

STATEMENT OF
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Chairman Miller, Ranking Member Kline, and Members of the Committee, thank you for inviting me to testify today. I would also like to thank my good friend George Miller and many other friends on this Committee for all of your support over the years. As a former member of this Committee, I know very well all the hard work you and your colleagues do to assist working families across America.

I am pleased to be the 25th Secretary of Labor because I believe in the Department of Labor's mission – to foster and promote the welfare of job seekers, wage earners, and retirees through a variety of means. I came to lead the Department at a time when working families were struggling, and I came to make a difference. Workers were struggling to feed their families, pay bills, and plan for retirement as unemployment levels were reaching highs that we had not seen in decades.

Working people across America desperately needed help, and I knew the Department would be instrumental in advocating for their needs. I am proud that the Department of Labor quickly acted to implement the American Recovery and Reinvestment Act of 2009 (Recovery Act). While working families continue to struggle in these tough economic times, the Department of Labor is working incredibly hard to help. We are assisting individuals who need unemployment insurance benefits, workers who lost their jobs but need continuing health coverage for themselves and for their families, young adults who need help getting a summer job, and people who want job training for a new career or other employment-related services. In a labor market where jobs are difficult to find and workers are glad to have the jobs they hold, it is too easy for workers to be exploited. We are strengthening our efforts to be vigilant in protecting the rights and safety of workers by hiring additional enforcement personnel and reviewing and improving our regulatory efforts.

While we have accomplished a great deal, I know that we can and must do more. My vision for the Department is “Good Jobs for Everyone,” and that means that we as a country need to work together to create new and better jobs for the 21st Century economy.

The Economy in Early 2009 and the Need for Action by the Department of Labor

When I walked into the Department of Labor for the first time, I knew that I had to act quickly to assist workers and their families who were trying to make ends meet in light of devastating job losses.

As of January 2009, an astounding 3.8 million jobs had been lost since the start of the recession. Job losses were large and widespread across nearly all major industry sectors. Just in the fourth quarter of 2008 alone, almost 1.7 million jobs were lost. To put this number in perspective, this is about 100,000 more than the number of jobs lost between March and November 2001, the official time period of the previous recession.

People in the manufacturing sector faced especially difficult times. By January 2009, 1.1 million manufacturing jobs had been lost since the beginning of the recession. These losses represented almost 30 percent of total payroll jobs lost and made up the largest share of job losses among the major industry sectors. To make matters worse, the manufacturing sector was already struggling. Manufacturing employment was at a 63-year low. From January 2001 to January 2009, 4.5 million manufacturing jobs had been lost.¹ Over the previous 20 years, manufacturing employment had steadily declined. This decline greatly accelerated between January 2001 to January 2009, to a rate of negative 3.7 percent per year.

These numbers are large, and they represent real people. Our brothers, sisters, friends, and neighbors are represented in these numbers. By the end of my first quarter as Secretary of Labor in 2009, the national unemployment rate climbed to 8.6 percent.² Communities of color experienced even higher rates of unemployment. In early 2009, Latinos were unemployed at a rate of 10.8 percent and African Americans were unemployed at a rate of 13.3 percent. Young people also faced high rates of unemployment; 21.6 percent of teenagers were jobless.³ The number of unemployed persons continued to reach record levels month after month.

The difficulties in the labor market are exacerbated by other problems. The depth and severity of the recession worsened states' fiscal problems, especially since increasing unemployment levels reduced states' income taxes and increased demand for services. States' budget woes then challenged their abilities to serve the public. While the numbers of individuals filing for unemployment insurance were rapidly increasing, state unemployment insurance trust fund balances were deteriorating. Trust fund balances fell from \$38.2 billion in 2007 to \$20.6 billion in the first quarter of 2009—a 46 percent decline. In January 2009, initial UI claims (not seasonally adjusted) reached nearly 957,000, a level not seen in a generation. In March 2009, the number of people requesting regular UI benefits (continued claims, not seasonally adjusted) reached a series high of 6.5 million. The huge volume of demand in 2009, coupled with aging

¹ OASP calculations of CES establishment survey data.

² Quarterly CPS household survey data for the national unemployment, available at <http://www.bls.gov/web/cpseed8.pdf>.

