



## CAAL-Skills Workforce Metrics Dashboard Report 2022

Chapter 12: California Employment Training Panel (ETP) – Incumbent Worker Training Program

The California Workforce Development Board (CWDB) assists the Governor in setting and guiding policy in the area of workforce development. The CWDB is responsible for assisting the Governor in performing the duties and responsibilities required by the federal Workforce Innovation and Opportunity Act (WIOA) of 2014. California's [Unified Strategic Workforce Development Plan](#) directs its work in providing guidance to the statewide workforce development system.

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This document can be found on the CWDB's website at [cwdb.ca.gov](http://cwdb.ca.gov)

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## 12 California Employment Training Panel (ETP) – Incumbent Worker Training Program

**Program Overview** - The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers through training that leads to good paying, long-term jobs. The ETP was created in 1982 by the California State Legislature and is funded by California employers through a special payroll tax.<sup>1</sup> ETP does not use Federal or State General Funds to fund its core program.<sup>2</sup>

ETP is governed by eight Panel members consisting of three gubernatorial appointees, two Speaker of the Assembly appointees, two Senate Pro Tem appointees and an ex-officio member representing the Governor’s Office of Business and Economic Development (GO-Biz).<sup>3</sup>

The ETP is a funding agency, not a training agency. Businesses determine their own training needs and how to provide training. ETP staff is available to assist in applying for funds, proposal development, and assistance in monitoring the progress of a contract. In general, to qualify for retraining funds a business must demonstrate that the jobs to be retrained are threatened by out-of-state competition.<sup>4</sup>

Overall, the ETP program helps to ensure that California businesses will have the skilled workers they need to remain competitive.<sup>5</sup>

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<sup>1</sup> ETP Annual Report for FY 2016-2017, p. 2. The Employment Training Tax (ETT) funds the core ETP program. The ETT is exacted on all California companies that participate in the Unemployment Insurance system. ETT revenues are then deposited into the Employment Training Fund (ETF), which money is used to fund ETP and its training programs. In addition, ETP has access to much smaller pools of funds for special funding initiatives, in particular the Alternative and Renewable Fuel and Vehicle Technology Program, a program created in 2007 via AB 118 to fund training in new transportation technologies to help attain the workforce needs of companies engaged in the development and/or deployment of alternative fuels and vehicle technologies.

<sup>2</sup> ETP Annual Report for FY 2016-2017, p. 2.

<sup>3</sup> ETP Annual Report for FY 2016-2017, p. 2

<sup>4</sup> [Employment Training Panel](#).

<sup>5</sup> ETP’s funding structure—as a tax on employers creating a pool of training funds—may help to overcome potential market failures workforce researchers have identified with regard to reliance on private employers’ initiatives to provide workforce training such as: disincentives to investment in skilled worker training in preference to flexible hiring practices (see for example, Gersbach, and Armin Schmutzler. “The Effects of Globalization on Worker Training” IZA Discussion Paper No. 2403, 2006; Holzer, Harry J., Julia I. Lane, David B. Rosenblum, and Fredrik Andersson. *Where Are All the Good Jobs Going? What National and Local Job Quality and Dynamics Mean for U.S. Workers*. New York: Russell Sage Foundation, 2011; Holzer, Harry. “[Good Workers for Good Jobs: Improving Education and Workforce Systems in the US](#)” Institute for Research on Poverty Discussion Paper No. 1404-13, *IZA Journal of Labor Policy*, vol. 1, no. 5, 2012); and by “socializing” costs of training among California employers and requiring Panel approval of funding use, ETP has potential to mitigate inequalities of employer training investment between already higher-paying, higher-skilled occupations or sectors (where training is more likely to be offered) and lower-paying, lower-skilled occupations or sectors where such training is unlikely to be voluntarily offered by employers—an imbalance that results in further exacerbation of existing income and skill inequalities (see: Lerman, Robert, Signe-Mary McKernan, and Stephanie Riegg. “The Scope of Employer

ETP supported job creation and workforce development activities throughout California by supporting projects with the greatest impact on the economy. Through the establishment of funding priorities, the Panel maximized its limited funds, prioritizing:

- Job creation projects
- Projects with a demonstrated investment in California’s economy
- Projects serving drought impacted regions of the state
- Critical Proposals – GO-BIZ References
- Projects serving veteran trainees
- Small business projects

The Panel also prioritized industries critical to the state’s economy, including

- Agriculture
- Allied Healthcare
- Biotechnology and Life Sciences
- Construction
- Goods Movement and Transportation Logistics
- Green/Clean Technology Services
- Manufacturing
- Multimedia/Entertainment
- Technical Services<sup>6</sup>

Given ETP’s funding prioritization by projects and industries, trainee selection is left to the discretion of contractors in accordance with their needs.

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Provided Training in the United States, “ In Christopher J. O’Leary, Robert A. Straits, and Stephen A. Wandner, Eds., *Job Training Policy in the United States*, Kalamazoo, Michigan: W.E. Upjohn Institute for Employment Research, pp. 211–243, 2004; Bassanini, Andrea, Alison Booth, Giorgio Brunello, Maria De Paola and Edwin Leuven. “Workplace Training in Europe” Chapter 8-13 in: Brunello, Garibaldi and Wasmer (eds.), *Education and Training in Europe*, Oxford University Press, 2007; Frazis, Harley, Maury Gittleman, Michael Horrigan and Mary Joyce. “Results from the 1995 Survey of Employer-Provided Training,” *Monthly Labor Review*, 1998, pp. 3-13]. See, for a review of these issues, Heinrich, Carolyn. “[Workforce Development in the United States: Changing Public and Private Roles and Program Effectiveness](#)” prepared for the book, *Labor Activation in a Time of High Unemployment: Encouraging Work While Preserving the Social Safety-Net*, 2016). Based in part on the existence of this skill/earnings imbalance in private training provision, expansion of ETP into jobs that do not require a BA (“middle skill” jobs) was among recommendations of a 2004 evaluation of California’s ETP program by the Management and Organization Development Center of California State University, Northridge. The same study found that trainees who had the lowest earnings before training experienced the largest gains in earnings among all ETP participants (Moore, Richard, Philip Gorman, Daniel Blake, Michael Phillips, Gerard Rossy, Eileen Cohen, Tara Grimes and Michale Abad. “Lessons from the Past and New Priorities: A multi-method evaluation of ETP”. Management and Organization Development Center, CSU Northridge. August 4, 2004).

<sup>6</sup> [Annual report](#) for FY 2015-2016. Employment Training Panel, p. 4.

ETP's role in the economy is derived from its initial mandate in 1982 of moving large numbers of unemployed workers quickly into employment and saving the jobs of workers threatened with displacement. The program has expanded that role over the years to include an increased support of retraining incumbent workers of businesses in basic industries challenged by out-of-state competition (primarily the manufacturing and high technology sectors). Today, ETP focuses on supporting job creation and business attraction, retention, and expansion, as well as the re-employment and retention of workers.<sup>7</sup>

Employers must be able to effectively train workers in response to changing business and industry needs. While the need for workforce training is critical, businesses generally reserve capacity building dollars for highly technical and professional occupations – limiting investment in training for frontline workers who produce goods and deliver services. ETP helps to fill this gap by funding training that is targeted to the frontline workers.

Highlights of a 2004 independent evaluation study by researchers at the Management and Organization Development Center at California State University, Northridge, found that not only did ETP training completers show substantial earnings gains<sup>8</sup>, but both employers and trainees reported additional benefits in the form of employee “soft skill” gains (better problem-solving and team work abilities) as well as improved productivity. The evaluation study also found that ETP training offered other benefits to employers—including an enhancement of companies’ ability to carry changes in competitive strategy.<sup>9</sup> Additionally, the same multimethod evaluation found that participating in the ETP program may lead employers to fund additional training, beyond completion of the contract, by reshaping employers’ attitudes toward training: in the study, a substantial number of participating companies reported increases in training investment, improved training practices, and improved training infrastructure. The study also found that ETP training had a net positive impact on the state’s economy, measured in terms of both number of jobs and earnings increases which were a result of employer participation in the ETP program.<sup>10</sup>

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<sup>7</sup> [“About Us.”](#) Employment Training Panel.

<sup>8</sup> Moore et al (2004). Earnings gains (adjusted to 1995 dollars) among retrainee (incumbent) participants who completed training averaged +\$4,272 dollars annually, a \$2,087 advantage over gains of non-completers. Among new hire trainees, the size of the advantage was even greater, +\$6,073 for completers versus only +\$1,326 for non-completers. In terms of benefits accruing to companies that participated in ETP contracts, the same independent evaluation determined that participation in ETP training also had benefits, both perceived (as reported in an employer survey) and material (measured through employment and total payroll growth). Employers noted positive impacts in product quality, interdepartmental communication, increased use of new technology/methods, reduced error rates, and improved customer satisfaction (p. VIII-1). In payroll and employment, ETP-participating companies experienced larger growth rates than a control group of non-ETP companies (p. VIII-22-23). Given these benefits, the same study’s finding based on a survey of participating companies that over 56% of employers involved in multi-employer contracts and about 9% involved in single-employer contracts would not have provided employee training absent the ETP program is striking (p. VIII-3). The study also determined that, following completion of the ETP contract, most companies were willing to participate in another ETP contract (p. VIII-1).

<sup>9</sup> Moore et al (2004).

<sup>10</sup> Moore et al (2004).

In recent years and in response to California's post-Recession recovery, ETP increased its efforts to maximize training dollars through the implementation of special training programs, pilots, and guidelines. These emphasize areas of business and industry that are instrumental in helping revitalize the state's economy. A key aspect of ETP's economic development strategy includes seeking out new partners with whom to collaborate and securing new resources.

ETP annually reviews the state of the economy and identifies industries that are essential to California's economic growth and stability. These priority industries reflect ETP's consideration for the general economic climate, alternative funding and investment, and the growing green technology sector. In both fiscal years 2014-15 and 15-16, eighty-three percent of approved core program funds were targeted to priority industries including green technology, manufacturing, high technology, biotechnology, multimedia entertainment, construction, goods movement and transportation, logistics, research and development, and healthcare.<sup>11</sup>

ETP funding also targets additional mandates including the funding of training for workers in regions of the state with lagging economies and unemployment rates (High Unemployment Areas, or HUAs) higher than the state average. In FY 14-15, over \$13.5 million in training funds was approved for 125 contracts providing training for approximately 15,000 workers, and in FY 15-16, over \$15 million approved was approved for 108 contracts serving HUAs, and providing training for approximately 17,000 workers.<sup>12</sup>

ETP funds training for two types of workers: new hire trainees and retrainees. New hire trainees are individuals who are unemployed at the start of ETP-funded training and are receiving Unemployment Insurance benefits at the time of hire, or have exhausted their benefits within the previous 24 month period. Workers who have received a layoff notice from their employer are also eligible to become a new hire trainee. Retrainees, who account for 90% of program participants, are currently employed (incumbent) workers who meet one of the following criteria:

- Workers employed full-time for a minimum of 90 days with a single employer, and are participants in the training program;
- Workers who have been employed for less than 90 days with their current employer and have a work history of being employed for at least an average of 20 hours per week for at least 90 days by an ETP eligible employer(s) during the 180 day period preceding their current hire date;
- Workers who were employed less than 90 days prior to the start date of employment with their current employer and were collecting Unemployment Insurance (UI) benefits, or had exhausted their benefits within the previous two years.

ETP's mission is to provide financial assistance to California businesses to support customized worker training to:

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<sup>11</sup> [Annual report](#) for FY 2015-2016. Employment Training Panel, p. 8; Annual Report for FY 2014-2015. Employment Training Panel, p. 8

<sup>12</sup> [Annual Report](#) for FY 2014-2015. Employment Training Panel, p. 9; Annual Report for FY 2015-16. Employment Training Panel, p. 9.

- Attract and retain businesses contributing to a health California economy;
- Provide workers secure jobs paying good wages and having opportunities for advancement;
- Assist employers to successfully compete in the global economy; and
- Promote benefits and ongoing investment of employee training among employers.<sup>13</sup>

Funding is prioritized by industry after assessing California’s workforce trends and economic development needs. Within these industries, ETP supports priority initiatives and programs such as job creation priorities, small business projects, and apprenticeship training. Because of this focus on priority industries and initiatives, ETP does not assert influence on employers’ trainee selection or demographic characteristics.

**Participant Definition** - Individual trainees who participated in paid training through ETP contracts during the specified program years. Participants are enrolled and complete training entirely at the employers’ discretion. Businesses determine their own training needs and select trainees according to those specific needs.

**Eligibility Criteria & Participant Characteristics** - ETP funds training for currently employed (incumbent) workers and individuals who are unemployed at the start of training. ETP does not administer training, rather it reimburses employers for training costs. In general, to qualify for retraining funds a company must demonstrate that the jobs to be retrained are threatened by out of state competition.

**Exit Definition** - A participant who dropped or was dropped, or completed training, in the specified fiscal year.

**Exit Date** – Date of Program Exit is determined as the date the participant stopped accruing billable hours for the training contract they participated in.

In comparison with the V.1 Workforce Metrics Dashboard Report, specification of an individual participant’s date of program exit is improved in the present version: in the V.1 report, date of exit was recorded as the contractually-defined date upon which the entire contract associated with an ETP-contracting employer ended. This date, which is prospectively defined rather than retrospectively reported, is not necessarily equivalent to an individual participant’s date of either completion or program drop and therefore represents an approximation.

In this year’s report by contrast, participant-specific data was available to report an individual’s date of exit, using one of two measures depending upon completion status: report data utilize *either* the individual participant’s date of training completion (which is given as the date of the end of term within the relevant fiscal year) *or* his/her date of program withdrawal (recorded as “drop date” within the relevant fiscal year).

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<sup>13</sup> [Strategic Plan for FY 2015-2016](#). Employment Training Panel, p. 1



Individuals who exited without completion represent a heterogeneous group: they include ETP participants who were dropped from the program by their employer, either (1) to allow the employer to send another employee to the program in their place or (2) because the employer no longer wanted the employee to receive training services (due to a change in the employee's role or responsibilities, for instance); they also include participants who (3) were no longer employed by the employer, either because they had left voluntarily or were laid off or fired.

**Completion Definition and Date** – Training completion was reported based upon the date of the end of term in which a participant completed training.<sup>14</sup>

## 12.1 Factors Affecting Metrics

Please see Appendix for full list of caveats and limitations to data presented.

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<sup>14</sup> By contrast, dates of actual participant exit were unavailable in data used for V1 of the Workforce Metrics Dashboard Report. The date on which the entire contract ended was utilized instead.

## 12.2 Participant Demographics

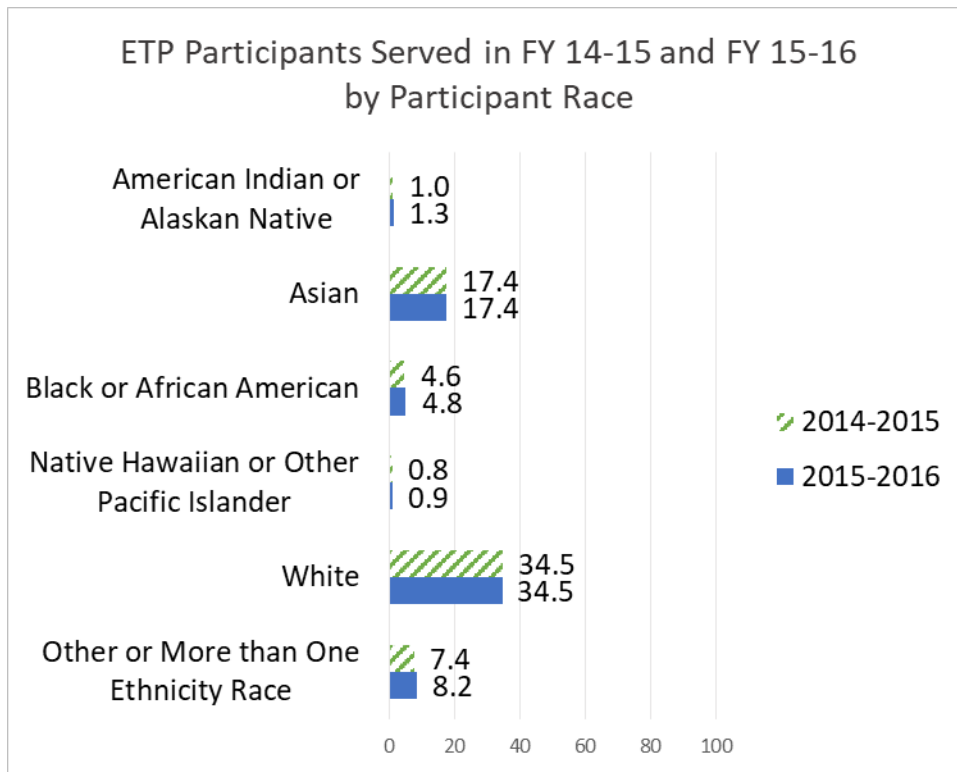
### 12.2.1 Participant Ethnicity / Race

#### 12.2.1.1 Table Set – Participant Ethnicity/Race

FY 2014-2015											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	969	574	439	536	93.4	\$13,682	Not Available	Not Available	515	89.7	\$13,167
Asian	16,306	8,857	6,002	8,441	95.3	\$20,282	Not Available	Not Available	8,179	92.3	\$20,328
Black or African American	4,346	2,578	1,870	2,375	92.1	\$13,511	Not Available	Not Available	2,254	87.4	\$14,136
Hispanic or Latino	32,160	19,093	13,681	17,885	93.7	\$13,239	Not Available	Not Available	17,415	91.2	\$13,619
Native Hawaiian or Other Pacific Islander	712	363	249	354	97.5	\$15,592	Not Available	Not Available	348	95.9	\$15,644
White	32,409	19,137	13,678	17,909	93.6	\$18,068	Not Available	Not Available	17,235	90.1	\$18,659
Other or More than One Ethnicity Race	6,948	4,216	2,625	3,961	94.0	\$15,496	Not Available	Not Available	3,792	89.9	\$15,882
Unknown	0	0	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>93,850</b>	<b>54,818</b>	<b>38,544</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,686	961	570	899	93.5	\$16,100	Not Available	Not Available	856	89.1	\$17,224
Asian	23,488	14,020	9,347	13,472	96.1	\$20,147	Not Available	Not Available	12,988	92.6	\$20,694
Black or African American	6,484	4,212	2,724	3,962	94.1	\$15,150	Not Available	Not Available	3,748	89.0	\$15,334
Hispanic or Latino	44,388	27,048	18,767	25,557	94.5	\$13,135	Not Available	Not Available	24,708	91.3	\$13,595
Native Hawaiian or Other Pacific Islander	1,149	707	448	683	96.6	\$15,386	Not Available	Not Available	661	93.5	\$16,064
White	46,486	29,807	19,669	28,258	94.8	\$19,439	Not Available	Not Available	26,842	90.1	\$20,016
Other or More than One Ethnicity Race	11,065	6,605	4,942	6,210	94.0	\$15,903	Not Available	Not Available	6,001	90.9	\$16,475
Unknown	0	0	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>134,746</b>	<b>83,360</b>	<b>56,467</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

12.2.1.2 Figure – Program Participation by Participant Ethnicity/Race



Shares of white and Hispanic/Latino participants were similar in both years: white participants were 34.5% of each year’s total, and Hispanic/Latino participants respectively 34.3% of FY 14-15 and 39.4% of FY 15-16’s total participants served.<sup>15</sup>

**Statewide Labor Force Comparison**

In comparison with estimates of the statewide labor force (which was 36.6% Hispanic/Latino in FY 14-15 and 35.7% Hispanic/Latino in FY 15-16), shares of ETP program participants from this demographic were similar in each year.

What appears to be a large difference between the share of the labor force that is white (72.9% in FY 14-15 and 74.1% in FY 15-16) and ETP program shares of nearly -40 percentage points in each year is likely an artifact of the way race and ethnicity data is collected by the ETP program (in which racial and ethnic categories are combined).<sup>16</sup>

<sup>15</sup> Percentage values in Figure 12.2.1.2 represent the percent share of total participants by racial or ethnic self-identification, and were calculated by dividing the total of participants in a given ethnic or racial category (served within a given fiscal year) by the total of participants, regardless of ethnicity or race, served in the same period. The same methodology for Program Participation is followed throughout this chapter.

<sup>16</sup> If the White non-Hispanic percent share of the state’s labor force is used for comparison instead, the degree of underrepresentation drops substantially: to -6.7 percentage points in FY 14-15 (that is, 34.5% share of program participants versus 41.2% of the statewide labor force) and -6.4 percentage points in FY 15-16 (34.5% share of

Native Hawaiian or Other Pacific Islander participants made up the smallest shares of ETP participants. Only 0.8% of program participants in FY 14-15 and 0.9% of all FY 15-16 participants were from this population. However, as a percent share of overall participants, individuals from this demographic were represented at levels apparently very close ( $- < 0.1$  percentage point) to their statewide labor force participation.

