Center for an Urban Future
Innovative Ideas. Independent Policy.



Testimony - February 2002

Remarks to City Council: the Workforce Investment Act in New York City

Remarks of CUF Project Director David Fischer at City Council's General Welfare Committee hearings on Workforce Investment Act implementation.

by David Jason Fischer

Good afternoon. My name is David Fischer, and I'm the project director for workforce development at the Center for anUrban Future, a nonprofit policy institute that conducts research and publishes reports about issues critical to the future of New York City—particularly workforce development, economic development and higher education.

I commend the City Council for its attention to an area of city policy that has been characterized in recent years by stalemate and conflict rather than progress and collaboration. And it is especially encouraging to hear both of the Commissioners who testified today—Betty Wu of the Department of Employment (DOE), and Verna Eggleston of the Human Resources Administration (HRA)—express their commitment to cooperation and progress on this issue, notably their newfound willingness to share information and coordinate programming.

We strongly endorse the decision to move all funding for job training activities back under the control of the Department of Employment, as was announced earlier today. Consolidating authority over workforce development will make it easier to implement a system that truly serves both jobseekers and employers. It also helps in the perception of employers that funding and policy authority will be concentrated in an agency best known for employment services, rather than an agency with the mission of working with public assistance recipients.

It's said that crisis situations often bring out the best in us. Certainly, the crisis in the wake of September 11 brought out the best in many New Yorkers, including the Human Resources Administration which responded by setting up the Twin Towers Job Link system—a series of walk-in centers around the city where newly jobless individuals could easily access job listings, phones and computers, and other services.

Now, with tens of millions of dollars at risk, we face another crisis—-one not as dramatic or overt as the first economic aftershocks of the attack, but with long-term and far ranging potential consequences nevertheless. The city has two objectives in responding to this new crisis: Fix a long-neglected job training system which has great potential to assist New Yorkers, and spend our at-risk WIA funding to avert the threat of losing that money, which in turn would seriously damage our prospects for future federal appropriations.

Here are some suggestions for pursuing both goals—spending our funds in such a way as to support the longer-term utilityof the system:

- **Marketing and outreach**. Public awareness of job training and employment services resources is extremely low. HRA has long planned a campaign to publicize its "Workforce One" concept; this is the time to get the word, capitalizing on the abundant marketing talent available in the city.
- **Vouchers**. Anyone who was present at the last Council hearing on workforce issues this past November might recall that this was an issue of contention. HRA was already moving to issue more vouchers, which are known as Individual Training Accounts under WIA. The testimony we heard earlier from Commissioner Eggleston indicates that more progress has been made since then. But the eligibility process remains cumbersome, and the maximum value of the vouchers is still relatively low. Allowing more New Yorkers to access a wider range of training opportunities would be an appropriate and effective use of WIA dollars.
- **Assessment of services**. As the Department of Employment prepares to take full responsibility for the job training system, its leadership should consider how to better collect input from stakeholders—especially jobseekers and employers. One step that would be helpful is to empower an active and business-led Workforce Investment Board as the key entity setting policy.
- **Review current contracts**. In late 1999 and early 2000, HRA concluded a series of complex contracts with a small number of training providers, on which both WIA funds and other funds could potentially be expended. Now, with the city facing very different circumstances including the need to spend our funds quickly, we should reconsider whether or not these contracts are still useful for our job training goals, and alter these contracts if necessary.

We have a few broader recommendations for the Committee. First of all, we hope you will continue to exercise oversight of the transition of the WIA Adult portfolio to DOE to ensure that it is seamless and consistent in terms of uninterrupted services. Second, while New York City is indeed unique, we also have a lot to learn from the experiences of other areas—as the testimony of John Twomey of NYATEP, the statewide organization of training and employment providers, and Constance Doty of Boston's Office of Jobs and Community Services has already shown us.

Finally, I'd like to echo the earlier witnesses in endorsing the Workforce Investment Board as the primary voice setting job training policy in New York. The WIB is key in getting employers involved, working with DOE to move ahead, and determining what really works and what doesn't. Our ultimate aim, as WIB Chair Stuart Saft noted earlier, should be to make sure that workforce development is an integral part of economic development in our city.



CENTER FOR AN URBAN FUTURE
120 Wall Street, 20th Floor, New York, NY 10005

cuf@nycfuture.org © All Rights Reserved.