

FOREIGN
LABOR
TRENDS

**United States
of America**
Country Labor Profile



U.S. Department of Labor

FOREWORD AND ACKNOWLEDGMENTS

The United States (U.S.) Labor Profile provides an informative overview of U.S. labor laws, institutions, practices, and other related issues. The profile is distributed to U.S. Government officials who find it necessary to discuss U.S. labor issues while representing the United States overseas. The profile is also disseminated by U.S. Embassy labor officers worldwide to institutions and individuals in their host countries. These include Ministries and non-governmental organizations, institutions and individuals interested in U.S. labor laws, as well as students and academics for research purposes.

The U.S. Labor Profile is provided to hundreds of international visitors who are briefed each year by U.S. Department of Labor (USDOL) experts on labor laws, labor statistics, employment and training for civilians, veterans and the disabled, occupational safety and health, mine safety, employment standards and wages, pension plans, child labor and working women's issues, U.S. best practices and related matters.

The profile is based on research from published sources, which include USDOL and Bureau of Labor Statistics publications; statistics from the U.S. Department of Commerce, U.S. Census Bureau; The National Center for Health Statistics; *The World Factbook 2006-2007*; and *Employment and Earnings, USDOL/BLS*, among others.

I would like to acknowledge the hard work and commitment of my staff, the Solicitor's staff, and all USDOL Agency contacts who so willingly contributed their time and expertise in writing and publishing this document. USDOL would appreciate your feedback on the contents of the profile and any topics you would want included or expanded.

Charlotte M. Ponticelli
Deputy Under Secretary for
International Labor Affairs
U.S. Department of Labor
Washington, D.C.
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UNITED STATES LABOR PROFILE 2007

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UNITED STATES LABOR PROFILE 2007

UNITED STATES GOVERNMENT

The U.S. government is organized under the Constitutional principle of Separation of Powers, which establishes a system of checks and balances within the federal government and between the federal government and the states (i.e. federalism). Within the federal government, power is divided among the executive, legislative, and judicial branches. The term "federalism" itself refers to the division of power between the federal government and the 50 states, where the federal government may exercise powers expressly granted by the Constitution, and states retain authority to exercise powers not delegated to the federal government.

- Executive powers are lodged in the Office of the President. The President is elected for four years and can only be elected twice. He or she is Head of State, Chief Executive, and Commander-in-Chief of the Armed Forces. The President is independent of Congress and can be removed from office only if convicted by a two-thirds vote of the Senate for treason, bribery or other high crimes and misdemeanors.
- Legislative authority is vested in the Congress, composed of the Senate and House of Representatives. The one hundred members of the Senate, two from each state, are elected for six-year terms. Members of the House, numbering 435, are elected every second year by congressional districts that are based on population.
- Judicial powers rest with the federal courts. There are 94 U.S. judicial districts, which are organized into 12 regional circuits, each of which has a United States court of appeals. In addition, the Court of Appeals for the Federal Circuit has nationwide jurisdiction to hear appeals in specialized cases. The Supreme Court of the United States, the highest judicial body in the country, has a Chief Justice and eight Associate Justices, appointed for life by the President, subject to confirmation by the Senate. The Supreme Court is the final authority on federal law and the Constitution, and on disputes among the states. Additionally, each of the 50 states has its own judicial system to adjudicate cases within its jurisdiction.

Political activity is mainly centered in two parties, Democratic and Republican. There are also legislators who label themselves as Independent. Though smaller parties function, they are not usually represented in Congress.

HUMAN RESOURCES

The United States Workforce

The United States has a population of over 302 million. According to the Bureau of Labor Statistics (BLS), the U.S. civilian workforce—the number of persons working or looking for work—in 2007 was 153.1 million and is projected to reach 164.2 million in 2016. The female workforce in 2007 was 71.0 million. The U.S. workforce has four particular assets: education, high productivity, flexibility, and mobility. According to the 2007 Key Indicators of the Labor Market (KILM) report by the International Labor Organization (ILO), the United States leads the world in productivity as measured by output per person employed per year and is second only to Norway in output per hour worked. According to BLS, U.S. nonfarm business productivity grew at an annual rate of 2.7 percent from 2000 through 2006. The U.S. labor market just recorded the longest uninterrupted period of job growth in the 68 years that monthly job records have been kept. Between August 2003 and December 2007, the U.S. enjoyed 52 consecutive months of job gains, totaling over 8 million jobs.

College enrollment rates increased among new high school graduates, with 65.8 % of the high school class of 2006 attending 2 or 4-year colleges in Fall 2006 (BLS). Women earned more than half of all masters, bachelors, and associate degrees. This additional education has increased the earning power of women. The pay gap between men and women has narrowed over time, with median weekly earnings of full-time women workers at 80.2 (in current dollars) percent of men's median pay (BLS) in 2007.

In 2007, education and health services comprised the largest proportion of total employment at 21.0 %. Wholesale and retail trade averaged 14.3 % while manufacturing was 11.2 %. Professional and business services held at 10.7 %; leisure and hospitality at 8.5 %; and construction at 8.1 %. Financial activities reached 7.2 % and transportation and utilities employment averaged at 5.2 %. Other services totaled 4.08 %; public administration was 4.6 %; agriculture, forestry and similar employment 1.4 % and mining 0.5 %. (BLS)

BLS figures released in April 2007 show foreign-born workers made up 15.3 % of the U.S. civilian workforce in 2006, up from 14.8 % in 2005. The report showed that 23 million people ages 16 and older, or 68.6 % of the foreign-born population, were in the workforce in 2006, while over 128 million native-born residents, about 66 % of the native-born population, were in the nation's workforce. Since 2000, the foreign-born have accounted for 47.3 % of the net increase in the total workforce with the foreign-born Hispanic labor force largely driving this growth. The fast growth of the Hispanic population and labor force is expected to continue. Over the decade ending 2016, the Hispanic labor force is projected to grow by 30 %, or over three times the rate of growth of the overall labor force (BLS). By 2016, Hispanics will represent close to 16 % of the labor force. Non-Hispanic whites will represent about 65 % of the labor force, down from 69 % a decade earlier. The share of African-American

workers is expected to increase from 11 to 12 % of the labor force during the decade, and Asian American workers from 4 to 5 %.

