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EMPLOYMENT & TRAINING REPORTER

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Washington, August 30, 2021

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The next issue of the Employment & Training Reporter will be published Sept. 13, 2021.

Bulletin Board

GRANTS

WIOA IMPLEMENTATION — The Employment and Training Administration is soliciting applications for a cooperative agreement, worth up to $3.5 million, to operate the Workforce System Technical Assistance Collaborative for a three-year period. The collaborative will plan, develop and deliver technical assistance to the workforce development system, at the state and local levels. The collaborative will facilitate peer learning and information sharing. This work may extend to collaborating with other federally funded technical assistance centers that serve partner programs of the workforce development system. Eligible applicants include nonprofit and for-profit organizations, educational institutions, unions and state workforce development boards. Applications are due Nov. 8.

✓Find this solicitation and apply at www.grants.gov, using funding opportunity number FOA-ETA-21-09.

COMMUNITY COLLEGE — The think tank New America is seeking nominations for community colleges that excel at non-degree workforce development to participate in its New Models for Career Preparation project. This initiative will unpack the design, financing and institutional strategy behind high-quality, non-degree workforce programs. Last year, researchers examined program-level strategy at an initial cohort of six schools. This year, they seek to examine institutional factors. Participating schools will receive $50,000 for their cooperation. Applications are due Sept. 24.

✓For more information, visit www.newamerica.org.

ANNOUNCEMENT

SNAP — The Department of Agriculture Food and Nutrition Service announced changes to a benefit-setting mechanism of the Supplemental Nutrition Assistance Program. This will be the first cost adjustment since 1975 in the Thrifty Food Plan, which is an estimate of the cost of feeding a family of two parents and two children a cost-effective nutritious diet. The Thrifty Food Plan is adjusted for inflation on an annual basis, and the amount calculated is used to set SNAP benefit levels. These new changes adjust foods counted in the plan to reflect modern dietary guidance and consumption patterns, as well as current food prices. For example, the changes account for the cost of more fish and more red and orange vegetables, and an increase in total caloric consumption, in a hypothetical family diet. The changes amount to a 21 percent increase in the Thrifty Food Plan, or an increase in the average SNAP benefit by $36.24 per person per month. New benefit rates will take effect on Oct. 1, at the start of federal Fiscal Year 2022.

see BULLETIN BOARD, p. 614

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Current National Developments

Dislocated Workers

ADMINISTRATION OUTLINES OPTIONS FOR JOBSEEKER ASSISTANCE

Facing the expiration of federally enhanced unemployment insurance benefits, the Biden Administration affirmed that states can use American Rescue Plan discretionary funding to support jobseekers, and announced a major increase in money being put behind a reemployment services grant.

The UI position came in an Aug. 19 letter that Labor Secretary Marty Walsh and Treasury Secretary Janet Yellen issued to Sen. Ron Wyden (D-Ore) and Rep. Richard Neal (D-Mass). The grant announcement appeared in a Training and Employment Guidance Letter.

UI and CAREERS DWG

Wyden and Neal are the respective chairs of the Senate and House committees that hold jurisdiction over unemployment insurance. The Biden Administration publicized the letter.

Walsh and Yellen used the letter to address the expiration of the suite of UI benefits that originated with the Coronavirus Aid, Relief and Economic Security Act. Several pieces of subsequent legislation passed over the past 18 months reauthorized, added to and amended the CARES Act UI programs. The most recent reauthorizing legislation was the American Rescue Plan Act. The benefits are now set to expire on Sept. 6. Among several programs, the largest are Pandemic Unemployment Assistance, which covers people who do not qualify for regular state benefits, and Federal Pandemic Unemployment Compensation, which is the weekly benefit top-up that was originally $600 and is now $300.

In the week ending Aug. 14, states paid PUA benefits to more than 5 million people.

Yellen and Walsh wrote that President Biden believes that economic conditions now make it appropriate for FPUC to expire, and added that the president feels that it may be prudent to end PUA and other programs in this suite of benefits in certain states.

"At the same time, even as the economy continues to recover and robust job growth continues, there are some states where it may make sense for unemployed workers to continue receiving additional assistance for a longer period of time, allowing residents of those states more time to find a job in areas where unemployment remains high. The Delta variant may also pose short-term challenges to local economies and labor markets," according to Walsh and Yellen.

The secretaries told the congressional committee leaders that they see state discretionary American Rescue Plan Act funding as a source of funding that can be used to more gradually wind down benefits in states where it is appropriate, after the Sept. 6 program cut-off. States could pay their own benefits using the money, or the same or different terms. The American Rescue Plan Act appropriated $350 billion in State and Local Fiscal Relief Funds.

The letter says that DOL will communicate options for using the Rescue Plan money in UI or UI-like programs to states.

Raising Award Volume

The secretaries added that the Employment and Training Administration is raising amount of Dislocated Worker Grant funding that it is making available through the Comprehensive and Accessible Reemployment through Equitable Employment Recovery initiative from $43 million to $90 million (see Bulletin Board, p. 614, and ETR 7/12/21, p. 517). The CAREERS grant announcement came on the same day that the secretaries issued their letter about UI funding options. ETA is maintaining the grant opportunity's original Aug. 31 deadline, as well as the $3 million maximum grant award. For practical purposes, the action by ETA simply signals that the agency is prepared to increase the number of awards it makes under the program. States and other potential applicants likely had their proposals significantly developed by the time this decision was made public. In fact, on Aug. 25, ETA announced $22 million in nine of these awards. Most were local and tribal workforce development agencies and community-based workforce services providers, though the Illinois Department of Commerce and Economic Opportunity was among the first round of grantees. Some of the strategies that CAREERS grantees proposed included virtual employment services, training, English-language learning, peer coaches, career advising, child care and transportation costs.

The CAREERS opportunity is offering funding to enhance and deliver workforce development services for dislocated workers, and to purchase, build or expand technology platforms for the delivery of such services.

Walsh and Yellen added that President Biden encourages states to also use their Rescue Plan funding for these purposes, and some states have already done so.

The secretaries close their letter by reminding the lawmakers that the Biden Administration prioritizes UI reform through the social policy legislation expected to emerge this fall through the budget reconciliation process. The House and Senate have recently adopted resolutions beginning this process (see Bulletin Board, p. 614).

"The president has already laid out his principles for such reform. He believes a 21st century UI system should prevent fraud, promote equitable access, ensure timeliness of benefits, provide adequate support to the unemployed, and automatically expand benefits in a recession," according to Walsh and Yellen.

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Job Search

JOB FAIR ASKS EMPLOYERS TO OFFER ONE $17 PER HOUR POSITION

Nathan Ramsey, director of North Carolina's Mountain Area Workforce Development Board, knows that well more than 300 people came through his agency's $17 per Hour and Beyond Job Fair in June.

But an exact count is elusive. The agency, serving four counties in the Blue Ridge Mountains, printed 300 handouts listing employers to be found at the June 15 event.

Other recent job fairs organized by the agency earlier in the year drew jobseeker numbers that were modest, relative to the way things were before the coronavirus pandemic. The workforce area was experiencing the same jobseeker shortage that is occurring in much of the country.

The $17 and Beyond Job Fair was the first of two events sharing the same theme this summer, offer at least one job at the namesake wage rate. The job fair opened at 11 a.m. at the Western North Carolina Agricultural Center, near the Asheville Regional Airport. The event ran until 4 p.m.

All 300 copies of the employer listings were in jobseekers' hands by 1:30 p.m., and people continued to come in all afternoon. That was much more traffic than Ramsey expected.

"Employers were very pleased, particularly in the context of what we were seeing in the pandemic," he told ETR.

The local workforce board serves Buncombe, Henderson, Madison and Transylvania Counties. The unemployment rate for the four-county workforce area had fallen to 4.4 percent in June. This was one of the lower levels among the state's local workforce areas, according to labor market information from the North Carolina Department of Commerce.

