencies continue to make substantial progress with their workforce restructuring plans.

Additionally, the efficiencies achieved from these competitions will allow the Department to avoid future costs totaling over \$11 million that otherwise would have been incurred over the same five-year time period. As the Department moves ahead in competitive sourcing, it has developed a FY 2006–FY 2010 Competition Plan, which projects 12 competitions totaling approximately 3,400 FTE.

The Department's experience has shown that regardless of the performance decision, whether decided in favor of public, private or some combination of providers, the Department has found better ways of delivering mission critical programs and services, often improving services to workers and their families, while weeding out expensive, outmoded, and sometimes redundant ways of conducting business. For those employees impacted by competitive sourcing activities, the Department offers associated career

counseling and employee transition services through a coordinated effort between the Human Resources Center and the Office of Competitive Sourcing.

IMPROVING FINANCIAL PERFORMANCE

The Department has received nine consecutive unqualified or "clean" audit opinions on its financial statements as well as six consecutive Certificate of Excellence and Accountability Reporting awards from the Association of Government Accountants. Management recognizes that the Department faces new financial management challenges such as reducing erroneous payments, implementing the internal control requirements set forth in OMB's Circular A-123, and fully integrating

cost information into day-to-day management decisions.

The Department continues to work on the implementation of a new core financial management system that will provide readily available, transparent data to managers and decision-makers for use on a day-to-day basis. The Labor Executive Accountability Program will transform the way the Department conducts its financial management business. When fully implemented, the new system will be a strategic asset for the Department, allowing managers to create customized reports online at their desktops to meet their management needs in real time while standardizing a foundation for data, information, and processes.

The Department is committed to implementing the requirements outlined in the OMB Circular A-123, Management's Responsibility for



Internal Controls over Financial Reporting. The Department's implementation will leverage and improve upon existing successes in financial management. The

Department's approach to the A-123 requirement is **compliance** at managed cost, **sustainability** by engendering a proactive rather than reactionary mindset that reduces reliance on outside parties to discover errors and problems, and **improvement** in the effectiveness and efficiency of agency programs.

EXPANDED ELECTRONIC GOVERNMENT

The Department, by continually focusing on e-Government, serves more customers more efficiently and effectively. The e-Government goal is that all information technology (IT) initiatives and investments be customer-focused, results-oriented, market-based, and cost-effective. To achieve this goal, the Department utilizes a comprehensive governance framework to manage all its IT investments in an integrated manner.

DOL is the Managing Partner of two Presidential Priority Initiatives and serves as a partner in twelve other initiatives. The Department also manages other e-Government initiatives, including:

- **GovBenefits.gov** celebrated its fourth anniversary in April 2006 and provides the public access to information on all government benefit programs and services through a common Internet Web site.
- **DisabilityInfo.gov** supplies Americans with disabilities and those that support, serve, and employ them,

with a comprehensive list of Federally-sponsored employment, housing, transportation, income support, health care, technology, and other programs and services relevant to the day-to-day lives of Americans with disabilities — and those that support, serve, and employ them.

- **elaws** enables customers to understand their rights and responsibilities under labor laws and regulations administered by DOL.
- **Foreign Labor Certification Systems** enable employers to apply electronically for labor certifications for foreign workers for hard-to-fill job openings. The program is operated in coordination with the Departments of State and Homeland Security.
- **e-Judication**, still in development, will provide the public a user-friendly Web portal to the DOL adjudicatory functions such as filing appeals, obtaining case status and answers to frequently asked questions, retrieving case decisions, and researching relevant case law.
- **e-Grants** will provide all grant making agencies within DOL and the public they serve with an electronic means by which grants can be advertised, applied for, and processed.

BUDGET AND PERFORMANCE INTEGRATION

Program Assessment Rating Tool

The PART was developed to assess and improve program performance so that the Federal government can achieve better results. A PART review helps identify a program's strengths and weaknesses to inform funding and management decisions aimed at making the program more effective and efficient. The

PART assesses and then rates Federal programs on their purpose and design, strategic and performance planning, management, and results and accountability. Based on a PART score and the quality of its performance measures and performance data, each program receives one of five PART Ratings: Effective, Moderately Effective, Adequate, Ineffective, or Results Not Demonstrated.

DOL is committed to improving program performance through the PART. To date, 32 programs have been assessed through the PART, with the four most recent assessments appearing in the FY 2008 President's Budget. While PART ratings receive much of the public attention, perhaps the most valuable result of a PART assessment is the Action (or Improvement) Plan for Improving Performance.

Each DOL program that has been assessed through the PART has developed collaboratively and agreed to three Improvement Plan follow-up actions that focus on advancing performance and increasing accountability. These Improvement Plans allow DOL, agencies, and programs to track progress and encourage continual performance improvement — as a program completes an action item, it develops a new one. DOL is accountable for progress on and completion of PART Improvement Plans. Summaries for all PARTs are accessible at the ExpectMore.gov Web site, including DOL's progress completing its Improvement Plan follow-up actions.

Examples of Improvement Plan follow-up actions that DOL has completed are: developing, managing by, and reporting on efficiency measures; developing and implementing new procedures and practices to improve financial management; implementing the common performance measures for Federal employment and training programs, which provide a uniform method for measuring program results and outcomes; and more thorough integration of budget and performance information in the

President's Budget. DOL is currently working on follow-up actions that include: Continuing to fund independent evaluations to determine DOL program effectiveness; developing additional efficiency and cost-effectiveness measures to demonstrate ongoing program improvement; and continuing to establish ambitious targets for long term and annual performance measures to drive continued improvement.

DOL has made great progress in using performance-based budgeting, PART reviews, and agency-level management and strategic efforts to improve the performance of the Department. The Department prepared its first performance budget for FY 2004 and since that time DOL has continued to refine the presentation to meet the needs of Congress and the public. The Department has implemented mechanisms for reviewing resources and results, and continues to hone the precision of the allocation of budget costs to performance goals. Future progress will aim for improving and expanding the DOL electronic budget initiative and identifying and targeting areas for program efficiencies.

Strategic plans, performance budgets, PMA initiatives, and PART review results are of little meaning unless the workforce at large is knowledgeable and engaged. The Department takes a variety of measures to ensure widespread communication and accountability. This Departmental Strategic Plan, agency operating plans, the Performance Budget Overview, the Annual Performance and Accountability Report, and other management publications are available on Internet and Intranet sites. Each year the Department publishes a report to employees on the progress made under the PMA. These reports can be found at <http://www.dol.gov/dol/aboutdol/>. Of primary importance is the requirement for all DOL employees to have performance standards that tie to Departmental and agency goals where practicable.

