

**WORKFORCE INVESTMENT ACT
Title I-B Adults and Dislocated Workers
July 2002-June 2003**

**OLDER WORKER FLOWS THROUGH
CORE, INTENSIVE, AND TRAINING SERVICES,
AND EMPLOYMENT STATUS AND EARNINGS
FIRST QUARTER AFTER EXIT**

Administrative Data Research and Evaluation (ADARE) Project

Agreement K-6558-8-00-80-60

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April 2004

The principal author accepts full responsibility for the text, tables, and figures presented here. No attribution of agreement with this content should be made to any other person or organization. ADARE project partners John Baj, Kevin Hollenbeck, Joey Smith, Christopher King, and Peter Mueser provided WIASRD data needed to complete this report. Institute colleagues John Janak and Sang Truong carried out all data processing, table, and figure preparation.

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EXECUTIVE SUMMARY

This report presents initial information about the participation of different age groups in Workforce Investment Act (WIA) services and the labor market status of those in each age group after exiting from the WIA services. Attention focuses on whether older workers, 55 years or older, differ from younger age groups in the Adult and Dislocated Worker sub-populations, or by gender, educational attainment, types of WIA services received, and employment and earnings during the quarter following the WIA exit quarter.

Preliminary findings include:

- Seven percent of the WIA adults and fourteen percent of the Dislocated Workers who exited WIA services in the nine ADARE states between July 2002 and June 2003 were 55 years or older.
- Delivery of Core Services only is unrelated to age group for both Adults and Dislocated Workers, but older individuals participated in Training Services less often than younger WIA registrants.
- More females than males younger than 45 years appear in each of the three WIA Adult service categories, and more females than males older than 64 years participated in Intensive Services and Training Services, but no other age-gender-WIA service patterns were found for Adults.
- Among the Dislocated Workers, Training Services is the dominant category across the six age groups, and more males than females in each of the age groups participated in Training Services.
- Seventy-eight percent of the Adults younger than 45 years, and 64 percent of the Dislocated Workers younger than 45 years, had attained no more than a high school diploma or its equivalent. These concentrations of lesser educational attainment are not as pronounced in the older age groups.
- Percent employed in the quarter after exit quarter declines consistently from younger to older age groups within each of the WIA service categories, ranging from a high of 73 percent of those younger than 45 years who received only Core Services to a low of 41 percent of those older than 64 years who participated in Intensive Services (but not Training Services).
- Sixteen out of eighteen within age group comparisons of Adult and Dislocated Worker percent employed quarter after exit quarter levels show the Dislocated Workers to have the higher percent employed level.

- For the WIA Adult and Dislocated Worker sub-populations there is no clear pattern of quarter after WIA exit quarter median earnings level by age group or WIA service category.
- Dislocated Workers in all age group and WIA service category pairings have higher median earnings for the quarter after the WIA exit quarter than the identical Adult pairings of age group and WIA service category.

Next steps are described that bring together the WIA and UI wage records relied upon here with other administrative records, such as unemployment insurance and temporary cash assistance spells, to enable researchers to follow specific age group populations over time. Insights coming from other on-going research, including the Market-responsive Education and Employment Training System (MEETS) demonstration of customized delivery of new Census Bureau Local Employment Dynamics Program *Quarterly Workforce Indicators* to diverse local customers, and the Anatomy of a One-Stop study that is underway in Baltimore, MD and two local sites in mid-Missouri, will be combined with the administrative record analysis to design better responses to the different needs of particular age groups appearing at One-Stops and One-Stop partner locations.

According to Census Bureau population projections, by 2010, when baby boomers will be 46 to 64 years, the number of 55- to 64-year-olds will grow by more than 11 million compared with the number in 2000, an increase of 46 percent.¹

1.0 INTRODUCTION

This report presents initial information about the participation of different age groups in Workforce Investment Act (WIA) services and the labor market status of those in each age group after exiting from the WIA services. The report is the most recent in a series of reports completed by **Administrative Data Research and Evaluation (ADARE)** research partners.²

Following WIA Section 101(28), the term ‘older individual’ means an individual age 55 or older. Older worker topics have received increased research attention³ in recent years as the oldest baby boomers approached and then began to move beyond age 55.

¹ Horrigan, Michael W., “Employment projections to 2012: concepts and context,” *Monthly Labor Review*, 127:2 (February 2004), p. 9.

² See <http://www2.ubalt.edu/jfi/adare> for information about the ADARE project, previous reports released by the research partners, and a link to each partner’s research affiliation.

³ U.S. Census Bureau, Local Employment Dynamics Program, *A Profile of Older Workers in Oregon: Local Employment Dynamics*, JSR-OR-2004/1, March 2004, 22 pp.; Toossi, Mitra, “Labor force projections to 2012: the graying of the U.S. workforce,” *Monthly Labor Review*, 127:2 (February 2004), pp. 37-57; Hill, Elizabeth T., “The labor force participation of older women: retired? working? both?,” *Monthly Labor Review*, 125:9 (September 2002), pp. 39-48; and Szrafran, Robert F., “Age-adjusted labor force participation rates, 1960-2045,” *Monthly Labor Review*, 125:9 (September 2002), pp. 25-38. One of eight invited papers to be presented at the May 24, 2004 National Workforce Investment Research Colloquium sponsored by the Employment and Training Administration is Alan Gustman and Thomas Steinmeier, *Older Workers and the Labor Market: Labor Market Policies for Older Workers*.

A mix of known and unknowable facts provide a context for thinking about older worker issues:

- The number of older individuals in future years is known with few contingencies. The contingencies include immigration and emigration flows and unforeseen threats to or extensions of life.
- The availability of older individuals to work in future years is much less certain. Future opportunities and incentives to work are unclear.
- It is difficult to estimate the productivity of the older individuals who will be available to work.

The three dot-points can be summarized in a single sentence—We are confident about year-to-year estimates of the number of older individuals, but we know less about what these people will be able and willing to do.

Part of the problem in projecting what older individuals will be able and willing to do is uncertainty about employer interest in the availability of older individuals to work. A continuing mix of retirements and involuntary permanent separations flows into a reservoir of unknown human capital value.

- What previous productive contribution is no longer in demand?
- What previous contribution is withheld because an older individual decides s/he does not want or have to do that anymore?
- Where will older individuals want and be able to afford to live if they want or have to work?

The ADARE states—California, Florida, Georgia, Illinois, Maryland, Missouri, Ohio, Texas, and Washington, include 43 percent of the U.S. civilian labor force and represent a diverse mix of traditional working age and retirement locations. Together with the new Census Bureau Local Employment Dynamics Program *Quarterly Workforce Indicators* series, the ADARE research partners are positioned to monitor the transition paths taken by maturing workers as they approach, reach, and move beyond the older individual threshold of 55 years.

This ADARE report begins a new concentration on older worker transition research by focusing on six age groups of WIA Adults and Dislocated Workers who exited from WIA services in the nine ADARE states between July 2002 and June 2003.