Like much of the nation, joblessness in western North Carolina spiked last year with the onset of the coronavirus pandemic. The workforce area saw unemployment rates of nearly 17 percent in April and May 2020, before the numbers began stepping down.

But the area had a very tight labor market prior to the pandemic. Unemployment in February 2020 was 2.8 percent, and the level had been below 5 percent since the beginning of 2015.

The workforce area had an estimated 10,867 job openings in June 2021, which was up over the month by 866.

The total number of unemployed individuals in the four-county area was only 9,426, according to the state data.

The premise of the job fair was simple: employers needed to be recruiting for at least one position paying $17 per hour or more in order to be at the event. That did not mean other jobs they offered that day needed to pay as much, or any other specific rate. There were no other strings attached. Employers faced no fees to be there.

The first event attracted close to 70 employers.

Jobs, Economic Advancement

"We were trying to be creative. Our employers, like everyone else, are really struggling to find people. So it was a way to promote job opportunities and to promote economic opportunities in the region," Ramsey said.

The turnout for the $17 per hour and Beyond Job Fair was impressive enough to prompt the agency to hold another on Aug. 10. The second time around, employers needed to have one job paying at least $18.

Ramsey explained that the $1 hike in the event's hook was motivated largely by needing to do something slightly different to gain attention. The exact same strategy would not receive as much play in the local media. Officials were also expecting to miss some jobseekers due to caution over health concerns. By the time the second event came around, coronavirus cases were climbing and face masks were required indoors. The August event featured indoor and outdoor spaces for employers. Both the June and August events featured vaccination clinics.

Turnout in August was largely the same, if not slightly stronger, than in June, according to the local director.

The Asheville Area Chamber of Commerce, the Brevard/Transylvania Chamber of Commerce, the Henderson County Chamber of Commerce and the Madison County Chamber of Commerce promoted the events, as did the North Carolina Department of Commerce, which administers the state's workforce system.

Employers spanned sectors, and included numerous manufacturers, health care facilities, hotels and other hospitality destinations, community colleges and staffing agencies. There were numerous other employers in a variety of other industries.

Employers were looking for academic advisers, accounting managers, automotive technicians, banquet chefs, licensed practical nurses, legal secretaries, machinists, nursing supervisors, state troopers, social workers, utility linemen and much more.

Figuring out the wage theme for these events took some alchemy.

North Carolina's minimum wage rate is the federal minimum wage of $7.25 per hour.

Ramsey estimated that most of the jobs on offer at these job fairs pay at least $15 per hour, though there was a wide range of jobs available in wage terms, including some that pay less than $15 per hour and some that pay six-figures annually. The going rate for the most entry-level jobs in the region seems to be in the $12 to $13 per hour range. Quite a few employers have raised their starting wages for semi-skilled, entry-level jobs to the range of $17 to $19.

Picking $17 per hour for the theme of the first event was a "three bears" exercise, "not too cold, not too hot, just right," Ramsey explained, adding,"We wanted it high enough to attract some attention, but not too high to exclude a lot of companies from participating."

This approach did run into some push back from employers who felt it was an attempt to raise wages in the market. But Ramsey said that was never the motivation, rather the workforce board sought make hiring events more effective by reflecting the local job market.

"Our goal is to be a matchmaker. It think that's where workforce boards really strive," he said. "Part of the role of a workforce board is to educate jobseekers and employers on where things stand."

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Job Search

GUIDE SHARES STRATEGIES FOR HUMAN-CENTERED JOB ASSISTANCE

A new brief on workforce development practice offers ideas for leveraging technology to turn lessons on job search assistance delivered during the coronavirus pandemic into ongoing service strategies.

The Heldrich Center for Workforce Development, at Rutgers University, recently published *Strategically Virtual: Implementing Job Search Services in a Virtual Environment*, authored by Michele Martin, who leads up technical assistance at the think tank, as well as the New Start and New Jersey Career Networks.

In March, Martin and the Heldrich Center published a theoretical model for delivering job search assistance during the coronavirus pandemic. The idea was to move beyond basic job search skill development, to offer more holistic, human-centered services. This approach recommended three tiers of service delivery. Begin with assessing and ensuring the physical and psychological safety and security of jobseekers. Lay foundations for a sustainable job search, such a lists of priorities, agendas and schedules, to help build calm resolve in the process. And offer ongoing job search support activities, such as skill development opportunities and motivational enhancement (ETR 4/12/21, p. 363).

This new brief, a follow-up, shares strategies for implementing these ideas through virtual services. Many of the suggestions cross over to in-person services, but the sense projected is that virtual is not going away.

What to Carry Forward?

"As workforce agencies plan their return to in-person services, it is important to look at what to carry forward and what to leave behind from the past 16-plus months of the COVID-19 pandemic. The workforce system needs to consider not only the quality and content of its services, but also how to continue on the virtual journey that began abruptly in March 2020," according to Martin.

A key point made by the brief is that there are things jobseekers need to know and things that they need to do in order to be successful, and there is a difference in knowing and doing. Webinars on job search skills can help people know how to prepare for interviews or navigate applicant tracking systems, but coaching and opportunities for practice and feedback encourage use of this knowledge and refinement of skills.

"In addition to providing information and education, workforce staff must also consider how they are helping job seekers take action, learn from their experiences and continue to refine their approach and activities. Effective group support and opportunities to connect with other job seekers to discuss experiences are key," the brief says.

Direct messaging and chats offer a solution for workforce system staff, and there are social networking options that are appropriate for setting up jobseeker communities.

And simply asking jobseekers to interact with programs using technologies that are common in commercial settings can build skills.

The brief recommends asking jobseekers to learn to access and edit documents stored in cloud technology, such as Google Drive, or to participate in Zoom meetings.

The brief offers examples of the three-tiered service model put into practice. For example, local workforce development agencies and their cousins in state unemployment insurance agencies often message to jobseekers. The Heldrich center brief recommends building safety and security by avoiding threatening messaging in communications to jobseekers.

"Language that feels welcoming and human, rather than bureaucratic and official can help ease jobseekers' concerns," the brief says.

Common application systems for multiple services, programs and benefits can help to avoid overwhelming people. Technology can also be harnessed to do well-being check-ins with jobseekers.

One piece of advice on building foundations for a sustainable job search is to conduct scheduled, short meetings with jobseekers to check in on their progress on a weekly or daily basis. Online systems, such as Google Drive, offer scheduling templates. Another idea is to schedule online events dedicated to certain tasks. Picture a group of jobseekers joining a half-hour zoom session with everyone working on their own given tasks in the established time period, chatting about their objectives and progress.

Foundations, Ongoing Support

Addressing the final tier of ongoing job search support, the Heldrich Center brief offers several ideas for generating interaction with jobseekers. A "flipped workshop" asks people to review materials for a workshop before it happens, and uses the session for questions, feedback and practice. As video conferencing is commonly being used in the hiring process, the technology lends itself to practice sessions. Jobseekers need feedback on lighting, camera position and backgrounds in addition to standard review criteria for practice interviews, such as their pitch and appearance.

Resume review sessions can also be conducted through conferencing technologies.

Micro-learning is another option. This might be, for example, sending around an email with five interview questions for jobseekers to think over.

Managing mood and motivation may be more difficult work. The guide notes that content on these issues can be delivered virtually, and seeing content offered in virtual modes could help normalize the topic of managing emotional issues. Drawing virtual workshops from recognized partners, such as state or regional mental health advocacy groups, can validate offerings. The guide recommends that workforce agencies monitor the ongoing engagement of jobseekers, and target check-ins as necessary.

The practice brief recommends that workforce agencies consider who is most likely to want and benefit from virtual services moving forward, prioritize activities around safety, structure and support, train staff for these applications and to start small.