³ Quarterly CPS household survey data, available at <http://www.bls.gov/cps/tables.htm#quarterly>.

technology, resulted in three states experiencing crashes to their mainframe system for UI.

People who expected to be in their peak earning years were struggling to find employment and maintain retirement savings. Individual households faced mounting financial threats due to the instability of their retirement accounts. Despite workers' needs for retirement security, according to the Federal Reserve Board, in March 2009 assets in retirement accounts were \$4.3 trillion, down 33% from a peak of \$6.4 trillion at the end of 2007. According to data from the Federal Reserve, pension fund reserves held by households and non-profit organizations fell 26 percent from \$13.4 trillion at the end of 2007 to \$9.9 trillion in the first quarter of 2009.⁴

In light of these overwhelming challenges, I am proud that the Department quickly came to the aid of workers, and I describe some of our actions below.

DOL's Achievements in 2009 and Under the Recovery Act

After working closely with Congress, President Obama signed the Recovery Act into law to rescue and rebuild the American economy. I know that the Recovery Act has put people back to work and has saved jobs. I have visited numerous Recovery Act-funded projects in communities across the country. As of December 31, 2009, the Department has spent \$59.7 billion for Recovery Act programs. Over \$55 billion has been provided to states to support and expand Unemployment Insurance, and more than \$3 billion has been issued in grants to states to provide training and employment services to adults, dislocated workers and youth. We acted quickly to protect workers who lost their jobs and provide new training opportunities for them and for people looking to upgrade their skills or change careers.

We worked with states to make changes to eligibility requirements for UI benefits, giving more jobless workers access to benefits, and extended the period of eligibility for workers who lost their jobs. We also quickly increased the amount of unemployment benefits that people received by \$25 a week. An extra \$100 a month can go a long way towards paying for groceries or helping with rent, and I am proud that DOL's Employment and Training Administration (ETA) was able to quickly assist the American public.

As I mentioned earlier, States' budgets were, and still are hurting, and this has impacted their ability to get UI benefits into the hands of workers. The Department rapidly made \$7 billion available for states that chose to modernize their UI system. So far, the Department has distributed \$2.8 billion to 32 states for modernization incentive payments, which together with the extended and emergency benefits programs, has resulted in increasing the share of unemployed workers receiving benefits to its highest level in over 30 years.

ETA also quickly distributed funds to states to serve more than 2.3 million workers through state employment-related services. An estimated 170,000 workers who were

⁴ <http://www.federalreserve.gov/releases/z1/Current/z1r-4.pdf>, p. 64.

adversely affected by foreign trade have received Trade Adjustment Assistance benefits and assistance. We have also released over \$60 million in Recovery Act-funded National Emergency Grants (NEGs) to help an estimated 29,500 dislocated workers. In Calendar Year 2009, we released more than \$82 million in NEGs funded by our appropriations, and this funding is expected to help more than 17,000 dislocated workers. Our efforts have helped Americans get back to work. For example, a North Carolina worker, who was laid off in March 2009 after working three years as a rigger/welder earning \$15.00 per hour, began training in May in the construction pre-pipe and pipe welding field with funds provided by the Workforce Investment Act (WIA) Dislocated Worker program. He was quickly hired before his training was completed by a construction company as a pipe welder. Today, he is working at a site in Savannah, Georgia earning \$17.00 per hour plus a daily stipend of \$55.00. We know that there are and will continue to be many more success stories like this one across the country.

The Employee Benefits Security Administration (EBSA) also quickly assisted workers who lost their jobs but needed continued health coverage. Under the Recovery Act, individuals may apply for premium reductions for continuation of health benefits provided under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Eligible individuals pay only 35% of the cost of their COBRA premium, enabling many American workers and their families to maintain health coverage they otherwise could not afford. In the weeks after the Recovery Act became law, EBSA published model notices and created an appeals process for individuals whose subsidy applications were denied. The Department worked to provide fact sheets, FAQs, posters, and additional information to help educate workers about their rights, conducted numerous outreach activities, and launched a dedicated website that has hosted over 2.3 million visitors. I am proud to say that EBSA has responded to over 170,000 COBRA inquiries and handled more than 14,000 appeals since the inception of the subsidy. In fact, more than 99 percent of the appeals received were decided within the 15 day statutory deadline provided by Congress. When the COBRA premium subsidy was extended as part of the 2010 Department of Defense Appropriations Act, EBSA again acted quickly to update existing guidance and issue new materials to make sure this critical program continues without disruption in FY 2010. For many of these individuals, access to affordable health coverage is a matter of life or death.

