

TRAINING AND EMPLOYMENT NOTICE	NO. 38-10
	DATE May 9, 2011

TO: ALL STATE WORKFORCE LIAISONS
ALL STATE AND LOCAL WORKFORCE AGENCIES
ALL STATE ONE-STOP CAREER CENTER SYSTEM LEADS
ALL STATE AND LOCAL WORKFORCE INVESTMENT BOARDS

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: Release and Availability of seven Employment and Training Administration
(ETA) Occasional Papers from the ETA Research Papers Program

1. Purpose. To announce the release and availability of seven ETA Occasional Papers prepared by doctoral and post-doctoral students with competitively awarded funding as part of the ETA Research Papers Program.

2. Background. The ETA Research Papers Program, which was first implemented over 30 years ago, was reinstated in 2009 and provided grants on a competitive basis to doctoral and post-doctoral students for scholarly policy-relevant research papers on topics of interest to the workforce investment system. The announcement to competitively award these grant funds required that research papers focus on topics of interest to ETA. The areas of relevance included the following: 1) targeted populations (*e.g.*, persons with disabilities, migrant and seasonal farm workers, Native Americans, Hispanics, immigrants, or others upon approval); 2) analyses using ETA public access/use data (such as the Federal Reporting and Evaluation Database, the Workforce Investment Act Standardized Record Data, or the National Agricultural Worker Survey, among others; and 3) analyses of Unemployment Insurance issues.

The intention of the research attained through these grant awards is to provide innovative ideas to those on the front-line of service delivery in the workforce investment system and its partners, while also helping to support students in advanced degree programs with their dissertations and studies in the field of employment and training. Further, these research grants may stimulate future employment and training research and help to create a cadre of future workforce system researchers and experts.

3. Publication Description. There were seven awardees for the 2009 competition. The papers address the following: serving Temporary Assistance for Needy Families clients, training of older workers, reemployment of participants in the Trade Adjustment Assistance Program, earnings for Workforce Investment Act (WIA) clients, the WIA eligible training provider list, labor policy related to farm workers in New York State, and analysis of data from the National Agricultural Workers Survey. Below are brief summaries of each research paper.

Research on Targeted Populations

Privatization and Employment in the Implementation of Temporary Assistance for Needy Families (TANF): A Multi-level Analysis, ETA Occasional Paper. Prepared by Adam M. Butz, Ph.D., Political Science, University of Kentucky in Lexington.

Privatization in the implementation of social welfare programs, such as TANF, represents a relatively unexplored administrative strategy and little remains known of its origins and consequences. This research utilizes multi-level modeling techniques to examine the consequences of welfare contracting on the employment outcomes of welfare clients. The quantitative findings indicate that privatizing welfare services is not an administrative panacea in that the quality of client-level employment outcomes are seldom improved under private-sector implementation. There is also scant evidence of predatory behavior among private-sector welfare providers. Historically, disadvantaged minorities and low-educated welfare clients are no worse off receiving services from private-sector welfare providers and are potentially achieving superior outcomes under non-profit administration.

Does Occupational Training by the Trade Adjustment Assistance Program Really Help Reemployment? Success Measured as Matching, ETA Occasional Paper. Prepared by Jooyoun Park, Ph.D., Economics, University of Michigan in Ann Arbor.

As international trade continues to expand, more workers lose their jobs to low wage workers in developing countries. The Trade Adjustment Assistance (TAA) Program is a dislocated worker program established to help their reemployment by providing occupational skills training and reemployment services. This paper measures the success of training provision as the match between the occupations of training and employment. This paper also investigates whether the match improves the post-participation outcomes of participants, such as reemployment rates, post-participation earnings, wage replacement rates, and retention rates, using the Trade Act Participant Report (TAPR), acquired through the Freedom of Information Act. This is the first academic paper that utilizes the TAPR dataset. The dataset shows a 37.82% of matching rate among trainees. While participants' educational attainment, age, and ethnicity largely determine the post-participation outcome measures, occupational skills training improves reemployment rates by 2 to 5 percentage points and retention rates by 2.7 percentage points. Matching between occupations of training and entered employment is highly beneficial to participants in achieving higher wage replacement. These results suggest that the focus of the TAA program on provision of training services can be more fruitful if emphasis is on choosing the right occupations for participants through career assessment and counseling, so the trainees can find the occupation interesting and appropriate for their skill-level, and can find a job using the skills acquired through the training.

Workforce Investment Act Training for Older Workers: Toward a Better Understanding of Older Worker Needs During the Economic Recovery, ETA Occasional Paper. Prepared by Ting Zhang, Ph.D., Public Policy, George Mason University, Fairfax, Virginia.