Unions

Most unionized workers in the United States are represented by unions affiliated with one of two organizations. The American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) was formed by the merger of the two then separate organizations in 1955. It currently includes 55 national unions, organized by craft or industry, and claims about 10 million members. The Change to Win Federation was formed by a group of seven unions that withdrew from the AFL-CIO in 2005. It claims about six million members. In addition, there are a number of non-affiliated national unions. The largest of these is the National Education Association (NEA), which represents public school teachers, and claims over three million members. The United Brotherhood of Carpenters and Joiners of America, with 512,000 members, and the Fraternal Order of Police (FOP), which claims over 312,000 police officer members, are among the other large independent organizations. In 2007, BLS estimated that 12.1 % of employed wage and salary workers were unionized, up from 12.0 % a year earlier. Most of the growth in union membership over the last several years has taken place in the public sector, while private sector unions have declined in membership in percent and absolute terms.

The national labor federations generally do not directly engage in collective bargaining, but provide services and support to their affiliated organizations, and engage in political activities. Most collective bargaining is carried out by the national unions or local unions.

Unionization and collective bargaining for most private sector workers in the United States is regulated by the National Labor Relations Act (NLRA) passed in 1935. The law is administered and enforced by the National Labor Relations Board (NLRB), an independent agency that is not part of the Department of Labor. Unionization and collective bargaining in the railroad and airline industries are regulated by the Railway Labor Act (RLA) which is administered and enforced by the National Mediation Board.

Unions usually win the right to represent workers either through voluntary recognition by the employer or through a vote overseen by the NLRB in which the majority of workers vote for union representation. Once the union has won the support of a majority of the bargaining unit and is certified in a workplace, it has the exclusive authority to negotiate the conditions of employment on behalf of all workers in the bargaining unit.

Labor relations in the public sector are regulated by federal or state laws, depending on the identity of the government employer. Federal workers have the right to organize and bargain collectively, but may not strike and are restricted in the scope of bargaining, with wages and working hours established by law and regulation. Labor-management relations in the federal government are overseen by the Federal Labor Relations Authority, which is governed by Title VII of the Civil Service Reform Act of 1978, also known as the Federal Service Labor-Management Relations Statute.

Public sector worker unions at the state and municipal levels are governed by labor laws in each of the 50 states. Many states typically model their laws and boards after

the NLRA and the NLRB, though in some states, public workers do not have the right to seek representation by a union or bargain collectively.

Employer Organizations

Among the largest organizations representing business are the National Association of Manufacturers (NAM), the U.S. Chamber of Commerce and the U.S. Council for International Business (USCIB).

The NAM is an important voice for American industry. The NAM does not engage in collective bargaining. Its lobbying efforts are organized to inform Congress and the Administration how proposed changes in laws and regulations would be helpful or harmful to manufacturers and the jobs which they provide. In general, NAM represents the interests of larger employers.

The U.S. Chamber of Commerce is a leadership and service organization that works on national and international business-related issues in addition to local and state concerns. The Chamber plays a leading role in many coalitions that bring together other business groups to work on specific issues. It also has set up a Congressional Action Network, consisting of Congressional Action Committees across the country, to activate member grass-roots support on legislation before Congress. Compared to NAM, the Chamber generally represents the interest of medium and smaller employers.

The USCIB was founded in 1945 to promote an open system of world trade, investment and finance. The Council represents U.S. employers before the International Labor Organization. The USCIB has a membership of multinational companies, law firms and business associations and is the U.S. affiliate of the International Chamber of Commerce, the Business and Industry Advisory Committee to the Organization for Economic Cooperation and Development and the International Organization of Employers. It formulates policy positions through many committees and working groups composed of business representatives and facilitates international trade policy through harmonization of commercial practices.

U.S. LABOR LAWS AND STANDARDS

Responsibility for protecting workers is divided between the federal government and the states. The federal government may act to regulate commerce among the states; and the states may set conditions applicable to commerce within their own borders. Many states have adopted laws dealing with labor standards.

The NLRA and the RLA govern the labor-management relationship between most private employers and their employees.

The Fair Labor Standards Act (FLSA) of 1938, as amended, provides for minimum wage, overtime, and child labor restrictions for covered employees. The Occupational Safety and Health Act of 1970 (OSH Act) protects the workplace safety and health of employees. In addition, state labor laws supplement the federal occupational health and safety law where not preempted by federal law, or where a state obtains federal approval to administer its own program. The Federal Mine Safety and Health Act of 1977 (Mine Act) protects the workplace safety and health of miners.

The Right of Association

Freedom of Association is protected under the First Amendment of the U.S. Constitution, which has been interpreted by the courts to include an employee's right to form and join a union. The NLRA guarantees employees the right to self-organization, to form, join, or assist labor organizations; to bargain collectively through representatives of their own choosing; and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. The NLRA also provides that it is an unfair labor practice, and therefore a violation of the law, for an employer or union to restrain or coerce employees in the exercise of these rights.