The Recovery Act also bolstered one of the Department's Fiscal Year (FY) 2010 budget priorities – to begin to restore the capacity of our programs that protect workers' safety and health, pay, and benefits. The Department worked to enforce worker protection laws under Recovery Act-funded projects. For instance, the Occupational Safety and Health Administration (OSHA) conducted over 1,900 inspections of workplaces receiving Recovery Act funding to assure that workers involved in these projects were adequately protected from safety and health hazards. The Wage and Hour Division (WHD) issued prevailing wage determinations and guidance for Recovery Act-funded weatherization projects and is actively engaged in ensuring that workers on those projects receive the wages to which they are legally entitled. The Office of Federal Contract Compliance Programs (OFCCP) completed 59 compliance evaluations. One case of compensation

discrimination against an African-American male resulted in \$24,894 in back pay being awarded.

In order to restore our economy, we must create jobs and make sure that workers benefit from the protections to which they are entitled. We have made significant progress in restoring worker protection programs to their FY 2001 staffing levels. Approximately 710 enforcement personnel have been hired in the Wage and Hour Division, the Occupational Safety and Health Administration, the Office of Federal Contract Compliance Programs, the Mine Safety and Health Administration (MSHA), and the Employee Benefits Security Administration. We have seen significant results from our hiring efforts. Our work helped return money to workers who rightfully earned it. OFCCP entered into more than 96 Conciliation Agreements on behalf of more than 21,000 affected workers in calendar year 2009. Their work resulted in back pay awards of more than \$9 million and more than 2,000 potential job offers to provide relief for affected American workers who were discriminated against under laws enforced by OFCCP. WHD has recovered more than \$172.6 million in back wages for approximately 220,000 workers. In FY 2009, EBSA's work on retirement and welfare benefit plan security achieved \$1.3 billion in total monetary results. Our worker protection efforts touch the lives of nearly every worker, and we will continue to ensure that workers are protected by the law.

DOL is also looking for innovative ways to promote economic recovery. For example, employment training services are divided by geographic boundaries even though regional economies cross city and state lines. That is why we created a new type of NEG, called Regional Economic Impact NEGs. These new NEGs allow for a regional approach to workforce services in response to layoffs and economic events across a region. We have seen several states impacted by automotive layoffs, such as Michigan, apply for and receive funding through this mechanism. In late September 2009, the Department provided a NEG of \$18.6 million to assist over 1,000 workers affected by layoffs in Southeast Michigan, which includes several counties and the Detroit Metropolitan Area. This grant will also allow the state to serve workers within this regional economy affected by layoffs occurring over the next year. By Michigan's estimates, this could total approximately 7,200 workers.

How the Department of Labor is Making a Difference for Workers

In the December 2009 Employment Situation report, the Department's BLS reported that the economy lost 85,000 jobs and that the unemployment rate remained unchanged at 10.0 percent. We received encouraging news of very modest gains in payroll employment in November 2009, which was the first month showing an increase in jobs since December 2007. While any job lost is one job too many, our economy was losing close to 700,000 jobs a month one year ago.

Although the rate of job loss has slowed dramatically in recent months, hiring has not increased broadly. As a result, the ranks of the long-term unemployed have grown.

About 40 percent of the jobless have been looking for work for over six months. Studies have pointed to the challenges that arise for people who have been out of the labor market for substantial periods of time. That's why we need reemployment and training programs that will get them back to work.

The Administration has worked aggressively to minimize job losses, stimulate the economy and address the special needs of persons who have been out of work for extended periods of time. I will continue to do my best to see that America's workers have the tools they need to succeed.

