

A BRIEF HISTORY

Workforce Development and Training in the United States

Before the Great Depression, and especially after, the Federal Government has maintained an active role in helping citizens acquire training and skills in order to work and earn a living.

The **Civilian Conservation Corps (CCC)** was organized in 1933 during the depths of the depression, simply to get people back to work, putting money in their pockets, and creating purchasing power to help restart the economy. In that same year, the **Wagner-Peyser Act** created the Federal-State Employment Service system, which is still in operation today. (The first Employment Office in California was actually established in 1916 in San Francisco.)

In 1935, the Roosevelt Administration established the **Works Progress Administration (WPA)**, which created public service jobs throughout the country to employ more people until economic conditions improved. Some structures and buildings in San Luis Obispo County, built by these workers, are still standing. In 1936, **Unemployment Insurance (UI)** was established.

The next significant national event, WW II, triggered creation of **The Servicemen's Readjustment Act** in 1944, helping veterans make the transition into a peacetime labor market. This program was the first to emphasize education and training, rather than monetary compensation.

The Employment Act of 1946 established the Council of Economic Advisers to help the President and Congress develop policies to prevent unemployment. The Council still exists.

In the 1950's, the launching of the Soviet Union's Sputnik satellite brought national attention on the need for workers in high-technology industries. Congress passed the **National Defense Education Act of 1958**, authorizing fellowships and other federal aid for scientific and technical education.

In 1961, the **Area Redevelopment Act (ARA)** stimulated economic growth in areas facing high unemployment. Department of Commerce provided loans to companies that agreed to relocate or expand facilities in economically depressed areas... Department of Labor supported vocational education training programs for workers who needed the skills required by those businesses.

The **Manpower Development and Training Act (MDTA)** was enacted in 1962. It was the first large-scale legislative attempt to formulate and carry out a national training and employment policy. It placed special focus on finding new and better ways of reaching and training those who could contribute to the labor market. One innovation was creation of "skills centers" for the purpose of concentrating multioccupational training and job placement services in centralized facilities (also called "Manpower Training Skills Centers"). There were 58 centers, in 1968.

Congress enacted **The Economic Opportunity Act (EOA) of 1964** to establish several programs that provided work experience and training for certain groups of disadvantaged

individuals. These programs included the Neighborhood Youth Corps (providing paid, part-time jobs for young people from low income families to help them stay in school); the first Summer Employment Program; the Job Corps (still in operation today) to provide training, education, and other services to disadvantaged young people, primarily in residential settings; the New Careers Program which tested ways to provide jobs with career ladder potential for unemployed and underemployed people in certain fields; Operation Mainstream which provided work experience for chronically unemployed adults; and the Work Incentive Program (WIN) which helped employable individuals in families that received various welfare subsidies. During this period, the federal-state program of Vocational Rehabilitation for people with disabilities was expanded.

By the early 1970s, it became clear to Federal policymakers and the Congress that the extensive array of programs created during the 1960's resulted in overlap and duplication of uncoordinated programs with different goals and complex administrative structures.

This led to passage of the **Comprehensive Employment and Training Act (CETA) of 1973**, to serve three broad population groups: the unemployed, underemployed, and those with certain disadvantages that limited their success in the labor market. Previous use of federal agencies to administer these programs was replaced by "block grants" to the States and Local chief elected officials. With few federal controls, programs were allowed to be flexible enough to fit local needs. In the 1978 amendments to CETA, the "Private Industry Councils" (PIC's) were established, to bring strengthened leadership and input from private sector business owners.

Suspected fraud and waste prompted Congress to replace CETA in October 1982 with the **Job Training Partnership Act (JTPA)**. For the next 16 years, with increased leadership from PIC's, JTPA was the nation's premier public-sector program, providing training and employment services for economically disadvantaged adults and youth, workers who had lost jobs because of mass layoffs or plant closings, and special groups (such as Native Americans and migrant workers) who faced significant employment barriers.

JTPA was the first Federally-funded job training program to place reliance on the private sector for operational design; use of research and demonstration efforts to create new programs; use of performance standards to ensure an appropriate return on investment of public dollars; and, an emphasis on training and workforce preparation rather than work experience or subsidized public sector jobs.

The **Workforce Investment Act (WIA) of 1998** was enacted by Congress to improve upon earlier publicly funded workforce programs. Hallmarks include business leadership in program design (replacing the PIC's with Workforce Investment Boards, WIBs); retaining and expanding performance standards and outcomes; local level management and design; "One-Stop Career Centers" which house a variety of Federal, State, and Local job training and education programs for easy access by all local citizens; extensive labor market information and training provider "report cards" designed to assist consumers (not "clients") in making the wisest career planning choices with the help of trained Center staff; "Individual Training Accounts" (ITA's) for use by consumers to select and purchase training; establishment of "Youth Councils" to advise the WIBs on design and evaluation of youth services and training programs.