



# Principles to Support Black Workers in the Workforce Innovation and Opportunity Act

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BY ALEX CAMARDELLE, PhD | OCTOBER 2021

In his 1968 interview, "How to Cool It," James Baldwin stated that "you can't talk about jobs programs unless you're willing to talk about what is really holding the structures together."<sup>1</sup> America's federal workforce development system is one of those structures and has the potential to eliminate or reproduce economic disadvantage for Black workers. In the workforce system, cumulative disadvantage combined with policy responses that fail to address historical or current racial injustices merge to reinforce economic exclusion and poverty.<sup>2</sup>

Efforts to support workers through the public workforce system could not be any more critical given COVID-19's outsized effect on the already precarious health and economic security of Black workers. Black workers are almost always more likely to be displaced from work than White workers.<sup>3</sup> At 8.8 percent, unemployment rates remain at crisis levels for Black workers—more than 3 percentage points higher than the overall unemployment in August 2021.<sup>4</sup> In September 2021, federal lawmakers allowed critical unemployment aid to expire, which disproportionately hurt Black workers.<sup>5</sup>

With this context in mind, in July 2021, the Joint Center held a roundtable discussion with national and local workforce experts to assess challenges and opportunities facing job seekers navigating the workforce system. Participants noted that the federal workforce system does not evenly distribute economic opportunity. To that end, this issue brief includes their expert perspectives and explores five principles to consider in improving the Workforce Innovation and Opportunity Act (WIOA) and ensure that the workforce system advances equity for Black workers.

This is an opportune moment to advance equity as Congress is set to reauthorize WIOA and vote on new workforce investments proposed in President Biden's Build Back Better plan. State and local leaders can also consider the principles in their work to advance the goals of WIOA. The five principles are:

1. WIOA guardrails must be put in place to protect Black workers from occupational segregation.
2. WIOA must explicitly acknowledge discrimination in hiring and in the workplace.

3. WIOA must compensate and link to wraparound support for Black workers shouldering the costs of training.
4. WIOA must invest in data systems that track program-level outcomes for Black workers.
5. Black job seekers must share power with workforce system decision-makers.

## What is WIOA?

The federal workforce system encompasses numerous policies and programs that aim to assist job seekers in job search, career navigation, and training. The system involves adult basic education and GED programs, apprenticeships, nonprofit organizations, and employers that provide job training, community colleges, and in limited cases four-year colleges and universities. The connective tissue that holds the system together is the Workforce Innovation and Opportunity Act (WIOA), which was signed into law in 2014 and follows decades of preceding legislation that provided employment services for job seekers.<sup>6</sup> In 2021, WIOA allocated approximately \$3 billion to states to carry out workforce activities described in the act.<sup>7</sup>

WIOA is administered by the U.S. Department of Labor and is primarily implemented by state and local governments through a network of job centers where service delivery models vary greatly. Moreover, the WIOA system operates on the margins of traditional postsecondary education (i.e., programs that offer bachelor's degrees or higher) and targets youth and adults who are out of school, receiving public assistance, are veterans, unhoused, or persons with disabilities. The typical training offered through WIOA is short-term. For instance, in 2019, the average number of weeks of training was 22.<sup>8</sup>

## Black Workers and WIOA

Black workers are disproportionately represented among those using WIOA services. More than one in three (35 percent) workers who completed WIOA-funded services between April 2019 and March 2020 was Black, despite making up just 12.6 percent of the country's labor force.<sup>9</sup> However, demographics vary by state. For instance, 47 and 65 percent of workers who received services from WIOA's core programs in Ohio and Louisiana, respectively, were Black.<sup>10</sup> Key characteristics of Black workers who received WIOA services are included in Figure 1.

