Americans’ quality of life is closely tied to the productivity of its workforce. Without a workforce possessing skills that are relevant to the needs of today’s employers, we will not continue to enjoy a competitive edge in the global economy. The Department’s commitment to preparing American workers for current and future opportunities is the focus of this goal.

The outcome DOL seeks to achieve is to help all of the Nation’s workers secure long-term, productive employment. However, certain groups of job seekers face barriers in their efforts to secure employment. Accordingly, the Department concentrates its efforts on those with special needs such as the disadvantaged, people with disabilities, veterans, and disadvantaged youth. In addition, the Department produces important national economic indicators and detailed employment statistics by occupation, education and training requirements, and industry – thereby providing American workers, employers, and policy makers with vital information on the U.S. labor market.

While employers and workers bear ultimate responsibility for adapting to these challenges, the Department has a leadership responsibility to support the needs of the changing workforce and position the U.S. for continued economic development and growth. How well the Department performs in assuring A Prepared Workforce is determined by measuring the accomplishments of programs that support three broad objectives:

Outcome Goal 1.1
Increase Employment, Earnings and Retention

Outcome Goal 1.2
Increase the Number of Youth Making a Successful Transition to Work

Outcome Goal 1.3
Improve the Effectiveness of Information and Analysis on the U.S. Economy

Agencies with programs supporting this strategic goal are the Employment and Training Administration (ETA), Veterans’ Employment and Training Service (VETS), the Bureau of Labor Statistics (BLS), and the Office of Disability Employment Policy (ODEP).

In FY 2003, the Department further improved employment outcomes for Americans – despite the challenge of a sluggish economy and its disproportionate effect on DOL target populations. Although just half of the 10 performance goals measured were achieved or substantially achieved (four and one, respectively), in most cases this year’s indicators continued an upward trend.

Under Outcome Goal 1.1, which includes six performance goals – three for ETA, one for ODEP and two for VETS – DOL achieved one goal, substantially achieved another, did not achieve three and did not measure one.

- Workforce Investment Act (WIA) Adult programs increased employment rates of its participants to 74 percent and retention rates to 84 percent. Earnings increased, too ($2900), but by less than the targeted amount.
- Employment Service programs (placement and referral) listed 10.2 million jobs on the public labor exchange – fewer than in the prior year.
- The Apprenticeship program increased the number of new apprentices by 130,615 (98 percent of target) and increased the number of new programs in new and emerging industries to 359.
- The Office of Disability Employment Policy initiated 42 demonstration projects to test strategies that address the special needs of persons with significant disabilities.
Employment and retention rates for veteran job-seekers were not measured due to a major transition to a new system of measuring and reporting labor exchange service outcomes.

Over 60 percent of Homeless Veterans Reintegration Project participants successfully entered employment—well above prior years’ performance.

All three performance goals under Outcome Goal 1.2 are associated with ETA’s youth programs. One was achieved and the other two were not achieved.

- The Diploma attainment rates for 14-18 year old participants in the WIA Youth program (55 percent) was above target, as were employment (67 percent) and retention rates (80 percent) for 19-21 year olds.
- The number of Job Corps graduates who obtained diplomas rose sharply to 6381, while employment, retention and earnings results fell just short of targeted increases.
- The Youth Opportunity Grant program’s older youth (19-21) retention rate of 78 percent exceeded its target. Diploma and employment rate targets were not reached, however.

Both of BLS’s performance goals under Outcome Goal 1.3 were achieved.

- Timeliness and accuracy targets for six reports/indices published regularly were reached, and planned improvements to Internet access to maps and statistical data were completed.
- All six milestones for improving the accuracy, efficiency, and relevancy of economic measures were met.

In the years to come, DOL will provide essential leadership to meet further challenges by emphasizing the following strategies:

- Supporting a strong academic foundation for workers
- Better understanding the needs of business
- Working with training providers—especially Community Colleges—to identify or create training to meet employer needs
- Working with employers to test new and innovative options in proven programs such as apprenticeship
- Expanding the role of faith-based and community organizations to equip Americans in need of finding and sustaining employment.

All major DOL programs associated with this strategic goal, along with their purposes, results, costs, strategies, management issues and plans for FY 2004 are discussed in the following pages. Detailed historical information on each indicator is available in Appendix 4.