"The COVID-19 pandemic led to an unexpected and unprecedented opportunity for workforce agencies to expand virtual services in ways that were never considered prior to 2020. As the system begins to move into a new phase, the most forward-thinking agencies will look at how they can build on these experiences to expand services to new job seeker groups and complement the in-person services they have traditionally provided," the brief concludes.

✓ Find the practice brief *Strategically Virtual: Implementing Job Search Services in a Virtual Environment* at www.heldrich.rutgers.edu.

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WIOA Implementation

WORKFORCE SYSTEM SCANS SOW SEEDS FOR STRATEGY BUILDING

Scans of labor market and policy trends as well as program research, commissioned by the Department of Labor to inform the workforce system, suggest that it is time to think strategically about moving forward after the disruptions of 2020.

The Department of Labor Chief Evaluation Office recently released two companion reports about issues facing the Workforce Innovation and Opportunity Act system, and partner programs. WIOA directs DOL to undertake periodic evaluation of the workforce system. Following up on this charge, DOL asked researchers to put together these scans to offer observations and ideas in a time of change.

The project is called the Workforce Innovation and Opportunity Act Research Portfolio, and was managed by the research firm Mathematica. These two reports are titled *A Scan of Key Trends in the Labor Market and Workforce Development System* and *A Research Evidence Scan of Key Strategies Related to WIOA*.

Melissa Mack, of Mathematica, and Kate Dunham, of Social Policy Research Associates, authored the report on labor market and policy trends.

The researchers note that just before the onset of the coronavirus pandemic, the Bureau of Labor Statistics developed its most recent round of long-term job projections. Focusing on the 2019 through 2029 period, this projected growth across most of the service sector, and job losses in manufacturing. Five if the 20 fastest-growing service sector industries were expected to be in health care and social assistance. Significant occupational job growth was expected in a wide range of occupations related to computers and information technology.

Worsened Disparities

Another point made in the scan is that the pandemic worsened racial and ethnic disparities in unemployment, and disparities for people with barriers to employment.

The researchers compare unemployment rates for populations, measured in the fourth quarters of 2019 and 2020. For whites, the fourth quarter 2019 jobless rate was 3 percent, and it had risen to 5.8 percent for the fourth quarter of 2020, a 2.8 percentage point increase. For Blacks and African Americans, jobless-

ness was 5.4 percent in the final quarter of 2019, and 9.9 percent during the same period of 2020, a 4.5 percentage point rise.

In addition, long-term unemployment rose last year, reaching close to 4 million people by the end of 2020. More recent figures than used in the scan show that long-term unemployment continued to rise through the spring. Improvements came in the past four of five months, though from May to June the count of long-term unemployment workers rose. As recently as July, those unemployed for 27 weeks or longer numbered 3.4 million.

Labor force participation had trended downward for close to two decades before the pandemic but did so relatively slowly, from 67.3 percent in April 2000 to 63.3 percent in February 2020.

The participation rate dropped sharply to 60.2 percent in April 2020. Most of the recovery in this measure since then occurred in May and June of 2020. Participation has been little changed since then, reaching 61.7 percent in July 2021. And this dip has been deeper for women.

The researchers dig into causes of trends in the job and labor markets. Automation appears to have sped up for several reasons related to the coronarvirus pandemic, including the needs for employers to cut costs and for social distancing. And telework, of course, ballooned with social distancing in 2020 and early 2021.

The researchers examine gig work, and conclude that clearly this type of employment has grown over the past two decades, but this has also proven hard to measure, and it is uncertain what likely pandemic growth will mean in the future.

"The quality of gig work in terms of earnings and benefits, hours and schedules, and access to worker protections is contested but dissatisfaction with gig work is high," the report on labor market trends says.

Virtual Job Centers

The researchers cite accounts of workforce development services moving largely to virtual formats to comply with social distancing last year, and note challenges of the situation both for jobseekers and program staff. Put simply, some people have the digital access and digital skills necessary to receive services in virtual formats, and others do not. But the offer of virtual services could continue at some level, even as the workforce development system returns to a new normal state of operations, the researchers project. Meanwhile, the pandemic has expanded the offering of education and training in online formats.

On a policy front, federal workforce development policy in recent years has stressed program integration, WIOA's program accountability developments and, more recently, supporting the economic recovery, the report notes.

The researchers look at these trends and suggest that there are four implications for the workforce development system.

The workforce system will need to adapt to economic trends, the report says. Local-level workforce system staff will need up-to-date information about their local labor markets. And the system will need strategies for serving larger numbers of dislocated workers, and addressing disparities, barriers to employment and skills mismatch.

Strategic Recommendations

Moreover, the workforce system will need to increasingly address digital literacy, and digital job search skills.

The experience of virtual service delivery also leaves behind areas for further attention, such as identifying enhancements suitable to continue in workforce systems, and helping jobseekers and incumbent workers access online education and training opportunities.

And finally, federal policy pushes toward program integration and accountability can be expected to continue.

"The public workforce system needs data (and data systems) to understand what works best for whom. Further development of state data systems to enable them to provide more accurate and comprehensive information — such as information on available jobs and the required credentials — would allow program staff to better serve job seekers," the report says.

Jonah Deutsch, Katherine Allison-Clark, and Armando YaZez, of Mathematica, authored the second report, which presents a scan of research findings around case management, integrated service delivery, training programs and youth services.

According to these researchers, case management is a blanket term that often encompasses assessment, career planning, job search assistance and referral to supports. The practice is generally supported by research, but is specifically less well examined.

Mystery of Case Management

"The way in which these services are delivered and the involvement of program staff — sometimes referred to as employment counselors, coaches, career advisers or case workers — can impact participant success," the report says.

Some common case management models include coaching, advising (including an outreach-driven variant known as intrusive advising), program navigation, counseling based on identifying and building plans tailored to the strengths of individuals and job retention counseling. These tend to grow from specific fields such as welfare-to-work programming, education, dislocated worker assistance and vocational rehabilitation.

The random assignment study known as the Workforce Investment Act Gold Standard Evaluation identified significantly higher employment and earnings outcomes among those who received one-on-one counseling and other intensive services, compared to jobseekers whose job search activities in American Job Centers were limited to self-service resources. Case management has also been a component of many distinct programs that have undergone their own evaluations. However, according to researchers, the research base has not substantially dug into how case management is practiced and administered within the workforce development system.

DOL-sponsored studies on American Job Center operations and WIOA implementation have explored integrated service delivery, and found that co-location and program integration has varied at the state and local levels. Separate program reporting obligations and data systems continue to be a common barrier to progress. And, like case management, the research base is thin on how these effects effect the jobseeker. Administrative cost savings is better documented.

To Train, or How to Train?

According to the research scan, training is another inconclusive aspect of the workforce development system. The Gold Standard evaluation's examination of training was complicated by people who were not served by the workforce system, but who were tracked as a comparison group, accessing job training on their own at rates similar to the training participation rates of workforce program participants. People enrolled in community colleges and other schools with the help of workforce development agencies and they did so on their own, diminishing the meaning of study findings.

An evaluation going back to the late 1980s, when the nation's workforce program was called the Job Training Partnership Act, associated positive earnings outcomes with training. Some other studies have shown small, positive impacts that fade over time, or impacts that vary in strength based on the types of training provided. Apprenticeship and other work-based learning has tended to fair well in evaluations, as has training delivered in sectoral workforce initiatives. Evaluations of transitional jobs programming tend to show that employment gains fade after the transitional jobs end, according to the report.

Researchers discussed findings on youth services separately. Programs such as Job Corps, Youth Build, the National Guard Youth ChalleNGe and Year Up have been associated with positive outcomes for young people. Work-based learning has consistently fared well across evaluations of different program models that incorporated this component.

"The studies of training models provided to youth demonstrated some positive impacts, particularly those that included some combination of work experience or supportive services in addition to training. The evidence on interventions serving specific populations of youth is limited and finds mixed results, and it does not always examine interventions provided exclusively to these populations. Also, in recent years, youth programs have shifted to serving youth who are out of school or have barriers to employment," the report says.