TABLE 1.
DEPARTMENT OF LABOR
PART RATINGS (2002–2006)

| DOL PART SCORES AND RATINGS | | |
|---|------------------------|--|
| Program | Assessment Year | Current Rating |
| Federal Employees' Compensation Act | 2002 | Moderately Effective |
| Occupational Safety and Health Administration | 2002 | Adequate |
| Black Lung Benefits Program | 2003 | Moderately Effective |
| Bureau of Labor Statistics | 2003 | Effective |
| Community Service Employment for Older Americans | 2003 | Ineffective |
| Mine Safety and Health Administration | 2003 | Adequate |
| Prevailing Wage Determination Program | 2003 | Results Not Demonstrated |
| Trade Adjustment Assistance | 2003 | Ineffective |
| Unemployment Insurance Administration State Grants | 2003 | Moderately Effective |
| Workforce Investment Act — Dislocated Worker Assistance | 2003 | Adequate |
| Workforce Investment Act — Migrant and Seasonal Farm Workers | 2003 | Ineffective |
| Workforce Investment Act — Youth Activities | 2003 | Ineffective |
| Employee Benefits Security Administration | 2004 | Moderately Effective |
| Employment Service | 2004 | Adequate |
| Office of Federal Contract Compliance Programs | 2004 | Adequate |
| H-1B Work Visa for Specialty Occupations — Labor Condition Applications | 2004 | Moderately Effective |
| International Child Labor Program and Office of Foreign Relations | 2004 | Adequate |
| Job Corps | 2004 | Moderately Effective |
| Workforce Investment Act — Native American Programs | 2004 | Adequate |
| Pension Benefit Guaranty Corporation | 2004 | Moderately Effective |
| Permanent Labor Certification | 2004 | Adequate |
| Job Training Apprenticeship | 2005 | Results Not Demonstrated |
| Longshore and Harbor Workers' Compensation Program | 2005 | Adequate |
| Office of Labor Management Standards | 2005 | Adequate |
| Veterans' Employment and Training State Grants | 2005 | Moderately Effective |
| Women's Bureau | 2005 | Results Not Demonstrated |
| Workforce Investment Act — Adult Employment & Training Activities | 2005 | Adequate |
| Work Incentive Grants | 2005 | Adequate |
| Homeless Veterans' Reintegration Program | 2006 | |
| Office of Disability Employment Policy | 2006 | Results Published with President's FY 2008 Budget |
| Office of the Solicitor | 2006 | |
| Wage-Hour Programs | 2006 | |

FAITH-BASED AND COMMUNITY INITIATIVE

CFBCI at DOL seeks to empower the faith-based and community organizations as these organizations help their neighbors enter, succeed, and thrive in the workforce. DOL also targets those organizations that are trusted institutions providing valuable services but that may not be partnering with government programs. To accomplish this mission, DOL works to remove administrative and regulatory barriers and develop innovative ways to foster partnerships between DOL-funded programs and FBCOs. The Department educates organizations about local opportunities to collaborate with and about opportunities to participate in national grant programs. The Department also works with local government officials and administrators to integrate faith-based and community organizations into the strategic planning and service delivery processes of local Workforce Investment Boards.

FEDERAL REAL PROPERTY ASSET MANAGEMENT

The Department recognizes that effective management of its real property assets affects DOL's ability to fulfill its mission. In February 2004, President George W. Bush issued Executive Order 13327, *Federal Real Property Asset Management*, in order to "promote the efficient and economical use of America's real property assets and to assure management accountability for implementing federal real property management reforms." To comply with the Executive Order, all agencies were to develop and implement an Asset Management Plan (AMP) and a rolling three-year timeline to ensure consistent and sound asset management decision making. The Department has since established a Departmental work group designed to more fully implement this key PMA initiative. The Department's Senior Real Property Officer leads this work group under the auspices of the Department's MRB. Work group membership includes leadership from key DOL agencies and is a strong component of the

Department's communication strategy to ensure that the AMP is fully implemented and used as a day-to-day tool in DOL's real property management.

ELIMINATING IMPROPER PAYMENTS

Reducing improper payments has been a major financial management focus for the Department. Under the Improper Payment Information Act of 2002, the Department developed strategies to perform annual reviews of all programs and activities susceptible to improper payments. In FY 2005, the Department met its improper payments reduction and recovery targets for each of these programs using the criteria established under guidance from OMB. Improper UI payments fell by approximately \$600 million in FY 2005, which represents a greater than 15 percent decrease in the dollar amount of improper payments for this program since the previous reporting period.

