

**National Employment Law Project  
Advocacy for Dislocated Workers**

***Federal Policy Initiatives:  
From Best Practices to  
Creative Solutions?***

**Automotive Communities and  
Workforce Adjustment Conference**

Detroit, Michigan

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# *Overview of Topics*

- Federal Role/Responsibilities
- Rapid Response/Dislocated Worker (DW) Best Practices
- Added Elements of Better DW Programs
- Emerging Workforce Challenges

# *Economic Adjustment Initiative*

- Funded by Mott Foundation (Flint) and Joyce Foundation (Chicago) to assist workers displaced from Midwest manufacturing jobs starting in 2006
- Focused on using effective dislocated worker practices, esp. in IL, IN, MI, and OH
- Goals: increasing participation in these programs and gaining more funding and expanded eligibility for dislocated workers

# ***Redefining Federal Role in Workforce Development***

- Provide Adequate Funding of DW Programs
- Promote Best Practices and Require Them Where Authorized (example Rapid Response)
- Proactive Role vs. Reactive Role
  - Monitor Dislocations in Real Time
  - Assist State and Local Program Providers When Needed
- Pilot Programs/Funding for New Initiatives
- Research/Evaluation

# ***Dislocated Worker Program Best Practices***

- Identify Best Practices Based Upon History, Experience and Stakeholder Input
- Core Best Practices Promoted by NELP:
  - Rapid Response/Advance Notice of Layoff
  - Peer Networks
  - Labor Management or Worksite Committees
  - Training Linked with TAA or UI
  - Labor Program Operators

# Key Practice No. 1: State Rapid Response

- Purpose: to provide information on services and programs, plan reaction to layoffs or plant closing, and ensure coordinated response to dislocation
- More than an event—a process
- Rapid response—Should be state function funded by state portion of federal WIA funds with local participants

# Key Practice No. 2: Labor Management or Workplace Adjustment Committees

- Voluntary worksite committee to develop and implement a strategy for assessing the employment and training needs of dislocated workers and obtaining services to meet such needs
- LMC funding is authorized under WIA.
- Direct funding and/or in-kind services from companies and/or unions (lost time) is also possible for LMCs.
- Best way to communicate and work together at workplace level for better outcomes.

# Key Practice No. 3: Peer Networks

- Peers are individuals selected from the ranks of laid off workers that are trained to assist co-workers.
- Peers:
  - Help develop trust in the dislocated worker program
  - Help workers overcome resistance
  - Help workers deal with denial, anger, fear, stress, and other barriers
  - Provide referrals and support for co-workers
- Upon request, NELP assists with technical advice and backup

# Key Practice No. 4: Income Support for Trainees thru TAA or UI

- NELP promotes TAA as best existing dislocated worker program
- TAA provides income support AND training for dislocated workers
- TAA includes limited health care option
- In addition to TAA, states can use better linkages between UI and training
  - Approved Training
  - Longer Benefits

# Key Practice No. 5: Labor Program Operators

- LPOs are labor-run non-profits that usually use federal WIA funds to provide services to dislocated workers.
- IL, MI and OH have LPOs. Existing IN LPO was defunded by Governor Daniels. .
- NELP supports LPOs broadly and we provide backup and support upon request in establishing them or helping them.

# ***Beyond the Basics: Recommended Workforce Policies***

- Layoff Aversion/Early Warning
  - Community Networks/Data Mining
  - Linked with Business Retention/Assistance
  - Model is Pennsylvania
- WARN Improvements
  - Longer Periods of Notice
  - Worker ID to State DW Unit
  - FOREWARN Act
- Community-wide Adjustment/Participation
  - Navistar
  - Belvidere

# ***Beyond the Basics: Recommended Workforce Policies—Part II***

- UI in Training
  - Available in 12 States (only IL in region)
  - Administration Pell Grant Initiative
- Short Time Compensation/Work Sharing
  - Available in 18 States
- Piggyback DW/Training Taxes
  - Available in 24 States (only MN in region)
  - Supplement WIA funding, incumbent and OJT

# *Emergency Policies Responding To This Recession*

- Wage Subsidies
  - MEED
  - For Long Term Jobless
- Public Service Employment
  - Assist Impacted Localities
  - Rebuild Communities and Infrastructure
- Short Time Compensation/Work Sharing
  - Community-wide Adjustment/Participation
- Revolving Loans/Alternate Sources of Capital/Employee Ownership

# *Emerging Workforce Challenges*

- Many Dislocated Workers with College Degrees and Skills—Don't Fit the DW Mold—Don't Need Training or Less Need for Training
- Record Long Term Unemployment and Exhaustions of UI, including many older workers
- Many training providers at or over capacity in IN, OH, and MI

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