American Indian or Alaskan Native individuals also represented small shares of all participants in the ETP program, comprising just 1.0% of FY 14-15 participants and 1.3% of FY 15-16 participants.

Given the very small shares of the statewide labor force (and working-age population) each of these groups represents, underrepresentation in ETP training was apparently insubstantial: less than one-tenth of a percentage point in the case of Native Hawaiian and Other Pacific Islanders, and less than a percentage point in the case of American Indian or Alaskan Natives.<sup>17</sup>

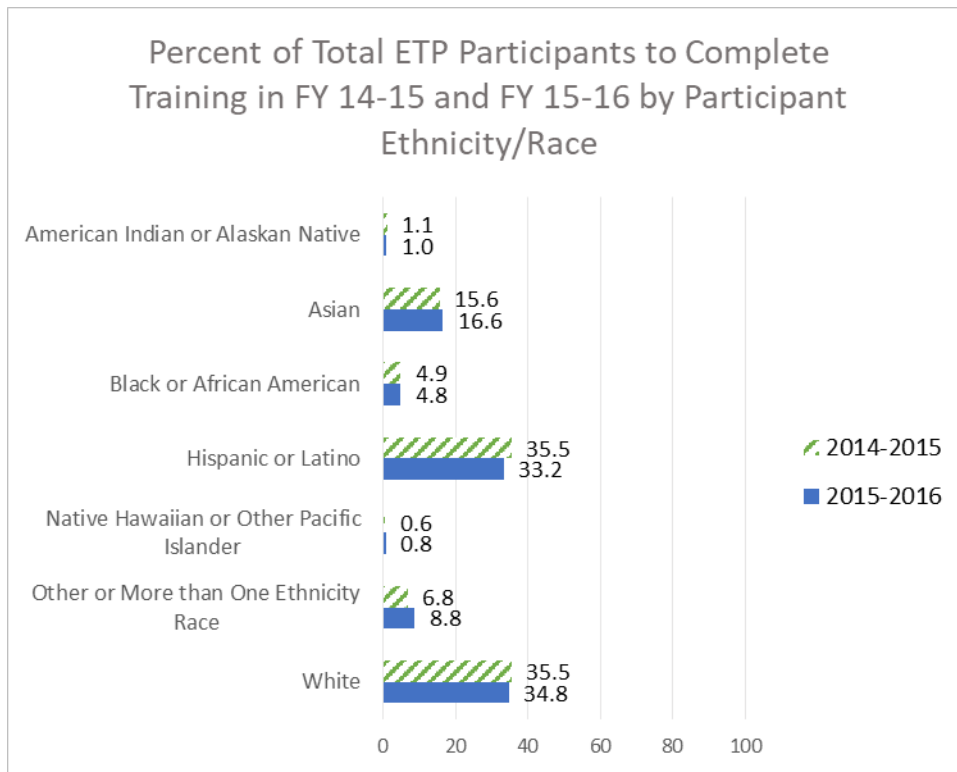
Note the ETP Program does not have control of trainees that participate, since the program targets California business in priority industries.

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program participants versus 40.9% of the statewide labor force in FY 15-16). ETP's demographic reporting parameters allow a participant to select one category from among the combined racial and ethnic categories presented (as discussed in the introductory portion of this chapter section). Alternatively, a participant has the option of selecting a category of "other" or "more than one" (Because participants' demographic information is collected by the contracted employer, it is likely that there is some variability in how this residual category is defined or construed, across different ETP contracts). Because participants are asked to make one selection from a combined racial-ethnic list, and given the comparison with statewide estimates discussed, it appears that the racial category of "white" contains mostly white participants who are also non-Hispanic. To reiterate: in ETP's demographic reporting system, Hispanic/Latino and race categories are treated as equivalent rather than (as under federal guidelines) as distinct aspects of an individual's identification. Further, ETP only offers one choice per participant. This means that in selecting "white" a participant is also identifying as "non-Hispanic".

<sup>17</sup> When working with very small participant categories, it may be difficult to tell whether or not program shares differ meaningfully from statewide population estimates. This is because an observed difference that is very small in absolute terms may be non-trivial in relation to category size. For example: if a particular demographic accounts for 0.1% of a program's participants, while the same demographic's estimated share of the state labor force is 0.2%, on one hand this is only a difference of one-tenth of a percentage point. But on the other hand, the size of the group's estimated share of the state labor force is twice as large as its program representation. It is difficult to interpret this discrepancy. Additionally, benchmark statistics from the CPS are based upon population samples, and are associated with margins of error (For an explanation of confidence intervals used by the CPS and other national surveys, follow [link](#)).

### 12.2.1.3 Figure – Training Completion by Participant Ethnicity/Race



An independent evaluation of the ETP program found that both new hire and retrainee participants who completed their training program saw increased benefits in the form of higher earnings and reduced unemployment in the year following exit, compared with non-completers.<sup>18</sup> Therefore, completion may be a more meaningful outcome to examine.<sup>19</sup>

Consistent with program exit shares, white and Hispanic/Latino participants were the two groups with the largest shares of each year’s training completions. Respectively, white and Hispanic/Latino participants were 35.5% each of all completions to occur in FY 14-15, while Hispanic/Latinos were 33.2% and whites 34.8% of completions in FY 15-16.

Participants who were Native Hawaiian or Other Pacific Islander represented the smallest shares of all training completions, 0.8% of each respective fiscal year’s total.<sup>20</sup>

### *Credential Attainment Rate by Participant Ethnicity/Race*

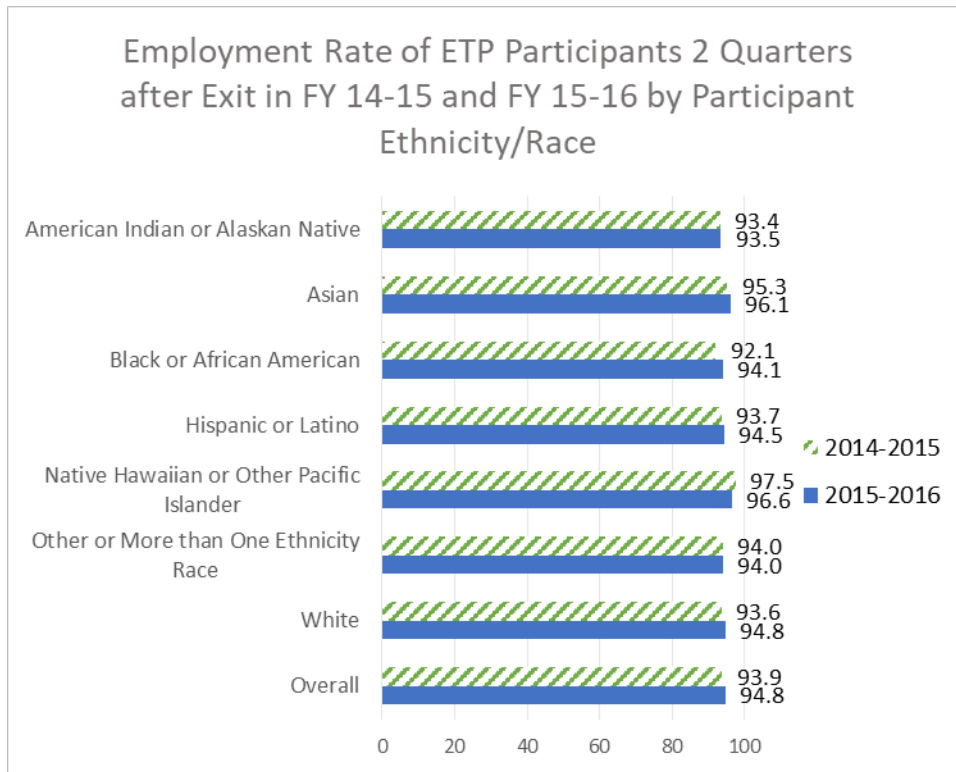
The ETP does not issue recognized credentials for the training received.

<sup>18</sup> Moore et al (2004), p. VI-1

<sup>19</sup> Completion shares in Figure 15.2.1.4.2.1.4 (and for Training Completion graphs throughout this chapter) were calculated in a manner to calculation of shares served and to exit.

<sup>20</sup> Small categories make it difficult to determine whether or not very small percentage point differences are meaningful.

12.2.1.4 Figure – 2nd Quarter Employment Rate by Participant Ethnicity/Race



In general, employment rates from two quarters following exit from the ETP program were high among all participants. This is likely to reflect the model of the ETP program, in which employers receive contracts to provide training to incumbent workers and where access to and retention of training funds received is contingent upon successful outcomes (measured as 90-day employee retention in employment).

In the second quarter after exit in both fiscal years, Native Hawaiian and other Pacific Islander participants saw the highest employment rates, of 97.5% two quarters after exit in FY 14-15 (+3.6 percentage points higher than the overall rate among all participants ) and 96.6% two quarters after exit in FY 15-16 (+1.8 percentage points higher than the overall rate).<sup>21</sup>

The category of lowest employment varied between the two fiscal years. Among those who exited in FY 14-15, Black/African American participants had the lowest employment rate of 92.1% (-1.8 percentage point lower than the overall rate of employment). Among those exiting in FY 15-16, American Indian or Alaskan Native participants had the lowest employment rate of

<sup>21</sup> Employment is calculated as a group-specific proportion or rate, by dividing the number of participants in a given category who were employed in the second quarter after exit in a specified fiscal year by the total number of participants from that category who exited in that fiscal year. A participant is considered to have been employed in the noted quarter if s/he had any reported earnings from that quarter.

93.5% (-1.3 percentage points below the overall rate). Employment rates are expected to be high for this program, because 90% of participants are retrainees and thus incumbent workers at the time of training. In effect, these participants are simultaneously in a training program and employed, similar to the status of apprenticeship trainees prior to completion.

Not only is the starting pool of trainees far more likely to be employed than a random cross-section of workforce system participants, but three additional features of program translate to a greater likelihood that ETP participants will be employed post-exit than is true of most other programs in this report.

First, is ETP's high completion rate. Completers comprised the majority of exiters in each fiscal year (70% of program exiters in FY 14-15 and 67% of program exiters in FY 15-16),<sup>22</sup> an outcome that contrasts with many other programs in this report.<sup>23</sup> ETP-contracting employers are, in turn, required to retain trainees in employment for at least 90 days following completion. And even beyond the mandated 90-day period, it is logical that an employer, having devoted a portion of finite program funds to train an employee, would want to retain the employee and reap the benefit of their human capital investment. It is therefore highly likely that training completers remained employed following training completion.

Finally, even non-completing exiters are less likely to be unemployed in ETP than in other workforce programs in this report. This is because ETP participants may be dropped from training without losing their employment. Participants can be dropped because (1) their employer preferred to send another employee to the program in their place, (2) their employer no longer wanted the employee to receive the training services (perhaps due to a change in the employee's role or responsibilities) or (3) because the former trainee was no longer employed by the employer, whether due to voluntary departure or a layoff or firing. Of these three conditions, only the third would (potentially, assuming the individual is not re-employed elsewhere) produce an "unemployed" status while the other two indicate that the individual retained employment following program completion. Thus, unlike nearly all other programs in this report, a substantial proportion even of the "dropped" or "exited without completion" participant pool in ETP is likely to have retained employment.

Due to the factors discussed above, the aggregate composition of the pool of all exited participants (which comprises the denominator in measures of employment) is likely to contain a relatively larger share of employed persons than is the case for other programs in this report.

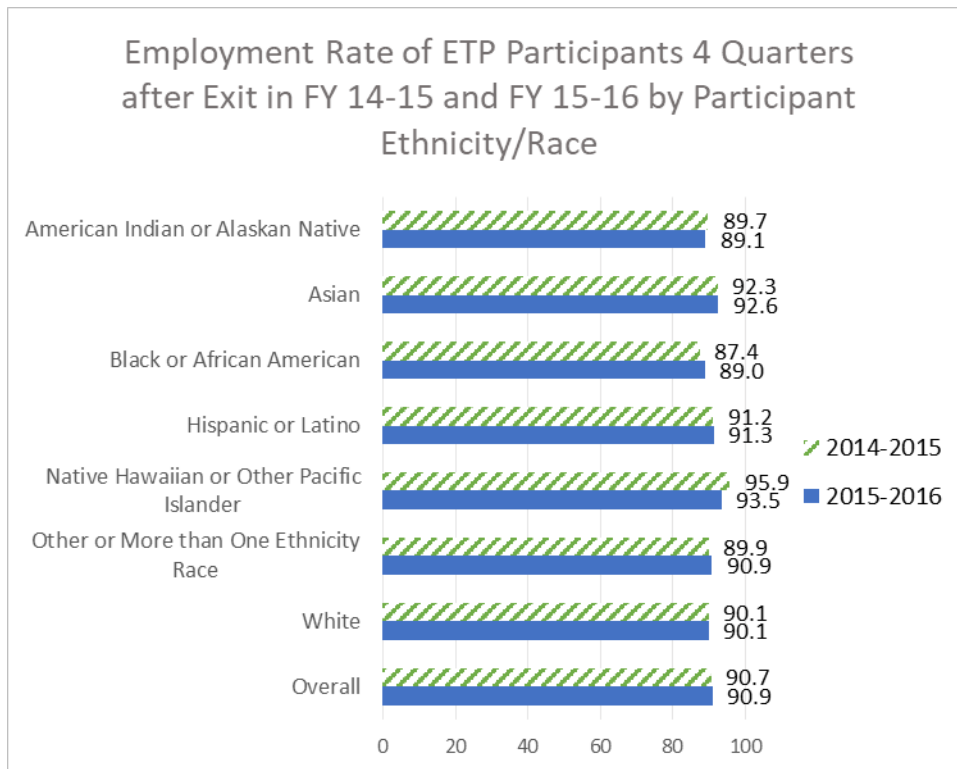
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<sup>22</sup> See Program Performance table in this chapter, Table Set 12.2.1.1.

<sup>23</sup> By comparison, averaged across the "workforce system" as a whole (data for all adult participants in the eleven programs covered in this report), the share of exiting participants to also complete training was less than 10% in each of the two fiscal years FY 14-15 and FY 15-16. (It is however also true that not all participants counted in the "exited" denominator also participated in training services, giving them the opportunity to complete).



12.2.1.5 Figure – 4<sup>th</sup> Quarter Employment Rate by Participant Ethnicity/Race



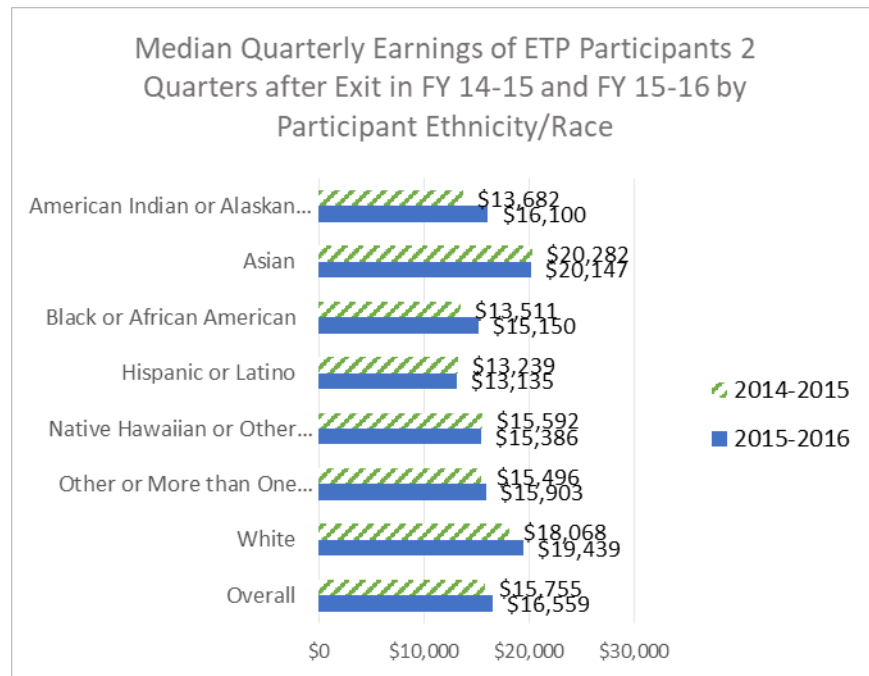
Native Hawaiian or other Pacific Islander participants continued to have the highest employment rates among all participants in the fourth quarter after exit. Like employment rates for most participants, rates were modestly lower in the fourth quarter after exit compared with the second quarter, respectively, 95.9% following exit in FY 14-15 and 93.5% a year after exit in FY 15-16.

A year after exit in FY 14-15, Black/African American participants continued to have the lowest employment rate, of 87.4%. The employment rate among these participants dropped by a larger amount (- 4.7 percentage points) from the second-quarter rate, compared with a smaller drop among Native Hawaiian/other PI participants. Black/African American participants in ETP also had FY 15-16's lowest fourth-quarter unemployment rate, of 89.0%, closely followed by American Indian/Alaskan Natives' rate (89.1%). Once again, the size of the drop in rate from second to fourth quarter appeared larger (between about -4 and -5 percentage points) in comparison with smaller drops among highest-employed.

Employment rates for this program as reported at the second quarter after exit are very high in comparison with nearly all other programs in this report. The retention period imposed on participating employers as a requirement of ETP funding receipt is 90 days. With this consideration in mind, it may be that the slight drop-off in employment from the earlier to the later post-exit measurement point reflects small declines in employment following the initial

mandatory retention period. However, reasons for differentials in the magnitude of the loss of employment among different participant groups are not known.

12.2.1.6 Figure – 2<sup>nd</sup> Quarter Median Earnings by Participant Ethnicity/Race



Wage information for Quarters 2 and 4 after Program Exit is based on data from the Unemployment Insurance (UI) base wage file prepared by the Tax Branch of the Employment Development Department. Therefore, the data is not ETP provided.

Asian ETP participants saw the highest median earnings two quarters after exit in both fiscal years. These earnings, of \$20,282 (FY 14-15) and \$20,147 (FY 15-16), were respectively +\$4,526 and +\$3,588 higher than each respective year’s program-wide median.<sup>24</sup>

<sup>24</sup> Throughout the chapter, group-specific median earnings were calculated based upon the total range of earnings of all participants within a given category for whom earnings (>\$0) were reported during the noted quarter following exit from ETP. The median represents the middle value when earnings of all participants in the group are arranged from lowest to highest. When the total range of participant earnings is an even number, the median is found by averaging the two middle values. A program-wide median is also provided in Table Set 12.2.1.1, to provide a basis for comparison. This statistic was calculated by finding the middle value from the range of *all* earnings values among all participants who saw employment for any period within a given post-exit stage (i.e., within either the second or the fourth quarter following program exit). Comparison of a group outcome to the program-wide median value provides a means to determine the degree to which a particular group outcome may deviate from the aggregate outcome for participants in the program. The median is preferred in this report to the mean as a measure of central tendency due to its greater resistance to influence by outliers, or extremely high or low values which may be unrepresentative of most participant outcomes. Therefore, medians have been used throughout this report to provide information about participant earnings outcomes. Earnings information in the UI base wage file is employer-provided, and cannot be checked or validated in the absence of a claim.

Hispanic/Latino participants in ETP had each year's lowest median earnings, \$13,239 two quarters after exit in FY 14-15 (-\$2,516 lower than the program-wide median) and \$13,135 two quarters after exit in FY 15-16 (-\$3,424 lower than the program-wide).

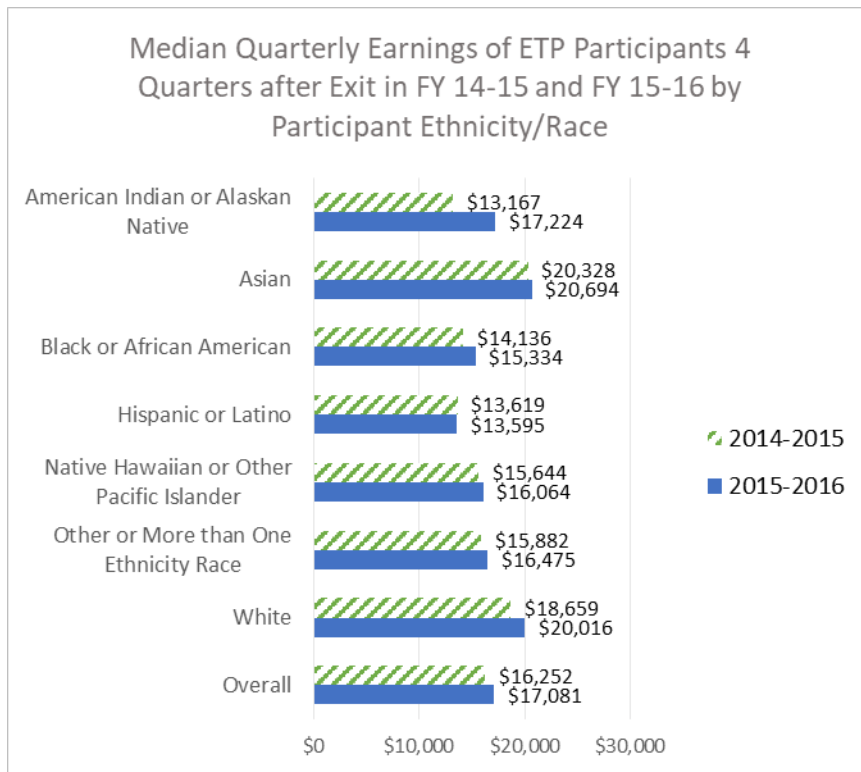
Wage minimums are mandated through the ETP contract. Wage requirements vary depending on the calendar year, county of employment, and the type of worker (retrainee or new-hire).<sup>25</sup> The existence of program-mandatory wage minimums may partially explain higher-than-average earnings of ETP employees in a cross-program context.