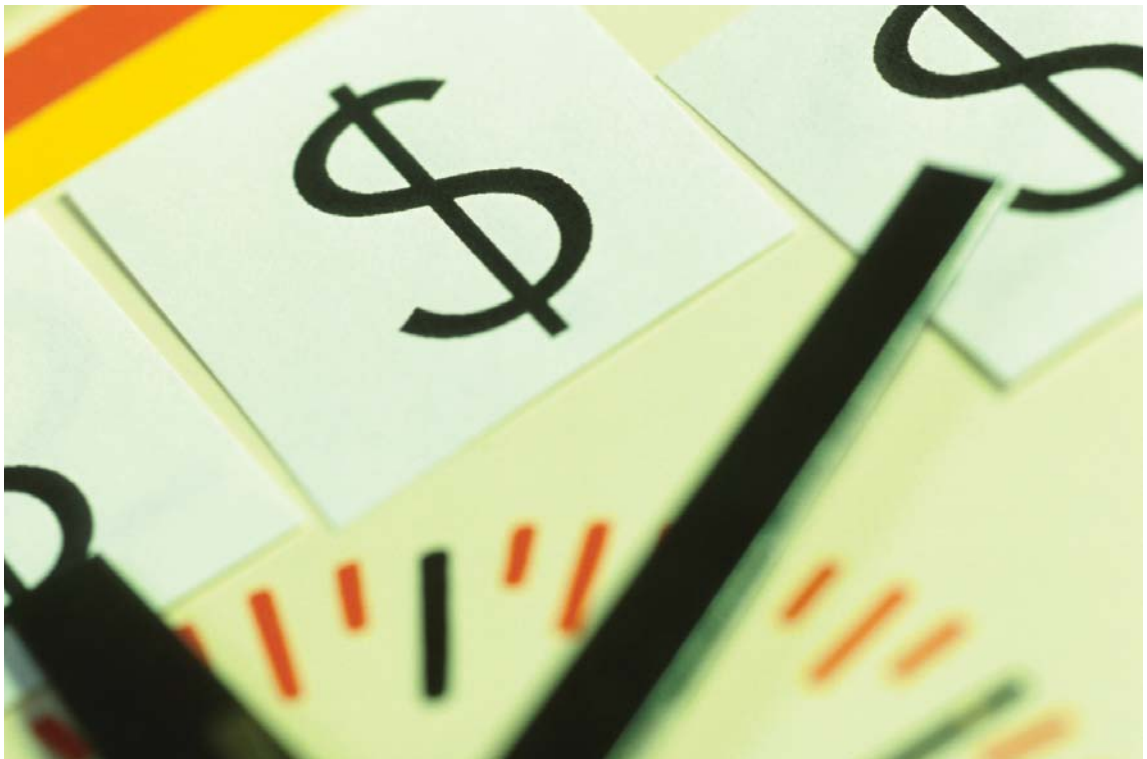
DEPARTMENTAL LEGAL OVERSIGHT

The Department also ensures the nation's labor laws are forcefully and fairly applied while implementing its enforcement initiatives. Legal services provided by the Solicitor contribute directly to the performance and accountability of every agency and program in DOL. SOL provides the high quality legal services necessary to enable the Secretary of Labor and the program agencies within the Department to achieve the Secretary's goals, to meet all legal responsibilities of the Department, and to provide the full protection of the law to America's working men and women.

SOL's activities are essential to all four of the Department's goals. The Department of Labor administers over 180 different laws affecting American workers, and SOL provides legal services related to litigation, advice and opinions, and development of regulations and standards needed to support the Department's efforts under these laws. In providing these

legal services, SOL consistently maintains the highest professional standards and provides services comparable to those provided by the top private labor law firms. The overarching mission of SOL is to target its legal resources to advance the “priority enforcement initia-

tives” of the Department, effectively defend actions already taken by the Department, and provide further value added services in the development of regulations, standards and legislation. This mission consciously mirrors the four strategic goals of DOL. ■



WORKERS

Legal Support for Low Wage Workers

SOL is the Department’s legal enforcement arm. In recent years, the Solicitor has assisted the Secretary and the Department in intensified efforts to ensure that workers in the poultry and meat processing industries are paid for all time actually spent at work. SOL has undertaken numerous enforcement actions to gain pay for time spent by workers walking between the place where they put on and take off protective equipment and the place where they process the meat or poultry, and associated “donning and doffing” time. Recently, in *Iowa Beef Processors v. Alvarez*, in which the government filed “friend-of-the-court” briefs, these efforts were validated by a unanimous Supreme Court. In the wake of this victory, SOL is seeking millions of dollars in unpaid wages for thousands of poultry and meat processing workers across the United States. ■



PROGRAM EVALUATIONS

The Department has worked to increase both the quality and quantity of program evaluations in order to improve decision-making, planning, and program execution at every level within DOL. Evaluations by independent parties provide the Department with valuable information on the extent to which programs achieve their objectives, whether processes are operating as intended, and the cost-benefits of a program. DOL places a priority on program evaluations that will improve an agency's ability to fulfill its responsibilities as outlined in the GPRA and that will develop its capacity for ongoing, internal program assessment. Program evaluations have played an important role in the development of the Department's Strategic Plan, thereby increasing the Plan's usefulness as a blueprint for agencies to improve their effectiveness.

The impetus for conducting a program evaluation may be internal or external to the program. A program evaluation may address findings or recommendations from reports issued by the Government Accountability Office (GAO), which performs evaluations of programs throughout the Federal government. OMB may require an evaluation as a follow-up action in a program's PART improvement plan. A program may also conduct an evaluation in anticipation of the PART process or to meet criteria prescribed by the PMA. An evaluation may help resolve findings from an audit conducted by the Department's Office of Inspector General. A program may also conduct an evaluation for its own betterment, independent of any external reports or recommendations. The benefits of program evaluation often extend beyond the area studied.

The Department recognizes the important role program evaluations play in improving program results, which is why DOL makes an extra effort to ensure program evaluations are truly independent and will focus on key performance areas. By administering funds

through its Program Planning and Results Center, the Department is able to award program evaluation funds more strategically to individual agencies and programs. The Center selects agencies for evaluations through an internal competitive awards process. Decision-making occurs within the context of the entire Department, taking into account DOL's strategic and performance planning needs. Considerations include Departmental program and performance priorities, external factors or circumstances, and whether the program is scheduled to undergo the PART process. Center staff serves as the Contracting Officer's Technical Representatives, thereby reinforcing the independence of the evaluation. The Center is then well equipped to advise agencies on a range of performance issues, including follow-up on recommendations from those evaluations, at both the agency and Departmental level.

In addition to independent program evaluations, several agencies conduct quality control activities to identify areas for improvement. For example, EBSA evaluates the quality of the investigations conducted by its field offices through Closed Case Quality Reviews. The results of the reviews are used to develop plans of action to improve the quality of the enforcement program and to identify and share promising practices. WHD maintains and coordinates an accountability review system in all five regions. As part of this system, investigations conducted by district offices are reviewed for adherence to established policies and procedures and to ensure uniform application of the law. BLS conducts or contracts for Sensitive Application Security Reviews (SASR) of all sensitive systems. SASRs ensure that the applications or systems protect the information from unauthorized access, use, disclosure, disruption, modification, or destruction. These reviews guarantee the integrity, confidentiality and availability of economic information.