The NLRB is an independent federal agency created by Congress in 1935 to administer and enforce the NLRA. The statute guarantees the right of employees to organize and to bargain collectively with their employers or to refrain from such activity. Generally applying to all employers involved in interstate commerce--other than airlines, railroads, agriculture, and government--the Act implements the national labor policy of assuring free choice and encouraging collective bargaining as a means of maintaining industrial peace. Through the years, Congress has amended the Act and the Board and courts have developed a body of law drawn from the statute.

The NLRB has two principal functions: (1) to conduct secret ballots, in appropriate circumstances, in order to determine whether workers wish to be represented by a union in dealing with their employers and if so, by which union; and (2) to prevent and remedy unlawful acts, called unfair labor practices, by either employers or unions. Unfair labor practices are various actions that impede workers or employers from exercising their rights under the NLRA, for example, the dismissal or intimidation of workers who attempt to organize a union. The agency does not act on its own motion in either function. It processes only those charges of unfair labor practices and petitions for employee elections that are filed with the NLRB in one of its 51 Regional, Subregional, or Resident Offices.

In the railroad and airline industries, the RLA protects the freedom of association and self-organizing rights of employees and provides a mechanism to ensure the peaceful resolution of collective bargaining disputes in these industries. A three-member presidentially-appointed National Mediation Board mediates disputes over wages, hours, and working conditions that arise between rail and air carriers and organizations representing their employees; investigates representation disputes; and certifies employee organizations as representatives of crafts or classes of carrier employees.

The Right to Organize and Bargain Collectively

Though the government regulates certain conditions of employment—such as the minimum wage, job safety and health, pensions, and hiring practices—the principal method for determining overall working conditions for unionized workers is through collective bargaining. Negotiations are usually decentralized, covering a single plant, corporation or region, though in some instances, large parts of an entire industry may be covered. Union members or their representatives generally have the final say on whether to ratify collective bargaining agreements since most union constitutions require members to vote approval before agreements can be signed.

The NLRA grants collective bargaining rights to most private sector employees, but it excludes from coverage railroad and airline employees, independent contractors, domestic workers, agricultural workers, employees of small businesses, supervisory or managerial employees, and employees of federal, state, and local governments. The NLRA provides that it is an unfair labor practice for an employer or union to restrain or coerce employees in the exercise of their right to self-organization; their right to form, join, or assist labor organizations; their right to bargain collectively through representatives of their own choosing; and their right to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection of these rights. Further, the NLRA guarantees that a representative designated or selected by the majority of the employees in an appropriate unit will be the exclusive representative of all the employees in the unit for purposes of collective bargaining.

Under the NLRA, collective bargaining expressly encompasses the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours and other terms and conditions of employment, and the execution of a written contract incorporating any agreement reached if requested by either party. Virtually all collective bargaining agreements provide for grievance arbitration, by which disputes arising under the terms of the agreement are submitted to Third-Party arbitrators for resolution.

Workers can obtain union representation by organizing a majority of their coworkers to designate a union as their representative. They can then either persuade their employer to voluntarily recognize the union, or they can request the NLRB to hold an election. The NLRB will conduct an election if at least 30 percent of the workers in the workplace show an interest in being in a union. The union gains exclusive representation if a majority of the workers vote in favor of the union. If more than one union seeks to be the exclusive representative, the Board may conduct an election in which workers vote to determine whether they want to be represented by either of the competing unions or want no representation. If one union receives a majority of the votes cast, that union is certified as the exclusive representative. If no choice receives a majority, a runoff among the choices that received the most votes in the first election is held.

Exclusive representation is a unique feature of U.S. labor law. The union that becomes the collective bargaining agent is required to represent all workers in the bargaining unit, whether they are union members or not. The employer, for its part, may not bargain with workers individually or with any other organization. Another union can challenge the incumbent bargaining agent, but is generally barred from doing so during the year following the Board's certification of the results of an election making the incumbent the exclusive representative and the year following the period of a valid contract of three years or less.

An unfair labor practice case is initiated under the NLRA when an individual, union or employer files a charge with an NLRB regional office. The charge is investigated by the regional office on behalf of the NLRB's General Counsel to determine whether there is reasonable cause to believe that the NLRA has been violated. If the Regional Director (RD) concludes that the charge has merit, the RD will seek first to remedy the apparent violation by encouraging a voluntary settlement by the parties. Most cases are voluntarily settled.

If a case is not settled, a formal complaint is issued and a hearing is held before an Administrative Law Judge (ALJ).¹ Following the hearing and after the parties have prepared briefs regarding the issues, the ALJ issues a decision containing proposed findings of fact and a recommended order. Any party may appeal the ALJ's decision to the five-member presidentially appointed Board, which may adopt, modify or reject the findings and recommendations of the ALJ. If no exceptions are filed to the ALJ decision, that decision and recommendation automatically become the decision and order of the Board. The Board has authority to order an employer to reinstate an employee with or without back pay among other remedies.

If a party fails to comply with the Board's order voluntarily, the NLRB's Office of the General Counsel files an enforcement petition in the appropriate U.S. Court of Appeals. Similarly, any "person aggrieved" (which may include either the respondent, the charging party or both) by a final order of the Board may seek to have the order reviewed and set aside by filing a petition with the appropriate U.S. Court of Appeals.

The Railway Labor Act (RLA), which regulates labor relations in the railroad and airline industries, contains mediation and conciliation procedures that are more elaborate than under the NLRA. The RLA also provides for arbitration in the event of employees' disputes arising under the terms of a collective bargaining agreement.