ETP's characteristic as an incumbent-worker training program is likely to be the largest factor in explaining the higher earnings of its exited participants across the board, in comparison with other programs in this report. Incumbent workers are more likely than a cross-section of all workforce training participants to already possess a skill set at the time of program entry, and thus to have higher starting human capital which may translate to higher level of earnings prior to the program. This starting advantage likely plays a role in higher across-the-board earnings associated with this program following exit.

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<sup>25</sup> ["FAQ"](#). Employment Training Panel.

12.2.1.7 Figure – 4<sup>th</sup> Quarter Median Earnings by Participant Ethnicity/Race



Asian ETP participants continued to receive highest median earnings at the fourth quarter after exit in both fiscal years, of \$20,328 (FY 14-15) and \$20,694 (FY 15-16), respectively. These earnings exceeded the program-wide median associated with each exit year by +\$4,076 four quarters after exit in FY 14-15 and +\$3,614 four quarters after exit in FY 15-16.

In the fourth quarter after exit in FY 14-15, Native Americans or Alaskan Native participants' earnings were the lowest, at \$13,167 (-\$3,085 lower than the overall median); earnings of Hispanic/Latino participants, lowest overall at the second-quarter stage, were second lowest at \$13,619. Four quarters after exit in FY 15-16, Hispanic/Latino participant earnings continued to be lowest overall at \$13,595 (-\$3,486 below the overall median).

### 12.3 Participant Ethnicity/Race as Reported

#### 12.3.1.1 Table Set – Participant Ethnicity/Race as Reported<sup>26</sup>

FY 2014-2015											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	972	575	440	536	93.2	\$13,682	Not Available	Not Available	515	89.6	\$13,167
Asian	15,101	8,100	5,446	7,724	95.4	\$20,907	Not Available	Not Available	7,477	92.3	\$20,875
Filipino	1,246	770	564	717	93.1	\$15,738	Not Available	Not Available	702	91.2	\$16,168
Black or African American	4,357	2,582	1,871	2,377	92.1	\$13,511	Not Available	Not Available	2,256	87.4	\$14,136
Hispanic or Latino	32,200	19,109	13,689	17,888	93.6	\$13,241	Not Available	Not Available	17,418	91.2	\$13,620
Native Hawaiian or Other Pacific Islander	714	364	250	354	97.3	\$15,592	Not Available	Not Available	348	95.6	\$15,644
White	32,431	19,145	13,682	17,913	93.6	\$18,066	Not Available	Not Available	17,239	90.0	\$18,657
Other	6,902	4,197	2,615	3,957	94.3	\$15,496	Not Available	Not Available	3,788	90.3	\$15,879
<b>TOTAL</b>	<b>93,850</b>	<b>54,818</b>	<b>38,544</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

<sup>26</sup> Categories and associated outcomes presented in Table Set 12.3.1.1 directly reflect demographic categories as they are reported by this program. The ETP program collects data at a more disaggregated level than categories shown in the Participant Ethnicity/Race table (Table Set 12.2.1.1), with inclusion of the category, Filipino. As discussed in the introduction to the Ethnicity/Race section, the Filipino category was collapsed within the master category of Asian in Table Set 12.2.1.1. In Table Set 12.3.1.1, participants are reported within the category they directly selected.

FY 2015-2016											
Participant Ethnicity / Race	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
American Indian or Alaskan Native	1,713	969	574	899	92.8	\$16,100	Not Available	Not Available	856	88.3	\$17,224
Asian	21,972	13,097	8,643	12,570	96.0	\$20,623	Not Available	Not Available	12121	92.5	\$21,229
Filipino	1,687	952	711	910	95.6	\$14,871	Not Available	Not Available	874	91.8	\$15,530
Black or African American	6,562	4,229	2,727	3,964	93.7	\$15,144	Not Available	Not Available	3750	88.7	\$15,333
Hispanic or Latino	44,549	27,092	18,775	25,571	94.4	\$13,134	Not Available	Not Available	24721	91.2	\$13,595
Native Hawaiian or Other Pacific Islander	1,168	714	449	684	95.8	\$15,392	Not Available	Not Available	662	92.7	\$16,073
White	46,682	29,848	19,681	28,264	94.7	\$19,437	Not Available	Not Available	26847	89.9	\$20,016
Other	10,814	6,556	4,929	6,206	94.7	\$15,898	Not Available	Not Available	5998	91.5	\$16,475
<b>TOTAL</b>	<b>134,746</b>	<b>83,360</b>	<b>56,467</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

Table Set 12.3.1.1, displays participant outcomes according to categories of ethnic/racial reporting that that are used directly by the Employment Training Panel.

## 12.4 Participant Sex / Gender

### 12.4.1.1 Table Set – Participant Sex / Gender

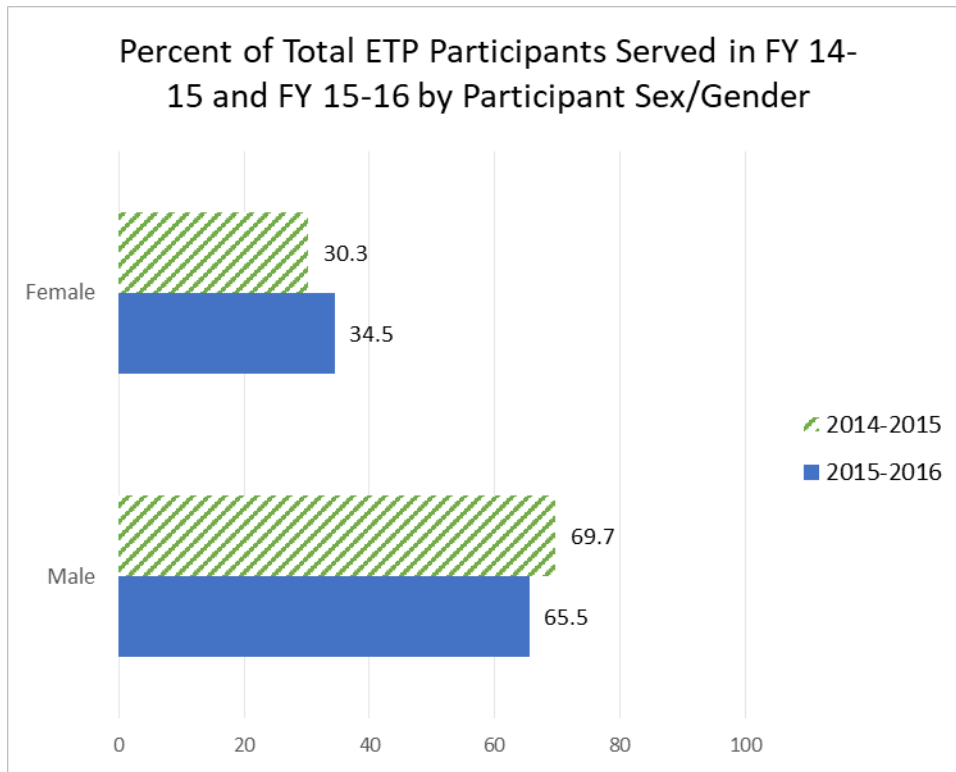
FY 2014-2015											
Participant Sex / Gender	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Male	65,458	40,011	28,282	37,468	93.6	\$16,102	Not Available	Not Available	36,221	90.5	\$16,692
Female	28,392	14,807	10,262	13,993	94.5	\$14,727	Not Available	Not Available	13,517	91.3	\$14,831
Unknown or Not Provided	0	0	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>93,850</b>	<b>54,818</b>	<b>38,544</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016											
Participant Sex / Gender	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Male	88,274	55,118	38,482	52,068	94.5	\$17,203	Not Available	Not Available	49,868	90.5	\$17,800
Female	46,472	28,242	17,985	26,973	95.5	\$15,199	Not Available	Not Available	25,936	91.8	\$15,566
Unknown or Not Provided	0	0	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>134,746</b>	<b>83,360</b>	<b>56,467</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

Participant sex/gender is a data element collected by ETP providers (contracted employers). For the two fiscal years of data reported here, possible selections were: “M” (male), “F” (female), or “X” (unknown or participant did not self-identify).<sup>27</sup>

<sup>27</sup> Beginning in 2017, ETP presents a non-binary participant gender option.

12.4.1.2 Figure – Program Participation by Participant Sex/Gender



ETP, whose role in the economy is derived from its 1982 dual mandate of moving unemployed workers into employment as well as saving jobs of workers threatened with displacement, has expanded the latter role to include increased support of retraining incumbent workers of businesses in basic industries challenged by out-of-state competition, primarily the manufacturing and high technology sectors.

The composition of ETP participants is therefore shaped, in part, by the demographics of the incumbent workforces of these respective industry sectors. Per data from the Bureau of Labor Statistics, the Manufacturing sector (NAICS 31-33) was only 29% female in 2016<sup>28</sup>.

The Bureau of Labor Statistics defines the high-tech sector as embracing 27 goods-producing and service-producing industries. These include 13 goods-producing industries. The goods-producing industries included in the high-tech sector employ high concentrations of engineers. Also included are 14 service-producing industries. These industries employ high concentrations

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<sup>28</sup> [Women's Databook](#). U.S. Bureau of Labor Statistics, 2017.



of computer and mathematical occupations.<sup>29</sup> BLS estimates that in 2016, only 25.2% of workers in computer and mathematical occupations were women and only 14% of workers in architecture and engineering occupations were women.<sup>30</sup>

Male participants comprised the majority of individuals served by ETP in both fiscal years, making up 69.7% of the total served in FY 14-15 and 65.5% of the total served in FY 15-16. Female participants made up the remaining share (30.3% of all served in FY 14-15 and 34.5% of all served in FY 15-16).

Compared with statewide estimates of labor force participation, men were overrepresented by a sizable margin (+15.1 percentage points in FY 14-15 and +11.1 in FY 15-16). Women were underrepresented by the same margins in each year. Based on aforementioned (nationwide) statistics and ETP's focus on incumbent workers, this gender imbalance is to some degree unsurprising.

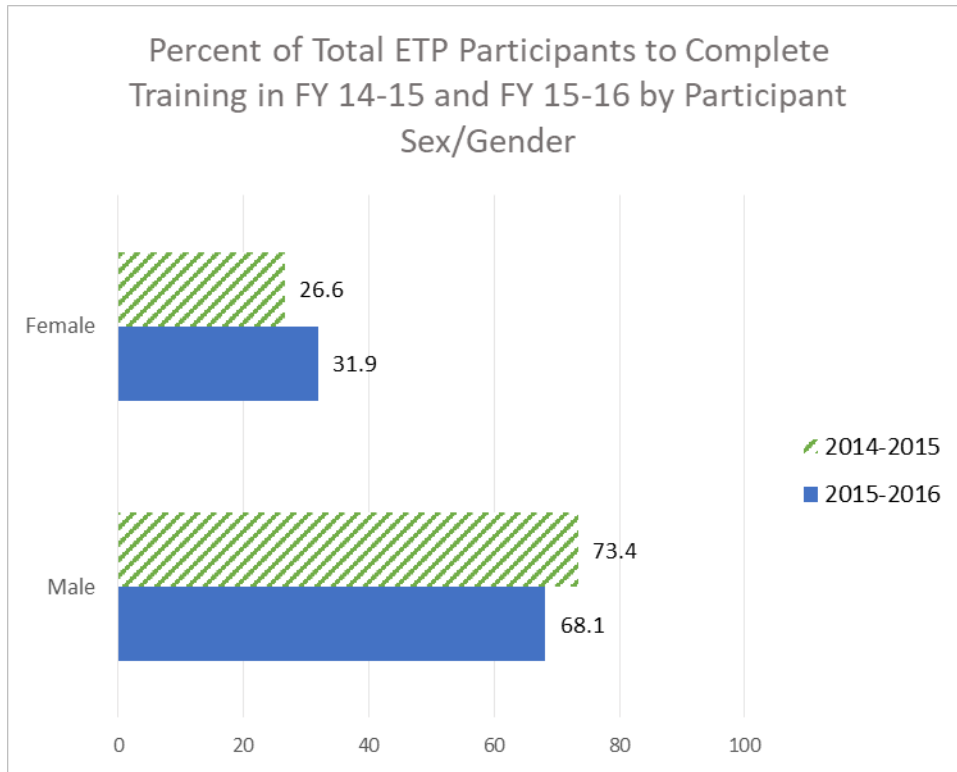
It is not known why men appeared to be a relatively larger share of all ETP participants in the first year compared with the second. The difference could conceivably be due to normal year-to-year fluctuations in the composition of ETP contracts or other unknown factors.

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<sup>29</sup>Roberts, Brian and Michael Wolf. "[High Tech Industries: An Analysis of Employment, Wages, and Output.](#)" U.S. Bureau of Labor Statistics. May, 2018.

<sup>30</sup> "[Women in architecture and engineering occupations in 2016.](#)" U.S. Bureau of Labor Statistics. March 10, 2017.

12.4.1.3 Figure – Training Completion by Participant Sex/Gender

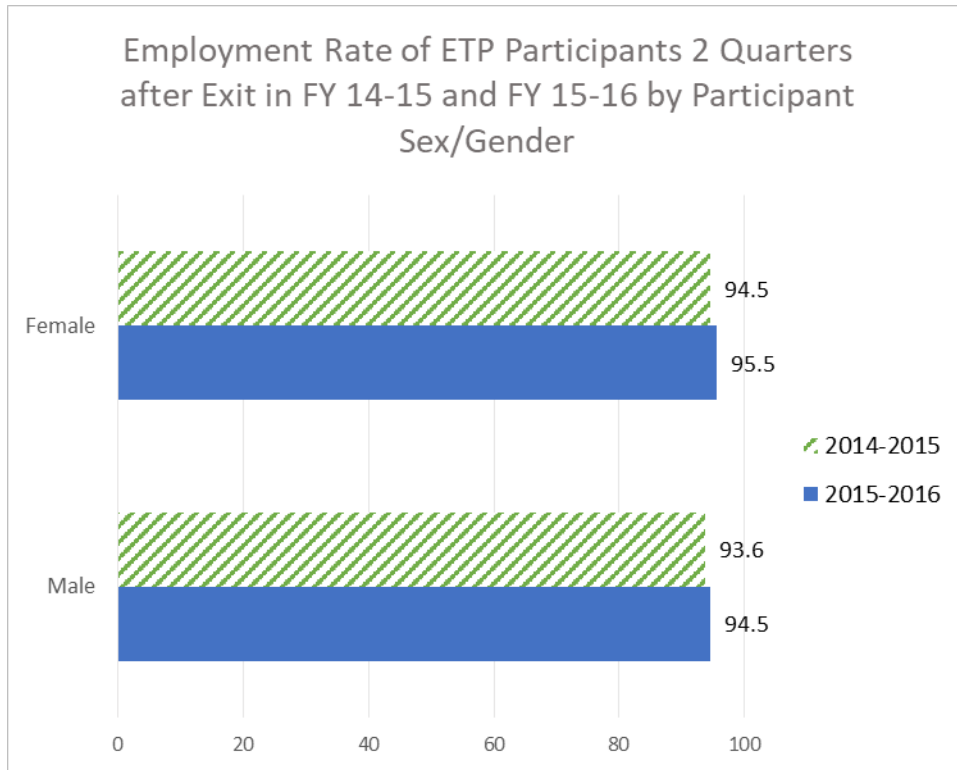


Women represented 26.6% of all participants to complete ETP training in FY 14-15 and 31.9% of all training completions in FY 15-16. Men made up the remainder, 73.4% of all completions in FY 14-15 and 68.1% of all completions in FY 15-16.

*Credential Attainment Rate*

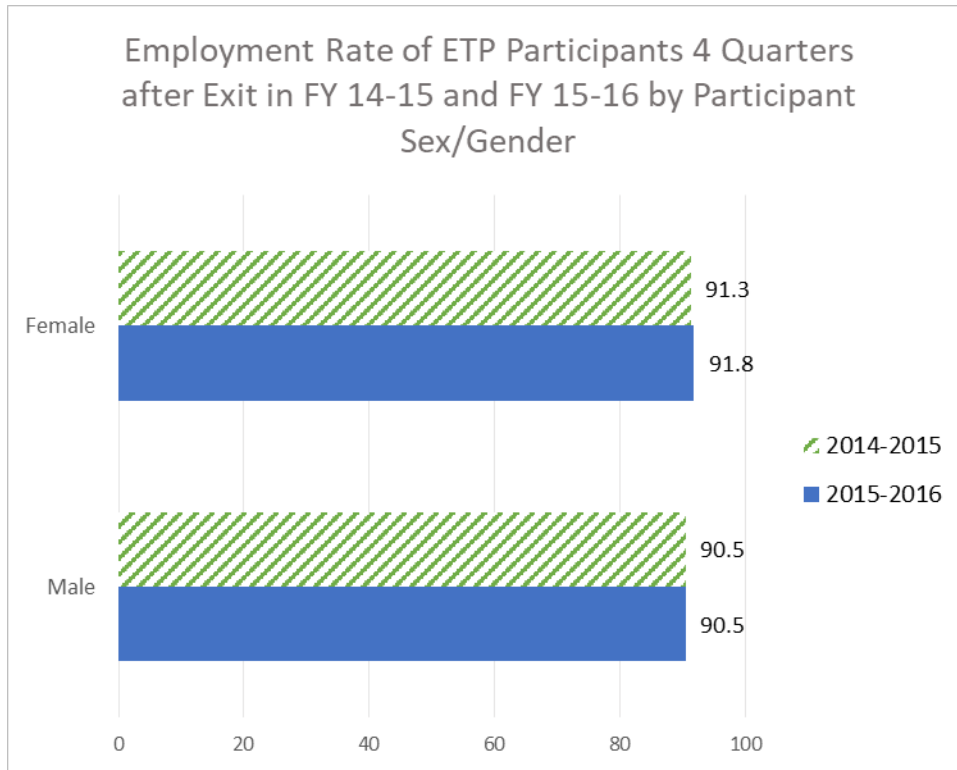
The ETP does not issue recognized credentials for the training received.

12.4.1.4 Figure – 2nd Quarter Employment Rate by Participant Sex/Gender



Two quarters after exit, women’s employment rates marginally exceeded those of men (by about one percentage point). In the second quarter after exit in FY 14-15, 94.5% of female program participants and 93.6% of male participants were employed. In the second quarter after exit in FY 15-16, 95.5% of former female participants and 94.5% of former male participants were employed.

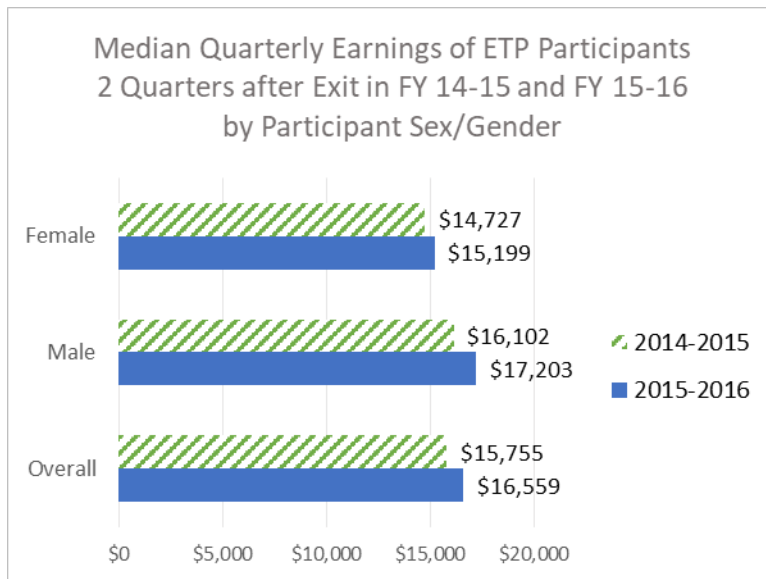
12.4.1.5 Figure – 4<sup>th</sup> Quarter Employment Rate by Participant Sex/Gender



Women’s employment continued to exceed men’s employment in the fourth quarter after exit, by a similar margin.

