

Eliminate Workforce Innovation and Opportunity Act (WIOA) Job-Training Programs

SAVINGS IN MILLIONS OF DOLLARS

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2020	2016-2025
\$3,366	\$2,533	\$2,564	\$2,597	\$2,630	\$2,661	\$2,698	\$2,738	\$2,652	\$2,581	\$13,690	\$27,020

Heritage Recommendation:

Eliminate the Workforce Innovation and Opportunity Act (WIOA). This proposal saves \$3.4 billion in 2016, and \$27 billion over 10 years.

Rationale:

The Department of Labor has a history of operating ineffective job-training programs. The evidence from every multi-site experimental evaluation of federal job-training programs published since 1990 strongly indicates that these programs are ineffective. Based on these scientifically rigorous evaluations using the “gold standard” of random assignment, these studies consistently find failure. Federal job-training programs targeting youth and young adults have been found to be extraordinarily ineffective.

According to a 2009 GAO report,

little is known about what the workforce system is achieving. Labor has not made such research a priority and, consequently, is not well positioned to help workers or policymakers understand which employment and training approaches work best. Knowing what works and for whom is key to making the system work effectively and efficiently. Moreover, in failing to adequately evaluate its discretionary grant programs, Labor missed an opportunity to understand how the current structure of the workforce system could be modified to enhance services for growing sectors, to encourage strategic partnerships, and to encourage regional strategies.⁶⁰

The simple fact is that there is abundant evidence suggesting that federal job-training programs do not work.

Additional Reading:

- David. B. Muhlhausen, “Do Federal Social Programs Work?” Heritage Foundation *Backgrounder* No. 2884, March 19, 2014, <http://www.Heritage.org/research/reports/2014/03/do-federal-social-programs-work>.
- U.S. Government Accountability Office, “Workforce Investment Act: Labor Has Made Progress in Addressing Areas of Concern, But More Focus Needed on Understanding What Works and What Doesn’t,” February 26, 2009, <http://www.gao.gov/new.items/d09396t.pdf>.

Calculations:

Savings are expressed as budget authority as reported on page 233 of “Analytical Perspectives, Budget of the United States Government, Fiscal Year 2015, Table 29-1. Federal Programs by Agency and Account,” http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/29_1.pdf. Budget authority is not provided for 2025, but is assumed to increase at the same rate as the geometric mean of the previous nine years.