In the federal sector, the Civil Service Reform Act (CSRA) generally provides employees the right to bargain collectively on such matters as personnel policies, grievance procedures and other working conditions. The CSRA established the Federal Labor Relations Authority to conduct union representation elections among federal employees, to protect federal employees' rights to organize and bargain collectively, and resolve unfair labor practice claims. Strikes by employees in federal agencies are illegal, and major economic issues such as wages, hours and pensions are excluded from bargaining except in the Postal Service, which is covered by a separate law.

In state and local governments the rights of public employees vary. Many of the states have relatively comprehensive bargaining laws, and some permit strikes under some circumstances. A number of states have laws requiring binding arbitration of disputes involving public employees, particularly for police and fire services and sanitation workers.

The Federal Mediation and Conciliation Service (FMCS), created in 1947, is an independent agency whose mission is to preserve and promote labor-management peace and cooperation. For over 50 years, FMCS has promoted sound and stable labor-management relations by providing mediation assistance in contract negotiation disputes between employers and their unionized employees. Headquartered in Washington, D.C., with two regional offices and more than 70 field offices, the agency provides mediation and conflict resolution services to industry, government agencies and communities.

¹ Administrative Law Judges (ALJ's) are executive branch employees of their respective agencies, usually the regulatory agencies, including entities such as the Department of the Interior, the Department of Labor, and the National Labor Relations Board. ALJ's are specialists in the relevant areas of law and function as the court of first instance in the resolution of regulatory disputes.

Prohibition of Forced or Compulsory Labor

The Thirteenth Amendment of the U.S. Constitution prohibits involuntary servitude except as punishment for a person convicted of a crime. In support of the Thirteenth Amendment, U.S. criminal statutes prohibit forced labor and peonage, a form of involuntary servitude based upon real or alleged indebtedness. In addition, the Trafficking Victims Protection Act of 2000 and its subsequent amendments prohibit human trafficking and provide protection for trafficking victims. The United States is signatory to ILO Convention No. 105 concerning the Abolition of Forced Labor.

Child Labor Laws

The FLSA sets the minimum age for employment at 16 for most non-farm employment, and at 14 for most farm work. Children 14 to 16 years of age may perform non-hazardous non-farm work in various non-manufacturing, non-mining jobs, with limitations on the time of day and the number of hours they are permitted to work. Children 14 to 16 years old may perform non-hazardous farm work, outside of school hours. Children 12 to 14 years old may perform non-hazardous farm work, outside school hours, on farms that also employ their parent(s) or with written parental consent. Children 16 and 17 years old may perform any non-hazardous non-farm work without regard to restrictions on hours worked. Children who are 16 years old may perform all farm work with no restrictions under the child labor laws. Civil enforcement of the child labor provisions of the FLSA is done by the USDOL's Employment Standards Administration (ESA), Wage and Hour Division (WHD), and criminal enforcement is led by the U.S. Department of Justice. The United States has ratified ILO Convention No. 182 on the Worst Forms of Child Labor.

Discrimination in Employment

There are several federal statutes and executive orders as well as a number of state statutes that prohibit private and public employer discrimination based on, among other things, race, color, religion, ethnic origin, gender, age, political affiliation, and disability. The following is a list of some of the major federal statutes and executive orders that apply:

- Title VII of the Civil Rights Act of 1964 (Title VII) prohibits employment discrimination on the basis of race, sex, color, religion or national origin.
- The Americans with Disabilities Act of 1990 (ADA) prohibits private employers with 15 or more employees, employment agencies, labor unions, and state and local governments, from discriminating against qualified individuals with disabilities in all aspects of employment.
- Executive Orders 11246, as amended by Executive Order 11375, prohibits all non-exempt government contractors and subcontractors from discriminating in employment and requires them to take affirmative action to ensure that employees and applicants for employment are treated without regard to race, color, religion, gender or national origin.
- The Civil Service Reform Act (CSRA) of 1978 prohibits federal employers from discriminating on the basis of race, color, creed, national origin, sex, age, preferential and non-preferential civil service status, political affiliation, marital status, or handicapping conditions.
- The Age Discrimination in Employment Act (ADEA) of 1967 protects applicants and employees 40 years of age and older from discrimination

- on the basis of age in hiring, layoffs, promotion, compensation, or any other terms, conditions or privileges of employment.
- The Equal Pay Act of 1963 prohibits discrimination on the basis of gender in wages or benefits, where men and women perform work of substantially equal skill, effort, and responsibility for the same establishment under similar working conditions.
 - The Uniformed Services Employment and Reemployment Rights Act (USERRA) of 1994 prohibits discrimination against any person because of his or her service in the military, and sets forth the employment and reemployment rights of persons who leave their employment to perform military service.

The Equal Employment Opportunity Commission (EEOC) enforces Title VII, the Equal Pay Act, the ADEA, Title I and Title V of the ADA, and Sections 501 and 505 of the Rehabilitation Act of 1973, which prohibits employment discrimination against federal employees with disabilities. EEOC also provides oversight and coordination of all federal equal employment opportunity regulations, practices, and policies.

USDOL's ESA's Office of Federal Contract Compliance Programs (OFCCP) enforces Executive Orders 11246 and 11375 with respect to equal employment opportunity (EEO) requirements of federal contractors and subcontractors. Approximately 200,000 contractor-employers are covered by these requirements. USDOL's Veterans' Employment and Training Service (VETS) administers USERRA.

Acceptable Conditions of Work

Wages: Minimum wages are fixed by both federal and state laws in the United States. For employees covered by the FLSA, the U.S. minimum wage is \$6.55 and is set to increase to \$7.25 by the summer of 2009. Individual states are free to establish higher minimum wages than those provided by the FLSA for covered employees. California, for example, currently has a minimum wage of \$8.00 an hour. Minimum wage rates established by the FLSA may not be abated by collective bargaining agreement or individual agreement. The minimum wage is adjusted at irregular intervals by legislation that includes consultations with interested parties in the legislative process. The federal minimum wage is enforced by the WHD or by employees through private suit.