✓ Subscribers may request copies of the reports A *Scan of Key Trends in the Labor Market and Workforce Development System* and *A Research Evidence Scan of Key Strategies Related to WIOA* by contacting service@miipublications.com.

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Younger Workers

YOUTH EMPLOYMENT GAINS BACK GROUND IN SUMMER OF 2021

This summer's youth employment season was better than the last, but still weaker than in 2019, in terms of labor force participation and employment.

The Bureau of Labor Statistics released its annual report on summer youth employment on Aug. 18. The season, as defined by BLS, runs from April through July. During this period, as high schools and colleges break for the summer, the number of 16- to 24-year-olds participating in the labor force typically grows significantly, as does their labor force participation rate and employment-to-population ratio. The youth unemployment rate is not as clearly patterned. It typically rises from April to July, though in some years there is little change, and 2020 displayed an anomaly in youth unemployment with a sharp decline during the season.

A More Normal Summer

On a whole, the summer of 2021 was more normal for young people, at least in terms of recent years.

Because the BLS report observes employment measures over a season, the data in this annual release is not seasonally adjusted.

From April through July, the youth labor force grew by 2.4 million, or 11.7 percent, to 22.5 million. The youth labor force participation rate rose steadily from 54.1 percent to 60.5 percent. In July 2020, the youth labor force participation rate was 57.3 percent, which was the lowest rate on record for the peak month of the summer youth employment season. BLS records date back to 1948. The 2021 July youth labor force participation rate was in line with levels reached in 2017 and 2018, though 2019 brought a significantly higher rate of 61.8 percent. The prior low in the data series was 59.5 percent, in

July 2011. From the mid-1970s through 1990, youth labor force participation regularly rose above 75 percent in July. From the early 1990s through the Great Recession, the youth participation rate declined steadily.

The employment-to-population ration for young people reached 54.4 percent in July 201. This measure was 48.6 percent at the start of the summer season in April, and had been hovering around this level since October 2020.

Employment Rate: 54.4 Percent

The employment rate was significantly higher than the level of 46.7 percent reached at the height of the summer youth employment season in 2020. A committee of economists with the National Bureau Economic Researcher recently dated the 2020 recession as occurring in March and April of last year, before recovery commenced in May.

This summer's peak youth employment rate was down from 56.2 percent in 2019, but this number had been rising steadily since a prior low point of 48.8 percent set in 2011, in the aftermath of the Great Recession. Before that, the July youth employment rate had not fallen below 50 percent. The high point in the data series was July 1989, when 69.2 percent of 16- to 24-year-olds were employed.

There were more than 2 million unemployed young people in April 2021. Their ranks rose by 221,000, to just under 2.3 million in July. The youth unemployment rate was 10 percent in July, little changed from 10.1 percent in April.

The high point for youth unemployment this summer actually came in June, when 2.4 million 16- to 24-year-olds were looking for work but without jobs, producing a 10.9 percent unemployment rate.

In July 2021, about 1.7 million unemployed young people were looking for full-time jobs, and about 557,000 were looking for part-time work.

The July 2019 youth unemployment rate was 9.1 percent. In 2020, this reached 18.5 percent, a level tampered down by low labor force participation. Youth unemployment last summer was in the range of levels seen in 2009, 2010 and 2011. The record high youth unemployment level for a July was 19.1 percent, in 2010.

Looking at youth employment data disaggregated by demographics, participation rates in July 2021 were 61.8 percent for men and 59.1 for women, as well as 62.8 percent for whites, 55.1 percent for Blacks and African Americans, 44.6 percent for Asians and 56.8 percent for Hispanics and Latinos.

Employment rates were 55.1 percent for men and 53.7 percent for women, as well as 57.2 percent for whites, 47.6 percent for Blacks and African Americans, 39.1 percent for Asians and 50.2 percent for Hispanics and Latinos.

For all of these demographic groups, July employment rates recovered substantially from last year.

At the peak of the 2021 summer season, 5.2 million young people were employed in leisure and hospitality, the largest sector of jobs for young people. Leisure and hospitality youth employment rose by 981,000 over the year. This compares to a decline in youth employment in the sector of 1.1 million from July 2019 to July 2020.

Close to 4 million young people worked in retail this July.

Retail employment rose by about 503,000 over the year. This marks ground regained and then some, as retail youth employment was only 3.6 million in July 2019, and the over-the-year decline going into 2020 was of only 89,000.

About 2.4 million young people worked in education and health services in July 2021, which was up over the year by 474,000. Professional and business services employed more than 1.7 million young people, which was up by 393,000. Public sector employers had 1.1 million workers ages 16 to 24, a number which had fallen by 15,000 over the year.

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Unemployment Insurance

FUNDING AVAILABLE FOR STATES TO INVEST IN BENEFIT ACCESS, EQUITY

Beset by challenges in delivering benefits on time and to the right people, states face a new $260 million federal funding opportunity meant to build equitable access to unemployment insurance benefits.

This is related to, yet separate from recent funding opportunities for UI program integrity. The new grant program aims to address fairness in UI systems and procedures, and has no implication for the structure of benefits themselves.

On Aug. 17, the Employment and Training Administration announced the UI Equity Grant opportunity through Unemployment Insurance Program Letter 23-21.

States will be able to put funding toward eliminating administrative barriers to benefit application, reducing backlogs, improving payment timeliness and ensuring equity in fraud prevention, detection and recovery activities.

This funding comes from the American Rescue Plan Act, PL 117-2, which appropriated $2 billion for UI program integrity and access investments. The federal agency recently made available supplemental funding for UI program integrity (ETR 8/16/21, p. 596).

Benefit integrity has long been an area of federal investment.

For states to have funding available specifically dedicated to commencing benefit access strategies that address equity is a new development. The UI Equity Grant takes cues from President Biden's Executive Order 13985 on advancing racial equity and supporting underserved communities.

ETA notes that the Government Accountability Office recently warned of racial disparities in the award of UI benefits in a special brief sent to Labor Secretary Marty Walsh. A detailed report on this is expected early next year. GAO's brief noted that Census data show that close to 80 percent of white and Asian UI claimants received benefits during a period in March. This was 77 percent among Hispanics and Latinos, and 73 percent for Blacks and African Americans. The issue was pronounced in a few states that were not identified by GAO at the time (ETR 6/28/21, p. 512).

On a related note, state UI systems came under scrutiny last year for payment delays. After passage of the Coronavirus Aid, Relief and Economic Security Act, which first authorized several new, federally funded UI benefits, it took states an average of 38 days to make first payments of Pandemic Unemployment Assistance, the new benefit for people who would not qualify for state programs, and 25 days for first payments of the top-up benefit known as Federal Pandemic Unemployment Compensation. These are findings from a review conducted by the Department of Labor Office of Inspector General (ETR 6/21/21, p. 490).

Meaning of Equity in UI

"At the most fundamental level, equity within the unemployment compensation program means the provision of unemployment compensation payments to eligible workers, regardless of one's background, in a timely and fair manner, with an application process that is readily accessible to all workers … This grant opportunity provides states with dedicated funding to support efforts to provide meaningful and equitable access to the unemployment compensation application process and, when eligible, receive unemployment compensation payments for all unemployed workers," says the guidance letter announcing the funding opportunity.

The guidance suggests that states consider coordinating program integrity strategies with their plans to invest in benefit access and equity.

ETA determined the amount of equitable access funding available for each state based on their share of UI-covered employment for calendar year 2020. States qualify for awards at one of four levels. The smallest states and territories, by the employment measure, will be able to claim just under $2.3 million each. The next step up in awards is $4.6 million, then $6.8 million, and finally California, Florida, New York and Texas each qualify for $9.1 million.

States applying for funding will provide an assessment of a problem or issue they would like to address, an explanation of how the use of funding would do this and propose outcome measures to demonstrate the effectiveness of the approach.