This paper empirically examines factors affecting older workers' entered employment rate using panel data models and identifies relevant policy implications. The paper starts with the background of an aging workforce and the current economic recession that makes training older workers critical. After reviewing literature on older workers' attributes and the uniqueness of older worker training, the paper tests two hypotheses: 1) some Workforce Investment Act (WIA) training and related service combinations can be identified to inform strategic decision-making about future allocations of WIA funds to serve older workers; and 2) WIA program success with older workers is sensitive to cyclical changes in labor market conditions. The paper relies on Workforce Investment Act Standardized Record Data 2007 data and Bureau of Labor Statistics unemployment data. After using descriptive statistics, this paper adopts panel data models and empirically examines the impacts of unemployment rates and various WIA services and training on older workers' entered employment rate. Older dislocated workers and older adults are examined separately. An innovative two-sector unemployment rate measure is adopted. Older workers' demographic and socioeconomic conditions are controlled and examined in the empirical investigation. Test findings as well as data attributes are discussed. This paper concludes with policy implications.

Workforce Investment Act (WIA)

Earnings Progression among Workforce Development Participants in Washington State, ETA Occasional Paper. Prepared by Colleen Chrisinger, Ph.D., Public Policy and Management, University of Washington in Seattle.

This research measures the extent of earnings growth among participants in federally funded WIA programs in the state of Washington during the period 2001-2008. Unlike previous evaluations that have emphasized earnings levels, this study addresses earnings growth experienced by WIA Adult participants in order to assess whether workers reach economic self-sufficiency within a short time. Using merged administrative data from the Unemployment Insurance system and the Services, Knowledge and Information Exchange, also referred to as SKIES, workforce caseload system, the question addressed by this research is: “What is the difference in earnings growth between individuals in Washington who have completed WIA Title I-B Adult programs and those who received only self-service assistance?” The primary method used to address this question is ordinary least squares regression weighted by propensity scores to account for self-selection into the treatment. The analysis finds that participants in the WIA Adult program had slightly lower earnings growth than individuals in the comparison group.

Ensuring the Quality of Training Providers under the Workforce Investment Act, ETA Occasional Paper. Prepared by Lauren Eyster, Doctoral Student, Public Policy and Administration, George Washington University, Washington, DC.

The WIA of 1998 authorized the use of a voucher-like mechanism, called Individual Training Accounts (ITAs), by which WIA participants can purchase training services. To ensure that customers have a selection of high-quality training providers whose training will lead to employment, states are required to provide ITA participants with a list of eligible training providers (ETP) from which ITA participants can select the provider most suitable to meet their workforce goals. This study examines how states have designed their ETP policies and if these policies increase the quality of approved training providers as measured by the employment and training outcomes of ITA participants.

Research using the National Agricultural Workers Survey (NAWS)

Policy and Low-Wage Labor Supply: A Case Study of Policy and Farm Labor Markets in New York State, ETA Occasional Paper. Prepared by Elizabeth Nisbet, Ph.D. Candidate, Planning and Policy, Rutgers University, Princeton, New Jersey.

Farm operators and industry groups often advocate for change in immigration policy to address farm labor shortages. Such calls for intervention raise questions about the range of policies that relate to labor supply and affect farm workers in local markets. This paper describes a case study of policies related to farm worker supply and how these play out in labor markets in New York, drawing from government and interest group records, statistics from NAWS, and qualitative interviews. Results illustrate the complexity of policies influencing labor supply and workforce organization and point to challenges inherent in maintaining workforces while attending to the quality of farm work.

The Effect of Continuing Education Participation on Agricultural Worker Outcomes, ETA Occasional Paper. Prepared by Dr. Anita Alves Pena, Ph.D., Economics, Stanford University, Stanford, California.

Migrant farm workers are among the poorest members of the working class served by the U.S. public workforce investment system. Stated goals of job training and employment assistance programs within this system, such as NAWS, include assisting migrant and seasonal farm workers and their dependents increase “economic stability” by steadying agricultural employment and developing job skills. While important for strategic planning pertaining to future workforce investments, limited academic literature exists on migrant education programs, particularly on understanding the dynamics between continuing

education participation and worker outcomes. This study investigates the effects of continuing education participation on wages, annual week allocations across agricultural and nonagricultural employment and time abroad, and poverty in this population. Data come from the U.S. Department of Labor's NAWS, a nationally and regionally representative survey of employed U.S. farm workers. Parametric and semi-parametric regression analysis suggests that continuing education participation is associated with higher wages all else equal, though variation across individual program categories is large. Furthermore, program participation is found positively related to both annual weeks in agricultural and nonagricultural work and negatively related to weeks spent outside of the U.S. and to poverty.

4. Inquiries. To view abstracts of these publications, as well as to download the full reports, visit the ETA Occasional Paper Series Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.