Hours of Work: Hours of work in the United States are established by employer policy, by individual agreement between employers and employees, or by collective bargaining between employers and labor organizations. An employee covered by the FLSA's overtime provisions is generally entitled to pay not less than one and a half (1.5) times the employees' regular rate of pay for all hours worked in excess of 40 hours per week. The FLSA's overtime provisions are enforced by the WHD or by employees through private suit.

Vacations/Holidays: Vacations and holidays in the United States are established by employer policy, by individual bargaining between employers and employees, or by collective bargaining between employers and labor organizations. The Family and Medical Leave Act of 1993 (FMLA) requires establishments with 50 or more employees to provide up to 12 weeks of unpaid, job-protected leave per year for employees to care for a newborn, a newly adopted child, or a newly placed foster child; to care for a child, a spouse, or parent who has a serious health condition; or to treat one's own serious health condition. To be eligible, an employee must have

worked for the employer for at least 1,250 hours during the 12 months prior to the start of the FMLA leave.

U.S. DEPARTMENT OF LABOR'S PROGRAMS AND ACTIVITIES

The **Employment and Training Administration (ETA)** provides job training, employment, labor market information, and income maintenance services delivered primarily through state and local workforce investment systems. ETA provides over \$10 billion in grants-in-aid to states and localities to support various employment and training programs and services.

ETA Programs:

Workforce Investment Act

In 1998, Congress passed the Workforce Investment Act (WIA), designed to replace the patchwork federal system with a locally designed and driven system that effectively links employment, education and economic development. It was also designed to permit communities and states to build service delivery mechanisms that respect local conditions and economic dynamics, while emphasizing skill acquisition, employment, retention, and earnings for the program participants.

The primary objective of the WIA is to coordinate programs and services so as to provide workers access to a seamless system of workforce development services. As of 2007, there are over 3,100 Comprehensive and Affiliate One-Stop Career Centers in the states. These Centers support the employment needs of job seekers and the human resource needs of business. These Centers provide recruitment and screening, job search assistance, career development services, training, support services, business services, and unemployment insurance benefits.

The Centers also represent a working partnership among Federal, State and local public and private service providers. They are overseen by community-based Workforce Investment Boards, chaired by local businesspeople. These boards focus on strategic planning, policy development and oversight of the local workforce investment system and the established Centers. These boards determine the service priorities for the community and position the local system to respond to changing economic conditions and evolving demands of business.

Regional Economies

The Workforce Innovation in Regional Economic Development Initiative (WIRED) was launched in November 2005. WIRED promotes regional partnerships among key community players, including K-12 schools, community colleges, adult education centers, universities, regional employers and community economic and workforce development organizations to address the challenges associated with building a globally competitive and prepared workforce. This Initiative takes a critical step in providing individuals with the tools for success, provides businesses with the human capital required for growth, and for the American economy the fuel for continued strength.

Under the WIRED program, ETA provides grants to regional organizations in areas that are undergoing economic transformation, due to the closure of military bases or

the decline of a particular industry. The emphasis of the program is coordination and participation by all stakeholders: employers, unions, faith-based organizations, educational institutions, national and local government, and others. The underlying concept is that providing a well trained and talented workforce will not only increase employment skills but will also attract additional investment into the regional economy.

High Growth Job Training Initiative

ETA also manages the High Growth Job Training Initiative, which is designed to prepare workers to take advantage of new and increasing job opportunities in high growth/high demand and economically vital industries and sectors of the American economy. The initiative is designed to ensure that worker training and career resources in the public workforce system are targeted to helping workers gain the skills and competencies they need to obtain jobs and build successful careers in these new industries.

The initiative has identified a dozen sectors for targeted investments. These sectors are either (1) projected to add substantial numbers of new jobs to the economy; (2) have a significant impact on the economy overall; (3) impact the growth of other industries; (4) are being transformed by technology and innovation requiring new skills sets for workers; or (5) are new and emerging businesses that are projected to grow. The sectors include health care, information technology, biotechnology, geospatial technology, automotive, retail, advanced manufacturing, construction, transportation, hospitality, financial services and energy.

Community-Based Job Training Grants

Community-Based Job Training Grants address the need for a partnership between the workforce system and the vocational education system, increasing the capacity of community colleges to meet the demands of today's employers. The grants provide schools the resources to hire faculty, and purchase equipment and facilities they need to train and educate workers for jobs in the high-growth fields. These grants were first made available in 2005, and are designed to link community colleges with business and industry to better address talent development.

Other ETA Programs:

- **Unemployment Insurance:** ETA is mandated to provide leadership, direction and assistance to state workforce agencies in the implementation and administration of state unemployment insurance (UI) programs, federal unemployment compensation programs, and other wage-loss, worker dislocation and adjustment assistance compensation programs.
- **Foreign Labor Certification:** In most programs, employers are allowed to hire foreign workers, temporarily or permanently, when there are not sufficient U.S. workers who are able, willing, qualified, and available to perform the job, and the employment of the foreign worker will not adversely affect the wages and working conditions of U.S. workers that are similarly employed. ETA reviews requests and certifies that the conditions established by law are met.