The guidance letter offers suggestions for permissible uses of funding.

For example, states could improve claimant communications by incorporating plain language in UI application documents, or experiment with behavioral science and human-centered design by conducting readability assessments of their materials and making changes accordingly.

Targeted outreach to certain communities that have barriers to benefit access will be allowable, as would an ombudsman approach to help claimants navigate the application process and technology hurdles.

Allowable Uses of Funding

States will be allowed to measure the claimant experience to provide baseline data to inform equitable benefit delivery. This might involve timeliness, program participation or the use of different methods to resolve issues with claims.

Building on this, another allowable approach is reengineering customer service and processing. States might expand hours or automate password reset functions in UI systems.

On backlog reduction, the guidance explains that states taking this approach should do so with a focus on improving access for populations facing barriers related to the application process. Hiring more translators for UI operations to better serve non-English speakers is one example.

From a more technical perspective, the guidance suggests that states could invest in automation and process improvements related to use of alternative base periods. State UI benefit eligibility is based, in part, on earnings in given periods. Alternative base periods are windows for earnings that are typically more recent that a state's standard look-back period. They help people who lack significant work histories. Grant-funded process improvements might make it easier for claimants to report their prior earnings under alternative base periods.

States could also improve fraud detection procedures, such as identity verification, to reduce false positives. Shielding innocent people from disparate treatment in fraud prevention is the general idea.

ETA will allow states to conduct formal business process analyses of their UI operations under certain circumstances tied to equity, the first payment of benefits and the promptness of first-level benefit determination appeals.

States can also invest in the collection and analysis of data on the demographics of UI claimants.

The outcome measures that states propose for their projects should be tied clearly to advancing equity, according to the guidance letter. States might chose to measure and report on the recipiency rates of people with barriers to accessing benefits, and how these rates compare to those of other demographic groups. The same accountability approach could be applied to timeliness of payments, benefit

determinations or resolving fraud detection red flags. Quarterly progress reports will be required.

Requests for funding are due Oct. 18.

States will need to obligate their funding by Sept. 30, 2023, and expend the funding within 90 days thereafter.

ETA invites state to explain why they might need more funding than has been allotted to them, as the agency could make additional awards in the event that more funding becomes available.

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Equal Opportunity

DIVERSE HIRING POOL EMERGED FROM REMOVAL OF GENDER SCREEN

When a major job board in China removed a field identifying some jobs as being for either women or men, employers received more applicants and contacted more candidates of the opposite sex for their jobs.

So finds a study conducted by economists from U.S. and Australian universities, who suggest that their findings can inform policies and practices even in countries where gender-based job recruitment has long been out of practice.

The National Bureau for Economic Research recently published the working paper *What Happens When Employers Can No Longer Discriminate in Job Ads?*

Economists Peter Kuhn and Kailing Shen authored the paper. Kuhn is from the University of California, Santa Barbara, and is a co-editor of the *Journal of Labor Economics*. Shen is at the Australian National University, and previously taught at Xiamen University, in China. Both specialize in job matching through technology.

While many countries in Europe, as well as Canada and the United States, prohibit specifications for preferred genders in job postings, and have done so for several decades, there are many developed nations where the practice is still legal, or has only recently been banned. Where bans are in place, effective enforcement has typically taken some time to materialize. On the other hand, in some cases, large newspapers stopped the practice in their want ads in the years immediately before legislative action, according to the economists.

In the United States, this prohibition was effectively driven by a 1973 Supreme Court ruling. The shift took place in the late 1970s in Canada and the United Kingdom. In Australia, an impetus was the Sex Discrimination Act of 1984. China adopted such a ban for job boards in 2016, with enforcement through fines.

Kuhn and Shen wanted to explore what happened when a large online job site in China suddenly, with no notice, removed a gender preference field for its ads. This happened on March 1, 2019, and the economists gained access the job board's data. They had information on the ads, both before and after the gender field disappeared, applicants and employer contacts of job applicants. Contacts are described in the report as "call-backs" though in a modern reality this indicates employers reaching jobseekers using the job board's internal messaging system. Nothing is known about whether hires actually occurred.

XMRC

The job board is XMRC.com.cn, which has served the city of Xiamen and the greater XiaZhangQuan region since 2000. Xiamen is a high-income coastal city. The encompassing metropolitan area has a population of about 14 million. XMRC is a publicly commissioned job board operated by a private contractor. According to the economists, XMRC is widely used, as the government accepts payroll tax payments through its infrastructure. The board's mix of jobs and jobseekers is representative of major cities in China, though among jobseekers this mix is more skilled, better paid, more female and younger than the nation as a whole.

Government officials directed the sudden removal of the gender field. It had previously allowed employers to designate a preference for men, women or no gender preference. The removal of the field had no impact on language that could have been used in the text of job postings that could attract applications from one gender over another.

Kuhn and Shen could draw from a total sample of 239,564 job postings, and 4.3 million applications made to those jobs, during a one-year period surrounding the removal of the gender field. More specifically for their research, they examined 116,725 job postings that "spanned the ban," meaning the same jobs appeared before and after the board removed its gender field.

Results

These postings drew 3.1 million applications from 204,343 workers. Employers made 348,062 call-backs based on applications. Job postings in the analyzed data set received an average of 26.8 applications, and employers made 2.98 call-backs per ad.

Most ads did not indicate a gender preference before the field was removed. Only 11.6 percent of postings requested female applicants and 12.5 percent requested male applicants.

The total number of applications per job posting increased by 14.1 percent for jobs that previously were open to women, and by 8.6 percent for jobs that were previously open to men.

The change resulted in more integrated applicant pools for jobs that previously had a specific gender preference, and did so for both genders. The share of women in applicant pools for what had been male

jobs rose from 5.6 percent before the change to 10.5 percent after the gender field was removed. The share of call-backs for these jobs going to women rose from 4.9 percent to 7.9 percent

The share of men in the applicant pools for what had been female jobs rose from 10 percent to 26 percent. And the share of call-backs going to men for these jobs rose from 6.8 percent to 19.4 percent.

Immediate Effects

"Notably, these effects were immediate. They were visible in the first week after the ban, and they persist for at least six months afterwards," according to the economists.

Employers received a large number of applicants for jobs that would have been previously screened them out, and employers treated those applicants "surprisingly well."

The results were asymmetrical, with men more often receiving call-backs when applying to jobs postings that previously would have requested women, and women less often being selected to interview for male jobs.

Kuhn and Shen note that it is possible for employers to use a gender specification for affirmative action purposes, such as diversifying a gender-segregated workforce. One example would be attracting women to the construction trades. But this was overwhelmingly not the case on the Chinese job board.

Implications Across Oceans

The economists conclude by saying that their findings of course have implications for countries that still permit gender requests, but also may inform recruitment policies and practices where gender discrimination is banned.

The call-back rates for applicants who were gender-mismatched to jobs "suggests that even the explicit gender requests we study are in many cases relatively weak employer preferences, which are perhaps driven less by strong tastes or beliefs about productivity than by unconscious stereotypes that associate different jobs and tasks with different genders … If this is the case, recent attempts to remove subtler (and often unconscious) signals of gender preferences from job ads — such as those advocated by Glassdoor — may have significant potential to integrate labor markets," the paper says.

And second, the use of a gender field in job postings can be seen as a parallel to the practice of using technology to target job postings to job seekers, based on their demographics.

✓ Find the paper *What Happens When Employers Can No Longer Discriminate in Job Ads?*, NBER Working Paper No. 29116, at www.nber.org.

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Education

SKILLS OF MANY LOW-PERFORMING 15-YEAR-OLDS ROSE BY AGE 19

Significant numbers of young people with low academic skills at age 15 grew into middle performers by age 19. And some high-performers fell back. But relatively few middle-performing teens, who were by far the most numerous, progressed or declined in proficiency as they became young adults.