TABLE 2.
DEPARTMENT OF LABOR
ACTIVE PROGRAM EVALUATIONS

| Agency | Research Topic | Start Year |
|--|--|------------|
| SOL | Office of the Solicitor: To evaluate the efficacy of the Office of the Solicitor Legal Advice | FY 2006 |
| Strategic Goal 1. A Prepared Workforce | | |
| ETA | Apprenticeship Program: To evaluate apprenticeships as an employment and training strategy | FY 2004 |
| ETA | High School Career Academies Demonstration: To evaluate the program's effectiveness in helping students achieve education and employment outcomes | FY 2003 |
| ETA | Quantum Opportunity Program (QOP) Demonstration: To assess the net impact of QOP on education and employment outcomes | FY 1995 |
| ETA | Youth Opportunity Grants: To evaluate employment and educational outcomes achieved through the grants | FY 2000 |
| VETS | Employment Rates for Disabled Veterans: To assess the employment and job retention of disabled veterans with the Public Labor Exchange | FY 2005 |
| VETS | Jobs for Veterans Act (JVA) and the Workforce Investment Act: To assess the impact of both Acts on employment outcomes for veterans | FY 2006 |
| WB | e-Mentoring: To evaluate program implementation and outcomes for the GEM-Nursing and Wi\$e Up demonstration projects | FY 2005 |
| WB | e-Mentoring: To evaluate program implementation and outcomes for the Flex-Options and GEM-SET demonstration projects | FY 2006 |
| Strategic Goal 2. A Competitive Workforce | | |
| ETA | High Growth Job Training Initiative (HGJTI) Grants: To evaluate the implementation and effectiveness of HGJTI grants in achieving employment outcomes | FY 2006 |
| ETA | Individual Training Account and Eligible Training Provider Demonstration: To evaluate approaches for managing customer choice in the administration of Individual Training Accounts | FY 1999 |
| ETA | Military National Emergency Grants: To evaluate the implementation and outcomes of grants | FY 2003 |
| ETA | Personal Reemployment Accounts Demonstration: To evaluate the program's implementation and employment outcomes | FY 2004 |
| ETA | Project GATE: To evaluate the effectiveness of centralizing micro-enterprise initiatives into a single, comprehensive One-Stop program | FY 2002 |
| ETA | Self-Directed Services: To evaluate the outcomes and implementation of services | FY 2001 |
| ETA | State and Intermediary Faith-Based and Community Organizations: To evaluate whether grants to faith-based organizations are effective in promoting sustainable collaborations | FY 2004 |
| ETA | Trade Adjustment Act: To evaluate program implementation and employment outcomes | FY 2004 |
| ILAB | Technical Assistance Program: To evaluate program effectiveness | FY 2005 |
| OASP | Employment Law Guide: To assess the effectiveness of the guide | FY 2006 |

Following are active evaluations — as of FY 2006 — that helped inform the strategic planning process. These evaluations represent studies undertaken by the Department of Labor that are focused on improving performance monitoring systems, measuring effectiveness and efficiency, and assessing customer satisfaction — key topics for developing better strategies. These evaluations are not intended to represent the entire DOL research agenda.

| Agency | Research Topic | Start Year |
|--|--|--------------------|
| ODEP | Performance Measurement: To determine the effectiveness of ODEP performance measures and information gathering | FY 2006 |
| ODEP | Workforce Investment Act Sites: To evaluate WIA site strategies for improving disability employment outcomes | FY 2005 |
| Strategic Goal 3. Safe and Secure Workplaces | | |
| ESA-WHD | Low-Wage Industries: To determine the efficiency and effectiveness of the low wage industry program | FY 2006 |
| ESA-WHD | Low-Wage Industries: To identify strategies for increasing compliance among previously investigated employers | FY 2006 |
| ESA-WHD | Low-Wage Industries: To develop enforcement targeting strategies for low-wage industries that maximize resources and increase effectiveness | FY 2006 |
| MSHA | Independent Contractors: To evaluate MSHA's efforts to deliver services and support to miners working for independent contractors | FY 2004 FY 2006 |
| OSHA | Voluntary Guidelines: To evaluate the effectiveness of voluntary guidelines | FY 2005 |
| OSHA | Workplace Injury and Illness Reduction: To develop a model on reducing workplace injuries and illness | FY 2005 |
| OSHA | Settlement Agreements: To evaluate the relative effectiveness of agreements | FY 2004 |
| OSHA | Lookback Review: To evaluate the impact of two OSHA standards--Methylene Chloride and lead in construction | FY 2006 |
| Strategic Goal 4. Strengthened Economic Protections | | |
| EBSA | Participant Assistance and Outreach and Education Programs: To assess customer satisfaction | FY 2003 |
| ESA-OLMS | Labor-Management Reporting and Disclosure Act: To identify strategies for more effectively administering and enforcing the Act | FY 2006 |
| ESA-OWCP | Black Lung Program: To evaluate the program's effectiveness in providing compensation | FY 2006 |
| ESA-OWCP | Division of Coal Mine Workers' Compensation: To evaluate the effectiveness and efficiency of the Black Lung Program | FY 2005 |
| ESA-OWCP | Energy Employees Occupational Illness Compensation Act Program: To evaluate the comparative outcomes of occupational cancer claims | FY 2006 |
| ESA-OWCP | Federal Employees' Compensation Act Early Disability Management program: To identify strategies for increasing the programs' effectiveness | FY 2006 |
| ESA-OWCP | Longshore and Harbor Workers' Compensation Act Program: To evaluate the program's efficiency and effectiveness | FY 2006 |
| ETA-UI | National Unemployment Insurance Benefits Study: To evaluate the effectiveness of the program | FY 2004 |

FUTURE EVALUATIONS

Agencies continually assess their program evaluation needs based on emerging issues, new initiatives, and performance challenges. OASP plays a central role in coordinating the Department's overall agenda for research and evaluation. In addition to internal research agendas, agencies propose ideas for program evaluations which compete for Departmental funding. The Department gives priority to independent program evaluations that will enable agencies to better manage their programs using performance information. The Department's Program Planning and Results Center will continue to play a central role in funding and administering program evaluations focused on GPRA, PART, and related performance-based initiatives. Working together, the Departmental agencies and offices identify research priorities at the programmatic and Departmental level. Following is a list of priority areas for research at the time of this publication. ■

TABLE 3.
DEPARTMENT OF LABOR
RESEARCH PRIORITIES (FY 2006-2011)

| Agency | Research Topic | Projected Start Year |
|--|---|----------------------|
| Strategic Goal 1. A Prepared Workforce | | |
| BLS | Customer Satisfaction with the Occupational Outlook Handbook: To evaluate BLS service delivery and customer satisfaction with the BLS Web site and products | FY 2006 – FY 2007 |
| VETS | Homeless Veterans Reintegration Program: To evaluate the long-term effect of HVRP on the employment of homeless veterans | FY 2008 – FY 2009 |
| VETS | Veterans Workforce Investment Programs: To evaluate the national strategy based on PRO-VET effectiveness | FY 2008 – FY 2009 |
| VETS | Transition Assistance Program: To evaluate the effectiveness of TAP strategies for translating veterans' skills acquired in the military into civilian work skills | FY 2010 – FY 2011 |
| WB | Working Women in Transition demonstration project: To evaluate program implementation and outcomes | FY 2008 – FY 2009 |
| Strategic Goal 2. A Competitive Workforce | | |
| ETA | WIRED Initiative: To assess the effectiveness of the WIRED initiative in supporting regional economic development efforts | FY 2006 – FY 2007 |
| ODEP | Job Accommodation Network (JAN): To assess customer satisfaction with JAN | FY 2006 – FY 2007 |
| ODEP | Employer Assistance and Recruiting Network (EARN): To assess customer satisfaction with EARN | FY 2006 – FY 2007 |
| ODEP | Demonstration Programs: To evaluate the effectiveness of ODEP's pilot programs | FY 2008 – FY 2009 |

