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Goodwill Industries Fights for Federal Budget on Job Training and Support Programs

OAKLAND, Calif. – As the American economy slowly recovers from the great recession, both Congress and the Obama Administration have pledged to make job creation their number one priority. Nevertheless, many of the programs that support job training and support services are being severely threatened in the federal budget process. Goodwill Industries of the Greater East Bay have joined their affiliated Goodwill agencies to educate Congress and the Senate on the impact that proposed federal budget cuts could have on their communities.

Goodwill Industries is the leading nonprofit provider of job training programs, employment placement services and other community-based programs for people who have disabilities, those who lack education or job experience, and other job seekers in both the United States and Canada. Goodwill is urging Congress to help build a true economic recovery for every worker by improving and fully funding the Workforce Investment Act, the Temporary Assistance for Needy Families (TANF) program, and transitional jobs employment services.

“Some economists have forecasted that the labor market will not fully recover until 2015. In the current economic climate, it is crucial we support those families in need and provide ways to help them work toward economic self-sufficiency. Nevertheless, it is clear that the budget cuts being proposed on Capitol Hill would have a deleterious effect on the communities we serve,” said John B. Latchford, President & CEO of Goodwill Industries of the Greater East Bay. “Right now our job training, placement, and support services are in very high demand due to the economic climate. Without federal, state, and local funds, our ability to provide much-needed job training and placement services will diminish. This is all happening at a time when constituents need our help the most,” he added.

Goodwill Industries of the Greater East Bay served 4,070 people in 2010, an increase of 30 percent over the previous year. The agency also placed 565 individuals directly into jobs and paid \$4.8 million in wages, taxes, and benefits to those who were otherwise unemployable to receive hands-on job training through the Goodwill Academy. Statewide, Goodwill Industries collectively served 156,915 individuals and families in 2010, an increase of 42 percent compared to 2009. Of those served, Goodwill in California placed 14,345 individuals directly into competitive jobs, an increase of 56.5 percent over the previous year. Moreover, at a time when most companies are shrinking their workforce, Goodwill committed to growing their socially-responsible businesses, and in California,

opened 31 new stores, thus creating 795 new permanent jobs in the community and growing our employee workforce by nearly 11 percent to 8,059 people.

“Most people who are unemployed have a desire to find work and become financially independent. For those in the worst economic situations, the Temporary Assistance for Needy Families Program, known as TANF, provides much-needed cash assistance, and — perhaps less well known — also funds career programs designed to help individuals get off government financial assistance for good. Of the individuals we served in the East Bay in 2010, 60 percent of these were receiving TANF funds, and the majority of these recipients were single mothers,” said Bob Brewer, Goodwill’s Vice President for Workforce Development. “At Goodwill, we have seen countless cases where the career services funded through TANF have helped people build lives for themselves. The proposed cuts to the Workforce Investment Act (WIA) and TANF would result in much more economic hardship than the record-level of need we are currently witnessing in our programs, as we estimate that nearly 3,000 families in our program alone will need TANF support this year.”

The role of Goodwill Industries of the Greater East Bay and its affiliate Goodwill agencies is significant in terms of its fiscal contribution to government-supported programs. As a social enterprise, Goodwill Industries of the Greater East Bay earns income through our donations and retail program. In fact, for every dollar earned through Goodwill Industries of the Greater East Bay’s social enterprise or service contracts, 91 cents goes back into the community. Much of these Goodwill funds are used to match or supplement the government-supported job training and placement programs.

“What many folks do not realize is that Goodwill leverages the government funds to provide more services,” said Latchford. “While we received \$2.4 million in government contracts for direct client services in 2010, our agency contributed approximately \$25 million to workforce development services in the East Bay this past year alone. Our government services are already being threatened, however,” he added. “We were recently informed that our Work Experience Program (WEX) in Contra Costa County has been eliminated, resulting in \$136,000 less in contract services this year. Our other contracts are threatened by federal, state, and local budget cuts, which could impact more than 2,500 individuals. This isn’t just about numbers – this is about families already struggling to survive being challenged even more.”

For more information on the work of Goodwill Industries of the Greater East Bay or how you can help support our mission, please visit us at www.eastbygoodwill.org or call (510) 698-7200. Goodwill Industries of the Greater East Bay, a 501(c)3 nonprofit, operates 26 retail stores, and the proceeds from the resale of donated items support Goodwill’s workforce development programs to help those facing barriers to employment, such as homelessness, limited education and language skills, history of incarceration, lack of work experience, and disabilities. Goodwill provides hands-on job training in our stores and facilities, along with our job readiness and life skills training free-of-charge to community members in need. # #