



Submitted by [Brooke Heaton](#) on March 17, 2017

# Statement on Workforce Program Reductions in the Administration's FY18 Budget Proposal

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WASHINGTON – The National Association of State Workforce Agencies' (NASWA) statement following the release of the Administration's FY18 proposed budget request outline, which includes a \$2.5 billion (21 percent) reduction to the U.S. Department of Labor (USDOL):

“We are concerned that the Administration's FY18 budget request makes significant cuts to core workforce services, which lead to better jobs and higher earnings for Americans. Last year alone, federal workforce programs, operated at the state and local levels, assisted over 22.7 million jobseekers and their employers. Of those millions, almost 70 percent found jobs where both adults and youths served earned more than before, and 80 percent of teens assisted learned new, employable skills. This was accomplished despite a 20 percent funding reduction in actual dollars over the past two decades.

Based on our most recent state survey data, USDOL funding for workforce-related programs (WIOA, WagnerPeyser and Unemployment Insurance) totaled \$6.2 billion with the states distributing \$2.5 billion to local workforce development systems. In order to better address the actual needs of employers and jobseekers, states augmented the remaining \$3.7 billion federal investment by adding over \$820 million (a 22 percent increase) of their own state funds for workforce related programming.

Further cuts to the workforce system will severely impact services and leave significant numbers of jobseekers without help to build new skills and leave the skills gap voiced by employers unfilled. State workforce agencies are rebuilding America's workforce by connecting employers and jobseekers through these critical programs.

We will continue to work with Congress and the Administration to demonstrate how investments in the state workforce system have always yielded a strong return.”