| Agency | Research Topic | Projected Start Year |
|--|---|----------------------|
| Strategic Goal 3. Safe and Secure Workplaces | | |
| ESA-WHD | Child Labor Program: To evaluate the effectiveness of WHD's targeting strategies, and impact on reduction of injuries/fatalities and compliance | FY 2007 |
| ESA-WHD | Service Contract Act: To develop strategies to improve timeliness and accuracy of Service Contract Act wage determinations | FY 2007 |
| ESA-WHD | Agricultural Program: To evaluate the effectiveness of WHD's targeting strategies and impact on compliance | FY 2008 |
| ESA-WHD | Wage and Hour Division's Compliance Partnerships: To assess the impact of WHD's strategic partnerships and collaborations on immigrant populations to inform program improvement | FY 2008 – FY 2009 |
| MSHA | Mine Rescue: To analyze the viability and feasibility of current and emerging mining communication and mine rescue technologies for application in today's mining environment | FY 2006 – FY 2007 |
| VETS | Uniformed Services Employment Reemployment Rights Act: To evaluate the outcomes of USERRA under regulations issued in 2005 | FY 2008 – FY 2009 |
| Strategic Goal 4. Strengthened Economic Protections | | |
| EBSA | Compliance Assistance Activities: To assess customer satisfaction | FY 2007 |
| EBSA | Lookback Review: To assess the impact of EBSA regulations | FY 2007 |
| ESA-OWCP | Federal Employees' Compensation Act Program Quality Case Management: To measure the impact of Quality Case Management on long-term case outcomes | FY 2008 – FY 2009 |
| ESA-OWCP | Division of Coal Mine Workers Compensation: To identify the most effective and efficient approach to update paper-based mine insurance records | FY 2008 – FY 2009 |
| ESA-OWCP | Federal Employees' Compensation Act Program Quality Case Management: To measure the impact of Quality Case Management on long-term case outcomes | FY 2008 – FY 2009 |
| ESA-OWCP | Federal Employees' Compensation Act Program: To assess the distribution, organization and processing of program workloads and resource allocations | FY 2010 – FY 2011 |
| ESA-OWCP | Federal Employees' Compensation Act Program: To develop a design for a strong replicable agency compensation program | FY 2008 – FY 2009 |
| ESA-OWCP | Federal Employees' Compensation Act Program: To assess customer satisfaction with targeted program services | FY 2008 – FY 2011 |

CONCLUSION

The strategic planning process was an opportunity for the Department to determine a course of action from the years 2006 to 2011. This plan outlined the principal strategies for improving program effectiveness and fulfilling DOL goals. The Department continually raises the bar on what can be achieved and how this Department is managed through the implementation of the President's Management Agenda and PART recommendations. The work performed at every level within the Department will be anchored to the vision that was presented in this plan. Agencies, such as OASAM, VETS, the Women's Bureau, and ODEP, demonstrate their commitment to supporting Departmental goals through their own agency-level strategic plans. In addition, the strategies and goals established in this plan will serve as the foundation for their budgeting, reporting, and planning activities. These activities underpin what DOL will accomplish for the American workforce. With this plan as its guide, the Department is poised to meet tomorrow's challenges *today*. ■



APPENDICES

APPENDIX A. STAKEHOLDER CONSULTATION

The Department of Labor's mission is broad and diverse, touching the lives of the nation's workers. It also affects a wide range and number of stakeholders, which include working men and women and those employee organizations that support the workplace and workforce activities that benefit this population. Stakeholders also include employers and employer groups, other Federal and State agencies, various Advisory Committees, professional organizations, public interest groups, and the Congress. GPRAs states that the preparation of a strategic plan is an inherently governmental function, and the Department of Labor plan was drafted only by Federal employees.

Consistent with current policy and practice regarding interagency clearance of certain material being sent to Congress, the Department of Labor provided OMB with an advance copy of an updated strategic plan at least 45 days prior to the date for transmitting the plan to Congress and making it available to the public. The Department initiated a concurrent public and Congressional comment period on August 7, 2006. A hyperlink to the draft plan was posted on the Department of Labor Web site home page and a notice in the *Federal Register* invited comments from the public.

Comments received were distributed to the appropriate agencies for consideration and changes were made accordingly to the plan.

Letters and the draft plan were also delivered to the Chairs and Ranking Members of the

Senate Committees on Health, Education, Labor and Pensions; Governmental Affairs; Veterans' Affairs; Budget; and the Appropriations Subcommittee on Labor, Health and Human Services and Education. Additionally, copies were sent to House Committees on Education and the Workforce; Government Reform; Veterans' Affairs; Budget; and the Appropriations Subcommittee on Labor, Health and Human Services and Education.

In addition to this consultation process, the Department, through its various agencies, actively solicits the views of major stakeholders on an ongoing basis. Consultations and interactions with stakeholders have been and continue to be held primarily at the individual program agency level to develop and build on established dialogues. The consultation process with other Federal agencies is also an ongoing process.

The Department continues to establish and sustain working relationships with a number of advisory groups and non-governmental organizations. Examples of ongoing relationships are the BLS Business and Labor Research Advisory Councils; EBSA's ERISA Advisory Council; MSHA's Advisory Committee on the Elimination of Pneumoconiosis Among Coal Mine Workers; and OSHA's National Advisory Committee on Occupational Safety and Health, Advisory Committee on Construction Safety and Health, Maritime Advisory Committee on Safety and Health, and Federal Advisory Committee on Occupational Safety and Health. ■

APPENDIX B. STRATEGIC GOAL CROSS REFERENCE

The strategic, performance and outcome goals in the current strategic plan and the prior strategic plan are presented below. The Department of Labor changed the strategic goal framework by re-ordering and re-conceptualizing the strategic goals, which affected the placement of the supporting performance goals. The outcome goals have been removed in order to simplify and de-layer the reporting structure and to minimize repetition of information. In addition, the Competitive Workforce goal, appearing in its second strategic plan, has expanded to include more program areas.