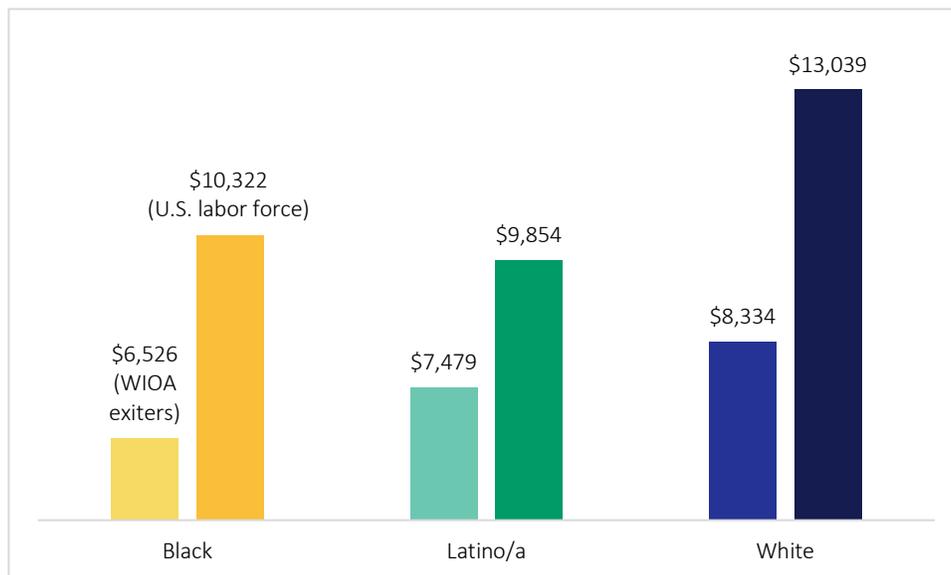
**Figure 1: Key characteristics of adult workers who received WIOA services from April 2019 to March 2020**

Characteristics	All WIOA (%)	Black WIOA (%)
Unhoused	5	7
Formerly incarcerated	13	17
Low income	52	61
High school diploma or less	57	62
Receiving public assistance	28	34
Not attending school	92	92

Note: The numbers are those leaving the program between April 2019 and March 2020. Source: Joint Center analysis of data in the "Program Year 2019 Data Book" (Washington, D.C.: U.S. Department of Labor, 2019)

Although program-level insights are hard to come by, an aggregate look at the outcomes of individuals exiting the WIOA system indicates how the system reinforces economic disadvantage by race by guiding Black workers into jobs that offer lower earnings.<sup>11</sup> Data published by the U.S. Department of Labor shows that Black workers had the lowest earnings among all other groups once they left federal workforce training services despite having the highest employment rate of all groups.<sup>12</sup> Between March 2019 and April 2020, Black workers' wages were 78 percent of White workers' wages two quarters after receiving WIOA-funded services (or \$1,808 lower). Black wages were 87 percent of Latino/a workers (or \$953 lower).<sup>13</sup> These earnings disparities mirror those found in the general population, as shown in Figure 2. In 2020, the quarterly earnings gap between all Black and White workers in the U.S. was 79 percent.<sup>14</sup> The persistence of racial earnings gaps despite higher employment rates for Black workers who receive WIOA services may be symptomatic of WIOA's focus on compliance and placements over job quality and racial equity.

**Figure 2: WIOA replicates racial earnings gaps seen across the labor force**



Note: Dept. of Labor data in WIOA's performance reports only includes five racial-ethnic categories: Hispanic, non-Hispanic, White, Black, and "other."

Source: Joint Center analysis of outcomes by race-ethnicity of adults leaving WIOA from the U.S. Department of Labor, "Program Year 2019 Data Book" (Washington, D.C.: 2019), Table II-28; Joint Center analysis of data from the Current Population Survey, Bureau of Labor Statistics, 2020).

WIOA places great emphasis on personal responsibility, which compounds the effects of structural racism that spans the lives of Black job seekers.<sup>15</sup> In fact, the race-neutral workforce system we have today adapted many of the elements of individualistic welfare reform, including a statutory goal to reduce welfare dependency.<sup>16</sup> This focus on personal responsibility in WIOA carries the extraordinary expectation that nothing will interfere with Black workers' individual effort—not even racism. Therefore, even though WIOA seems race-neutral, systemic racism remains a significant feature of the U.S. workforce system.

