



June 15, 2006

Alana Landey
Department of Health and Human Services
Office of the Assistant Secretary for Planning and Evaluation
200 Independence Avenue, S.W.
Washington, D.C. 20201

RE: Comments on Proposed TANF Labor Market Survey

Dear Ms. Landey:

TWA appreciates the opportunity to submit comments on the proposed TANF Labor Market Survey. We understand that previous research funded by the Office of the Assistant Secretary for Planning and Evaluation (ASPE) has recommended that the Department conduct this type of study, specifically a survey of a nationally representative sample of employers and the labor market intermediaries with which they partner for a more complete picture of the demand side of the labor market for TANF recipients than is current available (Long & Ouelette, 2004).

Our main comment is that we question the decision to focus this survey *only* on one part of labor market demand, specifically employers seeking to hire workers with a high school degree or less. This all but ensures that most of the employers who will be interviewed will be hiring workers for low-skill, low-wage jobs that will not help lift these families out of poverty. It also is sure to exclude a significant number of employers that are hiring TANF recipients transitioning off the program, as well as others that the Department would want to engage to determine whether they would be willing to hire recipients who had more than a high school degree.

As a result, we believe this survey's current employer focus will not provide the Department with information it needs to identify and craft policies to help these families achieve self-sufficiency, whether through effective employer engagement or through approaches that help TANF recipients get the education and training they need to advance beyond low-skill jobs.

Only the last question (E-14), proposes to ask employers whether they would think differently about TANF candidates if they had better basic or job-specific skills. In addition, only two other questions (C-57 and E-9) ask about training provided to the most recently hired employee by an intermediary or by the employer.

While it is true that most TANF recipients have only a high school-degree or less (Administration for Children and Families, 2004), a significant number are also engaged in education and training as their TANF work requirement and could be expected to qualify for jobs beyond the low-wage labor market. In 2004, nearly 53,000 TANF recipients (nearly 20 percent of the national caseload) were engaged in vocational education or job skills training as their work requirement on a monthly average basis (ACF, 2006).

For these reasons, we would recommend:

- Adding more questions to this survey about the circumstances in which employers would seek to hire people with some training beyond high school (although with less than a college degree), or
- Expanding the population of employers targeted for this survey beyond those hiring only workers with a high school diploma or less. Comparison of the answers between the employer groups could be very informative.

We would also encourage the Department to pursue additional research to identify practices that help TANF recipients transition out of the low-wage/low-skilled labor market, as recommended to the Department by a recent ASPE-funded report (Andersson, Lane & McEntarfer, 2004).

Finally, we recommend that the local one-stop center be added to the list of intermediaries in Questions E-2 and E-4.

Thank you again for the opportunity to comment. If you have any questions, please feel free to call me at 202-223-8991 ext. 103.

Sincerely,

Gwen Rubinstein
Research Director

References

Administration for Children and Families, “TANF Sixth Annual Report to Congress” (Washington, 2004).

Administration for Children and Families, “TANF Families—Work Participation Rates, FY 2004” (Washington, 2006),
<http://www.acf.hhs.gov/programs/ofa/particip/indexparticip.htm#2004>

Fredrik Andersson, Julia Lane, and Erika McEntarfer, “Successful Transitions out of Low-Wage Work for Temporary Assistance for Needy Families (TANF) Recipients: The Role of Employers, Coworkers, and Location—Final Report” (The Urban Institute, Washington, 2004).

David A. Long and Tammy Ouellette, “Private Employers and TANF Recipients” (Abt Associates, Bethesda, MD, 2004)

Texas Workforce Commission

A Member of Texas Workforce Solutions

Diane D. Rath, Chair
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the Public

Ron Lehman
Commissioner Representing
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Ronald G. Congleton
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Executive Director

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Mr. Robert Sargis
ACF Reports Clearance Officer
Administration for Children and Families
Office of Administration
Office of Information Services
370 L'Enfant Promenade, SW
Washington DC 20447

Re: Comments to Administration for Children and Families Concerning the Proposed Information Collection Activity for the TANF Labor Market Survey; Solicitation for Comments Published in the *Federal Register* on April 13, 2006 (Vol. 71, No. 71)

Dear Mr. Sargis:

The Texas Workforce Commission (TWC) appreciates the Administration for Children and Families' (ACF) interest in examining the motivations, hiring practices, and workplace policies of employers in the low-wage labor market, as those factors relate to workplace success for Temporary Assistance for Needy Families (TANF) recipients and other less-skilled workers.

TWC actively focuses on the needs of the state's employers to ensure that employment and training services are tailored to meet employers' needs. By focusing on the skill demands of employers, we can meet the employment needs of our job seekers. Although we are encouraged to see ACF also focusing on the demand side of the labor market, we feel it is vital that the proposed TANF Labor Market Survey inquire into the skill demands of employers in low-wage industries. Understanding the demands of employers is the first step in equipping families with the ability to enter and retain employment.

TWC and its 28 Local Workforces Development Boards (Boards) regularly perform extensive labor market analysis. This continuing analysis combined with up-to-date identification of business challenges and collaboration with business-led associations form the cornerstone of the local planning process. Long-term workforce planning encompasses worker skills upgrading and the promotion of lifelong learning as the foundation for obtaining the skills needed in this rapidly changing economy. A full array of training options is utilized by the workforce system to ensure a skilled worker is available. By focusing on the skill demands of employers, TWC and the Boards have

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effectively increased job placement and employment retention for TANF recipients and have further promoted workforce development in each local workforce development area.

TWC concurs that a strong foundation of workforce information and prompt responsiveness to the needs of employers is the key to effective strategic planning and critical to understanding the context in which workforce services are designed to support the economic prosperity of employers and Texas communities.

TWC commends ACF for sponsoring the TANF Labor Market Survey and looks forward to receiving the findings from the study.

Sincerely,



Diane Rath
Chair and Commissioner Representing the Public



Ron Lehman
Commissioner Representing Employers



Ronald G. Congleton
Commissioner Representing Labor

cc: Larry E. Temple, Executive Director, TWC