Once again, both employment rates of all participants dropped from the second to the fourth quarter by about -3 percentage points in the first year and about -4 in the second. This minor drop in employment rates may relate to effects of the expiration of the contractual trainee employment requirement at the conclusion of the 90-day period.

12.4.1.6 Figure – 2<sup>nd</sup> Quarter Median Earnings by Participant Sex/Gender



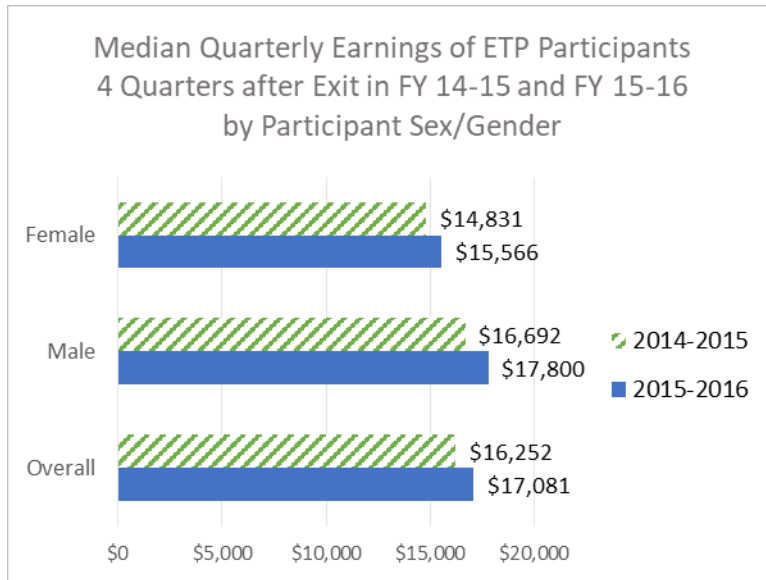
Two quarters after exit in both fiscal years, earnings of male participants were higher than those of female participants. Among participants who exited in FY 14-15 male participants' earnings (\$16,102) were +\$1,376 higher than those of female participants. At the same stage after exit in the second fiscal year, male participants' earnings (\$17,203) were +\$2,003 higher than those of female participants.

In order to determine the extent to which disparities in post-training earnings differences might result from occupational segregation (the propensity for men and women to be employed in different occupations), or other factors, further information would be required.

A 2004 evaluation of California's ETP program which applied statistical controls to filter out the impacts of other possible factors such as the above, found that men still saw a greater earnings benefit from training—and that the amount of their advantage increased from the first to the second year after training.<sup>31</sup>

<sup>31</sup> The amount of the disparity calculated as male earnings gains minus female earnings gains (in 2002) was (for retrainee/incumbent participants), \$1,145 in the first year after training widening to \$1,363 in the second year after training; and (for new hire trainees) \$1,381 in the first and \$1,779 in the second year after training (Moore et al [2004], p. vi-21). One important consideration is that the Booth study measured earnings gain from training in percentage terms (=percent increase in pay following training) whereas the Moore et al study measured gains in dollar terms. If measurement of an earnings gain is calculated as a percentage increase from an individual's starting pay, then it would be possible for a female participant to have a greater percent increase in pay but lower dollar increase than a male participant, if her starting pay was substantially lower than that of the male participant.

12.4.1.7 Figure – 4<sup>th</sup> Quarter Median Earnings by Participant Sex/Gender



Male participants' earnings continued to exceed those of female participants at the fourth quarter following exit in each of the two fiscal years, by slightly greater amounts: male former ETP participants had median quarterly earnings of \$16,692 at this stage after exit in FY 14-15, +\$1,861 higher than female participant earnings of \$14,831; male participant earnings of \$17,800 from the fourth quarter after exit in FY 15-16 were +\$2,233 higher than female participant earnings of \$15,566.

## 12.5 Participant Age Group at Entry

### 12.5.1.1 Table Set – Participant Age Group at Entry

FY 2014-2015											
Participant Age Group at Entry	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Under 25	3,702	2,633	1,835	2,406	91.4	\$10,626	Not Available	Not Available	2,362	89.7	\$11,628
25-54	13,143	9,127	6,394	8,456	92.6	\$12,765	Not Available	Not Available	8,093	88.7	\$13,838
55 and older	505	323	222	276	85.4	\$12,007	Not Available	Not Available	252	78.0	\$12,570
Unknown	76,500	42,735	30,093	40,323	94.4	\$17,173	Not Available	Not Available	39,031	91.3	\$17,297
<b>TOTAL</b>	<b>93,850</b>	<b>54,818</b>	<b>38,544</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016											
Participant Age Group at Entry	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Under 25	4,944	3,363	2,377	3,142	93.4	\$9,573	Not Available	Not Available	3,017	89.7	\$10,047
25-54	18,383	11,810	8,246	11,096	94.0	\$13,393	Not Available	Not Available	10,647	90.2	\$13,933
55 and older	834	527	302	455	86.3	\$13,225	Not Available	Not Available	413	78.4	\$13,330
Unknown	110,585	67,660	45,542	64,348	95.1	\$17,698	Not Available	Not Available	61,727	91.2	\$18,172
<b>TOTAL</b>	<b>134,746</b>	<b>83,360</b>	<b>56,467</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

ETP does not collect participant date of birth. ETP does collect, and continues to collect, participant age group data. However, this was not requested for the CAAL-Skills system, based on an expectation that this data could be derived using the date of birth data available (consistent with methodology for other programs in this report).<sup>32</sup>

ETP provided the value '99' in place of all participant's dates of birth, indicating they lack the data. In order to produce the Age Group at Entry Dashboard, CAAL-Skills harvested dates of birth values from participant records provided by other programs. CAAL-Skills was able to fill in dates of birth for only about 18% of the total population served in each year. The Age Group at Entry Dashboard will be affected by this data issue as only a subset of the participants are represented therein.

It is possible that trainees in ETP contracts where age was tracked may not represent a representative sample of all ETP participants and therefore that caution should be exercised in generalizing from these outcomes. Because a participant's age (and other demographic) data is collected and reported by the specific provider, it is also possible that that participants for whom age data is reported came from specific ETP contracts rather than representing a cross-section of all ETP participants.<sup>33</sup> As such, it appears possible that specific instances of plant closures, layoffs, etc., could have an outsize impact in observed employment rates among these participants, although this does not in itself explain differences in outcomes by age. Given these issues, analysis of data has not been performed in this section.

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<sup>32</sup> In the V.1 dashboard report, participant age group data was collected directly from this program, meaning that age group at entry outcomes in that report are more complete.

<sup>33</sup> As noted, ETP did not provide DOB or age group data. The partial age information for ETP participants that is used in this report chapter was derived through matching with other programs in which ETP participants were enrolled, which do collect DOB.



## 12.6 Participant Veteran Status

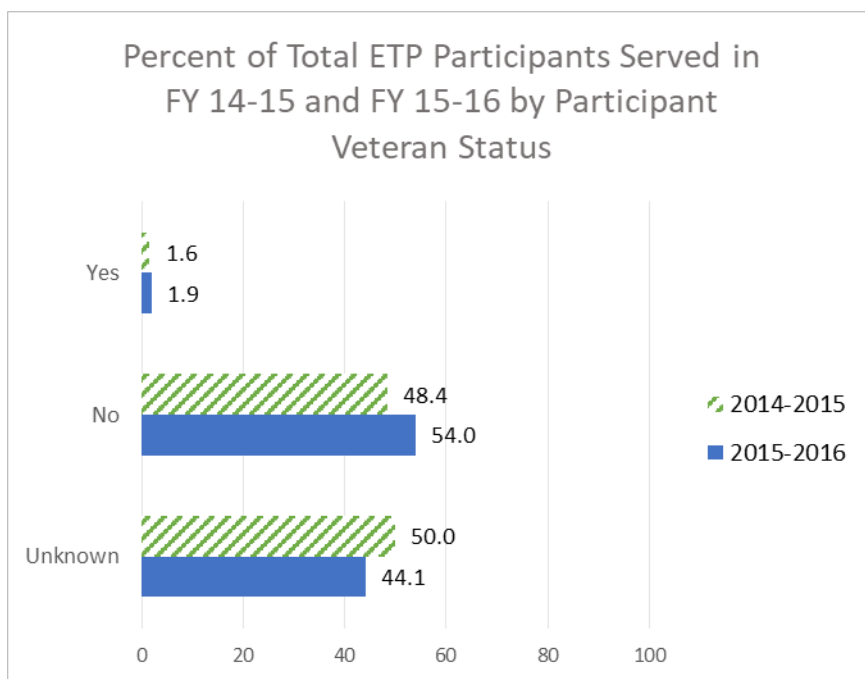
### 12.6.1.1 Table Set – Participant Veteran Status

FY 2014-2015											
Participant Veteran Status	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Yes	1,512	892	737	840	94.2	\$17,642	Not Available	Not Available	784	87.9	\$18,482
No	45,401	24,743	17,955	23,173	93.7	\$15,288	Not Available	Not Available	22,447	90.7	\$15,873
Not Applicable	0	0	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
Unknown	46,937	29,183	19,852	27,448	94.1	\$16,127	Not Available	Not Available	26,507	90.8	\$16,517
<b>TOTAL</b>	<b>93,850</b>	<b>54,818</b>	<b>38,544</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016											
Participant Veteran Status	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Yes	2,559	1,615	1,034	1,520	94.1	\$18,410	Not Available	Not Available	1,337	82.8	\$19,594
No	72,779	42,372	28,732	40,006	94.4	\$16,241	Not Available	Not Available	38,196	90.1	\$16,756
Not Applicable	0	0	0	0	0.0	0	Not Available	Not Available	0	0.0	\$0
Unknown	59,408	39,373	26,701	37,515	95.3	\$16,800	Not Available	Not Available	36,271	92.1	\$17,337
<b>TOTAL</b>	<b>134,746</b>	<b>83,360</b>	<b>56,467</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

ETP prioritizes training for veterans who are reentering California’s civilian workforce. Based on the number of active and reservist personnel who have performed military service in recent years, the need for employment training assistance for veterans is projected to increase. ETP’s veteran training program helps unemployed veterans and members of the National Guard obtain high-skilled, high-wage jobs in secure industries. Through participation in the Governor’s Interagency Council on Veterans, ETP continues to contribute to the coordination of statewide efforts to identify and prioritize the needs of veterans. Through collaboration, ETP seeks to strengthen and streamline workforce training and employment services to better suit the needs of California’s veteran community.<sup>34</sup>

12.6.1.2 Figure – Program Participation by Participant Veteran Status



Participants with unknown veteran status made up the largest share of each year’s program participants, 50.0% of all served in FY 14-15 and 44.1% of all served in FY 15-16.

The presence of a large unknown category in each fiscal year means that percent shares of veterans and non-veterans in program data shown in Figure 12.6.1.2 cannot be directly compared with statewide benchmarks.

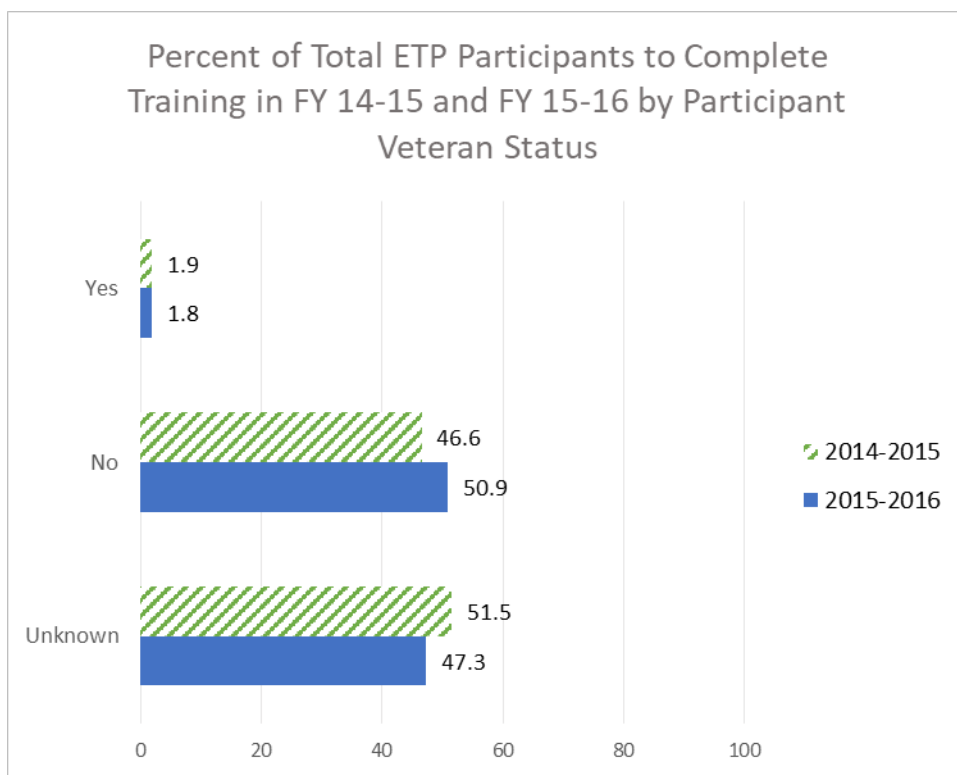
For this reason, comparison to statewide benchmark data has been made using the sample of ETP participants whose veteran status (whether “yes” or “no”) is known. Within this sample, shares of veterans and non-veterans have been calculated by dividing the number of individuals

<sup>34</sup> Annual Report for FY 2014-2015. Employment Training Panel, p. 11; Annual Report for FY 2015-2016, p 10.

in a category (for instance, veterans) by the total number of ETP participants of known veteran status in the noted fiscal year. Thus, in FY 14-15, a total of 46,913 ETP participants (1,512 known veterans + 45,401 known non-veterans) were of known veteran status. Of these, 1,512 were veterans. The percent share of ETP participants of known veteran status who were veterans in FY 14-15 is thus 1,512/ 46,913 or 4.32%.<sup>35</sup>

Veterans were 3.2% and 3.4% respectively of the sample of ETP participants in each of the two fiscal years of data whose veteran status was known. These shares were about one-and-a-half percentage points smaller than the 4.8% of the statewide labor force who were veterans.<sup>36</sup>

12.6.1.3 Figure – Training Completion by Participant Veteran Status



Just under 2% of all participants to complete ETP training in FY 14-15 and FY 15-16 were veterans. Non-veterans represented 46.6% of all completions in FY 14-15 and 50.9% of all completions in FY 15-16. The remainder of completions, 51.5% of the total in FY 14-15 and 47.3% of the total in FY 15-16, were made by participants of an unknown veteran status.

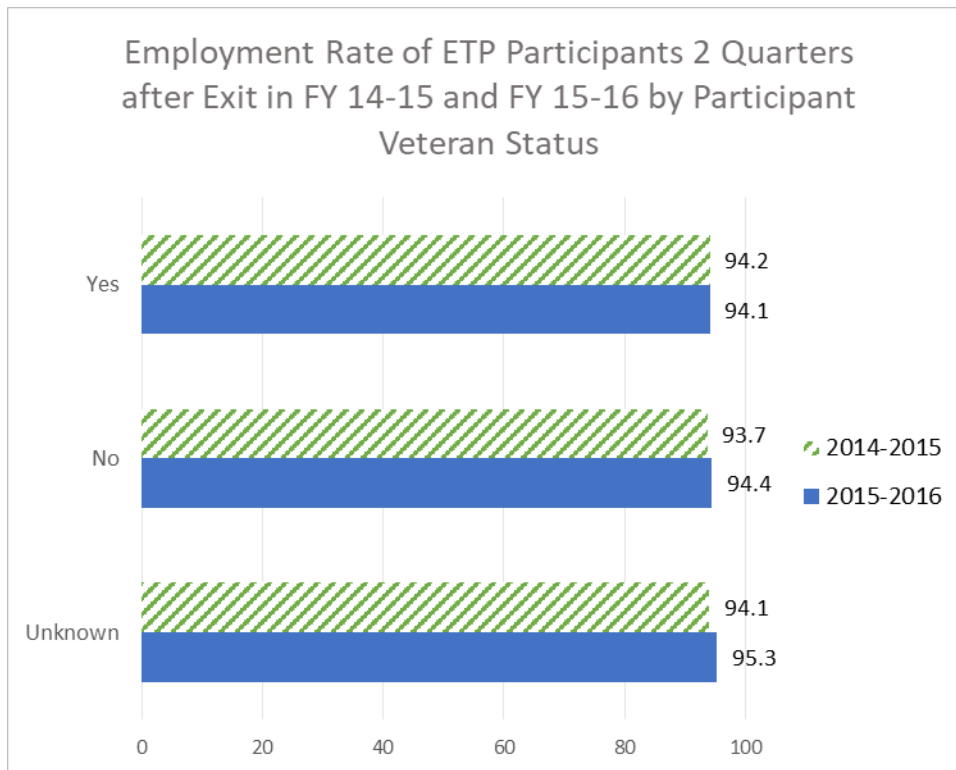
<sup>35</sup> When interpreting this data, it should be noted that the employer-based reporting model of ETP means that the subset of participants for whom veteran status data is available may or may not constitute a representative cross-section of all ETP participants.

<sup>36</sup> As previously stated, categories containing very few small participants may make it difficult to tell whether or not program shares differ meaningfully from statewide population estimates.

### Credential Attainment Rate by Participant Veteran Status

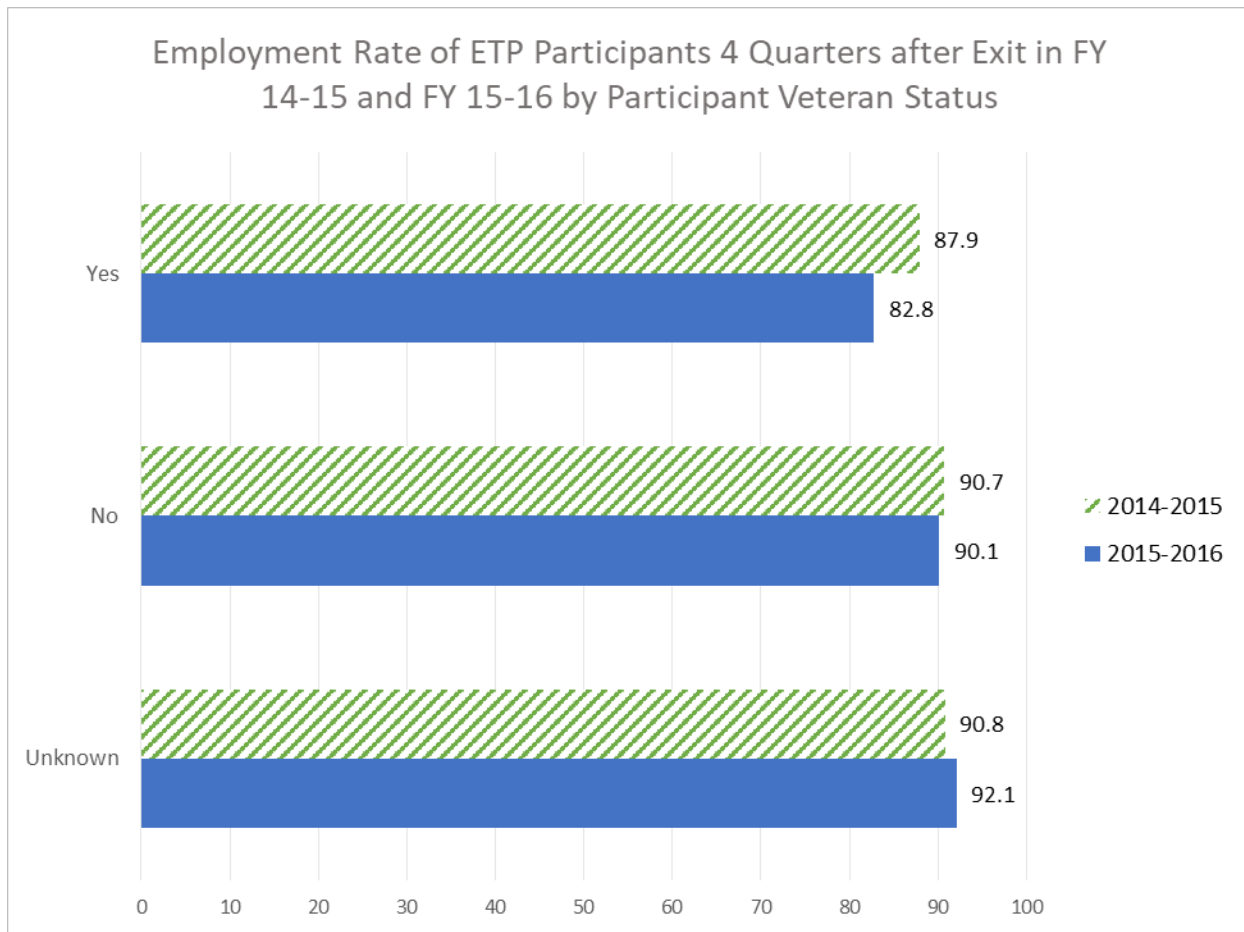
The ETP does not issue recognized credentials for the training received.