"WIOA is a colorblind or race-neutral policy; that is, although its purpose is to provide opportunities to previously marginalized adults, it seeks to apply solutions without consideration for race or the existence of past or present racial discrimination."<sup>17</sup>  
– Amy Pickard, Indiana University

As the country looks toward economic recovery, WIOA should serve as an important tool to help workers gain the credentials and experience needed to re-enter the labor market and move up the income ladder. But the system can only achieve those goals if it recognizes the role of racism in the labor market and the many ways the system itself has adopted race-neutral policies that reinforce disadvantage. To prioritize Black workers and advance racial equity, policymakers should consider the five following principles.

## Principle 1: WIOA Guardrails Must be Put in Place to Protect Black Workers from Occupational Segregation

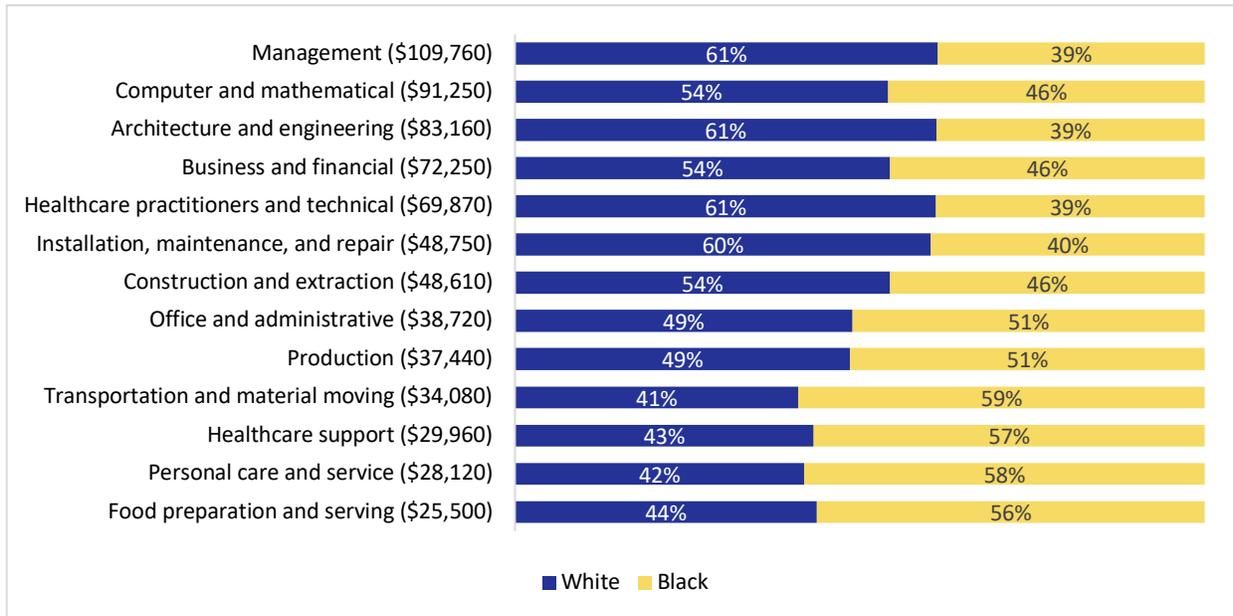
A key concern from critics of WIOA is occupational segregation. The U.S. has a long history of segregating workers through public employment and training programs. For example, the G.I. Bill offered job assistance to Black servicemen, but when they applied for help, their cases were handled mainly by White caseworkers tasked with "channeling African American veterans into 'Black jobs' in the North as well as the South, reinforcing the existing division of labor."<sup>18</sup> The underrepresentation of Black individuals in higher paying employment today signals that the workforce system engages in occupational segregation.<sup>19</sup>

“Many Black and Brown workers (due to the impact of systemic racism) have been pushed into labor intensive jobs.”  
– Duy Pham, Center for Law and Social Policy

The Joint Center's analysis of data from the Department of Labor shows stark racial segregation in the jobs and careers Black workers take once completing WIOA-funded training. In the 2019 program year, Black workers were less likely than White workers to be in higher-paying occupations (see Figure 3).