2.0 DATA SOURCE AND PROCESSING

Findings summarized in section 3 are based on the most recent WIA Standardized Record data (WIASRD) files delivered by states to the Employment and Training Administration in December 2003-January 2004. The WIA exit dates⁴ covered are from July 1, 2002 through June 30, 2003. The states included are California, Florida, Georgia, Illinois, Maryland, Missouri, Ohio, Texas, and Washington. Only Adult (Local), WIASRD field 304, and Dislocated Worker (Local), WIASRD field 305, exits are included.

WIASRD field 332 *date of first intensive service* and WIASRD field 333 *date of first training service* were used to make a mutually exclusive assignment of the Adult and Dislocated Worker individuals to Staff-Assisted Core Services, Intensive Services, or Training Services.⁵

The WIASRD field used to calculate age is *date of birth*. The YYYYMMDD format of *date of birth* is compared with the YYYYMMDD format of *date of WIA exit* to calculate age at the time of WIA exit.

Gender and *highest school grade completed* information is missing in some WIASRD files, so the N's used to calculate sub-population percentages in these cases do not sum to the total number of WIA exits between July 2002 and June 2003.

Highest school grade completed, WIASRD field 123, has six value labels:

1. 00-11 less than high school completion
2. 12 high school graduate
3. 88 GED or other high school equivalency
4. 13-15 some postsecondary
5. 16 bachelor's degree or equivalent
6. 17 beyond bachelor's degree

These have been consolidated into three derived variables for practical descriptive use here:

- 00-11, 12, and 88 high school graduate or less
- 13-15 some postsecondary but no bachelor's degree
- 16 and 17 bachelor's degree or beyond

⁴ WIASRD field 303, *date of WIA exit*, defines 'hard' and 'soft' exit criteria. No distinction between these two types of exit circumstances is made in the WIASRD.

⁵ The assignment process was sequential—if a date of first training service was found the individual was assigned to training services; if not, the search turned to the presence of a date of first intensive service, which was the criterion for assignment to intensive services; and the remaining individuals with no date of first intensive service were assigned to staff-assisted core services.

Employed in quarter after exit quarter, WIASRD field 601, is potentially subject to misinterpretation. Three codes are permissible—1=Yes; 2=No; and 3=Individual has exited but employment information is not yet available. The definition of ‘employed’ includes two components:

1. “The individual should be considered as employed if wage records for the quarter after exit show earnings greater than zero.”⁶
2. “When supplemental sources are used, individuals should be counted as employed if, in the calendar quarter after exit, they did any work at all as paid employees (i.e., received at least some earnings), worked in their own business, profession, or worked on their own farm.”

The three codes and two definitions require careful interpretation of the WIASRD information for *employed in quarter after exit quarter*. WIASRD field 601 code 1 combined with definition 1 above is straightforward—the individual is employed and has positive reported earnings for the reference quarter. Code 1 combined with definition 2 above is more difficult to interpret because no earnings amount has been reported.⁷ Here, the combination of WIASRD field code 1 with no positive reported earnings amount in WIASRD field 616 has been omitted from the count of individuals *employed in quarter after exit quarter*. This decision removes the second definition of ‘employed’ above—employment documented by supplemental sources without earnings information.

Calculation of the percent of individuals who were *employed in quarter after exit quarter* requires definitions of the numerator and denominator counts.

Denominator—Individuals with WIASRD field 601 *employed in quarter after exit quarter* codes 1=Yes, or 2=No, but not 3=Employment information is not yet available. Those for whom employment status information is not yet known are not included in the denominator count.

Numerator—Individuals with code 1=Yes in WIASRD field 601 *employed in quarter after exit quarter* and a positive dollar amount in WIASRD field 616 *total earnings from wage records for the quarter following the exit quarter*. Again, this does not include individuals with code 1=Yes in WIASRD field 601, but no positive earnings amount in WIASRD field 616 (i.e., the documentation of employment was from a supplemental data source).

⁶ WIASRD field 616, *total earnings from wage records for the first quarter following the exit quarter*, is the source of this determination of employment status.

⁷ WIASRD field 602, *source of supplemental data*, includes a note that “data from these sources that provides information on quarterly earnings should be considered as wage record information, not as supplemental data.”

A consequence of the definition of the derived indicator *percent employed in quarter after exit quarter* is that “individuals who did any work at all as paid employees (i.e., received at least some earning), worked in their own business, profession, or worked on their own farm” are excluded. Employment circumstances of these types or reliance on supplemental sources to document such employment circumstances may be associated with the age of former WIA registrants who exited during the reference year. Some retirees and dislocated workers who satisfy the older individual definition might reasonably be expected to work in their own business or profession, or on their own farm, more often than those in younger age groups.

The definition of the derived indicator *percent employed in quarter after exit quarter* has an important beneficial consequence—the numerator count is the same as the denominator count used to calculate average earnings during the quarter following the exit quarter. Only those with a positive recorded earnings amount are included. Those documented as employed but without accompanying earnings information are excluded.

These are the WIASRD data fields and derived variables that were used to summarize the flow of different age groups through WIA staff-assisted core services, intensive services, and training services, and to calculate employment status and reported earnings during the quarter following each person’s WIA exit quarter. Highlighted findings follow in section 3.

3.0 PRELIMINARY FINDINGS

3.1 Aggregate findings reported here—state-specific findings to follow

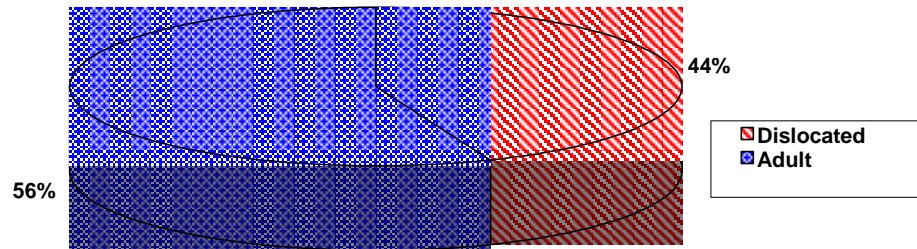
The findings summarized in this section are based on the aggregation of nine state WIASRD files. A next step will be to replicate the tables and charts presented here for each of the nine ADARE states. Until then, interstate differences in the flow of different age groups through WIA services and employment status and earnings profiles based on the quarter following the WIA exit quarter cannot be described.

3.2 Adult and Dislocated Worker age distributions

Figure 1(a), (b), and (c) shows the relative sizes of the Adult and Dislocated Worker sub-populations and the relative sizes of six age groups within each of these sub-populations.

