

Strategic Goal 2: A Secure Workforce

Promote the Economic Security of Workers and Families

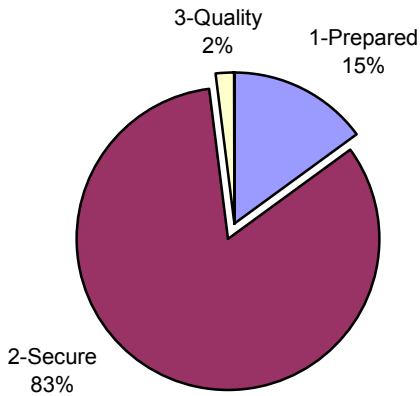
Protecting workers' wages and working conditions, providing unemployment compensation and other benefits when workers are unable to work, and retirement and health benefit security are central to the DOL mission. This strategic goal captures these priorities and consists of two outcome goals: *Increase Compliance With Worker Protection Laws*, which focuses on safeguarding employees' wages, working conditions, and union democracy and financial integrity; and *Protect Worker Benefits*, which deals with relief in the form of unemployment, disability, and pension and health care insurance benefits. Agencies supporting this strategic goal are the Employment and Training Administration (ETA), the Employment Standards Administration (ESA), the Employee Benefits Security Administration (EBSA), and the Pension Benefits Guaranty Corporation (PBGC).

Outcome goals 2.1 and 2.2 contain six performance goals (see table below), of which two were achieved, two substantially achieved and two not achieved in FY 2004. The Department performed well, with significant progress in improving worker protection and union compliance, recovery of erroneous payment of unemployment benefits, improved effectiveness of pension and health benefit plan enforcement and workers' compensation program administration. Results for several performance indicators were shy of their targets but there were no major disappointments or reversals in our workforce security performance this past year.

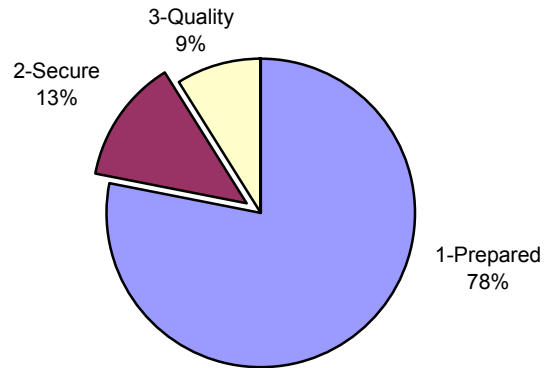
Outcome Goal 2.1 – Increase Compliance With Worker Protection Laws 1 performance goal achieved & 1 substantially achieved	
ESA Wage and Hour Division (2.1A) – substantially achieved	The Department reached targets for increasing compliance with the Fair Labor Standards Act (FLSA) in the chronically delinquent garment manufacturing, long-term health care, and agricultural commodities industries. The target to reduce recidivism of prior FLSA violators was not reached, however.
ESA Office of Labor Management Standards (2.1B) – achieved	The Department reached targets to increase unions' financial integrity and transparency.
Outcome Goal 2.2 – Protect Worker Benefits 1 performance goal achieved, 1 substantially achieved & 2 not achieved	
ETA Unemployment Insurance (2.2A) – not achieved	ETA reached targets for recovery of estimated overpayments, facilitating reemployment and establishing tax accounts but failed to reach its target for timeliness of first payments.
EBSA Pension and Health Benefit Security (2.2B) – achieved	EBSA reached all targets, including those for successful conduct of civil and criminal cases against benefit plan malfeasance, and customer satisfaction with participant assistance received.
ESA Office of Worker Compensation Programs (2.2C) – substantially achieved	ESA reached nine of ten targets. ESA reduced the lost production days for USPS employees, but failed to do so across the Government. ESA also kept Federal Employee Compensation Act medical costs inflation below the national healthcare inflation rate and reached targets for the timeliness of processing Energy Employees Occupational Illness Compensation initial claims.
PBGC Pension Plan customer satisfaction (2.2D) – not achieved	PBGC reached its target for customer satisfaction of participants in trustee plans but not for sponsors of covered plans.

The following charts illustrate DOL’s strategic goal net costs in FY 2004, with *A Secure Workforce* shares set apart. The first allocates total Departmental costs of \$56.676 billion; the second allocates an adjusted net cost of \$11.102 billion that excludes major non-discretionary items associated with this goal.¹⁵ Net costs of this goal in FY 2003 (less Income Maintenance) were \$1.969 billion. The decrease occurred in part because of relocation of the WIA Dislocated Worker and TAA programs from Goal 2 to Goal 1; together, these two programs cost approximately \$2 billion annually.

FY 2004 Strategic Goal 2 - \$46.957 billion
Percent of Net Cost



FY 2004 Strategic Goal 2 - \$1.383 billion
Percent of Net Cost not including Income Maintenance



The outcome goals and programs listed above, along with their results, costs, and future challenges are discussed in more detail on the following pages.

¹⁵ The excluded costs are referred to as Income Maintenance – unemployment benefit payments to individuals who are laid off or out of work and seeking employment (\$41.424 billion) plus disability benefit payments to individuals who suffered injury or illness on the job (\$4.150 billion).