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Money

Careers

Jobless Overwhelm Retraining Programs

Communities now have waiting lists of 6 months or more

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The crowds of unemployed people trying to get retraining have so swamped long-underfunded community colleges and other job skills programs that many communities now have waiting lists of six months or more.

The programs that are supposed to pay for retraining of unemployed workers are crowded even though the Obama administration has raised the annual federal training budget by \$200 million to \$3.8 billion in 2010 and added a \$4.5 billion infusion in extra training funds in the 2009 stimulus bill. President Obama has said he wants "to fundamentally change our approach to unemployment in this country, so that it's no longer just a time to look for a new job, but is also a time to prepare yourself for a better job."

Unfortunately, those big dollar numbers have been no match for the dramatic increases in jobless who want retraining. The number of unemployed Americans has more than doubled in the past two years to 14.4 million. Under the normal budget, that leaves only about \$250 per year in training funds per unemployed American. The one-time infusion of extra stimulus money added the equivalent of \$312 or so per unemployed person, which is tiny when considering that one semester at a typical community college costs about \$1,700 in tuition and books.

What's more, some of those who might be able to collect training funds are being turned away from overcrowded community colleges.

"Frankly, I am stunned," says Anthony Carnevale, director of the Georgetown University Center on Education and the Workforce. Giving unemployed workers no chance to better themselves during their downtime does "permanent damage. Skills deteriorate. And the psychological damage is extensive."

Any adult—employed or not—who wants help funding education can apply for regular financial aid. But aid pays only for courses that lead to a degree, and many short-term training programs don't qualify. Besides, education grants

generally go just to low-income students who haven't yet earned a bachelor's. Other adults in school are usually offered only low-interest student loans.

Those who can't get financial aid, or whose aid is not enough, can apply for federal retraining funds through their local One-Stop Career Center. Those who can prove they lost their job due to foreign competition may receive training funding through the federal Trade Adjustment Act. But those who've lost their job for other reasons will likely have to spend weeks or months proving they can't find a job at a living wage in their field to qualify for training funding under the Workforce Investment Act. Normally, a majority of the jobless don't need full retraining to find another job. But so many people have lost their jobs, so many industries have been flattened, and rising tuition has raised the cost of retraining so high that many communities have run out of WIA training money.

By late 2009, the One-Stop Career Centers in southwest Wisconsin, for example, had already spent almost every penny of the \$2.9 million training budget that was supposed to last until June 30. Starting January 1, all new training applicants are being placed on waiting lists, says Robert Borremans, executive director of the Southwest Wisconsin Workforce Development Board. Unless the agency receives some emergency grants, new applicants will have to wait at least six months for training. And since the agency has already spent all of its stimulus funding, many of those currently in training will be cut off July 1 if the budget reverts to its recent anemic level, he says. "We could have to suspend [funding for] half of the people currently in training. That's pretty bleak," he says.

Things are similarly dire in Kansas, where "there is a system breakdown," worries Chris Cannon, chair of the Allied Health Department at Cowley College, a community college in Winfield. The Workforce Alliance of South Central Kansas has 1,100 workers on a waiting list because it has already obligated all the training money that was supposed to last until June, says board coordinator Amanda Duncan. Unemployed Wichita-area workers who sign up now for training for healthcare or other in-demand jobs could have to wait at least five months if the agency doesn't get any of the emergency grants it has applied for, she says.

There are also about 1,000 workers on waiting lists for retraining in Flint, Mich., says Michael Kelly, a spokesman for Mott Community College. "We'd have more than 2,500 people if word wasn't out on the street" about the already long waiting list, he adds.

Even those who manage to qualify for funding can have trouble getting into classes. Community colleges across the country are having to cut their budgets while working to accommodate thousands of laid-off adults trying to strengthen their résumés. The Miami-area community college system, for example, estimates that about 5,000 students couldn't enroll in any of the

classes they wanted in the fall of 2009. About 30,000 were shut out of at least one of the classes they tried for, says Dulce Beltran, registrar. And in North Dakota, there are waiting lists for popular training programs such as welding.

Waiting lists aren't universal, however. **Clackamas Community College** in eastern Oregon decided to divide the training money equally. A year ago, new training applicants were receiving more than \$1,000 apiece—enough to pay for at least a semester's tuition. There have been so many new applicants in the past year, however, that in January of 2010, each retraining candidate is receiving only about \$250 apiece—enough to pay for one three-credit course. The school has augmented aid and training funds by waiving tuition for some unemployed workers, and it is scheduling midnight welding classes to meet the rising demand, says **President Joanne Truesdell**.

"So far, we have been able to meet people's needs," she says. But that won't continue if the job market remains anemic and the school doesn't get additional money soon. Those who are unemployed now typically need more than one or two courses to gain the skills they need for the few careers that are hiring, Truesdell says. "Our aid is being maxed out. We are on the edge of a precipice," she says.

Updated on 01/08/2010: The story has been updated to reflect the number of workers on the waiting list for the Workforce Alliance of South Central Kansas.