The Department is looking to train the workers of the future. During my travels throughout the country, I have met people who have gone back to school and changed careers to prepare themselves for 21st Century jobs. Jobs continue to grow in the clean energy and health care sectors. Green jobs play an important role in our economic recovery, and like so many other jobs in the construction trades, they tend to pay above average wages. I believe that they are also the jobs of the future. . The Recovery Act provided the Department with \$750 million for worker training and placement grants to prepare workers for careers in high growth and emerging industries, including \$500 million for research, labor exchange, and job training projects in the energy efficiency and renewable energy industries. Four of the grant competitions are designed to serve workers in need of training through various national, state and community outlets: Energy Training Partnership Grants; Pathways Out of Poverty Grants; State Energy Sector Partnership and Training Grants; and Green Capacity Building Grants. The fifth competition, for State Labor Market Improvement Grants, will providing funding for state workforce agencies to collect, analyze and disseminate labor market information and develop labor exchange infrastructure to direct individuals to careers in green industries.

Much of this funding has already been awarded. I am proud to report that the Department made it a priority to award grants to applicants who serve low-income workers, unemployed youth and adults, high school dropouts, communities of color, areas of high poverty, and other underserved sectors and vulnerable members of the workforce. We also set aside funding to serve workers who were hardest hit by restructuring of the automotive industry.

We received a record number of grant applications for these green jobs training grants. For example, the Pathways out of Poverty competition brought in over 450 applications for \$150 million in grants, and we could fund only 38 grants. For the Energy Training Partnership competition, we received over 180 applications, but were only able to fund 25 grants. We believe that this level of interest represents the need for resources that focus on training, particularly in green jobs, which complements job creation efforts. We also believe this interest represents the need for assisting people who are already working, but who may be underemployed, to gain skills that will help them move into better, higher-paying jobs in emerging sectors.

The spectrum of activities supported by these grants is exciting. In Ohio, the non-profit organization Improved Solutions for Urban Systems, Inc., working with its partners, is developing a competency-based curriculum for green job training in energy efficiency and renewable energy careers. The project will train YouthBuild participants and Construction and Manufacturing Institute students in one or more green industry areas leading to industry-recognized certifications and credentials. The project will also assist students in attaining high school diplomas and place high school graduates in employment and continuing education.

Another grant will have useful applications in both residential and commercial buildings right here in Washington, D.C. ARCH Training, Inc. (ARCH) will develop and adapt curricula focusing on the energy conservation and solar industries to prepare trainees for national and industry-recognized certification exams. A 'Green Jobs' job preparation guide will be prepared for graduates entering the workforce, and an employer guide will be developed to help businesses determine the skill sets of applicants. It is projected that the number of individuals trained will increase by 35 percent as a result of this grant. In addition, the Women's Bureau is doing its part by holding Green Jobs Roundtables throughout the country and by preparing a Green Jobs Guide.

As you know, with the aging of our population and other factors, the demand for health care workers continues to grow rapidly. The health care sector has continued to grow throughout the recession despite steep job losses in nearly all other major industries. For example, hospitals and other ambulatory care settings, such as long-term care facilities, added approximately 25,000 new jobs in February 2009 even though 681,000 jobs across the nation were eliminated that month. BLS projects that health care and social assistance employers will generate four million new jobs between 2008 and 2018. To help meet this demand, the Department competed \$220 million in Recovery Act grants to assist workers pursue careers in health care and other high growth and emerging industry sectors. High growth and emerging industries often differ in specific regions. Fields like information technology, advanced manufacturing, wireless and broadband deployment, transportation and warehousing, and biotechnology may be high growth and emerging industries in specific regional economies. In our grant solicitation, we asked applicants to define local high growth or emerging industries based on specific criteria, such as expected job growth. We expect to award these grants soon.

In preparing workers for jobs of the future, the Department realizes that multiple stakeholders will need to work together to achieve the desired outcomes. In creating the criteria for many of the grants discussed above, we required applicants to include partners made up of a diverse set of stakeholders, including labor organizations, public or private employers, and the local workforce system. We also gave special consideration for partnerships that included community-based organizations. In bringing together the expertise of these diverse stakeholders, I hope that grantees will develop effective programs that are responsive to the needs of both workers and employers. For example, in Minnesota, Honeywell and two chambers of commerce have joined the United Steelworkers (USW) to train workers. Also in Florida, the Broward County Minority

Builders Coalition partnered with the International Brotherhood of Electrical Workers (IBEW) Local 729 to extend green jobs training opportunities.