| FY 2006–2011 Strategic Goals | FY 2003–2008 Strategic Goals |
|---|---|
| <p>Strategic Goal 1. A Prepared Workforce <i>Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high-quality information on the economy and labor market.</i></p> <p>Performance Goal 1A. Improve information available to decision-makers on labor market conditions, and price and productivity changes.</p> <p>Performance Goal 1B. Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education.</p> <p>Performance Goal 1C. Increase placements and educational attainments of youth served through the Workforce Investment Act Youth Program.</p> <p>Performance Goal 1D. Improve the registered apprenticeship system to meet the training needs of business and workers in the 21st Century.</p> <p>Performance Goal 1E. Improve the employment outcomes for veterans who receive One-stop Career Center services and Homeless Veterans' Reintegration Program services.</p> | <p>Strategic Goal 1. A Prepared Workforce <i>Enhance opportunities for America's workforce.</i></p> <p>Outcome Goal 1.1. Increase Employment, Earnings and Retention.</p> <p>Performance Goal 1.1.A. Increase employment, retention and earnings of individuals registered under the Workforce Investment Act Consolidated Adult Program.</p> <p>Performance Goal 1.1.B. Strengthen the registered apprenticeship program to meet the training needs of business and workers in the 21st Century.</p> <p>Performance Goal 1.1.C. Increase the employment, retention and earnings replacement of workers dislocated in important part because of trade who receive trade adjustment assistance benefits.</p> <p>Performance Goal 1.1.D. Improve the employment outcomes for veterans who receive One-stop Career Center services and veterans' program services.</p> <p>Outcome Goal 1.2. Increase Opportunities for Youth Employment.</p> <p>Performance Goal 1.2.A. Increase placements and educational attainments for youth served through the Workforce Investment Act Youth Program.</p> <p>Performance Goal 1.2.B. Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education.</p> <p>Outcome Goal 1.3. Improve the Effectiveness of Information and Analysis on the U.S. Economy.</p> |

APPENDIX B. CONTINUED

FY 2006–2011 Strategic Goals

Strategic Goal 2. A Competitive Workforce

Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.

Performance Goal 2A. Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Adult Program.

Performance Goal 2B. Increase the employment, retention, and earnings of individuals registered under the Workforce Investment Act Dislocated Worker Program.

Performance Goal 2C. Improve outcomes for job seekers and employers who receive One-Stop employment and workforce information services.

Performance Goal 2D. Increase the employment, retention, and earnings of individuals served through Community-Based Job Training Grants.

Performance Goal 2E. Build a demand-driven workforce system by increasing the accessibility of workforce information through the National Electronic Tools.

Performance Goal 2F. Assist older workers to participate in a demand-driven economy through the Senior Community Service Employment Program.

Performance Goal 2G. Assist workers impacted by international trade to better compete in the global economy through the Trade Adjustment Assistance Program.

Performance Goal 2H. Address worker shortages through the Foreign Labor Certification Program.

Performance Goal 2I. Advance knowledge and inform disability employment policy that affects systems change throughout the workforce development system.

Performance Goal 2J. Maximize regulatory flexibility and benefits and promote flexible workplace programs.

FY 2003–2008 Strategic Goals

Strategic Goal 4. A Competitive Workforce

Maintain competitiveness in the 21st Century economy.

Outcome Goal 4.1. Equip workers to adapt to the competitive challenges of the 21st Century workforce.

Performance Goal 4.1.A. Analyze information collection and research programs for relevance.

Performance Goal 4.1.B. Address worker shortage.

Performance Goal 4.1.C. Build a demand-driven workforce system.

Outcome Goal 4.2. Promote job flexibility and minimize regulatory burden.

Performance Goal 4.2.A. Maximize regulatory flexibility and benefits.

Performance Goal 4.2.B. Promote flexible workplace programs.

FY 2006–2011 Strategic Goals

Strategic Goal 3. Safe and Secure Workplaces

Promote workplaces that are safe, healthful, and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans' employment and reemployment rights.

Performance Goal 3A. Improve workplace safety and health through compliance assistance and enforcement of occupational safety and health regulations and standards.

Performance Goal 3B. Reduce work-related fatalities, injuries, and illnesses in mines.

Performance Goal 3C. Ensure workers receive the wages due them.

Performance Goal 3D. Federal contractors achieve equal opportunity workplaces.

Performance Goal 3E. Reduce employer-employee employment issues originating from service members' military obligations conflicting with their civilian employment.

Strategic Goal 4. Strengthened Economic Protections

Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

Performance Goal 4A. Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.

Performance Goal 4B. Reduce the consequences of work-related injuries.

Performance Goal 4C. Ensure union financial integrity, democracy, and transparency.

Performance Goal 4D. Enhance pension and health benefit security.

Performance Goal 4E. Improve the pension insurance program.

FY 2003–2008 Strategic Goals

Strategic Goal 3. Quality Workplaces

Foster quality workplaces that are safe, healthy and fair.

Outcome Goal 3.1. Reduce workplace injuries, illnesses, and fatalities.

Performance Goal 3.1.A. Reduce work-related fatalities.

Performance Goal 3.1.B. Reduce work-related injuries and illnesses.

Outcome Goal 3.2. Foster equal opportunity workplaces.

Performance Goal 3.2.A. Federal contractors achieve equal opportunity workplaces.

Performance Goal 3.2.B. Reduce employer-employee employment issues originating from service members' military obligations conflicting with their civilian employment.

Strategic Goal 2. A Secure Workforce

Promote the economic security of workers and families.

Outcome Goal 2.1. Increase Compliance with Worker Protection Laws.

Performance Goal 2.1.A. American workplaces legally employ and compensate workers.

Performance Goal 2.1.B. Advance safeguards for union financial integrity and democracy.

Outcome Goal 2.2. Protect Worker Benefits.