This is according to a new study published by the National Center for Education Statistics that looked at the skills of young people in 2012 and 2016.

The study found that middle-performers were more likely to regress if they came from schools with more low-income students. And academic performance at age 15 correlated strongly with educational trajectories four years later.

Low-performers were somewhat less likely than middle-performers to hold jobs at age 19. Some occupational segregation related to prior academic proficiency emerged, though this was small in scale.

A research team from the American Institutes for Research prepared a study report for the NCES. This is published under the NCES' Research and Development imprint, noting that the research is an example of an emerging analytic methodology, matching multiple data sources to understand progress in education and life outcomes.

PISA and PIAAC

The Program for International Student Assessment is an assessment program run by the Organization for Economic Cooperation and Development, which measures skills and knowledge in reading, mathematics and science among 15-year-olds. The PISA is conducted ever three years. The PISA Young Adult Follow-Up Study is a relatively new build-out of this program that surveys and assesses students who participated in the PISA as they age into adulthood. This study is based on students who took the PISA in 2012, following up with them in the spring and summer of 2016. Most were 19-years-olds at that point, and they took an assessment that is used in the OECD's Program for International Assessment of Adult Competencies. Researches connected the indicators of academic proficiency from the PISA to those of the PIAAC, and had at hand additional survey data on the demographics and outcomes of the 19-year-olds.

The study includes assessment data from both 2012 and 2016, as well as survey data on demographics, for 2,318 students. This population is somewhat different from and only about half the size of the population of students who took the PISA in 2012, so researchers weighted some findings to make their results representative of young people nationally.

Among 19-year-olds in 2016, the average assessed literacy score was 266 points. That falls fairly in the middle of the proficiency range. Nineteen percent had low proficiency levels, 72 percent were middle-performing and 10 percent were high-performing.

Baseline for Young Adults

In math, the average score was 260 points, also near the middle of the proficiency scale. Twenty-five percent were low-performing, 68 percent were middle-performing and 7 percent were high-performing.

"This suggests that most U.S.19-year-olds, largely regardless of background, have literacy and numeracy skills that are above the baseline needed for further learning and full participation in society, albeit below those needed for handling more abstract, complex concepts and situations," the report says.

Most young people who had been middle-performers at age 15 remained middle-performers at age 19 for both subjects, though this was the case slightly more often for reading than for math.

One way to picture trends in the distribution of scores over time is in terms of 100 students. Looking at reading, there were nine in 100 students with a high level of proficiency when they were 15 years old. Five of those nine fell to the middle proficiency level as 19-year-olds.

Of 77 middle-performers at age 15, five rose to high proficiency by age 19, 60 remained middle-performers and 12 became low-performers.

Climbing Up, Falling Down

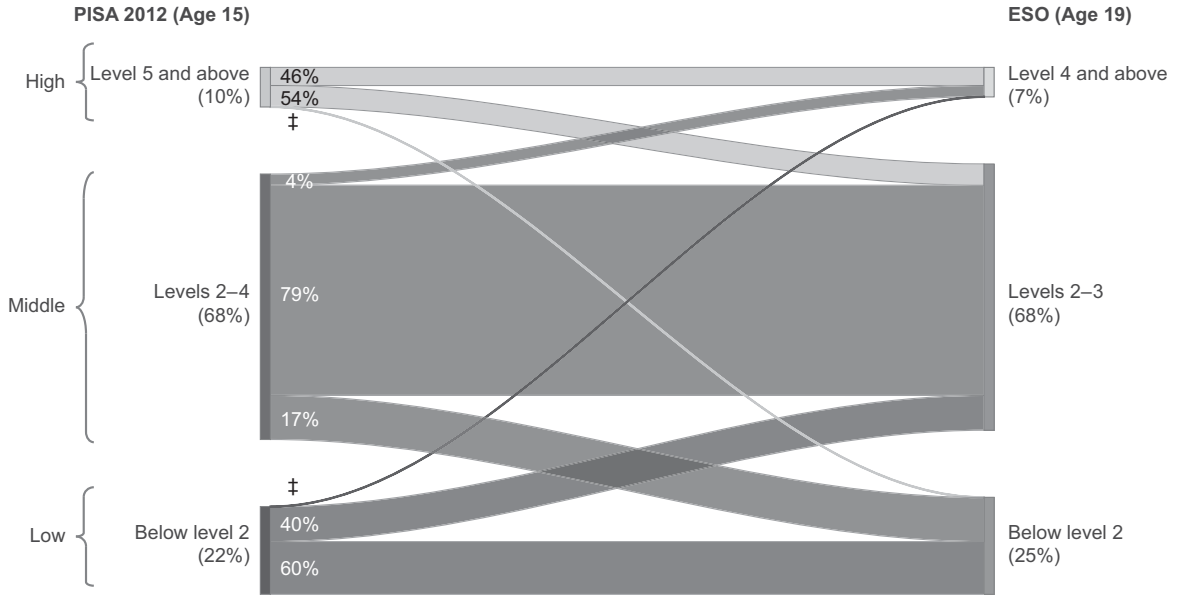
Fourteen in 100 young people were low performers as 15-year-olds. Seven of them — half of the low-performing population — became middle-performers.

Looking at math, 10 in 100 students were high-performers at age 15, and five of them became middle-performers by age 19.

Sixty-eight young people were middle-performers in math starting out. Nearly three of these students became high-performers, and nearly 12 fell to a low-proficiency level by age 19.

And among the 22 in 100 students who were low math performers at age 15, close to nine improved their proficiency by age 19. Again, the nine in 100 low-performers who improved to become middle-performers in math represented just under 40 percent of all low-performers.

Figure 2. Percentage distribution of U.S. 19-year-olds in PISA 2012 mathematics proficiency levels at age 15 and in ESO numeracy proficiency levels at age 19: 2012 and 2016



HOW TO READ THE FIGURE: At age 15, ten percent of U.S. 19-year-olds performed at the high level of proficiency in PISA 2012 (i.e., level 5 and above). Of this group, 46 percent were in the high level of proficiency in ESO (level 4 and above) at age 19. Altogether, 7 percent of U.S. 19-year-olds were at the high level of proficiency (level 4 and above) in ESO.

‡ Reporting standards not met. The coefficient of variation (CV) for this estimate is 50 percent or greater.
NOTE: ESO stands for Education and Skills Online. Estimates for 19-year-olds are for individuals who were 15-year-old students in the fall of 2012 and who participated in PISA YAFS in 2016. Percentages of U.S. 19-year-olds by their PISA and ESO proficiency levels appear in parentheses below the category labels. See tables 1, A-4, and A-10 for standard errors of the estimates. See exhibits 3 and 5 for descriptions of proficiency levels. Detail may not sum to totals due to rounding.
SOURCE: U.S. Department of Education, National Center for Education Statistics, Program for International Student Assessment (PISA), 2012; and Program for International Student Assessment Young Adult Follow-up Study (PISA YAFS), 2016.

Small fractions of young people made leaps from low proficiency levels to high levels, or vice versa.

When researchers looked at student demographics, they found strong correlations between students attending poor schools and low proficiency levels at age 15. The measure used to define a poor school was 75 percent or higher school-wide participation in the free- or reduced-price lunch program.

Moreover, for both reading and math, students were more likely to move from middle- to low-proficiency levels over time if they came from these schools. In fact, these students were almost twice as likely than as all students to display this pattern of performance.

"By documenting generally strong, positive relationships between individuals' reading and mathematics performance at age 15 and their literacy skills, numeracy skills and educational trajectories four years later, this report provides an indication of the degree to which success on PISA 2012 is related to various outcomes at the important transition from high school and the outset of adult life. However, it also showed that these relationships are not universal for all students, highlighting students who were in the poorest schools at age 15 as an at-risk group for skill loss," the report explains.