The workers of the future are a diverse group. This is why we encouraged applicants who serve communities of color, women, veterans, and people with disabilities. Many Recovery Act grantees will train workers from these communities. In our efforts to train workers, we have created new partnerships with other departments, such as the U.S. Department of Housing and Urban Development, so that we connect residents in public housing with green jobs. In a joint letter, Secretary Donovan and I encouraged local Workforce Investment Boards and Public Housing Agencies to work together to bolster pathways to training and employment for residents of HUD housing.

We know returning veterans can contribute greatly to our economy. The Veterans' Employment and Training Service (VETS) is actively working to provide services to homeless veterans, with an increased emphasis on assisting homeless women veterans, whose numbers have increased. VETS also is vigilant in assuring veterans' rights to reemployment after returning from a deployment to fight for our country are protected. VETS will continue to provide veterans and transitioning service members with the resources and services to succeed.

We are also making real investments in the lives of our future generations and seniors. Using Recovery Act dollars, we have been able to expand programs that serve disadvantaged youth. For example, the Department funded an additional 75 YouthBuild projects in 2009, which is a 69 percent increase compared to the previous year. YouthBuild projects can make a real difference in young people's lives by providing job training and educational opportunities for low-income or at-risk, out-of-school youth ages 16 to 24. We also invested over \$200 million in more than 600 construction projects to improve Job Corps facilities. Job Corps is the nation's oldest and largest federally-funded job training and education program for economically disadvantaged youth ages 16 through 24. Students receive hands-on training in more than 100 occupational areas. These areas include some of the fastest growing job sectors such as health care, information technology and renewable energy. During my visits to Job Corps centers, I have seen firsthand how young people are given the opportunity to develop the education and skills they need to succeed in the new economy.

The Recovery Act also provided funding to local areas to support programs that employed 317,584 youth this past summer. With extraordinary efforts, these local areas worked hard to provide quality work experiences. Recovery Act funding supported real work opportunities for our nation's youth in a variety of industries including green and other high growth and emerging industries. I know that our young people have been hit hard by this economy, and this program created real employment opportunities for them. These jobs also provide a critical early labor market experience for youth, an experience which will increase their long-run labor market success.

Our nation's seniors also benefited from an additional \$118 million in Recovery Act dollars for the Senior Community Service Employment Program (SCSEP). SCSEP

provides community service opportunities for unemployed, low-income seniors with poor employment prospects – especially in this challenging economy. Recovery Act funding has expanded the number of SCSEP participants. The FY 2010 appropriation provided more than \$825 million for this program, including a one-time appropriation of \$225 million to be spent immediately. DOL expects to enroll more than 100,000 seniors in part-time, minimum wage community service positions.

In addition to investments in these important programs, the Department will continue to protect workers in the new economy. We want to contribute to a sustainable economy where workers' earnings rise with productivity and allow employment, consumption and savings to rise. The Department will continue to fight to recoup those wages to which workers are legally entitled and improve worker safety.

I take the failure to pay workers the wages that they have earned very seriously, and I am committed to enforcing all employment laws -- particularly those related to payment of the minimum wage and overtime. Workers deserve this money and it will bring money to low-income households where most of it will be spent and help invigorate local communities. As I noted earlier, we have already increased staffing of enforcement officials. The improved staffing levels have helped secure millions of dollars in back wages for thousands of workers. As these new investigators grow into their jobs, they will be an even stronger force for securing compliance with these basic labor standards protections.

In the jobs of the future, I will work to ensure that workers' rights will be protected. In order to rebuild the middle class, we need to level the playing field and restore fair play for all working people. The growing inequality in wages and benefits is partially due to the increasing obstacles workers face in forming unions and engaging in collective bargaining. We need to restore their freedom to do so. This is why the President and I support the Employee Free Choice Act. I know from personal experience that union jobs are good jobs, pay higher wages than non-union jobs, and provide flexibility and benefits like paid leave, child care, education assistance, and retirement security. This legislation can help give workers a voice in the workplace.