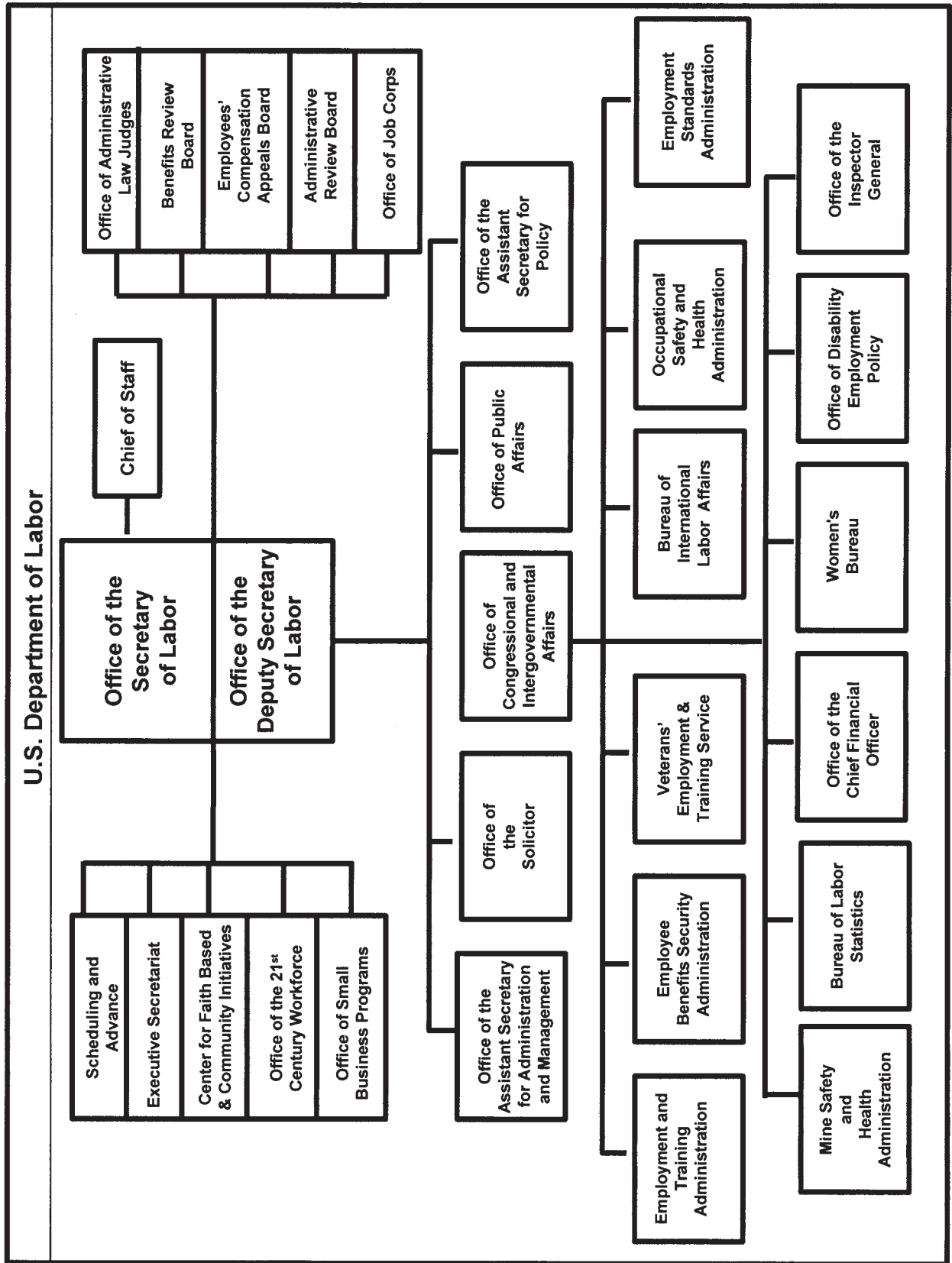
Performance Goal 2.2.A. Make timely and accurate benefit payments to unemployed workers, and facilitate their reemployment.

Performance Goal 2.2.B. Minimize impact of work related injuries.

Performance Goal 2.2.C. Secure pension, health and welfare benefits.

Performance Goal 2.2.D. Improve pension payment processing.

APPENDIX C. ORGANIZATIONAL CHART



APPENDIX D. LIST OF ORGANIZATIONS AND MISSIONS

Bureau of International Labor Affairs (ILAB): To carry out the Secretary of Labor's international responsibilities, develop Departmental policy and programs relating to international labor activities, and coordinate Departmental international activities involving other U.S. Government agencies, intergovernmental organizations, and nongovernmental organizations.

<http://www.dol.gov/ilab/>

Bureau of Labor Statistics (BLS): The Bureau of Labor Statistics is the principal fact-finding agency for the Federal government in the broad field of labor economics and statistics.

<http://www.bls.gov/>

Center for Faith-Based and Community Initiatives (CFBCI): To empower faith-based and community organizations as these organizations help their neighbors enter, succeed and thrive in the workforce. CFBCI targets those organizations that are trusted institutions providing valuable services but that may not be partnering with government programs.

<http://www.dol.gov/cfbci/>

Employee Benefits Security Administration (EBSA): To assist workers in getting the information they need to exercise their benefit rights; to assist plan officials to understand the requirements of the relevant statutes in order to meet their legal responsibilities; to develop policies and regulations that encourage the growth of employment-based benefits; and to deter and correct violations of the relevant statutes through strong administrative, civil and criminal enforcement.

<http://www.dol.gov/ebsa/>

Employment Standards Administration (ESA): To enhance the welfare and protect the rights of American workers. As an enforcement and benefit delivery agency, ESA is composed of four major programs: the Wage and Hour Division (WHD); the Office of Federal Contract Compliance Programs (OFCCP); the Office of Workers' Compensation Programs (OWCP); and the Office of Labor-Management Standards (OLMS).

<http://www.dol.gov/esa/>

Office of Federal Contract Compliance Programs: To ensure that employers doing business with the Federal government comply with the laws and regulations requiring nondiscrimination. **<http://www.dol.gov/esa/ofccp/>**

Office of Labor-Management Standards: To ensure standards of democracy and financial integrity and transparency in labor organizations representing American workers.

http://www.dol.gov/esa/olms_org.htm

Office of Workers' Compensation Programs: To protect the interests of eligible workers, employers and the Federal government by ensuring timely and accurate claims adjudication and provision of benefits, by responsibly administering the funds authorized for this purpose, and by restoring injured workers to gainful work when permitted by the effects of the injury.

http://www.dol.gov/esa/owcp_org.htm

Wage and Hour Division: To promote and achieve compliance with labor standards to protect and enhance the welfare of the nation's workforce.

<http://www.dol.gov/esa/whd/>

Employment and Training Administration (ETA): To contribute to the more efficient functioning of the U.S. labor market by providing high-quality job training, employment, labor market information, and income maintenance services primarily through State and local workforce investment systems.

<http://www.doleta.gov/>

Mine Safety and Health Administration (MSHA): To administer the provisions of the Federal Mine Safety and Health Act of 1977 and to enforce compliance with mandatory safety and health standards as a means to eliminate fatal accidents; to reduce the frequency and severity of nonfatal accidents; to minimize health hazards; and to promote improved safety and health conditions in the nation's mines.

<http://www.msha.gov/>

Office of the Assistant Secretary for Administration and Management (OASAM): To provide the infrastructure and support that enables the Department of Labor to perform its mission. OASAM provides leadership and support for Departmental business operations and procurement; budget and finance; information technology; human resources and civil rights; security and emergency management; and strategic planning — and is the hub for DOL's implementation of the President's Management Agenda.

<http://www.dol.gov/oasam/>

Office of the Assistant Secretary for Policy (OASP): To provide advice and assistance to the Secretary and Deputy Secretary in a number of areas, including policy development, regulations, program implementation, compliance assistance strategies, program evaluations, research, budget and performance analysis, and legislation.