Black workers today remain concentrated in low-wage jobs in industries that are at high risk of disruption by automation.<sup>20</sup> These workers should be able to turn to the public workforce system if they lose a job owing to automation or other layoffs, but the system perpetuates occupational segregation, sometimes placing workers back into occupations at risk for displacement.

**Figure 3: Black workers exiting WIOA-funded programs are less likely to be in higher-paying occupations than White workers**



Note: The data only reflects the outcomes of White and Black workers who received WIOA services.  
 Source: Joint Center analysis of outcomes of dislocated workers by race and ethnicity in the U.S. Department of Labor, "Program Year 2019 Data Book" (Table III-31) (Washington, D.C.: 2019).

WIOA-funded programs must be held accountable for continuous patterns of segregating Black workers. WIOA should require states to disclose workforce program racial data and submit plans to address occupational segregation. Also, federal law should require the creation of state and local coordinating bodies to monitor and reduce racial and ethnic disparities across occupations, the types of credentials received, and earnings. Such bodies should be required to create and implement a work plan and deploy technical assistance to workforce programs with significant racial disparities or that fail to make progress in the placements of Black participants following training. Programs that demonstrate a pattern of occupational segregation should be prohibited from joining WIOA training provider lists until they have implemented equitable counter strategies.

WIOA should also prioritize local workforce boards and training providers who develop partnerships with "high road" employers offering wages above the industry standard, fair scheduling policies, paid leave, and who demonstrate other components of high job quality.<sup>21</sup> WIOA currently lacks a job-quality framework in the legislation itself, but it should be included during reauthorization and any subsequent guidance provided by the Department of Labor. This will ensure programs are held accountable if they steer Black workers into low-quality jobs. Black workers must be guaranteed high-quality employment at the end of training.

## Principle 2: WIOA Policy Must Explicitly Acknowledge Discrimination in Hiring and in the Workplace

WIOA's individualistic and race-neutral orientation dismisses racism in the labor market and in the workplace, which weakens the ability of training providers to advance equity through workforce development.<sup>22</sup>

“The inability to focus on upward mobility and/or support workers long-term is connected to the denial of race and racism on upward mobility in workplaces.”

– Clair Minson, Sandra Grace LLC

Discrimination in the labor market continues to impede economic mobility for Black workers. On average, White job applicants receive 36 percent more callbacks than equally qualified Black applicants who apply for the same jobs.<sup>23</sup> Legal, racist hiring practices also hurt Black job seekers impacted by mass incarceration. Public access to criminal records and requiring job applicants to reveal whether they have a criminal record lead to higher rates of discrimination among Black job seekers.<sup>24</sup> Black workers are 13 percent of the U.S. workforce, but they file 26 percent of the racial discrimination claims with the Equal Employment Opportunity Commission (EEOC) and its partner agencies.<sup>25</sup>

WIOA-funded programs cannot weed out racism in hiring alone, but they can help job seekers address challenges in the labor market. For example, WIOA-funded programs could identify discrimination and report it to the EEOC. WIOA should provide funding and guidance to help programs publicly track reports of discrimination among employers. WIOA should also provide programs the resources needed to build staff capacity to understand the role of racism in labor markets to better support clients who experience discrimination.

## Principle 3: WIOA Must Compensate and Link to Wraparound Support for Black Workers Shouldering Costs of Training

Individuals who receive WIOA-funded training and services are not responsible for the direct costs of the training itself (i.e., tuition and fees), but they often sacrifice a great deal to participate. For instance, many training programs operate during traditional work hours, requiring participants to give up income to receive training. In a recent study, researchers found that Black respondents are 60 percent more likely than others to cite the opportunity cost of lost wages as a barrier to training.<sup>26</sup>

“Black and Brown workers often struggle to organize their lives to accommodate for short-term training.”

