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## **Workforce development funding needs to be broadened**

*Report also questions organization of job training programs*

**MILWAUKEE, Wisconsin** – (*September 4, 2008*) – A report from the Milwaukee-based Public Policy Forum shows that Wisconsin’s workforce development efforts are funded largely by the federal government, jeopardizing many programs should there be a change in priorities at the federal level. The report also suggests that the myriad job training programs are not organized to be as effective as they could be.

“Securing more sources of and greater flexibility in funding will likely be necessary to meet training demand,” says Ryan Horton, senior researcher at the Forum and author of the report, *Wisconsin’s Workforce Development System*, which was funded by the Wisconsin Department of Workforce Development and Chicago-based The Joyce Foundation. “Right now, Wisconsin relies on the federal government for 83% of its workforce development funding. However, from 1985 to 2008, there has been a 39% decrease in federal funding for these programs. That should indicate to officials the need to grow the state’s share of investment.”

Funding from the state amounted to 17% of all job training programs compared to 31% in Illinois and 33% in Minnesota.

Horton adds that a greater share of funding also needs to come from private employers and foundations.

With so much reliance on federal funding, which, for the most part, is targeted to serve narrowly defined populations and tends to have more strings attached, it also may be more difficult to effectively organize and coordinate workforce development programs, according to the report.

“The current workforce development system is fragmented,” Horton says. The report identifies \$339 million that will be spent in fiscal 2008 for employment and job training in the state. That money will be funneled through six federal agencies, eight state administrative departments, and 36 programs. Even though the vast majority of funding will be concentrated in just two departments – the Department of Workforce Development and the newly created Department of Children and Families – “a question that may merit further study is the degree to which current programs could be consolidated under fewer departments to achieve perhaps improved delivery,” he says.

In addition, the report says the need for employment and training services is projected to increase because of demographic and economic shifts.

“Wisconsin needs to increase the supply and the skills of its workforce during the next 20 years because the labor force is expected to show a decline in the number of participants from retiring

baby boomers,” Horton says. According to the Wisconsin Department of Administration, the working age population will peak in 2015 at 3.7 million and then drop to 3.63 million by 2030.

The full report and flow chart of how the state’s workforce development programs are organized and funded can be found on the Forum’s Web site at [www.publicpolicyforum.org](http://www.publicpolicyforum.org). For a hard copy of the flow chart which cannot be printed easily from the Web site, contact the Forum at 414-276-8240 or [rhorton@publicpolicyforum.org](mailto:rhorton@publicpolicyforum.org).

The Public Policy Forum – which was established in 1913 as a local government watchdog – is a nonpartisan, nonprofit organization dedicated to enhancing the effectiveness of government and the development of southeastern Wisconsin through objective research of regional public policy issues.