- Trade Adjustment Assistance: The Trade Adjustment Assistant (TAA) program provides an array of reemployment and retraining services. Workers who believe they have been adversely affected by foreign trade, or others acting for those workers, may petition the USDOL for a determination of eligibility. Workers certified as eligible to apply for TAA may receive reemployment services, training in new occupational skills, a job search allowance when suitable employment is not available in the workers' normal commuting area, a relocation allowance when the worker obtains permanent employment outside the commuting area, and Trade Readjustment Allowances while the worker is in training. Worker groups with a significant number of workers at least 50 years of age also may petition for Alternative TAA for Older Workers (ATAA) which provides alternative benefits to those provided under TAA. Eligible members of ATAA certified worker groups may receive, in lieu of TAA benefits, a wage subsidy up to \$10,000 over a 2-year period in conjunction with reemployment.
- Apprenticeship: The Office of Apprenticeship coordinates the effective use of federal, labor, and state resources to create a clear training-to-employment corridor for customers of the workforce development system and develops policies and plans to enhance opportunities for minority and female participation in skilled training.

The **Bureau of Labor Statistics (BLS)** of the USDOL is the principal fact-finding agency for the federal government in the field of labor economics and statistics. The BLS is an independent national statistical agency 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. The Bureau produces impartial, timely, and accurate data relevant to the needs of its users and to the social and economic conditions of the United States, its workers, its workplaces and the workers' families. BLS produces and disseminates economic measures on unemployment and employment, employment projections, prices and living conditions, compensation, productivity and technology and produces various indexes related to business costs, including the consumer price index, producer price index, employment cost index, and the U.S. import/export price index, among others. It also produces statistical comparisons with selected foreign countries.

BLS data series are significant components of the National Income and Product Accounts produced by the Department of Commerce, such as the Personnel Income estimates of the Gross Domestic Products. The Federal Reserve Board also uses BLS data in its industrial production series, as do other federal policy makers, Congress, and public and private institutions in their economic planning and analysis.

The **Employment Standards Administration (ESA)** is an enforcement and benefit delivery agency, composed of four major divisions/programs/offices: 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).

- In addition to enforcing the FLSA's minimum wage, overtime pay, record keeping, and child labor requirements, the WHD enforces the FMLA; the Migrant and Seasonal Agricultural Worker Protection Act (MSPA); the

Employee Polygraph Protection Act (EPPA); field sanitation and migrant farm-worker housing standards under the OSH Act; the worker protection provisions of the Consumer Credit Protection Act; and a number of employment standards and worker protections provided in the Immigration and Nationality Act (INA). Additionally, WHD administers and enforces the prevailing wage requirements of the Davis-Bacon Act, the Service Contract Act of 1965 and other statutes applicable to federal contracts for construction and for goods and services.

- In addition to enforcing the equal employment opportunity (EEO) requirements of federal contractors and subcontractors in Executive Orders 11246 and 11375, the OFCCP enforces the provisions of the Vietnam Era Veterans' Readjustment Assistance Act (VEVRAA) that require affirmative action in employment of protected veterans. OFCCP also assists in the enforcement of some provisions of the INA and Title I of the ADA.
- The OWCP mitigates the financial burden on certain workers, or their eligible dependents or survivors, resulting from work-related injury, disease, or death, by providing wage replacement and cash benefits, medical treatment, vocational rehabilitation, and other benefits. The Federal Employees' Compensation Act (FECA) provides income and medical cost protection and return-to-work services to civilian employees of the Federal Government, and to certain other designated groups injured at work. OWCP also administers two programs under federal statutes that provide private sector employees with similar benefits paid for, mostly by their employers. The Longshore and Harbor Workers' Compensation Act (LHWCA) requires covered employers to provide benefits to workers engaged in certain maritime and related employment. The Black Lung Benefits Act (BLBA) provides benefits to the nation's coal miners who are totally disabled by pneumoconiosis or to certain of a miner's survivors if the miner dies due to pneumoconiosis. The Energy Employees Occupational Illness Compensation Program Act (EEOICPA) delivers benefits to eligible employees and former employees of the Department of Energy, its contractors and subcontractors or to certain survivors of such individuals, as provided in the EEOICPA as a result of illness or death from exposure to toxic substances at covered facilities. EEOICPA also provides benefits to certain beneficiaries of Section 5 of the Radiation Exposure Compensation Act (RECA).

Workers' Compensation

Workers' compensation laws have two aims: to reimburse workers for lost wages, medical and rehabilitation expenses; and to limit employers' liability. State laws govern specific conditions for reimbursement. Some states limit coverage to certain occupations or even to types of injuries. With the exception of certain federal programs such as EEOICPA and LHWCA, workers' compensation benefits for employees who experience work related injuries, occupational diseases or death while employed by private companies or state and local government agencies are provided by workers' compensation systems established by individual states rather than the federal government. While state workers' compensation plans vary, generally, an employer is obligated to provide limited compensation to workers whose injuries, illnesses or death arise out of and in the course of his employment,

regardless of fault. In exchange, an injured worker relinquishes the right to sue his employer for negligence, and an employer's liability is thereby reduced.

At the federal level, as discussed above, the OWCP administers workers' compensation programs that provide wage replacement benefits, medical treatment, vocational rehabilitation and other benefits to federal employees, longshore and harbor workers and coal miners.

The **Office of Labor Management Standards (OLMS)** promotes democracy and financial integrity within unions and protects certain rights of union members in administering and enforcing provisions of the Labor Management Reporting and Disclosure Act (LMRDA) and related laws. Under the LMRDA, OLMS resolves union members' complaints concerning union officer elections and union trusteeships; administers statutory safeguards for union funds and assets; and makes reports required of labor unions and others available for public disclosure. Federal employees are similarly covered by the CSRA. The Division of Statutory Programs assures that appropriate arrangements are in place to protect the rights of affected mass transit workers when federal funds are used to acquire, improve or operate a transit system. These statutory requirements are set forth in Section 5333(b) of Title 49 U.S. Code (formerly Section 13(c) of the Federal Transit Act).