### 2nd Quarter Employment Rate by Participant Veteran Status



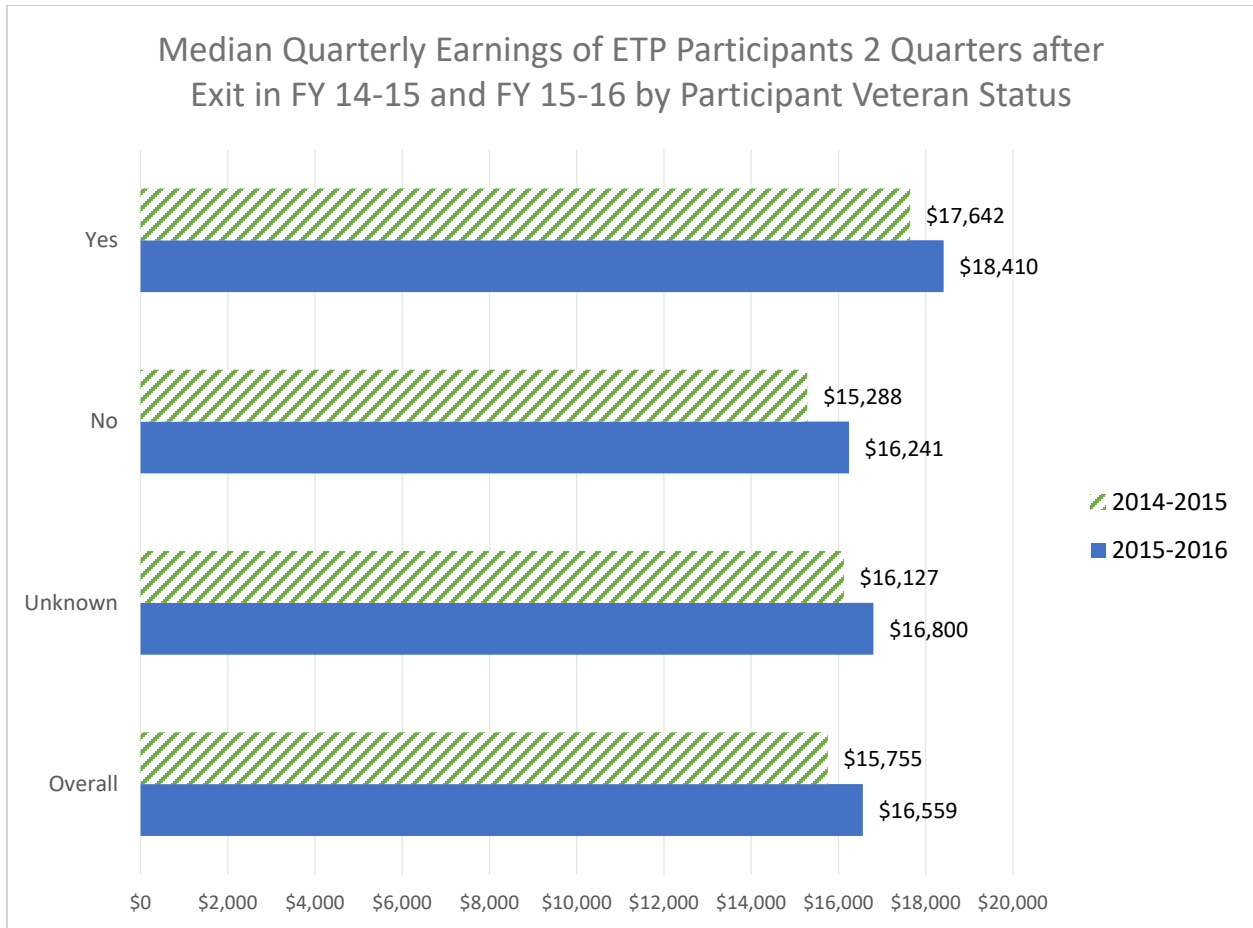
Employment rates of veterans and non-veterans appeared quite similar two quarters after exit in both years, with the rate among veterans (94.2%) marginally exceeding that among non-veterans (93.7%) following exit in FY 14-15 and the reverse relationship (non-veteran employment rate of 94.4% compared with 94.1% among veterans) at the same stage after exit in FY 15-16.

12.6.1.4 Figure – 4<sup>th</sup> Quarter Employment Rate by Participant Veteran Status



For unknown reasons, the second-to-fourth-quarter decline in employment appeared larger among veterans than non-veteran ETP participants especially among participants to exit in the second year: in the fourth quarter after exit in FY 14-15, veterans’ employment fell by -6.3 percentage points to 87.9% (compared with a drop of -2.9 percentage points to 90.7% among non-veterans). Among FY 15-16 participants, veterans’ employment rate dropped by -11.3 percentage points to 82.8% while non-veterans’ rate fell by a smaller -4.3 percentage points. While the cause cannot be determined, a factor that should be considered is that veteran status was reported for only about one-half of all ETP participants in each year. When considered in light of the organization of the program into discreet employer contracts (with data provided through employer reporting), it seems possible that known veterans were disproportionately concentrated within a few contracts. It might then be the case that veteran employment rates in fact reflect characteristics of the industry sectors, occupations, or even individual enterprises, from which this data came. Therefore, caution should be exercised when interpreting observed outcomes in this case.

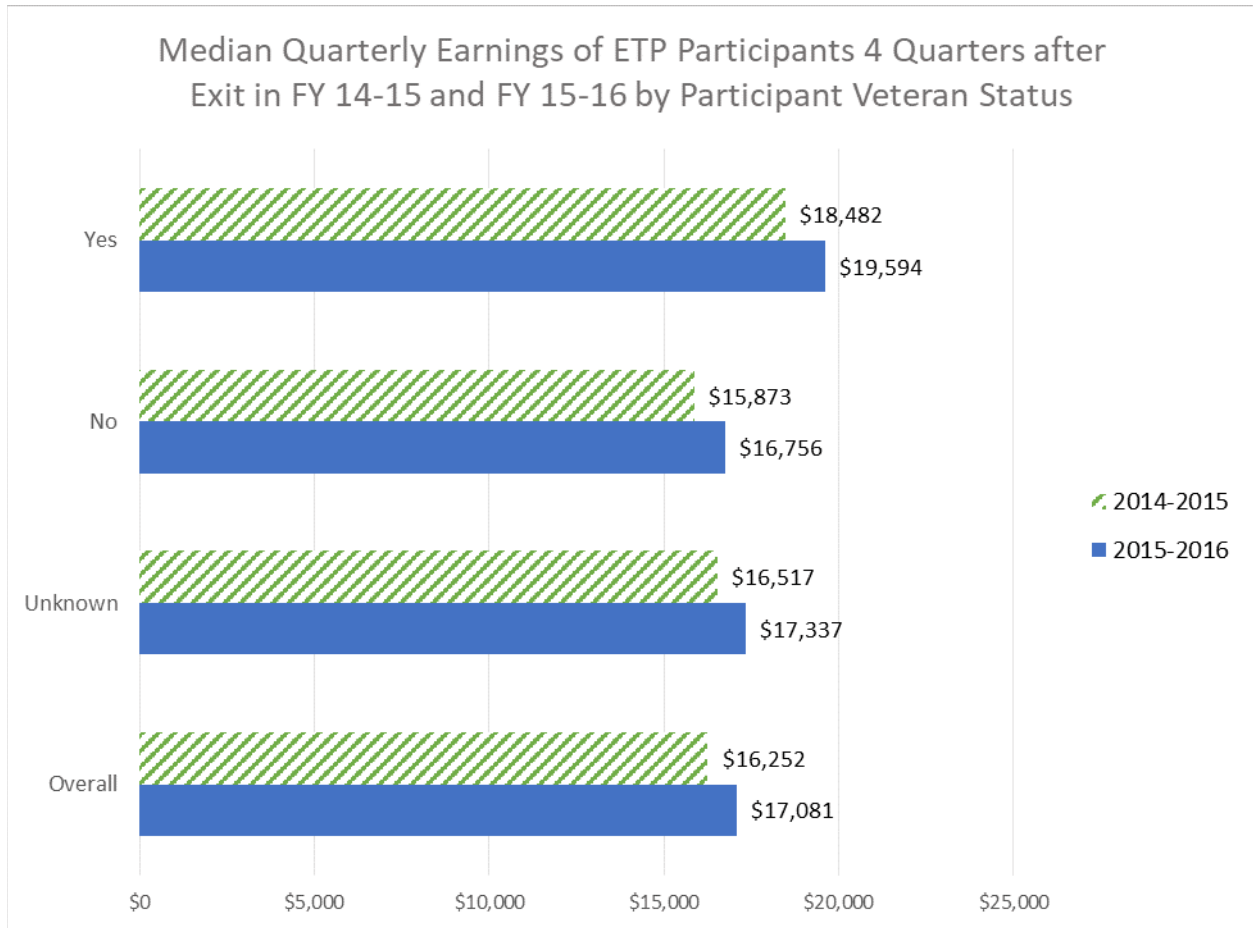
12.6.1.5 Figure – 2<sup>nd</sup> Quarter Median Earnings by Participant Veteran Status



Veterans had higher median earnings from the second quarter following program exit compared with those of non-veterans. Veterans’ earnings from the second quarter following exit in FY 14-15 were, at \$17,642 +\$2,355 higher than those of non-veterans (\$15,288). At the equivalent stage after exit in FY 15-16, veterans (\$18,410) out-earned non-veterans (\$16,241) by +\$2,168.

Earnings of participants with unknown veteran status were slightly above the program-wide median following exit in each quarter, a +\$16,127 in the second quarter after exit in FY 14-15 (+\$372), and \$16,800 in the second quarter after exit in FY 15-16 (+\$241).

12.6.1.6 Figure – 4<sup>th</sup> Quarter Median Earnings by Participant Veteran Status



In the fourth quarter after exit in both fiscal years, veterans continued to out-earn non-veterans. In the fourth quarter after exit in FY 14-15, median earnings among veterans of \$18,482, were +\$2,609 greater than those of non-veterans (\$15,873). At the same stage after exit in FY 15-16, veterans, with median earnings of \$19,594, out-earned non-veterans (\$16,756) by +\$2,838.

## 12.7 Training Completion Status

### 12.7.1.1 Table Set – Training Completion Status

FY 2014-2015									
Training Completion Status	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Yes	41,461	39,566	95.4	\$16,218	Not Available	Not Available	38,123	91.9	\$16,725
No	13,357	11,895	89.1	\$14,290	Not Available	Not Available	11,615	87.0	\$14,622
Other	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
Not Applicable	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
Unknown	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>54,818</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>Not Available</b>	<b>Not Available</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016									
Training Completion Status	# Exited	2 Quarters After Exit			4 Quarters After Exit				
		# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Yes	57,609	55,064	95.6	\$16,629	Not Available	Not Available	53,309	92.5	\$17,403
No	25,751	23,977	93.1	\$16,347	Not Available	Not Available	22,495	87.4	\$16,226
Other	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
Not Applicable	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
Unknown	0	0	0.0	\$0	Not Available	Not Available	0	0.0	\$0
<b>TOTAL</b>	<b>83,360</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>Not Available</b>	<b>Not Available</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

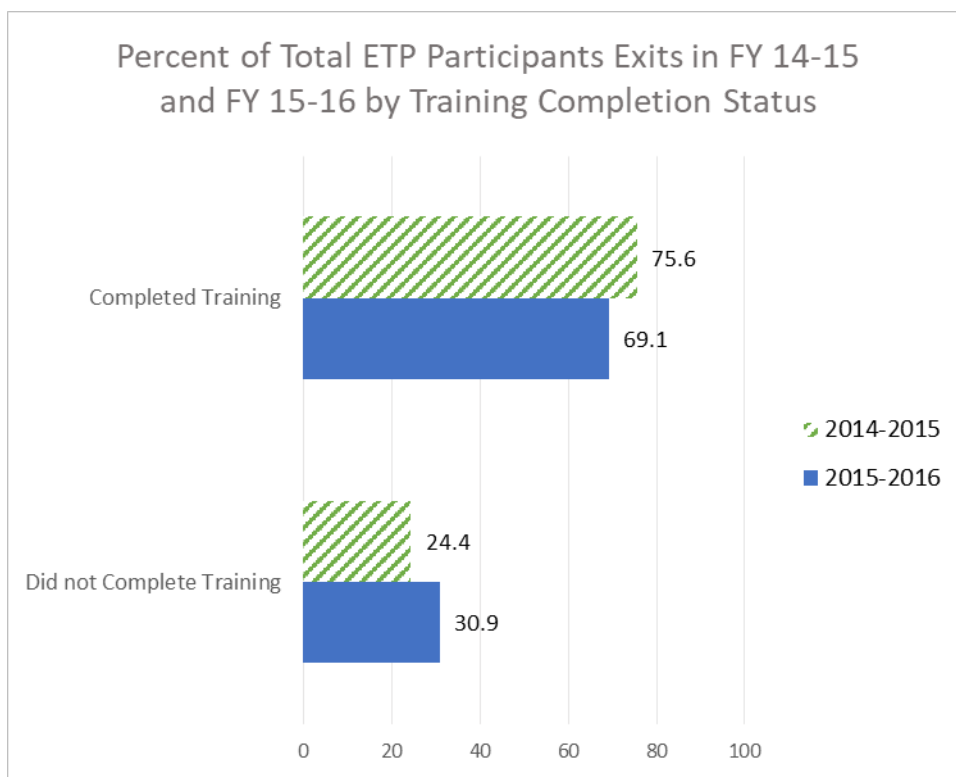
Service descriptions are available in Appendix E.



A 2004 independent evaluation of the ETP program in California found that, in general, the ETP program had a high rate of participant completion: in that study, 81% of retrainees (incumbent workers) completed training, as did 76% of new hire trainees.<sup>37</sup>

The same evaluation determined a number of participant benefits accruing specifically to participants who completed their course of training, in the form of both earnings advantages and a lesser likelihood of experiencing unemployment in the year following program exit, as compared with non-completers.<sup>38</sup>

### 12.7.1.2 Program Exit by Training Completion Status



In each fiscal year, a majority of participants exited having completed their program: 75.6% of all ETP participants to exit in FY 14-15, and 69.1% of all to exit in FY 15-16.

This is noticeably different from most other programs in this report. Completion is likely to be more common in ETP due to the contractual nature of the program, as previously discussed.

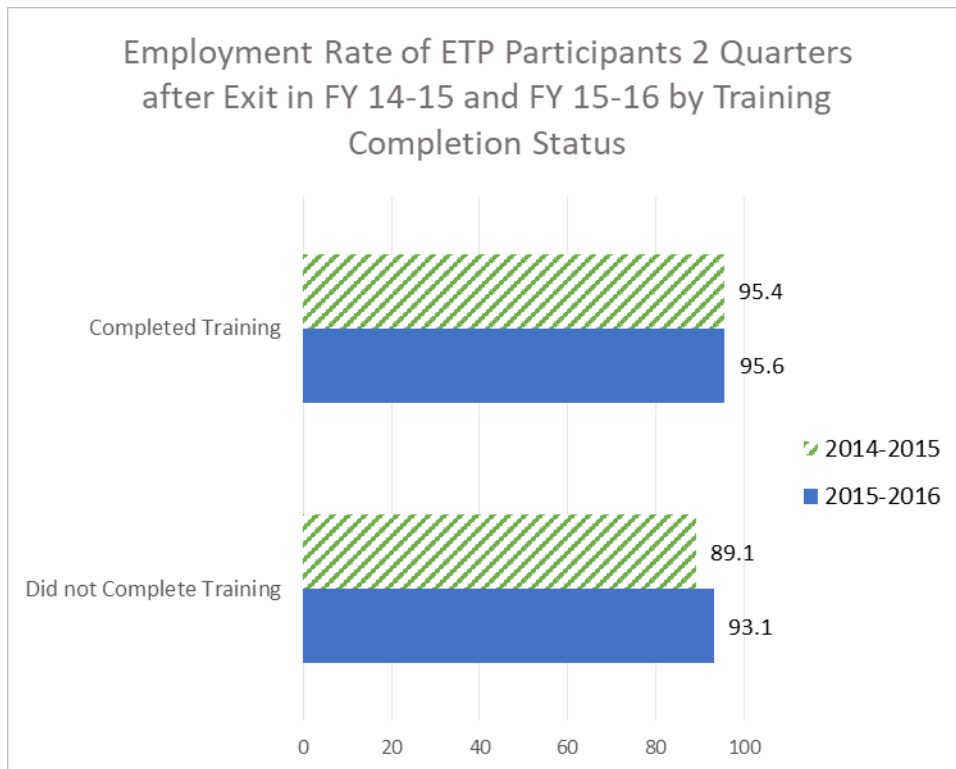
### 12.7.1.3 Credential Attainment Rate

The ETP does not issue recognized credentials for the training received.

<sup>37</sup> Moore et al (2004).

<sup>38</sup> Moore et al (2004), p. VI-24.

12.7.1.4 Figure – 2nd Quarter Employment Rate by Training Completion Status



ETP participants who completed training (the majority in each year) had higher rates of employment compared with those who exited without completing training.

Among ETP participants to exit in FY 14-15, 95.4% of those who completed training were employed two quarters later, as were 95.6% of completers to exit in FY 15-16. Those who withdrew or otherwise exited without completion saw employment rates that were slightly (although not substantially) lower than those of completers, at 89.1% and 93.1% following exit in each respective fiscal year.

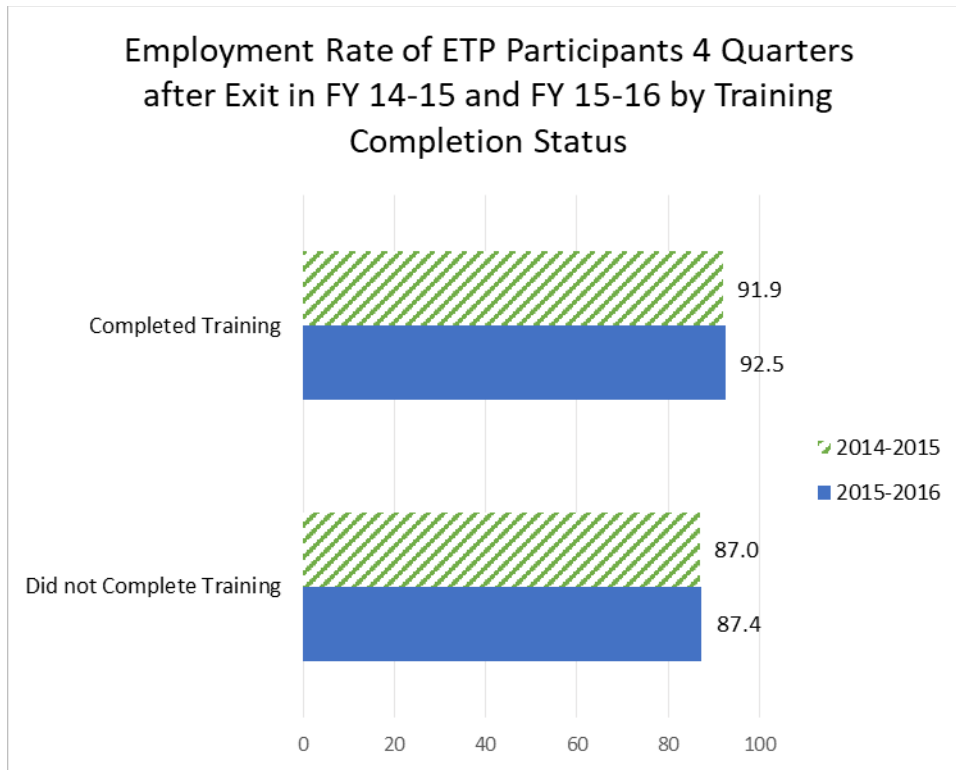
As can be observed, differences in employment and earnings outcomes between completers and those exiting without completion were very small compared with most other programs. Employment rates for both groups were also high compared with many other programs.

One potential factor relates to characteristics of the ETP program itself that may translate to a larger proportion of those who exit without completion retaining employment, as previously discussed. To revisit this: of three distinct circumstances that may result in an employee being dropped from training, only one (i.e., because an individual leaves or is removed from employment with the employer) may translate to unemployment (and that only assuming the individual does not become re-employed elsewhere). The other two (replacement of the employee in the training program with a different employee; or, withdrawal for some other reason of the employee from training) mean that the individual retains employment with the

employer. This explains why employment among non-completing participants in ETP would be expected to be higher than in other programs.