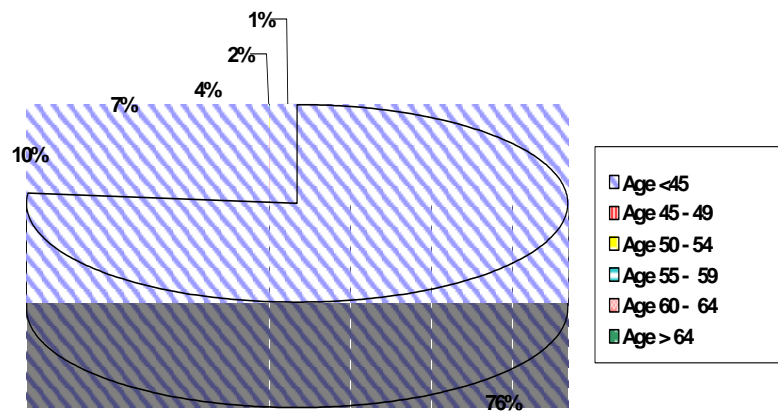
WIA ADULT AND DISLOCATED WORKER EXITS IN ADARE STATES, JULY 2002- JUNE 2003

FIGURE 1(a)



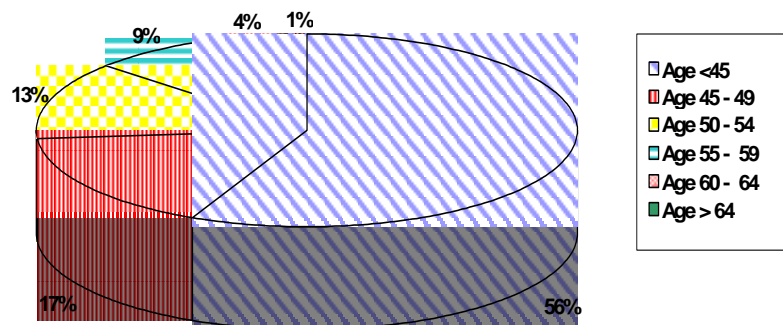
WIA ADULT EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP

FIGURE 1(b)



WIA DISLOCATED WORKER EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE

FIGURE 1(c)



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

The total nine-state population of WIA adult and dislocated worker exits recorded in the state WIASRD files between July 2002 and June 2003 is 148,629.⁸ This count includes 83,351 Adults (56 percent) and 65,278 Dislocated Workers (44 percent)—see Figure 1(a).

The relative sizes of the six age groups within the Adult and Dislocated Worker sub-populations are shown in Figure 1(b) and Figure 1(c) respectively. Seventy-six percent of the Adults and fifty-six percent of the Dislocated Workers were less than 45 years old at the time of WIA exit. Seven percent of the Adults and fourteen percent of the Dislocated Workers are *older individuals* based on the age 55 or older criterion.

3.3 Core, intensive, and training services by age group

Table 1 shows the age group distributions of the Adult and Dislocated Worker sub-populations among the Staff-Assisted Core Services, Intensive Services, and Training Services categories. The shares of both the Adult and Dislocated Worker individuals who received only Staff-Assisted Core Services are insensitive to age group—between 19 and 21 percent of Adults and between 12 and 14 percent of Dislocated Workers in the six age groups received only these Staff-Assisted Core Services.

Younger Adults were more likely to receive Training Services than their older counterparts—Table 1 shows a decline in percent receiving Training Services from 49 percent of those younger than 45 years to 34 percent of those older than 64 years. Since the Core Services share remained steady across the age groups, and the share participating in Training declined, the share receiving Intensive Services has to increase with age. The Core + Intensive + Training sum for each age group row in Table 1 equals 100 percent.

The age sensitivity of service type shares is less pronounced for the Dislocated Worker sub-population than for the Adult sub-population. Table 1 shows some age-related decline in percent receiving Training Services, from 56 percent of those younger than 45 years to 49 percent of those older than 64 years.

3.4 Core, intensive, and training services by age group and gender

Strategically, a WIA participant's appearance in the Training Services category should be based on interacting One-Stop staff, training provider, and participant judgments and decisions. The participant should be aware of and interested in the training service and judged by One-Stop staff and a training provider to be qualified to participate in the training opportunity. The training provider may be an employer or a classroom facility.

⁸ This total N=148,629 includes 1,356 individuals who appear in both the Adult and Dislocated Worker sub-files for the July 2002-June 2003 reference year.

**WIA ADULT AND DISLOCATED WORKER CORE, INTENSIVE, AND TRAINING FLOWS IN ADARE STATES,
JULY 2002 - JUNE 2003, BY AGE GROUP**

Adults								Dislocated Worker							
Time	Total	Core	Core	Intensive	Intensive	Training	Training	Total	Core	Core	Intensive	Intensive	Training	Training	
Period	N		%		%		%	N		%		%		%	
July-Sept 2002															
Age <45	63,935	11,863	19	20,169	32	31,903	49	37,158	4,545	12	11,954	32	20,659	56	
Age 45 - 49	8,420	1,712	20	3,092	37	3,616	43	10,807	1,373	13	3,682	34	5,752	53	
Age 50 - 54	5,537	1,087	20	2,224	40	2,226	40	8,570	1,108	13	3,092	36	4,370	51	
Age 55 - 59	3,445	686	20	1,434	42	1,325	38	5,633	764	14	2,130	38	2,739	48	
Age 60 - 64	1,298	268	21	564	43	466	36	2,365	313	13	872	37	1,180	50	
Age > 64	716	150	21	320	45	246	34	745	94	13	280	38	371	49	
Total:	83,351	15,766	19	27,803	33	39,782	48	65,278	8,197	13	22,010	34	35,071	53	

SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

Gender differences occur in lifetime employment affiliations, transition patterns, and resulting earnings profiles. The cumulative effect of these differences to date is present when WIA participants, One-Stop staff, and training providers make decisions about the offer and acceptance of a training opportunity.

Figure 2 shows the gender composition of each age group within the Adult sub-population of WIA exits by Staff-Assisted Core Services, Intensive Services, and Training Services. The sum of the core, intensive, and training services bars within each age group equals 100 percent. Then, within each of the stacked bars, the diamond pattern number is the female component of the bar height and the diagonal line pattern number is the male component of the overall bar height. For example, 18 percent of the age group younger than 45 years received only Staff-Assisted Core Services. The female component of this 18 percent is 11 percentage points and the male component is 7 percentage points. More females than males appear in each of the three categories of service for those younger than 45 years, and in the Intensive Services and Training Services categories for those older than 64 years, with little if any gender mix difference in the other age-service pairings. This pattern is consistent with gender differences in life-cycle needs and opportunities to establish a new employment affiliation.

The format of Figure 3 is identical to that explained in the previous paragraph, but the reference sub-population is now Dislocated Workers. Here, unlike the Adult profile in Figure 2, training is the dominant service category across all six age groups, and more males than females in each of the age groups received these training services, reflecting the gender shares in the overall sub-population of Dislocated Workers.