The **Veterans' Employment and Training Service (VETS)** has the responsibility for employment and training programs serving the needs of former and separating members of the U.S. armed services, including the Veterans' Workforce Investment Program, the Homeless Veterans' Reintegration Program, the Disabled Veterans Outreach Program (DVOP), Local Veterans Employment Representatives (LVER) Program and Transition Assistance Program, VETS also administers the Uniformed Services Employment and Reemployment Rights Act (USERRA) and federal executive branch veterans' preference laws under the Veterans Employment Opportunity Act (VEOA). VETS provides services to veterans by maximizing their employment opportunities, protecting their employment rights, providing a Web site on obtaining licensure and certification requirements, and meeting labor-market demands. VETS' staff, located in each state, provides services in conjunction with Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs).

The **Occupational Safety and Health Administration (OSHA)** administers the OSH Act which requires each employer to provide a safe and healthful workplace for employees and to comply with Federal Occupational Safety and Health Administration (OSHA) regulations. Comprehensive regulations have been promulgated under the OSH Act addressing workplace hazards and establishing maximum exposure levels for certain chemicals, minerals and physical agents. These regulations also require employers to provide employees with information regarding toxic chemicals and other workplace hazards; require employers to maintain records of workplace injuries and illnesses; and provide employees with rights of access to their medical records and other workplace information. OSHA enforces compliance with the OSH Act by inspecting workplaces both proactively and after an accident has occurred. OSHA also achieves its mission by reaching out to employers and employees through technical assistance, compliance assistance, and consultative programs.

OSHA and its state partners have approximately 2,400 inspectors, as well as complaint discrimination investigators, engineers, physicians, educators, standards writers, onsite safety consultants, and other technical and support personnel spread over more than 200 offices throughout the United States.

The **Mine Safety and Health Administration's (MSHA)** mission is to administer the provisions of the Federal Mine Safety and Health Act of 1977 (Mine Act), as amended by the Mine Improvement and New Emergency Response Act of 2006 (MINER Act), and to enforce compliance with mandatory safety and health standards as a means to eliminate improved safety and health conditions in the nation's mines. MSHA has 764 enforcement personnel for coal and 298 enforcement personnel for metal/nonmetal mining. These inspectors carry out the mandate of the Mine Act at all mining and mineral processing operations in the U.S. regardless of the size, number of employees, commodity mined, or method of extraction.

The **Employee Benefits Security Administration (EBSA)** is responsible for the administration and enforcement of Title I of the Employee Retirement Income Security Act (ERISA), a U.S. federal law governing approximately 700,000 private-sector employee retirement plans, 2.5 million private-sector health benefits plans, and similar numbers of other welfare plans, such as those providing life or disability insurance. These plans cover roughly 150 million workers, retirees and dependents and include assets of \$5.6 trillion. Title I governs the handling of plan assets, reporting and disclosure, and the process by which benefit claims are settled, among other provisions. To carry out its mission, EBSA maintains strong and effective national and field office enforcement and compliance assistance programs. Other provisions of ERISA are administered by the U.S. Department of Treasury and the Pension Benefit Guaranty Corporation.

The **Office of Disability Employment Policy (ODEP)** provides national leadership on disability employment policy by developing and influencing the use of evidence-based disability employment policies and practices, building collaborative partnerships, and delivering authoritative and credible data on employment of people with disabilities. ODEP also supports the implementation of the employment-related goals of DOL by working with the workforce development system, which includes partnerships with employers and state and local agencies to increase awareness and to facilitate the implementation of effective strategies. ODEP's work is comprehensive and includes securing the active involvement and cooperation among a number of stakeholders, including federal, state, and local government agencies, private and public employers, educational and training institutions, and the disability community.

The **Bureau of International Labor Affairs (ILAB)** carries out the international responsibilities of the Department of Labor. ILAB conducts research, provides policy advice, publishes international child labor and foreign labor trends reports, including a U.S. Labor Profile in English and Spanish, participates in the formulation of international economic, trade and labor policies, monitors labor developments in countries of strategic importance to the United States, and provides international technical assistance in support of the labor component of U.S. foreign policy objectives. ILAB is the lead agency representing the U.S. Government at the International Labor Organization (ILO) and represents the U.S. Government in the Inter-American Conference of Ministers of Labor (IACML), and the labor components of the Organization for Economic Cooperation and Development (OECD), Asia-Pacific

Economic Cooperation (APEC), the U.S.–European Union (US-EU) Working Group on Employment and Labor Related Questions, the United Nations (UN), the Organization of American States (OAS), and other regional and international organizations. An important part of ILAB’s responsibilities is coordinating with other U.S. government agencies, international bodies and other governments around the world, to eradicate exploitive child labor, forced labor and human trafficking.

OTHER U.S. GOVERNMENT RELATED PROGRAMS

Social Security

The Social Security Act of 1935 is administered by the Social Security Administration (SSA). Social Security pensions may begin at age 62, but the minimum age for receiving full social security pension payments is being increased in increments to age 67 over the period of 2000-2027. Amounts are adjusted annually in line with changes in the cost of living index. Additionally, payments are made for surviving spouses and minor or invalid children of deceased beneficiaries. In 2000, Social Security recipients aged 65 to 69 were allowed to continue to earn income without a reduction of social security benefits. In 2004, Social Security benefits accounted for 38.6 % of the aggregate income of the elderly population.

In addition to the pension payment programs administered by SSA, the SSA administers two programs that provide income to individuals who have a disability. Social Security Disability Insurance pays disability income to individuals and certain members of their families if the individual is “insured,” meaning that the person worked long enough and paid Social Security taxes. Supplemental Security Income (SSI) pays benefits based on financial need and not prior work. SSI is a Federal income supplement program funded by general tax revenues (not Social Security taxes) that provides benefits to people with limited income and resources who are disabled, blind, or age 65 or older in order to help them meet basic needs for food, clothing and shelter.