– Bishara Addison, Fund for Our Economic Future

WIOA should support programs that compensate participants for training. A promising, yet underutilized, approach is earn-and-learn opportunities, such as apprenticeships and work-based learning. Unfortunately, these programs remain out of reach for most Black workers. For example, just 10 percent of apprenticeship enrollees are Black job seekers.<sup>27</sup> The scarcity of Black apprentices is linked to anti-Black racism embedded in apprenticeship policy dating back to the Reconstruction era.<sup>28</sup>

The cost of training is much more than lost wages. Books, uniforms, and other training expenses are additional costs. Black workers must also be provided wrap-around support during training, such as transportation assistance, housing assistance, childcare, and even access to mental health and other health care services. Even when wrap-around supports are available, they are usually provided on a first-come, first-serve basis as funding is normally limited.<sup>29</sup> WIOA should incentivize states and local governments to leverage other human services, such as the Child

“There should not be any trainings or programs that do not provide a living/family wage and offer wraparound services.”

– Nzingha Hooker, National Black Worker Center

Care and Development Block Grant subsidies, Temporary Assistance for Needy Families, the Supplemental Nutrition Assistance Program, and others. Currently federal WIOA policy makes these inter-agency partnerships an option when they should be a requirement, especially when one of the objectives of WIOA is to reduce welfare dependency.

## **Principle 4: WIOA Must Invest in Data Systems that Monitor Program-Level Outcomes for Black Workers**

Most evaluations of training programs do not report and analyze outcomes by race—a missed opportunity to advance equity and improve workforce programs for Black workers.<sup>30</sup>

WIOA should require reporting and disclosure of workforce performance data by race at the program level. Currently, federal law requires that states report program performance data to the Department of Labor. However, these reports only show aggregate outcomes by race and ethnicity at the national and state levels, masking what could be useful information for Black job seekers who are exploring programs and legislators who are crafting policies and public investments.

“Equitable access to data analytics leads to focused career support efforts for Black and Brown workers looking to obtain good paying jobs.”  
– Traci Scott, National Urban League

## Principle 5: Black Job Seekers Must Share Power with Workforce System Decision-makers

Participatory governance is key in achieving the goals of WIOA and advancing racial equity. WIOA requires the establishment of workforce development boards at the state and local levels. These boards review and approve workforce plans and make key spending decisions. The state board is appointed by state governors. Local governments also have their own plans and boards of directors. Workforce development boards are required to include representatives from many stakeholder groups, including employers. Ironically though, boards are not required to include job seekers.<sup>31</sup>

The exclusion of Black job seekers as leaders in the workforce system has a direct impact on decision-making around resource allocation, the selection of eligible training providers, service implementation, and performance measures and reporting. Given concerns about the workforce system's potential to reproduce racial inequities in employment, job seekers must be at the center of the design of the nation's workforce system. Without sharing power with Black workers, the system will be fragmented and ineffective, squandering WIOA's opportunities to support economic mobility and racial equity.

## Conclusion

To guarantee an equitable economic recovery, the country's workforce development policies must prioritize the needs of Black workers. Following major economic downturns, displaced Black job seekers commonly turn to the public workforce system and other employment services to rejoin the workforce and become financially secure. However, even as the nation's decision-makers tout workforce development as essential for recovery, history shows that barriers to resources and training that lead to high-quality careers continue to prolong recovery for Black workers and their families.

Black workers cannot return to the status quo, which continues to reproduce a class of low-wage workers that is disproportionately Black and distanced from economic mobility. By adopting the principles described in this brief for WIOA reauthorization, Congress can begin to move toward a more equitable workforce system.

## Acknowledgments

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Constantakis, Lakythia Ferby, Kysha Frazier, Sergio Galeano, Allison Gerber, Agatha Gucyski, Rachel Hirsch, Nzingha Hooker, Kermit Kaleba, Jenny LaForest, Livia Lam, Katherine McClelland, Clair Minson, Duy Pham, Duwain Pinder, Traci Scott, Valerie Skinner, Katie Spiker, Phil Weinberg, and Katherine Wheatle. The roundtable and this issue brief were made possible by the Lumina Foundation. Special thanks to my colleagues at the Joint Center for their support throughout the project and for closely reviewing the report to ensure the highest level of accuracy and clarity, including Jessica Fulton, Chandra Hayslett, Victoria Johnson, Aleya Jones, Spencer Overton, and Barbara Ray.

