

Chairman Larry Craig

STATEMENT OF SENATOR LARRY E. CRAIG
CHAIRMAN, U.S. SENATE COMMITTEE ON VETERANS' AFFAIRS

Hearing On

The Jobs for Veterans Act Three Years Later: Are VETS' Employment Programs Working for Veterans?

February 2, 2006

Room SR-418, Russell Senate Office Building

10:30 AM

Good morning, ladies and gentlemen. The Committee on Veterans' Affairs will now come to order.

Today, we will be discussing a very important topic . . . jobs for our nation's veterans. Each year roughly 200,000 servicemembers are separating from active duty and, for most of them, obtaining a job is a critical step in successfully transitioning to civilian life.

Last year alone, over 42,000 of those separating servicemembers were 20 to 24 year-olds who served in Operation Enduring Freedom and Operation Iraqi Freedom. Ensuring a smooth transition for those young servicemembers ? who bravely fought for freedom ? should be a national priority.

Yet, as the chart behind me shows, the unemployment rate among these young veterans has risen dramatically since the War on Terror began, and is now approaching double the unemployment rate for non-veterans in the same age group.

This trend suggests to me that we ? as a nation ? must do more to help these young veterans succeed in the civilian job market. Much of that help must continue to come from leaders in the business community and in the public sector who recognize the distinct advantages of hiring former servicemembers. And some of that help will come from employment programs that can provide veterans with the resources, knowledge, and assistance they need to find meaningful employment.

Today, we will examine the effectiveness of two such programs administered by the Department of Labor's Veterans' Employment and Training Service: The Disabled Veterans' Outreach Program and the Local Veterans' Employment Representative program.

For almost a decade, Congress, GAO, and others have expressed concern that these programs are not focusing on those most in need of services, including recently separated veterans and veterans with disabilities. In fact, in 1999, the Commission on Servicemembers and Veterans Transition Assistance found that those groups of veterans often did not receive the services they needed because the program structure was outdated, inflexible, and unfocused ? AND ? because there was ?no real accountability? for employment outcomes.

That led to years of hearings, proposals, and reports, which eventually culminated in passage of the Jobs for Veterans Act in 2002. In December of last year, the GAO completed a comprehensive review of the changes that have been made to VETS' employment programs in the 3 years since the JVA.

Today, we will hear about many of those changes, including new performance measures, efforts to reward high performance, and increased use of case management services. We also will hear that service providers believe that these changes have improved the quality of services to veterans and have improved veterans' employment outcomes.

However, we will also learn that there are no data showing that these changes have led to better employment outcomes for veterans, and we will hear that accountability remains problematic. Perhaps most significantly, we will examine the high unemployment rates of young, recently separated veterans and veterans with disabilities ? which suggest that these programs still are not effectively targeting services to those most in need.

As we begin this discussion, I want to stress that I have no doubts about the dedication and sincerity of those who provide employment services to veterans and those who administer these programs. However, after a decade of Commission and GAO reports, Congressional hearings, and attempts at reform, it is time to embrace Benjamin Franklin's admonishment that "the definition of insanity is doing the same thing over and over and expecting different results." If these programs ? as currently structured ? are not helping those veterans most in need, I believe we must acknowledge that it is time for fundamental changes in how we provide employment services to our veterans.

To begin this important discussion today, I am very pleased to welcome The Honorable Anthony J. Principi, whose groundbreaking work both as Chairman of the Transition Commission and as Secretary of Veterans Affairs, led to increased scrutiny of veterans' employment services and the continuing search for ways to improve them. Welcome to you, Mr. Secretary. And thank you for joining us today.

We are also pleased to be joined on our first panel by The Honorable Charles Ciccollella, the Assistant Secretary for Veterans' Employment and Training, and by Dr. Sigurd Nilsen, Director of Education, Workforce, and Income Security Issues for the GAO. Welcome to you both.

On our second panel, we are pleased to be joined by Wes Poriotis, the Chairman of the Center for Military and Private Sector Initiatives; Joseph Sharpe, the Deputy Director for The American Legion's National Economic Commission; and Rick Weidman, the Director of Government Relations for Vietnam Veterans of America.

Welcome to all of you.