

Department of Labor



Highlights of [GAO-03-106](#), a report to Congress included as part of GAO's Performance and Accountability Series

Why GAO Did This Report

In its 2001 performance and accountability report on the Department of Labor, GAO identified major management challenges in increasing the employment and earnings of America's workforce, protecting the benefits of workers, and fostering safe and healthy workplaces. The information GAO presents in this report is intended to help sustain congressional attention and a departmental focus on continuing to make progress in addressing these challenges and ultimately overcoming them. This report is part of a special series of reports on governmentwide and agency-specific issues.

What Remains to Be Done

GAO believes that Labor should

- foster strategic management in addressing workforce issues and targeting efforts to protect workers' pensions and benefits, and be more proactive in helping states and localities integrate workforce development programs;
- continue to better position itself to measure program impact in both training and worker safety programs; and
- continue taking steps to comprehensively address its human capital issues.

www.gao.gov/cgi-bin/getrpt?GAO-03-106.

To view the full report, click on the link above. For more information, contact Cynthia M. Fagnoni at (202) 512-7215 or fagnonic@gao.gov.

What GAO Found

The Department of Labor has made progress in implementing actions to address its management challenges, such as by improving some of its performance measurement systems. However, future improvements will increasingly demand more strategic management, more proactive support for state and local entities, additional improvements in performance measurement systems, and greater attention to human capital issues.

- **Manage employment and training programs to meet the demands for the workforce of the 21st century.** Labor has taken actions to resolve some of the performance measurement problems that constrain its ability to determine the success of employment and training programs—such as by establishing a new Office of Performance and Results. However, Labor must continue this progress in improving its performance measurement systems and also address other areas. To develop effective strategies for addressing the worker and skills shortages the nation is projected to face in coming decades, Labor must take a more strategic, cross-program perspective, and work more closely with other agencies. In addition, Labor needs to be more proactive in facilitating state and local implementation of employment and training programs under the nation's new workforce development system, such as by providing additional guidance and sharing information on promising practices.
- **Protect the pensions and benefits of workers.** The financial collapse of Enron and other companies has highlighted Labor's critical role in protecting pensions and other employee benefit plans estimated to have assets in excess of \$5 trillion. Labor agencies have begun to address human capital issues that could constrain their efforts to protect these assets as the agencies face a surge in expected retirements within their workforces. However, weaknesses in Labor's strategic targeting of its compliance efforts for protecting workers' benefits and wages limit Labor's ability to maximize the impact of its limited resources.
- **Foster safe and healthy workplaces.** Labor's enforcement agencies lack management information on the impacts of their various compliance activities that is essential for determining how to best allocate compliance resources in protecting vulnerable populations, such as children who work and day laborers. Furthermore, Labor has not always leveraged the impact of its limited resources by coordinating effectively with other agencies that also share responsibilities for protecting workers, such as in enforcing safety regulations at hazardous material facilities.