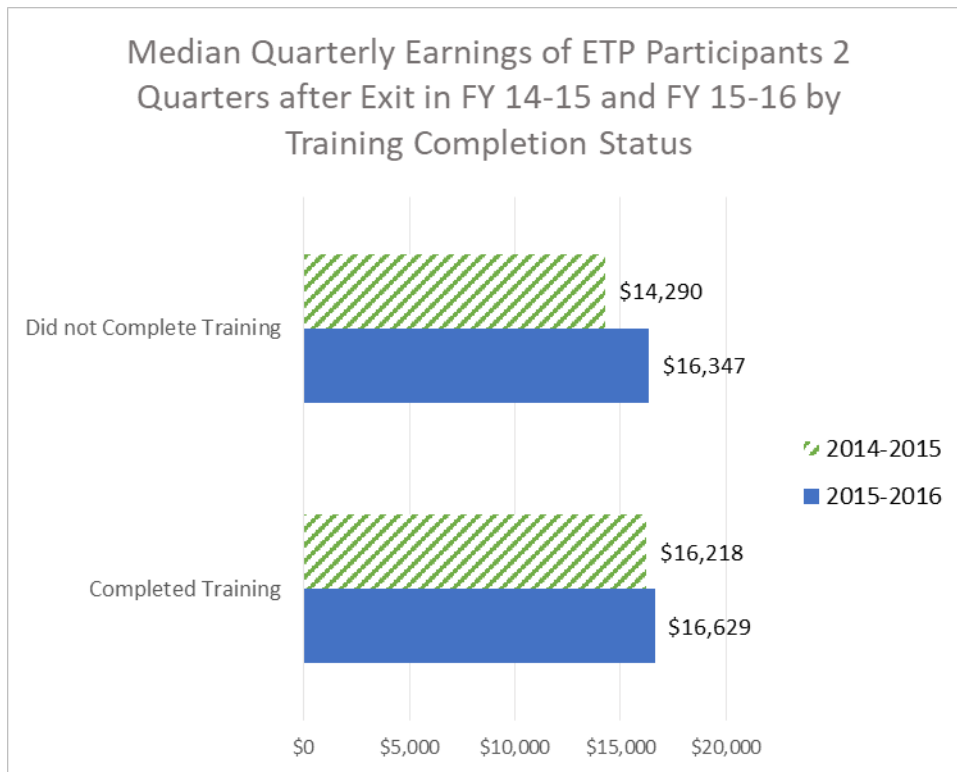
There may also be additional, unknown factors that are relevant.

12.7.1.5 Figure – 4<sup>th</sup> Quarter Employment Rate by Training Completion Status



Employment remained modestly higher among completers in the fourth quarter following exit, among those served in both fiscal years: following exit in FY 14-15, employment among completers was 91.9%, compared with 87.0% among non-completers. Following exit in FY 15-16, employment among completers was 92.5%, compared with 87.4% among non-completers.

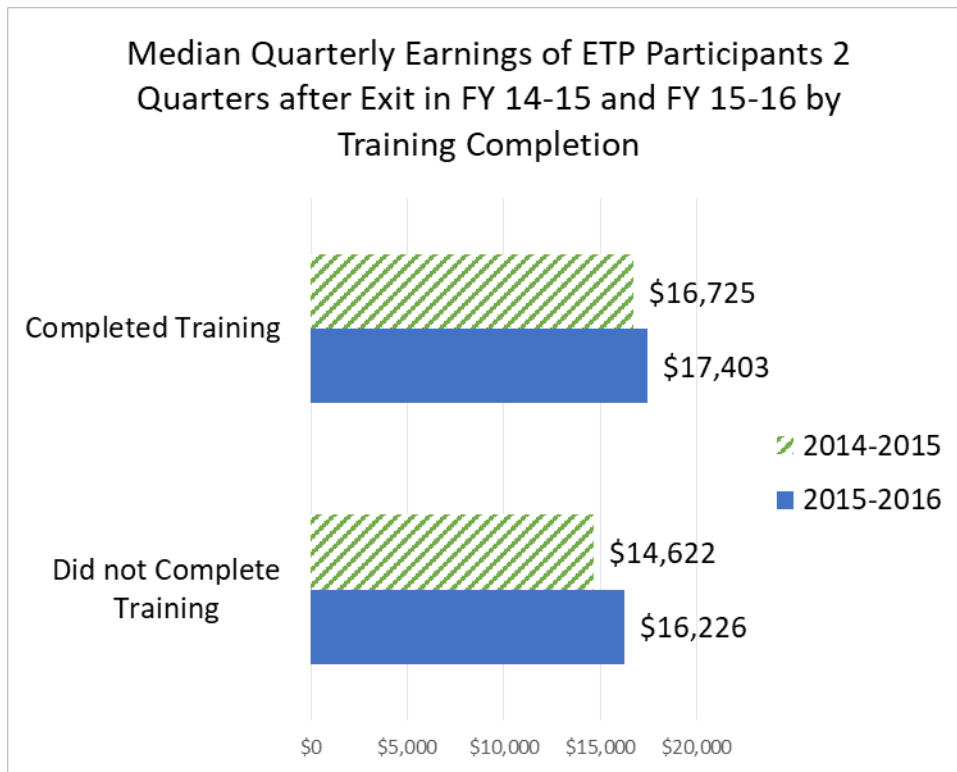
12.7.1.6 Figure – 2<sup>nd</sup> Quarter Median Earnings by Training Completion Status



Training completers saw an earnings advantage compared with non-completers. In the second quarter after exit in FY 14-15, completers' median earnings were, at \$16,218, +\$1,928 higher than those of non-completers (\$14,290).

The advantage was present, but smaller, at the same stage after exit in the following year; in this year's data, earnings of completers were similar to the previous year but non-completers' earnings were relatively higher. Completers' earnings of \$16,629 were +\$282 higher than the \$16,347 earned by non-completers.

12.7.1.7 Figure – 4<sup>th</sup> Quarter Median Earnings by Training Completion Status



Completers' earnings advantage continued in the fourth quarter after exit in each fiscal year. In the fourth quarter after exit in FY 14-15, earnings of completers (\$16,725) continued to exceed those of non-completers (\$14,622) by a similar and slightly greater margin (\$2,104). Among four quarters after exit in FY 15-16, the extent to which completers out-earned non-completers was greater: completers' earnings of \$17,403 were now +\$1,177 higher than non-completers' earnings of \$16,226.

## 12.8 Type of Recognized Credential

The ETP does not issue recognized credentials for the training received.

## 12.9 Industry / Sector of Employment

### 12.9.1.1 Table Set – Industry / Sector of Employment

FY 2014-2015						
Industry / Sector Description	2 Quarters After Exit			4 Quarters After Exit		
	# Employed	% Employed	Median Earnings	# Employed	% Employed	Median Earnings
Agriculture, Forestry, Fishing, and Hunting	271	0.5	\$9,198	286	0.6	\$9,073
Mining, Quarrying, and Oil and Gas Extraction	46	0.1	\$17,259	53	0.1	\$12,864
Utilities	88	0.2	\$24,021	104	0.2	\$24,629
Construction	11,538	22.4	\$14,884	11,103	22.3	\$16,196
Manufacturing	16,442	32.0	\$16,220	15,438	31.0	\$16,204
Wholesale Trade	3,197	6.2	\$15,505	3,081	6.2	\$15,981
Retail Trade	1,756	3.4	\$14,205	1,793	3.6	\$13,352
Transportation and Warehousing	1,718	3.3	\$10,684	1,627	3.3	\$11,341
Information	3,316	6.4	\$31,687	2,971	6.0	\$33,065
Finance and Insurance	1,281	2.5	\$15,380	1,291	2.6	\$15,648
Real Estate, and Rental and Leasing	792	1.5	\$11,171	763	1.5	\$10,901
Professional, Scientific, and Technical Services	2,337	4.5	\$18,978	2,395	4.8	\$20,189
Management of Companies and Enterprises	11	0.0	\$16,523	16	0.0	\$24,039
Administrative and Support and Waste Management and Remediation Services	1,985	3.9	\$12,596	2,142	4.3	\$13,281
Educational Services	229	0.4	\$17,041	316	0.6	\$16,375
Health Care and Social Assistance	3,870	7.5	\$17,549	3,776	7.6	\$17,790
Arts, Entertainment, and Recreation	317	0.6	\$19,070	302	0.6	\$19,662
Accommodation and Food Services	232	0.5	\$8,051	292	0.6	\$7,985
Other Services (except Public Administration)	577	1.1	\$15,242	492	1.0	\$13,927
Public Administration	192	0.4	\$17,381	283	0.6	\$17,627
Other	0	0.0	\$0	0	0.0	\$0
Not Applicable	0	0.0	\$0	0	0.0	\$0
Unknown	1,266	2.5	\$15,518	1,214	2.4	\$16,608
<b>TOTAL</b>	<b>51,461</b>	<b>93.9</b>	<b>\$15,755</b>	<b>49,738</b>	<b>90.7</b>	<b>\$16,252</b>

FY 2015-2016						
Industry / Sector Description	2 Quarters After Exit			4 Quarters After Exit		
	# Employed	% Employed	Median Earnings	# Employed	% Employed	Median Earnings
Agriculture, Forestry, Fishing, and Hunting	1,229	1.6	\$6,779	1,193	1.6	\$7,598
Mining, Quarrying, and Oil and Gas Extraction	514	0.7	\$21,165	479	0.6	\$21,134
Utilities	194	0.2	\$23,839	209	0.3	\$22,741
Construction	10,161	12.9	\$17,028	9,808	12.9	\$17,851
Manufacturing	26,746	33.8	\$17,086	24,821	32.7	\$17,587
Wholesale Trade	5,996	7.6	\$15,862	5,643	7.4	\$15,997
Retail Trade	2,258	2.9	\$13,154	2,376	3.1	\$13,133
Transportation and Warehousing	1,785	2.3	\$13,716	1,754	2.3	\$14,381
Information	2,707	3.4	\$21,854	2,579	3.4	\$23,706
Finance and Insurance	2,911	3.7	\$16,664	2,786	3.7	\$17,018
Real Estate, and Rental and Leasing	1,127	1.4	\$11,716	1,118	1.5	\$12,167
Professional, Scientific, and Technical Services	5,216	6.6	\$19,699	5,111	6.7	\$20,820
Management of Companies and Enterprises	56	0.1	\$26,699	92	0.1	\$19,971
Administrative and Support and Waste Management and Remediation Services	2,514	3.2	\$11,109	2,535	3.3	\$10,152
Educational Services	468	0.6	\$14,504	551	0.7	\$14,491
Health Care and Social Assistance	10,281	13.0	\$17,164	9,924	13.1	\$17,722
Arts, Entertainment, and Recreation	766	1.0	\$22,333	713	0.9	\$23,052
Accommodation and Food Services	1,241	1.6	\$10,063	1,194	1.6	\$10,323
Other Services (except Public Administration)	519	0.7	\$13,077	573	0.8	\$14,077
Public Administration	306	0.4	\$16,765	409	0.5	\$17,429
Other	0	0.0	\$0	0	0.0	\$0
Not Applicable	0	0.0	\$0	0	0.0	\$0
Unknown	2,046	2.6	\$21,323	1,936	2.6	\$21,395
<b>TOTAL</b>	<b>79,041</b>	<b>94.8</b>	<b>\$16,559</b>	<b>75,804</b>	<b>90.9</b>	<b>\$17,081</b>

ETP annually reviews the state of the economy and identifies industries that are essential to California's economic growth and stability. These priority industries have not changed from the previous year, although ETP has considered the general economic climate, alternative funding and investment, and the growing green technology sector. They are: Green/Clean Technology, Manufacturing, Construction, Transportation, Information Technology Services, Biotechnology and Life Sciences, Multimedia/Entertainment, and Agriculture.<sup>39</sup>

In both fiscal years 14-15 and 15-16, eighty-three percent of approved core program funds were targeted to priority industries including Green Technology, Manufacturing, High Technology, Biotechnology, Multimedia Entertainment, Construction, Goods Movement and Transportation, Logistics, Research and Development, and Healthcare.<sup>40</sup>

In its annual reporting, the Panel makes specific mention of funding to specific sectors, such as Healthcare—which in California is among the fastest-growing sectors in the state.<sup>41</sup> ETP notes that funding for contracts in this sector in the 2 fiscal years covered by this report amounted in FY 14-15 to approval of over \$9.2 million in core contract program funds for the training of 4,468 nurses and 1,993 workers for positions in healthcare-related fields, such as medical office administrators, medical billing technicians, lab technicians and medical assistants.<sup>42</sup> In FY 15-16, funding approved in this sector amounted to over \$9.6 million in core contract program funds for the training of 5,538 nurses and 3,124 workers for positions in healthcare-related fields including medical office administrators, medical billing technicians, lab technicians and medical assistants.<sup>43</sup>

As noted earlier in this chapter, ETP also leverages alternative funding through the Clean Transportation Program, formerly known as the Alternative and Renewable Fuel and Vehicle Technology Program (AFRVTP), to promote training, in partnership with the CEC, in alternative and renewable fuel technologies and low emission renewable fuel vehicles employment.<sup>44</sup>

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<sup>39</sup> Annual Report for FY 2014-2015. Employment Training Panel, p. 11-12.

<sup>40</sup> Ibid p. 8; Annual Report for FY 2015-2016. Employment Training Panel, p. 8.

<sup>41</sup> 2016-2016 Statewide Employment Projections Highlights ([California Long-Term](#)). Employment Development Department.

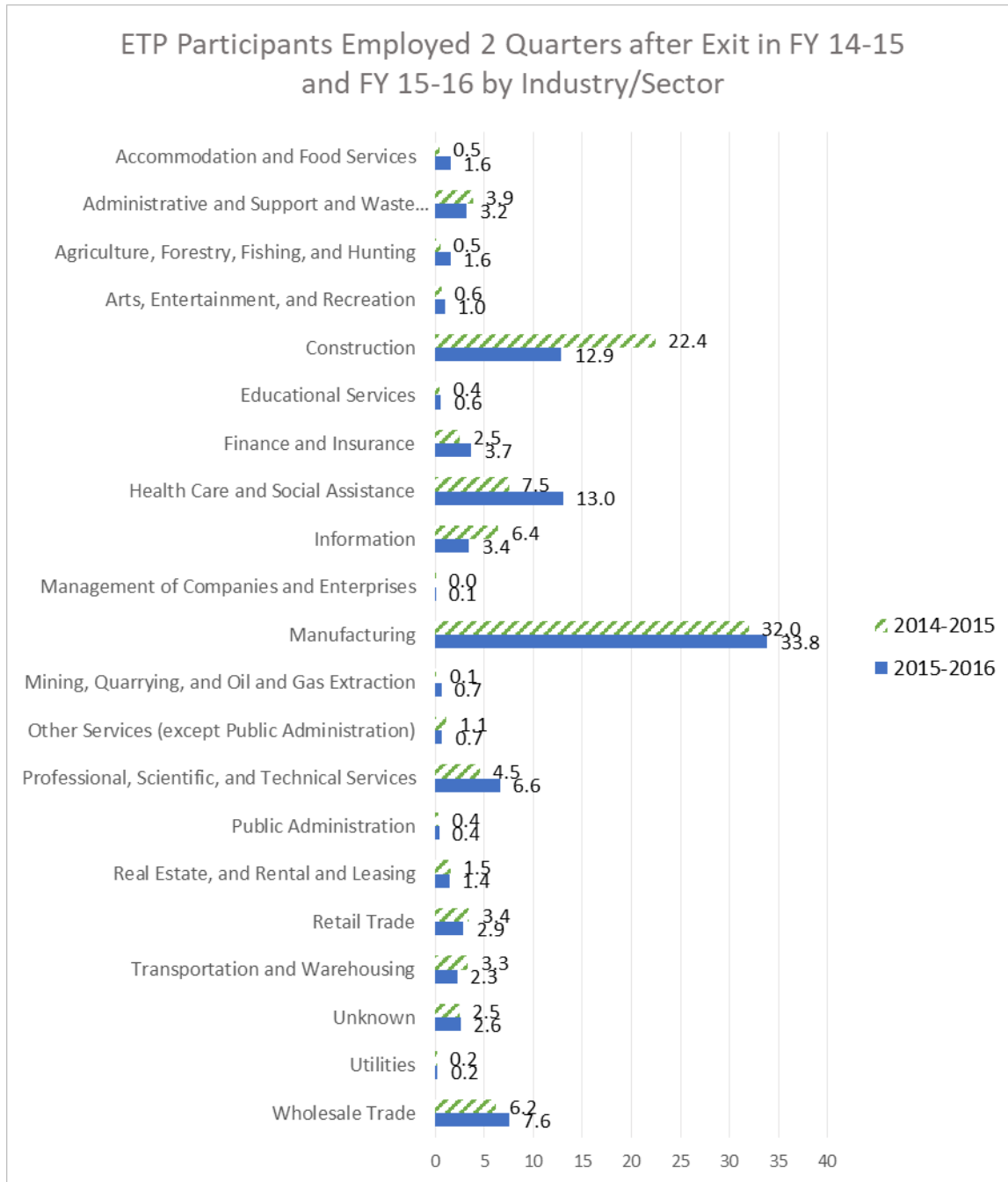
<sup>42</sup> Annual Report for FY 2014-2015. Employment Training Panel, p. 9.

<sup>43</sup> Annual Report for FY 2015-2016. Employment Training Panel, p. 9.

<sup>44</sup> Annual Report for FY 2015-2016. Employment Training Panel, p 10; Annual Report for FY 2014-2015. Employment Training Panel, p. 11. .



12.9.1.2 Figure – 2nd Quarter Employment by Industry / Sector



Outcomes shown include percent shares of total to exit, only (as is further described below), and do not include rates of participant employment within particular sectors. In order to provide the latter, it would be necessary to know total numbers of exited participants who sought employment within a given sector.

By far the largest percent share of all ETP participants employed in the second quarter after exit were working in the Manufacturing sector. This sector employed 32.0% of all ETP participants to be employed in the second quarter following program exit in FY 14-15, and a similar 33.8% of employed FY 15-16 exiters.

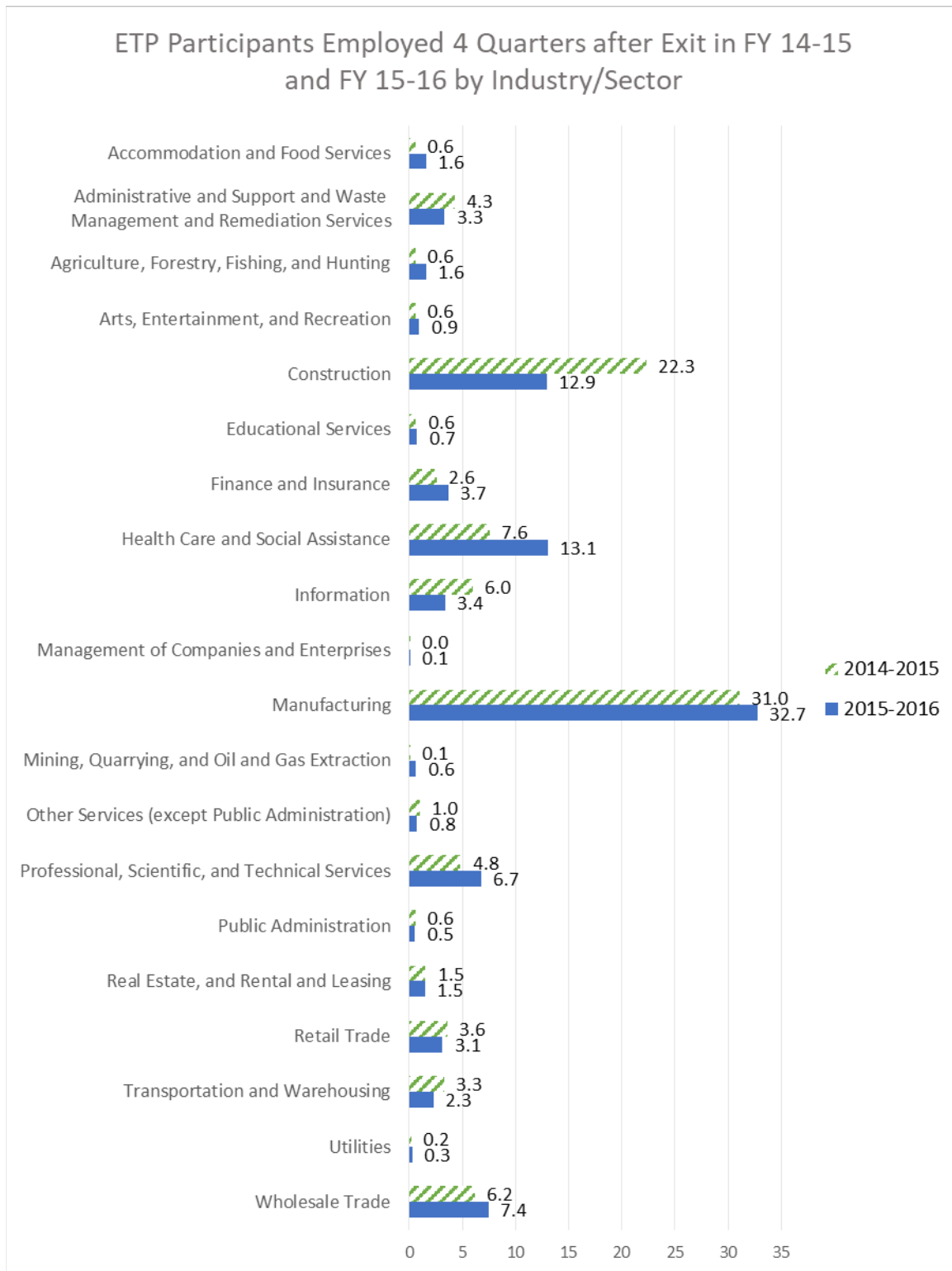
ETP participants were overrepresented in this sector by +24.1 and +26 percentage points in each respective fiscal year, relative to shares of the statewide labor force. As previously noted, many ETP-contracting employers are concentrated in the manufacturing and high technology sectors.

