WASHINGTON, D.C. – Today, National Skills Coalition released its new report, *Undoing Success: The Real Impact of Federal Workforce Development Funding Cuts on Jobseekers and Employers*. The report examines Congress’ un-balanced approach to deficit reduction that has led to massive cuts to federal workforce development funding, and highlights the real consequences of these cuts on jobseekers and employers told through survey results and local impact stories.

“Congress has cut funding to employment and job training programs by over $1 billion in the past three years and sequestration and spending caps will result in further cuts for the next decade. In addition, some in Congress are proposing additional, even deeper cuts,” said Rachel Gragg, federal policy director for National Skills Coalition. “These cuts will worsen the existing skills gap and make it difficult for businesses to grow and compete globally. Congress needs to replace sequestration with a more balanced approach to deficit reduction that makes investments in our workers and employers.”

To understand the impact these cuts will have on our workforce, National Skills Coalition surveyed its members in June and collected stories of how previous cuts to federal workforce funding have impacted their ability to provide employment and job training services to jobseekers and employers, and how additional cuts under sequestration will further impact these programs. According to the report:

- 93 percent of survey respondents saw federal funding cuts to their programs over the past three years, even though 75 percent reported an increase in workers seeking employment and job training assistance;
- Sixty-seven percent of respondents reduced the number of clients they have enrolled in job training programs;
- Over 20 percent of respondents have eliminated job training programs;
- Many have reduced or eliminated employer services including On-The-Job (OJT) Training (40 percent), candidate screening (30 percent), and Incumbent Worker Training (35 percent).
The report also tells the stories of workers and employers in six states – Arkansas, California, Michigan, Massachusetts, Ohio, and Oregon – and how the programs that have helped them compete have been affected by federal funding cuts.

Unless Congress replaces sequestration with a more balanced approach to deficit reduction, these programs will face further cuts for the next decade under statutory budget caps and sequestration. As a result, workers like Deangelo in Detroit, highlighted in this report, will not be able to get the skills and employment services they need for the jobs employers will need to fill.

The full report is available on National Skills Coalition’s website at: http://www.nationalskillscoalition.org/assets/reports-/undoing-success.pdf

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National Skills Coalition is a broad-based coalition of employers, unions, education and training providers, and public officials working toward a vision of an America that grows its economy by investing in its people so that every worker and every industry has the skills to compete and prosper.