

Testimony of Melinda M. Adams
On behalf of the
Idaho Commission on Aging
And the
National Association of Older Worker Employment Services
Before
The United States Senate Special Committee on Aging
Regarding
Workforce Issues Impacting Mature Workers in Rural States
Washington, DC
March 29, 2001

Mr. Chairman and Members of the Committee on Aging, I welcome this opportunity to testify on workforce issues impacting rural states.

I have administered older worker employment and training programs for the Idaho commission on Aging for the past fourteen years. I currently manage Idaho's Senior Community Service Employment Program and our statewide Workforce Investment Act Older Worker Demonstration Program.

I serve as Chair of the National Association of Older Worker Employment Services, and am on the board of the National Council on Aging. I am also a member of the Workforce Committee of the National Association of State Units on Aging.

Idaho's Older Worker Programs have been regarded as models of service provider coordination and have achieved excellent results. For seven of the past ten years, the U.S. Department of Labor ranked Idaho's Senior community Service Employment Program **first** in the nation for success in placing low-income seniors in jobs off the Program. Our Idaho Job Training Partnership Older Worker Project also consistently exceeded national performance standards.

I am pleased to report that just last week Governor Kempthorne's Workforce Development Council approved the Idaho Commission on Aging's request for second-year funding for our statewide Older Worker Workforce Investment Act (WIA) Project. Since the elimination of the JTPA set-aside money for older workers, Idaho was the first to designate state-level WIA funding for older job seekers. Other states are finally beginning to follow.

That should not be the case in an economy where the numbers of disadvantaged older workers are growing far faster than any other age group. That should not be the case where low-income older workers constitute the most computer illiterate group of workers in a labor market where 70% of the jobs require computer literacy (U.S. Bureau of Labor Statistics).

We must communicate that State and local Workforce Investment Boards can and are designating funds for older workers. Employment and training programs that meet a workforce need and have proven effective should be supported and enhanced - not eliminated in the devolution of decision-making from the Federal level to the State level.

The need for dislocated worker resources for older workers is also on the increase. Idaho's rural areas have an above average share of older people who can no longer depend on agriculture, timber, and mining for their support. The Sunshine Mine closures in the Silver Valley, and the Potlatch mill downsizing, and the impending Bosie Cascade closures, announced in recent weeks, are unfortunate examples of the devastation caused by layoffs in our small communities.

Idaho is not unique in this respect. These dynamics are at play throughout rural America with the demise of the family farm, the decline of other natural resource based industries and the impact of global economics.

The data clearly shows that older persons who lose their jobs experience far more difficulty than other age groups in becoming re-employed (U.S. Bureau of Labor Statistics). At both the federal

and state levels, rural older worker employment should be a focus in economic and dislocated worker initiatives.

Accordingly, as congress considers reauthorization of the Workforce Investment Act of 1998, we urge added emphasis on older workers and the re-instatement of “Long-term Unemployed” as a criterion for Dislocated Worker Services. *(Note: an individual who was unemployed at least 15 of the preceding 26 weeks was considered “Long-term Unemployed” and eligible for Dislocated Worker Services under the Job Training Partnership Act; a large percent of unemployed, older individuals qualified under this eligibility factor.)*

New opportunities to serve our most geographically isolated seniors are finally presenting themselves, thanks to the new technologies. An older worker in Salmon, Idaho can now support herself as a medical transcriptionist, operating out of her home, with the right training and the right equipment.

Thus, our recommendation for expanded flexibility (and increased funding) to use SCSEP funds for self-employment and cottage-based entrepreneurial activities. Similarly, expanded flexibility to use SCSEP funds for private-sector work experience will enable us to better serve our most rural seniors who reside in locales with few, if any, eligible work experience host sites (government entities and non-profit organizations have 501 C-3 IRS status).

Distance learning innovations also offer hopeful solutions to the rural senior in need of training. Many rural communities have limited public transportation systems; the more remote areas have none. As a solution, we challenge our educational system to expand life-long and affordable distance learning opportunities (occupational skill training, adult basic education, English as a Second Language, etc.).

We also support policy changes that eliminate disincentives to work:

- Remove provisions in pension plans that prevent retirees from working for the companies from which they retired or otherwise penalize older individuals for work beyond retirement.
- Explore innovative ways to avoid career stagnation for long-tenure employees and pursue phased-retirement as an alternative.
- Encourage greater use of “cafeteria-style” benefit packages to facilitate the hiring of mature workers in flexible work arrangements.

Seriously consider the recommendations of the Research & Policy committee for Economic Development to:

- Eliminate the Social Security Earnings Test; and
- Remove the Employer First Payer provision in Medicare.

In closing, older workers (both job seekers and incumbent workers) need a voice. It is ironic that, at the very time aging workforce issues should be a focus, federal legislation eliminated dedicated funding for mature workers.

Strategies on how to address the specific physical, educational, and training needs of disadvantaged older workers should be a focus now (“The Aging Baby Boom: Implications for Employment & Training”, The Urban Institute).

For these reasons, we urge the U.S. Department of Labor to establish a position, at the Assistant Secretary level, for oversight of workforce issues impacting older individuals and employers.

I thank you for this opportunity to comment.