Industry sectors of construction, management of companies and enterprises, and utilities each employed very few to no former ETP participants in each year.

Although training types offered under through ETP include Management Skills, the majority of training types offered (see discussion of training types above as well as Training Service crosswalk in appendix) are varieties of occupational skill-training. Thus, as with other programs in this report, underrepresentation of employment in this sector among program exiters is unsurprising.

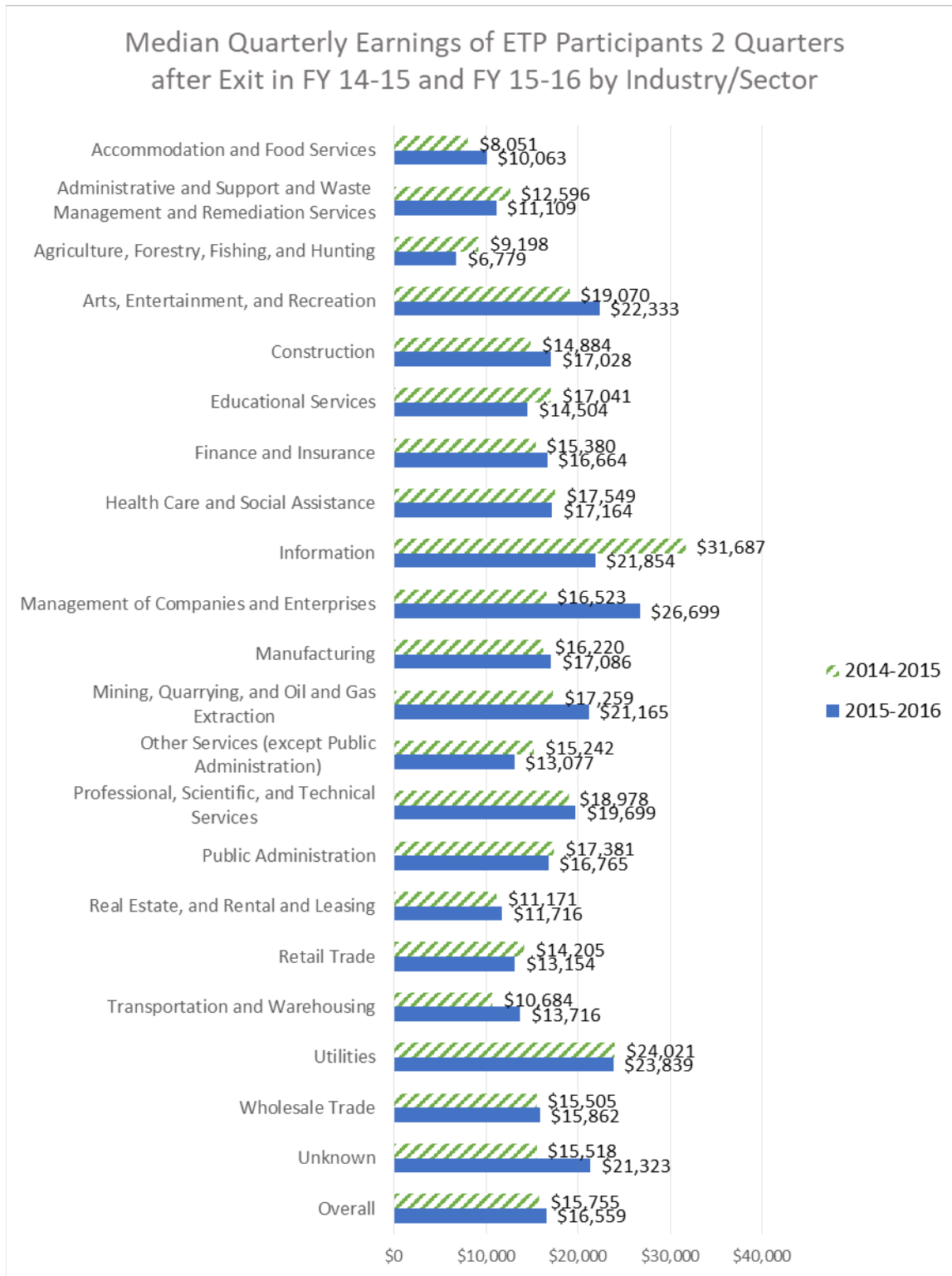
As noted earlier, the sectors in which ETP participants are employed are directly associated with the composition of employer contracts in any given year. Therefore, the industry distribution of employment displayed here can only be reliably said to reflect contracts in the two fiscal years of data shown. This may explain the absence of any participants employed in construction, which is among major sectors of ETP funding.

12.9.1.3 Figure – 4<sup>th</sup> Quarter Employment by Industry/Sector



Sectors of largest and smallest percent share of employment remained unchanged in the fourth quarter after program exit.

12.9.1.4 Figure – 2<sup>nd</sup> Quarter Median Earnings by Industry/Sector



Among those to exit in FY 14-15, highest median earnings at the second quarter post-exit were found among those employed in the Information sector. At \$31,687, these participants' earnings were +\$15,932 higher or more than twice the program-wide median of \$15,755. While earnings of former ETP participants employed in Information were slightly (-\$3,132 or 9%) below the statewide median of \$34,819 in a quarter, it is useful to remember that the statewide median takes into account all earnings in the sector, and is therefore likely to include earnings values that are higher than those in the range of earnings of recent participants in a skill-training program. The utilities sector was next-highest, at \$24,021.

Among ETP participants to exit in FY 15-16, Management of Companies and Enterprises was the sector of highest earnings, at \$26,699 (+\$10,676 or 61% higher than the program-wide median of \$16,559). Again, this value was somewhat (-\$4,949) below the statewide median of \$31,648. Other high-paying sectors among participants to exit in this year were utilities (\$23,839), Arts, Entertainment and Recreation (\$22,333), and Information (\$21,854). It appears possible that fluctuations in highest- and lowest-paying sector between the two fiscal years' data could be linked either with fluctuations in labor markets, in the sector or profiles of contracts or trainee populations across the two years, or both. Without further information, it is not possible to make a determination.

The sector of lowest earnings also varied across program years, with FY 14-15 exiters working in Accommodation and Food Services seeing the lowest second-quarter post-exit earnings, of \$8,051 in the quarter. Earnings of participants working in this sector were -\$7,705 or about 50% below the program-wide median. The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.<sup>45</sup>

The sector is also a large and growing sector in the state; according to LMID's recent short-term labor market projections, three of the occupations with the greatest overall number of current job openings in the state are Waiters and Waitresses (121,800 openings), Retail Salespersons (124,400 openings), and Combined Food Preparation and Serving Workers (164,600 openings).<sup>46</sup> In California, the number of Waiters and Waitresses is expected to grow faster than average growth rate for all occupations. Jobs for Waiters and Waitresses are expected to increase by 12.8 percent, or 36,300 jobs between 2016 and 2026.<sup>47</sup>

In general, jobs in the Accommodation and Food Services sector (NAICS 72) are among the lowest-paying, offering paid nonsupervisory employees a national average of only \$13.52 (November 2018) an hour<sup>48</sup> and an average of 24.9 weekly hours.

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<sup>45</sup> ["Industries at a Glance: Accommodation and Food Services \(NAICS 72\)."](#) U.S. Bureau of Labor Statistics.

<sup>46</sup> <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>, CA Short-Term projections.

<sup>47</sup> [LMID, Occupational Guide "Waiters and Waitresses,"](#)

<sup>48</sup> ["Industries at a Glance: Accommodation and Food Services \(NAICS 72\)."](#) U.S. Bureau of Labor Statistics.

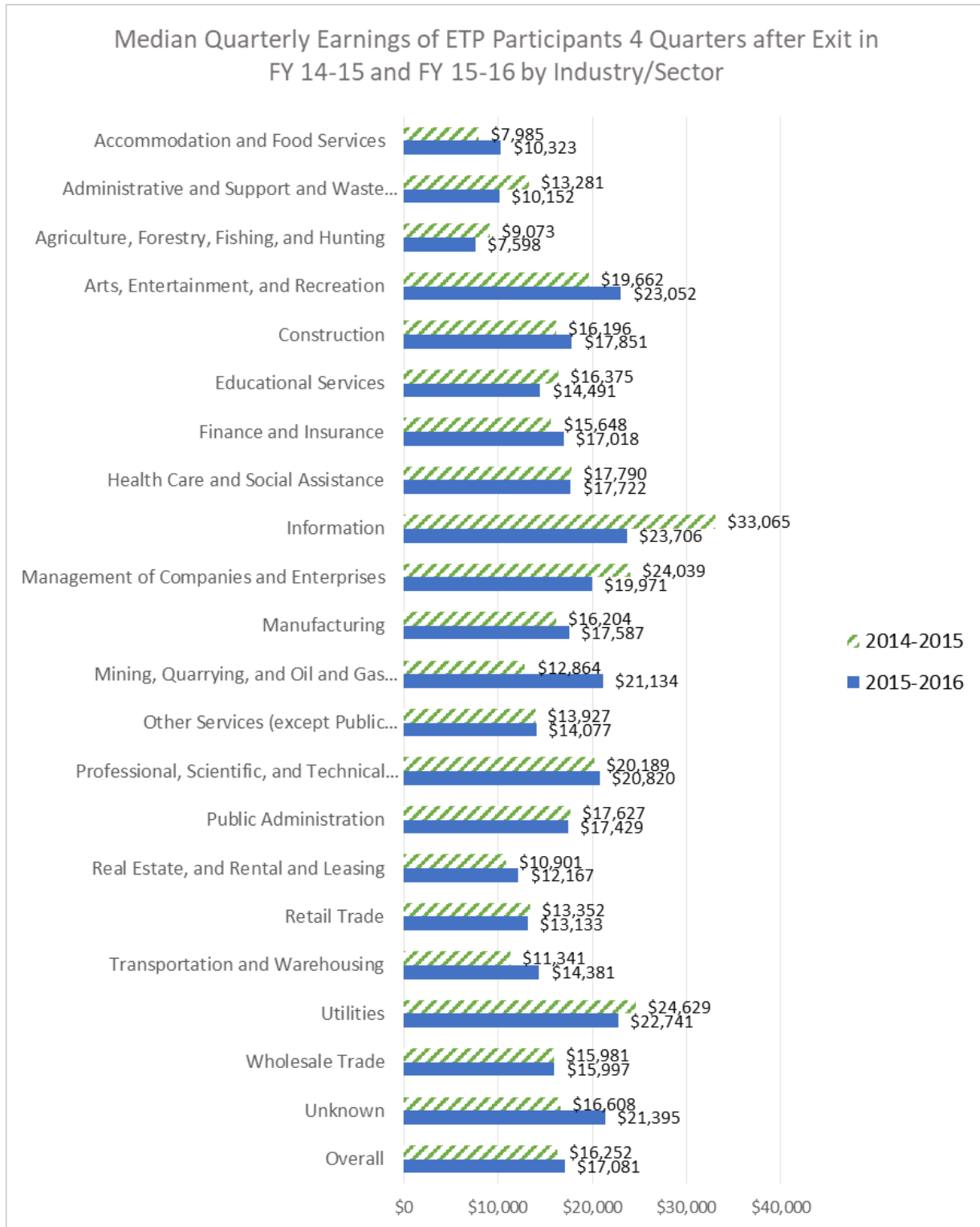
However, sector earnings of former ETP participants were above the statewide sector median of \$5,295, by some +\$2,756 or about 52% higher.

In the second quarter after exit in FY 15-16, Agriculture, Forestry, Fishing and Hunting was the lowest-earning sector among former ETP participants, with participant earnings of \$6,779. These earnings were -\$9,780 or 59% below the program-wide median. The Agriculture, Forestry, Fishing and Hunting sector comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats.<sup>49</sup> Statewide, median earnings in this sector were also among the lowest—at \$7,779 in FY 15-16. Earnings of former ETP participants employed in this sector in the second quarter after exit in FY 15-16 were slightly below the statewide median associated with each exit year, by -\$1,000 in a quarter.

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<sup>49</sup> [“Industries at a Glance: Agriculture, Forestry, Hunting, and Fishing \(NAICS 11\).”](#) U.S. Bureau of Labor Statistics.

12.9.1.5 Figure – 4<sup>th</sup> Quarter Median Earnings by Industry/Sector



Among ETP participants who exited in FY 14-15, highest earnings in the fourth quarter after exit continued to be seen by those working in Information, at \$33,065 (+\$16,103) or 103% greater than the program-wide median of \$16,252.

In the fourth quarter after exit in FY 15-16, Information became the highest-paying sector, with median quarterly earnings of \$23,706, +\$6, or 39% higher than the program-wide median of \$17,081.

The same sectors of lowest earnings were found in the fourth quarter after exit as in the second, and exhibited similar differences from the program-wide median as at the earlier post-exit stage: In the fourth quarter after exit in FY 14-15, earnings of former ETP participants employed in the Accommodation and Food Services Sector of \$7,985 were -\$8,267 or 51% below the program-wide median. In the same stage following exit in FY 15-16, earnings of former participants employed in Agriculture, Forestry, and Fishing of \$7,598 were -\$9,483 or 56% below the program-wide median.



## 12.10 Quarterly Earnings

### 12.10.1.1 Table Set – Quarterly Earnings<sup>50</sup>

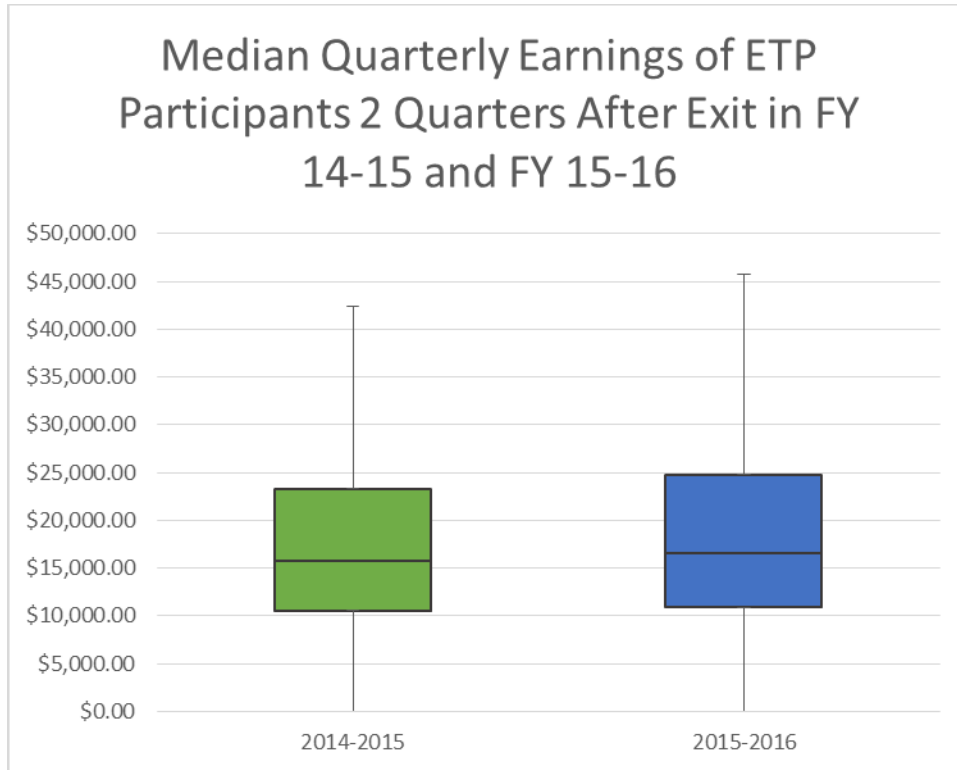
FY 2014-2015					
Quarter After Exit	Minimum Earnings	Lower Quartile	Median Earnings	Upper Quartile	Maximum Earnings
Second	\$0.06	\$10,586	\$15,755	\$23,329	\$42,443
Fourth	\$0.10	\$10,715	\$16,252	\$23,768	\$43,348

FY 2015-2016					
Quarter After Exit	Minimum Earnings	Lower Quartile	Median Earnings	Upper Quartile	Maximum Earnings
Second	\$0.02	\$10,863	\$16,559	\$24,795	\$45,693
Fourth	\$0.02	\$11,156	\$17,081	\$25,530	\$47,090

<sup>50</sup> Please note that the maximum earnings values shown in Table Set 12.10.1.1 do *not* represent individual participant earnings values, but represent instead the upper fence values for this data distribution. The upper fence is found using the following formula:  $Q3 + 1.5 * IQR$ , where Q3 represents the upper quartile value, Q1 the lower quartile value, and IQR or inter-quartile range represents the distance between upper and lower quartile values. The upper fence is used to indicate a barrier beyond which any existing individual data points are considered to represent statistically unusual values known as outliers, which are non-reflective of the trend of the data. In this program's data, maximum participant earnings values associated with exit in both fiscal years of the report are outliers according to this test. For this reason, they have been excluded from Table Set 12.10.1.1 and associated graphs and, replaced with the upper fence values. (Minimum values are not outliers, and are displayed in Table Set 12.10.1.1 and associated graphs).

The quarterly earnings data is not provided by ETP. The source of participant earnings data is the Unemployment Insurance base wage file prepared by the Tax Branch of the Employment Development Department. It is employer-provided. The earnings data provided relies fully on employer reporting for accuracy. See Chapter 2 for more details.

12.10.1.2 Figure – 2<sup>nd</sup> Quarter Earnings After Exit



The box plot shown in Figure 12.10.1.2 summarizes ETP participant earnings outcomes using five statistics: the lowest and highest individual participant earnings values in the range; and values of the 25<sup>th</sup>, 50<sup>th</sup> (median) and 75<sup>th</sup>, percentiles of earnings. The horizontal line through the middle of the box represents the median, or the middle value if all of the data points are arranged from lowest to highest. “Whiskers” are drawn to the lowest and highest non-outlier values in the range.<sup>51</sup>

Earnings of ETP participants from the second quarter after exit exhibited values and spread that were similar across both years’ data.

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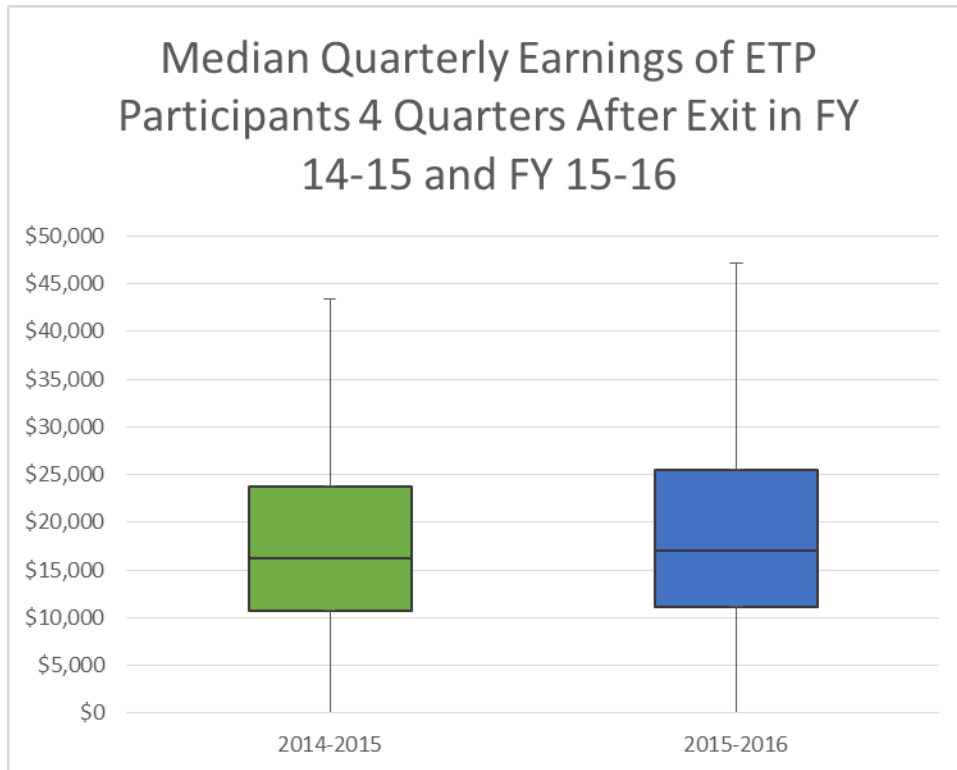
<sup>51</sup> In both years’ participant data, the maximum individual earnings data points were outliers, or data points that lie far from the rest of the data. Whiskers are not extended to outlier points in a box plot, because outliers do not represent the trend of the data. Generally, in cases where outliers are present, the whisker is drawn to the last individual data point within the “fences” (equivalent to, respectively,  $Q1-1.5*IQR$  and  $Q3+1.5*IQR$ ). Here, however, due to participant data confidentiality concerns, the upper whiskers have been extended to upper fence values themselves.