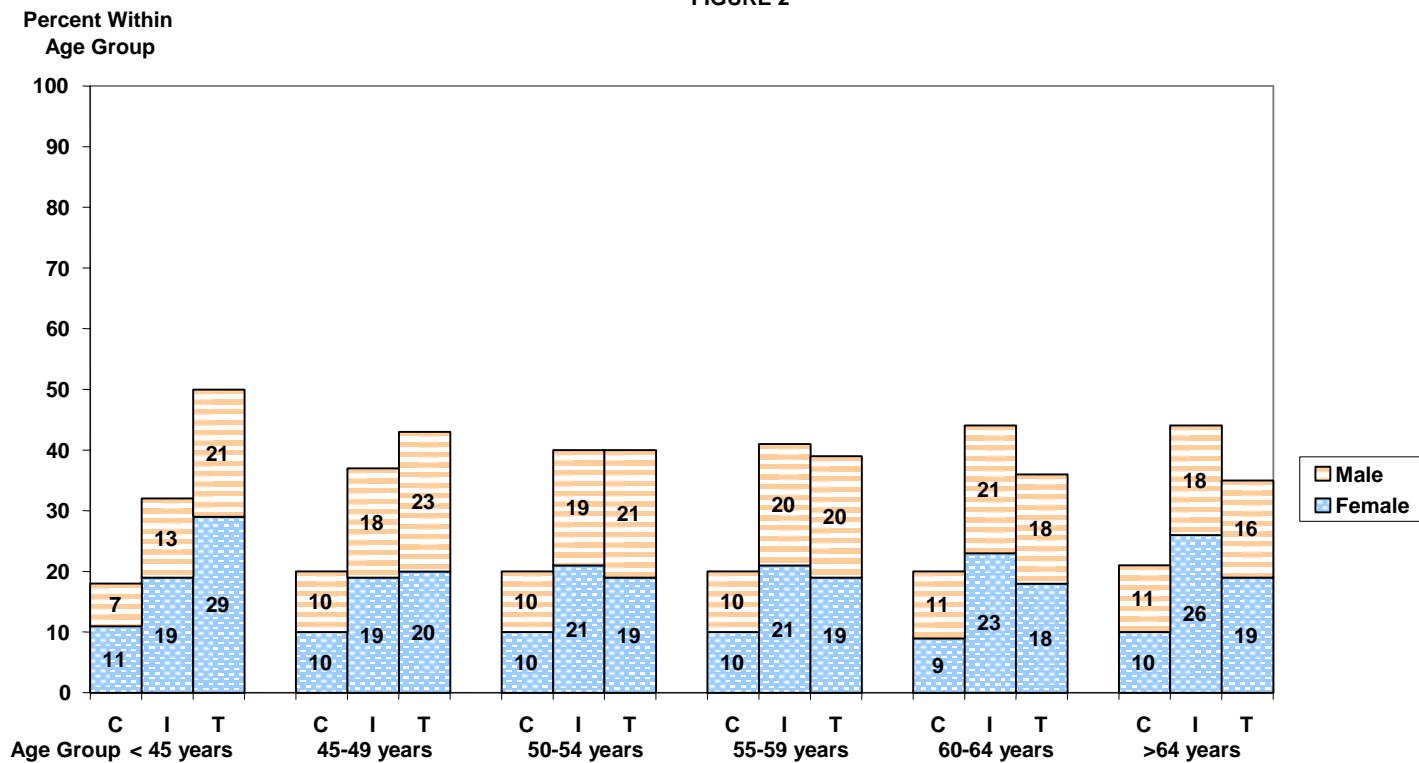
3.5 Core, intensive, and training services by age group and education

The format of Figure 4 (Adults) and Figure 5 (Dislocated Workers) is similar to that described above for Figure 2, except that the components within each bar shown are groupings of educational attainment levels:

- The diamond pattern base of each bar, which is the largest component in every case in both Figure 4 and Figure 5, represents individuals with less than a high school diploma, those who received a high school diploma, and those who received the equivalent of a high school diploma (e.g., a GED certificate).
- The second layer of each stacked bar, with a diagonal line pattern, includes those who have some postsecondary education, but not a bachelor's degree or more.
- The top layer of each stacked bar includes those who received at least a bachelor's degree.

WIA ADULT EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP AND GENDER

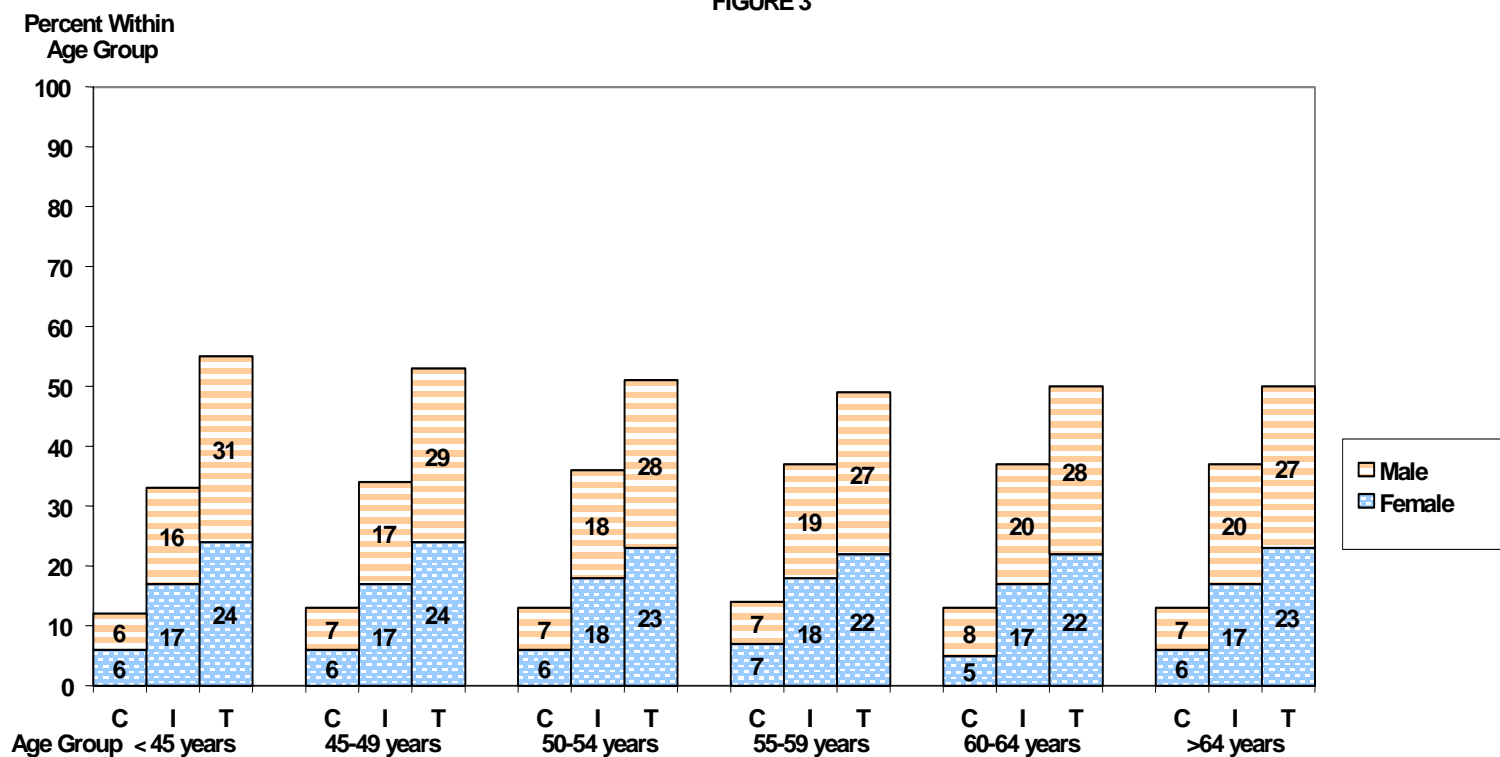
FIGURE 2



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

WIA DISLOCATED WORKER EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP AND GENDER

FIGURE 3



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

Figure 4 (Adults) and Figure 5 (Dislocated Workers) show the dominance of lesser levels of education across WIA service categories and age groups. Seventy-eight percent of the Adults younger than 45 years, and 64 percent of the Dislocated Workers younger than 45 years, attained no more than a high school diploma or its equivalent. Within each of the six age groups, a higher percentage of Dislocated Workers had attained at least some postsecondary education and participated in WIA training services compared with the Adult sub-population. This is consistent with recent work experience and training being complements—either can be a source of preferred candidate qualification in business hiring decisions. Dislocated workers have recent work experience, but advanced prior educational attainment may be needed to benefit from many of today's training opportunities. WIA Adults often have less or less recent work experience, so obtaining a job is sometimes seen as a first step toward future productivity enhancement opportunities.