## References

- <sup>1</sup> “[James Baldwin: How to Cool It](#).” Esquire, July 1, 1968.
- <sup>2</sup> Livia Lam, “[A Multiple Measures Approach to Workforce Equity: How Improving Job Quality in Workforce Accountability Can Help Close Equity Gaps](#).” (Washington, D.C.: Center for American Progress, October 2020).
- <sup>3</sup> Elizabeth Wrigley-Field and Nathan Seltzer, “[Unequally Insecure: Rising Black/White Disparities in Job Displacement, 1981-2017](#).” Washington, D.C.: Washington Center for Equitable Growth, 2020).
- <sup>4</sup> U.S. Bureau of Labor Statistics, “[Table A-2. Employment Status of the Civilian Population by Race, Sex, and Age](#).” (Washington, D.C.: Last modified August 4, 2021).
- <sup>5</sup> Andrew Stettner, “[Fact Sheet: What’s at Stake as States Cancel Federal Unemployment Benefits](#).” (Washington, D.C.: The Century Foundation, May 2021).
- <sup>6</sup> Workforce programs funded through Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP) Employment and Training, and Perkins Career and Technical Education are not discussed in detail in this brief given that other national agencies direct them (e.g., Department of Health and Human Services and Department of Education). While they are no less consequential to our federal workforce system, the policy complexities of these additional programs are beyond the scope of this brief.
- <sup>7</sup> While writing this issue brief, the U.S. House of Representatives Committee on Education and Labor passed a portion of President Biden’s Build Back Better plan that would add an unprecedented \$15 billion in funding for the Workforce Innovation and Opportunity Act.
- <sup>8</sup> Joint Center analysis of data in U.S. Department of Labor, “Program Year 2019 Data Book.” (Washington, D.C.: 2019), Tables II-1, II-4.
- <sup>9</sup> Ibid.
- <sup>10</sup> Joint Center analysis of U.S. Department of Labor, “Program Year 2019 Workforce Performance Results” (various states) (Washington, D.C.: 2019).
- <sup>11</sup> While there is no shortage of formal evaluations of general workforce programs that are authorized by WIOA and previous federal job training policies, a focused examination of the role of race on outcomes is rare. [Recent Joint Center work](#) found that due to limited program-level data that disaggregates outcomes by race, it is difficult to understand whether these programs help Black workers navigate a discriminatory education and labor landscape. See Joint Center for Political and Economic Studies, “Improving Training to Brighten the Future of Black Workers” (Washington, D.C.: Sept. 2019).
- <sup>12</sup> Joint Center analysis of outcomes by race and ethnicity of adult WIOA exiters in U.S. Department of Labor, “Program Year 2019 Data Book” (Washington, D.C.: 2019), (Table II-28). The employment rate for Black WIOA participants in the second quarter after exit was 73.8 percent, and 73.5 percent for Latino/a workers, 71.1 percent for White workers, and 69.1 percent for “other” workers.
- <sup>13</sup> Ibid.
- <sup>14</sup> Joint Center analysis of data from the Bureau of Labor Statistics, (Washington, D.C.: 2020).
- <sup>15</sup> Elizabeth Segal, “Welfare Reform: What’s Poverty Got to Do with It?” In *The Promise of Welfare Reform*, ed. Keith M. Kilty (Philadelphia: Routledge, 2006), pp. 122-33.
- <sup>16</sup> Workforce Innovation and Opportunity Act, 29 U.S.C. § 310 (2014), p. 5 “For purposes of subtitle A and B of title I, to provide workforce investment activities, through statewide and local workforce development systems, that increase the employment, retention, and earnings of participants, and increase attainment of recognized postsecondary credentials by participants, and as a result, improve the quality of the workforce, reduce welfare

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dependency, increase economic self-sufficiency, meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation.”

<sup>17</sup> Amy Pickard, “[WIOA: Implications for Low-Scoring Adult Learners](#).” *COABE Journal* 5 ( 2) (2016): p. 53

<sup>18</sup> Ira Katznelson, *When Affirmative Action was White: An Untold History of Racial Inequality in Twentieth-Century America*. (New York: W.W. Norton, 2005), p. 138. “The United States Employment Service (USES) was mandated by the GI Bill to help veterans find jobs at their level of skill” ... “Because unemployment insurance was made available only to those who could demonstrate a willingness to take a suitable job, and because suitability was defined by the USES, many blacks [sic] were compelled to take work far beneath their skill level. Carpenters became janitors; truck drivers; dishwashers; communications repair experts porters.”