In the jobs of the future as well as in jobs of the present, workers should be safe at their workplaces. I am proud that OSHA is restoring its capacity to strongly enforce statutory protections, provide technical support to small businesses, promulgate safety and health standards, strengthen the accuracy of safety and health statistics, and ensure that workers know about the hazards they face and their rights under the law. OSHA diligently inspects workplaces where millions of people are employed and is constantly working to ensure that employers are providing safe working conditions for their employees. In 2009, the Department issued the largest proposed penalty against an employer in the history of OSHA. OSHA also issued nine "egregious" workplace health and safety citations involving flagrant violations for employers who knowingly exposed workers to deadly hazards. OSHA is also focusing its efforts on ensuring that hard-to-reach workers know about their rights and the hazards they face. For example, in April 2010, OSHA will hold a safety and health summit to ensure that Latino workers in Texas have the tools

they need to ensure their safety. Latino workers often work in high hazard industries and are more likely to get injured or killed on the job. We are also making sure that green jobs are safe jobs. OSHA is focusing on preventing injuries and illnesses among workers who do renovation, weatherization, and work on potentially hazardous machinery.

To improve worker safety, MSHA has announced a comprehensive strategy to end new cases of black lung among the nation's coal miners. The goal of MSHA's initiative is to curb debilitating and potentially fatal diseases caused by coal mine dust. MSHA is celebrating 40 years of legislation aimed at improving working conditions for America's workers, and last year, MSHA celebrated the safest year in mining in U.S. history. For its part, WHD is increasing its focus on those workers who are most vulnerable: young workers, farm workers, and those who toil in labor intensive industries at the lowest levels of compensation. In 2010, WHD will launch a multi-lingual public awareness campaign titled "We Can Help" to reach these vulnerable workers who are so often reluctant to report violations and fearful of exercising their rights to a minimum wage and overtime pay. All workers have a right to a safe and fair workplace, and we will work hard to achieve this goal.

The Department of Labor's Goals for 2010

In the beginning of my testimony, I said that my vision for the Department of Labor is "Good Jobs for Everyone." Everyone throughout the Department knows of my vision and knows that the work they do everyday helps make this vision a reality. And here are some of the ways that I define a good job.

- A good job can support a family by increasing incomes, narrowing the wage gap (for example, wage gaps between men and women and gaps experienced by communities of color), and allowing workplace flexibility.
- A good job is safe and secure and gives people a voice in the workplace.
- A good job is sustainable and innovative, for example a green job.
- A good job will help rebuild a strong middle class.
- A good job provides access to a secure retirement and to adequate and affordable health coverage.

I want to emphasize that my goal is for any individual, regardless of race/ethnicity, religion, sex, national origin, sexual orientation, gender identity, disability status, age, or veteran status, to have access to a good job. Many of the Recovery Act grants we released target underserved groups such as people of color, ex-offenders, women, and veterans. In creating jobs of the future, I will work to ensure that all people from all communities are included.

The Department has laid out 5 high-priority goals in working with the Office of Management and Budget to help us focus our resources and ensure Good Jobs for Everyone. These goals are:

- (1) Significantly reduce fatalities resulting from the most common causes by OSHA-covered workplaces and mining sites.
- (2) Reduce the number of repeat violators of minimum wage, overtime, and workplace safety laws.
- (3) Improve worker rights and livelihoods for vulnerable populations in developing country trading partners.
- (4) Create a program to help workers injured on the job return to work so that they can continue to be productive members of America's workforce.
- (5) Increase opportunities for America's workers to acquire the skills and knowledge to succeed in a knowledge-based economy.

All of these high priority goals are outlined in greater detail in the Department of Labor's FY2011 budget which was released on Monday, February 1. The challenges facing America's workers are many. The Department has outlined these high-priority goals to focus our agencies on the most critical needs affecting the safety, health, and economic security of workers. They are of course guided by our broader "Good Jobs for Everyone" vision. In addition these high-priority goals, we have other key initiatives that I know are important to the Committee.

The reauthorization of the Workforce Investment Act (WIA) presents a unique opportunity to promote innovation in the public workforce system, build on its strengths, and address challenges. We can help workers who are unemployed or in low-wage jobs find a path to middle class jobs, providing them with the skills and knowledge they need to succeed in the knowledge economy. We can also help businesses seeking to hire skilled workers and better position them to take advantage of a recovering economy. And we will work closely with our colleagues in the Department of Education to make sure the WIA programs work more seamlessly together to help participants.