3.6 Employment status in quarter after exit quarter by age group

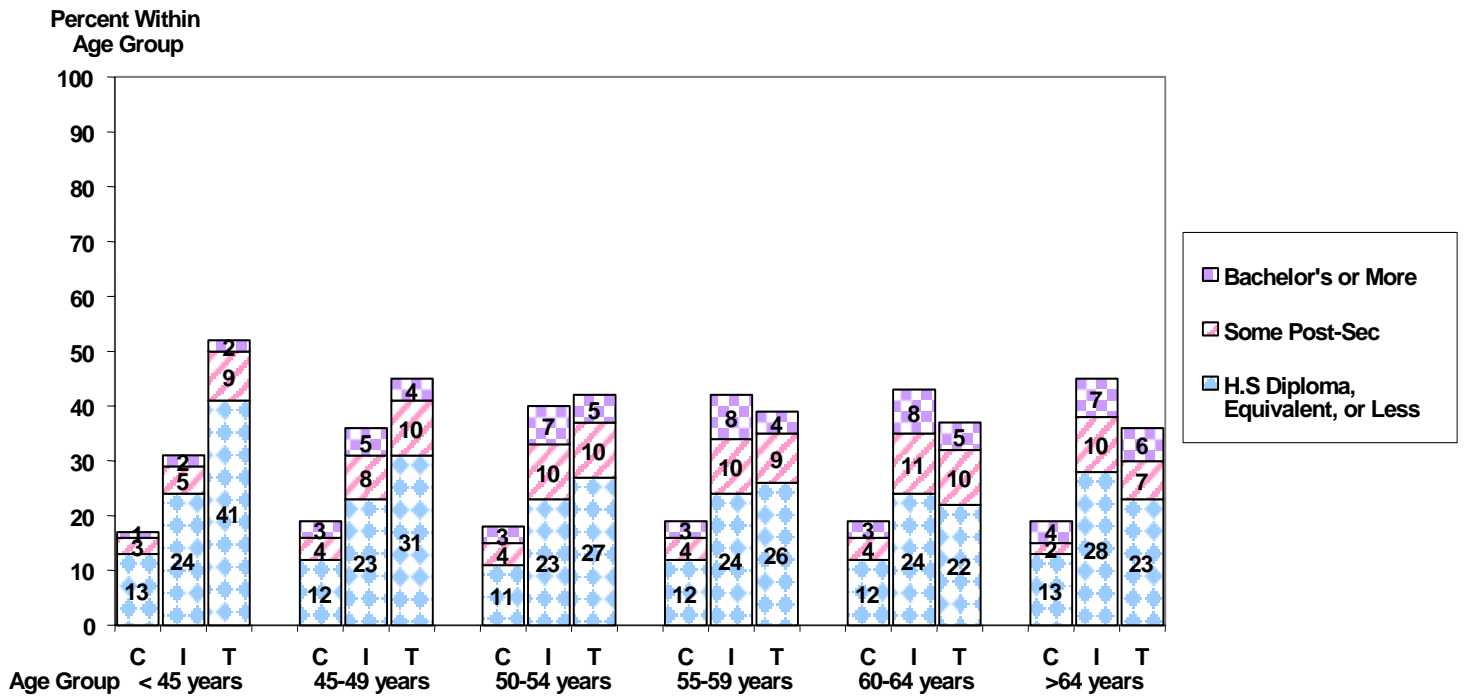
Having described age group flows through WIA core, intensive, and training services, for Adult and Dislocated Worker sub-populations, by gender and educational attainment, attention turns next to the employment status⁹ of those who exited from WIA services between July 2002 and June 2003.

Figure 6 shows the percent of former Adult participants who were employed in the quarter after WIA exit quarter, by age group and WIA service category.

⁹ Readers are encouraged to revisit pages 4 and 5, where the importance of WIASRD field 601, code 3=Individual has exited but employment information is not yet available, and the use of supplemental data sources, is covered. Each state WIASRD file is a 'living' database that is routinely updated, so the quarter after exit quarter employment status and earnings calculations can be repeated in the future when the importance of code 3 will have disappeared.

WIA ADULT EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP AND EDUCATIONAL ATTAINMENT