Pension Benefit Guaranty Corporation

The Pension Benefit Guaranty Corporation (PBGC) protects the retirement incomes of nearly 44 million American workers in 30,330 private-sector defined benefit pension plans. A defined benefit plan provides a specified monthly benefit at retirement, often based on a combination of salary and years of service.

PBGC was created by the Employee Retirement Income Security Act of 1974 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.

PBGC is not funded by general tax revenues, but collects insurance premiums from employers that sponsor insured pension plans, earns money from investments and receives funds from pension plans it takes over. PBGC pays monthly retirement benefits, up to a guaranteed maximum, to about 612,000 retirees in 3,683 pension plans that have ended. PBGC is responsible for the current and future pensions of about 1,271,000 people.

The maximum pension benefit guaranteed by PBGC is set by law and adjusted yearly. For plans ended in 2007, workers who retire at age 65 can receive up to \$4,125.00 a month (\$49,500.00 a year). The guarantee is lower for those who retire early or when there is a benefit for a survivor. The guarantee is increased for those who retire after age 65.

Medical Insurance

Medicare is a federal health insurance program overseen by the U.S. Department of Health and Human Service's (HHS) Agency on Aging that provides medical insurance for over 43 million people who are elderly or disabled. It pays for most of the care in hospitals and related services, and since January 1, 2006, provides prescription drug coverage. At a small cost to pensioners, medical insurance also pays for part of the doctor's bills and related services. Medicare is financed, in part, by a portion of the payroll taxes paid by workers and their employers and in part by monthly premiums deducted from Social Security checks.

Medicaid is also overseen by the U.S. Department of HHS's Agency on Aging. Medicaid was established in 1965, at the same time as Medicare, under Title XIX of the Social Security Act. It is a jointly-funded, federal-state health insurance program for certain low-income and needy people. Medicaid also covers certain individuals who fall below the federal poverty level. It covers hospital and doctor's visits, prenatal care, emergency room visits, drugs and other treatments. Medicaid also provides coverage for low-income children under age 6, low-income pregnant women, Supplemental Security Income recipients, adopted or foster children, specially protected groups, children under age 19 whose family income is below federal poverty level, some Medicare beneficiaries and other groups, as determined by each state. In 2004, it covered 37.5 million individuals including children, the aged, blind, and/or disabled, and people who are eligible to receive federally assisted income maintenance payments.

In private industry, about 80 % of full-time employees participate in medical insurance programs that are at least partly financed by their employer, and the same proportion participates in life insurance programs. About 60 % of full-time workers participate in retirement programs which employers help pay.

U.S. GOVERNMENT CONTACT INFORMATION

Equal Employment Opportunity Commission

1801 L Street, NW
Washington, DC 20507
Phone: 202-663-4900; 1-800-669-4000; Web site: www.eeoc.gov

Federal Labor Relations Authority

1400 K Street, NW
Washington, DC 20424
Phone: 202-218-7949; Web site: www.flra.gov

Federal Mediation and Conciliation Service

2100 K Street, NW
Washington, DC 20427
Phone: 202-606-8100; Web site: www.fmcs.gov

National Labor Relations Board

1099 14th Street, NW
Washington, D.C. 20570
Phone: 1-866-667-6572; 202-273-1000; Web site: www.nlrb.gov

Pension Benefit Guaranty Corporation

Phone: 202-326-4000; Web site: www.pbgc.gov

Social Security Administration

6401 Security Blvd. Windsor Park Building
Baltimore, MD 21235-6401
Phone: 1-800-772-1213; Web site: www.ssa.gov

U.S. Census Bureau

4600 Silver Hill Road
Washington, DC 20233-1923
Phone: 301-763-4636; 1-800-923-8282; Web site: www.census.gov

U.S. Department of Commerce

International Trade Administration
Room 3414
1401 Constitution Avenue, NW
Washington, DC 20230
Phone: 202-482-3809; 1-800-USA-TRADE; 1-800-872-87230;
Web site: www.commerce.gov

U.S. Department of Health and Human Services

200 Independence Avenue, SW
Washington, DC 20201
Phone: 202-395-7360; Web site: www.hhs.gov

U.S. Department of Labor

200 Constitution Avenue NW
Washington, DC 20210

Phone: 1-866-4-USA-DOL (1-866-487-2365); Web site: www.dol.gov

Bureau of Labor Statistics (BLS)

2 Massachusetts Avenue NE
Washington, DC 20212

Phone: 202-691-5200; Web site: www.BLS.GOV

U.S. Department of State

Bureau of Democracy, Human Rights and Labor
2201 C Street NW,
Washington D.C. 20520

Phone: 202-647-3271; Web site: www.state.gov

United States Trade Representative

600 17th Street, NW
Washington, DC 20508

Phone: 1-888-473-8787; Web site: www.ustr.gov

NON-U.S. GOVERNMENT CONTACT INFORMATION**American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)**

815 16th St., NW
Washington, DC 20006

Phone: 202-637-5000; Web site: www.aflcio.org

Change to Win

1900 L Street, NW Suite 900
Washington, DC 20036

Phone: 202-721-0660; Web site: www.changetowin.org

U.S. Chamber of Commerce

1615 H Street NW
Washington, DC 20062-2000

Phone: 202-659-6000; Web site: www.uschamber.org

U.S. Council for International Business

1212 Avenue of the Americas
New York City, NY 10036

Phone: 212-354-4480; Web site: www.uscib.org