Education Outcomes

The picture of education at age 19 differed dramatically by skills proficiency at age 15 for both subjects. Most high-performing 15-year-olds were enrolled in bachelor's degree programs at age 19. This was the case for about half of middle-performers, and another fifth of them were studying for two-year degrees.

Among low-performers, about 30 percent had earned their high school diplomas and were no longer in school. This was the most common educational outcome for this group.

Slightly under a quarter were still seeking their high school credential, and about 15 percent had dropped out of school without a high school diploma or equivalency certificate. Among the roughly 30 percent enrolled in college, associate degree programs were slightly more common than bachelor's degree programs.

Young people who had been high-performers as 15-year-olds were more likely than other young people to end up in science and engineering programs.

Forty-three percent of 19-year-olds in the study were unemployed when they were surveyed. This particular definition of unemployment includes those who were not looking for work (whereas the Bureau of Labor Statistics considers these people as not participating in the labor force).

Those who were higher-performers at age 15 were more likely than other groups to be unemployed, though this might relate to their studies as very few were looking for work. Middle-performers were more likely than low-performers to hold jobs, though these jobs tended to be part-time.

Employment

Among those with mid-level math or reading proficiency at age 15, 42 percent worked part-time jobs, 14 percent worked full-time jobs and 1 percent participated in apprenticeships or internships. Note that this data was self-reported in the spring or summer of the year after they would have been expected to graduate high school.

Among low-performers, slightly more worked full-time.

Just under a third of all young adults who worked at age 19 were in service and sales occupations. The shares of those working in all other occupational groups were much smaller, in single-digit percentages. More than 7 percent of those who had been high-performers as 15-year-olds worked in professional occupations. After sales and service jobs, low-performers were next most commonly found in the trades and manufacturing.

According to the report, at least seven other countries that participate in the PISA program have conducted longitudinal studies in order to correlate skills proficiency of secondary education students with the outcomes of young adults. These generally have shown that higher academic performance in high school is related to university enrollment and more positive labor market outcomes.

✓ Subscribers may request a copy of the NCES report *2012–2016 Program for International Student Assessment Young Adult Follow-up Study: How Reading and Mathematics Performance at Age 15 Relate to Literacy and Numeracy Skills and Education, Workforce and Life Outcomes at Age 19*, NCES 2021-029, by contacting service@miipublications.com.

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Briefs

Contingent Workers

STATE-IRS PAYROLL INFO SHARING LED TO RECLASSIFICATIONS

An Internal Revenue Service program that helps state workforce development agencies identify workers who have been improperly excluded from payrolls led to 291,792 employee classifications over the past six fiscal years.

This comes to light in a memo that the Employment and Training Administration issued to states to encourage further participation in the Questionable Employment Tax Practices Program, or QETP.

Employee classifications could involve workers who were improperly treated as independent contractors, workers paid under the table and others.

QETP is an information sharing partnership between the IRS and state workforce agencies targeting tax schemes meant to reduce or evade state and federal payroll taxes, including unemployment insurance taxes.

The Internal Revenue Service launched QETP in 2006, through an agency division dedicated to small businesses and the self-employed. A workgroup oversaw this project at its start, including representatives from the IRS, ETA, the National Association of State Workforce Agencies, the Federation of Tax Administrators and workforce development agencies for California, Michigan, New Jersey and North Carolina. ETA first invited states to join in 2007. This is voluntary, and state workforce agency participation in QETP is still spotty across the country.

"The IRS and ETA believe that non-participating states would improve their audit results if they would participate in the QETP program," the memo says.

Benefits for States

Federal officials believe QETP participation will help states identify new businesses and other employers that may not be filing UI taxes, incidents of worker misclassification as well as State Unemployment Tax Act dumpling and other manipulations of UI tax rates. A common strategy of SUTA dumping is the transfer of employees from one company that has had layoffs and thus faces a higher UI tax rate to a new shell company that has a lower tax rate.

States need to enter into a memorandum of understanding with the IRS to participate in activities such as sharing audit reports and undertaking side-by-side audits of employers. ETA regional offices can point states to IRS governmental liaisons who are assigned to each state, who can help facilitate these agreements.

State UI tax audits supported by QETP involved 33,517 businesses from FY 2015 through FY 2020, according to ETA. Over this period, these investigations led to new UI tax assessments of more than $68.9 million, on behalf of 291,792 workers whose employee status was reclassified.

QETP-related audit activity slowed in FY 2020, but FY 2019 was a big year for the program, with 6,344 businesses audited, 89,091 workers reclassified and $5.7 million in new UI tax assessments. ✰

Return to Work

SUPERVISORS, WORKERS HARBOR TELEWORK CAREER CONCERNS

Seventy-two percent of supervisors with subordinates teleworking due to the coronavirus wished for a full return to the office, and even some workers who are in these situations reported drawbacks.

Both supervisors and employees working remotely believed that remote work could interfere with career advancement opportunities.

This is according to new survey results released by the Society for Human Resource Management.

These findings are based on survey samples of 817 supervisors, 1,500 female remote workers and 1,363 male remote workers. Respondents participated in online surveys in mid-June.

Overlooking Remote Workers

Sixty-two percent of these supervisors believed that full-time remote work is detrimental to workers' career objectives, and 42 percent of supervisors admitted to occasionally forgetting about certain remote workers when handing out assignments. More than two-thirds of supervisors reported spending more time overseeing remote workers compared to workers in the office or otherwise at the job site. Also, 67 percent of these supervisors admitted that they consider remote workers to be more easily replaceable than workers who had returned.

Most remote workers reported that they still see benefits to the situation, and that it supports their performance.

But 59 percent of SHRM's teleworking respondents believed that working from home on a permanent basis would diminish their networking opportunities, and close to as many felt it would cause their work relationships to suffer.

Thirty-four percent of remote workers believed that maintaining their situation would reduce their career opportunities, and 29 percent worried about missing out on professional development opportunities.

In addition to these forward-looking findings, 61 percent of remote workers reported having spent money out of pocket on equipment and furnishings to work from home. Close to half of remote workers spent between $100 and $499.

"With COVID-19 forcing a leap to remote work in many sectors of our economy, and organizations struggling to determine the best workforce strategies post-pandemic, there's one fact that can't be ignored — remote work is not ideal for everyone," said SHRM president and chief executive Johnny Taylor, Jr. "Remote work can offer benefits, but employers need to take a closer look at whether remote and onsite workers have the same opportunities and whether managers have the tools they need to be effective leaders."

The Bureau of Labor Statistics is collecting information on telework due to the coronavirus pandemic through supplemental questions added to the Current Population Survey of households. By July, this had fallen to 13.2 percent of the employed workforce, from 26.4 percent one year earlier.

Still this summer, many more workers in specific fields remain working from home. The rate of remote work due to COVID-19 was 36 percent for professional and technical services workers, and 49 percent of those in computer and mathematical occupations, in July 2021. The BLS data do not include people who telework most of the time under normal circumstances.

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Fraud and Abuse

EDUCATOR CREDENTIALING COMPANY CAUGHT CHEATING

The owners of an online, Florida-based teacher certification company pleaded guilty in a case where they were accused of stealing content from state exams for public school educators and administrators.

On Aug. 10, Kathleen Jasper, 42, and Jeremy Jasper, 40, both of Estero, Fla., pleaded guilty to charges of racketeering and theft of trade secrets, before the U.S. District Court for the Northern District of Florida. The Jaspers are a couple, and are both state-certified teachers. They own a company that has been known as Edge Academic Solutions, or NavaEd, which since January 2016 has offered study guides and online, as well as in-person, training and tutoring for the Florida Teacher Certification Exams and the Florida Educational Leadership Exam. These are the only credentialing programs involved in the charges brought against them. After entering the guilty pleas, the NavaEd website redirected to KathleenJapser.com, which continues to market test preparation materials for the Educational Testing Service's Praxis exams, and other nationally recognized professional assessments in the education field. The couple had acknowledged in court filings that they planned to continue operating parts of their business not involved in the case.

