

**STATEMENT OF DAVID G. DYE
DEPUTY ASSISTANT SECRETARY FOR
EMPLOYMENT AND TRAINING
BEFORE THE COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE**

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Mr. Chairman and Members of the Committee:

Thank you for the opportunity to discuss the Department of Labor's employment and training programs for Indian and Native Americans in Program Years 2002 and 2003. As you are aware, the Department's Employment and Training Administration (ETA) administers these programs, which are statutorily targeted to Indians and Native Americans. I am pleased to have with me today Mr. James C. DeLuca, who serves as the Chief of the Division of Indian and Native American Programs (DINAP) within ETA.

ETA's primary strategy for Indian and Native American programs focuses on the continuation of our partnership initiatives, and support of the President's commitment to Native Americans. As he stated in his commemoration of National American Indian Heritage Month, this Administration will "continue to work with tribal governments on a sovereign-to-sovereign basis to provide Native Americans with new economic and educational opportunities." The Department of Labor is a partner with not only other Federal agencies including Department of Interior, but also tribal governments and other Native American organizations that deliver job-training services. Our partners include the 186 Indian and Native American Workforce Investment Act (WIA) section 166 grantees. These

partnerships are based on shared responsibility for program accountability and improved program outcomes, and there is also a commitment to identify and to leverage resources outside of WIA.

For its part, ETA has worked cooperatively with Indian grantees to improve its program and maximize the impact of those funds. The partnership ensures that Native people and Native communities have the opportunity to be active participants in the American economy. The key to success in these partnerships is the relationship between Indian WIA grantees and the Department – specifically, that the federal government and Indian communities must work together, each accepting a portion of the responsibility for the success of efforts to serve Indians and Native Americans.

As a Federal partner, we are committed to:

- 1) Continuing to work closely with our partners;
- 2) Securing resources to support capacity building efforts;
- 3) Encouraging integration of employment and training services at the local level; and
- 4) Developing meaningful performance measures to ensure accountability based on the Government Performance and Results Act (GPRA), and the “continuous improvement” requirements of WIA and to allow comparisons of performance with other Federal job training and employment programs for Indians, Native Americans and other adults and youth..

There are two distinct Indian programs authorized under WIA. One is a year-round program for youth and adults authorized under section 166 of the statute. This program is designed to improve

the economic well-being of Native Americans by providing training, work experience, and other employment-related services and opportunities that are intended to aid its participants to secure, permanent, unsubsidized jobs. The program serves approximately 22,000 Native people annually in all areas of the United States, including those participating in the demonstration under the Indian Employment Training and Related Services Demonstration Act of 1992 (“Public Law 102-477”).

This Public Law 102-477 demonstration allows the combining of funds for employment and training activities from several federal Departments to be administered under a single grant by the Bureau of Indian Affairs and coordinated at the tribal level. Currently, 48 tribal and Alaska Native entities participate in the demonstration, 44 of which receive WIA section 166 funds. Because of the reduced administrative workload and the flexibility the single grant provides, some of these grantees have more than doubled the number of participants they serve.

The other main program is the Supplemental Youth Services Employment and Training program, also authorized under section 166 of WIA. The law reserves Supplemental Youth Services funds specifically for services to Native American youth in reservation areas, Alaska, Oklahoma, and Hawaii. This program serves about 10,000 Native American youth each year.

These two programs represent the main source of support for employment and training services for Indians and Native Americans, for which the President's FY 2003 Budget requests a total of \$70 million. The budget request includes \$55 million for the WIA section 166 Indian and Native American Program. These grants are, by law, competitive. However, once the competition for geographic

service area has been conducted, the actual funding is determined by means of a formula allotment based on the relative numbers of Native Americans unemployed and/or in poverty in each service area, as compared to those unemployed and/or in poverty in the Indian and Native American population nationwide.

The portion of the budget request for the Native American Indian Supplemental Youth Services Program totals \$15,014,475, which represents 1.5% of the total WIA youth formula-grant request, as mandated by section 127(b)(1)(C) of the Act. On most reservations, the only employment opportunities available to young people are through the WIA Supplemental Youth Services Program, primarily because of the lack of significant private sector activity in many Indian communities. The program provides jobs for young people who would not otherwise have them, and offers much-needed work experience and training activities to develop job readiness skills. Participants also receive academic enrichment, on-the-job training, and other services related to job skill development.