Two quarters after exit in FY 14-15, the bottom quartile of earnings ranged from \$0.06 to \$10,586 (the 25<sup>th</sup> percentile value); at the same stage after exit in FY 15-16, the lowest ETP participant earnings ranged from \$0.02 to \$10,715. The second quartile of earnings ranged from the 25<sup>th</sup> percentile value to the median, respectively \$15,755 (FY 14-15) and \$16,559 (FY 15-16).

Among both cohorts of ETP exiters, participant earnings in the first quartile were spread over a wider area (almost twice the distance) compared with the spread of earnings in the second quartile. In other words, there was a relatively greater distance between the lowest and highest earnings toward the bottom of the distribution compared with earnings in the middle of the distribution. This was distinct from many other programs in this report, where earnings had greater spread at points higher in the distribution. This characteristic of ETP participant earnings might be due in some way to its unique characteristic as an incumbent worker training program although more cannot be determined on the basis of available data alone. The third quartile of earnings in both years had greater spread compared with the second: earnings ranged from each year's median to a 75<sup>th</sup> percentile value of \$23,329 among participants to exit in FY 14-15, and of \$24,795 among participants to exit in FY 15-16.

Similar to other programs in the report—the last quartile of earnings (from 75<sup>th</sup> percentile value to the highest non-outlier earning—had greatest spread.

12.10.1.3 Figure – 4<sup>th</sup> Quarter Earnings After Exit



Characteristics of the earnings distribution appeared similar in the fourth quarter after exit in both years.

Earnings were higher at each point in the distribution, indicating that in the aggregate, participants' earnings continued to increase between the second and fourth quarter after exit.

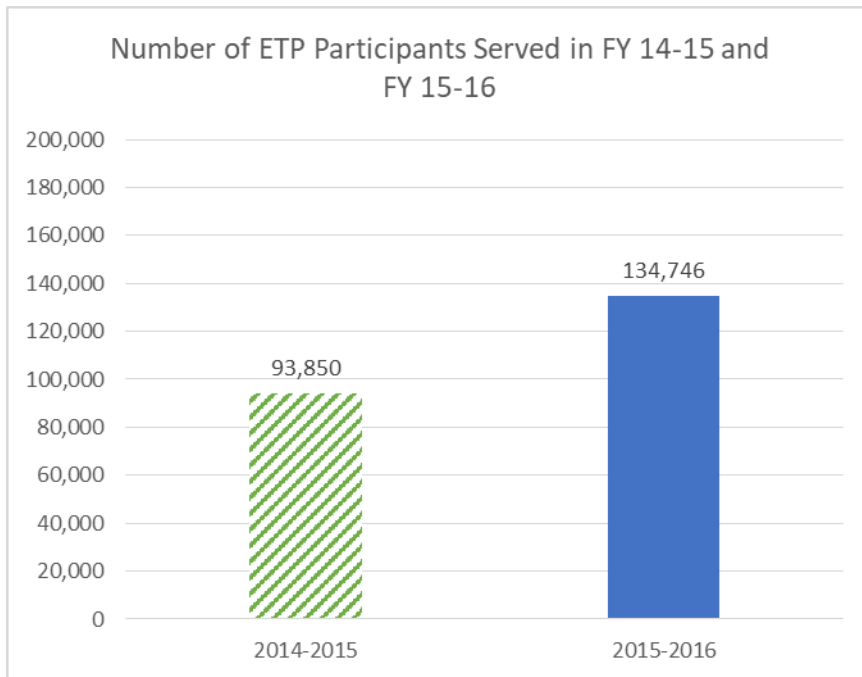
## 12.11 Program Performance

### 12.11.1.1 Table Set – Program Performance

FY 2014-2015											
Program	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Incumbent Worker Training	93,850	54,818	38,544	51,461	93.9	\$15,755	Not Available	Not Available	49,738	90.7	\$16,252

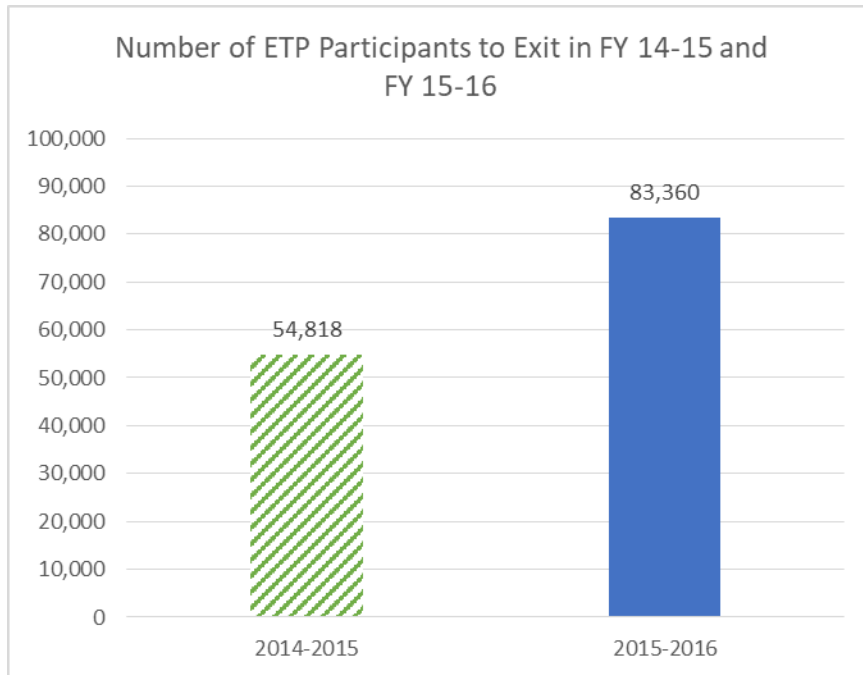
FY 2015-2016											
Program	# Served	# Exited	# Completed Training	2 Quarters After Exit			4 Quarters After Exit				
				# Employed	% Employed	Median Earnings	# Attained Credential	% Attained Credential	# Employed	% Employed	Median Earnings
Incumbent Worker Training	134,746	83,360	56,467	79,041	94.8	\$16,559	Not Available	Not Available	75,804	90.9	\$17,081

12.11.1.2 Figure – Program Participation



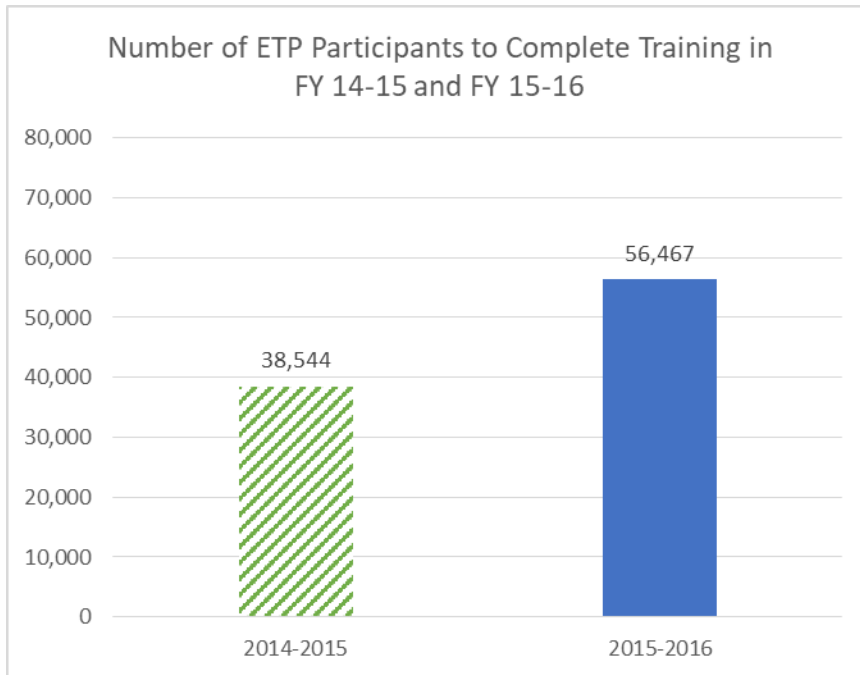
Overall enrollment in ETP was higher in FY 15-16 compared with FY 14-15, from 134,746 participants in FY 15-16 compared with 93,850.

12.11.1.3 Figure – Program Exit



Consistent with greater enrollment in the second year, numbers to exit from the ETP program were also greater in FY 15-16 compared with FY 14-15. In FY 14-15, 54,818 individuals exited ETP training, as did 83,360 in FY 15-16.

12.11.1.4 Figure – Training Completion



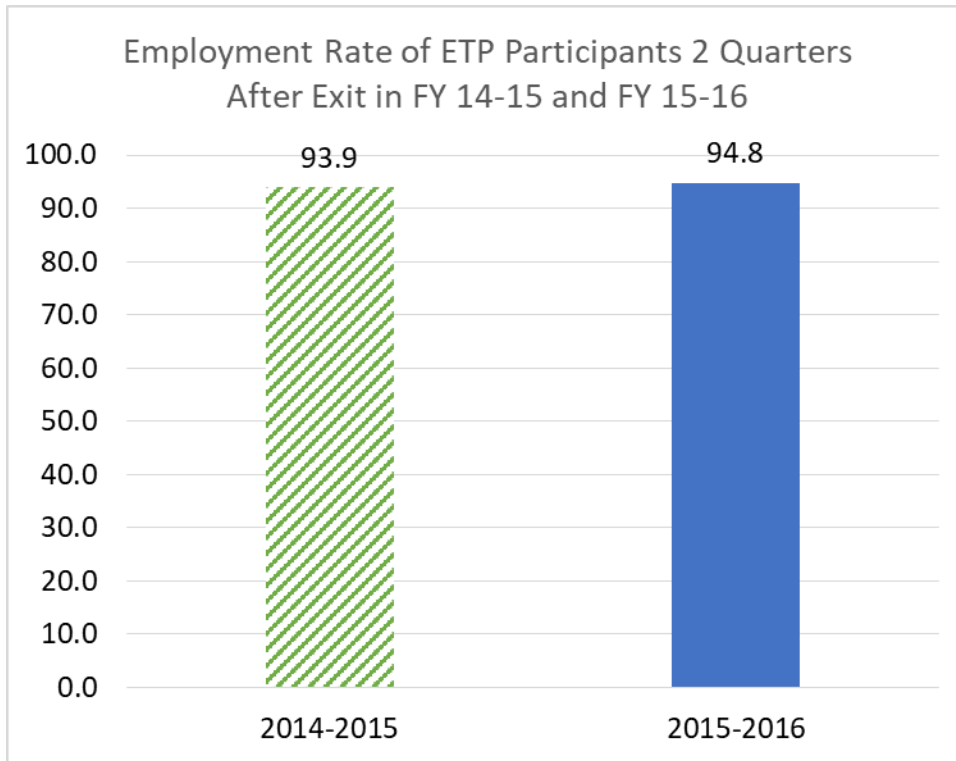
The number of completions in FY 15-16 was also larger than the number of completions in FY 14-15: in FY 14-15, 38,544 individuals completed ETP training compared with 56,467.

*Credential Attainment Rate*

The ETP does not issue recognized credentials for the training received.

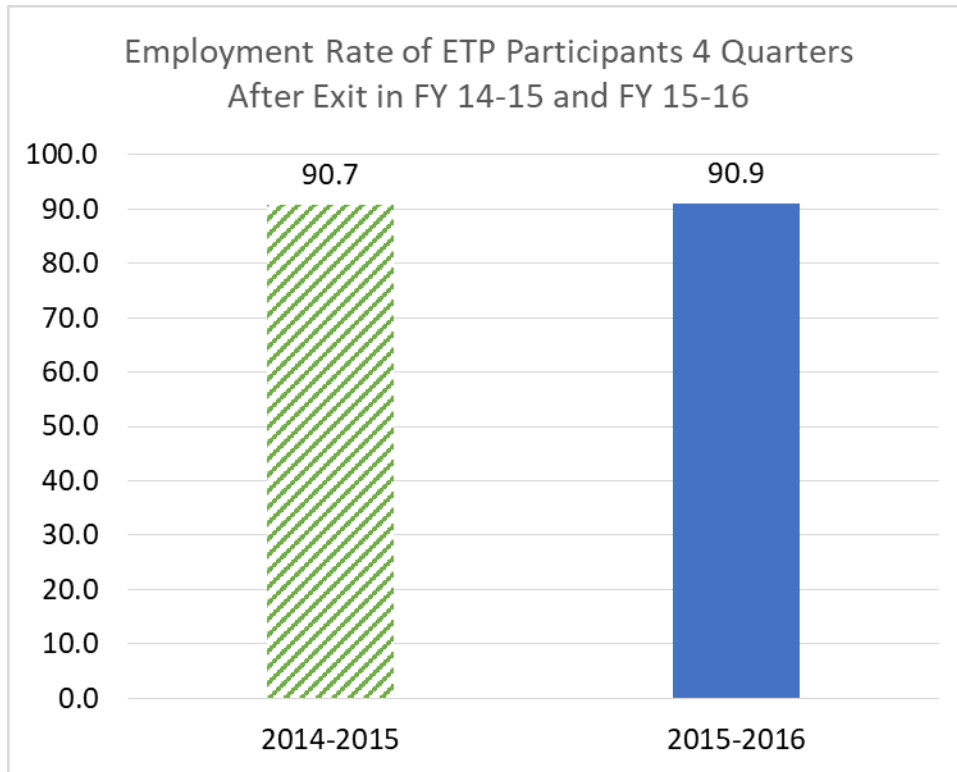


12.11.1.5 Figure – 2nd Quarter Employment Rate



Employment rates among ETP participants in the second quarter after exit were similar in the two years' data, with the rate two quarters after exit in FY 15-16 (94.8%) about a percentage point higher than the rate two quarters after exit in FY 14-15 (93.9%).

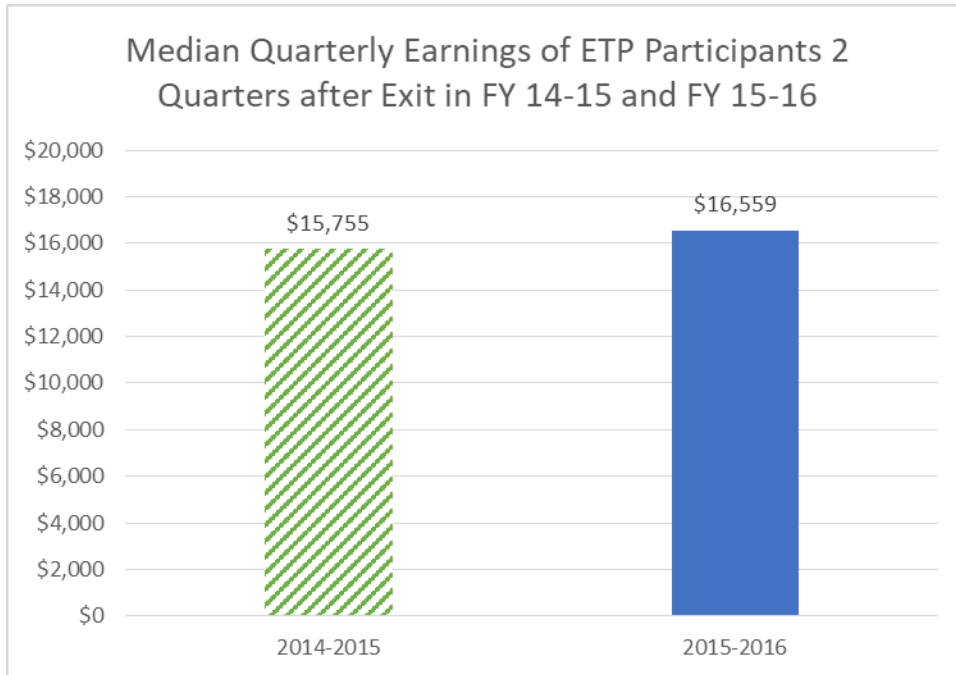
12.11.1.6 Figure – 4<sup>th</sup> Quarter Employment Rate



Employment rates in the fourth quarter after exit were also comparable: 90.7% among ETP participants who exited during FY 14-15 and 90.9% among those who exited in FY 15-16.

Among participants to exit in both fiscal years, rates of employment were slightly higher in the second quarter post-exit than they were in the fourth. It appears possible that ETP's 90-day mandatory retention period may play a role in higher employment figures at a relatively earlier post-exit stage, with subsequent modest declines.

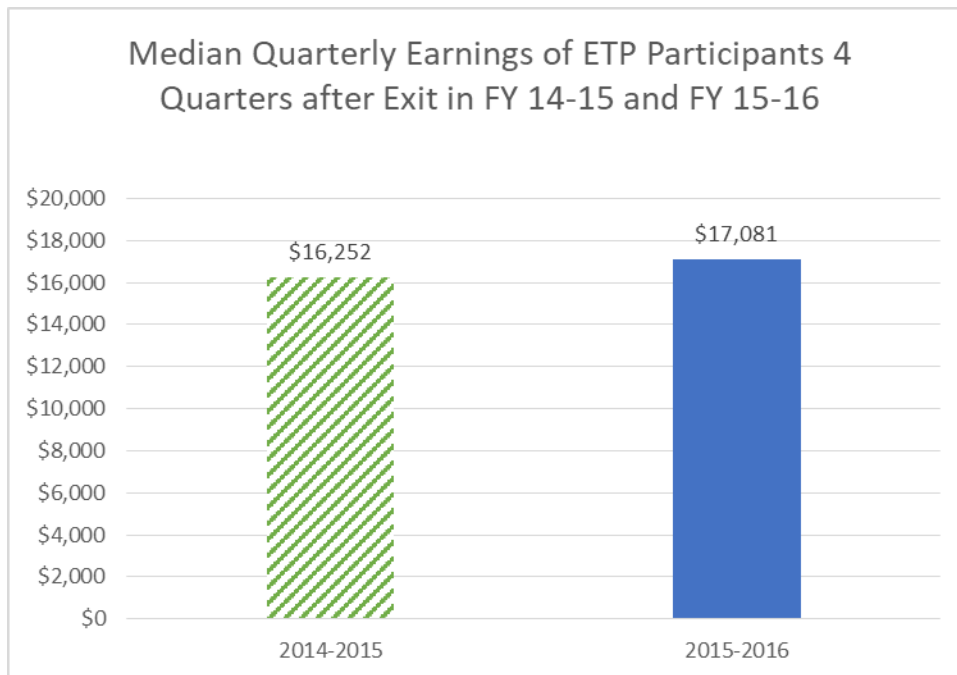
12.11.1.7 Figure – 2<sup>nd</sup> Quarter Median Earnings



Median earnings of those who exited from ETP training in FY 15-16 were modestly higher than earnings of those to exit in the previous fiscal year. While median earnings two quarters after exit in FY 14-15 were \$15,755, earnings at the same stage after exit in the second fiscal year were \$16,559, translating to a modest difference of +\$804 or 4.9%.

This positive difference may be related to a different point in the business cycle.

12.11.1.8 Figure – 4<sup>th</sup> Quarter Median Earnings



Median earnings in the fourth quarter after program exit were also modestly higher among ETP participants who exited in FY 15-16 compared with those who exited during FY 14-15, and the business cycle is again likely to explain the difference.

Among both years' participants, earnings were higher in the fourth quarter compared with the second: by +\$497 from Q2 to Q4 after exit in FY 14-15, and by +\$522 from Q2 to Q4 after exit in FY 15-16. The amount of increase in percentage terms was the same in each year's data, +3.2%. Four quarters after exit in FY 14-15, ETP participants earned a median of \$16,252. Four quarters after exit in FY 15-16, median ETP participant earnings were +829 or 4.9% higher (the same percentage difference as at second-quarter stage), at \$17,081.