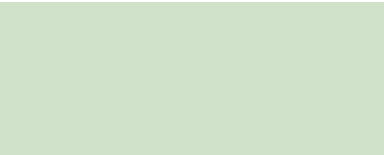
<http://www.dol.gov/asp/welcome.html>

Office of the Chief Financial Officer (OCFO): To deliver the right information to the right people at the right time. OCFO establishes financial management models based on principles of sound fiscal control, accountability, and customer service in order to ensure transparent, efficient, consistent, and effective stewardship of DOL's financial resources.

<http://www.dol.gov/ocfo/>

Office of Disability Employment Policy (ODEP): To provide national leadership by developing and influencing disability-related employment policy as well as practice affecting the employment of people with disabilities.

<http://www.dol.gov/odep/>



Office of Inspector General (OIG): To conduct audits and evaluations to review the effectiveness, efficiency, economy, and integrity of all DOL programs and operations, including those performed by its contractors and grantees. This work is conducted in order to determine whether: the programs and operations are in compliance with the applicable laws and regulations; DOL resources are efficiently and economically being utilized; and DOL programs achieve their intended results.
<http://www.oig.dol.gov/>

Occupational Safety and Health Administration (OSHA): To assure the safety and health of America's workers by setting and enforcing standards; providing training, outreach, and education; establishing partnerships; and encouraging continual improvement in workplace safety and health.
<http://www.osha.gov/index.html>

Office of Job Corps: As a national, primarily residential training program, Job Corps' mission is to attract eligible young adults, teach them the skills they need to become employable and independent, and place them in meaningful jobs or further education.
<http://jobcorps.dol.gov/>

Office of Small Business Programs (OSBP): To administer the Department of Labor's responsibility to ensure procurement opportunities for small businesses, small disadvantaged businesses, women-owned small businesses, HUBZone businesses, and businesses owned by service-disabled veterans. OSBP serves as the Department's Ombudsman for small businesses under the Small Business Regulatory Enforcement Fairness Act, and is active in the Department of Labor's compliance assistance activities.
<http://www.dol.gov/osbp/welcome.htm>

Office of the Solicitor (SOL): To meet the legal service demands of the entire Department of Labor.
<http://www.dol.gov/sol/>

Pension Benefit Guaranty Corporation (PBGC): To encourage the continuation and maintenance of private-sector defined benefit pension plans, provide timely and uninterrupted payment of pension benefits, and keep pension insurance premiums at a minimum.
<http://www.pbgc.gov/>

Veterans' Employment and Training Service (VETS): To provide veterans and transitioning service members with the resources and services to succeed in the 21st Century workforce by maximizing their employment opportunities, protecting their employment and reemployment rights and meeting labor-market demands with qualified veterans.
<http://www.dol.gov/vets/>

Women's Bureau (WB): To promote the well being of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment.
<http://www.dol.gov/wb/>

APPENDIX E. LIST OF ACRONYMS

| | | | |
|-----------|---|--------|---|
| ABE | Adult Basic Education | NIOSH | National Institute for Occupational Safety and Health |
| AMP | Asset Management Plan | OASAM | Office of the Assistant Secretary for Administration and Management |
| BLS | Bureau of Labor Statistics | OASP | Office of the Assistant Secretary for Policy |
| CAA | Career Advancement Account | OCFO | Office of the Chief Financial Officer |
| CAP | Consultant/Advisor Project | ODEP | Office of Disability Employment Policy |
| CFBCI | Center for Faith-Based and Community Initiatives | OFCCP | Office of Federal Contract Compliance Programs |
| DART | Days Away, Restricted and Transfer | OIG | Office of Inspector General |
| DOL | U.S. Department of Labor | OLMS | Office of Labor-Management Standards |
| DFVCP | Delinquent Filer Voluntary Compliance Program | OMB | Office of Management and Budget |
| DRA | Deficit Reduction Act | OSBP | Office of Small Business Programs |
| EARN | Employer Assistance and Recruiting Network | OSEC | Office of the Secretary |
| EBSA | Employee Benefits Security Administration | OSHA | Occupational Safety and Health Administration |
| EEO | Equal Employment Opportunity | OWCP | Office of Workers' Compensation Programs |
| EEOICPA | Energy Employees Occupational Illness Compensation Act | PART | Program Assessment Rating Tool |
| ERISA | Employee Retirement Income Security Act | PBGC | Pension Benefit Guaranty Corporation |
| ESA | Employment Standards Administration | PERM | Program Electronic Review Management |
| ESOP | Employee Stock Ownership Plan | PMA | President's Management Agenda |
| ETA | Employment and Training Administration | PPA | Pension Protection Act |
| FBCO | Faith-Based and Community Organization | PRM | Periodic Roll Management |
| FECA | Federal Employees' Compensation Act | PY | Program Year |
| FEMA | Federal Emergency Management Agency | QOP | Quantum Opportunity Program |
| FLSA | Fair Labor Standards Act | RAIS | Registered Apprenticeship Information System |
| FTE | Full Time Equivalent | REACT | Rapid ERISA Action Team |
| FY | Fiscal Year | SASR | Sensitive Application Security Review |
| GAO | Government Accountability Office | SCSEP | Senior Community Service Employment Program |
| GED | General Equivalency Diploma | SHARE | Safety, Health and Return-to-Employment |
| GPRA | Government Performance and Results Act | SHARP | Safety and Health Achievement Recognition Program |
| HGJTI | High Growth Job Training Initiative | SOL | Office of the Solicitor |
| HUD | Department of Housing and Urban Development | TAA | Trade Adjustment Assistance |
| HVRP | Homeless Veterans Reintegration Program | TAP | Transition Assistance Program |
| IDCF | Internet Data Collection Facility | TBD | To be determined |
| ILAB | Bureau of International Labor Affairs | UI | Unemployment Insurance |
| IT | Information Technology | USERRA | Uniformed Services Employment and Reemployment Rights Act |
| JAN | Job Accommodation Network | VETS | Veterans' Employment and Training Service |
| JVA | Jobs for Veterans Act | VFCP | Voluntary Fiduciary Correction Program |
| LEED | Linking Education and Economic Development | VPP | Voluntary Protection Program |
| LMRDA | Labor-Management Reporting and Disclosure Act | VWIP | Veterans' Workforce Investment Program |
| LPD | Lost production days | WB | Women's Bureau |
| LVER | Local Veterans Employment Representative | WHD | Wage and Hour Division |
| MBA | Masters in Business Administration | WIA | Workforce Investment Act |
| MEWA | Multiple Employer Welfare Arrangements | WIRED | Workforce Innovation in Regional Economic Development |
| MINER Act | Mine Improvement and New Emergency Response Act | | |
| MRB | Management Review Board | | |
| MSHA | Mine Safety and Health Administration | | |
| MSPA | Migrant and Seasonal Agricultural Worker Protection Act | | |



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