Our goals for the reauthorization of the Workforce Investment Act (WIA) include:

- (1) Streamlining service delivery -- providing easy access and clear information to individuals and employers in need of service;
- (2) One-stop shopping for high quality services -- one-stop centers should provide access to comprehensive employment and training services across different programs and better utilize technology to improve customer service;
- (3) Engaging employers on a regional and sectoral basis -- Training programs are often most effective when they are developed on a regional basis reflecting the labor market or on a sectoral basis focusing on a particular industry of the economy;
- (4) Improving accountability -- Performance measures must be designed to hold programs accountable for better results, without creating incentives to deny services to those most in need of assistance, and results should be made available in a transparent way to all; and
- (5) Promoting innovation -- WIA should promote the funding of new and creative practices and support the replication of those practices that are successful throughout the workforce system.

We look forward to continuing to work with Congress to reauthorize WIA to improve the workforce system for all.

I have also charged the Department with making our work more transparent to the public. Through our innovative Open Government initiatives, we have made information available to everyone. For example, our FY 2010 proposed budget was made public using innovative web media tools, which allowed for live “web chats” and a question and answer session with me. We released the Semi-Annual Regulatory Agenda using a similar format. My Assistant Secretaries and I were able to engage in live “web chats” with the public regarding DOL’s planned regulatory agenda. Approximately 6,000 members of the public participated in or watched the web chats. In addition, agencies are making their work and the data we collect more transparent. For the first time ever, OSHA is systematically publishing employer-specific information about occupational fatalities on its Web site and making these data available for easy download. It is my goal that the public will be able to access and understand the work we are doing to assist America’s workers.

In the coming year, I am also making a concentrated effort to reach out to diverse audiences. I have met and will continue to meet with leaders of labor unions. At the same time, I am also reaching out to employers, because I know they are the ones who will hire our future workers. Last year, I was the first person from the Administration to speak at the National Association of Manufacturers’ Manufacturing Summit, and I also met with the Black Enterprise 100, a group of the largest companies in the United States owned by African Americans. I, along with Veterans Affairs Secretary Shinseki, addressed the National Chamber Foundation to discuss the employment of veterans. I will continue to reach out to Chambers of Commerce, community-based organizations, and other stakeholders. I am pleased to see that we have already begun to work together. I have seen partnerships among diverse stakeholders in some of the grants we recently released. For example, in Pennsylvania, UAW Local 544 is partnering with Carnegie Mellon University, Veterans Leadership Program of Western Pennsylvania, Thermal Transfer Corporation, and U.S. Steel Corporation to train workers. The Department will continue to support and encourage public-private partnerships, as we all have a role to play in the future of our workers.

Job Creation in 2010

The President and the Administration have renewed our focus on creating jobs. Late last year, I took part in a jobs forum at the White House that brought together small business owners, CEOs, unions, economists, non-profits, and state and local officials to talk about job creation. We are working closely with our partners in the private sector so that we can better generate jobs, growth, and innovation. In moving forward, we know that we need to help small businesses, invest in our country’s infrastructure, and promote growth in our clean energy economy.

In his State of the Union address last week, President Obama outlined the steps that we will be taking together to create more jobs. Specifically, we are calling on Congress to pass a jobs bill with:

- Investments in small businesses including a tax credit to hire new workers or raise wages;
- Investments in road, bridge, rail and port projects; and
- Investments in clean energy, which develop a clean energy economy and a skilled workforce.

Too many Americans are ready, willing and able to work, but cannot find a job. These critical programs will spur private sector job creation. We know that small businesses are often the driver of economic expansion that communities across the country desperately need and the President's new Small Business Jobs and Wages Tax Credit will reward job creation and the good jobs that pay more. I especially look forward to working with the President and you on new green jobs and high growth industry job training to be sure American workers are ready for these new jobs.

Conclusion

While I came to lead the Department of Labor at a tumultuous and challenging time, I know that we have already made a real difference in the lives of America's workers and their families. We successfully implemented the Recovery Act and have seen how these investments have saved and created jobs in communities across the country. I look forward to working with you and your colleagues to ensure that there are "Good Jobs for Everyone" and to create new and better jobs for the 21st Century economy. I thank you for your time and am happy to respond to any questions you might have.