In addition, the Department of Labor supports a variety of other initiatives. ETA has awarded six competitive grants totaling \$29 million to American Indian and Alaska Native grantees for youth programs. The Native American communities served by the grants include isolated and rural reservations to remote Alaska Native villages. They serve areas with high poverty and unemployment rates and the majority lack private sector employment opportunities and public transportation. Due to the limited number of private sectors jobs available on Indian reservations, the Native American programs focus on education, youth development and work experience programs.

Under the Senior Community Service Employment Program, the Department provides over \$6 million to subsidize part-time community service jobs for about 700 low-income Native Americans age 55 years and older on reservations and in other areas. Participants serve their communities in positions such as nurse's aides, teacher aides, and clerical workers while gaining skills to move into unsubsidized employment.

The Department has awarded National Emergency Grants to Native American entities to serve dislocated workers. For example, the Lummi Tribe in Washington State is receiving up to \$1.5 million to assist dislocated fishermen, and the Salish-Kootenai Tribe in Montana has received about \$2.8 million to assist workers dislocated due to wildfires.

The Department also is continuing to provide support to those tribes attempting to implement welfare reform under the Temporary Assistance to Needy Families (TANF) block grant program. To make welfare reform work in Indian Country, there will need to be new investment and new employers. Although the authorization to make grants for Indian and Native American Welfare-to-Work (INA WtW) programs has expired, the Department has adopted regulations and procedures that enable those tribal grantees with remaining WtW monies to expend them within the recently extended time period on those participants who can best benefit from that effort. Tribal welfare reform efforts also will require assistance from the private sector to make the transition from a society of dependence to a society of self-sufficiency. In support of this effort, ETA staff participates in an inter-organizational work group known as "The National Tribal Economic Development Forum" designed to bring together

Indian and Native American entrepreneurs, federal partner agencies, and financial resources from both the public and private sector to stimulate growth and true economic development in Indian Country

The funds requested in the President's Budget will help significantly in assisting tribes and Indian organizations to meet the employment and training needs in their communities. However, we must also continue our partnership efforts to strengthen the program and involve other areas of society, such as the private sector and community- and faith-based organizations, if the overall effort is to be successful.

In concert with our partners we have accomplished many significant things thus far in Program Year 2001 (which ends June 30 of this year). We have managed to streamline regulations, increase the capacity of grantees to manage grants, implement an information technology project that has put over 120 grantees onto the information superhighway and enabled them to report on-line, increase peer-to-peer technical assistance and training, and improve the average hourly wage rate for participants placed in unsubsidized jobs. The Department has already approved \$195,000 that will be used to further this and other partnership initiatives.

The most recent Indian and Native American (INA) employment and training performance data available are for program year 2000 (July 1, 2000 to June 30, 2001). During PY 2000, the INA employment and training program funded under title of WIA section 166 (the "adult" program) had an overall entered employment rate of 54.1% and a positive termination rate of 83.4%. A positive termination occurs when participants begin working, earn a diploma, or complete training. Participants

placed in unsubsidized employment had an average hourly wage of \$7.70 per hour, which was significantly higher than the average preprogram wage of \$5.47 per hour.

Before I conclude my statement, I would like to address two concerns that you may have. These relate to filling vacancies on the Native American Employment and Training Council and to the Solicitation for Grant Application (SGA) for the WIA section 166 program used to identify funds recipients every two years. The Native American Employment and Training Council currently has nine vacancies. I want to assure you that we are working to fill these vacancies as quickly as possible. As you may know, the Solicitation for Grant Applications has generally been published in the fall. It has been approved and will be published shortly.

Mr. Chairman, our investment in Indian and Native American employment and training programs will enable many of the most disadvantaged Americans to acquire the skills they need for productive careers. It is our strong belief that this is a worthwhile investment. This core federal commitment to support and encourage Indian and Native American communities helps to build a viable economic future for this population.

Mr. Chairman, this concludes my prepared statement. I would be happy to answer any questions from the Committee at this time.