According to prosecutors, Florida for some time allowed people seeking their educator certifications to take the exams repeatedly. The Jaspers and their employees systematically took tests numerous times and would hold "brain dump" sessions to write down all the test content they could remember. The Jaspers then developed this material into their study guides and tutoring sessions.

The Jaspers together were responsible for sitting through tests more than 70 times before state officials, and Florida's testing contractor Pearson VUE, identified their unusual test taking activity and blocked new enrollments. The Jaspers stood out because most repeat test takers try again only once before they pass. And the company paid for the registrations with a single credit card.

Prosecutors who raided the company's office found more than 405 test questions repeated exactly in materials sold by the Jaspers.

Employees and independent contractors who have not been named in the case informed prosecutors of the scheme.

A requirement for taking these tests is signing a set of exam rules that includes a nondisclosure agreement, and prosecutors made this clause key in how they framed the criminal charges.

Prosecutors also found sales records for study guides, indicating that sales since the start of 2016 exceeded 5,000.

Guilty Pleas

The racketeering and theft of trade secrets charges carry maximum prison sentence penalties of 20 years and 10 years, respectively. Sentencing is scheduled for Nov. 15.

A federal grand jury indictment, issued last December, also charged the couple with 108 counts of wire fraud, relating to their sales of the test content. Prosecutors dropped these charges. Lawyers for the defendants had sought to dismiss the charges, mainly arguing that the state made its test content public by using a bank of test questions year after year, and by offering test preparation booklets for free, online. Also, the Jaspers' lawyers argued that prosecutors stacked up the wire fraud counts based on each time the defendants, or one of their employees, registered for these tests for the purpose of taking away test content. Registering for an exam is not in itself a false statement necessary for proving an act of fraud, according to the defense offered before the couple decided to plead guilty.

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Employment and Unemployment

GAINS IN STATE JOBS COUNTS, JOBLESS RATES LEVELING OFF

July unemployment rates declined in 17 states and the District of Columbia, while payrolls rose over the month in 38 states and the nation's capital.

The Bureau of Labor Statistics released state unemployment and payroll employment data for the seventh month of the year on Aug. 20.

The highest unemployment rates for July came in Nevada, at 7.7 percent, and then California, New Mexico and New York, which shared the rate of 7.6 percent.

Nebraska posted the lowest unemployment rate, of 2.3 percent, followed by Utah, at 2.6 percent.

On an over-the-month basis, the largest decline in joblessness, of 0.4 percentage point, was shared by three states. These were Connecticut, to 7.3 percent; Hawaii, also to 7.3 percent; and Oregon, to 5.3 percent.

Thirty-three states posted July unemployment rates that were stable, and no states reported significant increases in joblessness.

Patterns across states for July were similar to those of June, when jobless rates were stable in 40 states, and the largest over-the-month decline, for Hawaii, was of 0.3 percentage point.

On an over-the-year basis for July, all states posted declines. Nevada claimed the largest among these, of 8.9 percentage points. Rhode Island followed, with a decline of 8.2 percentage points, to 5.8 percent. The next largest improvement was in New York, of 7.1 percentage points, to 7.6 percent. An additional eight states experienced declines of 5 percentage points or more.

The smallest over-the-year declines in unemployment were in Kentucky, of 1.2 percentage points, to 4.4 percent; Colorado, of 1.3 percentage points, to 6.1 percent; and Wyoming, of 1.6 percentage points, to 5.2 percent.

Payroll Employment

With the 38 states and the District of Columbia reporting over-the-month gains in payroll employment, 12 states reported substantially flat job counts and no states registered declines.

The largest percentage increases came to Vermont, 2.3 percent; Hawaii, 1.8 percent; and North Carolina, 1.7 percent. The smallest significant gains came to Indiana, 0.3 percent, as well as Kansas, New Jersey and Ohio, at 0.4 percent each, though, again, a dozen other states had no significant change.

On an over-the-year basis, payrolls increased in all 50 states and the District of Columbia. The largest 12-month job gains, in percentage terms, occurred in Hawaii, of 10 percent; Vermont, 8.9 percent; and Nevada, 8.2 percent.

Oklahoma posted the smallest over-the-year jobs gain, of 1.6 percent; followed by Kansas and Kentucky, of 2.7 percent each.

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BULLETIN BOARD, continued from p. 598

COLLEAGUES

AFL-CIO — The American Federation of Labor-Congress of Industrial Organizations announced the selection of LIZ SHULER to serve as president, replacing Richard Trumka, who died unexpectedly on Aug. 5. Schuler was the secretary-treasurer of the AFL-CIO. FRED REDMOND, vice president of the United Steelworks, will become the secretary treasurer. Shuler is the first female AFL-CIO president, and Redmond is the first African American in the number two office. Shuler comes from the International Brotherhood of Electrical Workers Local 125, in Oregon, and worked for the union in legislative affairs in California before coming to Washington, D.C. She was the youngest woman to serve on the AFL-CIO's executive council, when elected to be secretary-treasurer in 2009. Redmond has been a USW member since joining Local 3911 at Reynolds Metals, in Chicago, in 1973.

CONGRESSIONAL ACTION

Nominations

OFFICE OF DISABILITY EMPLOYMENT POLICY — TARYN WILLIAMS recieved Senate confirmation to serve as the assistant secretary for disability employment policy in the Department of Labor. Williams was most recently the managing director for the Center for American Progress' Poverty to Prosperity Program. She worked in ODEP during the Obama Administration as the office's chief of staff and director of youth policy.

ECONOMIC DEVELOPMENT ADMINISTRATION — ALEJANDRA CASTILLO received Senate confirmation to serve as assistant secretary of commerce for economic development. Castillo was most recently chief executive officer of the YWCA USA. She previously served in the Economic Development Administration during the Obama Administration as the national director of minority business development.

Floor Action

WORKFORCE DEVELOPMENT — The House of Representatives, on Aug. 24, passed S. Con Res. 14, the budget resolution that will make way for major social policy legislation. The measure passed the Senate earlier in the month. This reflects the Biden Administration's American Families Plan, and the workforce development component of the American Jobs Plan, though Congress will work out the details of the final legislation. The budget resolution recommends about $3.5 trillion in new spending across areas that include child care, higher education, family tax policy, workforce development and much more. This is a procedural step in a legislative process called budget reconciliation, and it will allow the final legislation to be approved by a simple majority vote in the Senate, rather than a two-thirds majority (ETR 8/16/21, p. 585).

FEDERAL GUIDANCE

Training and Employment Guidance Letter

TEGL 25-20, Change 1 — Increased Funding Availability for Comprehensive and Accessible Reemployment through Equitable Employment Recovery National Dislocated Worker Grants, announces that up to $90 million will be available for this DWG funding initiative, which was originally announced in June. This is up from $43 million (see story, p. 599). Issued Aug. 19.

Training and Employment Notices

TEN 03-21 — Questionable Employment Tax Practices Program, encourages states to join the Internal Revenue Service in an initiative to help identify unemployment insurance tax avoidance. Issued Aug. 20.

TEN 04-21 — Signature Block for ETA Advisories during COVID-19 Pandemic, announces that guidance letters and memos signed by Acting Assistant Secretary for Employment and Training Lenita Jacobs-Simmons constitute official guidance. Issued Aug. 23.

TEN 05-21 — Mixed Earners Unemployment Compensation — Operations Checklist, offers a checklist for operating the unemployment insurance program that compensates recipients of regular state UI benefits for earnings from side jobs. Issued Aug. 23.

Unemployment Insurance Program Letters

UIPL 23-21 — Grant Opportunity for Promoting Equitable Access to Unemployment Compensation Programs (see story, p. 605). Issued Aug. 17.

UIPL 24-21 — Additional Planning Guidance for the Fiscal Year 2022 Unemployment Insurance State Quality Service Plan. Issued Aug. 20.

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