

## Job Training and Career Education

Job training is a key strategy for helping American workers — especially low-skilled workers left behind due to technological advancements and other changes — attain the skills they need for today’s economy. But major sources of federal investment in this area, from the Departments of Labor and of Education, have shrunk in recent years. Each has been cut by roughly 20 percent since 2010, after adjusting for inflation, despite strong evidence that postsecondary education and industry-specific skills training significantly improve workers’ earnings and re-employment prospects.<sup>12</sup>

The Department of Labor administers three core grants for job training, which were reauthorized on a bipartisan basis under the Workforce Innovation and Opportunity Act (WIOA). States and localities use this funding to provide employment services to disadvantaged adult job seekers and workers who have lost their jobs, as well as youth. WIOA places a particular focus on youth neither working nor attending school; almost 5 million youth aged 16 to 24 who fall into this category face significant barriers to employment.<sup>13</sup>

Despite bipartisan recognition of the importance of job training grants, total funding has been cut substantially over time. Funding in 2017 dollars fell from \$4.5 billion in 2001 to \$3.3 billion in 2010 and \$2.7 billion in 2017 — 40 percent below the 2001 level and 19 percent below 2010 (see Figure 4). Funding has plummeted by *57 percent* since these grants began in 1984.

The youth program offers a range of services including work experience, preparation and transition for postsecondary education, financial literacy education, occupational skill training, and entrepreneurial skills training. The adult and dislocated worker programs provide two types of services: lower-intensity employment services such as skills assessments, help writing a resume, and information on job postings, and job training services, which include programs that build actual skills or lead to postsecondary credentials and apprenticeships. WIOA shifted the emphasis of the workforce system to increase participation in training services, but progress on this front has been limited. In 2015, of the 6.5 million adult job seekers and dislocated workers served, only about 240,000 participants received the more intensive — and expensive — training services.

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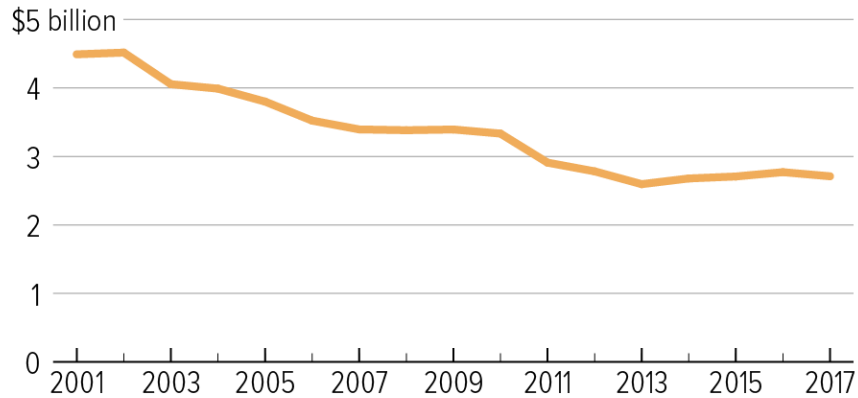
<sup>12</sup> For more information, see Department of Labor, “What Works In Job Training: A Synthesis of the Evidence,” July 22, 2014, <https://www.dol.gov/asp/evaluation/jdt/jdt.pdf>; Center for Postsecondary and Economic Success, “Fast Facts,” Center for Law and Social Policy (CLASP), <http://www.clasp.org/issues/postsecondary/fast-facts>.

<sup>13</sup> Sarah Burd-Sharps and Kristen Lewis, “Promising Gains, Persistent Gaps: Youth Disconnection In America,” Measure of America, March 2017, <http://www.measureofamerica.org/youth-disconnection-2017/>. A Congressional Research Service report estimates that there are over 2 million youth in the category, but this does not capture those who recently dropped out of school or had a short stint of employment due to caretaking responsibilities, housing instability, transportation issues, health issues, and other barriers. The Workforce Innovation and Opportunity Act’s definition of out-of-school youth encompasses those that face these barriers and is aligned better with the higher estimate.

FIGURE 4

## Funding For Job Training State Formula Grants Has Fallen Over Time

In 2017 dollars, fiscal years



Note: Excludes funding from the 2009 Recovery Act. Reflects funding for formula grants to states for adult, dislocated worker, and youth programs under what is now the Workforce Innovation and Opportunity Act.

Source: CBPP based on U.S. Department of Labor and enacted appropriations

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Helping American workers get both the training services needed to succeed in today’s labor market and the re-employment services needed to find a job that offers a pathway to a career will require reinvesting in our workforce efforts. Without additional resources, assisting greater numbers of job seekers and dislocated workers will be difficult or will come at the expense of reducing access to other job-seeking assistance. Additional resources would have a tangible impact — for example, an additional \$500 million in the adult program would enable roughly 125,000 more workers to receive the more intensive job training.<sup>14</sup>

Disinvestment in our nation’s workforce is not limited to the Department of Labor workforce programs. The Department of Education provides grants to states to expand and improve career and technical education in high schools, technical schools, and community colleges. Appropriations for these grants have shrunk by 34 percent since 2001 and by 21 percent since 2010, after adjusting for inflation. The Education Department also administers grants, authorized under WIOA, that help adults gain literacy and other basic skills necessary for postsecondary education and employment. Funding for these grants has also shrunk, by 23 percent since 2001 and by 17 percent since 2010, after adjusting for inflation.

<sup>14</sup> CBPP estimate based on CLASP analysis of state administrative data.