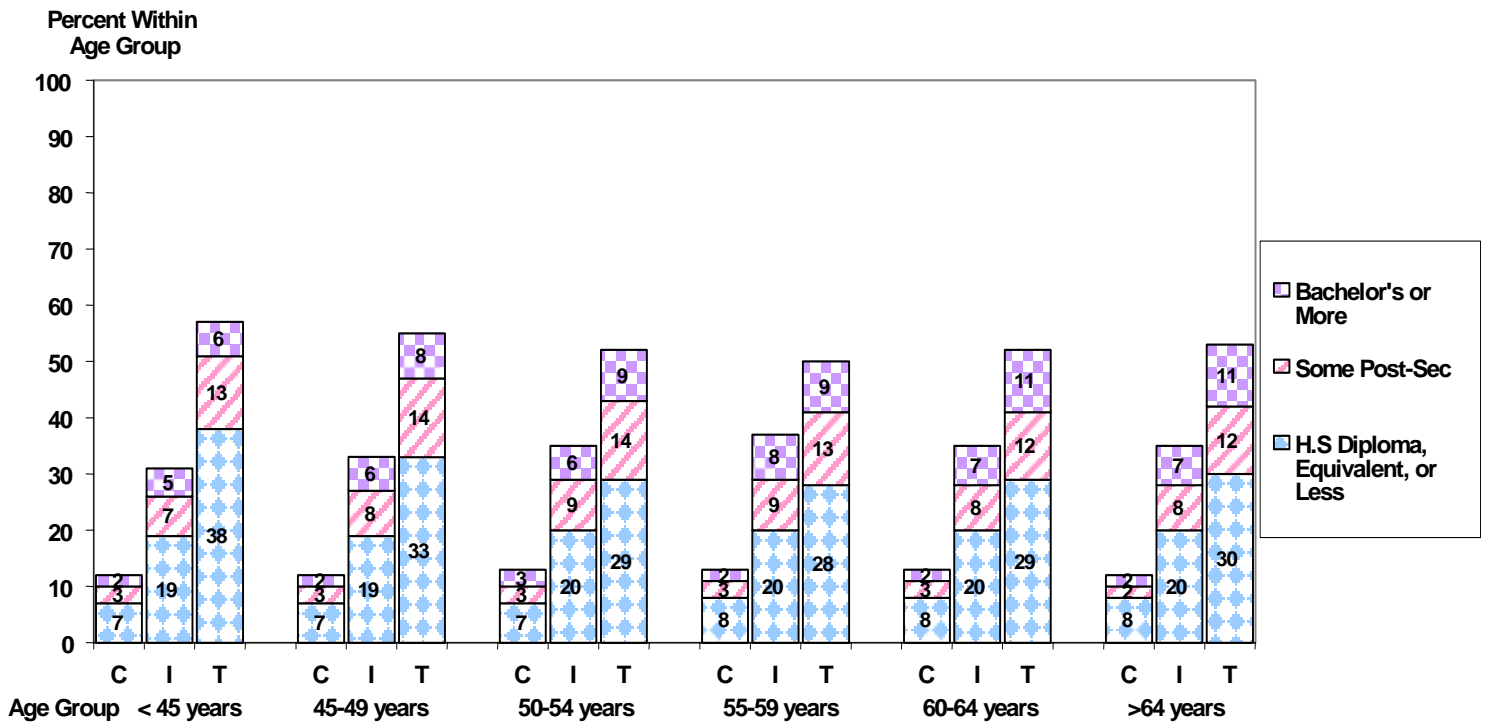
FIGURE 4



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

WIA DISLOCATED WORKER EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP AND EDUCATIONAL ATTAINMENT

FIGURE 5



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

The percent employed in the quarter after exit quarter is shown in Figure 6 to decline consistently from younger to older age groups within each of the three WIA service categories—from 73 percent of those younger than 45 years to 54 percent of those older than 64 years within the Staff-Assisted Core Services category, from 65 percent of those younger than 45 years to 41 percent of those older than 64 years within the Intensive Services category, and from 69 percent of those younger than 45 years to 47 percent of those older than 64 years within the Training Services category.

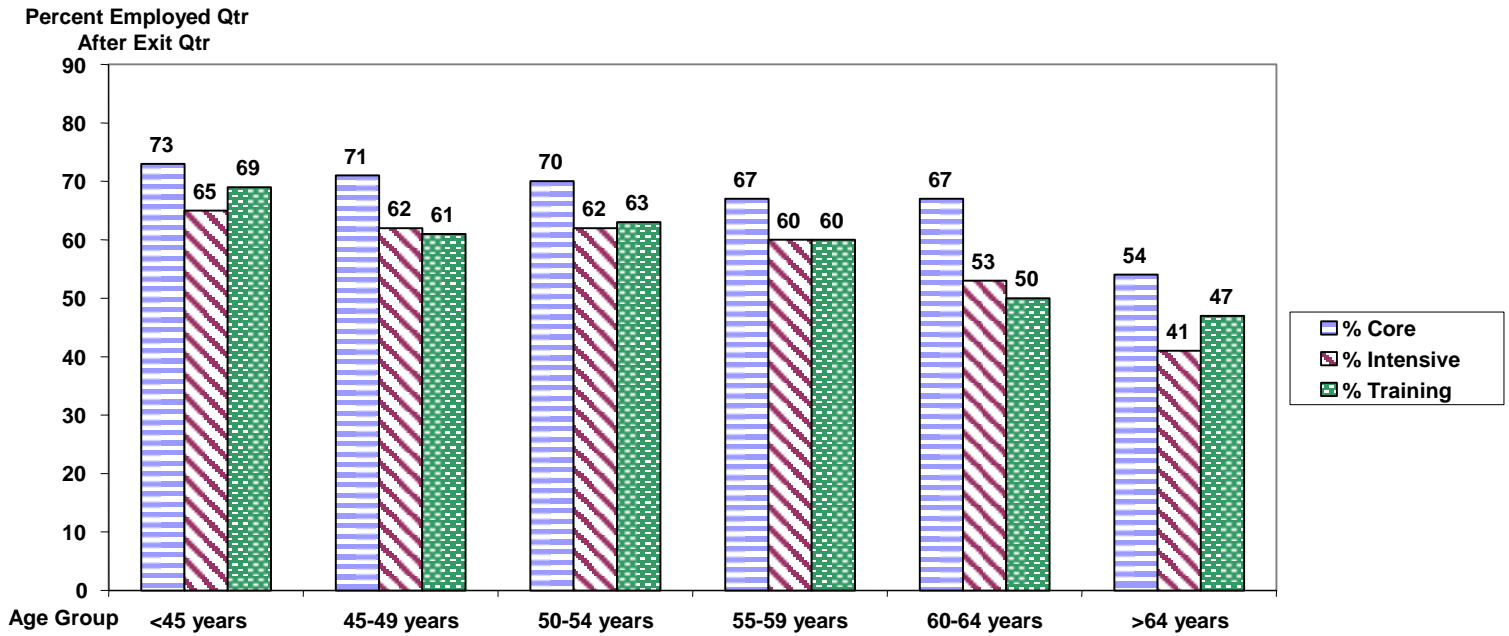
The format of Figure 7 is the same as Figure 6, but the reference sub-population is individuals defined as WIA Dislocated Worker customers. The Adult pattern of consistent decline of the percent employed in the quarter after WIA exit quarter for older age groups is repeated for the Dislocated Worker sub-population. Out of 18 comparisons of percent employed between the Adult and Dislocated Worker sub-populations within each of the six age groups, 16 of the percent employed figures are higher for the Dislocated Worker group than the Adult group—Adults older than 64 who received Training Services and Adults in the age 60-64 group who received Staff-Assisted Core Services only had a higher percent employed than their Dislocated Worker counterparts in the quarter after WIA exit quarter.

3.7 Earnings in quarter after exit quarter by age group

The median earnings levels shown in Figure 8 for Adults who were employed and had reported earnings during the quarter after WIA exit quarter reveal no clear pattern by age group or level of WIA services. With the exception of those older than 64 years, average earnings levels do not decline (or increase) as attention moves from the younger to older age groups. Similarly, those defined as having received Intensive Services or Training Services do not have consistently higher (or lower) earnings than those who received only Staff-Assisted Core Services.