<sup>19</sup> Melissa Johnson, Molly Bashay, and Amanda Bergson-Shilcock, “[The Roadmap for Racial Equity: An Imperative for Workforce Development Advocates](#).” (Washington, D.C.: National Skills Coalition, 2019), “Educational tracking — the practice of separating students into different groups, classrooms, or learning pathways by perceived ability level or learning goals — was historically used to steer students of color into vocational educational programs that did not connect them to jobs in high-demand fields or provide them with an on-ramp to a college credential. This type of tracking has contributed to occupational segregation and racial income disparities.”

<sup>20</sup> Shelley Stewart III et al., “[The Economic State of Black America: What is and What Could Be](#).” (New York: McKinsey & Co.), “Approximately 6.7 million Black workers (42 percent of the Black labor force) currently hold jobs that could be subject to disruption by 2030.”

<sup>21</sup> Laura Dresser, Hannah Halbert, and Stephen Herzenberg, “[High road WIOA: Building Higher Job Quality Into Workforce Development](#).” (Washington, D.C.: Economic Analysis and Research Network, 2015).

<sup>22</sup> Amy Pickard, “[WIOA: Implications for Low-Scoring Adult Learners](#).” *COABE Journal* 5 ( 2) (2016): 53.

<sup>23</sup> Lincoln Quillian, Devah Pager, Ole Hexel, and Arnfinn H. Midtbøen, “Meta-analysis of Field Experiments Shows No Change in Racial Discrimination in Hiring Over Time,” *Proceedings of the National Academy of Sciences* 114 (41) (2017): 10870-875.

<sup>24</sup> Devah Pager, Bruce Western, and Naomi Sugie, “Sequencing Disadvantage: Barriers to Employment Facing Young Black and White Men with Criminal Records,” *The Annals of the American Academy of Political and Social Science* 623 (1) (2009): 195-213.

<sup>25</sup> Maryam Jameel and Joe Yerardi, “[Workplace Discrimination is Illegal. But Our Data Shows it’s Still a Huge Problem](#).” *Vox*, February, 2019.

<sup>26</sup> Andre Dua et al., “[Unequal America: Ten Insights on the State of Economic Opportunity](#).” (New York: McKinsey & Co.)

<sup>27</sup> Eric Seleznow and Kassandra McGhee, “[Together We Can Increase Black Participation in Apprenticeship](#).” (Washington, D.C.: Jobs for the Future, 2021).

<sup>28</sup> *Ibid.* “In the 20th century, apprenticeship was formalized in the United States via the National Apprenticeship Act of 1937, also known as the Fitzgerald Act. The law was created to provide protections for apprentices, and it established the labor standards, national certification standards, and safeguards for apprentices’ welfare that a work-based learning program must adopt in order to be considered a Registered Apprenticeship. However, Black workers were still subject to racist and exclusionary policies, such as Jim Crow laws, upheld by states and cities, employers, and labor unions, reflecting the racist views of the times. As a result, they were still significantly underrepresented in most apprenticeships after the Apprenticeship Act was passed. When a Black worker *was* admitted into an apprenticeship, it was most commonly for a low-wage, less-skilled position.”

<sup>29</sup> Livia Lam, “[A Design for Workforce Equity: Workforce Redesign for Quality Training and Employment](#).” (Washington, D.C.: Center for American Progress, October 2019)

<sup>30</sup> Joint Center for Political and Economic Studies, “[Improving Training to Brighten the Future of Black Workers](#).” Joint Center for Political and Economic Studies, Washington, D.C. (2019)

<sup>31</sup> Workforce Innovation and Opportunity Act, 29 U.S.C. § 310 (2014). In general, the state board shall include the governor, a member of each chamber of the state legislature, and governor appointed members who shall be representatives of business in the state, including business owners, chambers, trade associations, representatives from labor organizations, and training providers.



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