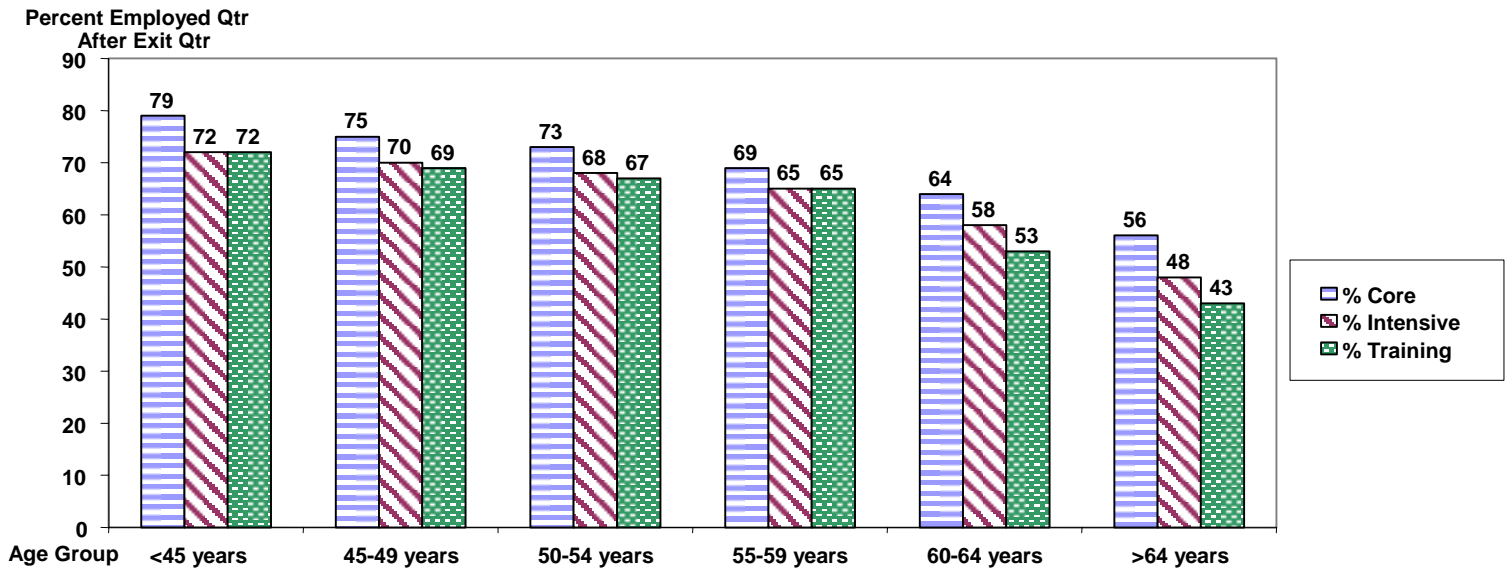
**EMPLOYMENT STATUS IN QUARTER AFTER EXIT QUARTER,
WIA ADULT EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP**

FIGURE 6



**EMPLOYMENT STATUS IN QUARTER AFTER EXIT QUARTER,
WIA DISLOCATED WORKER EXITS IN ADARE STATES, JULY 2002 - JUNE 2003, BY AGE GROUP**

FIGURE 7



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

Three cautions in the interpretation of the average earnings levels in Figure 8 warrant mention here:

1. Differences among the nine ADARE states in the mix of WIA service levels¹⁰, age groups, gender shares, and industry composition should be considered.¹¹
2. WIA, Section 134(d)(2), (3), and (4) define the eligibility criteria for delivery of core, intensive, and training services. These criteria highlight the reservation of intensive and training services for those who are judged to require a greater investment and be able to obtain and retain employment as a result of this investment.

The earnings expectations that flow from local application of these eligibility criteria are not obvious. Those in lesser need of help to obtain and retain employment (i.e., those for whom core services are thought to suffice) may reasonably be expected to have higher earnings than those needing more assistance to obtain and retain employment. Or, those who are selected as being qualified to benefit from an investment in training may reasonably be expected to have higher earnings than non-trainees because of the impact of training on productivity.

3. The quarter after exit quarter reference period adopted here is a snapshot that does not consider a person's historical earnings profile prior to WIA registration or the weeks and hours worked during this reference quarter. Some older workers may work fewer hours or weeks by choice, or they may accept part-time employment because it is all that can be found at the time. Trainees may take longer to accept a new job because of expectations about finding a training-related job.

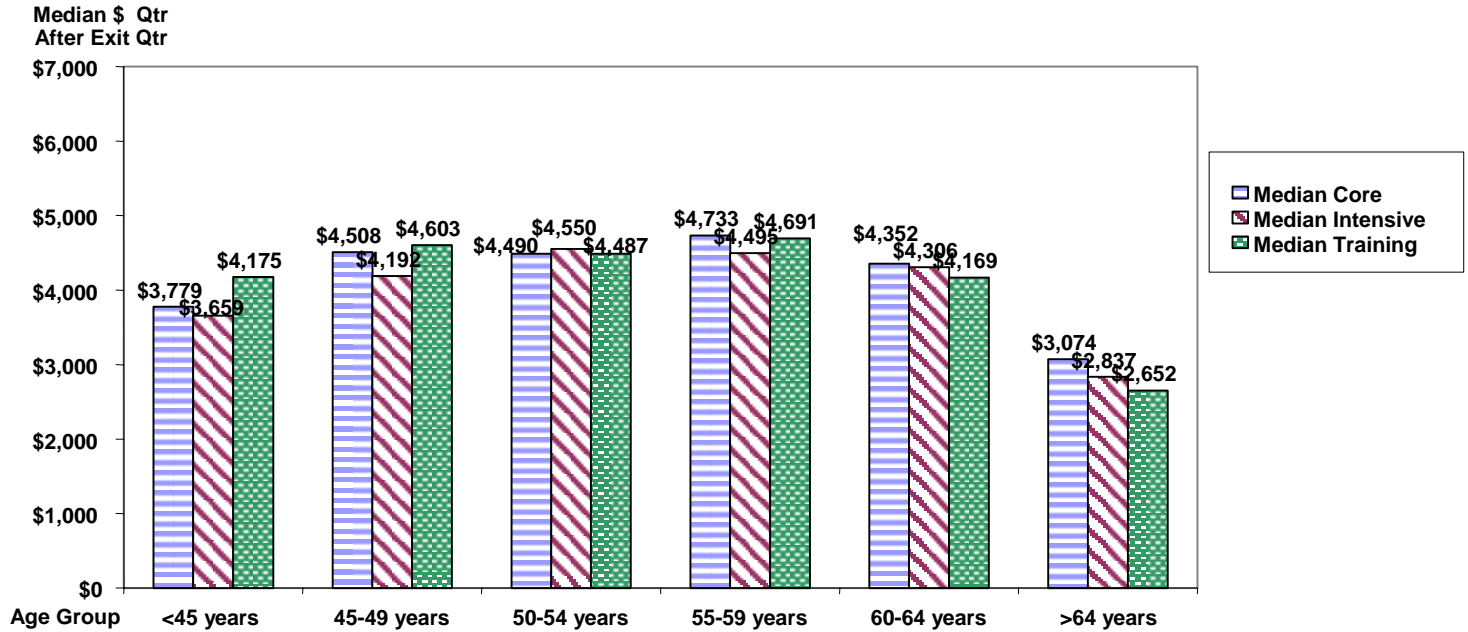
The average earnings levels shown in Figure 9 tell a similar story to that associated with the previous interpretation of Figure 8—there is no obvious pattern of median earnings level across the WIA service categories and age groups, except for those older than 64 years who have the lowest average earnings level regardless of WIA service type.

¹⁰ We know, for example, that the Georgia WIASRD for July 2002-June 2003 reports no one as having received Staff-Assisted Core Services only.

¹¹ The Census Bureau Local Employment Dynamics Program *Quarterly Workforce Indicators* series, which has just been released with NAICS-coding for participating states, will be of immense value for future research that requires 'context' information of this type.

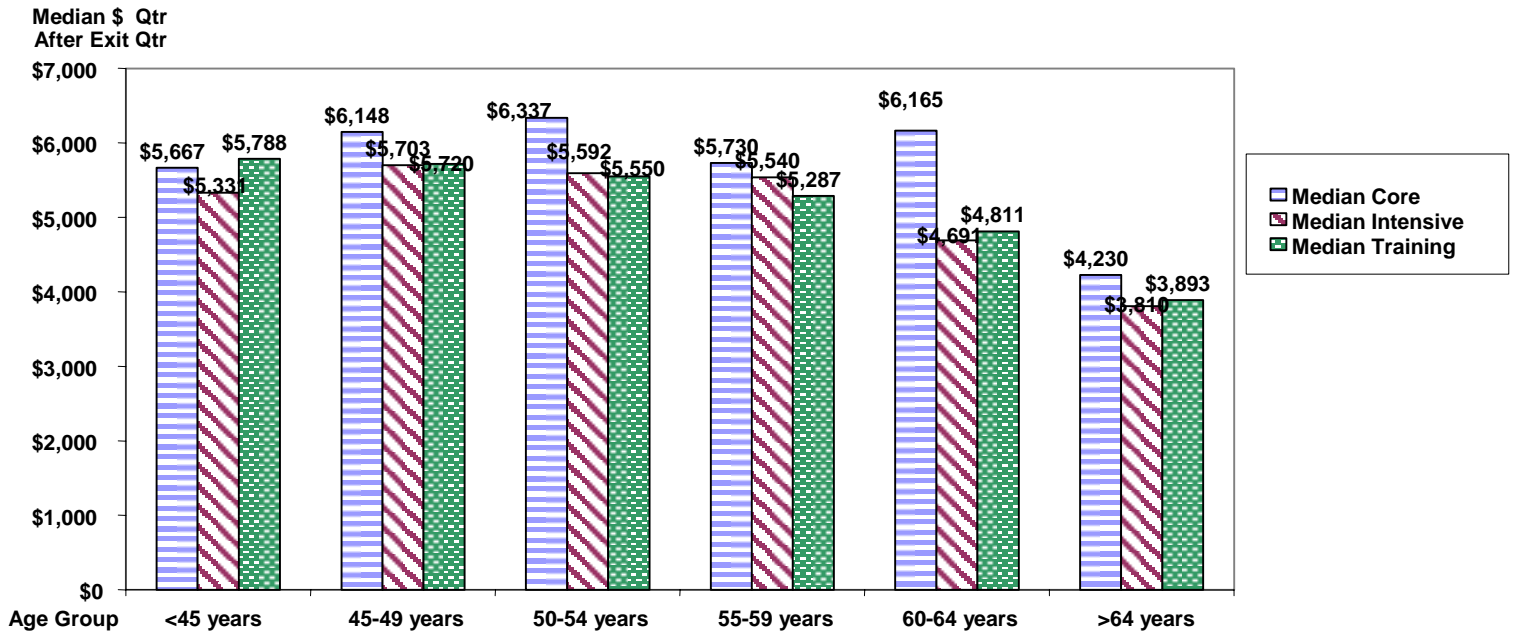
EARNINGS IN QUARTER AFTER EXIT QUARTER, WIA ADULTS EXITS IN ADARE STATES,
JULY 2002 - JUNE 2003, BY AGE GROUP

FIGURE 8



EARNINGS IN QUARTER AFTER EXIT QUARTER, WIA DISLOCATED WORKER EXITS IN ADARE STATES,
JULY 2002 - JUNE 2003, BY AGE GROUP

FIGURE 9



SOURCE: The Jacob France Institute, University of Baltimore using ADARE States WIASRD data.

A comparison of the earnings levels in Figure 8 and Figure 9 shows that Dislocated Workers in all age group and WIA service type pairings have higher average earnings than their Adult counterparts in the same pairing. The criteria for designation as an Adult or Dislocated Worker, and what we know about the gender composition of the respective sub-populations, would suggest this result—the Dislocated Worker sub-population includes more males with recent work experience.

3.8 Summary of preliminary findings

One table and nine figures have summarized findings from a preliminary examination of nine state WIASRD files covering Adult and Dislocated Worker WIA participants with exit dates between July 1, 2002 and June 30, 2003. The focus of attention has been on the older workers among these WIA participants, those 55 years or older.

Findings to date include:

- Seven percent of the WIA adults and fourteen percent of the Dislocated Workers who exited WIA services in the nine ADARE states between July 2002 and June 2003 were 55 years or older.
- Delivery of Core Services only is unrelated to age group for both Adults and Dislocated Workers, but older individuals received Training Services less often than younger WIA registrants.
- More females than males younger than 45 years appear in each of the three WIA Adult service categories, and more females than males older than 64 years participated in Intensive Services and Training Services, but no other age-gender-WIA service patterns were found for Adults.
- Among the Dislocated Workers, Training Services is the dominant category across the six age groups, and more males than females in each of the age groups participated in Training Services.
- Seventy-eight percent of the Adults younger than 45 years, and 64 percent of the Dislocated Workers younger than 45 years, had attained no more than a high school diploma or its equivalent. These concentrations of lesser educational attainment are not as pronounced in the older age groups.
- Percent employed in the quarter after exit quarter declines consistently from younger to older age groups within each of the WIA service categories, ranging from a high of 73 percent of those younger than 45 years who received only Core Services to a low of 41 percent of those older than 64 years who participated in Intensive Services (but not Training Services).

- Sixteen out of eighteen within age group comparisons of Adult and Dislocated Worker percent employed quarter after exit quarter levels show the Dislocated Workers to have the higher percent employed level.
- For the WIA Adult and Dislocated Worker sub-populations there is no clear pattern of quarter after WIA exit quarter median earnings level by age group or WIA service category.
- Dislocated Workers in all age group and WIA service category pairings have higher median earnings for the quarter after the WIA exit quarter than the identical Adult pairings of age group and WIA service category.

4.0 NEXT STEPS

The table and nine figures in section 3 offer clues about age-related facets of WIA service delivery. Together, these clues define a strategic path for future studies.

Historically, the standard answer given to the question “why does most education occur in the early years?” has been that this creates an opportunity for many years of return-on-investment accrual. However, institutional changes in recent decades have increased the frequency of later-in-life investments in continued education and training. The scattering of productivity renewal over the working years has been accompanied by a growing diversity of ways in which this productivity enhancement happens. Similarly, the funding streams that pay for these investments have proliferated.

Clear evidence has been presented here, particularly in Figures 6 and 7 on page 16, that older Adult and Dislocated Worker customers who have received Intensive Services only, or these and Training Services, had less success in finding work immediately after WIA exit. One-Stop staff awareness of this outcome, coupled with attention to the WIA performance indicators, may discourage investment in intensive and training services for older workers. This possibility, and design of an appropriate response if confirmed, warrants immediate study and possible administrative action.

It will be important to look at the state-specific versions of these figures as a first step toward understanding sources of difference among the age groups. Then, these employment status figures should be interpreted in the context of the Census Bureau Local Employment Dynamics *Quarterly Workforce Indicators* series, which provides local employment dynamics information by age group and gender.

These steps will be accompanied by the beginning of an age-group cohort analysis designed to follow clusters of workers as the age and move in and out of employment training, unemployment insurance benefit spells, TANF dependency, and continuing education (if feasible).

Finally, the on-going activities of the Anatomy of a One-Stop study now underway in Baltimore, MD and two local sites in mid-Missouri, and the customized local labor market information products that will soon be delivered to ten local sites in five pilot states through the Market-responsive Education and Employment Training System (MEETS) project, can be brought to bear on the age-group issues illuminated here.